

AUDITOR'S REPORT AND FINANCIAL STATEMENTS
OF
PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2015

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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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, joint arrangements and associates (the Group), which are engaged in upstream petroleum and natural gas, downstream petroleum, coal and other related businesses as described in Note 38 Operating Segments.

As at December 31, 2015 and 2014, the Group was operating in 29 countries.

2. Basis of Financial Statements Preparation

The consolidated and the separate financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act, B.E. 2543. These are Thai Financial Reporting Standards under the Accounting Profession Act, B.E. 2547, including guidelines promulgated by the Federation of Accounting Professions (FAP), and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act, B.E. 2535.

The Company has presented the financial statements in compliance with the notification of the Department of Business Development "Definition of the abbreviated components required in the financial statements, B.E. 2554", dated September 28, B.E. 2554, under the third paragraph of section 11 of the Accounting Act, B.E. 2543.

The consolidated and the separate financial statements have been prepared based on the assumption that users of the financial statements have an understanding of Thai generally accepted accounting principles and practices, which may differ from generally accepted accounting principles adopted in other countries.

The consolidated and the separate financial statements have been prepared under the historical cost convention with the exception of certain amounts, which are accounted for using the fair value method as disclosed in Note 3.4 Significant Accounting Policies.

The significant transactions arising between the Company and subsidiaries have been eliminated from the consolidated financial statements.

The consolidated and the separate financial statements are prepared and presented in Thai Baht and are rounded in the notes to financial statements to the nearest million unless otherwise stated.

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 Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations, effective for accounting periods on or after the current periods and will become effective in the future are as follows:

Effective on November 6, 2015

- ◆ Conceptual Framework for Financial Reporting (revised 2015)

Effective for accounting periods on or after January 1, 2015

- ◆ Thai Accounting Standard No. 1 (revised 2014) Presentation of Financial Statements
- ◆ Thai Accounting Standard No. 2 (revised 2014) Inventories
- ◆ Thai Accounting Standard No. 7 (revised 2014) Statement of Cash Flows
- ◆ Thai Accounting Standard No. 8 (revised 2014) Accounting Policies, Changes in Accounting Estimates and Errors
- ◆ Thai Accounting Standard No. 10 (revised 2014) Events after the Reporting Period
- ◆ Thai Accounting Standard No. 11 (revised 2014) Construction Contracts
- ◆ Thai Accounting Standard No. 12 (revised 2014) Income Taxes
- ◆ Thai Accounting Standard No. 16 (revised 2014) Property, Plant and Equipment
- ◆ Thai Accounting Standard No. 17 (revised 2014) Leases
- ◆ Thai Accounting Standard No. 18 (revised 2014) Revenue
- ◆ Thai Accounting Standard No. 19 (revised 2014) Employee Benefits
- ◆ Thai Accounting Standard No. 20 (revised 2014) Accounting for Government Grants and Disclosure of Government Assistance
- ◆ Thai Accounting Standard No. 21 (revised 2014) The Effects of Changes in Foreign Exchange Rates
- ◆ Thai Accounting Standard No. 23 (revised 2014) Borrowing Costs
- ◆ Thai Accounting Standard No. 24 (revised 2014) Related Party Disclosures
- ◆ Thai Accounting Standard No. 26 (revised 2014) Accounting and Reporting by Retirement Benefit Plans
- ◆ Thai Accounting Standard No. 27 (revised 2014) Separate Financial Statements
- ◆ Thai Accounting Standard No. 28 (revised 2014) Investments in Associates and Joint Ventures

3. Accounting Policies (Continued)

3.1 Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations, effective for accounting periods on or after the current periods and will become effective in the future are as follows: (Continued)

Effective for accounting periods on or after January 1, 2015 (Continued)

◆Thai Accounting Standard No. 29 (revised 2014)	Financial Reporting in Hyperinflationary Economies
◆Thai Accounting Standard No. 33 (revised 2014)	Earnings per Share
◆Thai Accounting Standard No. 34 (revised 2014)	Interim Financial Reporting
◆Thai Accounting Standard No. 36 (revised 2014)	Impairment of Assets
◆Thai Accounting Standard No. 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
◆Thai Accounting Standard No. 38 (revised 2014)	Intangible Assets
◆Thai Accounting Standard No. 40 (revised 2014)	Investment Property
◆Thai Financial Reporting Standard No. 2 (revised 2014)	Share-based Payment
◆Thai Financial Reporting Standard No. 3 (revised 2014)	Business Combinations
◆Thai Financial Reporting Standard No. 4 (revised 2014)	Insurance Contracts
◆Thai Financial Reporting Standard No. 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
◆Thai Financial Reporting Standard No. 6 (revised 2014)	Exploration for and Evaluation of Mineral Resources
◆Thai Financial Reporting Standard No. 8 (revised 2014)	Operating Segments
◆Thai Financial Reporting Standard No. 10	Consolidated Financial Statements
◆Thai Financial Reporting Standard No. 11	Joint Arrangements
◆Thai Financial Reporting Standard No. 12	Disclosure of Interests in Other Entities
◆Thai Financial Reporting Standard No. 13	Fair Value Measurement
◆Thai Standing Interpretation No. 10 (revised 2014)	Government Assistance - No Specific Relation to Operating Activities
◆Thai Standing Interpretation No. 15 (revised 2014)	Operating Leases - Incentives
◆Thai Standing Interpretation No. 25 (revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
◆Thai Standing Interpretation No. 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
◆Thai Standing Interpretation No. 29 (revised 2014)	Service Concession Arrangements: Disclosures
◆Thai Standing Interpretation No. 31 (revised 2014)	Revenue - Barter Transactions Involving Advertising Services
◆Thai Standing Interpretation No. 32 (revised 2014)	Intangible Assets - Web Site Costs
◆Thai Financial Reporting Interpretation No. 1 (revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
◆Thai Financial Reporting Interpretation No. 4 (revised 2014)	Determining Whether an Arrangement Contains a Lease

3. Accounting Policies (Continued)

3.1 Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations, effective for accounting periods on or after the current periods and will become effective in the future are as follows: (Continued)

Effective for accounting periods on or after January 1, 2015 (Continued)

◆Thai Financial Reporting Interpretation No. 5 (revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
◆Thai Financial Reporting Interpretation No. 7 (revised 2014)	Applying the Restatement Approach under TAS 29 (revised 2014) Financial Reporting in Hyperinflationary Economies
◆Thai Financial Reporting Interpretation No. 10 (revised 2014)	Interim Financial Reporting and Impairment
◆Thai Financial Reporting Interpretation No. 12 (revised 2014)	Service Concession Arrangements
◆Thai Financial Reporting Interpretation No. 13 (revised 2014)	Customer Loyalty Programmes
◆Thai Financial Reporting Interpretation No. 14	TAS 19 (revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
◆Thai Financial Reporting Interpretation No. 15 (revised 2014)	Agreements for the Construction of Real Estate
◆Thai Financial Reporting Interpretation No. 17 (revised 2014)	Distributions of Non-cash Assets to Owners
◆Thai Financial Reporting Interpretation No. 18 (revised 2014)	Transfers of Assets from Customers
◆Thai Financial Reporting Interpretation No. 20	Stripping Costs in the Production Phase of a Surface Mine

Effective for accounting periods on or after January 1, 2016

◆Thai Accounting Standard No. 1 (revised 2015)	Presentation of Financial Statements
◆Thai Accounting Standard No. 2 (revised 2015)	Inventories
◆Thai Accounting Standard No. 7 (revised 2015)	Statement of Cash Flows
◆Thai Accounting Standard No. 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
◆Thai Accounting Standard No. 10 (revised 2015)	Events after the Reporting Period
◆Thai Accounting Standard No. 11 (revised 2015)	Construction Contracts
◆Thai Accounting Standard No. 12 (revised 2015)	Income Taxes
◆Thai Accounting Standard No. 16 (revised 2015)	Property, Plant and Equipment
◆Thai Accounting Standard No. 17 (revised 2015)	Leases
◆Thai Accounting Standard No. 18 (revised 2015)	Revenue
◆Thai Accounting Standard No. 19 (revised 2015)	Employee Benefits

3. Accounting Policies (Continued)

3.1 Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations, effective for accounting periods on or after the current periods and will become effective in the future are as follows: (Continued)

Effective for accounting periods on or after January 1, 2016 (Continued)

◆Thai Accounting Standard No. 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
◆Thai Accounting Standard No. 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
◆Thai Accounting Standard No. 23 (revised 2015)	Borrowing Costs
◆Thai Accounting Standard No. 24 (revised 2015)	Related Party Disclosures
◆Thai Accounting Standard No. 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
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◆Thai Accounting Standard No. 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
◆Thai Accounting Standard No. 33 (revised 2015)	Earnings per Share
◆Thai Accounting Standard No. 34 (revised 2015)	Interim Financial Reporting
◆Thai Accounting Standard No. 36 (revised 2015)	Impairment of Assets
◆Thai Accounting Standard No. 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
◆Thai Accounting Standard No. 38 (revised 2015)	Intangible Assets
◆Thai Accounting Standard No. 40 (revised 2015)	Investment Property
◆Thai Accounting Standard No. 41	Agriculture
◆Thai Financial Reporting Standard No. 2 (revised 2015)	Share-based Payment
◆Thai Financial Reporting Standard No. 3 (revised 2015)	Business Combinations
◆Thai Financial Reporting Standard No. 4 (revised 2015)	Insurance Contracts
◆Thai Financial Reporting Standard No. 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
◆Thai Financial Reporting Standard No. 6 (revised 2015)	Exploration for and Evaluation of Mineral Resources
◆Thai Financial Reporting Standard No. 8 (revised 2015)	Operating Segments
◆Thai Financial Reporting Standard No. 10 (revised 2015)	Consolidated Financial Statements
◆Thai Financial Reporting Standard No. 11 (revised 2015)	Joint Arrangements
◆Thai Financial Reporting Standard No. 12 (revised 2015)	Disclosure of Interests in Other Entities
◆Thai Financial Reporting Standard No. 13 (revised 2015)	Fair Value Measurement
◆Thai Standing Interpretation No. 10 (revised 2015)	Government Assistance - No Specific Relation to Operating Activities

3. Accounting Policies (Continued)

3.1 Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations, effective for accounting periods on or after the current periods and will become effective in the future are as follows: (Continued)

Effective for accounting periods on or after January 1, 2016 (Continued)

◆Thai Standing Interpretation No. 15 (revised 2015)	Operating Leases - Incentives
◆Thai Standing Interpretation No. 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
◆Thai Standing Interpretation No. 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
◆Thai Standing Interpretation No. 29 (revised 2015)	Service Concession Arrangements: Disclosures
◆Thai Standing Interpretation No. 31 (revised 2015)	Revenue - Barter Transactions Involving Advertising Services
◆Thai Standing Interpretation No. 32 (revised 2015)	Intangible Assets - Web Site Costs
◆Thai Financial Reporting Interpretation No. 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
◆Thai Financial Reporting Interpretation No. 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
◆Thai Financial Reporting Interpretation No. 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
◆Thai Financial Reporting Interpretation No. 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) Financial Reporting in Hyperinflationary Economies
◆Thai Financial Reporting Interpretation No. 10 (revised 2015)	Interim Financial Reporting and Impairment
◆Thai Financial Reporting Interpretation No. 12 (revised 2015)	Service Concession Arrangements
◆Thai Financial Reporting Interpretation No. 13 (revised 2015)	Customer Loyalty Programmes
◆Thai Financial Reporting Interpretation No. 14 (revised 2015)	TAS 19 (revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
◆Thai Financial Reporting Interpretation No. 15 (revised 2015)	Agreements for the Construction of Real Estate
◆Thai Financial Reporting Interpretation No. 17 (revised 2015)	Distributions of Non-cash Assets to Owners
◆Thai Financial Reporting Interpretation No. 18 (revised 2015)	Transfers of Assets from Customers
◆Thai Financial Reporting Interpretation No. 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
◆Thai Financial Reporting Interpretation No. 21	Levies

3. Accounting Policies (Continued)

- 3.1 Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations, effective for accounting periods on or after the current periods and will become effective in the future are as follows: (Continued)

Federation of Accounting Professions (FAP) has issued a number of new and revised Thai Accounting Standards Thai Financial Reporting Standards, Thai Standing Interpretations and Thai Financial Reporting Interpretations, which are effective for accounting periods beginning on or after January 1, 2015 and January 1, 2016. The management of the Group has assessed the effects of the standards and interpretations and believes that in most cases they have not resulted in changes in key principles and they will not have any significant impact on the consolidated and the separate financial statements generally, except the impact which is stated in Note 3.3.

3.2 Reclassification

Since January 1, 2015, the Company has reclassified legal-reserve inventories as inventories and presented under current assets, rather than other non-current assets. In addition, a subsidiary has reclassified sales and remuneration under production sharing contracts as sales - net of remuneration. The impact of this reclassification is stated in Note 3.3

- 3.3 The impact of new accounting policy adoption and changing in accounting policies, effective from January 1, 2015.

3.3.1 Presentation of Financial Statements

Since January 1, 2015, the Group has adopted Thai Accounting Standard No. 1 (revised 2014) “Presentation of Financial Statements”. This revised standard introduces a grouping of items presented in other comprehensive income into group of items that could be reclassified subsequently to profit or loss and items that will never be reclassified subsequently to profit or loss. This revised standard affects only presentation and has no impact on the Group’s financial positions or performances.

3.3.2 Consolidated Financial Statements

Since January 1, 2015, the Group has adopted Thai Financial Reporting Standard No. 10 “Consolidated Financial Statements”. This standard defines the principle of control, which describes that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee, those returns vary as a result of the investee’s performance, and the investor has the ability to direct the activities that affect the amount of the investor’s returns. The changes required management to exercise significant judgment to reconsider all entities to determine which entities in the group are controlled by the Group. The impact of the adoption of this standard is presented in Note 3.3.8.

3.3.3 Joint Arrangements

Since January 1, 2015, the Group has adopted Thai Financial Reporting Standard No. 11 “Joint Arrangements”. This standard removes the option to apply proportionate consolidation method of jointly controlled entities. Instead, jointly controlled entities that meet the definition of a joint venture must be accounted for as an investment using the equity method. The impact of the adoption of this standard is presented in Notes 3.3.8.

3. Accounting Policies (Continued)

3.3 The impact of new accounting policy adoption and changing in accounting policies, effective from January 1, 2015. (Continued)

3.3.4 Disclosure of Interests in Other Entities

Since January 1, 2015, the Group has adopted Thai Financial Reporting Standard No. 12 “Disclosure of Interest in Other Entities”. This standard includes all of the disclosures related to an entity’s interests in subsidiaries, joint arrangements, associates and structured entities. This standard affects the disclosure of information related to an entity’s interests in subsidiaries, joint arrangements and associates only and has no impact on the Group’s financial positions or performances.

3.3.5 Fair Value Measurement

Since January 1, 2015, the Group has adopted Thai Financial Reporting Standard No. 13 “Fair Value Measurement”. This standard establishes provided guidance on how to measure fair value and disclosures related with fair value measurements. An entity shall apply the guidance under this standard when an entity is required to measure any assets and liabilities at fair value under relevant standards including of disclosures related with such fair value measurement. The prospective recognition of the effect of a change from adoption this standard shall be applied. This standard will not have any significant impact on the consolidated and the separate financial statements.

3.3.6 Accounting for Derivatives

Since January 1, 2015, the Group recognizes the total amount of interest received from/paid to the counterparties, according to derivatives under cross-currency and interest rate swap contracts in finance costs by using the accrual basis, and recognizes derivative assets/liabilities of cross-currency and interest rate swap contracts at fair value at the end of reporting period in the statements of financial position. The Group recognizes movements of the fair value of derivatives in profit or loss. The impact of the adoption of this accounting policy is presented in Note 3.3.8.

3.3.7 Hedge Accounting

Since January 1, 2015, the Group has criteria to consider hedge accounting as follows:

For fair value hedges, a change in fair value of the hedging instruments and a change in fair value of the hedged items attributable to the risk being hedged are both recognized in profit or loss.

For cash flow hedges, a change in fair value of the effective portion of the hedging instrument is recognized in other comprehensive income, while a change in fair value of the ineffective portion of the hedging instruments is recognized in profit or loss.

3. Accounting Policies (Continued)

3.3 The impact of new accounting policy adoption and changing in accounting policies, effective from January 1, 2015. (Continued)

3.3.8 The impact of the consolidated financial statements and the separate financial statements

Since January 1, 2015, the Group has determined whether it controls subsidiaries based on consideration of whether the facts and circumstances indicate that the criteria of Thai Financial Reporting Standard No. 10 “Consolidated Financial Statements” are met and has determined whether joint arrangements are a joint operation or a joint venture by considering the rights and obligations in conformity with Thai Financial Reporting Standard No. 11 “Joint Arrangements”. Based on the analysis performed, the Group found that there was an impact on the way in which the group accounts for interest in some entities, which were considered to be associates and accounted by using the equity method in the preparation of financial statements from the date that significant influence was assumed until December 31, 2014 in conformity with Thai Accounting Standard No. 28 (revised 2012) “Investments in Associates”. Moreover, interests in some entities, which were considered to be jointly controlled entities and accounted by using the proportionate consolidation method in the preparation of financial statements from the date that jointly control was assumed until December 31, 2014 in conformity with Thai Accounting Standard No. 31 (revised 2012) “Interests in Joint Ventures”. Details are as follows:

Associates that changed to be subsidiaries of the Company and have to be included in the consolidated financial statements from the date in which the Company assumed control are as follows:

- PTT Global Chemical Public Co., Ltd. (PTTGC) and its subsidiaries
- Thai Oil Public Co., Ltd. (TOP) and its subsidiaries
- IRPC Public Co., Ltd. (IRPC) and its subsidiaries
- Global Power Synergy Public Co., Ltd. (GPSC) and its subsidiaries
- Thai Oil Power Co., Ltd. (TP)
- PTT Energy Solutions Co., Ltd. (PTTES)
- PTT Maintenance & Engineering Co., Ltd. (PTTME)
- PTT ICT Solutions Co., Ltd. (PTTICT)

Affiliates that are joint ventures which have to change the accounting method from proportionate consolidation to the equity method are as follows:

- Trans Thai-Malaysia (Thailand) Co., Ltd. (TTM(T))
- Trans Thai-Malaysia (Malaysia) Sdn. Bhd. (TTM(M))
- District Cooling System and Power Plant Co., Ltd. (DCAP)
- PTT MCC Biochem Co., Ltd. (PTTMCC)
- PTT Asahi Chemicals Co., Ltd. (PTTAC)
- HMC Polymers Co., Ltd. (HMC)

In addition, since January 1, 2015, the Group has recognized derivative assets and liabilities in the statement of financial position at fair value and recognized movements in the fair value of derivatives in profit or loss. Besides, the Company has classified inventories - legal reserves as inventories under current assets, rather than other non-current assets. Furthermore, a subsidiary changed its presentation of revenues from sales and petroleum royalties under the production sharing contracts by offset with related petroleum royalties.

3. Accounting Policies (Continued)

3.3 The impact of new accounting policy adoption and changing in accounting policies, effective from January 1, 2015. (Continued)

3.3.8 The impact of the consolidated financial statements and the separate financial statements (Continued)

The Group has restated and reclassified the financial statement accordingly and used the adjusted and reclassified financial statements in preparing the consolidated financial statements. Details of the significant impact on the consolidated financial statements and separate financial statements are summarized as follows:

	Consolidated financial statements Increase (Decrease)	Unit: Million Baht Separate financial statements Increase (Decrease)
Statement of financial position as at January 1, 2014		
- Total assets	440,063.76	1,941.79
- Total liabilities	242,844.38	2,328.42
- Total equity	197,219.38	(386.63)
Statement of financial position as at December 31, 2014		
- Total assets	471,172.22	917.76
- Total liabilities	283,820.14	504.41
- Total equity	187,352.08	413.35
Statements of income/comprehensive income for the year ended December 31, 2014		
- Total income	(209,194.58)	(558.85)
- Cost of sales and total expenses	(211,046.76)	-
- Gain on foreign exchange rates	454.78	1,558.83
- Income taxes	(3,022.14)	200.00
- Profit for the year	5,329.10	799.98
- Other comprehensive income for the year, net of taxes	(3,732.22)	-
- Total comprehensive income for the year	1,596.88	799.98

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies

3.4.1 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments which have original maturities within three months. Bank overdrafts and short-term loans from financial institutions are included in current liabilities in the statements of financial position.

3.4.2 Trade Accounts and Other Accounts Receivable

Trade accounts and other accounts receivable are carried at net realizable value. Doubtful accounts receivable are estimated based on expected non-collectible amounts estimating from the amount of outstanding receivables at the statement of financial position date, the receivables' repayment history and their current financial status. Also, they are estimated at percentages based on the aging of outstanding receivables at the statement of financial position date. Allowance for doubtful debt is recorded as administrative expenses in profit or loss.

3.4.3 Inventories

Inventories are stated at the lower of the cost of acquisition or net realizable value. Cost is determined using the weighted average cost method. The cost of inventory comprises total purchasing costs, payments related to purchasing, discounts, quantity discounts, and taxes as well as contributions to or compensation from several funds. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and related selling expenses. When net realizable value of inventories is lower than cost of acquisition, it is presented under cost of goods sold in the statement of income. An allowance for impairment will be recognized for slow-moving, obsolete or defective inventories.

3.4.4 Materials and Supplies

Materials and supplies are stated at cost determined by using the weighted average cost method, less allowance for obsolete, defective or unserviceable items.

3.4.5 Non-current Assets and Liabilities Held-for-sale

Disposed assets or asset groups, including non-current assets and liabilities held-for-sale, are classified as held-for-sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable and the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets. Management must commit to the sale of the assets and they must be actively marketed at a price that is reasonable compared to their current fair value, with the expectation that sale should be recorded as completed within one year from the date of classification. These disposed assets or asset groups are measured at the lower of carrying amount and fair value less costs to sell.

The Group ceases to depreciate and amortize property, plant and equipment and intangible assets from the date the assets meet the criteria for classification as assets held-for-sale. The Group continues to recognize liabilities, including interests and other expenses attributable to liabilities classified as held-for-sale.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.6 Investments in subsidiaries

Subsidiaries are those companies controlled by the parent company. Control exists when the parent company has the power, directly or indirectly, to govern the financial and operating policies of the subsidiaries so as to obtain benefits from their activities. In case of the parent company has voting rights less than half of total voting rights in subsidiaries, the parent company will reconsider the related facts and circumstances in order to determine whether the parent company has the power to control over such subsidiaries or not.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The parent company allocates profit or loss and each component of other comprehensive income or loss to its shareholders and the non-controlling interests even if this results in a deficit non-controlling interest balance.

The purchase method of accounting is used to account for business combinations, except the business combination under common control. The cost of a business combination is measured as the fair value of any consideration transferred, the recognized amount of any non-controlling interest in the acquiree, and the fair value of the existing equity interest as of the purchasing date (if the business combination is achieved in stages).

- For each business combination, the Group measures the recognized amount of any non-controlling interest in the acquiree at either the fair value or the non-controlling interest's proportionate share of the net of identifiable assets of the acquiree.
- In the case of a business combination achieved in stages, the Group measures the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree and recognized gains and losses in profit or loss.
- Costs related to the acquisition, including professional fees, advisory fees and other consulting fees are recognized as expenses in the statement of income.

The Group measures the identifiable assets and liabilities acquired at fair value as of the acquisition date.

Any changes in the equity interest in subsidiaries of the Group while control is retained are recorded under others related to changes in the ownership interests in subsidiaries in equity.

Upon the disposal of investments, the difference between the net disposal proceeds and the carrying amount of the investments is recorded in profit or loss.

Investments in subsidiaries have been presented in the separate financial statements under the cost method.

The list of investments in subsidiaries of the Group and proportion of ownership interests have been set out in Note 12.

3.4.7 Investments in Joint Ventures and Associates

Joint ventures are joint arrangement whereby the Group has joint control of the arrangement and has rights to the net assets of the arrangement. The joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.7 Investments in Joint Ventures and Associates (Continued)

Associates are those companies in which the Group has significant influence, but not control, over the financial and operating policies.

The Group uses the purchase method to record the acquisition of joint ventures and associates. Costs which are higher than the acquisition-date fair value of identifiable assets and liabilities of the acquirer's equity interest in joint ventures and associates are recorded as goodwill and included in the investment in joint ventures and associates.

The consolidated financial statements of the Group include the share of profit and loss from joint ventures and associates under an equity accounting basis, from the date that significant influence commences until the date that significant influence ceases. Unrealized gains or losses on transactions between the Group and its joint ventures and associates are eliminated to the extent of the Group's interest in the joint ventures and associates unless the transactions provide evidence of impairment of the transferred assets.

The Group records share of profit or loss from joint ventures and associates in proportion to the Group's equity interest in those gains and losses. Any dividends received from joint ventures and associates are deducted from the book value of the investments.

When the Group's share of loss in joint ventures and associates equals or exceeds its interest in the joint ventures and associates, the Group does not recognize further losses, unless the Group has incurred collateral or constructive obligations or made payments on behalf of the joint ventures and associates.

Upon the disposal of investments, the difference between the net disposal proceeds and the carrying amount of the investments is recorded in profit or loss.

Investments in joint ventures and associates have been presented in the consolidated financial statements under the equity method.

The list of investments in joint ventures and associates of the Group and proportion of ownership interests have been set out in Note 12.

3.4.8 Joint Operations

Joint operations are joint arrangement whereby the Group has rights to assets and obligations relating to the joint arrangement. The Group has recognized assets, liabilities, revenues and expenses by the portion of joint operations in the separate and the consolidated financial statements from the date that joint control commences until the date that joint control ceases.

The list of joint operations of the Group and transactions relating to its involvements have been set out in Note 12.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.9 Other Investments

Investments other than investments in subsidiaries, joint ventures, and associates are classified as available-for-sale investments, and general investments.

Investments in equity securities and mutual funds that are marketable securities are classified as available-for-sale investments and carried at fair value in the statements of financial position. Any changes in value are recognized as gains (losses) from fair value measurement of available-for-sale investments in other comprehensive income and accumulated amounts are recognized as available-for-sale investments in equity.

Investments in non-marketable securities, which are classified as general investments, are carried at cost in the statement of financial position net of allowance for impairment. Impairment testing is performed when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment losses are recognized in profit or loss immediately.

Upon the disposal of investments, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss. When disposing of some parts of the Group's particular investment in debt or equity securities, the carrying amount of the part disposed is determined by reference to the weighted average carrying amount of the total holding of the investment.

3.4.10 Related Parties

Related parties of the Company are those enterprises or individuals that control or are controlled by the Company, or are under common control with the Company, including holding companies, subsidiaries, and fellow Group subsidiaries, as well as those that have equity interests in the Company that result in significant influence or joint control over the Company. In addition, related parties include associates, joint ventures, the management and directors of the Company, and entities which the management or directors of the Company, directly or indirectly, control, jointly controlled, or have significant influence.

In considering each possible related party relationship, attention is directed more to the substance of the relationship than to the legal form.

3.4.11 Foreign Currency Translation

The consolidated financial statements and the separate financial statements have been presented in Thai Baht, which is the Company's functional currency. Transactions of each company included in the consolidated financial statements are recorded in their own functional currencies.

Foreign currency transactions are translated into functional currency at the exchange rates prevailing at the transaction date. Monetary assets and liabilities at the statements of financial position date denominated in foreign currencies are translated into functional currency at the exchange rate prevailing at that date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.11 Foreign Currency Translation (Continued)

Assets and liabilities of foreign operations are translated into Thai Baht using the closing rate at the statements of financial position date. Revenues and expenses are translated into Thai Baht using the average rate during the period. Differences arising from currency translation are included in other comprehensive income and accumulated differences are presented in other components of equity under equity.

Upon the disposal of self-sustaining foreign entities, accumulated currency translation differences under shareholders' equity are recognized as gains or losses on disposal.

3.4.12 Borrowing Costs

Borrowing costs comprise interest and other costs associated with the borrowings. Borrowing costs incurred on qualifying assets are capitalized as a cost of the qualifying property until all the activities necessary to prepare the property for its intended use are substantially completed. When funds are specifically borrowed for the construction or the production of asset, the amount of borrowing costs capitalized is determined from the actual borrowing costs during the year less any income on the temporary investment of those borrowings. When funds are borrowed for general purpose, the Group multiplies the capitalization rate by the capital expenditure in allocating borrowing costs to costs of assets.

All other borrowing costs are expensed in the period they incurred.

3.4.13 Property, Plant and Equipment

Property, plant and equipment are initially recognized at cost less accumulated depreciation and allowance for impairment. The costs comprise any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. These include decommissioning costs, delivery and restoration costs, and any obligation associated with either its acquisition or a consequence of having used the items.

Repair and maintenance costs are recognized as expenses in profit or loss during the financial period in which they are incurred. The costs of significant asset improvements, major turnarounds and inspections are included in the carrying amount of the asset. In case of replacement, the Group writes off carrying value of replaced items.

The Group depreciates each significant component of property, plant and equipment separately.

The Group estimates the residual value of the property, plant and equipment based on current assessment of the recoverable amount less cost to sell. The Group reviews the residual value, the useful lives and depreciation methods of assets at least once a year.

Depreciation is accounted for as expenses in profit or loss and is calculated using the straight-line method or unit of production method over the estimated useful lives of the assets, which are as follows:

Buildings and building improvements	5 - 30 years
Machinery and equipment	5 - 40 years
Other machinery	Unit of production
Other assets	5 - 10 years

Land and construction in progress are not depreciated.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.13 Property, Plant and Equipment (Continued)

Gains or losses on disposal of property, plant and equipment are determined by comparing the proceeds from sales with the carrying amounts on the disposal dates, and are included in operating income or loss.

Oil and Gas Exploration and Production Properties

The petroleum exploration and production business accounts for its oil and gas exploration and production properties in accordance with the successful efforts method for which the accounting policies are as follows:

Cost of Properties

The cost of properties comprises the total acquisition costs of concession rights or a portion thereof proportionate to the Company's interest in the properties and decommissioning costs.

Exploratory drilling costs are capitalized and are classified as assets of the projects if the exploratory wells have found proved reserves to be commercially produced. Otherwise, such drilling costs are expensed profit or loss.

Exploratory costs, comprising geological and geophysical costs as well as area reservation fees during the exploration stage, are charged as expenses when incurred in profit or loss.

Development costs, whether relating to successful or unsuccessful development wells, are capitalized and classified as assets.

Depreciation

The capitalized acquisition costs of concession rights are depleted and amortized using the unit of production method based on estimated proved reserves. Depreciation, depletion and amortization of exploratory wells, development costs, equipment and the operating costs of support equipment as well as decommissioning costs, except unsuccessful projects, are calculated using the unit of production method based on estimated proved reserves or proved developed reserves. Changes in reserve estimates are recognized prospectively.

Proved reserves and proved developed reserves are calculated by the Group's own engineers and information from the joint operators.

Carried Cost under Petroleum Sharing Contracts

The petroleum exploration and production business records the carried costs under Petroleum Sharing Contracts using the following accounting policies.

Under some Petroleum Sharing Contracts in which the government has a participating interest require the contractor parties excluding the government to fund the costs of all exploration operations until determination of the first development area (carried cost). The carried costs are funded by the contractor parties at the proportion agreed among the parties. When the project commences production, the carried costs will be fully recouped without interest among the contractor parties under the agreed procedures, in the form of petroleum product sharing. The Group records the carried costs according to the type of petroleum operations, under the successful efforts method. Most of them are recorded as oil and gas properties in the statements of financial position while exploration expenses are recorded in profit or loss.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.14 Investment Properties

Investment properties are initially recognized at cost, including expenses directly associated with the asset acquisition, less accumulated depreciation and allowance for impairment.

The Group has selected the cost model for accounting for its investment properties. This model is in accordance with that described in the accounting policy for property, plant and equipment.

Depreciation is accounted for as expenses in profit or loss and is calculated using the straight-line method over the estimated useful lives of the assets, which range from 5 to 30 years. Land and construction in progress are not depreciated.

3.4.15 Intangible assets

Intangible assets are initially recognized at cost less accumulated amortization and allowance for impairment. Amortization is accounted for as expenses in profit or loss.

The Group records the initial costs of intangible assets from business combination at the acquisition-date fair value of the assets. Intangible assets from other sources are initially recognized at their costs.

Intangible assets include computer software licenses, asset rights such as gas transmission pipelines, resource exploration and valuation assets, and other intangible assets, such as other operating rights, patents, and customer contracts.

Exploration and evaluation assets are intangible assets that are recognized at cost in a petroleum exploration and production business. If exploratory projects have found sufficient reserves to be commercially produced, assets under those projects will be transferred to assets under proved reserve project. Subsequently, their values are evaluated based on the method stated in Note 3.4.13 Property, Plant and Equipment. Otherwise, assets under those projects will be fully expensed in profit or loss.

Intangible assets are amortized and recorded as expenses in profit or loss using the straight-line method over the useful lives of the assets which range from 3 to 40 years, except customer contracts which are amortized based on estimated sales volume.

The Group reviews the residual value, useful lives and amortization of intangible assets at least once a year.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.16 Mining Properties

The coal business applies the following accounting policy for coal exploration and production properties including coal mining property rights and deferred mining exploration and development expenditures.

Coal Mining Property Rights

Coal mining property rights comprise the total acquisition costs of concession rights in coal mining including both coal mining exploration and development expenditures.

Deferred Mining Exploration and Development Expenditures

Exploration expenditures relating to areas of interest are recorded at cost as deferred exploration expenditures, which comprise net direct costs, such as licenses, geological and geophysical exploration expenditures, excluding general overheads and administrative expenditures not directly attributable to a particular area of interest, where:

- a) Such costs are expected to be recovered when the areas are successfully developed and mining operations commence, or from the sales of the areas of interest.
- b) Exploration activities in the areas of interest have not reached the stage which permits a reasonable assessment of the existence of commercial recoverable reserves, and active operations in the areas of interest are continuing.

The recoverable amount of exploration expenditures is thus dependent upon a successful development and receivable economic benefits. When the economic benefits are expected to be minimal or non-existent, deferred exploration expenditures are written off as expenses in profit or loss immediately.

Development expenditures and costs of area development prior to commencement of operations are capitalized as deferred mining costs so long as they meet the above criteria and it is highly probable that they can create future economic benefits.

Amortization

Amortization of coal mining property rights is calculated using the units of production method over the production amount.

The amortization of deferred mining exploration and development expenditures commences when commercial coal production activities commence, using the units of production method.

The volume of proportional production and the useful lives of coal mining concessions are estimated and reviewed by the Group.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.17 Leases

Finance Leases - Where the Group is the Lessee

Leases of property, plant and equipment, where the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are capitalized at the lower of the estimated net present value of the underlying minimum lease payments or fair value of assets. Each minimum lease payment is allocated between liabilities and finance charges in order to achieve a constant interest rate on the remaining balance of the liabilities. The finance leases' liabilities less finance charges are presented as long-term loans. Finance costs are charged to profit or loss over the lease period. Depreciation is charged over the shorter of the useful life of the asset and the lease period.

Finance Leases - Where the Group is the Lessor

Leases of property, plant and equipment under which the Group transfers substantially all the risks and rewards of ownership to lessees are classified as finance leases. The Group realizes the leased assets under asset in the statement of financial position as loans at an amount equal to the net investment in the lease, and allocates finance income based on a pattern reflecting a constant periodic rate of return on the lessor's net investment outstanding in respect of the finance lease.

Operating Leases - Where the Group is the Lessee

Leases of property, plant and equipment where the lessor assumes a significant portion of the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are charged to profit or loss using the straight-line method over the period of the lease.

The costs incurred upon termination of the operating lease agreements prior their maturity, such as penalty paid to the lessor, are recognized as expenses in the period in which the termination takes place.

Operating Leases - Where the Group is the Lessor

Leases of property, plant and equipment where the lessor assumes a significant portion of the risks and rewards of ownership are classified as operating leases. The assets held for operating leases are stated at cost and presented in the statement of financial position according to the nature of the assets. The group recognizes costs, including depreciation, relating to rental income as expenses and recognizes lease income over the lease term on a straight-line basis.

Accounting for an Arrangement contains a Lease

The Group determined whether an arrangement contains a lease based on the substance of the arrangement. The arrangement contains a lease which depends on the use of a specific asset and the arrangement conveying to the purchaser (lessee) the right to control the use of the underlying asset.

The Group separates payments for the lease and other elements on the basis of their relative fair values. If the Group concludes that it is a finance lease but it is impracticable to separate the payments reliably, the Group will recognize an asset and a liability at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance charge on the liability recognized using the Group's incremental borrowing rate of interest.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.18 Goodwill

The Group initially records goodwill at cost, which equals to the excess of the acquisition costs over the fair value of the net assets acquired, and carries out a test for impairment of goodwill at least once a year and when there are circumstances indicate that an investment might be impaired. Where the fair value of the net assets exceeds the cost of acquisition at the acquisition date, the excess is recognized as a gain in profit or loss.

To test for impairment, the Group allocates goodwill from business combinations to each cash-generating unit (or group of cash-generating units) that is expected to benefit from the synergies of the combination. The Group evaluates the recoverable amount of each cash-generating unit (or group of cash-generating units) and if it is lower than the carrying amount of the unit, the Group recognizes impairment losses in profit or loss. Impairment losses of goodwill will not be reversed.

3.4.19 Income Taxes

Current Tax

The Group is taxed on its non-promoted businesses pursuant to the Revenue Code of Thailand, the Petroleum Income Tax Act, B.E. 2514 and Amendment, B.E. 2532 and other applicable laws and regulations of other countries in which the Group has invested.

Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted at the statements of financial position date in the taxable period, and any adjustment to tax payable in respect of previous years.

Deferred Tax

Deferred tax is recognized in the statements of financial position using the liability method for temporary differences between tax base of assets and liabilities and the carrying amounts in the financial statements. The principal temporary differences arise from property, plant and equipment, intangible assets, and provision for decommissioning costs.

Deferred tax is measured using the tax rates enacted at the statements of financial position date.

Deferred tax assets are recognized to the extent that it is highly probable that the future taxable profits of the Group will be available against which the temporary differences can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

The Group recognized deferred tax as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognized outside profit or loss, either in other comprehensive income or directly in equity, or a business combination.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.19 Income Tax (Continued)

Deferred tax assets and liabilities can only be offset if the entity has the legal right to settle on a net basis and the deferred tax balances relate to the same taxation authority.

The Group offsets deferred tax assets and deferred tax liabilities for presentation in the statement of financial position.

3.4.20 Advance Payments for Gas Purchased under Take-or-Pay Agreements

The Company has entered into gas purchase agreements with natural gas producers, under which the Company is required to take delivery of natural gas at annual minimum quantities. During each contract year, if the Company cannot accept natural gas according to the minimum quantities under the agreements, it is required to pay for the volume of natural gas which it cannot actually take (Take-or-Pay). After the end of each contract year, the Company and the natural gas producers have to agree on and accept the volume of gas that should be taken into the calculation of Take-or-Pay for that contract year, which is subject to the basis and conditions in the agreements. Under the agreements, the Company can take certain volumes of prepaid gas (Make-up) in subsequent years after taking delivery of natural gas at the minimum quantities for that given contract year. The Company recognizes its obligations under the agreements as advance payments for gas purchased.

3.4.21 Impairment of Assets

The Group performs the following tests for impairment of assets:

- Goodwill is performed annually or whenever there is an indication that the asset may be impaired.
- Investment properties, property, plant and equipment, intangible assets or mining properties are performed whenever there is an indication that the assets may be impaired.

The Group recognizes an impairment loss when the recoverable amount of an asset is lower than its carrying amount, which is the higher of the asset's fair value less cost to sell and its value in use. The Group determines value in use by estimating the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. The calculation reflects the amount that the Group could obtain from the disposal of the asset after deducting the costs of disposal. Fair value means the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group recognizes an impairment loss in profit or loss.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.22 Provision for Decommissioning Costs

The Group records a provision for decommissioning costs whenever it is highly probable that an obligation will arise as a result of a past event and the amount of the obligation can be reliably estimated.

The Group recognizes a provision for decommissioning costs based on an estimate of the eventual costs that relate to the removal of the production facilities and plant and equipment. These costs are included as part of the cost of the oil and gas properties and plant and equipment, and are amortized based on proved reserves using the unit of production method and the straight-line method over the estimated useful lives of the assets, respectively. The estimates of decommissioning costs are determined based on reviews and estimates by the Group's engineers and management's judgment.

3.4.23 Employee Benefit Obligations

Employee benefit obligations of the Group are measured and recognized as follows:

1. Short-term employee benefits are recognized in profit or loss as expenses when incurred.
2. Post-employment benefits - defined contribution plans
The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses in profit or loss when incurred.
3. Post-employment benefits - defined benefit plans
The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method, in order to determine present value of the obligation and be recognized as a liability in the statements of financial position. Current service cost, past service cost, net interest on the net defined benefit liability are recognized as expenses in profit or loss. Remeasurements of the net defined benefit liability or asset, including actuarial gains and losses are recognized in other comprehensive income and accumulated amounts are recognized as retained earnings in equity.
4. Other long-term employment benefits
The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method, in order to determine present value of the obligation and be recognized as a liability in the statements of financial position. Current service cost, past service cost, net interest on the net defined benefit liability are recognized as expenses in profit or loss. Remeasurements of the net other long-term benefit liability or asset, including actuarial gains and losses are recognized in profit or loss immediately.
5. Termination benefits are recognized as a liability or an expense when, and only when, the Company is demonstrably committed to either:
 - Terminate the employment of an employee or a group of employees before the normal retirement date; or
 - Provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.24 Revenue Recognition

The Group recognizes revenue from sales upon the delivery of products or when the significant risks and rewards of ownership are transferred to the customers. Revenue from services is recognized over the period in which the services are rendered. These revenues are net of trade discounts.

Other revenue is recognized on the following basis:

Interest income - Time proportion basis using the effective yields of interest bearing assets
Royalty income - Accrual basis in accordance with the substance of the relevant agreements
Dividend income - When the right to receive the dividend is established.

Loyalty programmes

The Group has a customer loyalty programme whereby customers are awarded credits (Points) entitling them to the right to purchase products from the Group at a discount or qualify for a free gift. The fair value of the consideration received or receivable in respect of the initial sale is allocated between the Points and the other components of the sale. The amount allocated to the Points is estimated by reference to the fair value of the right to purchase products at a discount or fair value of the free gift. The fair value is estimated based on the amount of the discount adjusted to take into account the expected forfeiture rate. Such amount is deferred and recognised as revenue only when the Points are redeemed and the Group has fulfilled its obligations to supply the products. The amount of revenue recognised in those circumstances is based on the number of Points that have been redeemed in exchange for discounted products, relative to the total number of Points that is expected to be redeemed. In addition, deferred revenue is also released to profit or loss when it is no longer considered probable that the Points will be redeemed.

Revenue from sources other than those mentioned above is recognized using the accrual basis.

3.4.25 Government Grants

Government grants, including non-monetary grants, are recognized where there is reasonable assurance that the recipient will comply with all attached conditions and that the grant will be received. The Group recognizes the grants as income on a systematic basis over the periods for which the costs that the government grants are compensating. In adopting this standard, the Group recognizes the grants as a part of income in profit or loss.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.26 Earnings per share

Basic earnings per share is calculated by adjusting the profit attributable to owners of the parent with interests for subordinated capital debentures net of taxes related to such debentures and dividing the adjusted profit by the weighted average number of ordinary shares held by third parties during the year.

3.4.27 Financial Instruments

Financial assets in the statements of financial position include cash and cash equivalents, current investments, trade accounts receivable, other accounts receivable, short-term loans, available-for-sale investments, other long-term investments, long-term loans and derivative assets. Financial liabilities in the statements of financial position include bank overdrafts and short-term loans from financial institutions, trade accounts payable, other accounts payable, short-term loans, long-term loans and derivative liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Group uses financial instruments to reduce its risk exposure associated with fluctuations in foreign currency exchange rates, interest rates as well as oil and product market prices. These instruments primarily comprise:

Forward Foreign Exchange Contracts

Forward foreign exchange contracts protect the Group from fluctuations in exchange rates by establishing the rates at which foreign currency assets will be realized or foreign currency liabilities will be settled. Forward foreign exchange contracts are recognized in the financial statements at inception. The premium or discount on the establishment of each agreement is amortized over the contract period.

Cross-currency and Interest Rate Swap Contracts

Cross-currency and interest rate swap contracts protect the Group from fluctuations in exchange rates and interest rates. Foreign currency financial assets and liabilities as at the statements of financial position date are protected by cross-currency contracts. The Group recognizes the total amount of interest received from/paid to the counterparties, according to derivatives under cross-currency and interest rate swap contracts in finance costs using the accrual basis and recognizes derivative assets/liabilities of cross-currency and interest rate swap contracts at fair value at the end of reporting period, in the statements of financial position. The Group recognizes movements in the fair value of derivatives in profit or loss.

Oil and Products Hedging Contract

The hedging contracts of oil and product prices aim to reduce the risk exposure associated with fluctuations in the global oil and product market prices in accordance with its purchase and sale agreements by determining its future prices. Gains or losses arising from these contracts are recorded in profit or loss at the maturity date of the contracts.

The risk management policy is described in Note 39

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.27 Financial Instruments (Continued)

Hedge Accounting

The Group considers hedge accounting criteria as follows:

For fair value hedges, a change in fair value of the hedging instruments and a change in fair value of the hedged items attributable to the risk being hedged are both recognized in profit or loss.

For cash flow hedges, a change in fair value of the effective portion of the hedging instrument is recognized in other comprehensive income, while a change in fair value of the ineffective portion of the hedging instruments is recognized in profit or loss.

3.4.28 Fair Value Measurement

The Group has measured fair value and disclosed the information relating to fair value measurement in accordance with Thai Financial Reporting Standard No. 13 “Fair Value Measurement”. The guidance under this standard will be applied when the Group requires to measure any assets and liabilities at fair value under relevant standards including of disclosures related with such fair value measurement. The prospective recognition of the effect of a change from adoption this standard is applied.

The Group uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Group endeavors to use relevant observable inputs as much as possible by determining a fair value hierarchy that categorizes inputs into three levels as follows:

- Level 1 Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Used of unobservable inputs for such assets or liabilities such as the Group’s estimates of future cash flows

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.29 Use of Estimates and Significant Assumptions

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions used in the preparation of financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant assumptions and the sources of contingent estimates that might impact on the carrying amounts of assets and liabilities presented in the financial statements are as follows:

Provisions

The Group recognizes a provision in the statements of financial position if, as a result of a past event, the Group has a present obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Group records provisions for decommissioning costs when it is highly probable that a commitment will arise as a result of past circumstances and the amount can be estimated reliably. The Group recognizes the provisions for decommissioning costs based on estimated amount of decommissioning of completed construction that is ready for its intended use. These costs are included as part of assets and are amortized using the units of production method based on estimated proved reserves and the straight-line method over the estimated useful lives of the assets. The provision for decommissioning costs is determined based on reviews and estimates by the Group's engineers together with the management's judgment.

Provisions depend on various current circumstances such as laws and regulations, technologies and market prices. Therefore, the actual result is likely to be different from estimates and assumptions.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.29 Use of Estimates and Significant Assumptions (Continued)

Income Tax

The Group is responsible for the payment of tax in various countries. When income tax payable is estimated, the Group uses significant judgment due to the numerous transactions and calculations arising from its operations.

The Group recognizes income tax payable based on estimated incremental tax payments. The difference between the actual tax paid and the estimate will affect income tax and deferred tax in the period the difference occurs.

A deferred tax asset will be recognized when it is highly probable that the Group will have sufficient net income against which to utilize the temporary difference. Assumptions related to future taxable income are uncertain and may change affecting the recognition of deferred tax assets.

Estimates of Petroleum Reserves

Petroleum reserves are of fundamental importance when assessing investments in various exploration projects and petroleum production businesses, including impairment testing. Changes in proved reserves will affect the present value of net cash flows and depreciation expenses which are calculated using the unit of production method.

The proved reserves are the volume of commercial petroleum production as of a certain date with a high probability of achievement under current economic conditions and production methods, as well as government's rules and regulations. The proved reserves will be checked and assessed annually by the Group's geologists and reservoir engineers.

Exploration Costs

The petroleum exploration and production businesses capitalize drilling costs as assets. When they are over 12 months old, they are amortized as expenses in profit or loss except where there is (1) a discovery of proved reserves, or (2) a discovery of commercially adequate reserves whilst having future exploration and assessment plans. The decision to amortize drilling petroleum costs recorded as assets over 12 months should be made using the assumptions under current circumstances. In case those assumptions change in subsequent accounting periods, the petroleum drilling costs that are capitalized as assets will be written off as expenses in that accounting period.

3. Accounting Policies (Continued)

3.4 Significant Accounting Policies (Continued)

3.4.29 Use of Estimates and Significant Assumptions (Continued)

Impairment of Assets

The Group considers recording an allowance for impairment of assets when an event or a circumstance indicates that the carrying amount of an asset is higher than its recoverable amount, which is the higher of the anticipated discounted cash flows from the continuing use of the asset or the fair value of the asset less any costs of disposal. As a result, the carrying amount of an asset is written down immediately to its recoverable amount. The decrease is recorded in profit or loss. Thus, the loss on impairment of assets excluding goodwill recognized in the prior period will be reversed if the estimates for indicated recoverable amount changes.

The Group's estimate of the expected amount of future petroleum production (exploration and production business) is a key factor in impairment tests. The Group believes that these are the most reasonable indicators for estimating future cash flows. The future petroleum production comprises proved reserves, including expected proved reserves.

The estimation of discounted future cash flows depends on various factors such as the expected amount of future production, future selling prices, demand and supply in the market, risks and gross margins. The discounted rates used in the calculation of present value of future cash flows depend on the cost of capital of the asset unit.

3.4.30 Capital Risk Management

The capital management objective of the Group is to create returns for shareholders and other stakeholders whilst maintaining a reasonable capital structure to decrease the cost of capital.

3.4.31 Operating Segment

The operating segment information is reported by business segments and based on the internal management reports that are received and regularly reviewed by the Chief Operating Decision Maker (CODM) for allocating resources to the segments and assessing its performance.

4. Cash and Cash Equivalents

Cash and cash equivalents as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash on hand	2,966.74	3,284.28	51.60	248.30
Call deposits held at banks	126,975.68	165,202.35	38,762.90	46,024.81
Fixed deposits	82,687.37	60,160.16	8,738.15	9,945.41
Treasury bills	774.47	105.44	499.46	-
Promissory notes	6,865.73	3,660.35	-	-
Bank of Thailand bonds	19,472.47	1,799.41	19,472.47	1,799.41
Restricted cash within 3 months	235.49	-	-	-
Total	239,977.95	234,211.99	67,524.58	58,017.93

Call deposits held at banks, fixed deposits, treasury bills, promissory notes, Bank of Thailand bonds, and restricted cash within 3 months as at December 31, 2015 bear the interest at rates ranging from 0.01% - 13.00% per annum (December 31, 2014: interest rates range from 0.001% - 10.71% per annum).

5. Current Investments

Current investments as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Fixed deposits	100,714.69	82,112.39	34,908.22	19,857.96
Promissory notes	5,785.09	-	-	-
Bonds	149.88	319.16	-	-
General investments	97.75	113.43	-	-
Total	106,747.41	82,544.98	34,908.22	19,857.96

Current investments as at December 31, 2015 bear the interest at rates ranging from 0.78% to 3.00% per annum (December 31, 2014: interest rates range from 1.55% to 3.69% per annum).

6. Trade Accounts Receivable

Trade accounts receivable as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade accounts receivable - others	137,721.74	163,141.52	76,382.53	86,016.99
<u>Less</u> Allowance for doubtful accounts	<u>(3,499.35)</u>	<u>(3,392.59)</u>	<u>(2,135.07)</u>	<u>(2,100.34)</u>
Trade accounts receivable - others	134,222.39	159,748.93	74,247.46	83,916.65
Trade accounts receivable - related parties	8,045.18	17,085.72	51,277.12	63,766.07
<u>Less</u> Allowance for doubtful accounts	<u>(288.79)</u>	<u>(300.82)</u>	<u>(288.79)</u>	<u>(294.08)</u>
Trade accounts receivable - related parties (Note 9.1)	7,756.39	16,784.90	50,988.33	63,471.99
Total	141,978.78	176,533.83	125,235.79	147,388.64

Aging analysis is as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Within credit terms	136,308.90	167,428.21	121,407.63	139,003.92
Overdue				
- Within 3 months	4,425.61	5,559.59	2,698.32	4,610.49
- Over 3 - 6 months	850.05	1,403.11	729.97	1,240.71
- Over 6 - 12 months	352.80	747.87	322.60	686.12
- Over 12 months	3,829.56	5,088.46	2,501.13	4,241.82
	145,766.92	180,227.24	127,659.65	149,783.06
<u>Less</u> Allowance for doubtful accounts	<u>(3,788.14)</u>	<u>(3,693.41)</u>	<u>(2,423.86)</u>	<u>(2,394.42)</u>
Total	141,978.78	176,533.83	125,235.79	147,388.64

Trade accounts receivable - others as at December 31, 2015 include receivables from government agencies and state enterprises in the consolidated financial statements amounting to Baht 14,477.70 million (December 31, 2014: Baht 17,601.98 million), and in the separate financial statements amounting to Baht 14,214.00 million (December 31, 2014: Baht 17,458.82 million).

7. Other Accounts Receivable

Other accounts receivable as at December 31, 2015 and 2014 are as follows:

	Consolidated		Unit: Million Baht	
	financial statements		Separate	financial statements
	2015	2014	2015	2014
Other accounts receivable	26,083.41	26,993.41	7,267.29	4,910.94
<u>Less</u> Allowance for doubtful accounts	<u>(184.92)</u>	<u>(228.05)</u>	<u>(247.47)</u>	<u>(194.86)</u>
Other accounts receivable	25,898.49	26,765.36	7,019.82	4,716.08
Refund receivable from the Oil Stabilization Fund	5,635.51	9,409.14	5,471.65	9,052.42
Advances	18,331.61	4,311.00	498.03	508.01
Other accounts receivable - others	49,865.61	40,485.50	12,989.50	14,276.51
Other accounts receivable - related parties (Note 9.2)	3,639.66	3,122.32	3,145.01	1,997.96
Total	53,505.27	43,607.82	16,134.51	16,274.47

The refund receivable from the Oil Stabilization Fund mostly comprises compensation for locally manufactured oil and liquefied petroleum gas (LPG), or imported liquefied petroleum gas for local uses, as well as compensation for Natural Gas for Vehicles (NGV) prices. The compensation rates are determined by the Committee of Energy Policy Administration.

8. Loans

8.1 Short-term loans as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current portion of financial lease receivable - others	532.56	460.33	-	-
Current portion of financial lease receivable - related parties (Note 9.2)	3.53	32.75	-	32.75
Short-term loans - others	-	12.58	-	-
Short-term loans - related parties (Note 9.2)	438.89	313.29	6,398.23	8,855.16
Total	974.98	818.95	6,398.23	8,887.91

8.2 Long-term loans as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Long-term financial lease receivable - others	6,396.08	6,928.64	-	-
Long-term financial lease receivable - related parties (Note 9.3)	64.13	1,176.54	-	1,176.54
Long-term loans - others	741.53	675.66	-	-
Long-term loans - related parties	3,343.97	8,618.51	82,855.84	76,698.07
<u>Less Allowance for doubtful accounts</u>	<u>-</u>	<u>(3,123.04)</u>	<u>(49,742.26)</u>	<u>(16,511.37)</u>
Long-term loans - related parties (Note 9.3)	3,343.97	5,495.47	33,113.58	60,186.70
Total	10,545.71	14,276.31	33,113.58	61,363.24

9. Related Party Transactions

The followings are significant transactions carried out with related parties:

9.1 Trade accounts receivable - related parties as at December 31, 2015 and 2014

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Subsidiaries	-	-	45,266.64	49,080.67
Joint ventures	3,869.48	4,244.91	2,697.65	3,170.19
Associates	1,318.30	8,854.79	466.00	7,554.16
Other related parties	2,857.40	3,986.02	2,846.83	3,961.05
Total	8,045.18	17,085.72	51,277.12	63,766.07
<u>Less</u> Allowance for doubtful accounts	(288.79)	(300.82)	(288.79)	(294.08)
Trade accounts receivable - related parties (Note 6)	<u>7,756.39</u>	<u>16,784.90</u>	<u>50,988.33</u>	<u>63,471.99</u>

Aging analysis is as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Within credit terms	7,362.06	16,156.07	50,345.70	60,736.16
Overdue				
- Within 3 months	380.69	167.51	641.21	971.22
- Over 3 - 6 months	13.40	15.13	1.21	2.96
- Over 6 - 12 months	57.27	14.85	57.27	4.00
- Over 12 months	231.76	732.16	231.73	2,051.73
Total	8,045.18	17,085.72	51,277.12	63,766.07
<u>Less</u> Allowance for doubtful accounts	(288.79)	(300.82)	(288.79)	(294.08)
Trade accounts receivable - related parties	<u>7,756.39</u>	<u>16,784.90</u>	<u>50,988.33</u>	<u>63,471.99</u>

9. Related Party Transactions (Continued)

9.2 Other accounts receivable, advances and short-term loans - related parties as at December 31, 2015 and 2014

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Other accounts receivable</u>				
Subsidiaries	-	-	3,257.25	1,671.72
Joint ventures	132.45	115.48	25.75	25.10
Associates	1,476.69	218.57	1,295.94	85.50
Other related parties	1,459.65	2,279.21	2.59	16.69
	3,068.79	2,613.26	4,581.53	1,799.01
<u>Less</u> Allowance for doubtful accounts	(64.99)	(81.08)	(2,011.82)	(277.50)
Total	3,003.80	2,532.18	2,569.71	1,521.51
<u>Advances</u>				
Subsidiaries	-	-	64.33	4.13
Joint ventures	60.00	-	60.00	-
Other related parties	575.86	590.14	450.97	472.32
Total	635.86	590.14	575.30	476.45
Total other accounts receivable (Note 7)	3,639.66	3,122.32	3,145.01	1,997.96

9. Related Party Transactions (Continued)**9.2 Other accounts receivable, advances and short-term loans - related parties as at December 31, 2015 and 2014 (Continued)**

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Current portion of financial lease receivable</u>				
Joint ventures	3.53	-	-	-
Associates	-	32.75	-	32.75
Total (Note 8.1)	3.53	32.75	-	32.75
<u>Short-term loans</u>				
Subsidiaries	-	-	6,398.23	8,855.16
Joint ventures	348.89	223.29	-	-
Associates	90.00	90.00	-	-
Total (Note 8.1)	438.89	313.29	6,398.23	8,855.16

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

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Balance as at January 1	313.29	296.20	8,855.16	9,678.33
- Payment for loans granted	99.10	220.02	13,840.54	2,527.34
- Receipt from loans granted	-	(206.75)	(17,217.71)	(4,690.44)
- Loss on exchange rate	-	-	(143.08)	(86.93)
- Currency translation differences	26.50	3.82	-	-
Balance as at December 31	438.89	313.29	5,334.91	7,428.30
<u>Add Current portion of long-term loans</u> (Note 9.3)	-	-	1,063.32	1,426.86
Balance - net	438.89	313.29	6,398.23	8,855.16

Short-term loans - related parties as at December 31, 2015 in the consolidated financial statements bear the interest at rates ranging from 3.50% - 4.20% per annum (December 31, 2014: interest rates range from 1.33% - 4.20% per annum), and in the separate financial statements bear the interest at rates ranging from 1.98% - 4.50% per annum (December 31, 2014: interest rates range from 1.33% - 5.11% per annum).

9. Related Party Transactions (Continued)

9.3 Long-term other accounts receivable, advances and loans - related parties as at December 31, 2015 and 2014

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Long-term other accounts receivable</u>				
Subsidiaries	-	-	3,538.31	-
Joint ventures	186.64	94.68	186.64	105.53
Associate*	-	4,113.67	-	4,113.67
Other related parties	-	687.48	-	-
	186.64	4,895.83	3,724.95	4,219.20
<u>Less Allowance for doubtful accounts</u>	-	(306.91)	-	-
Total	186.64	4,588.92	3,724.95	4,219.20
<u>Long-term advances</u>				
Subsidiaries	-	-	156.19	164.00
Joint ventures	-	2,168.16	-	-
Total	-	2,168.16	156.19	164.00
Total long-term other accounts receivable	186.64	6,757.08	3,881.14	4,383.20
<u>Long-term financial lease receivable</u>				
Joint ventures	64.13	-	-	-
Associate	-	1,176.54	-	1,176.54
Total (Note 8.2)	64.13	1,176.54	-	1,176.54

* The Company had accrued dividends from an associate amounting to Baht 4,113.67 million as at December 31, 2014. The dividend payment will be made when the associate lists its shares on the Stock Exchange of Thailand (SET) or be able to borrow from a bank in order to make loan repayment, depending on which event occurs first. Subsequently, during December 2015, the associate listed its shares on the SET and made a public offering; and therefore, it made a partial dividend payment to the Company. As at December 31, 2015, the outstanding balance of short-term dividend receivable amounting to Baht 2,169.67 million was reclassified to other accounts receivable - others.

9. Related Party Transactions (Continued)

9.3 Long-term other accounts receivable, advances and loans - related parties as at December 31, 2015 and 2014 (Continued)

	Unit: Million Baht			
	Consolidated		Separate	
	2015	2014	2015	2014
<u>Long-term loans</u>				
Subsidiaries	-	-	79,547.08	74,153.23
Joint ventures	3,308.76	2,544.84	3,308.76	2,544.84
Associates	35.21	21.23	-	-
Other related parties	-	6,052.44	-	-
Total	3,343.97	8,618.51	82,855.84	76,698.07
<u>Less</u> Allowance for doubtful accounts*	-	(3,123.04)	(49,742.26)	(16,511.37)
Total long-term loans (Note 8.2)	3,343.97	5,495.47	33,113.58	60,186.70

* The Company recorded allowance for doubtful accounts amounting to Baht 49,742.26 million for a long-term loan to a subsidiary. The subsidiary used this loan to invest in its foreign subsidiary and associate; both of which encountered operational problems. The Company therefore recognized allowance for doubtful accounts based on assessment of the recoverable amount of the long-term loan to the subsidiary.

Details of financial lease receivable - related parties as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	2015	2014	2015	2014
Financial lease receivable				
- Within 1 year	6.00	99.29	-	99.29
- Over 1 year but not over 5 years	82.00	397.15	-	397.15
- Over 5 years	-	1,530.69	-	1,530.69
Future finance income	(20.34)	(817.84)	-	(817.84)
Total financial lease receivable	67.66	1,209.29	-	1,209.29

9. Related Party Transactions (Continued)

9.3 Long-term other accounts receivable, advances and loans - related parties as at December 31, 2015 and 2014 (Continued)

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

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Balance as at January 1	8,618.51	8,598.87	76,698.07	74,249.00
- Payment for loans granted	531.18	9.00	8,075.63	6,367.06
- Receipt from loans granted	(6,052.44)	-	(6,008.19)	(2,727.37)
- Gain on exchange rate	244.42	10.47	5,153.65	236.24
- Currency translation differences	2.30	0.17	-	-
Balance as at December 31	3,343.97	8,618.51	83,919.16	78,124.93
<u>Less</u> Current portion of long-term loans (Note 9.2)	-	-	(1,063.32)	(1,426.86)
<u>Less</u> Allowance for doubtful accounts	-	(3,123.04)	(49,742.26)	(16,511.37)
Balance - net	<u>3,343.97</u>	<u>5,495.47</u>	<u>33,113.58</u>	<u>60,186.70</u>

Long-term loans - related parties as at December 31, 2015 in the consolidated financial statements bear the interest rates at 2.61% per annum (December 31, 2014: interest rates range from 2.84% - 5.23% per annum), and in the separate financial statements bear the interest at rates ranging from 2.08% - 4.50% per annum (December 31, 2014: interest rates range from 1.71% - 5.11% per annum).

9. Related Party Transactions (Continued)

9.4 Trade accounts payable - related parties as at December 31, 2015 and 2014

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Subsidiaries	-	-	36,269.51	42,578.45
Joint ventures	817.52	1,067.13	309.23	279.62
Associates	352.55	7,521.22	307.59	4,898.90
Other related parties	2.62	332.51	-	95.71
Total	1,172.69	8,920.86	36,886.33	47,852.68

9.5 Other accounts payable and short-term loans - related parties as at December 31, 2015 and 2014

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Other accounts payable</u>				
Subsidiaries	-	-	4,742.13	4,118.33
Joint ventures	9.41	79.27	4.14	3.71
Associates	25.43	435.93	3.98	418.99
Other related parties	106.92	86.22	49.70	44.46
Total	141.76	601.42	4,799.95	4,585.49
<u>Current portion of financial lease liability</u>				
Joint venture	437.63	387.77	437.63	387.77
<u>Short-term loans*</u>				
Subsidiaries	-	-	1,864.27	3,036.11

* 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 by using market interest rates.

9. Related Party Transactions (Continued)

9.6 Long-term other accounts payable - related parties as at December 31, 2015 and 2014

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Subsidiaries	-	-	4,126.56	27.37
Joint ventures	10.25	10.97	10.25	10.97
Other related parties	527.31	1,277.08	527.31	559.11
Total	537.56	1,288.05	4,664.12	597.45

9.7 Long-term financial lease liability - related parties as at December 31, 2015 and 2014

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Joint venture	5,635.57	5,504.97	5,635.57	5,504.97

Details of financial lease liability - related parties as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Financial lease liability				
- Within 1 year	505.53	460.47	505.53	460.47
- Over 1 year but not over 5 years	2,017.97	1,843.16	2,017.97	1,843.16
- Over 5 years	4,035.94	4,148.05	4,035.94	4,148.05
Future finance charges	(486.24)	(558.94)	(486.24)	(558.94)
Total financial lease liability	6,073.20	5,892.74	6,073.20	5,892.74

9. Related Party Transactions (Continued)

9.8 Long-term loans from related parties as at December 31, 2015 and 2014

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Other related parties	-	1,541.34	-	-

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

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Balance as at January 1	1,541.34	1,541.34	-	-
- Repayment	(1,541.34)	-	-	-
Balance as at December 31	-	1,541.34	-	-

9. Related Party Transactions (Continued)

9.9 Revenue and expense transactions carried out with related parties

For the years ended December 31, 2015 and 2014

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Revenues				
<u>Sales and service income</u>				
Subsidiaries	-	-	577,583.22	892,839.87
Joint ventures	22,872.06	23,380.79	12,347.93	14,843.95
Associates	79,588.23	230,018.29	63,353.10	177,122.70
Other related parties	17,663.87	27,578.15	17,523.17	27,557.89
<u>Interest income</u>				
Subsidiaries	-	-	2,648.65	2,135.71
Joint ventures	81.98	70.66	81.12	70.66
Associates	26.16	72.09	22.38	68.31
<u>Dividend income</u>				
Subsidiaries	-	-	17,553.62	26,602.09
Joint ventures	-	-	3,719.39	1,686.00
Associates	-	-	3,769.56	1,173.96
Other related parties	378.00	110.00	90.00	110.00
<u>Other income</u>				
Subsidiaries	-	-	4,823.62	2,748.80
Joint ventures	274.77	233.79	101.57	124.78
Associates	9,598.15	1,427.08	9,498.00	1,396.11
Other related parties	4,622.89	3,785.54	2,320.02	1,841.13
Expenses				
<u>Cost of goods purchased and service</u>				
Subsidiaries	-	-	495,551.64	671,560.31
Joint ventures	8,713.35	6,661.83	1,883.05	1,456.64
Associates	70,575.44	148,736.54	59,832.22	107,860.57
Other related parties	2,607.48	2,725.45	477.13	1,398.16
<u>Interest expenses</u>				
Subsidiaries	-	-	42.11	61.93
Joint ventures	72.71	79.26	72.71	79.26
<u>Other expenses</u>				
Subsidiaries	-	-	19,513.17	3,286.55
Joint ventures	1,510.80	1,221.54	31.00	0.01
Associates	257.22	239.97	92.68	136.54
Other related parties	409.71	1,588.51	179.78	1,097.12

9. Related Party Transactions (Continued)

9.9 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.

9.10 Details of commitments to subsidiaries, joint ventures, associates and other related parties are stated in Note 46.1.

9.11 Crude oil and petroleum product purchase and sale transactions carried out with related parties without physical delivery, with the objective of maintaining crude oil and petroleum product reserves, were reversed in the financial statements.

For the years ended December 31, 2015 and 2014, these transactions are as follow:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
<u>Sales</u>				
Subsidiaries	-	-	6,061.69	343.40
Associates	2,176.89	5,953.20	2,176.89	5,953.20
<u>Purchases</u>				
Subsidiaries	-	-	6,285.76	343.40
Associates	2,176.89	5,953.20	2,176.89	5,953.20

9.12 Executive remunerations

For the years ended December 31, 2015 and 2014, details of remunerations are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
<u>Directors remuneration</u>				
Meeting remuneration and bonuses	271.65	311.59	35.43	41.86
<u>Managements remuneration</u>				
Salaries, bonuses, and other employee benefits	989.80	1,062.27	79.18	96.15
Post-employment benefits	17.79	20.05	2.26	3.66
Total	1,279.24	1,393.91	116.87	141.67

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

10. Inventories

Inventories as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Oil products	58,281.44	89,654.80	15,048.23	28,180.00
Gas products	2,328.44	2,444.10	2,322.19	2,440.59
Petrochemicals products	23,566.16	34,640.02	-	-
Others	3,819.86	3,719.62	650.32	685.21
	87,995.90	130,458.54	18,020.74	31,305.80
<u>Less</u> Allowance for decline in value of inventories and obsolescence	(3,910.64)	(10,663.47)	(853.58)	(1,589.70)
Total	84,085.26	119,795.07	17,167.16	29,716.10

The Fuel Oil Trading Act B.E. 2543 was amended by The Fuel Oil Trading Act (No.2) B.E. 2550 in accordance with Notification of the Department of Energy Business “Determination of Types, Rates, Criteria, Methods, and Conditions for Calculation of Oil Reserves B.E. 2558”. This Act prescribes that oil traders under section 7 must reserve crude oil and petroleum products at rates ranging from 1% - 20% of the total production output or imported volume. Inventories - legal reserves as at December 31, 2015 in the consolidated financial statements amounting to Baht 16,069.90 million (December 31, 2014: Baht 39,005.03 million), and in the separate financial statements amounting to Baht 3,992.17 million (December 31, 2014: Baht 19,693.37 million). These amounts were net of allowance for net realizable value.

In 2015, the Group wrote down inventories to their net realizable values, and recorded expenses of Baht (6,752.83) million in the consolidated financial statements (2014: Baht 10,163.34 million) and Baht (736.12) million in the separate financial statements (2014: Baht 1,098.42 million). In addition, the Group recognized allowance for obsolescence of inventories amounting to Baht 0.46 million in the consolidated and the separate financial statements (2014: Baht 0.46 million).

11. Materials and Supplies

Materials and supplies as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Spare parts, equipment and others	32,476.89	28,612.77	4,843.08	4,459.35
<u>Less</u> Allowance for obsolescence	(833.06)	(477.41)	(13.00)	(18.55)
Total	31,643.83	28,135.36	4,830.08	4,440.80

12. Investments in Subsidiaries, Joint Ventures and Associates

12.1 Details of subsidiaries, joint ventures and associates of the Company

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries</u>				
PTT Exploration and Production Public Co., Ltd. (PTTEP)	Thailand	Petroleum exploration and production	65.29	65.29
PTT LNG Co., Ltd. (PTTLNG)	Thailand	Natural gas	100.00	100.00
PTT Natural Gas Distribution Co., Ltd. (PTTNGD)	Thailand	Natural gas	58.00	58.00
Energy Complex Co., Ltd. (EnCo) (The Group held 100% shareholding)	Thailand	Real estate development for rent	50.00	50.00
PTT Energy Solutions Co., Ltd. (PTTES) (The Group held 100% shareholding)	Thailand	Technical and operational services	40.00	40.00
PTT Maintenance & Engineering Co., Ltd. (PTTME) (The Group held 100% shareholding)	Thailand	Factory maintenance and engineering services	40.00	40.00
Global Power Synergy Public Co., Ltd. (GPSC)* (The Group held 75% shareholding)	Thailand	Generation and supply of electricity, steam and water for industries	22.58	30.10
PTT (Cambodia) Limited (PTTCL)	Cambodia	Oil marketing	100.00	100.00
PTT Oil Myanmar Co., Ltd. (PTTOM)	Myanmar	Business services	100.00	100.00
PTT Retail Business Co., Ltd. (PTTRB)	Thailand	Management services and oil marketing	100.00	100.00
Subic Bay Energy Co., Ltd. (SBECL)**	Cayman Islands	Oil marketing	100.00	100.00
PTT Tank Terminal Co., Ltd. (PTT TANK)	Thailand	Terminal and warehouse	100.00	100.00
Thai Lube Blending Co., Ltd. (TLBC) (The Group held 100% shareholding)	Thailand	Blending and bottling of lube oil	48.95	48.95
PTT International Trading Pte. Ltd. (PTTT)	Singapore	International oil trading	100.00	100.00
PTT Polymer Logistics Co., Ltd. (PTTPL)*** (The Group held 100% shareholding)	Thailand	Logistics services	50.00	100.00
PTT PMMA Co., Ltd. (PTTPMMA)	Thailand	Manufacturing and distributing of Poly Methyl Methacrylate	100.00	100.00
PTT Polymer Marketing Co., Ltd. (PTTPM) (The Group held 100% shareholding)	Thailand	Petrochemicals marketing	50.00	50.00
PTT Global Chemical Public Co., Ltd. (PTTGC)	Thailand	Petrochemicals and refining	49.34	48.89
Thai Oil Public Co., Ltd. (TOP) (The Group held 49.93% shareholding)	Thailand	Oil refining	49.10	49.10

* On May 14, 2015, GPSC increased its share capital, resulting in a decrease of the Company's shareholding in GPSC.

** On February 17, 2016, SBECL registered its dissolution.

*** On July 1, 2015, the Company sold 49% and 1% shareholding in PTTPL to PTTGC and Solution Creation, respectively.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.1 Details of subsidiaries, joint ventures and associates of the Company (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries (Continued)</u>				
IRPC Public Co., Ltd. (IRPC)	Thailand	Petrochemicals and refining	38.51	38.51
Thai Oil Power Co., Ltd. (TP) (The Group held 100% shareholding)	Thailand	Generation and supply of electricity and steam	26.00	26.00
PTT Energy Resources Co., Ltd. (PTTER)	Thailand	International investment	100.00	100.00
PTT Green Energy Pte. Ltd. (PTTGE)	Singapore	Investing in palm oil business	100.00	100.00
PTT Regional Treasury Center Pte. Ltd. (PTTRTC)	Singapore	Treasury services	100.00	100.00
Business Services Alliance Co., Ltd. (BSA)	Thailand	Management services	100.00	100.00
PTT ICT Solutions Co., Ltd. (PTTICT) (The Group held 100% shareholding)	Thailand	Information technology and communication services	20.00	20.00
<u>Joint Ventures</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
PTT MCC Biochem Co., Ltd. (PTTMCC)	Thailand	Petrochemicals	50.00	50.00
PTT Asahi Chemicals Co., Ltd. (PTTAC)	Thailand	Petrochemicals	48.50	48.50
HMC Polymers Co., Ltd. (HMC)	Thailand	Petrochemicals	41.44	41.44
<u>Associates</u>				
Thai Petroleum Pipeline Co., Ltd. (THAPPLINE) (The Group held 49.59% shareholding)	Thailand	Oil transmission pipelines	40.40	40.40
KELOIL-PTT LPG Sdn. Bhd. (KPL)	Malaysia	Bottling and sale of LPG	40.00	40.00
Petro Asia (Thailand) Co., Ltd. (PAT)	Thailand	Oil marketing	35.00	35.00
Star Petroleum Refining Public Co., Ltd. (SPRC)*	Thailand	Oil refining	-	36.00
Bangchak Petroleum Public Co., Ltd. (BCP)**	Thailand	Oil refining	-	27.22

* On December 3, 2015, the Company sold 30.59% shareholding in SPRC which made an initial public offering (IPO) of its shares on December 8, 2015. The Company's remaining 5.41% shareholding in SPRC was reclassified from investment in associate to available-for-sale investment.

** On April 30, 2015, the Company sold all shares in BCP to Vayupak Fund 1 and the Social Security Office.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.2 Details of joint ventures and associates of subsidiaries

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Joint Ventures</u>				
<i>PTTEP Group</i>				
NST Supply Base Co., Ltd. (NST)*	Thailand	Petroleum supply base, port and warehouse	-	15.67
Erawan 2 FSO Bahamas Limited (Erawan 2)	Bahamas	FSO rental service	13.11	13.11
<i>GPSC Group</i>				
Thai Solar Renewable Co., Ltd. (TSR)	Thailand	Investing in other companies	40.00	40.00
Nam Lik1 Power Company Limited (NL1PC)	Lao	Generation and supply of electricity	40.00	40.00
Nava Nakorn Electricity Generating Co., Ltd. (NNEG)	Thailand	Generation and supply of electricity	30.00	30.00
<i>PTTRB Group</i>				
OGP Energy Solutions Company Limited (OGPS)	Thailand	Energy sales and management services	40.00	-
<i>PTTGC Group</i>				
Thai Ethoxylate Co., Ltd. (TEX)	Thailand	Manufacturing and distributing petrochemicals products	50.00	50.00
Emery Oleochemical (M) Sdn. Bhd. (EOM)	Malaysia	Manufacturing and distributing biochemicals products	50.00	50.00
Emery Specialty Chemical Sdn. Bhd. (ESC)	Malaysia	Manufacturing and distributing chemical specialties	50.00	50.00
NatureWorks LLC (NTR)	United States of America	Manufacturing and distributing bioplastic products	50.00	50.00
<i>TOP Group</i>				
TOP-NTL Pte. Ltd. (TOP-NTL)	Singapore	Fund management services	50.00	50.00
TOP-NTL Shipping Trust (TOP-NTL(BT))	Singapore	Investing in other companies	50.00	50.00
TOP-NYK MarineOne Pte. Ltd. (TOP-NYK)	Singapore	Marine transportation services	50.00	50.00
TOP Nautical Star Co., Ltd. (TOP-NS)	Thailand	Storage and marine transportation services	35.00	35.00
<i>IRPC Group</i>				
IRPC PCC Co., Ltd. (IRPC PCC)	Thailand	Supply of petrochemicals	49.99	-
<i>PTTER Group</i>				
FEE (Bru) Pte. Ltd. (FEEBRU)	Singapore	Coal mines	35.00	35.00

*NST was liquidated on September 2, 2015.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.2 Details of joint ventures and associates of subsidiaries (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Joint Ventures: (Continued)</u>				
<i>PTTGE Group</i>				
Chancellor Oil Pte. Ltd. (Chancellor)	Singapore	Investing in other companies	77.56	77.56
KPI Group*				
PT Kalpataru Sawit Plantation (PT KSP)	Indonesia	Palm oil	-	75.00
PT Kutai Sawit Plantation (PT KtSP)	Indonesia	Palm oil	-	75.00
PT Sawit Khatulistiwa Plantation (PT SKP)	Indonesia	Palm oil	-	75.00
PT Kutai Inti Utama (PT KIU)	Indonesia	Palm oil	-	75.00
PT Kota Bangun Plantation (PT KBP)	Indonesia	Palm oil	-	75.00
PT Mahakam Sawit Plantation (PT MSP)	Indonesia	Palm oil	-	75.00
PT Malaya Sawit Khatulistiwa (PT MSK)	Indonesia	Palm oil	-	75.00

* On December 23, 2015, PTTGE sold all shares it held in KPI Group.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.2 Details of joint ventures and associates of subsidiaries (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<i>Associates</i>				
<i>PTTEP Group</i>				
PTTEP AP Group's associates*	Australia	Airbase services	50.00	50.00
UAQ Petroleum Limited (UAQ)	Hong Kong	Petroleum	30.00	30.00
<i>GPSC Group</i>				
Bangpa-in Cogeneration Limited (BIC)	Thailand	Generation and supply of electricity and steam	25.00	25.00
Xayaburi Power Company Limited (XPCL)	Lao	Hydroelectric power plant	25.00	25.00
<i>PTTRB Group</i>				
FST Aviation Services Limited (FST)	Hong Kong	Aircraft refuelling services	25.00	25.00
<i>PTTGC Group</i>				
PT Indo Thai Trading (ITT)	Indonesia	Petrochemicals	49.00	49.00
Vinythai Public Co., Ltd. (VNT)	Thailand	Petrochemicals	24.98	24.98
Eastern Fluid Transport Co., Ltd. (EFT)	Thailand	Infrastructure	22.65	22.65
<i>TOP Group</i>				
T.I.M Ship Management Co., Ltd. (TIM) (Former : Thome Ship Management (Thailand) Co., Ltd. (THOME))	Thailand	Marine transportation services	33.33	33.33
Maesod Clean Energy Co., Ltd. (MCE)	Thailand	Manufacturing and distributing of Ethanol	30.00	30.00
Ubon Bio Ethanol Co., Ltd. (UBE)	Thailand	Manufacturing and distributing of Ethanol	21.28	21.28
<i>IRPC Group</i>				
UBE Chemicals (Asia) Public Co., Ltd. (UCHA)	Thailand	Manufacturing and distributing of Petrochemicals	25.00	25.00
<i>PTTER Group</i>				
East Mediterranean Gas Company S.A.E. (EMG)	Egypt	Natural gas transmission pipelines	25.00	25.00

* Associates of PTTEP AP Group consist of Mungalalu Truscott Airbase Pty Ltd. and Troughton Island Pty Ltd.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries of PTTEP Group:</u>				
PTTEP International Limited (PTTEPI)	Thailand	Petroleum	100.00	100.00
PTTEP Offshore Investment Co., Ltd. (PTTEPO)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Southwest Vietnam Co., Ltd. (PTTEP SV)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Kim Long Vietnam Co., Ltd. (PTTEP KV)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Hoang-Long Co., Ltd. (PTTEP HL)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Hoan-Vu Co., Ltd. (PTTEP HV)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Oman Co., Ltd. (PTTEP OM)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Algeria Co., Ltd. (PTTEP AG)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Services Limited (PTTEP Services)	Thailand	Human resource support	100.00	100.00
PTTEP Siam Limited (PTTEPS)	Thailand	Petroleum	100.00	100.00
PTTEP Iran Co., Ltd. (PTTEP IR)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Holding Co., Ltd. (PTTEPH)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Indonesia Co., Ltd. (PTTEP ID)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Africa Investment Limited (PTTEP AI)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Rommana Co., Ltd. (PTTEPR)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Australia Pty Limited (PTTEP AU)	Australia	Petroleum	100.00	100.00
PTTEP South Asia Limited (PTTEP SA)	Cayman Islands	Petroleum	100.00	100.00
PTTEP New Zealand Limited (PTTEP NZ)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Semai II Limited (PTTEP SM)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Australia Perth Pty Limited (PTTEP AP)	Australia	Petroleum	100.00	100.00
PTTEP International Holding Co., Ltd. (PTTEP IH)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Southwest Vietnam Pipeline Co., Ltd. (PTTEP SVPC)	Cayman Islands	Gas transmission pipelines	100.00	100.00
PTTEP FLNG Holding Co., Ltd. (PTTEP FH)	Hong Kong	Petroleum	100.00	100.00
JV Shore Base Limited (JV Shore Base)	Cayman Islands	Petroleum	100.00	100.00

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries
(Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries of PTTEP Group: (Continued)</u>				
PTTEP Netherland Holding Limited (PTTEP NL)	Cayman Islands	Petroleum	100.00	100.00
JV Marine Limited (JV Marine)	Cayman Islands	Petroleum	100.00	100.00
PTTEP South Mandar Limited (PTTEP SMD)	Cayman Islands	Petroleum	100.00	100.00
PTTEP South Sageri Limited (PTTEP SS)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Sadang Limited (PTTEP SD)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Malunda Limited (PTTEP ML)	Cayman Islands	Petroleum	100.00	100.00
PTTEP Netherlands Coöperatie U.A. (PTTEP NC)	Netherlands	Petroleum	100.00	100.00
PTTEP Canada Limited (PTTEP CA)	Canada	Petroleum	100.00	100.00
PTTEP Canada International Finance Limited (PTTEP CIF)	Canada	Funding services for the Group's business	100.00	100.00
PTTEP MEA Limited (PTTEP MEA)	Cayman Islands	Petroleum	100.00	100.00
PTTEP HK Holding Limited (PTTEP HK)	Hong Kong	Petroleum	100.00	100.00
PTTEP Netherlands Holding Coöperatie U.A. (PTTEP NH)	Netherlands	Petroleum	100.00	100.00
PTTEP Brazil Investment B.V. (PTTEP BI)	Netherlands	Petroleum	100.00	100.00
PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL)	Brazil	Petroleum	100.00	100.00
PTTEP Australia Offshore Pty Limited (PTTEP AO)	Australia	Petroleum	100.00	100.00
PTTEP Australia Browse Basin Pty Limited (PTTEP AB)	Australia	Petroleum	100.00	100.00
PTTEP Australia International Finance Pty Limited (PTTEP AIF)	Australia	Funding services for the Group's business	100.00	100.00
PTTEP Australasia Pty Limited (PTTEP AA)	Australia	Petroleum	100.00	100.00
PTTEP Australia Timor Sea Pty Limited (PTTEP AT)	Australia	Petroleum	100.00	100.00
PTTEP Australasia (Finance) Pty Limited (PTTEP AAF)	Australia	Petroleum	100.00	100.00
PTTEP Australasia (Petroleum) Pty Limited (PTTEP AAP)	Australia	Petroleum	100.00	100.00
Tullian Pty Limited (PTTEP AAT)	Australia	Petroleum	100.00	100.00

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries of PTTEP Group: (Continued)</u>				
PTTEP Australasia (Operations) Pty Limited (PTTEP AAO)	Australia	Petroleum	100.00	100.00
PTTEP Australasia (Ashmore Cartier) Pty Limited (PTTEP AAA)	Australia	Petroleum	100.00	100.00
PTTEP Australasia (Staff) Pty Limited (PTTEP AAS)	Australia	Petroleum	100.00	100.00
Cove Energy Limited (Cove)	England	Petroleum	100.00	100.00
Cove Energy Mozambique Rovuma Onshore Limited (CEMROL)	Cyprus	Petroleum	100.00	100.00
Cove Energy East Africa Limited (CEEAL)	Cyprus	Petroleum	100.00	100.00
Cove Energy Mozambique Rovuma Offshore Limited (CEMROFL)	Cyprus	Petroleum	100.00	100.00
Cove Mozambique Terra Limitada (CMTL)	Mozambique	Petroleum	100.00	100.00
Cove Mozambique Energia Limitada (CMEL)	Mozambique	Petroleum	100.00	100.00
Cove Energy Kenya Limited (CEKL)	Kenya	Petroleum	100.00	100.00
Sinphuhorm Holdings Limited (SHL)	Cayman Islands	Petroleum	100.00	100.00
PTTEP SP Limited (PTTEP SP)	England	Petroleum	100.00	100.00
PTTEP G7 Limited (PTTEP G7)	Thailand	Petroleum	100.00	100.00
PTTEP HK Investment Limited (PTTEP HKI)	Hong Kong	Petroleum	100.00	-
PTTEP Treasury Center Co., Ltd. (PTTEP TC)	Thailand	Treasury center for the Group's business	100.00	-
<u>Subsidiary of PTTNGD Group:</u>				
Amata Natural Gas Distribution Co., Ltd. (AMATA NGD)	Thailand	Natural gas	80.00	80.00
<u>Subsidiaries of GPSC Group:</u>				
Combined Heat and Power Producing Co., Ltd. (CHPP)	Thailand	Generation and supply of electricity and chilled water	100.00	100.00
Natee Synergy Co., Ltd. (NSC)	Thailand	Investing in other companies	100.00	100.00
IRPC Clean power Co.,Ltd. (IRPCCP) (The Group held 100% shareholding)	Thailand	Generation and supply of electricity steam and water for industries	51.00	51.00
Ichinoseki Solar Power 1 GK (ICHINOSEKI)	Japan	Generation and supply of electricity	99.00	-

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiary of PTCL Group:</u>				
PTT (Lao) Co., Ltd. (PTT Lao)	Lao	Oil marketing	100.00	100.00
<u>Subsidiaries of PTTRB Group:</u>				
PTT Retail Management Co., Ltd. (PTTRM)	Thailand	Petrol station and convenience store management	100.00	100.00
PTT Retail Service Co., Ltd. (PTTRS)	Thailand	Human resource management	100.00	100.00
Thai Lube Blending Co., Ltd. (TLBC) (The Group held 100% shareholding)	Thailand	Blending and Bottling of lube oil	51.05	51.05
PTT Philippines Trading Corporation (PTTTC)	Philippines	Oil marketing	100.00	100.00
PTT Philippines Corporation (PTTPC)	Philippines	Oil marketing	100.00	100.00
<u>Subsidiary of PTTT Group:</u>				
PTT International Trading DMCC (PTTT DMCC)	United Arab Emirates	International oil trading	100.00	100.00
<u>Subsidiary of PTTPM Group:</u>				
Polymer Marketing DMCC Co., Ltd. (PM DMCC)	United Arab Emirates	Petrochemicals marketing	100.00	100.00
<u>Subsidiaries of PTTGC Group:</u>				
PTT Phenol Co., Ltd. (PPCL)	Thailand	Manufacturing and distributing petrochemicals products	100.00	100.00
PTT Maintenance and Engineering Co., Ltd. (PTTME) (The Group held 100% shareholding)	Thailand	Factory maintenance and engineering services	60.00	60.00
Thai Tank Terminal Limited (TTT)	Thailand	Service for the storage and handling of liquid chemicals, oil and gas	51.00	51.00
NPC Safety and Environmental Service Co., Ltd. (NPCSE)	Thailand	Safety and environmental services	100.00	100.00
PTT Chemical International (Asia Pacific ROH) Ltd. (AP ROH)	Thailand	Services rendering to the Group	100.00	100.00
Thai Styrenics Co., Ltd. (TSCL)	Thailand	Manufacturing and distributing petrochemicals products	100.00	100.00
PTTGC International (Netherlands) B.V. (GCINTERNL)	Netherlands	Investing and operating in international business	100.00	100.00

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries of PTTGC Group: (Continued)</u>				
Vencorex Holding (VCR)	France	Manufacturing and distributing chemical specialties	85.00	85.00
TOC Glycol Co., Ltd. (TOCGC)	Thailand	Manufacturing and distributing petrochemicals products	100.00	100.00
Thai Oleochemicals Co., Ltd. (TOL)	Thailand	Manufacturing and distributing biochemical products	100.00	100.00
Solution Creation Co., Ltd. (SOLUTIONCRE) (Former : Bio Creation Co., Ltd.)	Thailand	Manufacturing and distributing health and nutrition products	100.00	100.00
Bio Spectrum Co., Ltd. (BIOSPEC)	Thailand	Manufacturing and distributing biochemical products	100.00	100.00
Auria BioChemicals Co., Ltd. (AURIA)	Thailand	Research and development of bio-based chemicals	100.00	92.64
PTT Chemical International Pte. Ltd. (CHINTER)	Singapore	Investing and operating in international business	100.00	100.00
PTTGC International (USA) Inc. (GCINTERUSA)	United States of America	Investing and operating in international business	100.00	100.00
Bangkok Polyethylene Public Co., Ltd. (BPE)*	Thailand	Manufacturing and distributing petrochemical products	100.00	100.00
PTT Polyethylene Co., Ltd. (PTTPE)**	Thailand	Manufacturing and distributing petrochemicals products	100.00	100.00
Thai Fatty Alcohols Co., Ltd. (TFA)	Thailand	Manufacturing and distributing biochemical products	100.00	100.00
Myriant Corporation (MYRIANT)	United States of America	Research and development of bio-based chemicals	100.00	84.00
PTTGC America Corporation (AMERICACORP)	United States of America	Investing and operating in international business	100.00	-
PTTGC America LLC (AMERICALLC)	United States of America	Investing and operating in international business	100.00	-

* Under liquidation process.

** Liquidation process completed in August 2015.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries
(Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries of TOP Group:</u>				
Thaioil Power Co., Ltd. (TP) (The Group held 100% shareholding)	Thailand	Generation and supply of electricity and steam	74.00	74.00
Thai Paraxylene Co., Ltd. (TPX)	Thailand	Paraxylene manufacturing and distribution	99.99	99.99
Thai Lube Base Public Co., Ltd. (TLB)	Thailand	Lube base oil refining and distribution	99.99	99.99
Thaioil Marine Co., Ltd. (TM)	Thailand	Providing marine transportation services for petroleum and liquid chemical products	99.99	99.99
Thaioil Ethanol Co., Ltd. (TET)	Thailand	Investing in ethanol business and alternative energy products	99.99	99.99
Thaioil Energy Services Co., Ltd. (TES)	Thailand	Providing of management and general services	99.99	99.99
Thaioil Solvent Co., Ltd. (TOS)	Thailand	Investing in solvent and chemical businesses	99.99	99.99
TOP SPP Co., Ltd. (TOPSPP)	Thailand	Generation and supply of electricity and steam	99.99	99.99
Sapthip Co., Ltd. (SAPTHIP)	Thailand	Ethanol products manufacturing and distribution	50.00	50.00
TOP Solvent Co., Ltd. (TS)	Thailand	Distribution of solvent and chemical products	99.99	99.99
Sak Chaisidhi Co., Ltd. (SAKC)	Thailand	Solvent and chemical products manufacturing and distribution	80.52	80.52
TOP Solvent (Vietnam) LLC. (TSV)	Vietnam	Distribution of solvent and chemical products	100.00	100.00
Thaioil Marine International Pte. Ltd. (TOMI)	Singapore	Investing in marine transportation for crude oil and petroleum product business	100.00	100.00
TOP Maritime Service Co., Ltd. (TMS)	Thailand	Providing marine transportation services for crew and utilities in Gulf of Thailand	55.00	55.00
LABIX Co., Ltd. (LABIX)	Thailand	Linear Alkyl Benzene manufacturing and distribution	75.00	75.00

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries of IRPC Group:</u>				
Thai ABS Co., Ltd. (TABS)	Thailand	Manufacturing and distributing of plastic resin	99.99	99.99
IRPC A&L Co., Ltd. (IRPCAL)	Thailand	Manufacturing and distributing petrochemicals product	59.94	59.94
IRPC Oil Co., Ltd. (OIRPC)	Thailand	Distributing of oil products and gas	99.99	99.99
Rak Phasak Co., Ltd. (RAKPHASAK) (former: TPI Oil (2001) Co., Ltd.)	Thailand	Oil vessel rental service	99.99	99.99
IRPC Polyol Co., Ltd. (IRPCP)	Thailand	Manufacturing and distributing of polyol	99.99	99.99
IRPC Technology Co., Ltd. (TECHIRPC)	Thailand	Vocational school	99.99	99.99
R. Solution Co., Ltd. (IRPCS)* (former: IRPC Service Co., Ltd.)	Thailand	Service for security	99.50	99.50
TPI Aromatics Public Co., Ltd. (TPIA)*	Thailand	Manufacturing and distributing of petrochemicals products	-	99.99
Rayong Tank Terminal Co., Ltd. (RTC)**	Thailand	Rental service for chemical tanks	99.99	99.99
Thai Polyurethane Industry Co., Ltd. (TPU)***	Thailand	Manufacturing and distributing of polyurethane	-	99.99
IRPC Energy Co., Ltd. (IRPCENERGY)**	Thailand	Manufacturing and distributing of electricity	99.99	99.99
TPI Internet Portal Co., Ltd. (TPIINTERNETPORTAL)**	Thailand	Manufacturing and distributing of oil products	99.99	99.99

*Under bankruptcy process

**Under liquidation process

***On December 23, 2015, Thai Polyurethane Industry Co., Ltd registered its dissolution.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries of PTTER Group:</u>				
PTT Mining Limited (PTTML)	Hong Kong	Investing in other companies	100.00	100.00
International Coal Holdings Pty Ltd (ICH)	Australia	Investing in other companies	100.00	100.00
PTT Asia Pacific Mining Pty Ltd (PTTAPM)*	Australia	Investing in mine business	-	100.00
Straits (Brunei) Pte. Ltd. (Straits (Brunei))	Singapore	Investing in other companies	100.00	100.00
Sakari Resources Ltd. (SAR)	Singapore	Investing in coal mine business	95.26	95.26
Yoxford Holdings (YOXFORD)	Mauritius	Investing in other companies	100.00	100.00
Madagascar Consolidated Mining SA (MCM)	Madagascar	Coal mines	80.00	80.00
Tiger Energy Trading Pte. Ltd. (TET)	Singapore	Coal mine marketing	100.00	100.00
SAR Resources (Australia) Pty Ltd (SARA)**	Australia	Human resource management	-	100.00
Sakari Energy Pte. Ltd. (SAEnergy)	Singapore	Investing in other companies	100.00	100.00
Reyka Wahana Digdjaya Pte. Ltd. (RWD)	Singapore	Investing in other companies	100.00	100.00
Sakari Energy Trading Pte. Ltd. (SET)	Singapore	Investing in other companies	100.00	100.00
Sakari Marine & Infrastructure Pte. Ltd. (SMI)	Singapore	Marine engineering	100.00	100.00
PT Straits Consultancy Services (SCS)	Indonesia	Management services	100.00	100.00
PT Bahari Perdana Persada (BPPD)	Indonesia	Investing in other companies	100.00	100.00
PT Bahari Putra Perdana (BPPN)	Indonesia	Investing in other companies	100.00	100.00
PT Reyka Wahana Digdjaya (RWD)	Indonesia	Investing in other companies	100.00	100.00
PT Bahari Cakrawala Sebuku (BCS)	Indonesia	Coal mines	100.00	100.00
PT Bumi Borneo Metalindo (BBM)	Indonesia	Investing in other companies	100.00	100.00
PT Citra Pertiwi Nusantara (CPN)	Indonesia	Coal transport equipments and delivery service	100.00	100.00

* On July 26, 2015, PTTAPM registered its dissolution.

** On December 13, 2015, SARA registered its dissolution.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries
(Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries of PTTER Group: (Continued)</u>				
PT Bumiborneo Pertiwi Nusantara (BPN)	Indonesia	Investing in other companies	100.00	100.00
PT Karbon Mahakam (KM)	Indonesia	Coal mines	100.00	100.00
PT Metalindo Bumi Raya (MBR)	Indonesia	Coal mines	100.00	100.00
PT Borneo Citrapertiwi Nusantara (BCN)	Indonesia	Investing in other companies	100.00	100.00
PT Separi Energy (SE)	Indonesia	Investing in other companies	100.00	100.00
PT Jembayan Muarabara (JMB)	Indonesia	Coal mines	100.00	100.00
PT Kemilau Rindang Abadi (KRA)	Indonesia	Coal mines	100.00	100.00
PT Arzara Baraindo Energitama (ABE)	Indonesia	Coal mines	100.00	100.00
PT Cakrawala Abadi Jaya (CAJ)	Indonesia	Investing in other companies	100.00	100.00
PT Sakti Utama Luas (SUL)	Indonesia	Investing in other companies	100.00	100.00
Tri Tunggal Lestari Bersama (TTLB)	Indonesia	Infrastructure business	100.00	100.00
PT Makassar Prima Coal (MPC)	Indonesia	Coal mines	70.00	70.00
PTT International Holding Limited (PTTIH)	Hong Kong	Investing in other companies	100.00	100.00
PTT International Investment Limited (PTTII)	Hong Kong	Investing in other companies	100.00	100.00
PTT International (Singapore) (PTT Inter (Sing))	Singapore	Investing in other companies	100.00	100.00
<u>Subsidiaries of PTTGE Group:</u>				
Sabran Brothers Pte. Ltd. (Sabran)	Singapore	Investing in other companies	100.00	100.00
Kalimantan Thailand Palm Pte. Ltd. (KTP)	Singapore	Investing in other companies	100.00	100.00
PTT Green Energy (Hong Kong) Limited (PTTGE HK)	Hong Kong	Financing	100.00	100.00
PTT Green Energy (Thailand) Co., Ltd. (PTTGE TH)	Thailand	Management services for the Group	100.00	100.00
PT Mitra Aneka Rezeki (PT MAR)*	Indonesia	Palm oil	-	95.00

*On June 9, 2015, PTTGE sold all shares in PT MAR.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)**12.3 Details of subsidiaries, joint operations, joint ventures and associates of the subsidiaries (Continued)**

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Subsidiaries of PTTGE Group: (Continued)</u>				
PT Az-Zhara Plantation (PT Az Zhara)*	Indonesia	Palm oil	-	95.00
PT Taringin Perkasa (PT TP)*	Indonesia	Palm oil	-	95.00
PT Sawit Mandiri Sampuraga (PT SMS)*	Indonesia	Palm oil	-	95.00
PT Sawit Mandiri Sejahtera Kobar (PT SMSK)*	Indonesia	Palm oil	-	95.00
PT Mirza Pratama Putra (PT MPP)*	Indonesia	Palm oil	-	95.00
PT Landen Roslia Mandiri (PT LRM)*	Indonesia	Palm oil	-	95.00
PT Lamandau Sawit Lestari (PT LSL)*	Indonesia	Palm oil	-	95.00
PTT Green Energy (Netherlands) Coöperatief U.A. (PTTGE COOP)**	Netherlands	Investing in other companies	-	100.00
PTT Green Energy Services (Netherlands) B.V. (PTTGE BV)**	Netherlands	Financing	-	100.00
<u>Subsidiary of BSA Group:</u>				
Sport Services Alliance Co., Ltd. (SSA)	Thailand	Football club management	100.00	100.00
<u>Subsidiary held by PTTEP and PTTER:</u>				
PTT FLNG Limited (PTT FLNG)	Hong Kong	Petroleum	100.00	100.00
<u>Joint operations of PTTEP Group:</u>				
Carigali - PTTEPI Operating Company Sdn Bhd. (CPOC)	Malaysia	Petroleum	50.00	50.00
Moattama Gas Transportation Company (MGTC)	Bermuda	Gas pipelines transportation	25.50	25.50
Taninthayi Pipeline Company LLC (TPC)	Cayman Islands	Gas pipelines transportation	19.32	19.32
Orange Energy Limited (Orange)	Thailand	Petroleum	53.95	53.95
B 8/32 Partners Limited (B8/32 Partners)	Thailand	Petroleum	25.00	25.00
Andaman Transportation Limited (ATL)	Cayman Islands	Gas pipeline transportation	80.00	80.00
Leismer Aerodrome Limited (LAL)	Canada	Air transportation services	32.00	32.00
Groupement Bir Seba (GBRS)	Algeria	Petroleum	35.00	35.00
Natuna 2 B.V. (Natuna 2)	Netherlands	Petroleum	50.00	50.00

* On August 31, 2015, PTTGE sold all shares in PT Az Zhara and its subsidiaries 6 companies.

** On December 23, 2015, PTTGE sold all shares in PTTGE COOP and PTTGE BV.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.4 Investments in joint ventures in the consolidated financial statements as at December 31, 2015 and 2014

Unit: Million Baht

Company	Shareholding (%)		2015		2014		Dividends	
	2015	2014	Cost method	Equity method	Cost method	Equity method	2015	2014
1. TTM(T)	50.00	50.00	5,666.80	5,950.23	5,666.80	5,486.69	680.02	464.68
2. TTM(M)	50.00	50.00	1,001.31	1,262.93	1,001.31	975.66	-	-
3. DCAP	35.00	35.00	584.50	713.33	584.50	634.81	15.36	-
4. PTTMCC	50.00	50.00	930.12	610.28	930.13	784.89	-	-
5. PTTAC	48.50	48.50	6,909.41	4,173.13	6,909.41	5,016.75	-	-
6. HMC	41.44	41.44	9,117.12	12,461.02	9,117.12	13,617.59	3,024.02	1,221.32
7. NST	-	15.67	-	-	166.32	30.67	-	-
8. Erawan 2	13.11	13.11	662.37	768.57	648.22	745.52	91.88	80.56
9. TSR	40.00	40.00	1,697.00	1,721.80	1,697.00	1,699.03	277.90	31.50
10. NLIPC	40.00	40.00	237.27	189.83	116.95	45.26	-	-
11. NNEG	30.00	30.00	324.00	265.38	324.00	271.50	-	-
12. OGPS	40.00	-	40.00	39.83	-	-	-	-
13. TEX	50.00	50.00	210.00	660.04	210.00	683.79	122.33	114.45
14. EOM	50.00	50.00	4,965.77	5,255.19	4,965.77	4,653.21	-	-
15. ESC	50.00	50.00	407.04	227.16	407.04	297.03	-	-
16. NTR	50.00	50.00	4,809.30	3,704.19	4,809.30	4,155.67	-	-
17. TOP-NTL	50.00	50.00	0.25	8.03	0.25	4.76	-	-
18. TOP-NTL(BT)	50.00	50.00	24.05	14.10	24.00	20.75	-	-
19. TOP-NYK	50.00	50.00	273.88	432.64	273.88	365.47	18.01	16.26
20. TOP-NS	35.00	35.00	52.50	-	52.50	28.04	-	-
21. IRPC PCC	49.99	-	5.00	3.07	-	-	-	-
22. FEEBRU	35.00	35.00	222.12	143.76	236.23	156.71	-	-
23. Chancellor	77.56	77.56	3,280.78	1,433.36	2,996.64	1,685.34	-	-
24. KPI Group	-	75.00	-	-	3,203.36	2,027.57	-	-
			41,420.59	40,037.87	44,340.73	43,386.71		
Less Allowance for impairment			(2,795.20)	(947.78)	(2,950.94)	(604.00)		
Total			38,625.39	39,090.09	41,389.79	42,782.71	4,229.52	1,928.77

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.5 Investments in associates in the consolidated financial statements as at December 31, 2015 and 2014

Unit: Million Baht

Company	Shareholding (%)		2015		2014		Dividends	
	2015	2014	Cost method	Equity method	Cost method	Equity method	2015	2014
1. THAPPLINE	49.59	49.59	3,952.72	5,426.00	3,952.72	4,825.13	261.07	-
2. KPL	40.00	40.00	21.49	-	21.49	-	-	-
3. PAT	35.00	35.00	131.25	-	131.25	-	-	-
4. SPRC	-	36.00	-	-	14,770.48	16,315.71	3,406.67	668.05
5. BCP	-	27.22	-	-	5,585.26	9,235.20	149.90	505.91
6. PTTEP AP Group's associates	50.00	50.00	54.05	277.58	49.36	209.73	3.03	-
7. UAQ	30.00	30.00	0.01	0.01	0.01	0.01	-	-
8. BIC	25.00	25.00	673.44	490.47	590.00	393.17	40.84	-
9. XPCL	25.00	25.00	3,321.89	2,923.47	2,609.39	2,245.88	-	-
10. FST	25.00	25.00	0.90	1.67	0.86	1.61	-	-
11. ITT	49.00	49.00	125.28	109.69	125.28	83.32	-	-
12. VNT	24.98	24.98	3,297.00	4,019.89	3,297.00	3,946.61	29.60	18.95
13. EFT	22.65	22.65	2.00	15.81	2.00	18.13	7.25	10.80
14. TIM	33.33	33.33	1.00	4.51	1.00	5.00	-	-
15. MCE	30.00	30.00	202.50	42.45	202.50	48.76	-	-
16. UBE	21.28	21.28	769.55	780.65	769.55	768.28	-	-
17. UCHA	25.00	25.00	5,299.82	4,752.72	5,299.82	4,937.72	-	-
18. EMG	25.00	25.00	17,643.03	14,199.47	16,115.01	12,969.68	-	-
			35,495.93	33,044.39	53,522.98	56,003.94		
Less Allowance for impairment			(13,710.71)	(10,114.41)	(12,536.48)	(9,238.42)		
Total			21,785.22	22,929.98	40,986.50	46,765.52	3,898.36	1,203.71

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.6 Investments in subsidiaries, joint ventures and associates in the separate financial statements as at December 31, 2015 and 2014

Unit: Million Baht

Company	Shareholding (%)		Cost method		Dividends	
	2015	2014	2015	2014	2015	2014
<u>Subsidiaries</u>						
1. PTTEP	65.29	65.29	71,390.42	71,390.42	6,479.65	15,551.16
2. PTTLNG	100.00	100.00	9,163.60	8,008.00	1,462.84	-
3. PTTNGD	58.00	58.00	418.14	418.14	-	870.00
4. EnCo	50.00	50.00	900.00	900.00	42.08	27.47
5. PTTES	40.00	40.00	62.50	62.50	-	3.60
6. PTTME	40.00	40.00	66.40	66.40	-	-
7. GPSC	22.58	30.10	4,949.93	4,949.93	297.67	33.83
8. PTTCL	100.00	100.00	64.12	0.23	-	-
9. PTTOM	100.00	100.00	16.15	16.15	-	-
10. PTTTB	100.00	100.00	8,621.67	6,900.00	-	-
11. SBECL	100.00	100.00	1,154.81	1,154.81	-	-
12. PTT TANK	100.00	100.00	2,500.37	2,500.37	80.00	60.80
13. TLBC	48.95	48.95	140.00	140.00	8.96	9.94
14. PTTT	100.00	100.00	2.50	2.50	-	-
15. PTTPL	50.00	100.00	600.00	1,200.00	1,326.00	144.00
16. PTTMMA	100.00	100.00	194.70	165.00	-	-
17. PTTM	50.00	50.00	20.00	20.00	55.00	45.00
18. PTTGC	49.34	48.89	48,121.52	48,121.52	5,510.80	6,943.60
19. TOP	49.10	49.10	11,380.83	11,380.83	1,502.47	2,063.39
20. IRPC	38.51	38.51	28,467.24	28,467.24	629.58	786.97
21. TP	26.00	26.00	2,304.76	2,304.76	131.51	36.53
22. PTTT	100.00	100.00	33,702.67	33,316.00	-	-
23. PTTGE	100.00	100.00	11,750.64	11,750.64	-	-
24. PTTRTC	100.00	100.00	31.40	31.40	-	-
25. BSA	100.00	100.00	0.50	0.50	13.86	13.80
26. PTTICT	20.00	20.00	30.00	30.00	13.20	12.00
Investments in subsidiaries			236,054.87	233,297.34		
<u>Less Allowance for impairment</u>			(25,843.63)	(8,885.61)		
Total investments in subsidiaries			210,211.24	224,411.73	17,553.62	26,602.09

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.6 Investments in subsidiaries, joint ventures and associates in the separate financial statements as at December 31, 2015 and 2014 (Continued)

Unit: Million Baht

Company	Shareholding (%)		Cost method		Dividends	
	2015	2014	2015	2014	2015	2014
<u>Joint Ventures</u>						
27. TTM(T)	50.00	50.00	5,666.80	5,666.80	680.02	464.68
28. TTM(M)	50.00	50.00	1,001.31	1,001.31	-	-
29. DCAP	35.00	35.00	584.50	584.50	15.35	-
30. PTTMCC	50.00	50.00	930.13	930.13	-	-
31. PTTAC	48.50	48.50	6,909.41	6,909.41	-	-
32. HMC	41.44	41.44	9,117.12	9,117.12	3,024.02	1,221.32
Total investments in joint ventures			24,209.27	24,209.27	3,719.39	1,686.00
<u>Associates</u>						
33. THAPPLINE	40.40	40.40	3,173.23	3,173.23	212.98	-
34. KPL	40.00	40.00	21.49	21.49	-	-
35. PAT	35.00	35.00	131.25	131.25	-	-
36. SPRC	-	36.00	-	14,770.48	3,406.68	668.05
37. BCP	-	27.22	-	5,585.26	149.90	505.91
Investments in associates			3,325.97	23,681.71		
<u>Less</u> Allowance for impairment			(152.74)	(152.74)		
Total investments in associates			3,173.23	23,528.97	3,769.56	1,173.96
Total			237,593.74	272,149.97	25,042.57	29,462.05

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.7 Movements in investments in the consolidated and the separate financial statements

12.7.1 Movements in investments in joint ventures under the equity method in the consolidated financial statements are as follows:

Unit: Million Baht

	<u>2015</u>	<u>2014</u>
Balance as at January 1	42,782.71	43,112.01
- Share of profit from investments in joint ventures	1,749.94	2,315.91
- Dividend income	(4,229.52)	(1,928.77)
- Additional investments	165.33	1,114.77
- Disposal of investments	(669.86)	-
- Share capital reduction	(44.82)	-
- Share of other comprehensive income (loss) of joint ventures	1,076.66	(855.35)
- Currency translation differences	(283.14)	(377.63)
- Impairment of investments	<u>(1,457.21)</u>	<u>(598.23)</u>
Balance as at December 31	<u>39,090.09</u>	<u>42,782.71</u>

12.7.2 Movements in investments in associates under the equity method in the consolidated financial statements are as follows:

Unit: Million Baht

	<u>2015</u>	<u>2014</u>
Balance as at January 1	46,765.52	48,186.87
- Share of profit (loss) from investments in associates	4,281.76	(1,455.89)
- Dividend income	(3,898.36)	(1,203.71)
- Additional investments	795.95	1,462.73
- Disposal of investments	(20,335.24)	(227.75)
- Share capital reduction	(4,549.21)	-
- Reclassification	(2,033.30)	-
- Share of other comprehensive income (loss) of associates	1,526.55	(213.59)
- Currency translation differences	<u>376.31</u>	<u>216.86</u>
Balance as at December 31	<u>22,929.98</u>	<u>46,765.52</u>

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.7 Movements in investments in the consolidated and the separate financial statements (Continued)

12.7.3 Movements in investments in subsidiaries, joint ventures and associates under the cost method in the separate financial statements are as follows:

	Unit: Million Baht	
	<u>2015</u>	<u>2014</u>
Balance as at January 1	272,149.97	277,338.18
- Additional investments	3,357.53	3,905.35
- Disposal of investments	(14,783.36)	(207.95)
- Share capital reduction	(4,549.21)	-
- Reclassification	(1,623.17)	-
- Loss on impairment of investments	<u>(16,958.02)</u>	<u>(8,885.61)</u>
Balance as at December 31	<u><u>237,593.74</u></u>	<u><u>272,149.97</u></u>

(UNOFFICIAL TRANSLATION)

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.8 Summary financial information of the joint ventures of the Company, after accounting policy adjustment are as follows:

Statements of financial position as at December 31, 2015 and 2014

Unit: Million Baht

	2015						2014					
	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	PTTMCC	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	PTTMCC
Current assets	7,849.25	1,862.41	1,082.31	4,295.22	9,531.19	669.27	8,005.48	889.64	929.78	4,880.34	11,068.57	325.25
Non-current assets	19,153.07	6,459.42	2,852.84	24,387.54	26,904.09	2,889.58	18,640.77	5,556.07	3,066.54	25,293.68	27,897.40	2,335.50
Current liabilities	(2,161.89)	(207.68)	(700.85)	(6,850.64)	(3,929.16)	(96.60)	(2,633.33)	(359.14)	(606.98)	(7,311.36)	(4,528.14)	(1,089.90)
Non-current liabilities	(12,939.96)	(5,588.29)	(1,196.21)	(13,227.73)	(9,768.14)	(2,241.69)	(13,038.70)	(4,135.25)	(1,572.92)	(12,518.84)	(8,909.07)	(1.06)
Net assets	11,900.47	2,525.86	2,038.09	8,604.39	22,737.98	1,220.56	10,974.22	1,951.32	1,816.42	10,343.82	25,528.76	1,569.79

(UNOFFICIAL TRANSLATION)

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.8 Summary financial information of the joint ventures of the Company, after accounting policy adjustment are as follows: (Continued)

Statements of income for the years ended December 31, 2015 and 2014

Unit: Million Baht

	2015						2014					
	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	PTTMCC	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	PTTMCC
Revenue*	3,929.53	1,125.20	2,920.05	13,138.94	31,980.56	13.60	4,020.41	74.49	3,045.76	15,701.69	37,310.43	5.88
Expenses	(2,157.98)	(249.07)	(2,639.73)	(14,877.59)	(26,621.44)	(362.82)	(2,124.78)	(209.20)	(2,759.99)	(15,221.30)	(32,078.20)	(163.34)
Profit (loss) before taxes	1,771.55	876.13	280.32	(1,738.65)	5,359.12	(349.22)	1,895.63	(134.71)	285.77	480.39	5,232.23	(157.46)
Income taxes	(566.52)	(50.31)	(60.88)	(0.77)	(766.79)	-	(245.33)	(43.74)	(35.89)	1.80	(556.51)	-
Net profit (loss)	1,205.03	825.82	219.44	(1,739.42)	4,592.33	(349.22)	1,650.30	(178.45)	249.88	482.19	4,675.72	(157.46)

* Including gain (loss) on foreign exchange rate

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12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.9 Summary financial information of the associates of the Company, after accounting policy adjustment are as follows:

Statements of financial position as at December 31, 2015 and 2014

	Unit: Million Baht					
	2015			2014		
	THAPPLINE	SPRC*	BCP**	THAPPLINE	SPRC	BCP
Current assets	5,855.62	-	-	4,534.28	29,757.65	32,294.45
Non-current assets	6,250.88	-	-	6,162.15	38,719.26	44,671.08
Current liabilities	(647.62)	-	-	(496.73)	(23,437.51)	(11,309.37)
Non-current liabilities	(4,053.55)	-	-	(4,244.99)	(196.16)	(31,690.19)
Net assets	<u>7,405.33</u>	<u>-</u>	<u>-</u>	<u>5,954.71</u>	<u>44,843.24</u>	<u>33,965.97</u>

Financial information of PAT and KPL, associates of the Company, was disclosed in Note 12.11

* On December 3, 2015, the company sold 30.59% shareholding in SPRC. The Company's remaining 5.41% shareholding in SPRC was reclassified as available-for-sale investment.

** On April 30, 2015, the Company sold all shares in BCP.

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12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.9 Summary financial information of the associates of the Company, after accounting policy adjustment are as follows: (Continued)

Statements of income for the years ended December 31, 2015 and 2014

Unit: Million Baht

	2015			2014		
	THAPPLINE	SPRC**	BCP**	THAPPLINE	SPRC	BCP
Income*	3,437.96	167,378.87	52,989.49	3,346.60	230,488.65	185,475.59
Expenses	(1,244.30)	(157,034.63)	(50,751.94)	(1,165.32)	(238,298.32)	(185,181.97)
Profit (loss) before taxes	2,193.66	10,344.24	2,237.55	2,181.28	(7,809.67)	293.62
Income taxes	(216.09)	(2,309.78)	(280.92)	(167.34)	1,442.29	462.79
Net profit (loss)	<u>1,977.57</u>	<u>8,034.46</u>	<u>1,956.63</u>	<u>2,013.94</u>	<u>(6,367.38)</u>	<u>756.41</u>

Financial information of PAT and KPL, associates of the Company, was disclosed in Note 12.11

* Including gain (loss) on foreign exchange rate.

** Including operating results up to the date that the Company sold SPRC and BCP.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.10 Significant events during the year ended December 31, 2015

PTTLNG

On October 28, 2015, at the Board of Directors Meeting of PTT LNG Co., Ltd. (PTTLNG), the Board passed a resolution to approve the call up of additional share capital of Baht 1,155.60 million. The Company made the additional payment on November 19, 2015.

PTTCL

On March 31, 2015, at the PTT (Cambodia) Limited (PTTCL)'s Ordinary General Meeting of the shareholders No. 1/2015, the shareholders passed a resolution to increase authorized share capital not exceed USD 2.91 million or equivalent to Baht 96 million by issuing 582,000 additional shares with a par value of KHR 20,000 each. PTTCL called for the first payment for the shares amounting to Baht 63.89 million and on September 1, 2015 the Company made full payment for the shares.

PTTRB

On September 15, 2014, at the PTT Retail Business Co., Ltd. (PTTRB)'s Extraordinary General Meeting of the shareholders No. 1/2014, the shareholders passed a resolution to increase the authorized share capital by Baht 3,600 million, from Baht 5,100 million to Baht 8,700 million, by issuing 36 million additional shares with a par value of Baht 100 each. On April 22, 2015, PTTRB called for the second payment of share capital at Baht 46.713 per share, amounting to Baht 1,681.67 million. The Company made the additional payment on April 30, 2015.

On September 25, 2015, at the PTT Retail Business Co., Ltd. (PTTRB)'s Extraordinary General Meeting of the shareholders No. 1/2015, the shareholders passed a resolution to increase the authorized share capital by Baht 80 million, from Baht 8,700 million to Baht 8,780 million, by issuing 0.8 million additional shares with a par value of Baht 100 each. On September 28, 2015, PTTRB called up additional share capital at Baht 50 per share, amounting to Baht 40 million and the Company made the share payment on October 20, 2015.

PTTPL

On June 26, 2015, at the Board of Directors Meeting No. 6/2015 of the Company, the Board passed a resolution to approve the disposal of the Company's 49% shareholdings in PTT Polymer Logistics Co., Ltd. (PTTPL), totaling 5.88 million shares, to PTT Global Chemical Public Co., Ltd. (PTTGC) for Baht 692.84 million and 1% shareholdings, totaling 0.12 million shares, to Solution Creation Company Limited for Baht 14.14 million. The Company received the full payment for the shares on July 1, 2015. The Company recognized a gain on disposal of the investment in the separate financial statements amounting to Baht 106.98 million.

PTTPMMA

On December 1, 2015, at the Board of Directors Meeting No. 8/2015 of PTT PMMA Co., Ltd. (PTT PMMA), the Board passed a resolution to approve the call up of additional share capital of Baht 29.70 million. The Company made the additional payment on December 22, 2015.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.10 Significant events during the year ended December 31, 2015 (Continued)

PTTER

On January 8, 2015 and April 9, 2015, PTT Energy Resources Co., Ltd. (PTTER) called up additional share capital of Baht 300 million and Baht 86.67 million, respectively. The Company made the additional payment on January 16 and April 21, 2015, respectively.

PTTGE (PT MAR)

On December 15, 2014, the Board of Directors of the Company passed a resolution to approve the disposal of the entire investment of 95% of the total issued shares in PT Mitra Aneka Rezeki (PT MAR), a subsidiary of Kalimantan Thailand Palm Pte. Ltd. (KTP), held by KTP (a subsidiary of PTT Green Energy Pte. Ltd. (PTTGE) which is a subsidiary of the Company) to PT Prasada Jaya Mulia (PJM). The disposal of this investment was completed on June 9, 2015 and the Company recognized a loss on the disposal of the investment in the consolidated financial statements amounting to Baht 781.69 million.

PTTGE (Chancellor)

During the year 2015, the Board of Directors of the Company passed a resolution to approve the the disposal of the entire investment of 77.56% of the total issued shares in Chancellor Oil Pte. Ltd. held by PTT Green Energy Pte. Ltd. (PTTGE), a subsidiary of the Company, to Primary Resources Pte. Ltd. (PR). On May 14, 2015, PTTGE and PR executed a Shares Sale and Purchase Agreement.

PTTGE (PT Az Zhara)

During the year 2015, the Board of Directors of the Company passed a resolution to approve the disposal of the entire investment in PT Az Zhara (a subsidiary of PTT Green Energy Services (Netherlands) B.V., Sabran Brothers and a local partner) to Mr. Muhammad Agustiar Sabran Afandie. The disposal of this investment was completed on August 31, 2015 and the Company recognized a gain on disposal of the investment in the consolidated financial statements amounting to Baht 107.87 million. The disposal of PT Az Zhara included its investments in 6 subsidiaries

PTTGE (COOP)

On September 9, 2015, the Board of Directors of the Company passed a resolution to approve the disposal of the entire investment of 100% of the total issued shares in PTT Green Energy (Netherlands) Cooperatief U.A. (PTTGE COOP), which was held indirectly through Sabran Brothers Pte. Ltd. (Sabran Brothers), held by PTT Green Energy Pte. Ltd. (PTTGE) (a subsidiary of the Company) to Sindopalm Pte. Ltd. (Sindopalm), an associate of PT Kalpataru Investama (PT KI). The disposal of this investment was completed on December 23, 2015 and the Company recognized a loss on disposal of the investment in the consolidated financial statements amounting to Baht 814.57 million. The disposal of PTTGE COOP included PTT Green Energy Services (Netherlands) B.V. (PTTGE BV), a subsidiary of PTTGE COOP, and the 7 companies in the KPI Group which are joint ventures of PTTGE BV.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.10 Significant events during the year ended December 31, 2015 (Continued)

SPRC

On September 15, 2015, Star Petroleum Refining Public Co., Ltd. (SPRC) registered the decrease of its authorized share capital from Baht 41,029.51 million to Baht 28,392.42 million, by decreasing the par value of its shares from Baht 10 each to Baht 6.92 each. As a result, the balance of the Company's investments in this company was Baht 10,221.27 million. In December 2015, the Company received partial capital repayment amounting to Baht 3,260.55 million, and as at December 31, 2015, the outstanding balance of the receivable was Baht 1,288.66 million. The Company expects to receive payment within 2016 and recorded the outstanding balance receivable as other accounts receivable in statement of financial position.

On November 9, 2015, at the Board of Directors Extra Meeting of the Company No. 4/2015, the Board passed a resolution to approve the disposal of the 1,242.50 million shares that the Company held in SPRC, which was equivalent to 30.59% of all issued and paid-up shares, for a total of Baht 10,931.75 million in preparation for its initial public offering (IPO). The Company received full payment on December 3, 2015 and recognized gains on disposal of the investment in the consolidated financial statements and the separate financial statements amounting to Baht 161.17 million and Baht 2,333.65 million, respectively. The Company's remaining 5.41% investment in SPRC was reclassified as available-for-sale investment.

BCP

On February 3, 2015, at the Board of Directors Extra Meeting of the Company No. 1/2015, the Board passed a resolution to approve the disposal of the Company's shareholdings in Bangchak Petroleum Public Company Limited (BCP) consist of 210 million shares, equal to 15.25% of the total issued and paid-up shares, for a total of Baht 7,560.00 million to Vayupak Fund 1 (VAYU1) and 164.75 million shares, equal to 11.97% of the total issued and paid-up shares, for a total of Baht 5,930.95 million to the Social Security Office. The Company sold all shares it held in BCP on April 30, 2015 and received the additional payment on May 8, 2015. The Company recognized a gain on disposal of the investment in the consolidated financial statements and the separate financial statements amounting to Baht 3,926.28 million and Baht 7,905.68 million, respectively.

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.11 Additional information in respect of associates

The Company has not recognized its share of profit (loss) from some associates for the year ended December 31, 2015 amounting to Baht 2.08 million (2014: Baht (19.73) million) because, as at December 31, 2015, the Company had an unrealized allowance for its share of loss from these associates amounting to Baht 84.55 million (December 31, 2014: Baht 86.63 million).

12.12 Investments in subsidiaries, joint ventures and associates where voting rights and ownership interests differ are as follows:

		Unit: Percentage
<u>Company</u>	<u>Voting rights</u>	<u>Ownership</u>
Subsidiary		
PTTGC	48.89	49.34
BSA	57.14	100.00
Joint venture		
HMC	42.10	41.44
Associate		
THAPPLINE	49.22	49.21

12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.13 Non-controlling interests

Financial information of subsidiaries that have material non-controlling interests are as follow;

Company	Country of Incorporation	Non-controlling interests Shareholding (%)	
		2015	2014
PTT Exploration and Production Public Co., Ltd. (PTTEP)	Thailand	34.71	34.71
Thai Oil Public Co., Ltd. (TOP)	Thailand	50.07	50.07
IRPC Public Co., Ltd. (IRPC)	Thailand	61.49	61.49
PTT Global Chemical Public Co., Ltd. (PTTGC)	Thailand	50.66	51.11
Global Power Synergy Public Co., Ltd. (GPSC)	Thailand	25.00	-

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12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.13 Non-controlling interests (Continued)

Financial information of subsidiaries that have material non-controlling interests, after accounting policy adjustment, before eliminations:

Summary of financial position as at December 31, 2015 and 2014

Unit: Million Baht

	2015					2014				
	PTTEP	TOP	IRPC	PTTGC	GPSC	PTTEP	TOP	IRPC	PTTGC	GPSC
Current assets	169,641.79	90,489.68	35,984.32	117,900.59	16,316.25	183,409.90	95,463.51	44,141.90	123,130.69	8,146.28
Non-current assets	539,221.77	101,676.01	127,189.35	259,644.26	39,550.27	583,663.00	98,143.36	118,656.49	256,799.07	34,785.96
Current liabilities	(50,804.42)	(18,179.30)	(36,209.96)	(41,220.79)	(4,568.79)	(94,291.52)	(35,634.71)	(46,829.15)	(56,118.60)	(5,203.14)
Non-current liabilities	(249,248.10)	(76,974.57)	(52,261.05)	(102,059.30)	(14,171.15)	(259,161.50)	(70,027.61)	(48,725.05)	(96,874.74)	(11,711.01)
Net assets	<u>408,811.04</u>	<u>97,011.82</u>	<u>74,702.66</u>	<u>234,264.76</u>	<u>37,126.58</u>	<u>413,619.88</u>	<u>87,944.55</u>	<u>67,244.19</u>	<u>226,936.42</u>	<u>26,018.09</u>
Owners of the parent	242,618.97	46,127.39	28,741.14	114,252.45	27,003.66	245,758.49	41,688.29	25,870.01	109,883.61	25,285.02
Non-controlling interests	166,192.07	50,884.43	45,961.52	120,012.31	10,122.92	167,861.39	46,256.26	41,374.18	117,052.81	733.07

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12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.13 Non-controlling interests (Continued)

Financial information of subsidiaries that have material non-controlling interests, after accounting policy adjustment, before eliminations: (Continued)

Summary of comprehensive income or loss for the years ended December 31, 2015 and 2014

Unit: Million Baht

	2015					2014				
	PTTEP	TOP	IRPC	PTTGC	GPSC	PTTEP	TOP	IRPC	PTTGC	GPSC
Revenue	191,266.95	294,563.43	217,820.00	407,960.00	23,313.75	253,417.19	395,994.91	287,457.64	559,987.88	24,151.17
Expenses	205,988.43	280,868.98	206,566.61	385,300.22	21,334.57	196,391.25	400,777.65	294,865.73	545,556.54	22,545.65
Profit (loss) before taxes	(14,721.48)	13,694.45	11,253.39	22,659.78	1,979.18	57,025.94	(4,782.74)	(7,408.09)	14,431.34	1,605.52
Income taxes	16,869.01	1,597.36	2,345.84	1,984.09	90.03	35,535.49	(920.21)	(2,397.75)	581.39	27.48
Net profit (loss)	(31,590.49)	12,097.09	8,907.55	20,675.69	1,889.15	21,490.45	(3,862.53)	(5,010.34)	13,849.95	1,578.04
Other comprehensive income (loss)	37,818.24	(145.74)	201.77	148.98	17.54	(395.15)	4.71	(349.05)	-	-
Total comprehensive income (loss)	6,227.75	11,951.35	9,109.32	20,824.67	1,906.69	21,095.30	(3,857.82)	(5,359.39)	13,849.95	1,578.04
Owners of the parent	4,065.87	5,709.06	3,499.96	10,186.74	1,923.25	13,772.36	(2,078.07)	(2,072.17)	7,609.59	1,578.04
Non-controlling interests	2,161.88	6,242.29	5,609.36	10,637.93	(16.56)	7,322.94	(1,779.75)	(3,287.22)	6,240.36	-
Total dividend paid to NCI	3,443.76	1,534.53	1,021.28	6,254.12	131.10	8,103.21	2,142.56	1,273.22	7,810.34	-

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12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)

12.13 Non-controlling interests (Continued)

Financial information of subsidiaries that have material non-controlling interests, after accounting policy adjustment, before eliminations: (Continued)

Summary of cash flows for the years ended December 31, 2015 and 2014

Unit: Million Baht

	2015					2014				
	PTTEP	TOP	IRPC	PTTGC	GPSC	PTTEP	TOP	IRPC	PTTGC	GPSC
Operating activities	98,754.13	31,708.48	27,840.05	50,822.36	2,631.79	140,097.31	24,432.76	4,596.10	45,955.01	4,603.04
Investing activities	(73,028.81)	2,529.59	(11,271.35)	(22,344.73)	(14,109.48)	(97,504.95)	(20,346.36)	(21,039.84)	(24,136.99)	(7,030.20)
Financing activities	(56,821.37)	(14,739.92)	(15,001.48)	(30,027.75)	10,921.62	8,289.94	(3,074.81)	13,328.17	(23,648.19)	(542.16)
Others	9,639.22	29.22	-	(786.74)	-	1,530.96	(77.12)	-	(531.54)	-
Net increase (decrease) in cash and cash equivalents	(21,456.83)	19,527.37	1,567.22	(2,336.86)	(556.07)	52,413.26	934.47	(3,115.57)	(2,361.71)	(2,969.32)

13. Available-for-sale Investments

13.1 Details of available-for-sale investments

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Available-for-sale Investments of the Company</u>				
<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
Star Petroleum Refining Public Co., Ltd. (SPRC)	Thailand	Refining	5.41	-
<u>Investments in Mutual Funds</u>				
Core Flexible Fund (CORE)	Thailand	Mutual fund	32.57	32.57
CIMB - PRINCIPAL Energy and Petrochemical Index Fund (CIMB - PRINCIPAL EPIF) (Former : Finansa Asset Management - Energy and Petrochemical Index Fund (FAM EPIF))	Thailand	Mutual fund		
Vayupak fund 1 (VAYU1)	Thailand	Mutual fund		
<u>Available-for-sale Investments of Subsidiaries</u>				
<u>Investments in Equity Securities</u>				
<i>PTTEP Group</i>				
Wentworth Resources Limited (WRL)	Canada	Oil and natural gas exploration	1.18	2.42
<i>IRPC Group</i>				
Bangkok Union Insurance Public Co., Ltd. (BUI)	Thailand	Insurance	0.35	0.35
<i>PTTER Group</i>				
Xanadu Mines Ltd. (XML)	Mongolia	Mineral exploration	5.53	6.95
<u>Investments in Mutual Funds</u>				
<i>TOP Group</i>				
Core Flexible Fund (CORE)	Thailand	Mutual fund	16.29	16.29

13. Available-for-sale Investments (Continued)

13.2 Details of available-for-sale investments as at December 31, 2015 and 2014 are as follows:

Unit: Million Baht

Company	Shareholding (%)		Consolidated financial statements		Separate financial statements		Dividends	
	2015	2014	2015	2014	2015	2014	2015	2014
<u>Investments in Equity Securities</u>								
TIP	13.33	13.33	312.00	312.00	312.00	312.00	90.00	80.00
BAFS	7.06	7.06	24.00	24.00	24.00	24.00	31.77	35.28
WRL	1.18	2.42	45.48	43.48	-	-	-	-
BUI	0.35	0.35	2.35	2.35	-	-	-	0.06
XML	5.53	6.95	264.84	241.90	-	-	-	-
SPRC	5.41	-	1,876.50	-	1,623.17	-	-	-
Total investments in equity securities			2,525.17	623.73	1,959.17	336.00		
<u>Investments in Mutual Funds</u>								
CORE	48.86	48.86	674.74	749.85	449.83	499.90	-	-
CIMB - PRINCIPAL EPIF			6,300.00	6,300.00	6,300.00	6,300.00	71.83	71.83
VAYUI			15.23	15.17	10.00	10.00	0.14	0.04
Total investments in mutual funds			6,989.97	7,065.02	6,759.83	6,809.90		
Total available-for-sale investments before changes in value of investments			9,515.14	7,688.75	8,719.00	7,145.90		
Allowance for changes in value			3,880.50	4,986.40	4,389.79	5,224.08		
Less Allowance for impairment			(42.65)	(38.95)	-	-		
Total			13,352.99	12,636.20	13,108.79	12,369.98	193.74	187.21

13.3 Movements in available-for-sale investments are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Balance as at January 1	12,636.20	12,784.11	12,369.98	12,504.92
- Disposals of investments	(75.11)	(24.68)	(50.07)	(3.76)
- Reclassifications	1,876.50	0.94	1,623.17	-
- Unrealized loss on available-for-sale investments	(1,096.61)	(123.50)	(834.29)	(131.18)
- Currency translation differences	12.01	(0.67)	-	-
Balance as at December 31	13,352.99	12,636.20	13,108.79	12,369.98

14. Other Long-term Investments

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

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Other Long-term Investments of the Company</u>				
Petro Asia (Sanshui) Co., Ltd. (PA (Sanshui))	China	Oil marketing	25.00	25.00
Petro Asia (Maoming) Co., Ltd. (PA (Maoming))	China	Oil marketing	20.00	20.00
Intoplane Services Co., Ltd. (IPS)	Thailand	Aircraft refuelling services	16.67	16.67
Colour Vision International Co., Ltd. (Corpus)	Thailand	Finished yarn production	0.48	0.48
Fuel Pipeline Transportation Co., Ltd. (FPT)*	Thailand	Oil transmission pipelines	-	-
<u>Other Long-term Investments of Subsidiaries</u>				
<i>GPSC Group</i>				
24M Technologies, Inc. (24M)	United States of America	Research and development of battery	17.00	17.00
Ratchaburi Power Co., Ltd. (RPCL)	Thailand	Electricity generation	15.00	15.00
<i>PTTT Group</i>				
KIC Oil Terminal 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 Ltd. (K II)	Malaysia	Logistics services	10.00	10.00
<i>PTTGC Group</i>				
Alliance Petrochemical Investment (Singapore) Pte. Ltd. (API)	Singapore	Investment in other companies	15.34	15.34
Exeltium SAS (EXS)	France	Electricity business	4.00	4.00

* As at December 31, 2015 and 2014 the Company holds 0.00024% of shareholding.

14. Other Long-term Investments (Continued)

14.1 Details of other long-term investments are as follows: (Continued)

Company	Country of Incorporation	Business	Shareholding (%)	
			2015	2014
<u>Other Long-term Investments of Subsidiaries</u> (Continued)				
<i>IRPC Group</i>				
TPI EOEG Co., Ltd. (TPIE)	Thailand	Finance service	36.31	36.31
TPI Holding Co., Ltd. (TPIH)	Thailand	Investment in other companies	35.01	35.01
Pornchai Enterprises Co., Ltd. (PEC)	Thailand	Real estate for rent	23.65	23.65
Thai Special Steel Industries Public Co.,Ltd. (TSSI)	Thailand	Steel wire manufacturing	16.24	16.24
Rayong Acetylene Co., Ltd. (RAC)	Thailand	Industrial gas manufacturing	13.04	13.04
DIA Polyacrylate Co., Ltd. (DIA)	Thailand	Plastic resin manufacturing	3.65	3.65

14. Other Long-term Investments (Continued)

14.2 Details of other long-term investments as at December 31, 2015 and 2014 are as follows:

Unit: Million Baht

Company	Shareholding (%)		Consolidated financial statements		Separate financial statements		Dividends	
	2015	2014	2015	2014	2015	2014	2015	2014
1. PA (Sanshui)	25.00	25.00	6.06	6.06	6.06	6.06	-	-
2. PA (Maoming)	20.00	20.00	14.83	14.83	14.83	14.83	-	-
3. IPS	16.67	16.67	0.02	0.02	0.02	0.02	-	-
4. Corpus	0.48	0.48	0.60	0.60	0.60	0.60	-	-
5. FPT*	-	-	0.02	0.02	0.02	0.02	-	-
6. 24M	17.00	17.00	479.38	479.38	-	-	-	-
7. RPCL	15.00	15.00	888.75	888.75	-	-	288.00	30.00
8. KOT	10.00	10.00	126.80	115.82	-	-	-	-
9. KIF	10.00	10.00	52.55	48.00	-	-	-	-
10. K I	10.00	10.00	264.12	241.25	-	-	-	-
11. K II	10.00	10.00	70.60	64.49	-	-	-	-
12. API	15.34	15.34	290.24	290.24	-	-	-	-
13. EXS	4.00	4.00	282.88	282.87	-	-	-	-
14. TPIE	36.31	36.31	828.94	828.94	-	-	-	-
15. TPIH	35.01	35.01	1,415.90	1,415.90	-	-	-	-
16. PEC	23.65	23.65	1,117.06	1,117.06	-	-	-	-
17. TSSI	16.24	16.24	673.35	673.35	-	-	-	-
18. RAC	13.04	13.04	15.00	15.00	-	-	-	-
19. DIA	3.65	3.65	8.50	8.50	-	-	1.49	2.55
			6,535.60	6,491.08	21.53	21.53		
Less Allowance for impairment			(4,566.47)	(4,521.95)	(14.14)	(14.14)		
Total			1,969.13	1,969.13	7.39	7.39	289.49	32.55

* As at December 31, 2015 and 2014, the Company holds 0.00024% of shareholding, totaling 66 shares, amounting to Baht 22,220.00.

14. Other Long-term Investments (Continued)

14.3 Movements in other long-term investments are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Balance as at January 1	1,969.13	1,839.80	7.39	1,106.14
- Additional investments	-	479.38	-	-
- Disposal of investments	-	(350.05)	-	(1,098.75)
Balance as at December 31	<u>1,969.13</u>	<u>1,969.13</u>	<u>7.39</u>	<u>7.39</u>

15. Investment Properties

Details of investment properties are as follows:

Unit: Million Baht

	Consolidated financial statements		
	Land	Buildings and building improvements	Total
Cost			
As at January 1, 2015	5,267.85	2,190.89	7,458.74
- Additions	-	11.44	11.44
- Reclassifications	-	140.31	140.31
- Disposals	(63.18)	(34.14)	(97.32)
As at December 31, 2015	5,204.67	2,308.50	7,513.17
Accumulated depreciation			
As at January 1, 2015	-	(766.51)	(766.51)
- Depreciation for the year	-	(124.19)	(124.19)
- Disposals	-	19.50	19.50
As at December 31, 2015	-	(871.20)	(871.20)
Allowance for impairment			
As at January 1, 2015	(354.91)	-	(354.91)
- Disposals	0.56	-	0.56
As at December 31, 2015	(354.35)	-	(354.35)
Net book value			
As at December 31, 2014	4,912.94	1,424.38	6,337.32
As at December 31, 2015	4,850.32	1,437.30	6,287.62

15. Investment Properties (Continued)

Details of investment properties are as follows: (Continued)

Unit: Million Baht

	Separate financial statements		
	Land	Buildings and building improvements	Total
Cost			
As at January 1, 2015	3,594.26	329.75	3,924.01
- Reclassifications	-	140.31	140.31
- Disposals	(19.85)	(2.43)	(22.28)
As at December 31, 2015	3,574.41	467.63	4,042.04
Accumulated depreciation			
As at January 1, 2015	-	(185.00)	(185.00)
- Depreciation for the year	-	(16.31)	(16.31)
- Disposals	-	1.80	1.80
As at December 31, 2015	-	(199.51)	(199.51)
Net book value			
As at December 31, 2014	3,594.26	144.75	3,739.01
As at December 31, 2015	3,574.41	268.12	3,842.53

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16. Property, Plant and Equipment

Detail of property, plant and equipment are as follows:

	Consolidated financial statements						Unit: Million Baht
	Land	Buildings and building improvements	Machinery and equipment	Exploration and production properties	Other assets	Construction in progress	Total
Cost							
As at January 1, 2015	25,801.78	226,596.33	760,814.00	778,076.87	20,197.04	143,766.20	1,955,252.22
- Business Acquisition (Note 42)	-	-	-	-	-	23.64	23.64
- Additions	4,970.46	6,976.42	4,809.78	59,312.88	1,362.86	81,281.79	158,714.19
- Borrowing costs	-	-	-	-	-	3,942.28	3,942.28
- Reclassifications	522.44	6,495.08	48,964.90	-	1,408.97	(65,732.96)	(8,341.57)
- Disposals	(260.17)	(1,813.08)	(5,158.48)	(7,416.92)	(1,348.54)	(83.37)	(16,080.56)
- Currency translation differences	34.49	430.47	981.43	76,764.02	(68.60)	648.88	78,790.69
As at December 31, 2015	31,069.00	238,685.22	810,411.63	906,736.85	21,551.73	163,846.46	2,172,300.89

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16. Property, Plant and Equipment (Continued)

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

Unit: Million Baht

	Consolidated financial statements						
	Land	Buildings and building improvements	Machinery and equipment	Exploration and production properties	Other assets	Construction in progress	Total
Accumulated depreciation							
As at January 1, 2015	-	(120,512.11)	(310,491.37)	(385,374.44)	(11,890.09)	-	(828,268.01)
- Depreciation for the year	-	(9,669.26)	(34,194.09)	(92,269.80)	(1,953.56)	-	(138,086.71)
- Reclassifications	-	(187.32)	(298.49)	-	34.30	-	(451.51)
- Disposals	-	906.53	2,947.72	4.24	1,188.64	-	5,047.13
- Currency translation differences	-	(170.28)	(708.73)	(42,011.56)	129.17	-	(42,761.40)
As at December 31, 2015	-	(129,632.44)	(342,744.96)	(519,651.56)	(12,491.54)	-	(1,004,520.50)

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16. Property, Plant and Equipment (Continued)

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

Unit: Million Baht

	Consolidated financial statements						Total
	Land	Buildings and building improvements	Machinery and equipment	Exploration and production properties	Other assets	Construction in progress	
Allowance for impairment of assets							
As at January 1, 2015	(236.81)	(209.00)	(2,111.05)	(18,992.86)	(15.25)	(272.63)	(21,837.60)
- Loss on impairment (Note 20)	-	-	(595.29)	(22,872.95)	(12.26)	(2,150.79)	(25,631.29)
- Reversal of loss on impairment (Note 20)	1.06	-	-	-	-	-	1.06
- Disposals	19.37	4.36	267.27	-	18.30	-	309.30
- Currency translation differences	2.00	1.64	12.39	(1,845.54)	(3.08)	(112.03)	(1,944.62)
As at December 31, 2015	(214.38)	(203.00)	(2,426.68)	(43,711.35)	(12.29)	(2,535.45)	(49,103.15)
Net book value							
As at December 31, 2014	25,564.97	105,875.22	448,211.58	373,709.57	8,291.70	143,493.57	1,105,146.61
As at December 31, 2015	30,854.62	108,849.78	465,239.99	343,373.94	9,047.90	161,311.01	1,118,677.24

As at December 31, 2015, the Group had pledged assets amounting to Baht 101,055.69 million.

16. 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	
Cost						
As at January 1, 2015	8,656.05	34,074.13	297,236.44	12,087.00	54,129.82	406,183.44
- Additions	-	285.35	2,160.61	543.44	29,267.20	32,256.60
- Borrowing costs	-	-	-	-	1,781.33	1,781.33
- Reclassifications	171.23	4,923.83	31,807.92	1,225.66	(38,907.01)	(778.37)
- Disposals	(232.14)	(212.04)	(2,192.68)	(578.60)	-	(3,215.46)
As at December 31, 2015	8,595.14	39,071.27	329,012.29	13,277.50	46,271.34	436,227.54
Accumulated depreciation						
As at January 1, 2015	-	(14,697.95)	(121,842.67)	(8,101.25)	-	(144,641.87)
- Depreciation for the year	-	(1,479.91)	(12,731.35)	(1,113.91)	-	(15,325.17)
- Reclassifications	-	3.99	(271.99)	(2.24)	-	(270.24)
- Disposals	-	163.43	584.24	472.83	-	1,220.50
As at December 31, 2015	-	(16,010.44)	(134,261.77)	(8,744.57)	-	(159,016.78)
Allowance for impairment of assets						
As at January 1, 2015	(23.13)	(4.70)	(681.67)	-	-	(709.50)
- Reversal of loss on impairment (Note 20)	1.06	-	-	-	-	1.06
As at December 31, 2015	(22.07)	(4.70)	(681.67)	-	-	(708.44)
Net book value						
As at December 31, 2014	8,632.92	19,371.48	174,712.10	3,985.75	54,129.82	260,832.07
As at December 31, 2015	8,573.07	23,056.13	194,068.85	4,532.93	46,271.34	276,502.32

During the period, borrowing costs were capitalized as a part of costs of property, plant and equipment. The Group used capitalization rates ranging from 3.00% - 5.75% (2014: 2.00% - 6.00%)

16. Property, Plant and Equipment (Continued)

As at December 31, 2015 and 2014, details of other assets include vehicles and natural gas pipeline acquired under finance leases which were recorded as machinery and equipment are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cost	10,919.11	10,914.65	10,003.85	9,968.52
<u>Less</u> Accumulated depreciation	(3,695.33)	(3,155.38)	(3,170.95)	(2,653.00)
Net book value	<u>7,223.78</u>	<u>7,759.27</u>	<u>6,832.90</u>	<u>7,315.52</u>

17. Intangible Assets

Details of intangible assets are as follows:

	Consolidated financial statements				Unit: Million Baht
	Computer software	Right of use	Exploration & evaluation assets	Other Intangible assets	Total
Cost					
As at January 1, 2015	14,881.05	28,658.13	166,197.52	7,836.86	217,573.56
- Business acquisition (Note 42)	278.82	-	-	-	278.82
- Additions	589.59	49.01	5,267.90	1,133.72	7,040.22
- Reclassifications	752.54	1,758.33	-	14.32	2,525.19
- Disposals	(69.29)	-	(5,165.39)	(12.80)	(5,247.48)
- Currency translation differences	511.05	102.52	4,306.62	301.73	5,221.92
As at December 31, 2015	16,943.76	30,567.99	170,606.65	9,273.83	227,392.23
Accumulated amortization					
As at January 1, 2015	(6,010.85)	(10,391.13)	-	(3,624.53)	(20,026.51)
- Amortization for the year	(1,576.26)	(1,035.15)	-	(361.23)	(2,972.64)
- Reclassifications	47.53	(6.63)	-	-	40.90
- Disposals	54.07	-	-	10.02	64.09
- Currency translation differences	(159.87)	(23.70)	-	(72.35)	(255.92)
As at December 31, 2015	(7,645.38)	(11,456.61)	-	(4,048.09)	(23,150.08)
Allowance for impairment of assets					
As at January 1, 2015	-	(123.42)	(20,635.61)	-	(20,759.03)
- Loss on impairment (Note 20)	(11.80)	-	(22,907.69)	-	(22,919.49)
- Currency translation differences	(0.02)	1.40	2,589.27	-	2,590.65
As at December 31, 2015	(11.82)	(122.02)	(40,954.03)	-	(41,087.87)
Net book value					
As at December 31, 2014	8,870.20	18,143.58	145,561.91	4,212.33	176,788.02
As at December 31, 2015	9,286.56	18,989.36	129,652.62	5,225.74	163,154.28

17. Intangible Assets (Continued)

Details of intangible assets are as follows: (Continued)

	Separate financial statements			Unit: Million Baht
	Computer software	Right of use	Other Intangible assets	Total
Cost				
As at January 1, 2015	3,982.16	18,301.77	28.00	22,311.93
- Additions	183.56	0.60	-	184.16
- Reclassifications	511.56	1,429.79	24.50	1,965.85
- Disposals	(11.90)	-	-	(11.90)
As at December 31, 2015	4,665.38	19,732.16	52.50	24,450.04
Accumulated amortization				
As at January 1, 2015	(1,955.34)	(6,788.05)	(0.59)	(8,743.98)
- Amortization for the year	(578.60)	(492.30)	(2.07)	(1,072.97)
- Reclassifications	0.88	-	-	0.88
- Disposals	10.15	-	-	10.15
As at December 31, 2015	(2,522.91)	(7,280.35)	(2.66)	(9,805.92)
Net book value				
As at December 31, 2014	2,026.82	11,513.72	27.41	13,567.95
As at December 31, 2015	2,142.47	12,451.81	49.84	14,644.12

18. Mining properties

Movements of mining properties are as follows:

	Unit: Million Baht
	<u>Consolidated financial statements</u>
Cost	
As at January 1, 2015	56,136.97
- Additions	1,496.11
- Reclassifications	106.94
- Currency translation differences	<u>5,376.64</u>
As at December 31, 2015	<u>63,116.66</u>
Accumulated amortization	
As at January 1, 2015	(23,505.05)
- Amortization for the year	(2,505.77)
- Currency translation differences	<u>(2,384.48)</u>
As at December 31, 2015	<u>(28,395.30)</u>
Allowance for impairment of assets	
As at January 1, 2015	(164.52)
- Loss on impairment (Note 20)	(14,504.05)
- Currency translation differences	<u>(117.84)</u>
As at December 31, 2015	<u>(14,786.41)</u>
Net book value	
As at December 31, 2014	<u>32,467.40</u>
As at December 31, 2015	<u>19,934.95</u>

19. Goodwill

Movements of goodwill are as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2015	2014
Net book value as at January 1	56,987.28	53,134.37
- Business acquisition (Note 42)	29.94	14,331.82
- Decrease from restructuring of the ownership interests in KKD Project	-	(9,927.24)
- Loss on impairment (Note 20)	(9,644.17)	(718.46)
- Currency translation differences	4,035.08	166.79
Net book value as at December 31	<u>51,408.13</u>	<u>56,987.28</u>

20. Impairment of assets

The Group perform an impairment test on assets whenever events or circumstances indicate that the carrying amount of the assets may exceed its recoverable amount, with the exception of intangible assets with an indefinite useful life or not yet available for use and goodwill from business combination for which an impairment test is required annually or when the indication exists. A loss on impairment is recognized when the recoverable amount of an asset is lower than its carrying amount. The recoverable amount is the higher of the asset's fair value less cost to sell and its value in use.

The loss on impairment of assets excluding the goodwill may be reversed if the estimates and assumptions applied in determining the recoverable amount change.

The continuing significant decreases in world oil prices and coal prices during the year 2015, and the changes in the Group's policy and investment strategy are important factors indicating for the Group to perform impairment tests.

In determining recoverable amount, the Group applied significant estimates and assumptions relating to matters such as petroleum and coal reserves, oil prices, coal prices, foreign exchange rates, discount rates, replacement cost, capital expenditure, and operating expenditure.

For the year ended December 31, 2015, the Group recognized loss on impairment of assets in the statement of income, and these are classified by types of assets, and by loss attributable to owners of the parent and non-controlling interests, as follows:

	Unit: Million Baht	
	<u>Consolidated financial statement</u>	<u>Separate financial statement</u>
Investment in subsidiaries (Note 12)	-	16,958.02
Investment in joint ventures (Note 12)	1,457.21	-
Property, plant and equipment (Note 16)	25,630.23	(1.06)
Intangible assets (Note 17)	22,919.49	-
Mine properties (Note 18)	14,504.05	-
Goodwill (Note 19)	9,644.17	-
Total	<u>74,155.15</u>	<u>16,956.96</u>
Attributable to owners of the parent	54,697.62	16,956.96
Attributable to non-controlling interests	19,457.53	-
Total	<u>74,155.15</u>	<u>16,956.96</u>

21. Income Taxes and Deferred Taxes

Applicable tax rates for the Group are as follows:

	<u>Tax rates (%)</u>
Petroleum income tax on petroleum business in Thailand pursuant to the Petroleum Income Tax Act, B.E. 2514 and B.E. 2532	50
Income tax under the Revenue Code of the Company and subsidiaries	20
Corporate income tax in foreign countries	5 - 55
Corporate Income tax from the Petroleum business in the Thai-Malaysia co-development area under the Petroleum Income Tax Act (No.5) B.E. 2541	0 - 20
Petroleum resource rent tax in Australia	40

21.1 Income taxes recognized in the consolidated and the separate statements of income for the years ended December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	<u>Consolidated</u> <u>financial statements</u>		<u>Separate</u> <u>financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current tax:				
Current tax	33,533.82	44,858.76	5,196.03	4,935.11
Adjustments in respect of current tax of previous year	(424.44)	556.83	(58.45)	(41.22)
	<u>33,109.38</u>	<u>45,415.59</u>	<u>5,137.58</u>	<u>4,893.89</u>
Deferred tax:				
Change in temporary differences	(14,173.57)	(7,964.97)	(1,134.42)	(1,121.86)
Tax effect of currency translation on tax base	5,919.30	555.77	-	-
	<u>(8,254.27)</u>	<u>(7,409.20)</u>	<u>(1,134.42)</u>	<u>(1,121.86)</u>
Total	<u>24,855.11</u>	<u>38,006.39</u>	<u>4,003.16</u>	<u>3,772.03</u>

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21. Income Taxes and Deferred Taxes (Continued)

21.2 Movements in deferred taxes are as follows:

Unit: Million Baht

	Consolidated financial statements							
	Net balance as at January 1, 2015	Profit (Loss)	Other comprehensive income (loss)	Business acquisition	Currency translation differences	As at December 31, 2015		
						Net balance	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(61,860.41)	12,694.99	-	-	(5,064.47)	(54,229.89)	8,945.64	(63,175.53)
Intangible assets	(10,389.54)	1,634.00	-	(56.90)	(908.79)	(9,721.23)	244.62	(9,965.85)
Investments	833.00	(762.35)	-	-	(9.19)	61.46	61.46	-
Available-for-sale investments	(1,044.82)	-	167.20	-	0.17	(877.45)	0.51	(877.96)
Trade and other accounts receivable	(3,034.77)	949.76	-	-	(13.41)	(2,098.42)	416.69	(2,515.11)
Inventories	71.27	(52.53)	-	-	1.95	20.69	141.52	(120.83)
Loans	644.56	(375.61)	-	-	(0.23)	268.72	275.52	(6.80)
Employee benefit obligations	4,712.56	325.16	(106.87)	-	213.37	5,144.22	5,144.22	-
Provision for decommissioning costs	8,383.21	6,258.68	-	-	1,176.42	15,818.31	15,818.31	-
Cumulative loss carried forward	12,020.70	(6,465.42)	-	-	199.26	5,754.54	5,754.54	-
Petroleum resource rent tax in Australia	2,689.38	(605.85)	-	-	418.49	2,502.02	2,502.02	-
Tax effect of currency translation on tax base	589.56	(5,919.30)	-	-	(15.81)	(5,345.55)	214.00	(5,559.55)
Others	2,857.33	572.74	(1,319.92)	-	246.81	2,356.96	5,480.14	(3,123.18)
Total before set-off of taxes	(43,527.97)	8,254.27	(1,259.59)	(56.90)	(3,755.43)	(40,345.62)	44,999.19	(85,344.81)
Set-off of taxes						-	(34,563.05)	34,563.05
Net deferred tax assets (liabilities)						(40,345.62)	10,436.14	(50,781.76)

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21. Income Taxes and Deferred Taxes (Continued)

21.2 Movements in deferred taxes are as follows: (Continued)

Unit: Million Baht

	Consolidated financial statements							As at December 31, 2014		
	Net balance as at January 1, 2014	Profit (Loss)	Other comprehensive income (loss)	Business acquisition	Restructuring of the ownership interests in KKD project	Classified as non-current assets held-for-sale	Currency translation differences	Net balance	Deferred tax assets	Deferred tax liabilities
	Property, plant and equipment	(67,762.43)	5,405.74	-	(14,290.49)	14,728.74	27.31	30.72	(61,860.41)	2,201.06
Intangible assets	(10,519.58)	169.31	-	-	-	-	(39.27)	(10,389.54)	451.73	(10,841.27)
Investments	626.64	206.36	-	-	-	-	-	833.00	833.00	-
Available-for-sale investments	(1,071.91)	-	27.09	-	-	-	-	(1,044.82)	0.26	(1,045.08)
Trade and other accounts receivable	(4,272.75)	1,239.16	-	-	-	-	(1.18)	(3,034.77)	428.58	(3,463.35)
Inventories	69.77	1.44	-	-	-	-	0.06	71.27	171.51	(100.24)
Loans	597.52	47.04	-	-	-	-	-	644.56	684.99	(40.43)
Employee benefit obligations	3,643.62	682.34	362.42	-	-	-	24.18	4,712.56	4,712.56	-
Provision for decommissioning costs	10,311.26	(2,486.86)	-	507.10	(53.72)	-	105.43	8,383.21	8,383.21	-
Cumulative loss carried forward	13,212.68	(1,610.19)	-	-	264.07	-	154.14	12,020.70	12,020.70	-
Petroleum resource rent tax in Australia	1,620.10	1,056.41	-	-	-	-	12.87	2,689.38	2,689.38	-
Tax effect of currency translation on tax base	1,149.58	(555.77)	-	-	-	-	(4.25)	589.56	1,205.55	(615.99)
Others	758.82	3,254.22	(780.92)	-	(12.47)	-	(362.32)	2,857.33	5,873.66	(3,016.33)
Total before set-off of taxes	(51,636.68)	7,409.20	(391.41)	(13,783.39)	14,926.62	27.31	(79.62)	(43,527.97)	39,656.19	(83,184.16)
Set-off of taxes								-	(23,219.80)	23,219.80
Net deferred tax assets (liabilities)								(43,527.97)	16,436.39	(59,964.36)

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21. Income Taxes and Deferred Taxes (Continued)

21.2 Movements in deferred taxes are as follows: (Continued)

Unit: Million Baht

	Separate financial statements					
	Net balance as at January 1, 2015	Profit (Loss)	Other comprehensive income	As at December 31, 2015		
Net balance				Deferred tax assets	Deferred tax liabilities	
Property, plant and equipment	(118.75)	(227.84)	-	(346.59)	-	(346.59)
Intangible assets	145.43	(3.72)	-	141.71	141.71	-
Investments	2.83	57.65	-	60.48	60.48	-
Available-for-sale investments	(1,044.82)	-	166.86	(877.96)	-	(877.96)
Trade and other accounts receivable	(1,387.55)	705.51	-	(682.04)	412.29	(1,094.33)
Inventories	61.42	(1.16)	-	60.26	60.26	-
Loans	(36.29)	311.82	-	275.53	275.53	-
Employee benefit obligations	1,200.83	88.13	63.16	1,352.12	1,352.12	-
Others	(282.37)	204.03	-	(78.34)	248.51	(326.85)
Total before set-off of taxes	(1,459.27)	1,134.42	230.02	(94.83)	2,550.90	(2,645.73)
Set-off of taxes				-	(2,550.90)	2,550.90
Net deferred tax assets (liabilities)				<u>(94.83)</u>	<u>-</u>	<u>(94.83)</u>

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21. Income Taxes and Deferred Taxes (Continued)

21.2 Movements in deferred taxes are as follows: (Continued)

Unit: Million Baht

	Separate financial statements					
	Net balance as at January 1, 2014	Profit (Loss)	Other comprehensive income	As at December 31, 2014		
				Net balance	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	(60.68)	(58.07)	-	(118.75)	-	(118.75)
Intangible assets	146.12	(0.69)	-	145.43	145.43	-
Investments	2.83	-	-	2.83	2.83	-
Available-for-sale investments	(1,071.06)	-	26.24	(1,044.82)	-	(1,044.82)
Trade and other accounts receivable	(2,538.88)	1,151.33	-	(1,387.55)	422.93	(1,810.48)
Inventories	1.12	60.30	-	61.42	61.42	-
Loans	(85.44)	49.15	-	(36.29)	-	(36.29)
Employee benefit obligations	864.08	75.74	261.01	1,200.83	1,200.83	-
Others	(126.47)	(155.90)	-	(282.37)	227.58	(509.95)
Total before set-off of taxes	(2,868.38)	1,121.86	287.25	(1,459.27)	2,061.02	(3,520.29)
Set-off of taxes				-	(2,061.02)	2,061.02
Net deferred tax assets (liabilities)				(1,459.27)	-	(1,459.27)

22. Advance Payments for Gas Purchases

Movements of advance payments for gas purchases are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Balance as at January 1	4,512.79	4,865.66	5,253.77	5,634.01
- Make-up Right	(1,868.54)	(352.87)	(2,184.22)	(380.24)
Balance as at December 31	<u>2,644.25</u>	<u>4,512.79</u>	<u>3,069.55</u>	<u>5,253.77</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 December 31, 2015, advance payments for gas purchases comprised the balance of advance payments made for gas purchases from the Yadana gas fields in Myanmar, irrespective of take-up in 2000.

23. Other Non-current Assets

Other non-current assets as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Retention and refundable deposits	881.53	999.06	78.09	65.60
Advances	12,236.49	8,725.52	6,765.50	3,335.53
Deferred compensation	661.79	662.42	-	-
Others	12,692.34	8,277.56	189.79	186.43
Total	<u>26,472.15</u>	<u>18,664.56</u>	<u>7,033.38</u>	<u>3,587.56</u>

24. Bank Overdrafts and Short-term Loans from Financial Institutions

As at December 31, 2015, the bank overdrafts and short-term loans from financial institutions bear interest at rates ranging from 0.53% to 5.25% per annum (December 31, 2014: interest at rates range from 0.50% to 6.00% per annum).

25. Other Current Liabilities

Details of other current liabilities as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Undue output VAT	3,330.19	3,917.63	2,923.48	3,561.08
Provision for remuneration for the renewal of petroleum production	1,919.76	1,810.12	-	-
Others	2,397.48	1,961.32	883.08	708.14
Total	7,647.43	7,689.07	3,806.56	4,269.22

26. Long-term Loans

Details of long-term loans as at December 31, 2015 and 2014 are as follows:

Current portion of long-term loans

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Loans - Baht currency	19,309.05	12,943.38	5,429.02	2,529.01
Loans - foreign currencies	2,251.98	15,286.82	-	9,933.96
Debentures - Baht currency	32,128.00	31,640.53	31,070.00	22,140.53
Debentures - foreign currencies	-	44,568.01	-	-
Liabilities under finance leases	929.32	867.45	649.49	597.82
Total	54,618.35	105,306.19	37,148.51	35,201.32

Long-term loans

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Loans - Baht currency	88,421.46	83,388.46	11,158.03	16,587.05
Loans - foreign currencies	50,261.79	58,831.19	18,202.07	16,624.84
Debentures - Baht currency	228,874.15	256,575.94	136,433.47	163,303.47
Debentures - foreign currencies	204,074.61	186,441.05	62,951.96	57,426.03
Liabilities under finance leases	6,583.36	6,457.39	6,149.32	6,034.43
Total	578,215.37	591,694.03	234,894.85	259,975.82

As at December 31, 2015, Baht 3,000.00 million of the Company's loans are secured by the Ministry of Finance (December 31, 2014: Baht 4,500.00 million).

26. Long-term Loans (Continued)

Long-term loans, including the current portion, outstanding as at December 31, 2015 and 2014 can be classified by types of interest rate as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Floating interest rate	149,075.10	156,268.88	24,738.68	34,699.05
Fixed interest rate	483,758.62	540,731.34	247,304.68	260,478.09
Total	632,833.72	697,000.22	272,043.36	295,177.14

Interest rates charged on long-term loans as at December 31, 2015 and 2014 are as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Loans - Baht currency	0.50%-7.83%	0.50%-7.83%	0.50%-7.83%	0.50%-7.83%
Loans - Foreign currencies				
- US dollar	1.16%-2.68%	0.83%-2.68%	2.32%	1.08%-2.11%
- EURO	1.80%-6.00%	1.80%-6.00%	-	-
- Japanese Yen	4.45%	4.45%	4.45%	4.45%
- Canadian dollar	-	2.98%-3.39%	-	-
Debentures - Baht currency	3.41%-6.58%	3.20%-7.40%	3.50%-6.58%	3.20%-7.40%
Debentures - Foreign currencies				
- US dollar	3.38%-6.38%	3.38%-6.38%	3.38%-5.88%	3.38%-5.88%
- Japanese Yen	2.71%	2.71%	2.71%	2.71%
Liabilities under finance leases	3.76%-9.00%	3.57%-8.00%	3.76%-4.65%	3.63%-4.65%

26. Long-term Loans (Continued)

26.1 Loans

Movements of loans in Baht currency and foreign currencies for year ended December 31, 2015 are as follows:

Unit: Million

	Consolidated financial statements					
	Currency					Total in Baht equivalent
	Baht	USD	EURO	JPY	CAD	
Balance as at January 1, 2015	96,331.84	1,583.04	52.92	23,000.00	471.48	170,449.85
- Additions	40,234.80	50.30	56.70	-	-	43,940.64
- Repayments	(28,816.29)	(440.80)	(49.24)	-	(475.00)	(57,599.23)
- Loss on exchange rates	-	-	-	-	-	771.99
- Currency translation differences	-	-	-	-	-	2,490.88
- Others	(19.84)	2.37	-	-	3.52	190.15
Balance as at December 31, 2015	107,730.51	1,194.91	60.38	23,000.00	-	160,244.28
- Current portion	(19,309.05)	(61.78)	(0.40)	-	-	(21,561.03)
Long-term loans	88,421.46	1,133.13	59.98	23,000.00	-	138,683.25

Unit: Million

	Separate financial statements			
	Currency			Total in Baht equivalent
	Baht	USD	JPY	
Balance as at January 1, 2015	19,116.06	610.00	23,000.00	45,674.86
- Repayments	(2,529.01)	(300.00)	-	(12,462.98)
- Loss on exchange rates	-	-	-	1,577.24
Balance as at December 31, 2015	16,587.05	310.00	23,000.00	34,789.12
- Current portion	(5,429.02)	-	-	(5,429.02)
Long-term loans	11,158.03	310.00	23,000.00	29,360.10

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26. Long-term Loans (Continued)

26.1 Loans (Continued)

Loans - Baht currency

As at December 31, 2015, the Company has entered into a contract to hedge its financial risks arising from the fluctuation of interest rates on some Baht currency long-term loans. The details are as follows:

<u>Date</u>	<u>Currency</u>	<u>Principal (unit: million)</u>	<u>Interest rate (% per annum) in accordance with loan agreements</u>	<u>Interest payment</u>	<u>Principal repayment</u>	<u>Hedging instruments</u>	<u>Interest rate (% per annum) in accordance with hedging contracts</u>	<u>Terms of hedging instruments</u>
28/04/2009	Baht	5,000	Floating rate of 6M THBFIX + a fixed rate	Semi- annual	Repayable in semi-annual installments with the last payment due on March 30, 2019	- In 2010, the Company entered into an Interest Rate Swap contract (IRS), effective for interest payments from June 30, 2010 until the principal maturity date. - In 2012, the party of an interest rate swap exercised its right to change the interest rate from a floating rate of 6M THBFIX + a fixed rate to a fixed interest rate at 4.355% per annum	Fixed rate at 4.355% per annum	-
29/06/2009	Baht	7,000	Floating rate of 6M THBFIX + a fixed rate	Semi- annual	Repayable in semi-annual installments with the last payment due on March 30, 2019	In 2012, the Company entered into an Interest Rate Swap contract, effective for interest payments from November 9, 2012 until the principal maturity date.	Floating rate of 6M THBFIX + a fixed rate	The interest rate swap contract granted the contracted parties a one-time right on December 30, 2013, to change from a floating rate of 6M THBFIX + a fixed rate to a fixed rate of 3.95% per annum. On December 30, 2013, the contracted parties did not exercise the right.

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26. Long-term Loans (Continued)

26.1 Loans (Continued)

Loans - Foreign currencies

As at December 31, 2015, the Company has entered into contracts to hedge its financial risks arising from the fluctuation of interest rates and foreign exchange rates on some foreign currency long-term loans. The details are as follows:

Date	Currency	Principal (unit: million)	Interest rate (% per annum) in accordance with loan agreements	Interest payment	Principal repayment	Hedging instruments	Interest rate (% per annum) in accordance with hedging contracts	Terms of hedging instruments
05/04/2006	JPY	23,000	4.45 on USD principal	Semi- annual	Maturity on April 7, 2036	In 2008, the Company entered into a participating swap (P-SWAP) contract for JPY long-term loans to hedge USD:JPY exchange rates risks. The contract is in the form of call options to purchase JPY 23,000 million. According to the terms of the contract, in the current market situation, the Company has the right to purchase such JPY in an amount equivalent to USD 196.94 million. The premium on the contract is approximately 1.38% per annum.	Fixed rate of Approximately 1.38% on USD principal (premium)	The equivalent amount in USD to purchase JPY depends on the range of exchange rates between USD and JPY.

26. Long-term Loans (Continued)

26.2 Debentures

Movements of debentures in Baht currency and foreign currencies for the year ended December 31, 2015 are as follows:

	Consolidated financial statements			Unit: Million
	Currency			Total in Baht equivalent
	Baht	USD	JPY	
Balance as at January 1, 2015	288,216.47	6,686.94	36,000.00	519,225.53
- Additions	4,200.00	-	-	4,200.00
- Repayments	(31,640.54)	(1,350.00)	-	(79,291.00)
- (Gain) Loss on exchange rates	(2,430.75)	-	-	12,237.61
- Currency translation differences	2,434.21	-	-	8,574.49
- Others	222.76	(1.55)	-	130.13
Balance as at December 31, 2015	261,002.15	5,335.39	36,000.00	465,076.76
- Current portion	(32,128.00)	-	-	(32,128.00)
Long-term debentures	<u>228,874.15</u>	<u>5,335.39</u>	<u>36,000.00</u>	<u>432,948.76</u>

	Separate financial statements			Unit: Million
	Currency			Total in Baht equivalent
	Baht	USD	JPY	
Balance as at January 1, 2015	185,444.00	1,433.62	36,000.00	242,870.03
- Additions	4,200.00	-	-	4,200.00
- Repayments	(22,140.53)	-	-	(22,140.53)
- Loss on exchange rates	-	-	-	5,498.69
- Others	-	2.17	-	27.24
Balance as at December 31, 2015	167,503.47	1,435.79	36,000.00	230,455.43
- Current portion	(31,070.00)	-	-	(31,070.00)
Long-term debentures	<u>136,433.47</u>	<u>1,435.79</u>	<u>36,000.00</u>	<u>199,385.43</u>

26. Long-term Loans (Continued)

26.2 Debentures (Continued)

Debentures - Baht currency

On October 19, 2015, the Company issued and offered unsecured unsubordinated debentures amounting to Baht 4,200.00 million to retail investors, the details of the debentures are as follows:

Condition	Details
Offering price (million Baht)	4,200.00
Tenor (years)	6 years 27 days
Fixed interest rate (% per annum)	3.50
Interest instalments	Semi-annual interest payment on May 15 and November 15
Issue date	October 19, 2015
Maturity date	November 15, 2021

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26. Long-term Loans (Continued)

26.2 Debentures (Continued)

As at December 31, 2015, the Company has entered into cross currency swap contracts to hedge its financial risks arising from the fluctuation of foreign currency exchange rates and interest rates on Baht currency and some foreign currency debentures. The details are as follows:

Date	Currency	Principal (unit: million)	Interest rate (% per annum) in accordance with loan agreements	Interest payment	Principal repayment	Hedging instruments	Interest rate (% per annum) in accordance with hedging contracts	Terms of hedging instruments
22/06/2007	JPY	36,000	2.71 on JPY principal	Semi- annual	Maturity on June 29, 2017	In 2007, the Company entered into a cross currency swap contract for USD obligations of USD 290.51 million.	Floating rate at LIBOR + a fixed rate or fixed rate at 5.5% on USD principal depending on LIBOR and the fixed rates ranging from 4.98%-5.37% of USD principal	The parties have a one-time right in some cross currency swap contracts to change from a fixed interest rate to a floating interest rate at LIBOR + a fixed rate per annum.
25/02/2010	Baht	2,636	4.10 on Baht principal	Semi- annual	Maturity on February 25, 2017	In 2010, the Company entered into a cross currency swap contract for USD obligations of USD 79.45 million.	Floating rate of LIBOR + a fixed rate on USD principal	-
25/02/2010	Baht	4,000	4.50 on Baht principal	Semi- annual	Maturity on February 25, 2022	In 2010, the Company entered into a cross currency swap contract for USD obligations of USD 120.55 million.	Floating rate of LIBOR + a fixed rate on USD principal	-

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26. Long-term Loans (Continued)

26.2 Debentures (Continued)

As at December 31, 2015, the Company has entered into cross currency swap contracts to hedge its financial risks arising from the fluctuation of foreign currency exchange rates and interest rates on Baht currency and some foreign currency debentures. The details are as follows: (Continued)

Date	Currency	Principal (unit: million)	Interest rate (% per annum) in accordance with loan agreements	Interest payment	Principal repayment	Hedging instruments	Interest rate (% per annum) in accordance with hedging contracts	Terms of hedging instruments
29/11/2010	Baht	3,000	Year 1-4: 3.20 Year 5-6: 4.20 Remaining Year: 5.00 on Baht principal	Semi- annual	Maturity on December 14, 2017	- In 2011, the Company entered into a cross currency swap contract for USD obligations of USD 99.67 million. This cross currency swap contract expired on December 14, 2014. - In 2012, the Company restructured this cross currency swap contract to extend the expiry date. This contract now expires on the loan maturity date.	Fixed rate from Year 3-4: 1.375 Year 5-6: 2.64 Remaining Year: 3.44 on USD principal	-
27/01/2012	Baht	18,049.47	Year 1-4: 4.00 Year 5-6: 4.40 Remaining Year: 5.50 on Baht principal	Semi- annual	Maturity on November 15, 2018	In 2013, the Company entered into a cross currency swap contract of Baht 9,000 million for USD obligations of USD 285.42 million. This cross currency swap contract will expire on November 15, 2018.	Floating rate of LIBOR + a fixed rate on USD principal	-

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26. Long-term Loans (Continued)

26.2 Debentures (Continued)

As at December 31, 2015, the Company has entered into cross currency swap contracts to hedge its financial risks arising from the fluctuation of foreign currency exchange rates and interest rates on Baht currency and some foreign currency debentures. The details are as follows: (Continued)

Date	Currency	Principal (unit: million)	Interest rate (% per annum) in accordance with loan agreements	Interest payment	Principal repayment	Hedging instruments	Interest rate (% per annum) in accordance with hedging contracts	Terms of hedging instruments
25/10/2012	USD	500	3.375 on USD principal	Semi- annual	Maturity on October 25, 2022	In 2013, the Company entered into an interest rate swap contract to change a fixed interest rate to a floating interest rate. This interest rate swap contract will expire on October 25, 2018.	Floating rate of LIBOR + a fixed rate on USD principal	-
25/10/2012	USD	600	4.50 on USD principal	Semi- annual	Maturity on October 25, 2042	- In 2014, the Company entered into an interest rate swap contract to change a fixed interest rate to a floating interest rate for USD 400 million. This interest rate swap contract will expire on October 25, 2019. - In 2015, the Company entered into an interest rate swap contract to change a fixed interest rate to a floating interest rate for USD 100 million. This interest rate swap contract will expire on October 25, 2019.	Floating rate of LIBOR + a fixed rate on USD principal	-

26. Long-term Loans (Continued)

26.3 Liabilities under finance leases

Details of liabilities under finance leases as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Liabilities under finance leases				
- Within 1 year	1,044.21	990.62	742.72	696.58
- Over 1 year but not over 5 years	3,018.00	2,860.91	2,558.32	2,407.61
- Over 5 years	4,035.94	4,154.59	4,035.94	4,148.05
Future finance charges	<u>(585.47)</u>	<u>(681.28)</u>	<u>(538.17)</u>	<u>(619.99)</u>
Present value of liabilities under finance leases	<u>7,512.68</u>	<u>7,324.84</u>	<u>6,798.81</u>	<u>6,632.25</u>
Present value of liabilities under finance leases				
- Current liabilities	929.32	867.45	649.49	597.82
- Non-current liabilities	<u>6,583.36</u>	<u>6,457.39</u>	<u>6,149.32</u>	<u>6,034.43</u>
Total	<u>7,512.68</u>	<u>7,324.84</u>	<u>6,798.81</u>	<u>6,632.25</u>

26. Long-term Loans (Continued)

26.4 Maturities of long-term loans as at December 31, 2015 and 2014 are as follows:

Unit: Million Baht

	Consolidated financial statements					
	2015					
	Baht Currency Loans	Foreign Currency Loans	Baht Currency Debentures	Foreign Currency Debentures	Liabilities Under Finance leases	Total
Within 1 year	19,309.05	2,251.98	32,128.00	-	929.32	54,618.35
Over 1 year but not over 5 years	70,684.12	40,617.69	122,472.57	37,515.34	2,743.44	274,033.16
Over 5 years	17,737.34	9,644.10	106,401.58	166,559.27	3,839.92	304,182.21
Total	107,730.51	52,513.77	261,002.15	204,074.61	7,512.68	632,833.72

Unit: Million Baht

	Consolidated financial statements					
	2014					
	Baht Currency Loans	Foreign Currency Loans	Baht Currency Debentures	Foreign Currency Debentures	Liabilities Under Finance leases	Total
Within 1 year	12,943.38	15,286.82	31,640.53	44,568.01	867.45	105,306.19
Over 1 year but not over 5 years	65,295.22	51,524.85	136,270.09	36,944.48	2,546.95	292,581.59
Over 5 years	18,093.24	7,306.34	120,305.85	149,496.57	3,910.44	299,112.44
Total	96,331.84	74,118.01	288,216.47	231,009.06	7,324.84	697,000.22

26. Long-term Loans (Continued)

26.4 Maturities of long-term loans as at December 31, 2015 and 2014 are as follows: (Continued)

Unit: Million Baht

	Separate financial statements					
	2015					
	Baht Currency Loans	Foreign Currency Loans	Baht Currency Debentures	Foreign Currency Debentures	Liabilities Under Finance leases	Total
Within 1 year	5,429.02	-	31,070.00	-	649.49	37,148.51
Over 1 year but not over 5 years	11,158.03	11,238.68	78,803.47	10,899.22	2,309.41	114,408.81
Over 5 years	-	6,963.39	57,630.00	52,052.74	3,839.91	120,486.04
Total	16,587.05	18,202.07	167,503.47	62,951.96	6,798.81	272,043.36

Unit: Million Baht

	Separate financial statements					
	2014					
	Baht Currency Loans	Foreign Currency Loans	Baht Currency Debentures	Foreign Currency Debentures	Liabilities Under Finance leases	Total
Within 1 year	2,529.01	9,933.96	22,140.53	-	597.82	35,201.32
Over 1 year but not over 5 years	15,587.05	10,265.09	83,755.47	9,954.40	2,130.49	121,692.50
Over 5 years	1,000.00	6,359.75	79,548.00	47,471.63	3,903.94	138,283.32
Total	19,116.06	26,558.80	185,444.00	57,426.03	6,632.25	295,177.14

27. Employee Benefit Obligations

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

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
As at January 1	17,253.33	14,293.55	6,004.14	4,320.38
Service cost	1,661.63	1,261.90	476.02	370.20
Interest cost	535.24	496.91	217.05	207.90
Actuarial loss from post-employment benefit obligation	130.12	1,988.76	315.89	1,305.05
Actuarial (gain) loss from other long-term employee benefit obligation	(137.99)	(32.52)	(1.04)	19.15
Actual payment	(645.88)	(662.05)	(251.48)	(218.54)
Classified as liabilities directly associated with non-current assets held-for-sale	-	(15.40)	-	-
Currency translation differences	(8.94)	(77.82)	-	-
As at December 31	<u>18,787.51</u>	<u>17,253.33</u>	<u>6,760.58</u>	<u>6,004.14</u>

Details of actuarial loss from post-employment benefit obligation are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Loss from experience adjustments	65.36	163.45	0.07	197.89
Loss from changes in financial assumptions	144.65	1,365.00	315.82	774.94
(Gain) loss from changes in demographic assumptions	(79.89)	460.31	-	332.22
Total	<u>130.12</u>	<u>1,988.76</u>	<u>315.89</u>	<u>1,305.05</u>

27. Employee Benefit Obligations (Continued)

Expenses recognized in the statements of income and comprehensive income for the years ended December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Service cost	1,661.63	1,261.90	476.02	370.20
Interest cost	535.24	496.91	217.05	207.90
Actuarial (gain) loss	(7.87)	1,956.24	314.85	1,324.20
Total	2,189.00	3,715.05	1,007.92	1,902.30

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cost of sales and services	568.62	531.36	106.31	87.74
Selling expenses	59.24	56.16	58.33	49.34
Administrative expenses	1,413.23	1,118.72	525.13	456.51
Management remuneration	17.79	20.05	2.26	3.66
Other comprehensive loss	130.12	1,988.76	315.89	1,305.05
Total	2,189.00	3,715.05	1,007.92	1,902.30

Principal actuarial assumptions used in determining the post-employment benefit obligation of the Group are as follows:

	Annual percentage (%)
Discount rate	1.90 - 9.00
Inflation rate	1.50 - 6.00
Employee turnover rate	0.00 - 16.00
Mortality rate	Based on the published statistics of mortality tables B.E. 2551 (TMO08) issued by the Office of Insurance Commission and based on the published statistics of each country

Sensitivity analysis of principal actuarial assumption used in determining the post-employment benefit obligation of the Group are as follows:

	Unit: Million Baht	
	Increase (decrease) in present value of the obligation	
	Increase 1%	Decrease 1%
Discount rate	(2,359.73)	3,039.35

Weighted average duration of the post-employment benefit obligation of the Group is 18 years.

28. Provision for Decommissioning Costs

Movements in the provision for decommissioning costs are as follows:

	Unit: Million Baht
	<u>Consolidated financial statements</u>
As at January 1, 2015	71,743.51
- Additions	3,766.18
- Use during the year	(743.81)
- Reversal of non-occurred provision	(5,659.06)
- Currency translation differences	6,639.85
As at December 31, 2015	75,746.67
- Current portion	-
- Long-term portion	<u>75,746.67</u>

29. Other Non-current Liabilities

Other non-current liabilities as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2015	2014	2015	2014
Provision for remuneration for the renewal of petroleum production	10,931.36	16,234.65	-	-
Long-term liability: Make-up	9,710.85	7,537.99	9,710.85	7,537.99
Retention	1,296.70	1,182.77	715.53	696.95
Deferred revenue	1,118.64	790.79	710.27	589.91
Others	<u>7,026.40</u>	<u>3,612.46</u>	<u>5,386.69</u>	<u>856.30</u>
Total	<u>30,083.95</u>	<u>29,358.66</u>	<u>16,523.34</u>	<u>9,681.15</u>

Long-term liability (make-up) arises from the amount of the difference between the natural gas price for the committed gas volumes that the Company paid in advance and the natural gas price as at the date of taking the gas that exceeds the interest paid for the advance payment for untaken-up gas volume (Take-or-Pay). The Company has to distribute the difference to the parties who paid for the Take-or-Pay interest for the Yadana and Yetagun gas fields.

30. Share Capital

30.1 Share Capital - Authorized Shares

	Par Value (Baht per share)	The number of authorized shares (shares)	The value of authorized shares (Baht)
As at December 31, 2014	10	2,857,245,725	28,572,457,250
As at December 31, 2015	10	2,857,245,725	28,572,457,250

30.2 Share Capital - Issued and Paid-up Shares

	Number of issued and fully paid-up shares (shares)	Value of issued and fully paid-up shares (Baht)	Premium on share capital (Baht)	Total (Baht)
As at December 31, 2014	2,856,299,625	28,562,996,250	29,211,131,966	57,774,128,216
As at December 31, 2015	2,856,299,625	28,562,996,250	29,211,131,966	57,774,128,216

31. Reserves

31.1 Legal Reserve

Under the Public Limited Companies Act B.E. 2535, the Company is required to appropriate not less than 5% of its annual net profit as legal reserve until the reserve fund reaches 10% of the authorized share capital. The reserve is non-distributable. The Company's reserve has already reached the 10% of its authorized share capital, stipulated in the Act.

31.2 Reserve for Self-insurance Fund

Movements of reserves for self-insurance fund are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Balance as at January 1	1,098.74	1,056.67	1,098.74	1,056.67
Appropriated during the years	46.37	42.07	46.37	42.07
Balance as at December 31	1,145.11	1,098.74	1,145.11	1,098.74

The self-insurance fund was set up to provide insurance coverage for the Company's business. The Company appropriates net profit from operations and the interest income of the self-insurance fund each year to the fund.

32. Basic Earnings per Share

Basic earnings per share for the years ended December 31, 2015 and 2014 are calculated as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit attributable to owners of the parent (Baht)	19,936,417,109	58,677,759,383	9,554,795,531	45,056,307,883
Adjustment of profit (Baht)	(726,752,435)	(571,367,356)	-	-
Profit for calculation of earnings per share (Baht)	19,209,664,674	58,106,392,027	9,554,795,531	45,056,307,883
Weighted average number of ordinary shares (shares)	2,856,299,625	2,856,299,625	2,856,299,625	2,856,299,625
Earnings per share (Baht/share)	6.73	20.34	3.35	15.77

33. Sales and Service Income

Details of sales and service income for the years ended December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Oil products	1,177,233.79	1,652,160.38	1,115,612.06	1,768,050.44
Gas products	489,707.26	525,526.57	575,310.95	616,302.04
Petrochemicals products	307,727.35	366,776.14	15,647.43	28,489.81
Mining products	13,632.79	21,041.84	-	-
Non-oil businesses	10,437.88	9,535.91	5,640.02	5,014.48
Services	9,248.61	9,709.05	38.63	18.24
Others	18,923.89	20,312.49	2.00	0.09
Total	2,026,911.57	2,605,062.38	1,712,251.09	2,417,875.10

Sales and services income for the years ended December 31, 2015 and 2014 include sales to government agencies and state enterprises amounting to Baht 147,529.16 million and Baht 192,190.48 million in the consolidated financial statements, and Baht 145,873.74 million and Baht 179,271.85 million in the separate financial statements, respectively.

34. Other Income

Details of other income for the years ended December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Transportation income	8,722.68	5,975.49	8,807.01	6,180.17
Dividend income	483.23	218.58	25,236.30	29,679.18
Interest income	6,292.92	5,606.37	4,233.12	4,168.73
Compensation for loan interest on advance payments for gas purchases	(1.90)	(1.81)	(1.90)	(1.81)
Gain on disposal of investments	2,423.23	229.02	10,327.28	1,374.98
Revenue from product sales of KKD project	-	1,815.83	-	-
Gain from restructuring of the ownership interests in KKD project	-	1,041.96	-	-
Gain (loss) on derivatives	4,728.97	16,216.30	(1,490.87)	(558.85)
Others	8,135.04	8,910.62	6,425.00	4,767.90
Total	30,784.17	40,012.36	53,535.94	45,610.30

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 the Independent Power Plants (IPP) in order to absorb the interests on loans. The Company obtains the loans to make advance payments for gas purchases.

35. Expenses by Nature

Details of expenses by nature for the years ended December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Changes in finished goods and work in process	17,199.60	85,583.87	12,808.15	12,610.41
Goods purchased and raw materials used	1,517,431.89	2,076,850.74	1,600,505.83	2,304,329.68
Staff costs	46,602.99	41,096.67	8,792.36	8,800.97
Outsourcing	9,757.94	7,586.63	8,175.49	7,587.49
Transportation	21,190.91	19,904.57	7,468.64	5,491.63
Depreciation and amortization	143,761.37	135,563.29	16,740.65	15,877.37
Repairment	17,155.21	16,081.59	4,336.57	4,523.97
Utilities	16,519.82	16,685.24	14,421.86	14,942.31
Loss on impairment of assets	74,155.15	38,085.43	16,956.96	9,550.86
(Reversal of) Doubtful accounts	(3,394.45)	944.24	35,047.24	18,169.35
Rental fees and property insurance premium	8,860.08	5,433.37	3,585.48	3,309.06
Cash call for KKD project	-	1,337.67	-	-
Others	79,995.92	39,726.56	13,042.88	7,699.75

36. Petroleum Royalties and Remuneration

Details of petroleum royalties and remuneration for the years ended December 31, 2015 and 2014 are as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2015	2014
Petroleum royalties	15,201.82	21,515.49
Special remuneration benefits	8.95	63.15
Total	<u>15,210.77</u>	<u>21,578.64</u>

37. Finance Costs

Details of finance costs for the years ended December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Interest expenses:				
Loans from financial institutions	9,469.03	10,065.46	990.27	1,213.11
Bonds and debentures	16,005.63	18,340.04	9,710.22	10,856.78
Liabilities under finance leases	132.63	102.50	103.16	99.70
Others	2,924.17	3,180.58	-	-
Other finance costs	1,557.65	1,344.89	571.08	632.30
Total	<u>30,089.11</u>	<u>33,033.47</u>	<u>11,374.73</u>	<u>12,801.89</u>

38. Operating Segments

These operating segments are consistent with the internal management reports provided to the Chief Operating Decision Maker (CODM), who makes decisions related to the allocation of resources to the segments and assesses their performance.

For management purposes, the Group is organized into business units based on types of products and services. The major segments of the Group are as follows:

Upstream Petroleum and Natural Gas Business Group

1. Petroleum exploration and production business:
The Group conducts petroleum exploration and production business both domestically and overseas. The Group is the operator and jointly invests with leading petroleum exploration and production companies. Most domestic projects are located in the Gulf of Thailand, while overseas projects are located in Asia Pacific, North America, Africa and the Middle East.
2. Natural gas business:
The Group conducts natural gas business including procurement, natural gas pipeline transmission, distribution, and natural gas separation. Products from the natural gas separation plants are used as feedstock for the petrochemical industry and as fuel in the household, transportation and industry sectors.

Downstream Petroleum Business Group

1. Oil business:
The Group conducts marketing of petroleum products and lube oil in both domestic and overseas markets under an efficient operating system of procurement, storage, and distribution of products as well as the retail business at service stations.
2. International trading business:
The Group conducts international trading business including the import and export of petroleum and petrochemical products as well as other related products. The business also covers the management of possible risks arising from oil trading as well as from the procurement and distribution of petroleum and petrochemical products in international markets.
3. Petrochemical and Refining business:
The Group conducts refining business including the production and distribution of petroleum and petrochemicals products in both domestic and overseas markets.

Coal Business

The Group conducts coal mining business, involving overseas exploration, production and distribution of coals.

Other operations of the Group are included in other segments, none of which constitutes a separately reportable segment.

The Group reorganized operating segments for the year ended December 31, 2015 by combining Petrochemicals business and Refining business segments, according to the business operation and internal management reporting. For comparability, the Group also reorganized the segment of the year ended December 31, 2014.

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38. Operating Segments (Continued)Consolidated financial statements

For the year ended December 31, 2015

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht
	Petroleum	Natural gas	Oil	International	Petrochemicals				Total
	exploration and production			trading	and Refining				
Sales - others	27,342.01	404,372.55	507,835.07	519,764.08	553,452.33	13,632.79	512.74	-	2,026,911.57
- related parties	158,428.56	138,426.08	3,694.56	430,168.89	320,742.32	-	4,357.21	(1,055,817.62)	-
Net sales	185,770.57	542,798.63	511,529.63	949,932.97	874,194.65	13,632.79	4,869.95	(1,055,817.62)	2,026,911.57
Gross profit (loss)*	161,433.93	61,360.49	28,381.02	3,974.72	100,679.94	3,996.48	(262.44)	(1,095.05)	358,469.09
EBITDA	132,652.44	45,622.49	14,583.06	3,314.94	81,953.59	2,725.33	3,893.65	82.51	284,828.01
Depreciation and amortization expenses	92,821.58	15,857.08	2,976.21	32.42	27,574.67	2,892.30	1,609.09	(1.98)	143,761.37
EBIT	39,830.86	29,765.41	11,606.85	3,282.52	54,378.92	(166.97)	2,284.56	84.49	141,066.64
Share of profit (loss) from investments in joint ventures and associates	138.46	1,425.26	863.66	-	4,004.13	(0.59)	(399.22)	-	6,031.70
Reversal of (loss) on impairment of assets	(49,892.83)	-	1.05	-	(2,530.90)	(20,275.26)	(1,457.21)	-	(74,155.15)
Interest income									6,292.92
Other income-net									12,420.14
Loss on exchange rate									(5,992.73)
Finance costs									(30,089.11)
EBT									55,574.41
Income taxes									(24,855.11)
Profit for the year									30,719.30
Profit attributable to:									
Owners of the parent									19,936.41
Non-controlling interests									10,782.89
Profit for the year									30,719.30

* Gross profit (loss) excludes depreciation and amortization expenses in cost of sales.

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38. Operating Segments (Continued)Consolidated financial statements

As at December 31, 2015 (Continued)

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals and Refining				Total
Segment assets	682,164.43	405,877.55	88,472.60	79,988.15	668,755.36	31,752.72	144,529.17	-	2,101,539.98
Inter-company assets	17,884.47	12,773.24	1,969.17	32,077.88	20,153.89	27.16	35,676.08	(120,561.89)	-
Investments in joint ventures and associates	1,046.17	17,642.32	5,427.68	-	37,274.56	143.76	485.58	-	62,020.07
Total segment assets	701,095.07	436,293.11	95,869.45	112,066.03	726,183.81	31,923.64	180,690.83	(120,561.89)	2,163,560.05
Non-allocated assets									10,436.14
Total assets									<u>2,173,996.19</u>
Segment liabilities	253,506.01	92,536.53	25,857.55	88,984.01	287,440.18	4,121.76	283,081.01	-	1,035,527.05
Inter-company liabilities	730.59	38,391.94	18,061.68	10,028.28	38,994.07	7,052.92	5,719.52	(118,979.00)	-
Total segment liabilities	254,236.60	130,928.47	43,919.23	99,012.29	326,434.25	11,174.68	288,800.53	(118,979.00)	1,035,527.05
Non-allocated liabilities									50,781.76
Total liabilities									<u>1,086,308.81</u>
Capital expenditure	65,466.38	34,088.91	8,956.60	23.71	54,086.00	1,945.59	2,694.34	-	167,261.53

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38. Operating Segments (Continued)Consolidated financial statements

For the year ended December 31, 2014

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals and Refining				Total
Sales - others	37,596.97	435,811.27	633,295.48	839,920.96	636,925.12	20,436.37	1,076.21	-	2,605,062.38
- related parties	204,474.45	145,304.71	5,113.56	756,108.89	468,085.55	120.15	4,116.50	(1,583,323.81)	-
Net sales	242,071.42	581,115.98	638,409.04	1,596,029.85	1,105,010.67	20,556.52	5,192.71	(1,583,323.81)	2,605,062.38
Gross profit (loss)*	214,256.39	68,444.88	25,048.37	(469.82)	46,016.88	7,073.92	178.85	(2,813.63)	357,735.84
EBITDA	174,556.82	55,282.89	11,577.52	(3,822.51)	31,390.33	4,470.65	1,443.70	550.10	275,449.50
Depreciation and amortization expenses	83,176.69	15,487.52	2,861.72	35.87	27,850.99	4,709.20	1,443.32	(2.02)	135,563.29
EBIT	91,380.13	39,795.37	8,715.80	(3,858.38)	3,539.34	(238.55)	0.38	552.12	139,886.21
Share of profit (loss) from investments in joint ventures and associates	-	1,089.33	812.28	-	(757.67)	(12.38)	(271.55)	-	860.01
Loss on impairment of assets	(32,795.97)	(665.25)	(347.00)	-	(1,271.46)	(77.72)	(2,928.03)	-	(38,085.43)
Interest income									5,606.37
Other income-net									18,989.10
Gain on exchange rate									11,610.31
Finance costs									(33,033.47)
EBT									105,833.10
Income taxes									(38,006.39)
Profit for the year									67,826.71
Profit attributable to:									
Owners of the parent									58,677.76
Non-controlling interests									9,148.95
Profit for the year									67,826.71

* Gross profit (loss) excludes depreciation and amortization expenses in cost of sales.

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38. Operating Segments (Continued)Consolidated financial statements

As at December 31, 2014 (Continued)

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals and Refining				Total
Segment assets	734,323.70	381,848.92	105,355.67	77,547.72	664,908.33	51,446.62	128,935.80	-	2,144,366.76
Inter-company assets	21,778.41	14,187.74	1,055.48	33,099.58	22,739.51	24.73	39,977.09	(132,862.54)	-
Investments in joint ventures and associates	985.93	15,483.27	4,826.74	-	64,986.67	156.71	3,108.91	-	89,548.23
Total segment assets	757,088.04	411,519.93	111,237.89	110,647.30	752,634.51	51,628.06	172,021.80	(132,862.54)	2,233,914.99
Non-allocated assets									16,436.39
Total assets									<u>2,250,351.38</u>
Segment liabilities	302,508.93	103,836.19	28,386.73	77,603.53	313,499.39	4,743.41	305,114.64	-	1,135,692.82
Inter-company liabilities	1,422.56	41,077.11	20,844.21	14,540.44	36,475.47	7,090.04	10,474.35	(131,924.18)	-
Total segment liabilities	303,931.49	144,913.30	49,230.94	92,143.97	349,974.86	11,833.45	315,588.99	(131,924.18)	1,135,692.82
Non-allocated liabilities									59,964.36
Total liabilities									<u>1,195,657.18</u>
Capital expenditure	120,449.22	23,831.80	9,175.44	103.14	61,019.12	2,255.54	268.80	-	217,103.06

Pricing among business groups is based on normal market prices except for pricing among business groups within the Company, for which net market prices, after deducting management fees for petroleum terminals and operating fees, are applied.

EBITDA means Earnings before finance costs, income taxes, depreciation and amortization, including other expenses and income which are not relevant to the operations.

EBIT means Earnings before finance costs, income taxes, as well as other expenses and income which are not relevant to the operations.

39. Disclosure of Financial Instruments

The Group faces the principal financial risks associated with fluctuations in exchange rates, interest rates, and global oil market prices. Certain portions of sales, purchases and borrowings are denominated in foreign currencies. The Group borrows at both fixed and floating interest rates to finance its operations. Accordingly, the management has entered into derivative contracts to cover these risks. The financial instruments used for hedging risks are forward foreign exchange contracts, interest rate swap contracts, cross-currency and interest rate swap contracts and participating swap contracts. Risk exposure relating to global oil market prices is managed by forward oil contracts.

The department responsible for managing exposure to exchange rate risks and fluctuations in oil market prices has to report details of the costs and market prices of all financial instruments to management, including outstanding forward foreign exchange contracts and forward oil contracts. The reported information principally covers risk exposure from:

- foreign exchange rates
- currencies
- currencies and interest rates
- interest rates
- fluctuations in oil market prices
- credit risks

39.1 Foreign Exchange Rate Risk

The Group has entered into forward foreign exchange contracts. The contract prices and exchange rates under the forward foreign exchange contracts as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
Forward foreign exchange purchase contracts				
Baht 33.8475 - 36.6000 = 1 USD	50,167.95	-	22,262.43	-
Baht 35.5100 - 39.8200 = 1 EUR	4,422.66	-	-	-
Baht 32.6448 - 33.5350 = 1 USD	-	35,428.03	-	30,404.18
Baht 40.0000 - 41.7684 = 1 EUR	-	46.80	-	-
Baht 0.3071 - 0.3095 = 1 JPY	-	8.86	-	-
Baht 4.5700 = 1 SEK	-	809.69	-	-
Forward foreign exchange sale contracts				
Baht 33.0145 - 40.3231 = 1 USD	11,511.93	-	3,712.29	-
Baht 36.1000 - 37.9720 = 1 EUR	11.55	-	-	-
Baht 5.1360 - 5.3675 = 1 CNY	3,277.02	-	-	-
Baht 0.2776 - 0.3006 = 1 JPY	177.80	-	-	-
Baht 32.2521 - 33.3330 = 1 USD	-	15,907.77	-	13,244.65
Baht 40.0000 = 1 EUR	-	1.88	-	-
Baht 5.1570 - 5.2848 = 1 CNY	-	8.67	-	-

39. Disclosure of Financial Instruments (Continued)**39.2 Currency Risk**

The Company has entered into a cross-currency swap of a long-term loan in the form of a participating swap. The terms of such contract as at December 31, 2015 and 2014 detailed as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
JPY 23,000 million/USD 196.94 million	6,963.39	6,359.75	6,963.39	6,359.75

This contract has a maturity later than five years.

39.3 Currency and Interest Rate Risk

The Group has entered into cross-currency and interest rate swap contracts of long-term loans and debentures. The terms of the outstanding cross-currency and interest rate swap contracts as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
JPY 36,000 million/USD 290.51 million	10,899.22	9,954.40	10,899.22	9,954.40
Baht 2,636 million/USD 79.45 million	2,636.00	2,636.00	2,636.00	2,636.00
Baht 4,000 million/USD 120.55 million	4,000.00	4,000.00	4,000.00	4,000.00
Baht 3,000 million/USD 99.66 million	3,000.00	3,000.00	3,000.00	3,000.00
Baht 9,000 million/USD 285.42 million	9,000.00	9,000.00	9,000.00	9,000.00
Baht 2,500 million/USD 82.92 million	2,500.00	2,500.00	-	-
Baht 5,000 million/USD 161.81 million	4,997.90	4,997.28	-	-
Baht 8,200 million/USD 251.07 million	8,192.96	8,190.92	-	-
Baht 11,400 million/USD 349.05 million	11,387.25	11,386.31	-	-
Baht 2,500 million/USD 81.43 million	2,500.00	2,500.00	-	-
Baht 2,640 million/USD 85.59 million	2,640.00	2,640.00	-	-
Baht 5,000 million/USD 162.60 million	5,000.00	5,000.00	-	-
Baht 7,000 million/USD 220.00 million	7,910.45	-	-	-
Baht 5,982 million/USD 90.70 million	5,981.80	-	-	-
Baht 4,000 million/USD 130.08 million	-	4,000.00	-	-
Baht 2,800 million/USD 80.00 million	-	2,701.80	-	-
Total	<u>80,645.58</u>	<u>72,506.71</u>	<u>29,535.22</u>	<u>28,590.40</u>

39. Disclosure of Financial Instruments (Continued)**39.3 Currency and Interest Rate Risk (Continued)**

The following are the maturities of contracts:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Due within 1 year	8,299.27	4,000.00	-	-
Over 1 year but not over 5 years	54,431.75	53,120.40	25,535.22	24,590.40
Over 5 years	17,914.56	15,386.31	4,000.00	4,000.00
Total	<u>80,645.58</u>	<u>72,506.71</u>	<u>29,535.22</u>	<u>28,590.40</u>

39. Disclosure of Financial Instruments (Continued)**39.4 Interest Rate Risk**

The Group has entered into interest rate swap contracts of long-term loans and debentures. The terms of the outstanding interest rate swap contracts as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Interest rate swap contracts to swap floating for fixed rate in USD currency	3,900.00	14,562.30	-	9,933.96
Interest rate swap contracts to swap fixed for floating rate in USD currency	36,034.12	29,605.83	36,034.12	29,605.83
Interest rate swap contracts to swap floating for decreasing floating rate in Baht currency	7,000.00	7,000.00	7,000.00	7,000.00
Interest rate swap contracts to swap floating for fixed rate in Baht currency	5,802.54	8,006.60	5,000.00	5,000.00
Interest rate swap contracts to swap fixed for decreasing fixed rate in Baht currency	2,500.00	2,500.00	-	-
Total	<u>55,236.66</u>	<u>61,674.73</u>	<u>48,034.12</u>	<u>51,539.79</u>

The following are the maturity periods of contracts:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Due within 1 year	2,700.00	14,231.17	2,400.00	9,933.96
Over 1 year but not over 5 years	34,451.28	47,443.56	45,634.12	41,605.83
Over 5 years	18,085.38	-	-	-
Total	<u>55,236.66</u>	<u>61,674.73</u>	<u>48,034.12</u>	<u>51,539.79</u>

39. Disclosure of Financial Instruments (Continued)

39.5 Fluctuations in Oil Market Price Risk

The Group has entered into oil price derivatives. As at December 31, 2015, the volume of oil under those contracts that mature during January to December 2016 is 22.87 million barrels in the consolidated financial statements and 5.77 million barrels in the separate financial statements (as at December 31, 2014: 32.23 million barrels in the consolidated financial statements and 3.83 million barrels in the separate financial statements).

39.6 Credit Risk

Credit risk arises when customers do not comply with the terms and conditions of credit agreements, causing financial losses to the Company. However, the Company has managed risk by adjusting its credit policies according to the current economic situation, focusing on developing financial instruments by cooperating with financial institutions to support credit facilities provided to customers, such as the Dealer Financing and Supply Chain Credit project, the trade credit insurance, and the Payment card and Fleet card project. The Company also reduces credit risk by determining procedures for risk prevention and mitigation, including credit rating for all trading partners of the Company.

40. Fair Value Measurement

The fair value of the current portions of financial assets and liabilities approximates the carrying value due to the relatively short-term maturity of these financial instruments.

The fair value of long-term loans and borrowings carrying interest at market rates approximates the carrying values.

As at December 31, 2015, the Group had the following assets and liabilities that were measured at fair value using different levels of inputs:

	Unit: Million Baht		
	Consolidated financial statements		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Equity instruments	5,043.26	-	5,043.26
Mutual funds	8,309.73	-	8,309.73
Derivatives			
Foreign currency forward contracts	-	295.51	295.51
Cross-currency swaps contracts	-	6,772.58	6,772.58
Interest rate swap contracts	-	448.52	448.52
Commodity swap contracts	2,136.10	6,466.26	8,602.36
Other derivative contracts	-	601.84	601.84
Financial liabilities measured at fair value			
Derivatives			
Foreign currency forward contracts	-	479.19	479.19
Cross-currency swaps contracts	-	7,099.16	7,099.16
Interest rate swap contracts	-	365.65	365.65
Commodity swap contracts	923.30	8,813.04	9,736.34
Other derivative contracts	-	27.09	27.09

40. Fair Value Measurement (Continued)

Unit: Million Baht

	Separate financial statements		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Equity instruments	4,939.04	-	4,939.04
Mutual funds	8,169.75	-	8,169.75
Derivatives			
Cross-currency swaps contracts	-	159.11	159.11
Interest rate swap contracts	-	292.50	292.50
Financial liabilities measured at fair value			
Derivatives			
Cross-currency swaps contracts	-	1,652.43	1,652.43
Interest rate swap contracts	-	176.81	176.81

40. Fair Value Measurement (Continued)

As at December 31, 2015, the Group had the following assets and liabilities that were disclosed at fair value using different levels of inputs as follows:

	Unit: Million Baht			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Financial assets disclosed at fair value				
Investment properties	-	10,659.50	10,131.98	20,791.48
Derivatives				
Foreign currency forward contracts	-	74.16	-	74.16
Foreign exchange option contracts	-	155.15	-	155.15
Commodity swap contracts	-	280.11	-	280.11
Financial liabilities disclosed at fair value				
Debentures - Baht currency	263,297.67	60,490.84	-	323,788.51
Debentures - foreign currencies	8,979.84	164,921.46	-	173,901.30
Derivatives				
Foreign currency forward contracts	-	120.13	-	120.13
Commodity swap contracts	-	4,157.06	-	4,157.06

40. Fair Value Measurement (Continued)

Unit: Million Baht

	Separate financial statements			
	Level 1	Level 2	Level 3	Total
Financial assets disclosed at fair value				
Investment properties	-	9,024.68	621.98	9,646.66
Derivatives				
Foreign currency forward contracts	-	74.16	-	74.16
Foreign exchange option contracts	-	155.15	-	155.15
Commodity swap contracts	-	280.11	-	280.11
Financial liabilities disclosed at fair value				
Debentures - Baht currency	185,356.89	-	-	185,356.89
Debentures - foreign currencies	-	62,000.52	-	62,000.52
Derivatives				
Foreign currency forward contracts	-	10.69	-	10.69
Commodity swap contracts	-	148.80	-	148.80

Valuation techniques and inputs for Level 2 valuation

The fair values of bonds and derivatives were determined based on discounted future cash flow and valuation model techniques, using an appropriate risk-adjusted discount rate. Most of the inputs used for the valuation are observable in the relevant markets such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves, yield curves of bonds and commodity price yield curves, etc.

The fair value of land categorized as investment property was determined by external, independent property valuers under the market approach

Valuation techniques and inputs for Level 3 valuation

The fair values of land and buildings for rent categorized as investment property were determined using the income approach. The inputs used for the valuation consisted of the rate of return and finance costs.

During the year, there were no transfers within the fair value hierarchy.

41. Dividend Payment

On April 9, 2015, at the 2015 Annual Shareholders' Meeting of the Company, the shareholders approved dividend payments for the year 2014 of Baht 11.00 per share, approximately amounting to Baht 31,401.49 million. On October 2, 2014, the Company paid an interim dividend for the operating results of the first half of 2014 at Baht 6.00 per share for 2,856,095,706 shares, amounting to Baht 17,136.58 million. The remaining dividends were paid as follows:

Dividends	For operating period	Dividend payment rate (Baht/share)	Number of shares (shares)	Total dividend (million Baht)	Payment date
For the year 2014	July 1, 2014 - December 31, 2014	5.00	2,852,982,683	14,264.91	April 24, 2015

On August 28, 2015, at the Board of Directors Meeting No. 8/2015 of the Company, the Board approved interim dividend payments for the first half of 2015 as follows:

Dividends	For operating period	Dividend payment rate (Baht/share)	Number of shares (shares)	Total dividend (million Baht)	Payment date
Interim	January 1, 2015 - June 30, 2015	6.00	2,856,090,628	17,136.54	September 25, 2015

42. Business Acquisition

On March 26, 2015, Global Power Synergy Public Co., Ltd. (GPSC) obtained control in Ichinoseki Solar Power 1 GK, a power generation plant in Japan, by acquiring 99% of its equity and voting rights, totaling USD 9 million or equivalent to Baht 294.74 million. On March 26, 2015, GPSC had already paid USD 8.50 million or equivalent to Baht 278.63 million and the remaining amount of USD 0.50 million, or equivalent to Baht 16.11 million, will be paid in 2016.

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration	294.74
Fair value of net assets acquired	<u>(264.80)</u>
Goodwill	<u>29.94</u>

Assets and liabilities arising from the business acquisition are as follows:

	Unit: Million Baht
Cash and cash equivalents	0.04
Other accounts receivable	21.64
Other current assets	0.63
Property, plant and equipment (Note 16)	23.64
Intangible assets (Note 17)	278.82
Other accounts payable	(0.10)
Deferred tax liabilities	<u>(56.90)</u>
Total	267.77
Non-controlling interests	<u>(2.97)</u>
Fair value of net assets	264.80
<u>Add</u> Goodwill (Note 19)	<u>29.94</u>
Total purchase consideration transferred	294.74
<u>Less</u> Purchase - accounts payable	(4.76)
Cash and cash equivalents	(0.04)
Contingent consideration	<u>(16.11)</u>
Cash outflow on the business acquisition	<u>273.83</u>

43. Promotional Privileges

The Company has received promotional privileges for the following activities from the Board of Investment (BOI) under the Investment Promotion Act, B.E. 2520

- ◆ the Gas Separation Plant Unit 5 project
- ◆ the gas distribution pipelines to the Rojana Industrial Park project
- ◆ the Sai Noi-South Bangkok Power Plant gas pipeline project
- ◆ the third gas offshore and onshore pipeline project
- ◆ the Ethane Separation Plant project
- ◆ the Songkhla Power Plant gas pipeline project
- ◆ the Gas Separation Plant Unit 6 project
- ◆ the Power and Steam Production for Bangchak Refinery project
- ◆ the North Bangkok Power Plant gas pipeline project
- ◆ the Rayong-Kangkoi pipeline project
- ◆ the improvement of production efficiency in energy and environmental aspect project
- ◆ the Thai-Myanmar onshore gas pipeline project
- ◆ the Nakhon Sawan onshore gas pipeline project
- ◆ the Nakhon Ratchasima onshore gas pipeline project

The promotional privileges include:

- ◆ exemption from import duties on machinery approved by the BOI
- ◆ exemption from corporate income tax on net income from the promoted business for periods of three years and eight years starting from the date on which the income is first derived from such operations.

During the year 2015, the Company has utilized the privileges for the Ethane Separation Plant project, the Gas Separation Plant Unit 6 project and the Power and Steam Production for Bangchak Refinery project.

However, The Company completed to sell the Power and Steam Production for Bangchak Refinery project to Bangchak Petroleum Public Company Limited (BCP) in May 2015.

The sales and service income of the Company from the promoted and non-promoted businesses for the years ended December 31, 2015 and 2014 are as follows:

	Unit: Million Baht	
	Separate financial statements	
	2015	2014
Promoted businesses	144,689.63	159,627.17
Non-promoted businesses	1,567,561.46	2,258,247.93
Total	<u>1,712,251.09</u>	<u>2,417,875.10</u>

43. Promotional Privileges (Continued)

Some subsidiaries received the following promotional privileges from the BOI under the Investment Act, B.E. 2520

TOP received privileges for its oil refinery, power and steam generation, petroleum product production, chemical product production, ethanol product production, marine transportation, offshore crude oil unloading facilities and industrial zone. The promotional privileges include exemption from import duties and tax on the machinery approved by the BOI, exemption from corporate income tax on the net income from the promoted business for 3 to 8 years starting from the date on which income is first derived from such operations, and a 50% reduction of corporate income tax on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption.

PTTGC received privileges for its production of upstream, intermediate and downstream petrochemical, utilities and production support facilities, jetty for transportation and storage of liquid product and transportation by marine vessels, production of petroleum product, research and development of polymer products and chemical formula, lab testing services and refinery. The promotional privileges include exemption from import duties on the machinery approved by the BOI, exemption from corporate income tax on the net income from the promoted business up to 100% of its investment for eight years starting from the date on which income is first derived from such operations and a 50% reduction of corporate income tax on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption.

GPSC received privileges for its production of electricity, steam, water and chilled water. The promotional privileges include exemption from import duties on the machinery approved by the BOI, exemption from corporate income tax on the net income from the promoted business for eight years starting from the date on which income is first derived from such operations, and a 50% reduction of corporate income tax on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption.

IRPC received privileges for its manufacture of Acetylene Black, and Compounded Plastic, The cogeneration and steam power plant project ('CHP'), Propylene project ('PRP'), Blown Film project, Recovery from Purge Gas at PP Plant project, EBSM Upgrading for ABS Specialties project ('EBSM'), Multi Product Pipeline project ('MPPL') and HDPE Catalyst Commercialisation project ('Jet Mill') and Investment project in Industrial area. The promotional privileges include exemption from import duties and tax on materials and necessary parts including machinery approved by the BOI, exemption from corporate income tax on the net income from the promoted business for 5 to 8 years starting from the date on which income is first derived from such operations, a 50% reduction of corporate income tax on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption, and double deduction of logistics, electricity and water expenses for a period of ten years since income is first derived from such operations.

PTTLNG received Category 7.1 promotional privileges for its liquefied natural gas transfer business. The promotional privileges include exemption from import duties on the machinery approved by the BOI, exemption from corporate income tax on the net income from the promoted business for eight years starting from the date on which income is first derived from such operations, and exemption from 50% corporate income tax on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption.

43. Promotional Privileges (Continued)

PTT TANK received Category 7.1, public utilities and basic services, promotional privileges for its overseas logistics business. The promotional privileges include exemption from import duties and tax on the machinery approved by the BOI, exemption from corporate income tax on the net income from the promoted business up to 100% of its investment for eight years starting from the date on which income is first derived from such operations, and 50% reduction of corporate income tax on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption period.

PTTPMMA received Category 6.11, manufacture of petrochemicals, promotional privileges for its Polymethyl Methacrylate (PMMA) production business. The promotional privileges include exemption from import duties and tax on the machinery approved by the BOI, exemption from corporate income tax of the net income from the promoted business up to 100% of its investment for eight years starting from the date on which income is first derived from such operations, and a 50% reduction of corporate income tax on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption period.

As the Group has received promotional privileges from the BOI, it has to comply with all conditions and regulations as stipulated in the promotional certificates.

44. 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 a group of individuals totaling 43 parties (the Petitioners) filed a complaint with the Central Administrative Court (the Court) as the black case No. 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 all 76 projects pending the Court's judgment or order otherwise, except for those projects or activities which received the permits before the effective date of the Constitution of Kingdom of Thailand B.E. 2550 or which were not required to prepare the Environmental Impact Assessment (EIA) reports pursuant to the Ministerial Announcement of Ministry of Natural Resources and Environment dated June 16, 2009. 25 projects of the Group were under the suspension order, and three of those 25 projects belonged to the Company.

On October 16, 2009, the Group, as an interested person, submitted a motion to appeal the Court's order to the Supreme Administrative Court.

On December 2, 2009, the Supreme Administrative Court issued an order No. 592/2552 amending the Court's injunction by requiring the eight accused government agencies to order the temporary suspension of all projects or activities listed in the complaint except for 11 projects, which clearly, according to the Supreme Administrative Court, did not severely affect the community but were projects intended to mitigate pollution or only additional installation to the existing projects. Among those 11 projects, seven of them belonged to the Group, comprising one project of the Company and six projects of the other companies in the Group. Two projects of the Company were still under the Court's order to suspend.

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

On September 2, 2010, the Court rendered a judgment revoking the permit of the projects listed in the complaint which, according to the law, were categorized as project that might severely affect the community and did not comply with the procedures set forth in Section 67 paragraph 2 of the Constitution. The revocation was effective as of the date of the judgment. One project of the Group is within the scope of the judgment.

On October 1, 2010, the 43 prosecutors appealed the Court's judgment to the Supreme Administrative Court. On December 7, 2010, the eight accused government agencies by the public prosecutors submitted a reply to the appeal. The appeal is currently under the consideration of the Supreme Administrative Court.

45. Proceeding regarding the Offshore Natural Gas Pipeline Leakage Incident

The Company hired a pipeline construction contractor for the construction of offshore pipeline project situated in the Gulf of Thailand. On June 25, 2011, during the construction, the contractor committed wrongful act and breach of contract causing damage to the Company. Subsequently, the Company forwarded relevant evidence to the Office of the Attorney General to consider filing lawsuit with the court seeking damages from the contractor. On June 22, 2012, after considering the evidence, the public prosecutor assigned to the case submitted the complaint with the Civil Court. Subsequently on November 13, 2015, the Company and the contractor could reach a compromise and the Company submitted with the court a motion to withdraw the complaint. The court allowed the withdrawal of the complaint and dismissed the case from the case list.

On March 27, 2013, the contractor filed a new lawsuit against the Company with the Civil Court asserted that they were not responsible for the Pipeline Leakage Incident and the Company was owed them the payment of the Pipeline Construction Project. Thus, the contractor requested the payments of the pipeline-repair costs and the outstanding payment of the Pipeline Construction Project. Subsequently on July 30, 2013, the Company, by the public prosecutor, submitted with the Civil Court the answer denying all assertions. Consequently on November 13, 2015, the Company and the contractor could reach a compromise and the contractor submitted with the court a motion to withdraw the complaint. The court allowed the withdrawal of the complaint and dismissed the case from the case list.

46. Commitments and Contingent Liabilities

Details of significant changes in commitments and contingent liabilities are as follows:

- 46.1 Details of commitments to subsidiaries, joint ventures, associates and other related companies are as follows:
- 46.1.1 The Group has provided loans to its subsidiaries and joint ventures with credit limits totaling Baht 101,664.38 million. As at December 31, 2015, the Group made payments in respect of these loans totaling Baht 89,446.88 million. The remaining credit limits were Baht 12,217.50 million.
 - 46.1.2 The Company has obligations under a commercial credit agreement with a joint venture that provide an extended credit term for purchases of raw materials under a credit limit of USD 50 million. As at December 31, 2015, the joint venture has drawn down USD 42.02 million of the commercial credit. The remaining commercial credit line was USD 7.98 million or equivalent to Baht 289.31 million.
 - 46.1.3 The Company entered into the Sponsor Support Agreements with an oversea subsidiary and joint ventures with credit limits equal to the sum of the loan obligations to financial institutions of such oversea subsidiary and joint ventures. Under these agreements, as at December 31, 2015, the Company had commitments of USD 203.26 million or equivalent to Baht 7,368.95 million.
 - 46.1.4 The Company had obligations under the Shareholder Agreements to pay for ordinary shares in proportion to its shareholding. As at December 31, 2015, the Company had remaining obligations amounting to Baht 6,610.68 million.

46. Commitments and Contingent Liabilities (Continued)

46.2 Commitments under operating leases - the Group as a lessee

The future minimum lease payments under uncancellable operating leases as at December 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Within 1 year	2,571.37	2,584.66	76.82	83.77
Over 1 year but not over 5 years	5,815.44	3,895.36	300.51	281.97
Over 5 years	5,217.06	5,034.21	1,048.57	807.67
Total	<u>13,603.87</u>	<u>11,514.23</u>	<u>1,425.90</u>	<u>1,173.41</u>

46.3 As at December 31, 2015, the Group had capital commitments of Baht 33,785.95 million in the consolidated financial statements.

46.4 As at December 31, 2015, the Group had outstanding letters of credit of Baht 12,827.22 million in the consolidated financial statements and Baht 5,415.39 million in the separate financial statements.

46.5 As at December 31, 2015, the Group had contingent liabilities in the form of letter of guarantee amounting to Baht 26,942.14 million in the consolidated financial statements and Baht 124.71 million in the separate financial statements.

46.6 A subsidiary 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 contracts was 15 years, expiring on January 31, 2012. Before the expiration of the contract, the subsidiary notified the Company that the contract would not be renewed. Consequently, without product to resell, 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 claims with the Thai Arbitration Institute (the Institute) requesting that the Company and the subsidiary, as the seller and the supplier, respectively, comply with the contracts by continuing to sell the product to the listed company or be jointly liable to pay damages.

On February 10, 2010, the subsidiary submitted motion with 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 subsidiary.

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 arbitrators finished the witness examination and is now rendering the arbitral award.

46. Commitments and Contingent Liabilities (Continued)

46.7 On May 26, 2010, the contractor for an onshore 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. Regarding the Contractor’s bankruptcy case, the Company submitted, as a creditor, a motion for receiving a debt payment in accordance with the law. With respect to the arbitration process, the Company submitted the defense together with counterclaims seeking damages from the Contractor. Subsequently, the arbitral tribunal rendered an award ordering the Company to partially pay for the Contractor’s claims. However, the Company considered that the arbitral award is materially erroneous both in fact and in law, in which case, the Company has a right to protest against such award with the Court of competent jurisdiction requesting for the revocation of the award and therefore the Company has filed the motion to revoke the arbitral award with the Central Administrative Court. Currently the Central Administrative Court has summoned the contractor to submit its opposition and the case is now under the consideration of the Court.

On September 8, 2010, the Contractor by the 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 arbitral tribunal has been appointed and the case is now under the consideration of the tribunal.

46.8 On September 22, 2011, six petitioners, led by the Thailand Watch Foundation filed, a lawsuit 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, and therefore, asked for the Court’s judgment that the sale of the Company’s shares be null and void and the shares be resold. The petitioners 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, the petitioners 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.

46. Commitments and Contingent Liabilities (Continued)

46.9 On February 25, 2014, the contractor for an on-shore natural gas pipeline construction project (the “Contractor”) filed a lawsuit against the Company with the Civil Court on the grounds of wrongful termination and breach of contract and claimed for outstanding payment of the work and damages. On the contrary, the Company considered that all of the Company’s actions have been in accordance with the terms and conditions of the contract. Therefore, the Company forwarded the case to the Office of The Attorney General for consideration to arguing the case for the Company and the prosecutor has submitted the answer with the Court. Consequently, the Court ordered the case be transferred to the Central Administrative Court for consideration and judgment because the Civil Court and the Central Administrative Court has the corresponding opinions that this case was an administrative case. The Civil Court transferred this case to the Central Administrative Court. Currently, the case is under the consideration of the Central Administrative Court.

46.10 On August 26, 2010, PTTEP Australasia Pty Ltd (PTTEP AA) received a letter claiming for compensation relating to an incident of oil and natural gas leak in Montara area under PTTEP Australasia project from the Government of Indonesia. PTTEP AA has submitted the letter rejecting the claim for the compensation because the evidence provided by the Government of Indonesia is considered unproven and unsubstantiated. No verifiable scientific evidence has yet been provided to support the claim.

Subsequently on October 3, 2014, PTTEP AA received a warning letter of a class action from lawyers acting on behalf of the West Timor Care Foundation (WTCF), a representative of West Timorese coastal fishermen and seaweed farmers who claim to have been affected by the Montara spill in 2009. At present, PTTEP considers that the claims from the Government of Indonesia and WTCF remain unproven and unsubstantiated.

46.11 From oil spill incident on July 27, 2013, PTT Global Chemical Public Co., Ltd. (PTTGC) recognized expenses resulted from this incident in the period that expenses incurred. During 2014, insurance company paid compensation to PTTGC for preliminary damage claim. During 2015, PTTGC received the remaining damage claim compensation from insurance company. PTTGC has recognized the payments as other income in the respective year.

During the third quarter of 2014, the number of people in Rayong filed several lawsuits with the Civil Court and Rayong Provincial Court against PTTGC to claim the extra compensation from oil spill incident and to perform the rehabilitation of the sea and natural environmental recovery. Currently, some cases have been dismissed and the remaining cases are in the mediation process by the Courts. PTTGC believes that the outcome of the consideration will not result in material damage and material financial impact to PTTGC. Therefore, PTTGC has not provided against any loss that may result from this matter in the financial statements.

47. Other Events

47.1 Agreements between the Company and the State Railway of Thailand (SRT) in relation to the land where the head quarter of PTT is situated consist of - Agreement to create the Right of Superficies (“Superficies Agreement”) and Land Lease Agreement, which would originally and simultaneously have been expired on March 31, 2013. On August 16, 2012 which was more than 180 days before the expiry date of the Agreements, the Company submitted a request to the SRT to extend the term of the two Agreements for a period of thirty years with the same terms and conditions having details as follows:

- Extension of the term of the Superficies Agreement which the all other terms and conditions in connection with the right of Superficies shall remain unchanged (According to details of the Superficies Agreement states that at the end of the terms of the Agreement, the SRT agreed to extend the term of the Agreement to PTT intermittently for thirty years each period without any rental fee or other consideration payable the SRT...).
- Extension of term of the Land Lease Agreement for a period of thirty years at the rental fee and other consideration to be mutually agreed between the Company and the SRT (According to details of the Land Lease agreement).

During discussion between the Company and the SRT on this matter, the SRT submitted the dispute to the Office of the Attorney General (OAG) for consideration and decision. In summary, on December 26, 2014, the OAG opined that the SRT is still obliged to comply with the Superficies Agreement that the SRT agreed to extend the term of the Agreement to the Company for a period of thirty years commencing from April 1, 2013 onward without any rental fee or remuneration. The OAG further states that the Land Lease Agreement is a non-specified period contract, both the Company and the SRT continue to be bound by the terms and conditions of the Land Lease Agreement until such time that the SRT exercises the right to terminate the Lease Agreement in accordance with Section 566 of the Civil and Commercial Code. This case is the dispute between the two government agencies; therefore, the OAG advised that the Company and the SRT shall directly re-negotiate on this matter again.

On October 26, 2015, the Company and the SRT signed an Extension of the Term of the Superficies Agreement and Extension of Term of the Land Lease Agreement. Under the extension of the Superficies Agreement no rental fee or other consideration is payable, while under the extension of the Land Lease Agreement the Company has a commitment to pay a rental fee for the whole period of the Extension of term of the Land Lease Agreement to the SRT amounting to Baht 42.30 million on the registration date.

On November 18, 2015, the Company and the SRT registered the Superficies and the Land Lease in accordance with the Extension of the Term of the Superficies Agreement and Extension of the Term of the Land Lease Agreement. The payment for the rental fee was made at the Department of Lands (Bangkok), Chatuchak branch.

47.2 On October 26, 2015, the Company and the SRT signed Memorandum of Understanding (MOU). The Company agreed to pay a grant-in-aid fund to foster good relationships and cooperation between the parties to the SRT, approximately amounting to Baht 1,362 million which consists of the payment to support the SRT’s execution amounting to Baht 758 million, the landscape improvement of SRT’s areas surrounding PTT Head Office amounting to Baht 154 million, and the Phahon Yothin area development project of SRT (the Kilometer. 11 residential areas and Bang Sue communities) amounting to Baht 450 million. The grant-in-aid fund is solely for the benefit of the SRT’s execution and is not deemed to be any kind of compensation under the Extension of the Term of the Superficies Agreement. The aforementioned executions were approved by the Board of Directors of the Company.

47. Other Events (Continued)

47.3 On February 19, 2015, at the Board of Directors Meeting No.2/2015 of the Company, the Board passed a resolution to sell a co-generation power plant as a part of the central utility in support of Bangchak oil refinery to Bangchak Petroleum Public Company Limited (BCP). The Company completed this transaction in May 2015.

48. Events after the Reporting Period

48.1 On January 29, 2016, PTT (Cambodia) Limited (PTTCL) called up additional authorized share capital of Baht 39.37 million. The Company made the share payment on February 15, 2016.

48.2 On February 19, 2016, at the Board of Directors Meeting No. 2/2016 of the Company, the Board passed a resolution to propose to the Annual General Meeting of the Company's shareholders for approval a dividend payment of Baht 10.00 per share for the year 2015. On September 28, 2015, the Company paid an interim dividend of Baht 6.00 per share as described in Note 41. Accordingly, the remaining dividend of Baht 4.00 per share or approximately Baht 11,425 million will be proposed for approval by the Annual General Meeting of the Company's shareholders for the year 2016.

48.3 The board of directors of the Company approved these financial statements for public issuance on February 19, 2016.
