

(UNOFFICIAL TRANSLATION)

**AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

**TO: THE SHAREHOLDERS OF PTT PUBLIC COMPANY LIMITED**

The Office of the Auditor General of Thailand has reviewed the consolidated and separate statements of financial position as at September 30, 2012, and the related consolidated and the separate statements of income and of comprehensive income for the three-month and nine-month periods ended September 30, 2012 and 2011, statements of changes in equity and of cash flows for the nine-month periods ended September 30, 2012 and 2011, and condensed notes to the interim financial statements of PTT Public Company Limited and its subsidiaries and of PTT Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No.34, "Interim Financial Reporting". The responsibility of the Office of the Auditor General of Thailand is to express a conclusion on this interim financial information based on the review.

**Scope of review**

The Office of the Auditor General of Thailand conducted the 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 of interim financial information 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 the Office of the Auditor General of Thailand to obtain assurance that the Office of the Auditor General of Thailand would become aware of all significant matters that might be identified in an audit. Accordingly, the Office of the Auditor General of Thailand does not express an audit opinion.

**Conclusion**

Based on the review, nothing has come to attention that causes the Office of the Auditor General of Thailand to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No.34, "Interim Financial Reporting".

*Office of the Auditor General*

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**Statements of financial position as at December 31, 2011 presented for comparative purposes**

The Office of the Auditor General of Thailand has audited the consolidated and separate financial statements for the year ended December 31, 2011 of PTT Public Company Limited and its subsidiaries, and of PTT Public Company Limited, respectively, in accordance with Thai Standards on Auditing and expressed an unqualified opinion on those statements in the report dated February 17, 2012. The consolidated and separate statements of financial position as at December 31, 2011, presented for comparative purposes, are part of the aforementioned consolidated and separate financial statements. The Office of the Auditor General of Thailand has not performed any other auditing procedures subsequent to the date of that report.

(Signed) *Sirin Phankasem*  
(Sirin Phankasem)  
Inspector General 1

(Signed) *Doungporn Muennuch*  
(Doungporn Muennuch)  
Director of Financial Audit Office No.7

## (TRANSLATION)

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011**

Unit: Baht

Notes	Consolidated financial statements		Separate financial statements		
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011	
	(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	89,393,632,376	116,132,117,868	49,520,078,436	51,340,612,291
Current investments		14,172,697,309	10,961,666,994	12,630,668,430	9,758,576,305
Trade accounts receivable	5	266,683,109,180	171,361,544,041	249,275,554,640	157,057,537,383
Other accounts receivable	6	36,495,109,040	32,624,973,453	24,810,142,092	16,744,092,815
Short-term loans	7.1	122,593,357	5,006,179,535	2,324,642,770	5,540,512,739
Inventories		44,350,890,948	26,000,290,599	18,870,899,478	18,862,996,073
Materials and supplies		12,858,817,286	13,160,269,665	3,185,831,900	4,111,583,529
Other current assets		9,115,711,928	5,877,116,368	3,339,811,536	1,484,676,958
<b>Total current assets</b>		<b>473,192,561,424</b>	<b>381,124,158,523</b>	<b>363,957,629,282</b>	<b>264,900,588,093</b>
<b>Non-current assets</b>					
Available-for-sale investments	10	12,557,802,340	11,680,416,176	12,377,567,563	11,421,510,900
Investments in associates	9.2,9.3	227,084,804,050	227,853,520,238	120,423,474,472	120,212,474,472
Investments in subsidiaries	9.3	-	-	74,353,741,513	73,278,181,513
Investments in jointly controlled entities	9.3	-	-	22,739,274,827	22,739,274,827
Other long-term investments	11	1,949,435,120	1,749,852,705	1,106,117,996	1,106,117,996
Long-term loans	7.2	886,990,856	145,763,221	63,170,345,448	52,837,646,611
Investment properties	12	8,209,433,702	8,345,289,339	5,062,226,501	5,099,303,532
Property, plant and equipment	13	625,960,622,680	601,337,460,869	224,807,117,816	219,160,024,975
Intangible assets	14	118,651,749,096	52,613,597,500	14,510,997,497	13,865,968,171
Mining properties	15	35,705,862,196	33,179,840,150	-	-
Goodwill	16	46,482,117,782	28,432,570,328	-	-
Deferred tax assets		16,026,696,276	19,318,398,602	1,675,867,069	1,807,794,853
Advance payments for gas purchases	17	6,372,313,548	7,346,227,917	7,592,899,617	8,495,573,306
Other non-current assets		30,120,079,485	28,718,977,098	21,207,743,781	20,763,637,935
<b>Total non-current assets</b>		<b>1,130,007,907,131</b>	<b>1,020,721,914,143</b>	<b>569,027,374,100</b>	<b>550,787,509,091</b>
<b>Total assets</b>		<b>1,603,200,468,555</b>	<b>1,401,846,072,666</b>	<b>932,985,003,382</b>	<b>815,688,097,184</b>

Notes to the interim financial statements are an integral part of these financial statements.

## (TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

Unit: Baht

Notes	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
	(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and Equity</b>				
<b>Current liabilities</b>				
Bank overdrafts and short-term loans from financial institutions	83,849,829,412	15,520,544,127	-	-
Trade accounts payable	261,441,714,877	195,843,431,422	240,790,434,992	162,392,716,091
Other accounts payable	29,369,965,978	35,911,904,802	17,209,045,532	24,611,844,294
Current portion of long-term loans	18 15,355,863,824	54,978,773,584	4,709,233,946	30,472,118,302
Short-term loans	8.5 -	-	3,122,063,373	6,094,303,584
Income tax payable	21,678,891,398	26,355,835,574	-	-
Short-term provision for decommissioning costs	20 700,449,811	2,312,666,525	-	-
Other current liabilities	6,718,166,662	4,599,110,120	5,157,218,047	3,510,666,798
<b>Total current liabilities</b>	<b>419,114,881,962</b>	<b>335,522,266,154</b>	<b>270,987,995,890</b>	<b>227,081,649,069</b>
<b>Non-current liabilities</b>				
Other long-term accounts payable	8.6 647,314,706	671,712,624	660,274,823	685,031,224
Long-term loans	18 393,223,463,440	337,324,118,300	253,056,968,146	213,299,643,983
Deferred tax liabilities	61,008,640,833	42,936,685,814	5,725,341,200	4,961,286,309
Employee benefit obligations	19 5,819,714,350	5,500,022,657	2,456,839,473	2,387,397,715
Long-term provision for decommissioning costs	20 22,412,539,495	22,628,852,001	-	-
Deposits on LPG cylinders	7,073,052,628	6,567,504,468	7,073,052,628	6,567,504,468
Other non-current liabilities	6,508,261,142	6,981,535,136	4,948,612,060	5,022,246,647
<b>Total non-current liabilities</b>	<b>496,692,986,594</b>	<b>422,610,431,000</b>	<b>273,921,088,330</b>	<b>232,923,110,346</b>
<b>Total liabilities</b>	<b>915,807,868,556</b>	<b>758,132,697,154</b>	<b>544,909,084,220</b>	<b>460,004,759,415</b>

Notes to the interim financial statements are an integral part of these financial statements.

(TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

Unit: Baht

Notes	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
	(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and Equity (Continued)</b>				
<b>Equity</b>				
Share capital				
Authorized share capital				
2,857,245,725 ordinary shares of Baht 10 each	28,572,457,250	28,572,457,250	28,572,457,250	28,572,457,250
Issued and paid-up share capital				
2,856,299,625 ordinary shares of Baht 10 each	28,562,996,250	28,562,996,250	28,562,996,250	28,562,996,250
Premium on ordinary shares	29,211,131,966	29,211,131,966	29,211,131,966	29,211,131,966
Retained earnings				
Appropriated				
Legal reserve	2,857,245,725	2,857,245,725	2,857,245,725	2,857,245,725
Reserve for self-insurance fund	1,034,861,938	1,034,861,938	1,034,861,938	1,034,861,938
Unappropriated	548,908,613,117	501,216,512,809	322,220,338,028	290,592,601,966
Other components of equity	(17,961,321,206)	(7,119,637,190)	4,189,345,255	3,424,499,924
Total equity attributable to equity holders of the Company	592,613,527,790	555,763,111,498	388,075,919,162	355,683,337,769
Non-controlling interests	94,779,072,209	87,950,264,014	-	-
Total equity	<b>687,392,599,999</b>	<b>643,713,375,512</b>	<b>388,075,919,162</b>	<b>355,683,337,769</b>
<b>Total liabilities and equity</b>	<b>1,603,200,468,555</b>	<b>1,401,846,072,666</b>	<b>932,985,003,382</b>	<b>815,688,097,184</b>

Notes to the interim financial statements are an integral part of these financial statements.

(Signed) Pailin Chuchottaworn  
(Pailin Chuchottaworn)  
President & Chief Executive Officer

(Signed) Surong Bulakul  
(Surong Bulakul)  
Chief Financial Officer

(TRANSLATION)

Unaudited  
but reviewed

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF INCOME**  
**FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011**

Unit: Baht

Notes	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
		(Restated)		
Sales and service income	686,025,061,043	648,365,558,443	627,374,591,045	584,361,846,776
Cost of sales and services	23 627,786,392,465	594,390,517,180	614,409,208,717	563,380,208,017
<b>Gross margin</b>	<b>58,238,668,578</b>	<b>53,975,041,263</b>	<b>12,965,382,328</b>	<b>20,981,638,759</b>
Other income	22 2,759,141,950	3,530,100,976	12,464,751,009	16,506,980,195
<b>Income before expenses</b>	<b>60,997,810,528</b>	<b>57,505,142,239</b>	<b>25,430,133,337</b>	<b>37,488,618,954</b>
Selling expenses	23 2,003,632,427	2,438,626,593	1,657,151,690	2,246,889,223
Administrative expenses	23 10,119,874,392	7,054,923,869	6,025,768,528	4,532,742,777
Executive remunerations	8.10 174,107,972	138,231,149	38,964,807	38,008,825
Petroleum exploration expenses	1,404,328,794	1,550,481,483	-	-
Petroleum royalties and remuneration	7,067,911,766	5,473,733,485	-	-
Other expenses	23 77,987	53,358,332	-	-
(Gain) Loss on foreign exchange rates	(3,407,557,950)	5,361,960,227	(3,920,652,473)	572,822,587
<b>Operating income</b>	<b>43,635,435,140</b>	<b>35,433,827,101</b>	<b>21,628,900,785</b>	<b>30,098,155,542</b>
Share of income from investments in associates	13,217,300,498	4,469,015,036	-	-
<b>Income before finance costs &amp; income taxes</b>	<b>56,852,735,638</b>	<b>39,902,842,137</b>	<b>21,628,900,785</b>	<b>30,098,155,542</b>
Finance costs	5,005,872,598	4,569,949,555	2,921,872,258	3,220,774,341
<b>Income before income taxes</b>	<b>51,846,863,040</b>	<b>35,332,892,582</b>	<b>18,707,028,527</b>	<b>26,877,381,201</b>
Income taxes	8,935,346,908	10,377,620,524	43,199,436	1,987,204,228
<b>Income for the periods</b>	<b>42,911,516,132</b>	<b>24,955,272,058</b>	<b>18,663,829,091</b>	<b>24,890,176,973</b>
<b>Attributable to:</b>				
Equity holders of the Company	36,054,151,104	21,470,608,400	18,663,829,091	24,890,176,973
Non-controlling interests	6,857,365,028	3,484,663,658	-	-
	<b>42,911,516,132</b>	<b>24,955,272,058</b>	<b>18,663,829,091</b>	<b>24,890,176,973</b>
Basic earnings per share	21 12.62	7.52	6.53	8.72
Diluted earnings per share	21 12.62	7.52	6.53	8.72

Notes to the interim financial statements are an integral part of these financial statements.

(TRANSLATION)

**Unaudited**  
**but reviewed**

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011**

Unit: Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)		
Income for the periods	42,911,516,132	24,955,272,058	18,663,829,091	24,890,176,973
Other comprehensive income (loss):				
Unrealized gain (loss) on available-for-sale investments	765,787,049	(2,591,083,806)	836,175,619	(2,534,893,494)
Income taxes related to unrealized gain (loss) on available-for-sale investments	(167,235,124)	760,468,049	(167,235,123)	760,468,047
Currency translation differences	(6,635,297,571)	2,902,012,588	-	-
Share of other comprehensive gain (loss) of associates	15,349,965	(85,686,635)	-	-
Other comprehensive income (loss), net of income taxes	(6,021,395,681)	985,710,196	668,940,496	(1,774,425,447)
<b>Total comprehensive income for the periods</b>	<b>36,890,120,451</b>	<b>25,940,982,254</b>	<b>19,332,769,587</b>	<b>23,115,751,526</b>
<b>Attributable to:</b>				
Equity holders of the Company	31,986,587,003	21,497,555,848	19,332,769,587	23,115,751,526
Non-controlling interests	4,903,533,448	4,443,426,406	-	-
	<b>36,890,120,451</b>	<b>25,940,982,254</b>	<b>19,332,769,587</b>	<b>23,115,751,526</b>

*Notes to the interim financial statements are an integral part of these financial statements.*

(TRANSLATION)

Unaudited  
but reviewed

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF INCOME**  
**FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011**

Unit: Baht

Notes	Consolidated financial statements		Separate financial statements	
	2012	2011 (Restated)	2012	2011
Sales and service income	2,060,947,145,692	1,832,799,410,041	1,888,194,705,110	1,664,806,900,806
Cost of sales and services	23 1,885,975,335,378	1,667,859,250,148	1,834,727,080,405	1,600,173,290,212
<b>Gross margin</b>	<b>174,971,810,314</b>	<b>164,940,159,893</b>	<b>53,467,624,705</b>	<b>64,633,610,594</b>
Other income	22 13,271,347,798	12,368,490,562	39,301,127,656	35,546,268,767
<b>Income before expenses</b>	<b>188,243,158,112</b>	<b>177,308,650,455</b>	<b>92,768,752,361</b>	<b>100,179,879,361</b>
Selling expenses	23 8,053,861,178	7,711,670,412	7,174,864,377	6,936,668,318
Administrative expenses	23 25,016,814,109	20,892,826,641	14,135,212,902	12,296,876,420
Executive remunerations	8.10 542,181,748	465,066,235	116,488,072	109,929,322
Petroleum exploration expenses	4,523,866,949	5,770,651,674	-	-
Petroleum royalties and remuneration	19,330,537,972	16,055,750,243	-	-
Other expenses	23 7,528,182,174	159,114,965	-	-
(Gain) Loss on foreign exchange rates	(4,037,746,499)	1,552,187,238	(6,750,041,034)	(633,474,966)
<b>Operating income</b>	<b>127,285,460,481</b>	<b>124,701,383,047</b>	<b>78,092,228,044</b>	<b>81,469,880,267</b>
Share of income from investments in associates	19,152,277,849	26,127,301,883	-	-
<b>Income before finance costs &amp; income taxes</b>	<b>146,437,738,330</b>	<b>150,828,684,930</b>	<b>78,092,228,044</b>	<b>81,469,880,267</b>
Finance costs	14,267,667,166	13,442,828,843	9,131,700,634	9,642,791,400
<b>Income before income taxes</b>	<b>132,170,071,164</b>	<b>137,385,856,087</b>	<b>68,960,527,410</b>	<b>71,827,088,867</b>
Income taxes	34,061,356,223	35,595,220,641	3,071,296,192	7,421,032,132
<b>Income for the periods</b>	<b>98,108,714,941</b>	<b>101,790,635,446</b>	<b>65,889,231,218</b>	<b>64,406,056,735</b>
<b>Attributable to:</b>				
Equity holders of the Company	81,953,595,464	88,669,908,024	65,889,231,218	64,406,056,735
Non-controlling interests	16,155,119,477	13,120,727,422	-	-
	<b>98,108,714,941</b>	<b>101,790,635,446</b>	<b>65,889,231,218</b>	<b>64,406,056,735</b>
Basic earnings per share	21 28.69	31.09	23.07	22.58
Diluted earnings per share	21 28.69	31.07	23.07	22.57

Notes to the interim financial statements are an integral part of these financial statements.



(TRANSLATION)

**Unaudited  
but reviewed**

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
		<b>(Restated)</b>		
Income for the periods	98,108,714,941	101,790,635,446	65,889,231,218	64,406,056,735
Other comprehensive income (loss):				
Unrealized gain (loss) on available-for-sale investments	816,814,132	(2,612,027,731)	956,056,664	(2,549,227,310)
Income taxes related to unrealized gain (loss) on available-for-sale investments	(191,211,333)	764,768,193	(191,211,333)	764,768,193
Currency translation differences	(4,491,542,218)	6,999,638,200	-	-
Share of other comprehensive gain (loss) of associates	(53,975,195)	19,584,336	-	-
Other comprehensive income (loss), net of income taxes	(3,919,914,614)	5,171,962,998	764,845,331	(1,784,459,117)
<b>Total comprehensive income for the periods</b>	<b>94,188,800,327</b>	<b>106,962,598,444</b>	<b>66,654,076,549</b>	<b>62,621,597,618</b>
<b>Attributable to:</b>				
Equity holders of the Company	78,794,739,852	91,721,633,963	66,654,076,549	62,621,597,618
Non-controlling interests	15,394,060,475	15,240,964,481	-	-
	<b>94,188,800,327</b>	<b>106,962,598,444</b>	<b>66,654,076,549</b>	<b>62,621,597,618</b>

*Notes to the interim financial statements are an integral part of these financial statements.*

(TRANSLATION)

Unaudited

but reviewed

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN EQUITY  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
CONSOLIDATED FINANCIAL STATEMENTS

Unit: Baht

Total equity attributable to equity holders of the Company													
Notes	Retained earnings					Other components of equity				Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity	
	Issued and paid-up share capital	Premium on share capital	Legal reserve	Reserve for self-insurance fund	Unappropriated	Other comprehensive income (loss)			Surplus (Deficit) from the change in the ownership interests in subsidiaries				Total other components of equity
						Currency translation differences	Available-for-sale investments	Share of other comprehensive gain (loss) of associates					
<b>Balance as at January 1, 2011</b>	<b>28,490,420,250</b>	<b>27,585,429,566</b>	<b>2,857,245,725</b>	<b>1,005,090,857</b>	<b>428,455,273,592</b>	<b>(15,789,257,061)</b>	<b>3,894,375,831</b>	<b>3,347,925,518</b>	<b>857,332,064</b>	<b>(7,689,623,648)</b>	<b>480,703,836,342</b>	<b>76,710,028,248</b>	<b>557,413,864,590</b>
Cumulative effect of the changes in accounting policies	-	-	-	-	(676,602,614)	(1,068,540,578)	2,434,951	-	-	(1,066,105,627)	(1,742,708,241)	(450,916,691)	(2,193,624,932)
<b>Balance after adjustment</b>	<b>28,490,420,250</b>	<b>27,585,429,566</b>	<b>2,857,245,725</b>	<b>1,005,090,857</b>	<b>427,778,670,978</b>	<b>(16,857,797,639)</b>	<b>3,896,810,782</b>	<b>3,347,925,518</b>	<b>857,332,064</b>	<b>(8,755,729,275)</b>	<b>478,961,128,101</b>	<b>76,259,111,557</b>	<b>555,220,239,658</b>
<b>Changes in equity for the period</b>													
Increase in share capital	72,576,000	1,625,702,400	-	-	-	-	-	-	-	-	1,698,278,400	231,447,360	1,929,725,760
Dividend paid	-	-	-	-	(32,792,718,837)	-	-	-	-	-	(32,792,718,837)	-	(32,792,718,837)
Dividend paid of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(7,430,429,993)	(7,430,429,993)
Surplus (Deficit) from the change in the ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(11,357,097,287)	(11,357,097,287)	(11,357,097,287)	(3,770,595,782)	(15,127,693,069)
Total comprehensive income (loss) for the period	-	-	-	-	88,669,908,024	4,883,920,212	(1,851,778,609)	19,584,336	-	3,051,725,939	91,721,633,963	15,240,964,481	106,962,598,444
<b>Balance as at September 30, 2011</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,005,090,857</b>	<b>483,655,860,165</b>	<b>(11,973,877,427)</b>	<b>2,045,032,173</b>	<b>3,367,509,854</b>	<b>(10,499,765,223)</b>	<b>(17,061,100,623)</b>	<b>528,231,224,340</b>	<b>80,530,497,623</b>	<b>608,761,721,963</b>
<b>Balance as at January 1, 2012</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,034,861,938</b>	<b>500,929,192,499</b>	<b>(9,418,416,748)</b>	<b>3,400,641,676</b>	<b>9,433,502,186</b>	<b>(10,090,941,546)</b>	<b>(6,675,214,432)</b>	<b>555,920,213,946</b>	<b>88,028,360,086</b>	<b>643,948,574,032</b>
Cumulative effect of the changes in accounting policies	-	-	-	-	287,320,310	(37,642,007)	2,042,927	-	(408,823,678)	(444,422,758)	(157,102,448)	(78,096,072)	(235,198,520)
<b>Balance after adjustment</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,034,861,938</b>	<b>501,216,512,809</b>	<b>(9,456,058,755)</b>	<b>3,402,684,603</b>	<b>9,433,502,186</b>	<b>(10,499,765,224)</b>	<b>(7,119,637,190)</b>	<b>555,763,111,498</b>	<b>87,950,264,014</b>	<b>643,713,375,512</b>
<b>Changes in equity for the period</b>													
Increase in subordinated capital debentures	-	-	-	-	-	-	-	-	-	-	-	4,987,735,024	4,987,735,024
Interests for subordinated capital debentures	-	-	-	-	-	-	-	-	-	-	-	(73,752,198)	(73,752,198)
Dividend paid	-	-	-	-	(34,261,495,156)	-	-	-	-	-	(34,261,495,156)	-	(34,261,495,156)
Dividend paid of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(8,232,165,797)	(8,232,165,797)
Surplus (Deficit) from the change in the ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(7,682,828,404)	(7,682,828,404)	(7,682,828,404)	(5,247,069,309)	(12,929,897,713)
Total comprehensive income (loss) for the period	-	-	-	-	81,953,595,464	(3,730,449,086)	625,568,669	(53,975,195)	-	(3,158,855,612)	78,794,739,852	15,394,060,475	94,188,800,327
<b>Balance as at September 30, 2012</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,034,861,938</b>	<b>548,908,613,117</b>	<b>(13,186,507,841)</b>	<b>4,028,253,272</b>	<b>9,379,526,991</b>	<b>(18,182,593,628)</b>	<b>(17,961,321,206)</b>	<b>592,613,527,790</b>	<b>94,779,072,209</b>	<b>687,392,599,999</b>

Notes to the interim financial statements are an integral part of these financial statements.

(TRANSLATION)

Unaudited

but reviewed

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN EQUITY  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
SEPARATE FINANCIAL STATEMENTS

Unit: Baht

Total equity attributable to equity holders of the company							
Notes	Issued and paid-up share capital	Premium on share capital	Legal reserve	Retained earnings		Other components of equity	Total equity
				Reserve for self-insurance fund	Unappropriated	Other comprehensive income (loss)	
						Available-for-sale investments	
<b>Balance as at January 1, 2011</b>	28,490,420,250	27,585,429,566	2,857,245,725	1,005,090,857	249,981,088,941	3,847,769,253	313,767,044,592
<b>Changes in equity for the period</b>							
Increase in share capital	72,576,000	1,625,702,400	-	-	-	-	1,698,278,400
Dividend paid	-	-	-	-	(32,792,718,837)	-	(32,792,718,837)
Total comprehensive income (loss) for the period	-	-	-	-	64,406,056,735	(1,784,459,117)	62,621,597,618
<b>Balance as at September 30, 2011</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,005,090,857</b>	<b>281,594,426,839</b>	<b>2,063,310,136</b>	<b>345,294,201,773</b>
<b>Balance as at January 1, 2012</b>	28,562,996,250	29,211,131,966	2,857,245,725	1,034,861,938	290,592,601,966	3,424,499,924	355,683,337,769
<b>Changes in equity for the period</b>							
Dividend paid	26	-	-	-	(34,261,495,156)	-	(34,261,495,156)
Total comprehensive income for the period	-	-	-	-	65,889,231,218	764,845,331	66,654,076,549
<b>Balance as at September 30, 2012</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,034,861,938</b>	<b>322,220,338,028</b>	<b>4,189,345,255</b>	<b>388,075,919,162</b>

Notes to the interim financial statements are an integral part of these financial statements.

(TRANSLATION)

Unaudited

but reviewed

## PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
		(Restated)		
<b>Cash Flows from Operating Activities</b>				
Net income attributable to the equity holders of the Company	81,953,595,464	88,669,908,024	65,889,231,218	64,406,056,735
Adjustment of net income to net cash provided by (used in) operating activities:				
Depreciation, depletion and amortization	48,496,676,641	39,306,501,740	10,347,200,638	9,988,724,689
(Reversal of) Loss on impairment of assets	7,528,182,174	680,297,589	-	(19,304)
(Gain) Loss on disposal of assets	86,899,536	9,051,292	(3,236,130)	(29,917,763)
Gain on disposal of investments	-	(993,995,902)	-	(1,412,515,768)
Write-off property, plant and equipment	69,901,230	370,197,858	51,263,425	330,694,259
Share of net income from investments in associates	(19,152,277,849)	(26,127,301,883)	-	-
Net income attributable to non-controlling interests	16,155,119,477	13,120,727,422	-	-
Provision for employee benefit obligations	480,125,913	474,076,221	179,452,411	174,114,477
Unrealized (gain) loss on exchange rates	1,936,557,210	295,269,843	(1,181,581,474)	2,684,234,177
Reversal of Doubtful accounts	(60,394,686)	(180,500,171)	(59,261,435)	(85,153,934)
Amortization of exploration costs	2,089,204,090	3,602,384,527	-	-
Amortization of debenture discounts	21,099,280	20,659,785	21,099,280	20,659,785
Amortization of deferred interest from finance leases	19,645,115	19,768,993	18,425,638	19,351,980
Allowance for loss on decline in value of inventories	158,409,393	292,133,095	148,150,160	271,984,501
(Reversal of) Allowance for obsolete materials and supplies	3,541,032	(45,184,068)	(8,639,427)	(45,184,068)
Dividend income	(375,948,431)	(599,857,149)	(28,881,294,570)	(24,290,995,843)
Income taxes	34,061,356,223	35,595,220,641	3,071,296,192	7,421,032,132
Interest income	(2,288,380,970)	(2,692,456,262)	(3,961,043,813)	(3,567,755,691)
Interest expenses	13,657,299,454	13,215,001,369	8,645,533,135	9,270,107,132
Others	(290,333,856)	15,013,085	-	-
Net income from operating activities before changes in operating assets and liabilities	184,550,276,440	165,046,916,049	54,276,595,248	65,155,417,496

Notes to the interim financial statements are an integral part of these financial statements.

## (TRANSLATION)

## PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

Unauditedbut reviewed

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
		(Restated)		
Changes in operating assets (increase) decrease				
Trade accounts receivable	(96,966,156,630)	(39,417,593,386)	(93,312,222,269)	(16,965,627,201)
Other accounts receivable and short-term loans	998,177,296	(6,422,265,081)	(3,158,925,771)	(4,884,584,668)
Inventories	(18,493,333,271)	(874,794,465)	(158,546,281)	(10,354,436,133)
Materials and supplies	(786,392,766)	(1,379,756,741)	(49,305,671)	(418,339,378)
Other current assets	(1,767,088,681)	(1,012,091,102)	(526,221,054)	641,029,887
Advance payments for gas purchases	973,914,370	9,331,979,405	902,673,690	10,141,308,017
Other non-current assets	(1,788,246,420)	(1,052,001,051)	(695,768,894)	(1,230,637,428)
Changes in operating liabilities increase (decrease)				
Trade accounts payable	58,751,470,096	10,777,169,062	75,808,233,422	5,591,784,837
Other accounts payable	(1,316,244,305)	6,139,675,107	(1,970,577,992)	(502,597,076)
Other current liabilities	(2,634,518,111)	43,078,648	(988,646,589)	417,635,442
Deposits on LPG cylinders	505,548,160	367,860,925	505,548,160	367,860,925
Other long-term accounts payable	(1,177,599)	(25,499,482)	-	(25,860,617)
Other non-current liabilities	(437,322,115)	(612,023,755)	(43,425,594)	(1,053,011,258)
	(62,961,369,976)	(24,136,261,916)	(23,687,184,843)	(18,275,474,651)
Cash received from operating activities	121,588,906,464	140,910,654,133	30,589,410,405	46,879,942,845
Interest received	1,674,042,169	761,982,953	914,736,339	279,194,808
Interest paid	(65,383,991)	(153,603,659)	-	-
Income tax paid	(35,493,440,065)	(38,748,477,370)	(2,343,030,371)	(9,055,517,932)
Net cash provided by operating activities	87,704,124,577	102,770,556,057	29,161,116,373	38,103,619,721

Notes to the interim financial statements are an integral part of these financial statements.

(TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CASH FLOWS

Unaudited  
but reviewed

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
		(Restated)		
<b>Cash Flows from Investing Activities</b>				
Payment of property, plant and equipment	(85,286,843,270)	(79,672,027,202)	(15,541,977,246)	(20,234,032,957)
Payment of intangible assets	(2,757,799,212)	(3,343,749,410)	(118,014,029)	(155,806,470)
Payment of mining properties development	(73,616,066)	(189,351,075)	-	-
Payment of long-term rental contracts on land and building	(38,487,237)	(261,826,825)	(38,487,237)	(166,808,930)
Payment of investments in subsidiaries	(72,983,906,973)	(14,495,000,170)	(1,075,560,000)	(24,505,089,000)
Payment of investments in jointly controlled entities	-	(57,285,232,050)	-	(671,652,415)
Payment of investments in associates	(386,482,817)	(4,174,758,510)	(211,000,000)	(3,927,568,938)
Payment of investments in others	(266,119,992)	-	-	-
Payment of long-term loans	(168,229,226)	-	(37,644,205,407)	(3,726,872,763)
Proceeds from disposals of property, plant and equipment and intangible assets	213,769,105	59,287,499	26,059,882	57,325,974
Proceeds from disposals of long-term investments	-	1,967,856,250	-	1,967,856,250
Proceeds from short-term loans	4,825,725,880	33,456,073	4,825,725,880	-
Proceeds from long-term loans	88,901,751	1,131,432,297	24,397,583,957	2,863,068,808
Proceeds from cancellation of leasehold in gas stations	14,062,463	14,182,977	14,062,463	14,182,976
(Increase) Decrease in current investments	(3,184,207,915)	6,266,109,040	(2,872,126,524)	7,148,968,510
Interest received	1,986,158,992	3,986,774,530	3,112,543,446	5,091,037,014
Dividends received	10,911,983,149	11,607,769,912	24,688,669,304	24,290,995,843
Net cash used in investing activities	(147,105,091,368)	(134,355,076,664)	(436,725,511)	(11,954,396,098)

Notes to the interim financial statements are an integral part of these financial statements.

(TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CASH FLOWS

Unaudited  
but reviewed

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

Unit: Baht

Notes	Consolidated financial statements		Separate financial statements	
	2012	2011 (Restated)	2012	2011
<b>Cash Flows from Financing Activities</b>				
Proceeds from issuing ordinary shares	-	146,535,080	-	72,576,000
Proceeds from premium on share capital	-	1,625,702,400	-	1,625,702,400
Proceeds from issuing subordinated capital debentures	4,819,175,709	-	-	-
Proceeds from issuing promissory notes	-	4,520,000,000	-	4,520,000,000
Proceeds from short-term loans	47,934,312,174	2,198,140,859	-	593,743,242
Proceeds from long-term loans	15,629,263,586	20,309,431,539	-	8,284,000
Proceeds from issuing debentures	60,473,298,946	21,162,702,676	45,000,000,000	-
Repayment of promissory notes	-	(4,520,000,000)	-	(4,520,000,000)
Repayment of short-term loans	(2,253,146,971)	(303,173,601)	(2,972,240,211)	-
Repayment of long-term loans	(5,434,036,762)	(3,448,645,461)	(2,560,214,425)	(1,983,442,589)
Redemption of PTT bonds	(3,000,000,000)	(8,000,000,000)	(3,000,000,000)	(8,000,000,000)
Redemption of debentures	(47,929,461,083)	-	(23,500,000,000)	-
Repayment of finance lease installments	(205,325,661)	(172,330,978)	(143,922,486)	(146,658,494)
Increase in bank overdrafts and short-term loans from financial institutions	22,102,006,694	3,020,996,324	-	-
Interest paid	(14,429,140,832)	(13,842,674,576)	(8,728,684,079)	(8,713,147,484)
Dividends paid	(42,731,806,029)	(40,783,031,264)	(34,261,495,156)	(32,776,219,486)
Net cash provided by (used in) financing activities	34,975,139,771	(18,086,347,002)	(30,166,556,357)	(49,319,162,411)
Effects of exchange rates on cash and cash equivalents	(1,431,054,184)	685,232,070	(378,368,360)	19,630,482
Currency translation differences	(881,604,288)	10,224,798,363	-	-
Net decrease in cash and cash equivalents	(26,738,485,492)	(38,760,837,176)	(1,820,533,855)	(23,150,308,306)
Cash and cash equivalents at the beginning of the periods	116,132,117,868	135,801,054,025	51,340,612,291	61,311,017,827
<b>Cash and cash equivalents at the end of periods</b>	<b>4 89,393,632,376</b>	<b>97,040,216,849</b>	<b>49,520,078,436</b>	<b>38,160,709,521</b>

Notes to the interim financial statements are an integral part of these financial statements.

**AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION  
AND INTERIM FINANCIAL STATEMENTS  
OF  
PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012**



**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011**  
**(UNAUDITED BUT REVIEWED)**

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**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011**  
**(UNAUDITED BUT REVIEWED)**

**1. General Information**

PTT Public Company Limited (“the Company”) is incorporated as a public limited company in Thailand, and is listed on the Stock Exchange of Thailand. The address of its incorporated and registered office is as follows:

The Head Office of the Company is located at 555 Vibhavadi-Rangsit Road, Chatuchak, Bangkok, Thailand.

The Company’s principal activity is the operation of its petroleum business. The Company has invested in subsidiaries, jointly controlled entities and associates (“the Group”), which are engaged in upstream petroleum, natural gas, downstream petroleum, coal and other related businesses as described in Note 24 “Segment Information”.

**2. Basis of Interim Financial Statements Preparation**

**2.1 Purpose of the Interim Financial Statements**

These interim financial statements are prepared in order to provide additional information other than that included in the latest annual financial statements. Accordingly, these interim financial statements focus on the reporting of new activities, events and circumstances so as not to repeat information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

**2.2 Basis of Interim Financial Statements Preparation**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2009) - Interim Financial Reporting, and with generally accepted accounting principles under the Accounting Act, B.E. 2543. These are Thai Accounting Standards under the Accounting Profession Act, B.E. 2547, including interpretations and guidelines promulgated by the Federation of Accounting Profession, and applicable rules and regulations of the Securities and Exchange Commission under the Securities and Exchange Act, B.E. 2535. The content of the interim financial statements comprises the statements of financial position, statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows in the same format as that used for the annual financial statements and condensed notes.

This English translation of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

### 3. Accounting Policies

#### 3.1 Accounting Policies

In preparing the interim financial statements, the Group applied the same accounting policies and computation based as for the financial statements for the year ended December 31, 2011.

#### 3.2 New and Revised Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), and Interpretations which is effective for accounting periods beginning on or after January 1, 2013 are as follows:

◆Thai Accounting Standard No.12	Income Taxes
◆Thai Accounting Standard No.20	Accounting for Government Grants and Disclosure of Government Assistance
◆Thai Accounting Standard No.21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
◆Thai Standing Interpretations No.10	Government Assistance – No Specific Relation to Operating Activities
◆Thai Standing Interpretations No.21	Income Taxes – Recovery of Revalued Non – Depreciable Assets
◆Thai Standing Interpretations No.25	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
◆Thai Financial Reporting Standard No.8	Operating Segments

The management of the Group has assessed and determined the potential impact of adopting these new and revised standards and interpretations, which are effective for accounting periods beginning on or after January 1, 2013, except for the Thai Accounting Standard No.12 - Income Taxes that has been adopted and applied before the effective date, and concluded that they will have no material impact on the consolidated and the separate financial statements except for the Thai Accounting Standard No.21 (revised 2009) - The Effects of Changes in Foreign Exchange Rates. Currently, the management of the Group is considering the functional currency and its effects to the Group. These are expected to be completed within December 2012. However, there are two of subsidiaries of the Group, which are PTT Exploration and Production Public Co., Ltd (PTTEP) and PTT International Co., Ltd (PTTI), have adopted and applied before the effective date since January 1, 2011 and January 1, 2012, respectively. Details are disclosed in Note 3.3.

**3. Accounting Policies (continued)****3.3 Change in Functional Currency of a Domestic Subsidiary**

Since January 1, 2012, PTT International Co., Ltd. (PTTI), a subsidiary of the Company, has changed its functional currency from Baht to USD, based on the main denomination of its operating income and expense transactions. The change above is considered as a change in accounting policy and PTTI; therefore, restated its financial statements. The Group prepared its consolidation financial statements using the Baht translated version of PTTI's financial statements. Details of the impact on the consolidated financial statements are as follows:

	Unit: Million Baht
	Consolidated financial statements
	<u>Increase (Decrease)</u>
<b>Statement of financial position as at January 1, 2011</b>	
- Total assets	(2,769.41)
- Total liabilities	(575.78)
- Total equity	(2,193.63)
<b>Statement of financial position as at December 31, 2011</b>	
- Total assets	(566.02)
- Total liabilities	(330.82)
- Total equity	(235.20)
<b>Statements of income and comprehensive income for the three-month period ended September 30, 2011</b>	
- Total income	0.37
- Cost of sales and total expenses	(1.88)
- Loss from foreign exchange rates	130.76
- Income for the period	(128.51)
- Other comprehensive income, net of income taxes	1,317.66
- Total comprehensive income for the period	1,189.15
<b>Statements of income and comprehensive income for the nine-month period ended September 30, 2011</b>	
- Total income	(9.93)
- Cost of sales and total expenses	(5.34)
- Loss from foreign exchange rates	(23.07)
- Income for the period	18.48
- Other comprehensive income, net of income taxes	355.12
- Total comprehensive income for the period	373.60

**4. Cash and Cash Equivalents**

Cash and cash equivalents as at September 30, 2012 and December 31, 2011 are as follows:

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2012</u>	<u>December 31, 2011</u>	<u>September 30, 2012</u>	<u>December 31, 2011</u>
Cash on hand	1,859.59	453.47	326.01	213.95
Deposits held at call with banks	72,384.22	68,058.06	36,952.39	21,892.01
Fixed deposits	9,008.37	19,649.05	7,942.74	15,600.00
Treasury bills	4,311.54	13,066.89	3,999.03	-
Promissory notes	1,530.00	5,770.00	-	4,500.00
Bank of Thailand bonds	299.91	9,134.65	299.91	9,134.65
<b>Total</b>	<b>89,393.63</b>	<b>116,132.12</b>	<b>49,520.08</b>	<b>51,340.61</b>

Cash and cash equivalents as at September 30, 2012 mainly bear the interest at rates ranging from 0.03% to 6.75% per annum (December 31, 2011: interest rates range from 0.10% to 6.00% per annum).

**5. Trade Accounts Receivable**

Trade accounts receivable as at September 30, 2012 and December 31, 2011 are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Trade accounts receivable – others	185,424.21	107,875.52	143,751.53	81,012.79
Notes receivable	620.11	1,037.59	620.11	1,037.59
	186,044.32	108,913.11	144,371.64	82,050.38
<u>Less</u> Allowance for doubtful accounts	<u>(1,843.22)</u>	<u>(1,850.13)</u>	<u>(698.88)</u>	<u>(724.45)</u>
Trade accounts receivable – others	184,201.10	107,062.98	143,672.76	81,325.93
Trade accounts receivable – related	82,816.20	64,643.44	105,936.98	76,076.49
<u>Less</u> Allowance for doubtful accounts	<u>(334.19)</u>	<u>(344.88)</u>	<u>(334.19)</u>	<u>(344.88)</u>
Trade accounts receivable – related (Note 8.1)	82,482.01	64,298.56	105,602.79	75,731.61
Total	<u>266,683.11</u>	<u>171,361.54</u>	<u>249,275.55</u>	<u>157,057.54</u>

Aging analysis is as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Within credit terms	257,698.77	168,337.87	234,598.09	151,499.13
Overdue				
- Within 3 months	5,377.61	2,222.92	7,989.20	1,903.45
- Over 3 - 6 months	1,113.38	638.46	1,463.77	437.52
- Over 6 - 12 months	2,594.75	492.93	2,481.04	331.90
- Over 12 months	2,076.01	1,864.37	3,776.52	3,954.87
	268,860.52	173,556.55	250,308.62	158,126.87
<u>Less</u> Allowance for doubtful accounts	<u>(2,177.41)</u>	<u>(2,195.01)</u>	<u>(1,033.07)</u>	<u>(1,069.33)</u>
Total	<u>266,683.11</u>	<u>171,361.54</u>	<u>249,275.55</u>	<u>157,057.54</u>

Trade accounts receivable as at September 30, 2012 include receivables from government agencies and state enterprises in the consolidated financial statements amounting to Baht 31,555.58 million (December 31, 2011: Baht 15,525.16 million), and in the separate financial statements amounting to Baht 31,242.90 million (December 31, 2011: Baht 15,362.08 million).

**6. Other Accounts Receivable**

Other accounts receivable as at September 30, 2012 and December 31, 2011 are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Other accounts receivable	11,035.28	12,315.98	4,421.95	3,085.77
<u>Less</u> Allowance for doubtful accounts	<u>(316.72)</u>	<u>(341.68)</u>	<u>(311.92)</u>	<u>(334.92)</u>
Other accounts receivable	10,718.56	11,974.30	4,110.03	2,750.85
Refund receivable from the Oil Stabilization Fund	14,308.34	11,657.36	14,308.34	11,627.05
Advances	4,588.71	6,163.78	597.17	570.00
Accrued interest income and others	<u>2,272.17</u>	<u>1,623.27</u>	<u>551.22</u>	<u>233.85</u>
Other accounts receivable – others	31,887.78	31,418.71	19,566.76	15,181.75
Other accounts receivable – related (Note 8.2)	<u>4,607.33</u>	<u>1,206.26</u>	<u>5,243.38</u>	<u>1,562.34</u>
Total	<u><u>36,495.11</u></u>	<u><u>32,624.97</u></u>	<u><u>24,810.14</u></u>	<u><u>16,744.09</u></u>

The refund receivable from the Oil Stabilization Fund represents compensation for locally manufactured oil and cooking gas, import oil and cooking gas, and subsidies from the Oil Stabilization Fund for export oil or oil sold to outbound transportation barges, including compensation for Natural Gas for Vehicles (NGV) prices. The compensation and refund rates are determined by the Committee of Energy Policy Administration.

**7. Loans**

7.1 Short-term loans as at September 30, 2012 and December 31, 2011 are as follows:

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2012</u>	<u>December 31, 2011</u>	<u>September 30, 2012</u>	<u>December 31, 2011</u>
Short-term loans – others	122.59	182.36	93.71	119.52
Short-term loans – related (Note 8.2)	-	4,823.82	2,230.93	5,420.99
Total	<u>122.59</u>	<u>5,006.18</u>	<u>2,324.64</u>	<u>5,540.51</u>

Short-term loans – others of the Company are loans provided to transport operators to use as working capital for NGV installation, conversion or modification, including purchases of new natural gas vehicles under the Krungthep Fha Sai project which aims to support the use of NGV as alternative source of energy. The loan interest rate as at September 30, 2012 is 0.50% per annum. (December 31, 2011: the loan interest rate is 0.50% per annum)

7.2 Long-term loans as at September 30, 2012 and December 31, 2011 are as follows:

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2012</u>	<u>December 31, 2011</u>	<u>September 30, 2012</u>	<u>December 31, 2011</u>
Long-term loans – others	886.99	139.94	82.55	139.94
Long-term loans – related (Note 8.3)	-	5.82	63,087.80	52,697.71
Total	<u>886.99</u>	<u>145.76</u>	<u>63,170.35</u>	<u>52,837.65</u>

Long-term loans – others of the Company are loans under the Krungthep Fha Sai project of which details are disclosed in Note 7.1.



**8. Related Party Transactions**

The followings are significant transactions carried out with related parties:

## 8.1 Trade accounts receivable – related parties as at September 30, 2012 and December 31, 2011

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Subsidiaries	-	-	20,725.70	10,991.18
Jointly controlled entities	-	-	2,904.33	751.86
Associates	72,314.42	59,798.70	72,133.46	59,651.81
Other related parties	10,501.78	4,844.74	10,173.49	4,681.64
Total	82,816.20	64,643.44	105,936.98	76,076.49
<u>Less</u> Allowance for doubtful accounts	(334.19)	(344.88)	(334.19)	(344.88)
Trade accounts receivable – related parties	<u>82,482.01</u>	<u>64,298.56</u>	<u>105,602.79</u>	<u>75,731.61</u>

Aging analysis is as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Within credit terms	82,137.93	64,141.37	98,006.25	72,427.41
Overdue				
- Within 3 months	212.25	108.14	4,184.67	107.89
- Over 3 - 6 months	103.10	135.24	435.27	133.70
- Over 6 - 12 months	151.82	175.11	198.54	174.91
- Over 12 months	211.10	83.58	3,112.25	3,232.58
Total	82,816.20	64,643.44	105,936.98	76,076.49
<u>Less</u> Allowance for doubtful accounts	(334.19)	(344.88)	(334.19)	(344.88)
Trade accounts receivable – related parties	<u>82,482.01</u>	<u>64,298.56</u>	<u>105,602.79</u>	<u>75,731.61</u>

**8. Related Party Transactions (Continued)**

## 8.2 Other accounts receivable, advances and short-term loans – related parties as at September 30, 2012 and December 31, 2011

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
<u>Other accounts receivable</u>				
Subsidiaries	-	-	546.32	414.76
Jointly controlled entities	-	-	24.11	22.82
Associates	4,501.51	624.53	4,500.65	623.11
Other related parties	58.35	245.42	44.09	46.16
	4,559.86	869.95	5,115.17	1,106.85
<u>Less Allowance for doubtful accounts</u>	(16.09)	(16.09)	(16.09)	(16.09)
Total	4,543.77	853.86	5,099.08	1,090.76
<u>Advances</u>				
Subsidiaries	-	-	81.91	153.98
Associates	0.62	0.68	-	-
Other related parties	62.94	351.72	62.39	317.60
Total	63.56	352.40	144.30	471.58
Total other accounts receivable	4,607.33	1,206.26	5,243.38	1,562.34
<u>Short-term loans</u>				
Subsidiaries	-	-	2,230.93	597.17
Associates	-	4,823.82	-	4,823.82
Total	-	4,823.82	2,230.93	5,420.99

Movements in short-term loans – related parties are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Balance as at January 1	4,823.82	-	5,420.99	500.00
- Payment for loans granted	-	-	-	34.62
- Receipt from loans granted	(4,823.82)	(226.23)	(4,825.73)	(2,064.26)
- Loss on exchange rate	-	-	(10.40)	-
- Current portion of long-term loans (Note 8.3)	-	5,050.05	1,646.07	6,798.08
Balance as at September 30	-	4,823.82	2,230.93	5,268.44

Short-term loans to related parties are unsecured and the interest rates as at September 30, 2012 range from 5.37% to 6.13% per annum (December 31, 2011: the interest rates range from 4.00% to 7.25% per annum).

**8. Related Party Transactions (Continued)**

- 8.3 Other accounts receivable, advances and long-term loans – related parties as at September 30, 2012 and December 31, 2011

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
<u>Long-term loans</u>				
Subsidiaries	-	-	62,045.84	52,697.71
Jointly controlled entities	-	-	1,041.96	-
Associates	-	5.82	-	-
<b>Total</b>	<b>-</b>	<b>5.82</b>	<b>63,087.80</b>	<b>52,697.71</b>

Movements in long-term loans – related parties are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Balance as at January 1	5.82	5,753.88	52,697.71	55,302.26
- Payment for loans granted	-	-	37,644.21	4,424.98
- Receipt from loans granted	(5.74)	(696.39)	(24,314.42)	(690.00)
- Gain (Loss) on exchange rate	(0.08)	0.27	(1,293.63)	-
- Current portion of long-term loans	-	(5,050.05)	(1,646.07)	(6,798.08)
<b>Balance as at September 30</b>	<b>-</b>	<b>7.71</b>	<b>63,087.80</b>	<b>52,239.16</b>

Long-term loans to related parties are unsecured and the interest rates as at September 30, 2012 range from 2.74% to 5.46% per annum (December 31, 2011: the interest rates range from 3.46% to 5.58% per annum).

**8. Related Party Transactions (Continued)**

## 8.4 Trade accounts payable – related parties as at September 30, 2012 and December 31, 2011

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2012</u>	<u>December 31, 2011</u>	<u>September 30, 2012</u>	<u>December 31, 2011</u>
Subsidiaries	-	-	26,548.84	13,381.95
Jointly controlled entities	-	-	5,560.98	5,093.66
Associates	47,714.64	40,834.31	46,190.10	39,028.26
Other related parties	6,051.53	4,450.62	611.21	337.42
<b>Total</b>	<b>53,766.17</b>	<b>45,284.93</b>	<b>78,911.13</b>	<b>57,841.29</b>

## 8.5 Other accounts payable and short-term loans – related parties as at September 30, 2012 and December 31, 2011

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2012</u>	<u>December 31, 2011</u>	<u>September 30, 2012</u>	<u>December 31, 2011</u>
<b><u>Other accounts payable</u></b>				
Subsidiaries	-	-	1,362.59	1,313.44
Jointly controlled entities	-	-	4.74	4.02
Associates	815.32	747.94	500.90	589.66
Other related parties	45.05	117.96	44.15	116.51
<b>Total</b>	<b>860.37</b>	<b>865.90</b>	<b>1,912.38</b>	<b>2,023.63</b>
<b><u>Short-term loans</u></b> <sup>*</sup>				
Subsidiaries	-	-	3,122.06	6,094.30

\* The Company's liquidity management policies within the Group include the use of the cash pooling method. Inter-company loans were used for short-term financial management of cash surpluses or deficits of each affiliate. Interests on these were calculated using market interest rates.

## 8.6 Other long-term accounts payable – related parties as at September 30, 2012 and December 31, 2011

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2012</u>	<u>December 31, 2011</u>	<u>September 30, 2012</u>	<u>December 31, 2011</u>
Subsidiaries	-	-	0.35	0.17
Jointly controlled entities	-	-	12.61	13.15
Associates	16.66	17.21	16.66	17.21
Other related parties	630.65	654.50	630.65	654.50
<b>Total</b>	<b>647.31</b>	<b>671.71</b>	<b>660.27</b>	<b>685.03</b>

**8. Related Party Transactions (Continued)**

## 8.7 Revenue and expense transactions carried out with related parties

For the three-month periods ended September 30, 2012 and 2011

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Revenues				
<u>Sales:</u>				
Subsidiaries	-	-	39,562.42	22,047.47
Jointly controlled entities	-	-	3,456.89	1,534.10
Associates	215,119.48	235,554.94	214,252.88	235,531.12
Other related parties	14,284.28	12,573.10	13,727.75	11,689.21
<u>Interest income:</u>				
Subsidiaries	-	-	708.11	748.00
Jointly controlled entities	-	-	3.82	-
Associates	19.42	88.36	19.42	88.36
<u>Dividend income:</u>				
Subsidiaries	-	-	6,417.00	5,657.18
Jointly controlled entities	-	-	-	1,655.98
Associates	-	-	2,726.08	5,869.28
Other related parties	227.22	219.00	227.22	219.00
<u>Other income:</u>				
Subsidiaries	-	-	1,647.09	133.35
Jointly controlled entities	-	-	19.78	16.91
Associates	825.60	798.45	824.69	797.83
Other related parties	65.51	17.71	61.16	15.77
Expenses				
<u>Purchases:</u>				
Subsidiaries	-	-	58,078.48	35,194.74
Jointly controlled entities	-	-	9,125.25	8,420.79
Associates	160,579.11	154,553.19	155,150.56	150,663.21
Other related parties	12,846.85	12,940.18	1,374.18	1,134.40
<u>Interest expense:</u>				
Subsidiaries	-	-	25.96	19.72
<u>Other expenses:</u>				
Subsidiaries	-	-	414.61	282.47
Associates	219.34	233.70	196.44	214.87
Other related parties	94.64	277.09	92.75	258.84

**8. Related Party Transactions (Continued)**

## 8.7 Revenue and expense transactions carried out with related parties (Continued)

For the nine-month periods ended September 30, 2012 and 2011

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
<b>Revenues</b>				
<u>Sales:</u>				
Subsidiaries	-	-	116,710.24	88,884.36
Jointly controlled entities	-	-	7,490.49	5,131.21
Associates	713,826.19	655,021.85	712,196.26	654,154.57
Other related parties	44,301.00	37,516.43	42,802.16	36,218.77
<u>Interest income:</u>				
Subsidiaries	-	-	2,164.22	2,161.49
Jointly controlled entities	-	-	5.50	-
Associates	170.36	266.18	170.36	266.18
<u>Dividend income:</u>				
Subsidiaries	-	-	12,902.97	11,086.28
Jointly controlled entities	-	-	1,046.14	1,774.27
Associates	-	-	14,556.23	10,921.66
Other related parties	304.12	528.03	304.12	436.96
<u>Other income:</u>				
Subsidiaries	-	-	1,931.51	617.89
Jointly controlled entities	-	-	52.05	48.87
Associates	2,606.93	3,778.94	2,585.84	3,776.32
Other related parties	95.14	53.63	88.93	51.24
<b>Expenses</b>				
<u>Purchases:</u>				
Subsidiaries	-	-	151,944.32	118,314.75
Jointly controlled entities	-	-	26,476.63	22,723.02
Associates	480,638.68	444,668.64	466,168.32	432,433.00
Other related parties	39,611.31	38,656.30	4,990.57	4,220.37
<u>Interest expense:</u>				
Subsidiaries	-	-	92.39	52.53
<u>Other expenses:</u>				
Subsidiaries	-	-	1,988.64	891.53
Jointly controlled entities	-	-	-	3.70
Associates	1,163.07	1,047.98	1,097.86	990.31
Other related parties	647.79	636.73	643.65	612.70

**8. Related Party Transactions (Continued)**

## 8.7 Revenue and expense transactions carried out with related parties (Continued)

The aforementioned related party transactions exclude transactions carried out with government agencies and state enterprises.

Stipulation prices between the Company and its related parties are based on normal prices for the same types of business transactions carried out with non-related parties. Goods purchased from subsidiaries are charged at the normal prices determined by the subsidiaries with reference to global market prices.

## 8.8 Details of commitments to subsidiaries, jointly controlled entities, associates and other related parties are stated in Note 30.1.

## 8.9 Crude oil and refined product purchase and sale transactions carried out with related parties without physical delivery, with the objective of maintaining crude oil and refined product reserves, were offset in the financial statements.

For the three-month periods ended September 30, 2012 and 2011, these transactions are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
<u>Sales</u>				
Associates	1,046.74	687.26	1,046.74	687.26
Other related parties	416.43	668.32	416.43	668.32
<u>Purchases</u>				
Associates	1,046.74	687.26	1,046.74	687.26
Other related parties	416.43	668.32	416.43	668.32

For the nine-month periods ended September 30, 2012 and 2011, these transactions are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
<u>Sales</u>				
Associates	4,275.97	4,622.68	4,275.97	4,622.68
Other related parties	772.77	914.44	772.77	914.44
<u>Purchases</u>				
Associates	4,275.97	4,622.68	4,275.97	4,622.68
Other related parties	772.77	914.44	772.77	914.44

**8. Related Party Transactions (Continued)**

## 8.10 Executive remunerations

For the three-month periods ended September 30, 2012 and 2011, details of remunerations are as follows:

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<u>Director remunerations</u>				
Meeting remuneration and bonuses	33.32	19.07	10.36	10.54
<u>Management remunerations</u>				
Salaries, bonuses, and other short-term employee benefits	139.90	117.95	27.92	26.47
Post-employment benefits	0.89	1.21	0.68	1.00
Total	<u>174.11</u>	<u>138.23</u>	<u>38.96</u>	<u>38.01</u>

For the nine-month periods ended September 30, 2012 and 2011, details of remunerations are as follows:

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<u>Director remunerations</u>				
Meeting remuneration and bonuses	99.21	66.85	31.36	31.22
<u>Management remunerations</u>				
Salaries, bonuses, and other short-term employee benefits	440.24	395.03	83.04	76.16
Post-employment benefits	2.73	3.18	2.09	2.55
Total	<u>542.18</u>	<u>465.06</u>	<u>116.49</u>	<u>109.93</u>

Management are those persons who have authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.



## 9. Investments in Subsidiaries, Jointly Controlled Entities and Associates

### 9.1 Details of subsidiaries, jointly controlled entities and associates of the Company

Company	Country of Incorporation	Business	Shareholding (%)	
			September 30, 2012	December 31, 2011
<u>Subsidiaries:</u>				
PTT Exploration and Production Public Co., Ltd. (PTTEP)	Thailand	Petroleum exploration and production	65.29	65.29
PTT (Cambodia) Limited (PTTCL)	Cambodia	Oil marketing	100.00	100.00
Subic Bay Energy Co., Ltd. (SBECL)	Cayman Islands	Oil marketing	100.00	100.00
PTT International Trading Pte Ltd (PTTT)	Singapore	International oil trading	100.00	100.00
PTT Natural Gas Distribution Co., Ltd. (PTTNGD)	Thailand	Natural gas	58.00	58.00
PTT LNG Co., Ltd. (PTTLNG)	Thailand	Natural gas	100.00	100.00
PTT Polymer Marketing Co., Ltd. (PTTPM)	Thailand	Petrochemicals marketing	50.00	50.00
Energy Complex Co., Ltd. (EnCo)	Thailand	Real estate development for rent	50.00	50.00
PTT Polymer Logistics Co., Ltd. (PTTPL)	Thailand	Logistics services	100.00	100.00
PTT Retail Business Co., Ltd. (PTTRB)	Thailand	Management services and oil marketing	100.00	100.00
Combined Heat and Power Producing Co., Ltd. (CHPP)	Thailand	Generation and supply of electricity and chilled water	100.00	100.00
PTT International Co., Ltd. (PTTI)	Thailand	International investment	100.00	100.00
PTT Green Energy Pte Ltd (PTTGE)	Singapore	Investment in palm oil	100.00	100.00
Business Services Alliance Co., Ltd. (BSA)	Thailand	Management services	25.00	25.00
PTT Tank Terminal Co., Ltd. (PTT TANK)	Thailand	Terminal and warehouse	100.00	100.00
Thai Lube Blending Co., Ltd. (TLBC) (The Company and PTTRB held 48.95% and 51.05%, respectively. As a result, TLBC is a subsidiary of the Company)	Thailand	Blending and bottling of lube oil	48.95	48.95
<u>Jointly controlled entities:</u>				
Trans Thai-Malaysia (Thailand) Co., Ltd. (TTM (T))	Thailand	Natural gas	50.00	50.00
Trans Thai-Malaysia (Malaysia) Sdn. Bhd. (TTM (M))	Malaysia	Natural gas	50.00	50.00
District Cooling System and Power Plant Co., Ltd. (DCAP)	Thailand	Generation and supply of electricity and chilled water	35.00	35.00

**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

## 9.1 Details of subsidiaries, jointly controlled entities and associates of the Company (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			September 30, 2012	December 31, 2011
<u>Jointly controlled entities:</u> (Continued)				
PTT Asahi Chemicals Co., Ltd. (PTTAC)	Thailand	Petrochemicals	48.50	48.50
HMC Polymers Co., Ltd. (HMC)	Thailand	Petrochemicals	41.44	41.44
PTT MCC Biochem Co., Ltd. (PTTMCC)	Thailand	Petrochemicals	50.00	50.00
<u>Associates:</u>				
Thai Oil Public Co., Ltd. (TOP)	Thailand	Refining	49.10	49.10
Star Petroleum Refining Co., Ltd. (SPRC)	Thailand	Refining	36.00	36.00
Bangchak Petroleum Public Co., Ltd. (BCP)	Thailand	Refining	27.22	27.22
Thai Petroleum Pipeline Co., Ltd. (THAPPLINE)	Thailand	Oil transmission pipelines	33.19	33.19
Petro Asia (Thailand) Co., Ltd. (PA (Thailand))	Thailand	Oil marketing	35.00	35.00
Vietnam LPG Co., Ltd. (VLPG)	Vietnam	Bottling and sale of LPG	45.00	45.00
KELOIL-PTT LPG Sdn. Bhd. (KPL)	Malaysia	Bottling and sale of LPG	40.00	40.00
IRPC Public Co., Ltd. (IRPC)	Thailand	Petrochemicals and refining	38.51	38.51
Independent Power (Thailand) Co., Ltd (IPT)	Thailand	Electricity generation	20.00	20.00
Thai Oil Power Co., Ltd. (TP)	Thailand	Generation and supply of electricity	26.00	26.00
PTT Phenol Co., Ltd. (PPCL)	Thailand	Petrochemicals	40.00	40.00
PTT Utility Co., Ltd. (PTTUT)	Thailand	Generation and supply of electricity, steam and water for industries	40.00	40.00
PTT ICT Solutions Co., Ltd. (PTTICT)	Thailand	Communication and technology services	20.00	20.00
PTT Maintenance & Engineering Co., Ltd. (PTTME)	Thailand	Factory maintenance and engineering services	40.00	40.00
B.Grimm BIP Power Co., Ltd. (B.Grimm BIP)	Thailand	Generation and supply of electricity	23.00	23.00
Nava Nakorn Electricity Generating Co., Ltd. (NNEG)	Thailand	Generation and supply of electricity	30.00	30.00
PTT Energy Solutions Co., Ltd. (PTTES)	Thailand	Technical and operational services	40.00	40.00
Bangpa-in Cogeneration Limited (BIC)	Thailand	Generation and supply of electricity and steam	25.00	25.00
PTT Global Chemical Public Co., Ltd. (PTTGC)	Thailand	Petrochemicals and refining	48.90	48.92

**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

## 9.2 Investments in associates in the consolidated financial statements as at September 30, 2012 and December 31, 2011

Unit: Million Baht

Company	Shareholding (%)		September 30, 2012		December 31, 2011		Dividends for the nine-month periods ended September 30	
	September 30, 2012	December 31, 2011	Cost method	Equity Method	Cost method	Equity method	2012	2011
<u>Refining Business Group</u>								
1. TOP	49.10	49.10	11,380.83	41,569.33	11,380.83	39,274.55	2,504.12	2,704.45
2. SPRC	36.00	36.00	14,770.48	16,728.76	14,770.48	21,573.08	6,057.67	-
3. BCP	27.22	27.22	5,585.26	8,647.46	5,585.26	8,249.06	505.91	426.69
4. IRPC	38.51	38.51	28,467.24	29,670.03	28,467.24	30,366.79	314.79	1,416.55
<u>Oil Business Group</u>								
5. THAPPLINE	33.19	33.19	2,682.35	2,083.84	2,682.35	1,659.74	-	-
6. PA (Thailand)	35.00	35.00	131.25	-	131.25	-	-	-
7. VLPG	45.00	45.00	87.35	98.40	87.35	119.12	33.75	-
8. KPL	40.00	40.00	21.49	-	21.49	-	-	-
9. FST	25.00	25.00	0.86	1.57	0.84	1.42	-	-
<u>Petrochemicals Business Group</u>								
10. PPCL	40.00	40.00	3,340.48	4,957.80	3,340.48	4,940.00	-	-
11. PTTME	40.00	40.00	66.40	190.56	66.40	205.98	28.40	27.20
12. PTTGC	48.90	48.92	49,562.99	111,523.59	49,562.99	104,910.14	5,038.97	6,359.97*
<u>Natural Gas Business Group</u>								
13. IPT	20.00	20.00	400.19	1,706.36	400.19	1,648.32	-	-
14. TP	26.00	26.00	2,304.76	2,230.10	2,304.76	2,258.96	146.12	73.06
15. PTTUT	40.00	40.00	2,743.60	3,027.01	2,743.60	2,773.36	5.76	-
16. EMG	25.00	25.00	15,071.61	12,129.94	15,493.25	12,474.48	-	-
17. B.Grimm BIP	23.00	23.00	65.67	65.12	31.17	30.86	-	-
18. NNEG	30.00	30.00	48.60	43.40	24.60	23.59	-	-
19. XPCL	25.00	25.00	426.40	394.86	260.19	246.72	-	-
20. BIC	25.00	25.00	266.25	264.38	113.75	113.44	-	-
<u>Coal Business Group</u>								
21. RIM	-	33.50	-	-	1,642.72	1,541.56	-	-
<u>Other Business Group</u>								
22. PTTICT	40.00	40.00	60.00	206.97	60.00	144.41	-	-
23. PTTES	40.00	40.00	62.50	67.81	62.50	63.06	-	-
24. ShoreAir	50.00	50.00	15.28	117.77	15.21	94.02	-	-
			137,561.84	235,725.06	139,248.90	232,712.66		
<u>Less Allowance for impairment</u>			(11,734.68)	(8,640.26)	(8,019.54)	(4,859.14)		
<b>Total</b>			<b>125,827.16</b>	<b>227,084.80</b>	<b>131,229.36</b>	<b>227,853.52</b>	<b>14,635.49</b>	<b>11,007.92</b>

\* This amount includes dividend incomes from PTTAR and PTTC, which were Baht 2,600.03 million and Baht 3,759.94 million, respectively.

**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

9.3 Investments in subsidiaries, jointly controlled entities and associates in the separate financial statements as at September 30, 2012 and December 31, 2011

Unit: Million Baht

Company	Shareholding (%)		Cost method		Dividends for the nine-month periods ended September 30	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011	2012	2011
<u>Subsidiaries:</u>						
1. PTTEP	65.29	65.29	11,131.33	11,131.33	12,116.33	11,032.58
2. PTTT	100.00	100.00	2.50	2.50	-	-
3. PTTCL	100.00	100.00	0.23	0.23	-	-
4. SBECL	100.00	100.00	1,154.81	1,154.81	-	-
5. PTTNGD	58.00	58.00	418.14	418.14	774.30	-
6. PTTLNG	100.00	100.00	6,403.00	6,403.00	-	-
7. PTTPM	50.00	50.00	20.00	20.00	-	-
8. EnCo	50.00	50.00	900.00	900.00	-	-
9. PTTPL	100.00	100.00	1,200.00	1,200.00	-	-
10. PTTTRB	100.00	100.00	5,100.00	5,100.00	-	-
11. CHPP	100.00	100.00	316.22	316.22	-	-
12. PTTI	100.00	100.00	33,316.00	33,157.00	-	-
13. PTTGE	100.00	100.00	11,750.64	10,834.08	-	-
14. BSA	25.00	25.00	0.50	0.50	1.42	-
15. PTT TANK	100.00	100.00	2,500.37	2,500.37	-	-
16. TLBC	48.95	48.95	140.00	140.00	10.92	7.70
Total investments in subsidiaries			74,353.74	73,278.18	12,902.97	11,040.28
<u>Jointly Controlled Entities:</u>						
<i>Natural Gas Business Group</i>						
17. TTM(T)	50.00	50.00	5,666.80	5,666.80	425.01	-
18. TTM(M)	50.00	50.00	281.32	281.32	-	-
19. DCAP	35.00	35.00	584.50	584.50	-	-
<i>Petrochemicals Business Group</i>						
20. PTTAC	48.50	48.50	6,909.41	6,909.41	-	-
21. HMC	41.44	41.44	9,117.12	9,117.12	621.13	1,774.27
22. PTTMCC	50.00	50.00	180.12	180.12	-	-
Total investments in jointly controlled entities			22,739.27	22,739.27	1,046.14	1,774.27

Note: During the nine-month period ended September 30, 2011, RBA made a dividend payment amounting to Baht 46.00 million. Also, RBA registered for closing the company and finished the liquidation process on November 22, 2011.

**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

## 9.3 Investments in subsidiaries, jointly controlled entities and associates in the separate financial statements as at September 30, 2012 and December 31, 2011 (Continued)

Unit: Million Baht

Company	Shareholding (%)		Cost method		Dividends for the nine-month periods ended September 30	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011	2012	2011
<u>Associates:</u>						
<i>Refining Business Group</i>						
23. TOP	49.10	49.10	11,380.83	11,380.83	2,504.12	2,704.45
24. SPRC	36.00	36.00	14,770.48	14,770.48	6,057.67	-
25. BCP	27.22	27.22	5,585.26	5,585.26	505.91	426.69
26. IRPC	38.51	38.51	28,467.24	28,467.24	314.79	1,416.55
<i>Oil Business Group</i>						
27. THAPPLINE	33.19	33.19	2,682.35	2,682.35	-	-
28. PA (Thailand)	35.00	35.00	131.25	131.25	-	-
29. V LPG	45.00	45.00	87.35	87.35	33.75	-
30. KPL	40.00	40.00	21.49	21.49	-	-
<i>Petrochemicals Business Group</i>						
31. PPCL	40.00	40.00	3,340.48	3,340.48	-	-
32. PTTME	40.00	40.00	66.40	66.40	28.40	27.20
33. PTTGC	48.90	48.92	48,121.52	48,121.52	4,959.71	6,273.71*
<i>Natural Gas Business Group</i>						
34. IPT	20.00	20.00	400.19	400.19	-	-
35. TP	26.00	26.00	2,304.76	2,304.76	146.12	73.06
36. PTTUT	40.00	40.00	2,743.60	2,743.60	5.76	-
37. B. Grimm BIP	23.00	23.00	65.67	31.17	-	-
38. NNEG	30.00	30.00	48.60	24.60	-	-
39. BIC	25.00	25.00	266.25	113.75	-	-
<i>Other Business Group</i>						
40. PTTICT	20.00	20.00	30.00	30.00	-	-
41. PTES	40.00	40.00	62.50	62.50	-	-
Investments in associates			120,576.22	120,365.22		
<u>Less</u> Allowance for impairment			(152.74)	(152.74)		
Total investments in associates			120,423.48	120,212.48	14,556.23	10,921.66
Total			217,516.49	216,229.93	28,505.34	23,736.21

\* This amount includes dividend incomes from PTTAR and PTCH, which were Baht 2,600.03 million and Baht 3,673.68 million, respectively.

**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

9.4 Shares of net assets and results of operations from jointly controlled entities, which are included in the consolidated financial statements as at September 30, 2012 and December 31, 2011, are as follows:

Statements of financial position:

As at September 30, 2012 and December 31, 2011

Unit: Million Baht

	September 30, 2012						December 31, 2011					
	TTM ( T )	TTM ( M )	DCAP	PTTAC	HMC	PTTMCC	TTM ( T )	TTM ( M )	DCAP	PTTAC	HMC	PTTMCC
Current assets	3,273.85	133.79	273.05	1,795.83	4,224.30	144.79	3,318.28	122.56	115.76	1,597.05	3,922.08	170.83
Non-current assets	12,510.91	605.54	1,308.10	13,085.97	12,537.11	24.37	13,146.17	622.59	1,302.00	12,333.11	12,511.04	8.55
Current liabilities	(1,185.83)	(89.48)	(250.74)	(2,551.75)	(1,927.30)	(1.77)	(1,232.54)	(85.72)	(207.22)	(1,950.21)	(1,567.74)	(3.42)
Non-current liabilities	(7,410.95)	(293.25)	(876.27)	(5,995.72)	(4,435.26)	(0.03)	(8,298.64)	(358.17)	(794.26)	(5,420.67)	(5,055.13)	-
Net assets	7,187.98	356.60	454.14	6,334.33	10,398.85	167.36	6,933.27	301.26	416.28	6,559.28	9,810.25	175.96

Statements of income:

For the three-month periods ended September 30, 2012 and 2011

Unit: Million Baht

	2012						2011					
	TTM ( T )	TTM ( M )	DCAP	PTTAC	HMC	PTTMCC	TTM ( T )	TTM ( M )	DCAP	PTTAC	HMC	PTTMCC
Income*	773.02	51.48	267.56	426.87	3,437.83	0.98	665.67	20.08	150.80	(70.54)	3,575.22	1.17
Expenses	(402.75)	(20.99)	(242.84)	(351.37)	(2,774.65)	(4.61)	(417.84)	(22.65)	(177.93)	(49.13)	(2,760.70)	(3.90)
Gain (Loss) before taxes	370.27	30.49	24.72	75.50	663.18	(3.63)	247.83	(2.57)	(27.13)	(119.67)	814.52	(2.73)
Income taxes	-	-	-	0.08	(70.85)	-	-	-	-	0.08	(214.09)	-
Net income (loss)	370.27	30.49	24.72	75.58	592.33	(3.63)	247.83	(2.57)	(27.13)	(119.59)	600.43	(2.73)

\* including gain (loss) on foreign exchange rate

**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

- 9.4 Shares of net assets and results of operations from jointly controlled entities, which are included in the consolidated financial statements as at September 30, 2012 and December 31, 2011, are as follows: (Continued)

Statements of income:

For the nine-month periods ended September 30, 2012 and 2011

Unit: Million Baht

	2012						2011					
	TTM ( T )	TTM ( M )	DCAP	PTTAC	HMC	PTTMCC	TTM ( T )	TTM ( M )	DCAP	PTTAC	HMC	PTTMCC
Income*	1,880.93	120.76	690.63	650.63	9,722.00	3.25	1,714.83	102.03	441.47	(149.54)	9,903.89	2.11
Expenses	(1,201.20)	(67.22)	(652.76)	(875.81)	(8,352.57)	(11.85)	(1,334.02)	(70.25)	(485.33)	(135.35)	(7,663.88)	(4.61)
Gain (Loss) before taxes	679.73	53.54	37.87	(225.18)	1,369.43	(8.60)	380.81	31.78	(43.86)	(284.89)	2,240.01	(2.50)
Income taxes	-	-	-	0.24	(158.48)	-	-	-	-	(0.06)	(518.91)	-
Net income (loss)	<u>679.73</u>	<u>53.54</u>	<u>37.87</u>	<u>(224.94)</u>	<u>1,210.95</u>	<u>(8.60)</u>	<u>380.81</u>	<u>31.78</u>	<u>(43.86)</u>	<u>(284.95)</u>	<u>1,721.10</u>	<u>(2.50)</u>

\* including gain (loss) on foreign exchange rate

**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

9.5 Significant events during the period ended September 30, 2012

**BIC**

On January 27, 2012, BIC called for the second payment of its additional authorized share capital, amounting to Baht 15.25 million. The Company made the share payment on February 24, 2012.

On February 27, 2012, BIC called for the third payment of its additional authorized share capital, amounting to Baht 30.50 million. The Company made the share payment on March 28, 2012.

On April 5, 2012, BIC called for the fourth payment of its additional authorized share capital, amounting to Baht 45.75 million. The Company made the share payment on May 16, 2012.

On June 18, 2012, BIC called for the fifth payment of its additional authorized share capital, amounting to Baht 30.50 million. The Company made the share payment on July 20, 2012.

On August 20, 2012, BIC called for the sixth payment of its additional authorized share capital, amounting to Baht 30.50 million. The Company made the share payment on September 21, 2012.

**PTTGE**

On February 27, 2012, PTTGE called for payment of additional authorized share capital of USD 30 million or approximately Baht 916.56 million. The Company made the share payment on February 29, 2012.

**RIM**

On March 2, 2012, PTT Asia Pacific Mining Pty Ltd (PTTAPM), a subsidiary of PTTI, increased its shareholding in Red Island Mineral Limited (RIM) by 66.50% from 33.50% to 100%. As a result, the status of RIM changed from an associate to a subsidiary. Details are disclosed in Note 27 "Business acquisition".

**B.Grimm BIP**

On March 27, 2012, at the B.Grimm BIP's Shareholder Meeting No.1/2012, the shareholders passed a resolution to increase its authorized share capital by Baht 150 million, from Baht 135.50 million to Baht 285.50 million, by issuing 1.50 million additional shares with a par value of Baht 100 each. Furthermore, B.Grimm BIP called for the full payment of the additional authorized share capital. The Company paid Baht 34.50 million for these additional shares on March 28, 2012, in proportion to its shareholding.

**PTTGC**

During the period, PTTGC's employees exercised their rights to purchase ordinary shares under the Employee Stock Ownership Plan (ESOP) project as detailed in Note 21. This resulted in a gain of Baht 7.74 million, which was recorded in the statement of income, and decreased the Company's shareholding in PTTGC to 48.90% as at September 30, 2012.



**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

9.5 Significant events during the period ended September 30, 2012 (Continued)

**NNEG**

On March 14, 2012, at the NNEG's Board of Directors Meeting No. 1/2012, the Board passed a resolution to increase its authorized share capital by Baht 80 million, from Baht 82 million to Baht 162 million, by issuing 8 million additional shares with a par value of Baht 10 each. Furthermore, NNEG called for the full payment of the additional authorized share capital. The Company paid Baht 24 million for these additional shares on April 30, 2012, in proportion to its shareholding.

**PTTI**

On April 30, 2012, PTTI made an additional assessment of impairment loss on an investment in East Mediterranean Gas Company (EMG) because Egyptian General Petroleum Corporation (EGPC) and Egyptian Natural Gas Holding Company (EGAS), which are exporters of natural gas from Egypt to Israel, notified EMG that they were terminating the Gas Supply and Purchase Agreement. As a result, EMG is unable to deliver gas to its customers. PTTI reviewed impairment and accounted for the impairment loss on the investment of Baht 3,972.32 million in the second quarter of 2012. As a result, the allowance for impairment loss on the investment in EMG as at September 30, 2012 in the consolidated financial statements amounted to Baht 8,640.26 million.

On May 14, 2012, PT Separi Energy (SE), a subsidiary of Sakari Resources Ltd. (SAR) which is a subsidiary of PTTI, acquired a 100% shareholding in Tri Tunggal Lestari Bersama (TTLB). Details are disclosed in Note 27 "Business acquisition".

On June 13, 2012, PTTI called for payment of additional authorized share capital of Baht 159 million. The Company made the share payment on June 20, 2012.

On August 23, 2012, at the PTTI's Board of Directors Meeting No. 11/2012, the Board passed a resolution to approve a tender offer by PTT Mining Limited (PTTML), a subsidiary of PTTI, for the ordinary shares of Sakari Resources Limited (SAR) in order to increase its shareholding in SAR. As at September 30, 2012, PTTML has a 71.79% shareholding in SAR (816,249,901 shares). Details are disclosed in Note 27 "Business acquisition".

**XPCL**

On June 27, 2011, at the XPCL's Extraordinary General Meeting of the shareholders No.1/2011, the shareholders passed a resolution to increase its authorized share capital by Baht 5,750 million, from Baht 1,000 million to Baht 6,750 million, by issuing 575 million additional shares with a par value of Baht 10 each. On April 20, 2012, XPCL called for the payment of the additional authorized share capital of Baht 0.12 each. Natee Synergy Co., Ltd. (NSC), a subsidiary of PTTI, paid Baht 17.25 million for these additional shares on May 21, 2012.

On May 18, 2012, XPCL called for the additional payment of the authorized share capital of Baht 1.11 each. NSC paid Baht 159.56 million for these shares on June 18, 2012.

**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

9.5 Significant events during the period ended September 30, 2012 (Continued)

**SPRC**

On June 5, 2012, at the SPRC's Extraordinary General Meeting of the shareholders No.3/2012, the shareholders passed a resolution to change SPRC's status from Star Petroleum Refining Company Limited to Star Petroleum Refining Public Company Limited, under the Public Limited Companies Act, B.E. 2535 (1992). SPRC registered to change its status to a public company on June 7, 2012.

**PTTEP**

On July 20, 2012, PTTEP's Board of Directors passed resolutions to approve the capital decrease, the capital increase, and the allocation of newly issued ordinary shares. Subsequently, on September 27, 2012, PTTEP's Board of Directors passed new resolutions to approve the capital decrease, the capital increase, and the allocation of newly issued ordinary shares as follows:

The approval of the decrease of authorized share capital of PTTEP from Baht 3,322,000,000 to Baht 3,319,985,400 by cancelling PTTEP's unissued ordinary share of 2,014,600 shares at the par value of Baht 1.00 per share. The total reduction of authorized share capital is Baht 2,014,600.

The approval of the increase of authorized share capital of PTTEP from Baht 3,319,985,400 to Baht 3,969,985,400 by issuing new ordinary shares of 650,000,000 shares at the par value of Baht 1.00 per share. PTTEP will sell the shares through the preferential public offering to all eligible exiting shareholders.

The resolutions above are subject to the approval by PTTEP's Extraordinary General Meeting of the shareholders on October 29, 2012.

On July 20, 2012, at the Board of Directors Meeting No. 7/2012 of the Company, the Board passed a resolution to approve the purchase of up to 403,395,000 newly issued ordinary shares of PTTEP to maintain its existing shareholding in PTTEP at approximately 65.29% prior to the allocation of newly issued ordinary shares.

On August 17, 2012, PTTEP Africa Investment Limited (PTTEP AI), a subsidiary of PTTEP, acquired Cove Energy Plc. (COVE) in the Republic of Mozambique. Details are disclosed in Note 27 "Business acquisition".

**9. Investments in Subsidiaries, Jointly Controlled Entities and Associates (Continued)**

## 9.6 Additional information in respect of associates

9.6.1 The Company has not recognized its shares of gain (loss) from some associates for the three-month period ended September 30, 2012 amounting to Baht (2.02) million (2011: Baht (4.41) million) and for the nine-month period ended September 30, 2012 amounting to Baht (0.61) million (2011: Baht (6.34) million) because the Company had an unrealized allowance for its share of loss from these associates amounting to Baht 72.98 million as at September 30, 2012 (December 31, 2011: Baht 72.29 million).

9.6.2 The fair value of investments in associates (only those with equity securities traded on the Stock Exchange of Thailand (SET)) was calculated based on current bid prices at the statement of financial position dates. Details are as follows:

	Unit: Million Baht	
<u>Associates</u>	<u>September 30, 2012</u>	<u>December 31, 2011</u>
BCP	9,143.87	7,045.27
IRPC	33,524.90	32,108.35
TOP	65,357.50	58,596.38
PTTGC	138,872.09	134,463.45

**10. Available-for-sale Investments**

## 10.1 Details of available-for-sale investments

Company	Country of Incorporation	Business	Shareholding (%)	
			September 30, 2012	December 31, 2011
<b><u>Available-for-sale investments of the Company:</u></b>				
<u>Investments in equity securities</u>				
Dhipaya Insurance Public Co., Ltd. (TIP)	Thailand	Insurance	13.33	13.33
Bangkok Aviation Fuel Services Public Co., Ltd. (BAFS)	Thailand	Aircraft refuelling services	7.06	7.06
<u>Investments in mutual funds</u>				
MFC Energy Fund	Thailand	Mutual fund	32.57	32.57
Finansa Asset Management - Energy and Petrochemical Index Fund (FAM EPIF)	Thailand	Mutual fund		

Company	Country of Incorporation	Business	Share held by	Shareholding (%)	
				September 30, 2012	December 31, 2011
<b><u>Available-for-sale investments of PTTEP:</u></b>					
<u>Investments in equity securities</u>					
Wentworth Resources Limited (WRL)	Canada	Oil and gas exploration	COVE	2.42	-
<b><u>Available-for-sale investments of PTTI:</u></b>					
<u>Investments in equity securities</u>					
Xanadu Mines Ltd. (XML)	Mongolia	Mineral exploration	SET	12.37	13.18

**10. Available-for-sale Investments (Continued)**

10.2 Details of available-for-sale investments as at September 30, 2012 and December 31, 2011 are as follows:

Unit: Million Baht

Company	Shareholding (%)		Consolidated financial statements		Separate financial statements		Dividends for the nine-month period ended September 30	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011	2012	2011
<u>Investments in Equity Securities</u>								
TIP	13.33	13.33	312.00	312.00	312.00	312.00	10.00	70.00
BAFS	7.06	7.06	24.00	24.00	24.00	24.00	24.12	21.96
WRL	2.42	-	42.05	-	-	-	-	-
XML	12.37	13.18	233.56	232.57	-	-	-	-
Total investments in equity securities			611.61	568.57	336.00	336.00		
<u>Investments in Mutual Funds</u>								
MFC Energy Fund	32.57	32.57	504.89	504.89	504.89	504.89	-	-
FAM EPIF			6,300.00	6,300.00	6,300.00	6,300.00	71.83	71.83
Total investments in mutual funds			6,804.89	6,804.89	6,804.89	6,804.89		
Total available-for-sale investments before changes in value of investments			7,416.50	7,373.46	7,140.89	7,140.89		
Allowance for changes in value of investments			5,141.30	4,306.96	5,236.68	4,280.62		
Total			12,557.80	11,680.42	12,377.57	11,421.51	105.95	163.79

**11. Other Long-term Investments**

11.1 Details of other long-term investments are as follows:

Company	Country of Incorporation	Business	Shareholding (%)	
			September 30, 2012	December 31, 2011
<b><u>Other long-term investments of the Company:</u></b>				
Petro Asia (Huizhou) Co., Ltd. (PA (Huizhou))	China	Oil marketing	25.00	25.00
Petro Asia (Maoming) Co., Ltd. (PA (Maoming))	China	Oil marketing	20.00	20.00
Petro Asia (Sanshui) Co., Ltd. (PA (Sanshui))	China	Oil marketing	25.00	25.00
Fuel Pipeline Transportation Co., Ltd. (FPT)	Thailand	Oil transmission pipelines	2.76	2.76
Intoplane Services Co., Ltd. (IPS)	Thailand	Aircraft refuelling services	16.67	16.67
Ratchaburi Power Co., Ltd. (RPCL)	Thailand	Electricity generation	15.00	15.00
Colour Vision International Co., Ltd. (Corpus)	Thailand	Finished yarn production	0.48	0.48
<b><u>Other long-term investments of subsidiaries and jointly controlled entities:</u></b>				
<b><u>Other long-term investments of PTTT:</u></b>				
KIC Oil Terminals Sdn Bhd (KOT)	Malaysia	Logistics services	10.00	10.00
Kadriah Integrated Facilities Sdn Bhd (KIF)	Malaysia	Logistics services	10.00	10.00
Kadriah I Ltd (K I)	Malaysia	Logistics services	10.00	10.00
Kadriah II Sdn Bhd (K II)	Malaysia	Logistics services	10.00	10.00
<b><u>Other long-term investments of HMC:</u></b>				
Rayong Olefins Co., Ltd. (ROC)	Thailand	Petrochemicals	5.91	5.91
Basell Advanced Polyolefins (Thailand) Co., Ltd. (BAPT)	Thailand	Petrochemicals	2.07	2.07

**11. Other Long-term Investments (Continued)**

11.2 Details of other long-term investments as at September 30, 2012 and December 31, 2011 are as follows:

Unit: Million Baht

Company	Shareholding (%)		Consolidated financial statements		Separate financial statements		Dividends for the nine-month periods ended September 30	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011	2012	2011
<b><u>Other long-term investments</u></b>								
1. PA (Huizhou)	25.00	25.00	15.16	15.16	15.16	15.16	-	-
2. FPT	2.76	2.76	44.00	44.00	44.00	44.00	-	-
3. IPS	16.67	16.67	0.02	0.02	0.02	0.02	-	-
4. RPCL	15.00	15.00	1,098.75	1,098.75	1,098.75	1,098.75	270.00	345.00
5. ROC	5.91	5.91	843.32	643.73	-	-	-	91.07
6. BAPT	2.07	2.07	18.19	18.19	-	-	-	-
7. PA (Maoming)	20.00	20.00	14.83	14.83	14.83	14.83	-	-
8. PA (Sanshui)	25.00	25.00	6.06	6.06	6.06	6.06	-	-
9. KOT	10.00	10.00	108.33	111.36	-	-	-	-
10. KIF	10.00	10.00	44.89	46.15	-	-	-	-
11. K I	10.00	10.00	225.63	231.94	-	-	-	-
12. K II	10.00	10.00	60.31	61.99	-	-	-	-
13. Corpus	0.48	0.48	0.60	0.60	0.60	0.60	-	-
Total investments accounted for under the cost method			2,480.09	2,292.78	1,179.42	1,179.42		
Less Allowance for impairment of investments			(530.65)	(542.93)	(73.30)	(73.30)		
Total			1,949.44	1,749.85	1,106.12	1,106.12	270.00	436.07

11.3 Significant events during the period ended September 30, 2012

**ROC**

On April 3, 2012, HMC made an additional investment in ROC in proportion to its shareholding for 6,421,156 ordinary shares of Baht 100 each, totaling Baht 642 million. HMC will make gradual payments for these shares. On April 30, 2012 and July 20, 2012, HMC made a payment for the 25% shareholding amounting to Baht 161 million and for the 50% shareholding amounting to Baht 321 million, respectively. The Company recognized the investments of Baht 199.59 million according to its percentage of the investment.

**12. Investment Properties**

Details of investment properties are as follows:

Unit: Million Baht

	Consolidated financial statements			
	Land	Buildings and building improvements	Construction in progress	Total
Cost				
As at January 1, 2012	4,421.68	5,490.53	-	9,912.21
- Additions	-	4.88	6.68	11.56
- Reclassifications	-	(23.57)	(2.33)	(25.90)
- Disposals	-	(13.52)	-	(13.52)
As at September 30, 2012	4,421.68	5,458.32	4.35	9,884.35
Accumulated depreciation				
As at January 1, 2012	-	(1,566.92)	-	(1,566.92)
- Depreciation for the period	-	(148.67)	-	(148.67)
- Reclassifications	-	28.62	-	28.62
- Disposals	-	12.05	-	12.05
As at September 30, 2012	-	(1,674.92)	-	(1,674.92)
Net book value				
As at December 31, 2011	4,421.68	3,923.61	-	8,345.29
As at September 30, 2012	4,421.68	3,783.40	4.35	8,209.43



**12. Investment Properties (Continued)**

Details of investment properties are as follows: (Continued)

Unit: Million Baht

	Separate financial statements			Total
	Land	Buildings and building improvements	Construction in progress	
<b>Cost</b>				
As at January 1, 2012	4,421.68	1,837.69	-	6,259.37
- Additions	-	1.23	6.68	7.91
- Reclassifications	-	(25.06)	(2.33)	(27.39)
- Disposals	-	(13.25)	-	(13.25)
As at September 30, 2012	4,421.68	1,800.61	4.35	6,226.64
<b>Accumulated depreciation</b>				
As at January 1, 2012	-	(1,160.07)	-	(1,160.07)
- Depreciation for the period	-	(45.01)	-	(45.01)
- Reclassifications	-	28.62	-	28.62
- Disposals	-	12.05	-	12.05
As at September 30, 2012	-	(1,164.41)	-	(1,164.41)
<b>Net book value</b>				
As at December 31, 2011	4,421.68	677.62	-	5,099.30
As at September 30, 2012	4,421.68	636.20	4.35	5,062.23

**13. Property, Plant and Equipment**

Details of property, plant and equipment are as follows:

Unit: Million Baht

	Consolidated financial statements						Total
	Land	Buildings and building improvements	Machinery and equipment	Oil and gas properties	Other assets	Construction in progress	
<b>Cost</b>							
As at January 1, 2012	5,823.25	43,726.53	338,681.25	481,626.47	14,761.89	34,550.88	919,170.27
- Business acquisition (Note 27)	-	-	60.82	-	-	-	60.82
- Additions	866.45	253.01	1,689.14	60,641.17	1,596.62	15,605.24	80,651.63
- Borrowing costs	-	-	-	-	-	589.10	589.10
- Reclassifications	7.90	1,643.67	6,830.51	108.48	337.70	(10,343.55)	(1,415.29)
- Disposals	-	(82.47)	(250.31)	(2,562.49)	(339.90)	(2.04)	(3,237.21)
- Currency translation differences	(58.13)	(115.42)	(286.16)	(14,126.41)	(225.32)	(31.64)	(14,843.08)
As at September 30, 2012	6,639.47	45,425.32	346,725.25	525,687.22	16,130.99	40,367.99	980,976.24
<b>Accumulated depreciation</b>							
As at January 1, 2012	-	(14,117.11)	(105,027.54)	(190,770.15)	(6,937.86)	-	(316,852.66)
- Business acquisition (Note 27)	-	-	(4.87)	-	-	-	(4.87)
- Depreciation for the period	-	(1,592.70)	(10,677.80)	(29,542.99)	(1,050.36)	-	(42,863.85)
- Reclassifications	-	(31.93)	(29.37)	-	29.98	-	(31.32)
- Disposals	-	73.80	175.29	1,075.03	149.25	-	1,473.37
- Currency translation differences	-	49.23	156.66	6,893.06	16.86	-	7,115.81
As at September 30, 2012	-	(15,618.71)	(115,407.63)	(212,345.05)	(7,792.13)	-	(351,163.52)
<b>Allowance for impairment of assets</b>							
As at January 1, 2012	(81.27)	(9.59)	(255.24)	(634.05)	-	-	(980.15)
- Impairment losses	-	-	-	(3,223.62)	-	-	(3,223.62)
- Reversal of impairment losses	-	4.94	12.38	219.38	-	-	236.70
- Currency translation differences	-	-	-	114.97	-	-	114.97
As at September 30, 2012	(81.27)	(4.65)	(242.86)	(3,523.32)	-	-	(3,852.10)
<b>Net book value</b>							
As at December 31, 2011	5,741.98	29,599.83	233,398.47	290,222.27	7,824.03	34,550.88	601,337.46
As at September 30, 2012	6,558.20	29,801.96	231,074.76	309,818.85	8,338.86	40,367.99	625,960.62

**13. Property, Plant and Equipment (Continued)**

Details of property, plant and equipment are as follows (Continued):

Unit: Million Baht

	Separate financial statements					Total
	Land	Buildings and building improvements	Machinery and equipment	Other assets	Construction in progress	
<b>Cost</b>						
As at January 1, 2012	3,788.62	26,412.10	269,436.61	9,320.10	16,651.12	325,608.55
- Additions	51.92	122.56	858.02	196.48	13,769.67	14,998.65
- Borrowing costs	-	-	-	-	522.51	522.51
- Reclassifications	17.79	365.82	3,642.47	1,040.08	(5,460.31)	(394.15)
- Disposals	-	(77.32)	(124.74)	(43.33)	-	(245.39)
As at September 30, 2012	3,858.33	26,823.16	273,812.36	10,513.33	25,482.99	340,490.17
<b>Accumulated depreciation</b>						
As at January 1, 2012	-	(10,306.07)	(90,247.25)	(5,549.23)	-	(106,102.55)
- Depreciation for the period	-	(825.11)	(7,859.68)	(752.84)	-	(9,437.63)
- Reclassifications	-	(31.15)	(12.72)	14.35	-	(29.52)
- Disposals	-	72.08	114.02	29.21	-	215.31
As at September 30, 2012	-	(11,090.25)	(98,005.63)	(6,258.51)	-	(115,354.39)
<b>Allowance for impairment of assets</b>						
As at January 1, 2012	(81.27)	(9.60)	(255.11)	-	-	(345.98)
- Reversal of impairment losses	-	4.94	12.38	-	-	17.32
As at September 30, 2012	(81.27)	(4.66)	(242.73)	-	-	(328.66)
<b>Net Book Value</b>						
As at December 31, 2011	3,707.35	16,096.43	178,934.25	3,770.87	16,651.12	219,160.02
As at September 30, 2012	3,777.06	15,728.25	175,564.00	4,254.82	25,482.99	224,807.12

Borrowing costs amounting to Baht 589.10 million in the consolidated financial statements (December 31, 2011: Baht 1,137.23 million) and amounting to Baht 522.51 million in the separate financial statements (December 31, 2011: Baht 301.16 million) were capitalized as part of costs of property, plant and equipment. The Group used capitalization rates ranging from 1.87% to 4.82% (December 31, 2011: 1.63% to 5.58%).

**13. Property, Plant and Equipment** (Continued)

As at September 30, 2012 and December 31, 2011, other assets include vehicles acquired under finance leases. Details are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Cost	1,164.03	996.40	891.18	825.21
<u>Less</u> Accumulated depreciation	<u>(335.46)</u>	<u>(254.10)</u>	<u>(239.45)</u>	<u>(157.68)</u>
Net book value	<u>828.57</u>	<u>742.30</u>	<u>651.73</u>	<u>667.53</u>

During the second quarter 2012, PTTEP Australasia Pty Ltd (PTTEP AA), a subsidiary of PTTEP, recognized the impairment loss of USD 109 million or approximately Baht 3,455.13 million because there were indications of an increase in the Montara project costs, and production was rescheduled and is expected to begin late in the fourth quarter of 2012. Net realizable value is calculated from the net of fair value less cost to sales, discounted based on project lives. The cash flow projections are based on a proved and probable reserve production profile and various estimates and assumptions such as the oil prices, foreign exchange rates, discount rates, and capital expenditures.

**14. Intangible Assets**

Details of intangible assets are as follows:

Unit: Million Baht

	Consolidated financial statements				Total
	Computer software	Right of use	Exploration & Evaluation assets	Other Intangible assets	
<b>Cost</b>					
As at January 1, 2012	3,740.34	18,648.76	35,097.72	3,487.46	60,974.28
- Business acquisition (Note 27)	-	-	64,214.49	-	64,214.49
- Additions	546.73	1.10	3,177.64	108.13	3,833.60
- Reclassifications	1,215.84	35.49	(108.48)	304.18	1,447.03
- Disposals	(0.36)	(18.18)	(1,184.17)	-	(1,202.71)
- Currency translation differences	(49.85)	6.21	(1,262.96)	(60.06)	(1,366.66)
As at September 30, 2012	5,452.70	18,673.38	99,934.24	3,839.71	127,900.03
<b>Accumulated amortization</b>					
As at January 1, 2012	(1,551.34)	(5,568.30)	-	(1,070.83)	(8,190.47)
- Amortization for the period	(342.30)	(384.32)	-	(193.45)	(920.07)
- Reclassifications	0.11	(2.80)	-	-	(2.69)
- Disposals	0.30	15.99	-	-	16.29
- Currency translation differences	18.89	(4.07)	-	11.29	26.11
As at September 30, 2012	(1,874.34)	(5,943.50)	-	(1,252.99)	(9,070.83)
<b>Allowance for impairment of assets</b>					
As at January 1, 2012	-	-	(110.51)	(59.70)	(170.21)
- Impairment losses	-	-	-	(12.02)	(12.02)
- Currency translation differences	-	-	3.01	1.77	4.78
As at September 30, 2012	-	-	(107.50)	(69.95)	(177.45)
<b>Net book value</b>					
As at December 31, 2011	2,189.00	13,080.46	34,987.21	2,356.93	52,613.60
As at September 30, 2012	3,578.36	12,729.88	99,826.74	2,516.77	118,651.75

**14. Intangible Assets (Continued)**

Details of intangible assets are as follows (Continued):

Unit: Million Baht

	Separate financial statements			Total
	Computer software	Right of use	Other Intangible assets	
Cost				
As at January 1, 2012	1,521.76	18,330.62	51.55	19,903.93
- Additions	43.02	-	-	43.02
- Reclassifications	1,206.47	9.55	-	1,216.02
As at September 30, 2012	2,771.25	18,340.17	51.55	21,162.97
Accumulated amortization				
As at January 1, 2012	(595.30)	(5,391.11)	(51.55)	(6,037.96)
- Amortization for the period	(252.98)	(360.92)	-	(613.90)
- Reclassifications	(0.11)	-	-	(0.11)
As at September 30, 2012	(848.39)	(5,752.03)	(51.55)	(6,651.97)
Net book value				
As at December 31, 2011	926.46	12,939.51	-	13,865.97
As at September 30, 2012	1,922.86	12,588.14	-	14,511.00

**15. Mining properties**

Movements of mining properties are as follows:

	Unit: Million Baht
	<u>Consolidated financial statement</u>
Cost	
As at January 1, 2012	41,970.17
- Business acquisition (Note 27)	4,245.73
- Additions	1,986.92
- Reclassifications	174.26
- Disposals	(321.64)
- Currency translation differences	(1,091.75)
As at September 30, 2012	<u>46,963.69</u>
Accumulated amortization	
As at January 1, 2012	(8,790.33)
- Amortization for the period	(2,744.28)
- Currency translation differences	276.78
As at September 30, 2012	<u>(11,257.83)</u>
Net book value	
As at December 31, 2011	<u>33,179.84</u>
As at September 30, 2012	<u>35,705.86</u>

**16. Goodwill**

Movements of goodwill are as follows:

	Unit: Million Baht	
	<u>Consolidated financial statements</u>	
	<u>2012</u>	<u>2011</u>
Net book value as at January 1	28,432.57	17,541.83
- Additions (Note 27)	18,761.96	10,275.60
- Reclassifications	-	(70.51)
- Impairment losses	(321.48)	(29.15)
- Currency translation differences	(390.93)	(17.61)
Net book value as at September 30	<u>46,482.12</u>	<u>27,700.16</u>

**17. Advance Payments for Gas Purchases**

Movements of advance payments for gas purchases are as follows:

	Unit: Million Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Balance as at January 1	7,346.23	8,304.60	8,495.57	9,743.47
- Make-up right	(973.92)	(2,503.53)	(902.67)	(2,812.05)
Balance as at September 30	<u>6,372.31</u>	<u>5,801.07</u>	<u>7,592.90</u>	<u>6,931.42</u>

The Company made advance payments for committed gas purchases according to the established minimum volumes in the Gas Sales Agreements (Take-or-Pay). The Company has the right to take certain volumes of prepaid gas (Make-up right) in subsequent years, with no maturity period.

As at September 30, 2012, advance payments for gas purchases comprised the balance of advance payments made for gas purchases from the Yadana and the Yetagun gas fields in the Union of Myanmar, irrespective of take-up in 2000 to 2001.



**18. Long-term Loans**

Details of long-term loans as at September 30, 2012 and December 31, 2011 are as follows:

Current portion of long-term loans

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Loans – Baht currency	3,163.21	5,025.33	2,000.00	4,000.00
Loans – Baht currency – EPPO	206.03	214.35	206.03	214.35
Loans – foreign currencies	6,734.16	4,246.05	2,322.48	2,593.25
Debentures – Baht currency	5,015.69	45,296.32	-	23,500.00
Liabilities under finance leases	236.77	196.72	180.72	164.52
<b>Total</b>	<b>15,355.86</b>	<b>54,978.77</b>	<b>4,709.23</b>	<b>30,472.12</b>

Long-term loans

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Loans – Baht currency	29,480.87	32,251.00	21,500.00	23,500.00
Loans – Baht currency – EPPO	145.08	297.42	145.08	297.42
Loans – foreign currencies	71,308.72	62,231.56	19,687.36	21,422.30
Debentures – Baht currency	183,494.64	146,521.98	164,304.20	119,304.20
Debentures – foreign currencies	108,288.48	95,513.07	47,019.53	48,321.77
Liabilities under finance leases	505.67	509.09	400.80	453.95
<b>Total</b>	<b>393,223.46</b>	<b>337,324.12</b>	<b>253,056.97</b>	<b>213,299.64</b>

As at September 30, 2012, Baht 7,000.00 million of the Company's loans are secured by the Ministry of Finance (December 31, 2011: Baht 10,205.86 million).

**18. Long-term Loans (Continued)**

## 18.1 Loans

Movements of loans in Baht currency and foreign currencies for the nine-month period ended September 30, 2012 are as follows:

Unit: Million

	Consolidated financial statements				Total in Baht equivalent
	Currency				
	Baht	USD	JPY	CAD	
Balance as at January 1, 2012	37,788.10	1,807.38	23,000.00	-	104,265.71
- Additions	147.35	56.06	-	475.00	16,398.91
- Repayments	(4,941.33)	(93.18)	-	-	(6,873.23)
- Gain on exchange rates	-	-	-	-	(2,610.19)
- Currency translation differences	-	-	-	-	(157.72)
- Others	1.07	0.43	-	-	14.59
Balance as at September 30, 2012	32,995.19	1,770.69	23,000.00	475.00	111,038.07
- Current portion	(3,369.24)	(218.20)	-	-	(10,103.40)
Long-term loans	<u>29,625.95</u>	<u>1,552.49</u>	<u>23,000.00</u>	<u>475.00</u>	<u>100,934.67</u>

Unit: Million

	Separate financial statements				Total in Baht equivalent
	Currency				
	Baht	USD	JPY		
Balance as at January 1, 2012	28,011.77	456.47	23,000.00		52,027.32
- Repayments	(4,160.66)	(43.97)	-		(5,560.22)
- Gain on exchange rates	-	-	-		(606.15)
Balance as at September 30, 2012	23,851.11	412.50	23,000.00		45,860.95
- Current portion	(2,206.03)	(75.00)	-		(4,528.51)
Long-term loans	<u>21,645.08</u>	<u>337.50</u>	<u>23,000.00</u>		<u>41,332.44</u>

**18. Long-term Loans (Continued)**

18.1 Loans (Continued)

**Loans – Baht currency**

On June 27, 2012, a contract party of an interest rate swap contract for a Baht loan amounting to Baht 5,000 million exercised its right to change an interest rate from a floating interest rate of 6M THBFIX plus a fixed rate per annum to a fixed interest rate of 4.355% per annum. The change is effective from June 30, 2012 to the loan repayment date on March 30, 2019.

During the period, a jointly control entity drew down a loan from a financial institution amounting to Baht 421 million. The Company recognized the loan of Baht 147.35 million according to its percentage of the investment. The loan has a maturity of ten years and bears an interest rate of 6-month fixed deposit plus premium.

**Loans – foreign currency**

On January 27, 2012, the Company terminated an interest rate swap contract for USD loans of USD 50 million with a contract party. As a result, the interest rate on these loans changed from a fixed rate of 2.989% per annum to the former floating rate of LIBOR plus a fixed rate. On the same day, the Company entered into an interest rate swap contract with a new contract party to swap the floating interest rate of LIBOR plus a fixed rate for a fixed interest rate of 1.585% per annum. The contract is effective from February 7, 2012 to the repayment date on May 25, 2015.

In March and April 2012, PTTEP Canada International Finance Limited (PTTEP CIF) entered into five-year unsecured loan agreements with financial institutions, granting facilities totaling CAD 300 million and CAD 75 million, respectively. The loans are fully guaranteed by PTTEP. PTTEP CIF fully utilized these loans in May 2012. In addition, in August 2012, PTTEP CIF entered into seven-year unsecured loan agreement with financial institution, granting facilities totaling CAD 100 million. The loan is fully guaranteed by PTTEP. PTTEP CIF fully utilized this loan in September 2012.

On March 30, 2012, a jointly controlled entity entered into the Shareholder Loan Agreement with its shareholders, granting loan facilities of USD 70 million carrying interest at a rate of LIBOR plus a fixed rate per annum. The loan is to be fully repaid within November, 2020. The jointly controlled entity drew down USD 35 million of the loan on May 21, 2012, and the remaining USD 35 million on September 25, 2012. The Company recognized USD 33.95 million of the loan, in proportion to its shareholding.

On August 7, 2012, a subsidiary of PTTI entered into a loan agreement with an international financial institution amounting to USD 25 million or approximately Baht 784.03 million. The loan has a maturity of three years and bears an interest rate of LIBOR plus a fixed rate per annum.

**18. Long-term Loans (Continued)**

## 18.2 Debentures

Details of debentures as at September 30, 2012 and December 31, 2011 are as follows:

Unit: Million

	Consolidated financial statements			
	September 30, 2012		December 31, 2011	
	Baht	USD	Baht	USD
Unsecured unsubordinated debentures				
- USD currency	105,296.56	3,411.55	92,472.15	2,911.17
- Baht currency	188,510.33	-	191,818.30	-
Secured unsubordinated debentures				
- USD currency	2,991.92	96.62	3,040.92	96.62
Total	296,798.81	3,508.17	287,331.37	3,007.79
Current portion	(5,015.69)	-	(45,296.32)	-
Long-term debentures	<u>291,783.12</u>	<u>3,508.17</u>	<u>242,035.05</u>	<u>3,007.79</u>

Unit: Million

	Separate financial statements			
	September 30, 2012		December 31, 2011	
	Baht	USD	Baht	USD
Unsecured unsubordinated debentures				
- USD currency	47,019.53	1,518.40	48,321.77	1,518.03
- Baht currency	164,304.20	-	142,804.20	-
Total	211,323.73	1,518.40	191,125.97	1,518.03
Current portion	-	-	(23,500.00)	-
Long-term debentures	<u>211,323.73</u>	<u>1,518.40</u>	<u>167,625.97</u>	<u>1,518.03</u>

**18. Long-term Loans (Continued)**

## 18.2 Debentures (Continued)

On January 27, 2012, the Company issued and offered two tranches of unsecured unsubordinated debentures No.1/2012 amounting to Baht 20,000 million to general investors, the details of the debentures are as follows:

<b>Condition</b>	<b>Tranche 1</b>	<b>Tranche 2</b>
Offering price (million Baht)	1,950.53	18,049.47
Tenor (years)	3 years 8 months 20 days	6 years 9 months 19 days
Fixed interest rate (% per annum)	3.80	Year 1 - 4 : 4.00 Year 5 - 6 : 4.40 Remaining periods : 5.50
Interest instalments	Semi-annual interest payment on February 15 and August 15 (The first instalment on August 15, 2012)	
Issue date	January 27, 2012	
Maturity date	October 17, 2015	November 15, 2018

On May 21, 2012, the Company issued and offered unsecured unsubordinated debentures No.2/2012 amounting to Baht 15,000 million to general investors, the details of the debentures are as follows:

<b>Condition</b>	<b>Details</b>
Offering price (million Baht)	15,000.00
Tenor (years)	6 years 11 months 24 days
Fixed interest rate (% per annum)	Year 1 - 4 : 4.10 Remaining periods : 5.10
Interest instalments	Semi-annual interest payment on May 15 and November 15 (The first instalment on November 15, 2012)
Issue date	May 21, 2012
Maturity date	May 15, 2019

**18. Long-term Loans (Continued)**

## 18.2 Debentures (Continued)

On July 31, 2012, the Company issued and offered unsecured unsubordinated debentures No.3/2012 amounting to Baht 10,000 million to general investors, the details of the debentures are as follows:

<b>Condition</b>	<b>Details</b>
Offering price (million Baht)	10,000.00
Tenor (years)	6 years 9 months 15 days
Fixed interest rate (% per annum)	Year 1 - 4 : 4.10 Remaining periods : 5.10
Interest instalments	Semi-annual interest payment on May 15 and November 15 (The first instalment on November 15, 2012)
Issue date	July 31, 2012
Maturity date	May 15, 2019

On June 12, 2012, PTTEP Canada International Finance Limited (PTTEP CIF) issued and offered the 30-year unsecured and unsubordinated debentures with a fixed interest rate of 6.35% per annum in the amount of USD 500 million. This debenture is fully guaranteed by PTTEP.

## 18.3 Liabilities under finance leases

Details of liabilities under finance leases as at September 30, 2012 and December 31, 2011 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Liabilities under finance leases				
- Within 1 year	267.23	222.30	201.16	186.38
- Over 1 year but not over 5 years	529.91	535.58	417.21	477.24
Future finance charges on finance leases	(54.70)	(52.07)	(36.85)	(45.15)
Present value of liabilities under finance leases	<u>742.44</u>	<u>705.81</u>	<u>581.52</u>	<u>618.47</u>
Present value of liabilities under finance leases				
- Current liabilities	236.77	196.72	180.72	164.52
- Non-current liabilities	<u>505.67</u>	<u>509.09</u>	<u>400.80</u>	<u>453.95</u>
Total	<u>742.44</u>	<u>705.81</u>	<u>581.52</u>	<u>618.47</u>

**19. Employee Benefit Obligations**

Movements in the present value of the employee benefit obligations are as follows:

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2012	2011	2012	2011
As at January 1	5,500.02	5,147.73	2,387.40	2,314.50
Current service costs	319.84	325.25	107.99	105.05
Interest on obligations	160.29	149.13	71.46	69.06
Actuarial gain	-	(0.30)	-	-
Currency translation differences	(0.34)	(57.39)	-	-
Actual payment	(160.10)	(115.16)	(110.01)	(58.92)
As at September 30	<u>5,819.71</u>	<u>5,449.26</u>	<u>2,456.84</u>	<u>2,429.69</u>

Expenses recognized in the statements of income for the three-month periods ended September 30, 2012 and 2011 are as follows:

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2012	2011	2012	2011
Current service costs	102.64	101.68	36.01	35.02
Interest on obligations	53.74	51.27	23.83	23.02
Actuarial gain	(0.35)	(0.10)	-	-
Total	<u>156.03</u>	<u>152.85</u>	<u>59.84</u>	<u>58.04</u>
Cost of sales	26.55	21.27	8.56	7.60
Selling expenses	5.95	10.63	5.48	10.35
Administrative expenses	122.65	119.74	45.13	39.09
Management remuneration	0.88	1.21	0.67	1.00
Total	<u>156.03</u>	<u>152.85</u>	<u>59.84</u>	<u>58.04</u>

**19. Employee Benefit Obligations (Continued)**

Expenses recognized in the statements of income for the nine-month periods ended September 30, 2012 and 2011 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Current service costs	319.84	325.25	107.99	105.05
Interest on obligations	160.29	149.13	71.46	69.06
Actuarial gain	-	(0.30)	-	-
<b>Total</b>	<b>480.13</b>	<b>474.08</b>	<b>179.45</b>	<b>174.11</b>
Cost of sales	85.33	84.05	24.92	22.80
Selling expenses	28.42	32.04	27.03	31.06
Administrative expenses	363.66	354.81	125.42	117.70
Management remuneration	2.72	3.18	2.08	2.55
<b>Total</b>	<b>480.13</b>	<b>474.08</b>	<b>179.45</b>	<b>174.11</b>

**20. Provision for Decommissioning Costs**

Movements in the provision for decommissioning costs are as follows:

	Unit: Million Baht
	Consolidated financial statements
As at January 1, 2012	24,941.52
- Additions	2,299.33
- Currency translation differences	(660.89)
- Actual payment	(3,202.50)
- Reversal of provision	(264.47)
As at September 30, 2012	23,112.99
- Current portion	(700.45)
- Long-term portion	22,412.54



**21. Earnings per Share**

Basic earnings per share and diluted earnings per share for the three-month periods ended September 30, 2012 and 2011 are calculated as follows:

Consolidated financial statements

	Basic earnings per share		Diluted earnings per share	
	2012	2011	2012	2011
Net income attributable to ordinary shareholders (Baht)	36,054,151,104	21,470,608,400	36,054,151,104	21,470,608,400
Adjustment of net income (Baht)	-	-	(70,540)	(1,055,419)
Net income for calculation of earnings per share (Baht)	36,054,151,104	21,470,608,400	36,054,080,564	21,469,552,981
Number of weighted average of ordinary shares for calculation of earnings per share (shares)	2,856,299,625	2,854,445,039	2,856,299,625	2,854,445,039
Effect from exercised warrants (shares)			-	606,448
Number of diluted weighted average of ordinary shares (shares)			2,856,299,625	2,855,051,487
Earnings per share (Baht/share)	12.62	7.52	12.62	7.52

Separate financial statements

	Basic earnings per share		Diluted earnings per share	
	2012	2011	2012	2011
Net income attributable to ordinary shareholders (Baht)	18,663,829,091	24,890,176,973	18,663,829,091	24,890,176,973
Number of weighted average of ordinary shares for calculation of earnings per share (shares)	2,856,299,625	2,854,445,039	2,856,299,625	2,854,445,039
Effect from exercised warrants (shares)			-	606,448
Number of diluted weighted average of ordinary shares (shares)			2,856,299,625	2,855,051,487
Earnings per share (Baht/share)	6.53	8.72	6.53	8.72

**21. Earnings per Share (Continued)**

Basic earnings per share and diluted earnings per share for the nine-month periods ended September 30, 2012 and 2011 are calculated as follows:

Consolidated financial statements

	Basic earnings per share		Diluted earnings per share	
	2012	2011	2012	2011
Net income attributable to ordinary shareholders (Baht)	81,953,595,464	88,669,908,024	81,953,595,464	88,669,908,024
Adjustment of net income (Baht)	-	-	(7,330,478)	(15,738,433)
Net income for calculation of earnings per share (Baht)	81,953,595,464	88,669,908,024	81,946,264,986	88,654,169,591
Number of weighted average of ordinary shares for calculation of earnings per share (shares)	2,856,299,625	2,851,906,050	2,856,299,625	2,851,906,050
Effect from exercised warrants (shares)			-	1,452,793
Number of diluted weighted average of ordinary shares (shares)			2,856,299,625	2,853,358,843
Earnings per share (Baht/share)	28.69	31.09	28.69	31.07

Separate financial statements

	Basic earnings per share		Diluted earnings per share	
	2012	2011	2012	2011
Net income attributable to ordinary shareholders (Baht)	65,889,231,218	64,406,056,735	65,889,231,218	64,406,056,735
Number of weighted average of ordinary shares for calculation of earnings per share (shares)	2,856,299,625	2,851,906,050	2,856,299,625	2,851,906,050
Effect from exercised warrants (shares)			-	1,452,793
Number of diluted weighted average of ordinary shares (shares)			2,856,299,625	2,853,358,843
Earnings per share (Baht/share)	23.07	22.58	23.07	22.57

**21. Earnings per Share (Continued)****PTTGC**

Details of issue and offer of warrants for PTTGC's employees are as follows:

Date of issue and offer of warrants	Exercise price (Baht per share)	Exercise ratio (warrant : ordinary share)	Number of allotted shares (million shares)	Number of reserved shares (million shares)	Last exercise date of warrants
October 19, 2011	46.32	1 : 0.2590478	1.64	1.82	October 19, 2016

**22. Other Income**

Details of other income for the three-month periods ended September 30, 2012 and 2011 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Transportation income	996.20	1,145.62	1,022.82	1,161.68
Dividend income	227.22	219.00	9,370.30	13,401.44
Interest income	638.42	874.47	1,253.06	1,283.88
Compensation for loan interest on advance payments for gas purchases	65.54	65.55	65.54	65.55
Others	831.76	1,225.46	753.03	594.43
Total	<u>2,759.14</u>	<u>3,530.10</u>	<u>12,464.75</u>	<u>16,506.98</u>

Details of other income for the nine-month periods ended September 30, 2012 and 2011 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Transportation income	3,584.00	3,131.26	3,671.83	3,200.55
Dividend income	375.95	599.86	28,881.29	24,291.00
Interest income	2,288.38	2,692.45	3,961.05	3,567.75
Compensation for loan interest on advance payments for gas purchases	195.21	204.06	195.21	204.06
Others	6,827.81	5,740.86	2,591.75	4,282.91
Total	<u>13,271.35</u>	<u>12,368.49</u>	<u>39,301.13</u>	<u>35,546.27</u>

Compensation for loan interests on advance payments for gas purchases (Take-or-Pay) represents the compensation, which the Company received from the Electricity Generating Authority of Thailand (EGAT) and Independent Power Plants (IPP) in order to absorb the interests on loans. The Company obtains the loans to make advance payments for gas purchases.

**23. Expenses by Nature**

Details of expenses by nature for the three-month periods ended September 30, 2012 and 2011 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Changes in finished goods and work in process	(4,604.09)	592.95	(4,146.27)	(21.21)
Goods purchased and raw materials used	604,485.72	569,270.97	611,641.78	555,714.80
Staff costs	3,923.64	1,284.24	1,908.21	1,691.05
Outsourcing	1,664.34	1,469.47	1,581.91	1,247.61
Transportation	3,452.34	3,838.36	838.23	1,857.42
Depreciation and amortization	17,668.33	12,759.80	3,524.48	3,363.45
Repairment	1,653.94	635.77	835.13	1,138.02
Utilities	4,192.39	2,875.35	3,531.26	2,567.79
Loss on impairment of assets*	0.08	10.45	-	-
Loss on impairment of investments*	-	42.91	-	-

Details of expenses by nature for the nine-month periods ended September 30, 2012 and 2011 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Changes in finished goods and work in process	(1,580.92)	(10,780.06)	(576.39)	(9,920.45)
Goods purchased and raw materials used	1,804,231.74	1,606,981.91	1,812,573.08	1,587,934.07
Staff costs	11,350.92	8,840.16	5,522.81	4,922.66
Outsourcing	4,781.90	4,534.05	4,318.99	3,525.16
Transportation	12,501.53	11,268.33	5,219.53	5,671.69
Depreciation and amortization	48,496.69	39,306.50	10,347.20	9,988.72
Repairment	3,920.05	3,173.40	1,976.48	2,385.61
Utilities	11,733.15	9,125.98	9,975.45	8,090.71
Loss on impairment of assets* (Note 13, 14 & 16)	3,555.86	29.56	-	-
Loss on impairment of investments* (Note 9.5)	3,972.32	129.56	-	-

\* Other expenses in the statements of income

**24. Segment Information**

The Company presented financial information by business segment, rather than by geographical segment because the geographical segments other than Thailand together reported less than 10% of the consolidated revenues, operating results and total assets.

**Consolidated financial statements**

For the three-month period ended September 30, 2012

	Upstream petroleum and natural gas		Downstream petroleum				Coal	Others	Elimination	Unit: Million Baht	
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals	Refining				Total	
Sales - others	13,085.43	123,953.89	146,255.85	370,811.71	22,879.18	-	8,451.00	588.00	-	686,025.06	
- related parties	43,142.95	6,959.98	857.30	24,818.42	4.53	-	-	453.23	(76,236.41)	-	
Net sales	56,228.38	130,913.87	147,113.15	395,630.13	22,883.71	-	8,451.00	1,041.23	(76,236.41)	686,025.06	
Gross margin (loss)*	50,660.59	15,275.20	5,378.92	(1,272.20)	1,439.40	-	3,298.64	256.39	(781.93)	74,255.01	
EBITDA	40,192.92	12,066.55	2,905.65	(2,195.33)	970.28	-	2,322.48	378.57	(331.94)	56,309.18	
Depreciation and amortization expenses	11,662.68	3,412.68	593.82	3.40	251.81	-	1,336.47	408.05	(0.58)	17,668.33	
EBIT	28,530.24	8,653.87	2,311.83	(2,198.73)	718.47	-	986.01	(29.48)	(331.36)	38,640.85	
Share of net income from investments in associates	-	160.57	132.07	-	6,068.18	6,823.65	-	32.83	-	13,217.30	
Interest income										638.42	
Other income, net										948.61	
Gain on exchange rate										3,407.56	
Finance costs										(5,005.87)	
EBT										51,846.87	
Income taxes										(8,935.35)	
Net income for the period										<u>42,911.52</u>	
<b>Attributable to:</b>											
Equity holders of the Company										36,054.15	
Non-controlling interests										<u>6,857.37</u>	
Net income for the period										<u>42,911.52</u>	

\*Gross margin excludes depreciation and amortization expenses in cost of sales.

**24. Segment Information (Continued)**Consolidated financial statements

For the three-month period ended September 30, 2011

	Upstream petroleum and natural gas		Downstream petroleum				Coal	Others	Elimination	Unit: Million Baht
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals	Refining				Total
Sales - others	7,195.51	103,783.29	139,431.47	372,779.65	17,730.59	-	7,100.27	344.78	-	648,365.56
- related parties	35,216.03	5,766.56	2,894.88	21,431.15	2.15	-	-	341.79	(65,652.56)	-
Net sales	42,411.54	109,549.85	142,326.35	394,210.80	17,732.74	-	7,100.27	686.57	(65,652.56)	648,365.56
Gross margin*	36,859.13	19,802.71	5,062.98	54.06	1,230.73	-	2,698.70	195.32	(368.30)	65,535.33
EBITDA	29,379.36	16,832.44	3,235.63	(42.79)	1,191.57	-	2,040.14	158.66	90.73	52,885.74
Depreciation and amortization expenses	7,988.94	3,194.65	580.44	3.26	318.18	-	377.46	297.45	(0.58)	12,759.80
EBIT	21,390.42	13,637.79	2,655.19	(46.05)	873.39	-	1,662.68	(138.79)	91.31	40,125.94
Share of net income (loss) from investments in associates	-	(537.29)	100.91	-	3,423.37	1,454.86	(2.66)	29.82	-	4,469.01
Interest income										874.47
Other expenses, net										(204.62)
Loss on exchange rate										(5,361.96)
Finance costs										(4,569.95)
EBT										35,332.89
Income taxes										(10,377.62)
Net income for the period										<u>24,955.27</u>
<b>Attributable to:</b>										
Equity holders of the Company										21,470.61
Non-controlling interests										<u>3,484.66</u>
Net income for the period										<u>24,955.27</u>

\*Gross margin excludes depreciation and amortization expenses in cost of sales.

**24. Segment Information (Continued)**Consolidated financial statements

For the nine-month period ended September 30, 2012

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht	
	Petroleum exploration and production	Natural gas	Oil	International trading	Petro-chemicals				Refining	Total
Sales - others	35,643.87	356,146.92	451,426.20	1,132,363.88	61,723.90	-	21,699.98	1,942.40	-	2,060,947.15
- related parties	119,235.78	18,840.57	5,184.35	72,950.92	16.41	-	-	1,323.71	(217,551.74)	-
Net sales	154,879.65	374,987.49	456,610.55	1,205,314.80	61,740.31	-	21,699.98	3,266.11	(217,551.74)	2,060,947.15
Gross margin (loss)*	139,672.32	51,262.33	18,711.77	(1,707.54)	3,604.39	-	8,275.85	643.08	(1,469.34)	218,992.86
EBITDA	112,434.50	43,007.42	12,254.72	(2,255.35)	2,311.37	-	6,109.39	742.77	(75.50)	174,529.32
Depreciation and amortization expenses	31,673.92	10,140.24	1,739.49	9.96	755.11	-	3,114.20	1,065.52	(1.75)	48,496.69
EBIT	80,760.58	32,867.18	10,515.23	(2,265.31)	1,556.26	-	2,995.19	(322.75)	(73.75)	126,032.63
Share of net income from investments in associates	-	331.77	437.27	-	11,729.22	6,541.62	-	112.40	-	19,152.28
Interest income										2,288.38
Other expenses, net										(5,073.29)
Gain on exchange rate										4,037.75
Finance costs										(14,267.67)
EBT										132,170.08
Income taxes										(34,061.36)
Net income for the period										<u>98,108.72</u>
<b>Attributable to:</b>										
Equity holders of the Company										81,953.60
Non-controlling interests										<u>16,155.12</u>
Net income for the period										<u>98,108.72</u>

\*Gross margin excludes depreciation and amortization expenses in cost of sales.

**24. Segment Information (Continued)**Consolidated financial statements

For the nine-month period ended September 30, 2011

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht	
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals				Refining	Total
Sales - others	18,669.60	290,937.53	411,014.87	1,033,240.94	56,631.91	-	21,192.55	1,112.01	-	1,832,799.41
- related parties	105,324.04	16,860.94	6,132.44	57,617.51	3.87	-	-	962.77	(186,901.57)	-
Net sales	123,993.64	307,798.47	417,147.31	1,090,858.45	56,635.78	-	21,192.55	2,074.78	(186,901.57)	1,832,799.41
Gross margin*	109,968.21	60,363.31	15,698.61	2,145.51	3,959.51	-	8,761.44	662.84	(999.90)	200,559.53
EBITDA	85,538.29	52,315.39	10,349.88	1,752.07	3,162.82	-	6,076.15	341.76	237.65	159,774.01
Depreciation and amortization expenses	25,232.72	9,330.60	1,832.75	9.88	706.52	-	1,352.77	843.00	(1.74)	39,306.50
EBIT	60,305.57	42,984.79	8,517.13	1,742.19	2,456.30	-	4,723.38	(501.24)	239.39	120,467.51
Share of net income (loss) from investments in associates	-	(354.08)	381.73	-	13,701.25	12,393.34	(44.73)	49.79	-	26,127.30
Interest income										2,692.45
Other income, net										3,093.62
Loss on exchange rate										(1,552.19)
Finance costs										(13,442.83)
EBT										137,385.86
Income taxes										(35,595.22)
Net income for the period										<u>101,790.64</u>
<b>Attributable to:</b>										
Equity holders of the Company										88,669.91
Non-controlling interests										<u>13,120.73</u>
Net income for the period										<u>101,790.64</u>

\*Gross margin excludes depreciation and amortization expenses in cost of sales.



**25. Subordinated capital debentures**

On June 15, 2012, PTTEP issued and offered subordinated capital debentures, with a value of Baht 5,000 million, which are perpetual long-term, unsecured and unconvertible with no final maturity date. The principle payment will be paid upon liquidation or early redemption by PTTEP, subject to certain restrictions under the agreement. The subordinated capital debentures bear a step-up fixed interest starting from 5.85% to 7.85% per annum. These interests are paid on a quarterly basis. PTTEP can defer the interest payments at its sole discretion. All deferred interest will be accumulated, but not bear any interests. If PTTEP deferred the interest payment, PTTEP shall not declare or make any dividend payment, make any interest payment or distribution of any sort of any instrument or security issued by PTTEP which ranks pari passu or junior to these subordinated capital debentures. In addition, PTTEP shall not redeem, reduce, cancel, buy-back or acquire for any consideration on any instrument or security issued by PTTEP which rank pari passu or junior to these subordinated capital debentures. These debentures are recognized by the Company as a part of non-controlling interests in the statement of financial position.

**26. Dividend Payment**

On April 10, 2012, at the 2012 Annual Shareholders Meeting of the Company, the shareholders approved dividend payments for the year 2011 of Baht 13.00 per share, approximately amounting to Baht 37,119.13 million. On September 23, 2011, the Company paid an interim dividend for the operating results of the first half of 2011 at Baht 6.00 per share for 2,854,189,126 shares, amounting to Baht 17,125.13 million. The remaining dividends were paid as follows:

Dividends	For operating period	Dividend payment rate (Baht/share)	Number of shares (shares)	Total dividends (million Baht)	Payment date
For the year 2011	July 1, 2011 – December 31, 2011	7.00	2,855,074,343	19,985.52	April 30, 2012

On August 24, 2012, at the Board of Directors Meeting No. 8/2012 of the Company, the Board approved interim dividend payments for the first half of the year 2012 as follows:

Dividends	For operating period	Dividend payment rate (Baht/share)	Number of shares (shares)	Total dividends (million Baht)	Payment date
Interim	January 1, 2012 – June 30, 2012	5.00	2,855,194,951	14,275.97	September 21, 2012

**27. Business Acquisition**

On November 15, 2011, PTTGE Services Netherlands BV (PTTGE BV) acquired a 75% shareholding in seven jointly controlled entities of the PT Kalpataru Investama (PT KPI) group, operating Palm oil business in Indonesia.

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration (cash paid)	1,458.97
Fair value of net assets acquired	<u>(1,160.91)</u>
Goodwill	<u><u>298.06</u></u>

Assets and liabilities arising from the acquisition are as follows:

	Unit: Million Baht
Cash and cash equivalents	0.76
Property, plant and equipment	1,137.84
Advance payment	13.79
Other current assets	23.59
Other accounts payable	(11.90)
Other current liabilities	<u>(3.17)</u>
Fair value of net assets acquired	1,160.91
<u>Add:</u> Goodwill	<u>298.06</u>
Total consideration transferred	1,458.97
<u>Less:</u> Cash and cash equivalents	<u>(0.76)</u>
Cash outflow on the acquisition	<u><u>1,458.21</u></u>

As at September 30, 2012, PTTGE BV is reviewing the fair value of net assets acquired. The aforementioned fair value of the net assets will be revised when the initial purchase price allocation is completed.

**27. Business Acquisition** (Continued)

On March 2, 2012 PTT Asia Pacific Mining Pty Ltd. (PTTAPM), a subsidiary company of PTTI, made an additional investment in Red Island Mineral Limited (RIM) by acquiring a 66.50% interest to increase its shareholding in RIM from 33.50% to 100%. As a result, the status of RIM has been changed from an associate to a subsidiary of PTTI. RIM is a company incorporated in Australia, which operates an exploration and development of coal mining business under a partnership with the Madagascan government.

PTTAPM paid USD 44.86 million, or approximately Baht 1,361.09 million, for the additional shares in RIM.

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration	3,121.97
Fair value of net assets acquired	<u>(2,410.65)</u>
Goodwill	<u>711.32</u>

Purchase consideration is as follows:

	Unit: Million Baht
Net book value of equity before change in shareholding	1,514.83
Gain on revaluation of net book value of equity	274.34
Cash paid	885.38
Contingent consideration arrangement	<u>447.42</u>
Total purchase consideration	<u>3,121.97</u>

Assets and liabilities arising from the acquisition are as follows:

	Unit: Million Baht
Cash and cash equivalents	3.41
Accounts receivable and other receivable	9.39
Property, plant and equipment (Note 13)	4.09
Mining properties (Note 15)	4,245.73
Other assets	0.09
Accounts payable and other accounts payable	(39.10)
Loan	(355.87)
Deferred tax liabilities	<u>(878.29)</u>
Fair value of net assets	2,989.45
<u>Less:</u> Non-controlling interest	<u>(578.80)</u>
Fair value of net assets acquired	2,410.65
<u>Add:</u> Goodwill (Note 16)	<u>711.32</u>
Total consideration transferred	<u>3,121.97</u>

**27. Business Acquisition** (Continued)

Cash paid for changing in the ownership interests in subsidiaries

	Unit: Million Baht
Cash paid	885.38
Contingent consideration arrangement	447.42
Premium on contingent consideration arrangement	<u>31.70</u>
	1,364.50
<u>Less</u> Cash and cash equivalent of subsidiaries	<u>(3.41)</u>
Cash outflow on the acquisition	<u><u>1,361.09</u></u>

As at September 30, 2012, PTTAPM is reviewing the fair value of net assets acquired. The aforementioned fair value of the net assets will be revised when the initial purchase price allocation is completed.

**27. Business Acquisition** (Continued)

On May 14, 2012, PT Separi Energy (SE), a subsidiary of Sakari Resources Ltd. (SAR) which is a subsidiary of PTTI, acquired a 100% shareholding in Tri Tunggal Lestari Bersama (TTLB) for the total of USD 1.09 million, or approximately Baht 34.66 million. TTLB operates an infrastructure business nearby the Jembayan mine. Consequently, this acquisition provides the land use rights and results in the company saving coal transportation costs.

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration	70.81
Fair value of net assets acquired	<u>(0.69)</u>
Goodwill	<u>70.12</u>

Purchase consideration is as follows:

	Unit: Million Baht
Cash paid	34.66
Contingent consideration arrangement	<u>36.15</u>
Total purchase consideration	<u>70.81</u>

Assets and liabilities arising from the acquisition are as follows:

	Unit: Million Baht
Accounts receivable and other accounts receivable	0.53
Other assets	<u>0.16</u>
Fair value of net assets acquired	0.69
<u>Add: Goodwill (Note 16)</u>	<u>70.12</u>
Total consideration transferred	<u>70.81</u>

As at September 30, 2012, SE is reviewing the fair value of net assets acquired. The aforementioned fair value of the net assets will be revised when the initial purchase price allocation is completed.

**27. Business Acquisition** (Continued)

On August 23, 2012, at the PTTI's Board of Directors Meeting No. 11/2012, the Board passed a resolution to assign PTT Mining Limited (PTTML), a subsidiary of PTTI, to bid for all ordinary shares of Sakari Resources Limited (SAR) through the Stock Exchange of Singapore and to report to the Stock Exchange of Thailand on August 27, 2012. The purpose of the bid is to increase a shareholding in SAR to over 50%.

As at September 30, 2012, PTTML acquired an additional 26.52% of the SAR share (301,570,681 shares, totaling SGD 567.84 million or approximately Baht 12,929.38 million), which increased its shareholding in SAR from 45.27% to 71.79% (816,249,901 shares).

Details of the change in the equity holding in the subsidiary are as follows:

	Unit: Million Baht
Purchase consideration	12,929.38
Carrying value of the additional interest acquired	<u>(5,247.07)</u>
The difference from the change in the ownership interests in subsidiary	<u>7,682.31</u>

**27. Business Acquisition** (Continued)

On May 23, 2012, PTTEP announced the terms of recommended cash offer to acquire the entire issued share and to be issued share capital of Cove Energy plc. (COVE) which was listed on the Alternative Investment Market (AIM) of the London Stock Exchange at the price of 240 pence for each COVE share totaling GBP 1,221.40 million. COVE has an 8.5% participating interest in the Rovuma Offshore Area 1 Project which is a world class gas discovery in the Republic of Mozambique. PTTEP through PTTEP Africa Investment Limited (PTTEP AI), a wholly owned subsidiary, fulfilled all offering requirements and successfully acquired share of COVE. Subsequently on October 5, 2012, PTTEP AI became 100% shareholder of COVE.

The acquisition of COVE results in PTTEP obtaining a 10% indirect participating interests in the Rovuma Onshore exploration block in the Republic of Mozambique and 10% to 25% indirect participating interests in seven exploration blocks in the Republic of Kenya offshore deepwater which are Blocks L5, L7, L10A, L10B, L11A, L11B, and L12. In addition, PTTEP becomes the ultimate parent company of all COVE's subsidiaries as follows:

Company	Registered country	Type of business	Investment
Cove Energy East Africa Limited	Cyprus	Oil and gas exploration	100
Cove Energy Mozambique Onshore Limited	Cyprus	Oil and gas exploration	100
Cove Energy Mozambique Rovuma Offshore Limited	Cyprus	Oil and gas exploration	100
Cove Mozambique Terra Limitada	Mozambique	Oil and gas exploration	100
Cove Mozambique Energia Limitada	Mozambique	Oil and gas exploration	100
Cove Energy Kenya Limited	Kenya	Oil and gas exploration	100

**27. Business Acquisition** (Continued)

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration	60,408.52
Fair value of net assets acquired	<u>(42,428.00)</u>
Goodwill	<u>17,980.52</u>

Assets and liabilities arising from the acquisition are as follows:

	Unit: Million Baht
Cash and cash equivalents	1,359.35
Other receivable	366.26
Materials and supplies	214.32
Working capital from co-ventures	109.60
Available-for-sales investments (Note 10)	42.05
Property, plant and equipment (Note 13)	51.86
Intangible assets (Note 14)	64,214.49
Accrued expenses	(5,541.58)
Other current liabilities	(488.89)
Deferred tax liabilities	<u>(17,899.46)</u>
Fair value of net assets acquired	42,428.00
<u>Add:</u> Goodwill (Note 16)	<u>17,980.52</u>
Total consideration transferred	60,408.52
<u>Less:</u> Cash and cash equivalents	<u>(1,359.35)</u>
Cash outflow on the acquisition	<u>59,049.17</u>

The goodwill from the business acquisition of Baht 17,980.52 million resulted primarily from the recognition of deferred tax liabilities of Baht 17,899.46 million. These were derived from the differences between the fair values of net assets acquired assumed in a business combination and their tax bases, which have not been adjusted to reflect fair value. The remaining goodwill of Baht 81.06 million represents the future benefits that PTTEP expects to receive from entering into the Africa market.

None of the goodwill recognized is expected to be deductible for income tax purposes.



**28. Proceeding regarding the Central Administrative Court's Ordering Temporary Suspension of Projects in Map Ta Phut Area**

On June 19, 2009, the Stop Global Warming Association and 43 persons filed a complaint with the Central Administrative Court (the Court) for the Case No. Black 908/2552, against eight government agencies, together with a motion seeking the Court injunction to temporarily suspend all operations and activities of 76 industrial projects in the Map Ta Phut area in Rayong province.

On September 29, 2009, the Court ordered the temporary injunction by requiring the eight accused government agencies to issue the order to temporarily suspend the 76 projects until the final judgment had been made or ordered had been amended, except for projects or activities which had received the permits before the effective date of the Constitution B.E.2550 (2007) or projects which were not required to submit the Environmental Impact Assessment (EIA) reports pursuant to the Notification of the Ministry of Natural Resources and Environment dated June 16, 2009. The 25 projects of the suspended projects belonged to the Group, three of which belonged to the Company.

On October 16, 2009, the Group, as an interested person, submitted an appeal objecting to the Court injunction to the Supreme Administrative Court.

On December 2, 2009, the Supreme Administrative Court issued an order No.592/2552 amending the injunction of the Court by requiring the eight accused government agencies to order the temporary suspension of the projects or activities listed in the complaint except for 11 projects, which would apparently not cause severe impact since they are merely intended to control or minimize the pollution or install additional equipment. From these 11 projects, seven projects belonged to the Group, comprising one project of the Company and six projects of other companies in the Group. The two projects of the Company are still under the Court's order to suspend.

On December 18, 2009, the public prosecutor submitted an answer refusing all allegations in the complaint.

On September 2, 2010, the Court rendered a judgment to withdraw permits which were issued to projects in the list attached to the petition that may cause severe impacts to the local community and have not fully complied with Section 67 Paragraph Two of the Constitution B.E.2550 (2007). This withdrawal shall be effective from the date the Court rendered the judgment. One project of the Group is in the scope.

On October 1, 2010, the 43 prosecutors filed an appeal to the Supreme Administrative Court regarding the Court's judgment. On December 7, 2010, the eight accused government agencies by the public prosecutors filed a defence of the appeal. Currently, the appeal is on the proceedings of the Supreme Administrative Court.

**29. Proceeding regarding the Offshore Natural Gas Pipeline Leakage Incident**

The Company hired a contracting company (the Contractor) to construct an offshore natural gas pipeline. Regarding the construction, the Contractor breached the contract, causing damages to the Company. The Company gathered the various relevant facts and submitted them to the Office of the Attorney General to claim compensation from damages from the Contractor. Prosecutors already filed the complaint with the Civil Court. Currently, the case is on the proceeding of the Court.

### **30. Commitments and Contingent Liabilities**

Significant changes in commitments and contingent liabilities are as follows:

- 30.1 Commitments to subsidiaries, jointly controlled entities, associates and other related companies are as follows:
  - 30.1.1 The Group has provided loans to its subsidiaries and associates with credit limits totaling Baht 85,924.01 million. As at September 30, 2012, the Group made payments in respect of these loans totaling Baht 66,218.94 million. The remaining credit limits were Baht 19,705.07 million.
  - 30.1.2 The Company has obligations under a commercial credit agreement with an overseas subsidiary that provide an extended credit term for purchases of raw materials under a credit limit of USD 100 million. As at September 30, 2012, the subsidiary has drawn down USD 94.53 million of the commercial credit. The remaining commercial credit line was USD 5.47 million or approximately Baht 169.39 million.
  - 30.1.3 The Company entered into the Sponsor Support Agreements with three jointly controlled entities with credit limits equal to the sum of the loan obligations to financial institutions of the three jointly controlled entities. Under these agreements, as at September 30, 2012, the Company had commitments of USD 372.48 million or approximately Baht 11,534.36 million.
  - 30.1.4 The Company entered into the Sponsor Support Agreement with an associate, with a credit limit equal to the sum of the loan obligations of the associate to financial institutions. Under the agreement, as at September 30, 2012, the Company had a commitment of Baht 1,028 million.
  - 30.1.5 The Company had obligations under the Shareholder Agreements to pay for ordinary shares in proportion to its shareholding. As at September 30, 2012, the Company had remaining obligations amounting to Baht 3,374.61 million.

**30. Commitments and Contingent Liabilities (Continued)**

## 30.2 Commitments under operating leases – the Group as a lessee

The future minimum lease payments under uncancellable operating leases as at September 30, 2012 and December 31, 2011 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Within 1 year	2,591.48	2,376.22	191.60	225.23
Over 1 year but not over 5 years	4,064.30	4,829.45	356.95	406.52
Over 5 years	4,231.06	5,062.27	759.90	872.26
Total	<u>10,886.84</u>	<u>12,267.94</u>	<u>1,308.45</u>	<u>1,504.01</u>

30.3 As at September 30, 2012, the Group has outstanding letters of credit of Baht 72,724.73 million in the consolidated financial statements and Baht 32,743.99 million in the separate financial statements.

30.4 As at September 30, 2012, the Group had contingent liabilities in the form of letter of guarantee amounting to Baht 2,621.27 million in the consolidated financial statements and Baht 110.43 million in the separate financial statements.

30.5 An associate entered into a contract to sell a product to the Company and the Company entered into a contract to resell the same product to a listed company. The term of the two agreements is 15 years, expiring on January 31, 2012. Before the expiration date, the associate notified the Company not to renew the agreement. Consequently, the Company had to notify the listed company that the contract would also not be renewed. The Company's notice was served to the listed company in accordance with the terms and conditions set forth in the contract. On December 3, 2009 the listed company submitted a claim with the Thai Arbitration Institute (the "Institute") requesting that the Company and the associate, as the seller and the supplier, respectively, comply with the agreement by continuing to sell the product to the listed company or be jointly liable to pay damages.

On February 10, 2010, the associate submitted motion to the Institute asking to dismiss the claims against it from the case list. The Institute issued an order to dismiss the claims relating to the associate.

The Company forwarded the case to the Office of the Attorney General to submit a defense to the Institute. On April 28, 2010, the public prosecutor submitted the defense with the Institute for the Company. Currently, the arbitral tribunal was appointed and the case is under the consideration of the arbitral tribunal.

**30. Commitments and Contingent Liabilities (Continued)**

30.6 On May 26, 2010 the contractor for an on-shore natural gas pipeline construction project (the “Contractor”) submitted claims to the Thai Arbitration Institute (the “Institute”) seeking overdue payment and damages from the Company for the work performed in connection with the project. The Company, however, considered that the submission of the claims was incompliant with the dispute resolution procedure agreed upon under the contract. Therefore, the Company filed an opposition to the Contractor’s claim submission with the Institute and reserved right to protest such contractually incompliant claim submission in the arbitration procedure. After the claim submission, the Central Bankruptcy Court ordered the Contractor be under an absolute receivership which rendered the official receiver to have sole power in any litigation pertaining to the Contractor’s assets. Subsequently, the Contractor’s official receiver has petitioned the Institute to substitute the Contractor in the dispute against the Company. In contention against the alleged claims, the Company submitted the defense together with counterclaims seeking damages from the Contractor. Currently, the tribunal has been appointed and the case is now under the consideration of the tribunal. Regarding the Contractor’s bankruptcy case, the Company submitted, as a creditor, a motion for receiving a debt payment in accordance with the law.

On September 8, 2010, the Contractor by the its official receiver submitted the claims to the Institute seeking overdue payment and damages from the Company for the work performed in connection with another pipeline construction project. The Company, however, considered that the submission of the claims was incompliant with the dispute resolution procedure agreed upon under the contract. Therefore, the Company filed an opposition to the Contractor’s claim submission with the Institute and reserved the right to protest such contractually incompliant claim submission in the arbitration procedure. In contention against the alleged claims, the Company submitted the defense together with counterclaims seeking damages from the Contractor. Currently, the dispute is in the Institute’s process of appointing the umpire of the tribunal to commence the arbitration proceeding.

30.7 On September 22, 2011, six individuals led by the Thailand Watch Foundation filed a law suit against the Company and the Ministry of Finance with the Central Administrative Court (the Court) alleging that the Company’s privatization, the share distribution and the asset evaluation were in violation of law. Therefore, they asked the Court to order that the sale of the Company’s shares be null and void and the shares be redistributed. They also asked that the shares in oil refinery plants owned by the Company be returned to state ownership or be sold to the public in order to cease the Company’s monopoly in the oil refinery industry. In addition, they sought the Court’s order of the confiscation of the Company’s properties, which had been obtained by operation of public law or the force-sale of the Company’s gas separation plants to discontinue the monopoly. In response, the Company rejected all allegations and the Company by the public prosecutor submitted the answer and additional answer with the Court. Currently, the case is under the consideration of the Court.

30.8 On August 26, 2010, PTTEP Australasia Pty Ltd (PTTEP AA) received a letter from the Government of Indonesia claiming for compensation in relation to the oil and gas leak incident in the Montara area under the PTTEP Australasia’s project. Subsequently, on September 1, 2010, PTTEP AA submitted a letter rejecting the claim for compensation from the Indonesian Government because no verifiable scientific evidence provided by the Indonesian Government to support the claim. In December 2010, PTTEP AA and the Indonesian Government agreed to provide each other with additional facts and to conduct a joint survey to verify the Government of Indonesia’s data on the claimed damage on the fishery sector. Currently, the discussion with the Indonesian Government is on-going and the compensation regarding this matter has not been finalized.

**31. Other Event**

On July 4, 2012, a fire broke out at the Kerosene Stripper in Crude Distillation Unit 3, at the Bangchak refinery on Sukhumvit 64 Rd. The stripper had a production capacity of 80,000 barrels per day. As at September 30, 2012, the management of BCP, the insurers and loss adjusters have had full access to the affected areas but have not finalized their assessment of the actual damage. The management believes that any losses will be recovered from the insurance settlement.

**32. Events after the Reporting Period**

32.1 On June 14, 2012, at the PTTI's Board of Directors Meeting No. 8/2012, the Board passed a resolution to merge its two of subsidiaries, International Coal Holdings Pty Ltd (ICH) and PTT Asia Pacific Mining Pty Ltd (PTTAPM), by having PTT Mining Limited (PTTML) sell its 60% shareholding in PTTAPM to ICH.

On October 1, 2012, PTTML sold its 60% shareholding in PTTAPM to ICH for AUD 571.82 million or approximately Baht 18,327.60 million.

32.2 On October 22, 2012, which is a closing date of the proposed acquisition of ordinary shares of Sakari Resources Limited (SAR), a subsidiary of PTT mining Limited (PTTML) which is a subsidiary of PTTI, PTTML has received valid acceptances from the proposed acquisition of ordinary shares and from trading in a stock exchange. As a result, PTTML now directly and indirectly holds an aggregate total of 1,025,053,511 SAR shares, representing 90.15% shareholding.

32.3 On October 25, 2012, the Company issued and offered two tranches of unsecured unsubordinated debentures to international qualified institutional buyers amounting to USD 1,100 million or Baht 33,913.33 million. The details of the debentures are as follows:

<b>Condition</b>	<b>Tranche 1</b>	<b>Tranche 2</b>
Offering price (million USD)	500.00	600.00
Tenor (years)	10 years	30 years
Fixed interest rate (% per annum)	3.375	4.5
Interest instalments	Semi-annual interest payment on April 25 and October 25	
Issue date	October 25, 2012	October 25, 2012
Maturity date	October 25, 2022	October 25, 2042

32.4 On October 29, 2012, at the PTTEP's Extraordinary General Meeting of the shareholders No.1/2012, the shareholders passed the resolutions to decrease, increase of registered capital and allocation of new ordinary shares of PTTEP. Details are disclosed in Note 9.5.

32.5 The Audit Committee of the Company approved these financial statements for public issuance on November 13, 2012.