

(UNOFFICIAL TRANSLATION)

AUDITOR'S REPORT

TO: THE SHAREHOLDERS OF PTT PUBLIC COMPANY LIMITED

The Office of the Auditor General of Thailand has audited the accompanying consolidated and separate financial statements of PTT Public Company Limited and its subsidiaries and of PTT Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2014, and the related consolidated and separate statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

The Office of the Auditor General of Thailand's responsibility is to express an opinion on these consolidated and separate financial statements based on audit by The Office of the Auditor General of Thailand. The Office of the Auditor General of Thailand conducted the audit in accordance with Thai Standards on Auditing. Those standards require that The Office of the Auditor General of Thailand comply with ethical requirements and plans and performs the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated and separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated and separate financial statements.

The Office of the Auditor General of Thailand believes that the audit evidence The Office of the Auditor General of Thailand has obtained is sufficient and appropriate to provide a basis for The Office of the Auditor General of Thailand's audit opinion.

Opinion

In The Office of the Auditor General of Thailand's opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of PTT Public Company Limited and its subsidiaries and of PTT Public Company Limited, respectively, as at December 31, 2014, and the consolidated and separate financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

(Signed) *Sirin Phankasem*
(Sirin Phankasem)
Deputy Auditor General

(Signed) *Sunan Wongmek*
(Sunan Wongmek)
Director of Financial Audit Office No.7

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

Unit: Baht

	Notes	Consolidated financial statements		
		December 31, 2014	December 31, 2013 (Restated)	January 1, 2013 (Restated)
Assets				
Current assets				
Cash and cash equivalents	4	203,785,431,250	157,683,491,128	136,924,059,497
Current investments	5	20,976,033,710	2,686,762,234	6,409,130,942
Trade accounts receivable	6	179,391,409,149	277,712,224,190	243,400,981,028
Other accounts receivable	7	28,827,163,346	33,408,288,440	35,518,711,526
Short-term loans	8.1	384,747,119	375,807,210	382,660,613
Inventories	10	27,514,093,735	28,798,420,700	28,485,002,827
Materials and supplies	11	17,183,658,117	15,373,990,913	13,759,453,958
Other current assets		12,319,497,496	7,537,674,673	7,649,853,611
Non-current assets held-for-sale	12	1,580,646,819	-	-
Total current assets		491,962,680,741	523,576,659,488	472,529,854,002
Non-current assets				
Available-for-sale investments	14	12,472,147,895	12,599,437,150	12,972,329,762
Investments in associates	13.3, 13.5	237,839,379,290	246,336,815,059	237,050,529,551
Other long-term investments	15	1,101,737,646	2,200,487,645	2,015,962,592
Long-term other accounts receivable-related parties	9.3	4,113,667,765	4,113,667,765	-
Long-term loans	8.2	4,628,588,660	4,698,852,016	5,067,718,662
Investment properties	16	6,082,870,368	6,271,885,813	8,091,476,115
Property, plant and equipment	17	720,335,099,152	739,785,025,016	650,088,364,553
Intangible assets	18	166,157,684,254	124,897,096,402	116,868,401,746
Mining properties	19	32,467,404,765	35,219,196,833	35,232,829,214
Goodwill	20	55,301,561,609	51,851,230,849	46,501,137,197
Deferred tax assets	21.2	10,044,183,384	13,183,907,823	12,756,612,653
Advance payments for gas purchases	22	4,336,522,782	4,690,553,961	5,688,535,719
Other non-current assets	23	32,335,634,552	35,614,304,802	28,998,888,782
Total non-current assets		1,287,216,482,122	1,281,462,461,134	1,161,332,786,546
Total assets		1,779,179,162,863	1,805,039,120,622	1,633,862,640,548

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

Unit: Baht

	Notes	Consolidated financial statements		
		December 31, 2014	December 31, 2013 (Restated)	January 1, 2013 (Restated)
Liabilities and Equity				
Current liabilities				
Bank overdrafts and short-term loans from financial institutions	24	22,321,310,264	14,336,398,239	17,838,765,801
Trade accounts payable		183,616,615,006	271,267,359,059	254,801,820,007
Other accounts payable		37,896,038,343	32,662,151,824	32,548,036,478
Current portion of long-term loans	26	62,711,298,927	46,132,594,102	40,003,950,442
Income tax payable		30,935,885,077	32,842,896,686	29,350,407,478
Short-term provision for decommissioning costs	28	-	379,117,509	635,885,605
Other current liabilities	25	6,823,717,562	9,098,323,274	5,997,304,893
Liabilities directly associated with the non-current assets held-for-sale	12	145,449,600	-	-
Total current liabilities		344,450,314,779	406,718,840,693	381,176,170,704
Non-current liabilities				
Long-term other accounts payable-related parties	9.6	586,356,218	617,568,562	638,934,980
Long-term loans	26	390,772,826,882	425,262,027,405	400,384,201,302
Deferred tax liabilities	21.2	57,321,875,780	65,476,406,625	58,094,471,809
Employee benefit obligations	27	10,150,960,068	8,130,275,635	7,485,538,736
Long-term provision for decommissioning costs	28	71,934,525,985	39,494,733,902	33,126,533,149
Deposits on LPG cylinders		8,729,483,078	8,098,457,278	7,270,500,508
Other non-current liabilities	29	27,890,698,069	28,398,395,652	14,332,621,408
Total non-current liabilities		567,386,726,080	575,477,865,059	521,332,801,892
Total liabilities		911,837,040,859	982,196,705,752	902,508,972,596

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

Unit: Baht

	Notes	Consolidated financial statements		
		December 31, 2014	December 31, 2013 (Restated)	January 1, 2013 (Restated)
Liabilities and Equity (Continued)				
Equity				
Share capital				
Authorized share capital				
2,857,245,725 ordinary shares of Baht 10 each	30.1	28,572,457,250	28,572,457,250	28,572,457,250
Issued and paid-up share capital				
2,856,299,625 ordinary shares of Baht 10 each	30.2	28,562,996,250	28,562,996,250	28,562,996,250
Premium on ordinary shares	30.2	29,211,131,966	29,211,131,966	29,211,131,966
Retained earnings				
Appropriated				
Legal reserve	31.1	2,857,245,725	2,857,245,725	2,857,245,725
Reserve for self-insurance fund	31.2	1,098,744,054	1,056,666,504	1,075,397,000
Unappropriated		644,733,580,389	630,968,332,344	575,006,470,309
Other components of equity		(8,885,287,723)	(10,345,505,547)	(31,335,478,965)
Total equity attributable to owners of the parent		697,578,410,661	682,310,867,242	605,377,762,285
Non-controlling interests		169,763,711,343	140,531,547,628	125,975,905,667
Total equity		867,342,122,004	822,842,414,870	731,353,667,952
Total liabilities and equity		1,779,179,162,863	1,805,039,120,622	1,633,862,640,548

The accompanying notes are an integral part of these financial statements.

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

(Signed) Wirat Unanarumit
(Wirat Unanarumit)
Chief Financial Officer

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

Unit: Baht

	Notes	Separate financial statements		
		December 31, 2014	December 31, 2013	January 1, 2013
			(Restated)	(Restated)
Assets				
Current assets				
Cash and cash equivalents	4	58,017,926,287	63,926,767,557	47,641,480,500
Current investments	5	19,857,964,073	1,613,158,851	5,239,140,831
Trade accounts receivable	6	147,388,643,330	240,640,978,101	228,369,994,840
Other accounts receivable	7	16,040,953,509	20,270,430,530	20,988,783,109
Short-term loans	8.1	8,887,909,994	9,761,670,693	2,150,529,229
Inventories	10	10,022,726,018	19,405,613,343	18,091,026,442
Materials and supplies	11	4,440,795,199	3,845,488,604	3,734,419,855
Other current assets		3,563,013,270	3,894,247,325	4,053,049,693
Total current assets		268,219,931,680	363,358,355,004	330,268,424,499
Non-current assets				
Available-for-sale investments	14	12,369,981,026	12,504,918,852	12,871,441,684
Investments in associates	13.4	118,912,148,538	118,666,343,885	120,462,724,472
Investments in subsidiaries	13.4	129,028,553,017	134,502,572,069	134,612,831,551
Investments in jointly controlled entities	13.4	24,209,267,327	24,169,267,327	22,739,274,827
Other long-term investments	15	7,390,216	1,106,140,216	1,106,117,996
Long-term other accounts receivable-related parties	9.3	4,383,202,859	4,158,294,116	-
Long-term loans	8.2	61,363,243,715	75,458,299,254	75,525,210,525
Investment properties	16	3,739,013,964	3,745,133,652	5,046,690,955
Property, plant and equipment	17	260,832,070,573	245,359,553,965	234,960,480,714
Intangible assets	18	13,567,949,109	14,068,291,304	14,654,515,244
Advance payments for gas purchases	22	5,253,772,700	5,634,007,285	6,780,111,748
Other non-current assets	23	23,280,932,826	27,179,361,109	21,885,369,920
Total non-current assets		656,947,525,870	666,552,183,034	650,644,769,636
Total assets		925,167,457,550	1,029,910,538,038	980,913,194,135

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

Unit: Baht

	Notes	Separate financial statements		
		December 31, 2014	December 31, 2013 (Restated)	January 1, 2013 (Restated)
Liabilities and Equity				
Current liabilities				
Bank overdrafts and short-term loans from financial institutions	24	-	-	4,992,779,477
Trade accounts payable		143,248,257,012	238,305,966,242	235,471,152,565
Other accounts payable		25,426,100,502	21,558,253,960	20,357,906,366
Current portion of long-term loans	26	35,201,320,604	28,754,407,434	29,582,336,360
Short-term loans-related parties	9.5	3,036,105,047	2,270,467,897	1,552,126,783
Income tax payable		1,038,877,059	-	-
Other current liabilities	25	4,269,220,905	5,483,062,272	4,251,487,609
Total current liabilities		212,219,881,129	296,372,157,805	296,207,789,160
Non-current liabilities				
Long-term other accounts payable-related parties	9.6	597,454,094	629,608,235	651,714,143
Long-term loans	26	260,379,265,173	285,290,970,036	265,262,527,367
Deferred tax liabilities	21.2	1,355,930,888	2,965,035,280	3,006,429,999
Employee benefit obligations	27	6,004,140,084	4,320,380,711	4,039,493,058
Deposits on LPG cylinders		8,729,483,078	8,098,457,278	7,270,500,508
Other non-current liabilities	29	9,681,149,454	9,155,864,046	7,245,666,733
Total non-current liabilities		286,747,422,771	310,460,315,586	287,476,331,808
Total liabilities		498,967,303,900	606,832,473,391	583,684,120,968

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

Unit: Baht

	Notes	Separate financial statements		
		December 31, 2014	December 31, 2013 (Restated)	January 1, 2013 (Restated)
Liabilities and Equity (Continued)				
Equity				
Share capital				
Authorized share capital				
2,857,245,725 ordinary shares of Baht 10 each	30.1	28,572,457,250	28,572,457,250	28,572,457,250
Issued and paid-up share capital				
2,856,299,625 ordinary shares of Baht 10 each	30.2	28,562,996,250	28,562,996,250	28,562,996,250
Premium on ordinary shares	30.2	29,211,131,966	29,211,131,966	29,211,131,966
Retained earnings				
Appropriated				
Legal reserve	31.1	2,857,245,725	2,857,245,725	2,857,245,725
Reserve for self-insurance fund	31.2	1,098,744,054	1,056,666,504	1,075,397,000
Unappropriated		360,290,769,637	357,105,810,853	330,937,857,674
Other components of equity		4,179,266,018	4,284,213,349	4,584,444,552
Total equity		426,200,153,650	423,078,064,647	397,229,073,167
Total liabilities and equity		925,167,457,550	1,029,910,538,038	980,913,194,135

The accompanying notes are an integral part of these financial statements.

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

(Signed) Wirat Uanarumit
(Wirat Uanarumit)
Chief Financial Officer

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
Notes	2014	2013	2014	2013	
		(Restated)		(Restated)	
Sales and service income	33	2,834,732,184,945	2,842,408,305,797	2,417,875,098,731	2,508,325,858,140
Cost of sales and services	35	2,607,490,555,098	2,618,182,103,579	2,348,469,808,296	2,448,217,701,901
Gross profit		227,241,629,847	224,226,202,218	69,405,290,435	60,108,156,239
Other income	34	18,053,630,021	14,027,210,505	46,169,143,988	47,837,436,687
Gain (loss) on foreign exchange rates		11,155,530,580	(210,368,683)	9,620,524,659	3,744,133,270
Profit before expenses		256,450,790,448	238,043,044,040	125,194,959,082	111,689,726,196
Selling expenses	35	12,487,253,784	10,318,940,500	11,135,494,079	9,001,970,433
Administrative expenses	35	82,426,950,413	38,957,519,818	53,287,551,279	25,320,649,743
Executive remunerations	9.11	583,793,326	842,466,236	141,669,947	183,632,344
Petroleum exploration expenses		10,826,088,494	5,351,260,290	-	-
Petroleum royalties and remunerations	36	27,324,341,600	27,122,006,656	-	-
Operating profit		122,802,362,831	155,450,850,540	60,630,243,777	77,183,473,676
Share of income from investments in associates	13.5	2,942,054,889	26,356,154,637	-	-
Profit before finance costs & income taxes		125,744,417,720	181,807,005,177	60,630,243,777	77,183,473,676
Finance costs	37	22,218,277,558	20,593,262,135	12,801,888,867	13,093,073,492
Profit before income taxes		103,526,140,162	161,213,743,042	47,828,354,910	64,090,400,184
Income taxes	21.1	41,028,522,487	47,649,404,102	3,572,031,226	814,548,913
Profit for the years		62,497,617,675	113,564,338,940	44,256,323,684	63,275,851,271
Profit attributable to:					
Owners of the parent		55,794,933,013	93,091,413,997	44,256,323,684	63,275,851,271
Non-controlling interests		6,702,684,662	20,472,924,943	-	-
		62,497,617,675	113,564,338,940	44,256,323,684	63,275,851,271
Basic earnings per share	32	19.33	32.52	15.49	22.15

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
		(Restated)		(Restated)
Profit for the years	62,497,617,675	113,564,338,940	44,256,323,684	63,275,851,271
Other comprehensive income (loss):				
Unrealized loss on available-for-sale investments	(122,738,775)	(337,249,184)	(131,184,163)	(375,289,003)
Income taxes related to unrealized loss on available-for-sale investments	26,071,556	75,085,536	26,236,832	75,057,800
Actuarial loss	(1,350,450,055)	-	(1,305,049,873)	-
Income taxes related to actuarial loss	267,670,345	-	261,009,975	-
Currency translation differences	789,959,738	22,920,572,771	-	-
Share of other comprehensive income (loss) of associates	(115,992,457)	1,676,094,407	-	-
Other comprehensive income (loss), net of taxes	(505,479,648)	24,334,503,530	(1,148,987,229)	(300,231,203)
Total comprehensive income for the years	61,992,138,027	137,898,842,470	43,107,336,455	62,975,620,068
Total comprehensive income attributable to:				
Owners of the parent	55,829,305,327	109,619,101,314	43,107,336,455	62,975,620,068
Non-controlling interests	6,162,832,700	28,279,741,156	-	-
	61,992,138,027	137,898,842,470	43,107,336,455	62,975,620,068

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2014

Unit: Baht

CONSOLIDATED FINANCIAL STATEMENTS

Total equity attributable to owners of the parent

Notes	CONSOLIDATED FINANCIAL STATEMENTS											Non-controlling interests	Total equity
	Total equity attributable to owners of the parent						Other components of equity						
	Issued and paid-up share capital	Premium on share capital	Legal reserve	Retained earnings		Available-for-sale investments	Other comprehensive income (loss)			Total other components of equity	Total equity attributable to owners of the parent		
Reserve for self-insurance fund				Unappropriated	Currency translation differences		Share of other comprehensive income (loss) of associates	Surplus (Deficit) from the change in the ownership interests in subsidiaries					
Balance as at January 1, 2013	28,562,996,250	29,211,131,966	2,857,245,725	1,075,397,000	572,851,045,126	4,454,171,995	(14,734,233,628)	6,430,738,082	(26,788,315,996)	(30,637,639,547)	603,920,176,520	125,975,905,667	729,896,082,187
Effect of the changes in accounting policies	-	-	-	-	2,155,425,183	-	(697,839,418)	-	-	(697,839,418)	1,457,585,765	-	1,457,585,765
Balance after adjustment	28,562,996,250	29,211,131,966	2,857,245,725	1,075,397,000	575,006,470,309	4,454,171,995	(15,432,073,046)	6,430,738,082	(26,788,315,996)	(31,335,478,965)	605,377,762,285	125,975,905,667	731,353,667,952
Changes in equity for the year													
Reserve for self-insurance fund	-	-	-	(18,730,496)	18,730,496	-	-	-	-	-	-	-	-
Interests for subordinated capital debentures	-	-	-	-	(190,495,106)	-	-	-	-	-	(190,495,106)	(101,288,651)	(291,783,757)
Dividends paid	-	-	-	-	(37,126,628,588)	-	-	-	-	-	(37,126,628,588)	-	(37,126,628,588)
Dividends paid of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(8,994,484,703)	(8,994,484,703)
Surplus (Deficit) from the change in the ownership interests in subsidiaries	-	-	-	-	-	-	-	-	4,631,127,337	4,631,127,337	4,631,127,337	(4,628,325,841)	2,801,496
Investment disposal of associates	-	-	-	-	168,841,236	-	-	(168,841,236)	-	(168,841,236)	-	-	-
Profit for the year	-	-	-	-	93,091,413,997	-	-	-	-	-	93,091,413,997	20,472,924,943	113,564,338,940
Other comprehensive income (loss) for the year	-	-	-	-	-	(266,344,107)	15,117,937,017	1,676,094,407	-	16,527,687,317	16,527,687,317	7,806,816,213	24,334,503,530
Balance as at December 31, 2013	28,562,996,250	29,211,131,966	2,857,245,725	1,056,666,504	630,968,332,344	4,187,827,888	(314,136,029)	7,937,991,253	(22,157,188,659)	(10,345,505,547)	682,310,867,242	140,531,547,628	822,842,414,870
Balance as at January 1, 2014	28,562,996,250	29,211,131,966	2,857,245,725	1,056,666,504	630,373,765,260	4,187,827,888	372,183,689	8,182,030,807	(22,157,188,659)	(9,415,146,275)	682,646,659,430	140,531,547,628	823,178,207,058
Effect of the changes in accounting policies	-	-	-	-	594,567,084	-	(686,319,718)	(244,039,554)	-	(930,359,272)	(335,792,188)	-	(335,792,188)
Balance after adjustment	28,562,996,250	29,211,131,966	2,857,245,725	1,056,666,504	630,968,332,344	4,187,827,888	(314,136,029)	7,937,991,253	(22,157,188,659)	(10,345,505,547)	682,310,867,242	140,531,547,628	822,842,414,870
Changes in equity for the year													
Reserve for self-insurance fund	-	-	-	42,077,550	(42,077,550)	-	-	-	-	-	-	-	-
Increase in subordinated capital debentures	-	-	-	-	-	-	-	-	-	-	-	32,206,556,933	32,206,556,933
Interests for subordinated capital debentures	-	-	-	-	(571,367,356)	-	-	-	-	-	(571,367,356)	(303,803,229)	(875,170,585)
Dividends paid	-	-	-	-	(39,985,247,452)	-	-	-	-	-	(39,985,247,452)	-	(39,985,247,452)
Dividends paid of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(8,852,244,279)	(8,852,244,279)
Surplus (Deficit) from the change in the ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(5,147,100)	(5,147,100)	(5,147,100)	18,821,590	13,674,490
Profit for the year	-	-	-	-	55,794,933,013	-	-	-	-	-	55,794,933,013	6,702,684,662	62,497,617,675
Other comprehensive income (loss) for the year	-	-	-	-	(1,430,992,610)	(89,122,667)	1,320,762,973	233,724,618	-	1,465,364,924	34,372,314	(539,851,962)	(505,479,648)
Balance as at December 31, 2014	28,562,996,250	29,211,131,966	2,857,245,725	1,098,744,054	644,733,580,389	4,098,705,221	1,006,626,944	8,171,715,871	(22,162,335,759)	(8,885,287,723)	697,578,410,661	169,763,711,343	867,342,122,004

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2014

Unit: Baht

SEPARATE FINANCIAL STATEMENTS

Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other components of equity	Total equity
			Legal reserve	Reserve for self-insurance fund	Unappropriated	Other comprehensive income (loss)	
						Available-for-sale investments	
Balance as at January 1, 2013	28,562,996,250	29,211,131,966	2,857,245,725	1,075,397,000	330,987,598,930	4,584,444,552	397,278,814,423
Effect of the changes in accounting policies	3.2	-	-	-	(49,741,256)	-	(49,741,256)
Balance after adjustment	28,562,996,250	29,211,131,966	2,857,245,725	1,075,397,000	330,937,857,674	4,584,444,552	397,229,073,167
Changes in equity for the year							
Reserve for self-insurance fund	31.2	-	-	(18,730,496)	18,730,496	-	-
Dividends paid		-	-	-	(37,126,628,588)	-	(37,126,628,588)
Profit for the year		-	-	-	63,275,851,271	-	63,275,851,271
Other comprehensive loss for the year		-	-	-	-	(300,231,203)	(300,231,203)
Balance as at December 31, 2013	28,562,996,250	29,211,131,966	2,857,245,725	1,056,666,504	357,105,810,853	4,284,213,349	423,078,064,647
Balance as at January 1, 2014	28,562,996,250	29,211,131,966	2,857,245,725	1,056,666,504	357,867,941,447	4,284,213,349	423,840,195,241
Effect of the changes in accounting policies	3.2	-	-	-	(762,130,594)	-	(762,130,594)
Balance after adjustment	28,562,996,250	29,211,131,966	2,857,245,725	1,056,666,504	357,105,810,853	4,284,213,349	423,078,064,647
Changes in equity for the year							
Reserve for self-insurance fund	31.2	-	-	42,077,550	(42,077,550)	-	-
Dividends paid	41	-	-	-	(39,985,247,452)	-	(39,985,247,452)
Profit for the year		-	-	-	44,256,323,684	-	44,256,323,684
Other comprehensive loss for the year		-	-	-	(1,044,039,898)	(104,947,331)	(1,148,987,229)
Balance as at December 31, 2014	28,562,996,250	29,211,131,966	2,857,245,725	1,098,744,054	360,290,769,637	4,179,266,018	426,200,153,650

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
		(Restated)		(Restated)
Cash flows from operating activities				
Profit attributable to owners of the parent	55,794,933,013	93,091,413,997	44,256,323,684	63,275,851,271
Adjustment of net income to net cash provided by (used in) operating activities:				
Depreciation and amortization	108,340,751,917	76,243,894,957	15,877,368,080	15,018,206,549
(Reversal of) Loss on impairment of assets	36,707,173,240	(81,360,512)	9,550,859,900	(130,771,140)
(Gain) Loss on disposal of assets	211,621,928	261,884,387	90,506,399	(16,481,527)
Gain from restructuring of the ownership interests in KKD project	(1,041,962,279)	-	-	-
Gain on disposal of investments	(1,081,250,565)	(399,341,112)	(1,374,980,663)	(1,749,903,330)
Share of income from investments in associates	(2,942,054,889)	(26,356,154,637)	-	-
Profit attributable to non-controlling interests	6,702,684,662	20,472,924,943	-	-
Provision for employee benefit obligations	1,080,614,201	994,703,968	597,251,743	484,412,725
Unrealized (gain) loss on exchange rates	(875,268,218)	6,835,780,323	(2,166,168,294)	5,358,019,200
(Reversal of) Doubtful accounts	1,406,949,608	(8,308,794)	18,228,973,085	(8,909,531)
Amortization of exploration costs	8,666,271,415	2,227,119,087	-	-
(Reversal of) Allowance for loss on decline in value of inventories	1,091,673,101	29,910,156	1,098,417,706	(940,073)
(Reversal of) Allowance for obsolete materials and supplies	47,168,305	(10,258,276)	13,395,333	29,938
Dividends income	(215,978,793)	(405,988,444)	(29,679,176,404)	(33,786,174,601)
Income taxes	41,028,522,487	47,649,404,102	3,572,031,226	814,548,913
Interest income	(2,702,396,069)	(2,740,197,448)	(4,168,730,747)	(4,263,117,450)
Interest expenses	21,463,065,989	18,494,209,846	12,169,588,579	12,417,198,447
Others	(33,918,071)	248,091,337	25,412,344	(75,944,231)
Profit from operating activities before changes in operating assets and liabilities	273,648,600,982	236,547,727,880	68,091,071,971	57,336,025,160

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
		(Restated)		(Restated)
(Increase) decrease in operating assets:				
Trade accounts receivable	96,390,230,619	(33,261,647,663)	87,370,685,380	(13,708,867,948)
Other accounts receivable and short-term loans	5,162,210,221	4,577,653,070	8,236,129,728	3,753,668,456
Inventories	(258,033,408)	1,474,380,736	8,279,872,935	(1,315,943,553)
Materials and supplies	(1,598,651,931)	(1,219,555,045)	(428,982,501)	(265,827,664)
Other current assets	(4,686,049,402)	2,004,574,061	187,631,458	498,852,369
Advance payments for gas purchases	354,031,179	997,981,758	380,234,585	1,146,104,463
Other non-current assets	1,809,334,180	(7,292,175,834)	3,673,117,134	(5,585,203,796)
Increase (decrease) in operating liabilities:				
Trade accounts payable	(84,870,545,376)	4,193,654,478	(93,320,764,553)	934,811,630
Other accounts payable	2,566,119,022	(821,060,832)	3,902,390,005	(1,013,465,479)
Other current liabilities	(1,806,066,728)	2,137,827,485	(1,219,007,118)	1,031,576,793
Deposits on LPG cylinders	631,025,800	827,956,770	631,025,800	827,956,770
Long-term other accounts payable	(31,212,344)	(186,838,687)	-	-
Other non-current liabilities	(2,117,087,400)	1,349,231,915	273,447,353	1,627,193,326
	<u>11,545,304,432</u>	<u>(25,218,017,788)</u>	<u>17,965,780,206</u>	<u>(12,069,144,633)</u>
Cash received from operating activities	285,193,905,414	211,329,710,092	86,056,852,177	45,266,880,527
Income tax paid	<u>(49,826,408,071)</u>	<u>(45,822,479,912)</u>	<u>(2,552,745,132)</u>	<u>(2,276,377,369)</u>
Net cash provided by operating activities	<u>235,367,497,343</u>	<u>165,507,230,180</u>	<u>83,504,107,045</u>	<u>42,990,503,158</u>

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2014	2013 (Restated)	2014	2013 (Restated)
Cash flows from investing activities				
Payment of property, plant and equipment	(114,162,622,862)	(110,494,729,908)	(31,500,121,272)	(22,717,611,120)
Payment of intangible assets	(12,687,787,893)	(1,406,510,937)	(111,125,359)	(234,799,411)
Payment of mining properties development	(1,540,629,432)	(2,624,107,373)	-	-
Payment of long-term rental contracts on land and building	(98,666,255)	(25,252,498)	(46,830,000)	(25,252,498)
Payment of investments in subsidiaries	(26,400,613,166)	(225,717,154)	(3,411,590,820)	(205,960,518)
Payment of investments in jointly controlled entities	-	(7,919,398,556)	(40,000,000)	(2,113,202,560)
Payment of investments in associates	(453,752,280)	(2,905,730,094)	(453,752,280)	(1,952,264,424)
Payment of other investments	-	(184,502,834)	-	-
Payment of available-for-sale investments	-	(20,010,525)	-	(10,000,000)
Payment of short-term loans	-	-	(2,527,337,200)	(4,999,849,800)
Payment of long-term loans	(9,005,043)	(11,288,407)	(6,367,067,295)	(24,297,431,155)
Proceeds from restructuring of the ownership interests in KKD project	12,617,993,249	-	-	-
Proceeds from disposals of property, plant and equipment and intangible assets	20,415,741	78,950,254	1,464,284	50,760,157
Proceeds from disposals of long-term investments	2,699,383,696	6,788,958,722	2,685,431,952	6,554,988,293
Proceeds from short-term loans	-	44,391,416	4,690,442,039	-
Proceeds from long-term loans	-	1,260,037,261	2,779,728,820	25,429,911,506
Proceeds from cancellation of leasehold in gas stations	17,537,930	14,802,624	17,537,930	14,802,624
Proceeds from finance lease instalments	344,051,757	99,288,000	99,288,000	99,288,000
(Increase) decrease in current investments	(18,289,271,476)	3,778,515,572	(18,215,311,498)	3,606,245,809
Interest received	2,348,085,247	2,708,585,710	3,289,579,010	4,094,635,297
Dividends received	11,533,812,761	15,779,348,003	29,679,176,404	33,785,823,882
Net cash provided by (used in) investing activities	(144,061,068,026)	(95,264,370,724)	(19,430,487,285)	17,080,084,082

The accompanying notes are an integral part of these financial statements.

(UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

Unit: Baht

Notes	Consolidated financial statements		Separate financial statements	
	2014	2013 (Restated)	2014	2013 (Restated)
Cash flows from financing activities				
Proceeds from issuing ordinary shares	-	93,333,332	-	-
Proceeds from premium on share capital	-	186,666,640	-	-
Proceeds from short-term loans	-	29,680,863,915	765,637,150	21,993,341,114
Proceeds from issuing subordinated capital debentures	32,334,660,354	-	-	-
Proceeds from long-term loans	31,741,568,925	56,508,379,793	10,000,000,000	41,134,584,000
Repayment of short-term loans	-	(36,205,951,135)	-	(26,275,000,000)
Repayment of long-term loans	(49,197,688,958)	(40,409,598,206)	(27,411,495,395)	(29,415,820,968)
Repayment of finance lease instalments	(361,383,900)	(390,093,574)	(551,286,017)	(561,301,474)
Increase in bank overdrafts and short-term loans from financial institutions	7,984,912,025	923,100,000	-	-
Interest paid	(20,980,011,541)	(20,089,081,801)	(12,800,545,875)	(13,471,790,198)
Dividends paid	(48,837,491,731)	(46,367,648,294)	(39,985,247,452)	(37,116,245,463)
Net cash used in financing activities	(47,315,434,826)	(56,070,029,330)	(69,982,937,589)	(43,712,232,989)
Effects of exchange rates on cash and cash equivalents	1,527,095,899	3,538,338,880	476,559	(73,067,194)
Currency translation differences	811,331,252	3,048,262,625	-	-
Cash and cash equivalents classified as non-current asset held-for-sale	12 (227,481,520)	-	-	-
Net increase (decrease) in cash and cash equivalents	46,101,940,122	20,759,431,631	(5,908,841,270)	16,285,287,057
Cash and cash equivalents at beginning of periods	157,683,491,128	136,924,059,497	63,926,767,557	47,641,480,500
Cash and cash equivalents at end of periods	4 203,785,431,250	157,683,491,128	58,017,926,287	63,926,767,557

The accompanying notes are an integral part of these financial statements.

AUDITOR'S REPORT AND FINANCIAL STATEMENTS
OF
PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2014

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

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PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

1. General Information

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

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

The Company's principal activity is the operation of its petroleum business. The Company has invested in subsidiaries, jointly controlled entities and associates (the Group), which are engaged in upstream petroleum, natural gas, downstream petroleum, coal and other related businesses as described in Note 38 Operating Segments.

As at December 31, 2014 and 2013, the Group was operating in 30 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 interpretations and 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 3.3 Significant Accounting Policies.

The significant transactions arising among the Company, subsidiaries and jointly controlled entities are eliminated in 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 as follows:

Effective on October 15, 2014

- ◆ Conceptual Framework for Financial Reporting (revised 2014)

Effective for accounting periods on or after January 1, 2014

- ◆ Thai Accounting Standard No. 1 (revised 2012) Presentation of Financial Statements
- ◆ Thai Accounting Standard No. 7 (revised 2012) Statement of Cash Flows
- ◆ Thai Accounting Standard No. 12 (revised 2012) Income Taxes
- ◆ Thai Accounting Standard No. 17 (revised 2012) Leases
- ◆ Thai Accounting Standard No. 18 (revised 2012) Revenue
- ◆ Thai Accounting Standard No. 19 (revised 2012) Employee Benefits
- ◆ Thai Accounting Standard No. 21 (revised 2012) The Effects of Changes in Foreign Exchange Rates
- ◆ Thai Accounting Standard No. 24 (revised 2012) Related Party Disclosures
- ◆ Thai Accounting Standard No. 28 (revised 2012) Investments in Associates
- ◆ Thai Accounting Standard No. 31 (revised 2012) Interests in Joint Ventures
- ◆ Thai Accounting Standard No. 34 (revised 2012) Interim Financial Reporting
- ◆ Thai Accounting Standard No. 36 (revised 2012) Impairment of Assets
- ◆ Thai Accounting Standard No. 38 (revised 2012) Intangible Assets
- ◆ Thai Financial Reporting Standard No. 2 (revised 2012) Share-based Payment
- ◆ Thai Financial Reporting Standard No. 3 (revised 2012) Business Combinations
- ◆ Thai Financial Reporting Standard No. 5 (revised 2012) Non-current Assets Held for Sale and Discontinued Operations
- ◆ Thai Financial Reporting Standard No. 8 (revised 2012) Operating Segments
- ◆ Thai Standing Interpretation No. 15 Operating Leases - Incentives
- ◆ Thai Standing Interpretation No. 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease
- ◆ Thai Standing Interpretation No. 29 Service Concession Arrangements: Disclosures
- ◆ Thai Standing Interpretation No. 32 Intangible Assets - Web Site Costs
- ◆ Thai Financial Reporting Interpretation No. 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities
- ◆ Thai Financial Reporting Interpretation No. 4 Determining Whether an Arrangement Contains a Lease
- ◆ Thai Financial Reporting Interpretation No. 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

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 as follows: (Continued)

Effective for accounting periods on or after January 1, 2014 (Continued)

- ◆ Thai Financial Reporting Interpretation No. 7 Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
- ◆ Thai Financial Reporting Interpretation No. 10 Interim Financial Reporting and Impairment
- ◆ Thai Financial Reporting Interpretation No. 12 Service Concession Arrangements
- ◆ Thai Financial Reporting Interpretation No. 13 Customer Loyalty Programmes
- ◆ Thai Financial Reporting Interpretation No. 17 Distributions of Non-cash Assets to Owners
- ◆ Thai Financial Reporting Interpretation No. 18 Transfers of Assets from Customers

Thai Accounting Standards, Thai Financial Reporting Standard, Thai Standing Interpretations and Thai Financial Reporting Interpretation as mentioned above have no material impact on the consolidated and the separate financial statements, except for the Determining whether arrangements of the Company and domestic jointly controlled entities and associates contain a lease as detail in Note 3.2.

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 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. 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 Interest 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 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 (revised 2014) | Stripping Costs in the Production Phase of a Surface Mine |

Effective for accounting periods on or after January 1, 2016

- | | |
|--|---------------------|
| ◆ Thai Financial Reporting Standard No. 4 (revised 2014) | Insurance Contracts |
|--|---------------------|

Federation of Accounting Professions (FAP) has issued a number of new and revised Thai Accounting Standards Thai Financial Reporting Standard, Thai Standing Interpretations and Thai Financial Reporting Interpretation, which are effective for accounting periods beginning on or after January 1, 2015 and 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. However, some new and revised accounting standards and financial reporting standards will result in changes to key principles which the management of the Group has evaluated the impacts on the consolidated and the separate financial statements in the year in which they are adopted, as follows:

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 to profit or loss subsequently and items that will never be reclassified subsequently to profit or loss. This revised standard affects only presentation and has no impact on the Company and its subsidiaries' financial position or performance.

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 as follows: (Continued)

Thai Accounting Standard No. 19 (revised 2014) Employee Benefits

This revised standard includes a number of amendments to the accounting for defined benefit plans, including actuarial gains and losses that are now immediately recognized in other comprehensive income and eliminated alternative options that were allowed in the past. In addition, this revised standard also required the entity to recognize unvested past service costs immediately in profit or loss when the entity has a plan amendment at the earlier of when the amendment occurs or when the related restructuring or termination costs are recognized.

Based on the preliminary analysis performed, the management of the Group believes that this revised standard will not have any significant impact on the consolidated and the separate financial statements

Thai Financial Reporting Standard No. 10 Consolidated Financial Statements and Thai Accounting Standard No. 27 (revised 2014) Separate Financial Statements

Thai Financial Reporting Standard No. 10 replaces the accounting for consolidated financial statements previously addressed in Thai Accounting Standard No. 27 Consolidated and Separate Financial Statements. This standard defines the principle of control, which is 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 will require management to exercise significant judgement to reconsider all entities to determine which entities in the group are controlled by the Group.

Based on the preliminary analysis performed, the management of the Group found that after reviewed the substance of control principles, they will result in increasing the number of subsidiaries of the Group. However, at present, the Company is gathering and examining the impacts on the consolidated and the separate financial statements in the year in which they are adopted.

Thai Financial Reporting Standard No. 11 Joint Arrangements and Thai Accounting Standard No. 28 (revised 2014) Investments in Associates and Joint Ventures

Thai Financial Reporting Standard No. 11 replaces Thai Accounting Standard No. 31 Interests in Joint Ventures and 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.

Thai Accounting Standard No. 28 (revised 2014) has been renamed to Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in associates and also with investments in joint ventures.

Based on the preliminary analysis performed, the management of the Group found that after reviewed the definition of a joint venture, they will result in changes in accounting method of some investments in joint ventures from proportionate consolidation to equity method. However, at present, the Company is gathering and examining the impacts on the consolidated and the separate financial statements in the year in which they are adopted.

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 as follows: (Continued)

Thai Financial Reporting Standard No. 12 Disclosure of Interests in Other Entities

This standard includes all of the disclosures related to an entity's interests in subsidiaries, joint arrangements, associates including of structured entities. This standard affects disclosure and presentation only and has no impact on the consolidated and separate financial position or performance.

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.

Based on the preliminary analysis performed, the management of the Group believes that this standard will not have any significant impact on the consolidated and the separate financial statements.

3. Accounting Policies (Continued)**3.2 Determining whether arrangements of the Company and domestic jointly controlled entities and associates contain a lease and considering post-employment medical benefits of the Company.**

Since January 1, 2014, the Group has determined whether an arrangement contains a lease based on considering the fulfilment of the arrangement regarding the use of a specific asset and the right granted to use such asset, and found that some agreements meet the conditions in Thai Financial Reporting Interpretation No.4. The change above is considered a change in accounting policy. In addition, the Company has decided to realize post-employment medical benefits as an employee benefit obligation. The Company and domestic jointly controlled entities and associates have restated their financial statements accordingly and the Group used the adjusted financial statements in preparing the consolidated financial statements. Details of the impact on the consolidated 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, 2013		
- Total assets	6,027.02	7,523.33
- Total liabilities	4,569.43	7,573.07
- Total equity	1,457.59	(49.74)
Statement of financial position as at December 31, 2013		
- Total assets	4,431.71	7,077.18
- Total liabilities	4,767.50	7,839.31
- Total equity	(335.79)	(762.13)
Statements of income/comprehensive income for the year ended December 31, 2013		
- Total income	(809.94)	(29.31)
- Cost of sales and total expenses	278.91	218.49
- Income taxes	(42.73)	(49.56)
- Gain on foreign exchange rates	(514.74)	(514.15)
- Profit for the year	(1,560.86)	(712.39)
- Other comprehensive income for the year, net of taxes	(232.52)	-
- Total comprehensive income for the year	(1,793.38)	(712.39)

3. Accounting Policies (Continued)

3.3 Significant Accounting Policies

3.3.1 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.

3.3.2 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.

3.3.3 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.

3.3.4 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.

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

Assets and liabilities 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. The assets and liabilities classified as held-for-sale 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)

3.3 Significant Accounting Policies (Continued)

3.3.6 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. 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 purchase method of accounting is used to account for business combinations. 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, other than those associated with the registration and issue of debt and equity securities, 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.

A list of subsidiaries of the Group is set out in Note 13.1 and 13.2.

3.3.7 Investments in Associates

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 associates. Costs which are higher than the acquisition-date fair value of identifiable assets and liabilities of the acquirer's equity interest in associates are recorded as goodwill and included in the investment in associates.

The consolidated financial statements of the Group include the share of the total recognized gains and losses from associates on 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 associates are eliminated to the extent of the Group's interest in the associates unless the transactions provide evidence of impairment of the transferred assets.

3. Accounting Policies (Continued)

3.3 Significant Accounting Policies (Continued)

3.3.7 Investments in Associates (Continued)

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

When the Group's share of losses in associates equals or exceeds its interest in the associates, the Group does not recognize further losses, unless the Group has incurred collateral or constructive obligations or made payments on behalf of the 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 associates have been presented in the separate financial statements under the cost method and in the consolidated financial statements under the equity method.

A list of associates of the Group is set out in Note 13.1 and 13.2.

3.3.8 Investments in Jointly Controlled Entities

Established by contractual agreement, jointly controlled entities are those entities over which the Group has joint control. Jointly controlled entities are accounted for by proportionate consolidation in the consolidated financial statements. Under this method, the Group includes its share of the jointly controlled entities' revenues, expenses, assets, liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements, from the date that joint control commences until the date that joint control ceases.

The Group recognizes the portion of gains or losses on sales of assets by the Group to the jointly controlled entities that is attributable to other ventures. The Group does not recognize its share of gains or losses from the jointly controlled entities that results from the purchase of assets by the Group from the jointly controlled entities until it sells the assets to an independent party. However, when a loss on the transaction evidences a reduction in the net realizable value of current assets or an impairment loss, the loss is recognized immediately.

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 jointly controlled entities are presented in the separate financial statements under the cost method.

A list of jointly controlled entities of the Group is set out in Note 13.1 and 13.2.

3.3.9 Other Investments

Investments other than investments in subsidiaries, associates, and jointly controlled entities 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.

3. Accounting Policies (Continued)

3.3 Significant Accounting Policies (Continued)

3.3.9 Other Investments (Continued)

Investments in non-marketable securities, which are classified as general investments, are carried at cost in the statement of financial position net of accumulated impairment losses if the value of the investments decreases substantially. 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 part 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.

3.3.10 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, jointly controlled entities, the management and directors of the Company, and entities which the management or directors of the Company, directly or indirectly, control, jointly control, or significantly influence.

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

3.3.11 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 currency.

Foreign currency transactions are translated into Thai Baht 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 Thai Baht 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.

Assets and liabilities of integrated 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. Accounting Policies (Continued)

3.3 Significant Accounting Policies (Continued)

3.3.12 Borrowing Costs

Borrowing costs comprise interest and other costs associated with the borrowings. Borrowing costs incurred on qualifying assets included in property, plant and equipment are capitalized as a cost of the qualifying property until substantially all the activities necessary to prepare the property for its intended use are completed. When funds are specifically borrowed for the construction or the production of property, plant and equipment, 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.

3.3.13 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 future economic benefits. 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 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 assets	5 - 10 years

Land and construction in progress are not depreciated.

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.

- 3. Accounting Policies (Continued)**
- 3.3 Significant Accounting Policies (Continued)
- 3.3.13 Property, Plant and Equipment (Continued)

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 including 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 based on information from the jointly controlled entities.

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 as detailed in Note 17.

3. Accounting Policies (Continued)

3.3 Significant Accounting Policies (Continued)

3.3.14 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.

3.3.15 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 3.3.13 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 asset which range from 5 to 40 years, except customer contracts which are amortized based on estimated sales volume.

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

3. Accounting Policies (Continued)

3.3 Significant Accounting Policies (Continued)

3.3.16 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)

3.3 Significant Accounting Policies (Continued)

3.3.17 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. 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. Interest expenses are charged to profit or loss over the lease period. Depreciation is charged over the shorter of the assets estimated useful life or 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 in the statement of financial position as a receivable 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 for such termination, are recognized as expenses in the period in which the termination takes place.

Accounting for an Arrangement contains a Lease

The Group determined whether an arrangement contains a lease based on considering the fulfilment of the arrangement, 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)

3.3 Significant Accounting Policies (Continued)

3.3.18 Goodwill

The Group records the initial value of goodwill at cost, representing the excess of the acquisition costs over the fair value of the net assets acquired. Where the fair value of the net assets exceeds the cost of acquisition at the acquisition date, the difference is recognized as a gain in profit or loss immediately.

The Group recognizes goodwill at cost less accumulated impairment losses. The Group will carry out a test for impairment of goodwill at least once a year or when there are factors indicating that an investment might be impaired.

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.

3.3.19 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 the carrying amounts of tax bases of assets and liabilities and the carrying amounts in the financial statements. The principal temporary differences arise from the allowance for doubtful accounts, employee benefit obligations, brought forward accumulated deficit of subsidiaries, and available-for-sale investments, as well as differences between the fair value of acquired assets and liabilities from a business combination and their tax bases.

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)

3.3 Significant Accounting Policies (Continued)

3.3.19 Income Tax (Continued)

Deferred tax assets and liabilities are offset when there is 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, rather than presenting them separately. The Group reclassified deferred tax asset and deferred tax liability items in the financial statements for the year ended December 31, 2013 in order to conform to the presentation in the financial statements for the year ended December 31, 2014.

3.3.20 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.

3.3.21 Impairment of Assets

The Group performs the following tests for impairment of assets:

- Assessment of goodwill is performed annually or when there is an indication that an asset may be impaired.
- Impairment of property, plant and equipment or intangible assets will be made whenever there is an indication that an asset 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 in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

The Group recognizes an impairment loss in profit or loss.

3. Accounting Policies (Continued)

3.3 Significant Accounting Policies (Continued)

3.3.22 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.

3.3.23 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, current service cost and past service cost. These are recognized as a liability in the statements of financial position and expenses in profit or loss. Actuarial gains and losses arising from post-employment benefits are recognized immediately 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, current service cost and past service cost. These are recognized as a liability in the statements of financial position and expenses in profit or loss. Actuarial gains and losses arising from other long-term employment benefits are recognized immediately as expense in profit or loss.
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)

3.3 Significant Accounting Policies (Continued)

3.3.24 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 revenue is recognised 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. 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.

3.3.25 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 instead of netting costs of sales.

3. Accounting Policies (Continued)

3.3 Significant Accounting Policies (Continued)

3.3.26 Earnings per share

Basic earnings per share is calculated by dividing the net income attributable to ordinary shareholders by the weighted average number of ordinary shares held by third parties in issue during the year.

In calculating diluted earnings per share, the Company assumes that all potential dilutive ordinary shares issued to its managements and employees will be converted. As a result, net income of the Group recognized in the financial statements of the Company is adjusted to reflect the dilution of its shareholding that would be caused by such conversion. The calculation of the weighted average number of ordinary shares is based on market price (average price of the Company's ordinary shares during the period) and the exercise price of the warrants in order to determine the number of ordinary shares held by third parties in the diluted earnings per share calculation.

3.3.27 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, and long-term loans. 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 and long-term loans. 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 gas 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 on 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 and are translated to Thai Baht using the rates determined in the contracts. Gains or losses on early termination of such contracts or on early-repayment of the borrowings before maturity are taken to profit or loss.

3. Accounting Policies (Continued)

3.3 Significant Accounting Policies (Continued)

3.3.27 Financial Instruments (Continued)

Futures Oil Contracts

The Company has entered into futures contracts to hedge risks arising from fluctuations in oil prices in accordance with its oil purchase and sale agreements by determining future oil prices. Gains or losses arising from these contracts are recorded in profit or loss at the maturity of the futures contracts.

The risk management policy is described in Note 39 Disclosure of Financial Instruments.

3.3.28 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 for decommissioning costs depend on various current circumstances such as laws and regulations, technological changes and market prices. Therefore, the actual result is likely to be different from estimations and assumptions.

3. Accounting Policies (Continued)

3.3 Significant Accounting Policies (Continued)

3.3.28 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 in which payment 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.

Estimation 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 based on net cash inflows 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)

3.3 Significant Accounting Policies (Continued)

3.3.28 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 net realizable value, which is the higher of the anticipated discounted cash flows from the continuing use of the asset or the amount obtainable from the sale of the asset less any costs of disposal. As a result, the carrying amount of an asset is written down immediately to its net realizable value. 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 estimation for indicated net realizable value 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 these to be 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.

3.3.29 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.

3.3.30 Segment Information

The 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 segment and assessing its performance.

4. Cash and Cash Equivalents

Cash and cash equivalents as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash on hand	3,282.86	4,741.83	248.30	320.98
Deposits held at call with banks	143,064.78	124,089.08	46,024.81	60,103.26
Fixed deposits	55,242.94	26,946.49	9,945.41	3,502.53
Treasury bills	105.44	1,423.70	-	-
Promissory notes	290.00	482.39	-	-
Bank of Thailand bonds	1,799.41	-	1,799.41	-
Total	203,785.43	157,683.49	58,017.93	63,926.77

Deposits held at call with banks, fixed deposits, treasury bills, promissory notes, and Bank of Thailand bonds as at December 31, 2014 bear the interest at rates ranging from 0.001% to 6.05% per annum (December 31, 2013: interest rates range from 0.03% to 4.57% per annum).

5. Current Investments

Current investments as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Fixed deposits	20,651.07	2,292.88	19,857.96	1,613.16
Bonds	319.16	388.25	-	-
General investments	5.80	5.63	-	-
Total	20,976.03	2,686.76	19,857.96	1,613.16

Current investments as at December 31, 2014 bear interest at rates ranging from 0.20% to 3.15% per annum (December 31, 2013: interest rates range from 0.30% to 3.50% per annum).

6. Trade Accounts Receivable

Trade accounts receivable as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts receivable - others	131,969.43	187,771.90	85,797.68	120,453.55
Notes receivable	219.31	489.98	219.31	489.98
	132,188.74	188,261.88	86,016.99	120,943.53
<u>Less</u> Allowance for doubtful accounts	(3,248.49)	(1,743.86)	(2,100.34)	(606.78)
Trade accounts receivable - others	128,940.25	186,518.02	83,916.65	120,336.75
Trade accounts receivable - related parties	50,745.24	91,496.08	63,766.07	120,606.11
<u>Less</u> Allowance for doubtful accounts	(294.08)	(301.88)	(294.08)	(301.88)
Trade accounts receivable - related parties (Note 9.1)	50,451.16	91,194.20	63,471.99	120,304.23
Total	179,391.41	277,712.22	147,388.64	240,640.98

Aging analysis is as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Within credit terms	170,622.14	264,262.78	139,003.92	218,097.63
Overdue				
- Within 3 months	5,250.83	10,055.55	4,610.49	16,405.46
- Over 3 - 6 months	1,385.68	895.46	1,240.71	861.96
- Over 6 - 12 months	738.34	322.81	686.12	229.37
- Over 12 months	4,936.99	4,221.36	4,241.82	5,955.22
	182,933.98	279,757.96	149,783.06	241,549.64
<u>Less</u> Allowance for doubtful accounts	(3,542.57)	(2,045.74)	(2,394.42)	(908.66)
Total	179,391.41	277,712.22	147,388.64	240,640.98

Trade accounts receivable as at December 31, 2014 include receivables from government agencies and state enterprises in the consolidated financial statements amounting to Baht 17,711.47 million (December 31, 2013: Baht 28,604.71 million), and in the separate financial statements amounting to Baht 17,458.82 million (December 31, 2013: Baht 28,363.91 million).

In 2014, the Company recognized allowance for doubtful accounts for a major accounts receivable amounting to Baht 1,518.11 million.

7. Other Accounts Receivable

Other accounts receivable as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
Other accounts receivable	14,385.07	13,383.35	4,405.99	5,649.81
<u>Less</u> Allowance for doubtful accounts	<u>(197.02)</u>	<u>(286.90)</u>	<u>(194.86)</u>	<u>(284.05)</u>
Other accounts receivable	14,188.05	13,096.45	4,211.13	5,365.76
Refund receivable from the Oil Stabilization Fund	9,052.42	13,301.40	9,052.42	13,301.40
Advances	2,909.65	3,060.59	508.01	296.94
Accrued interest income and others	1,364.52	3,003.42	271.43	189.50
Other accounts receivable - others	27,514.64	32,461.86	14,042.99	19,153.60
Other accounts receivable - related parties (Note 9.2)	1,312.52	946.43	1,997.96	1,116.83
Total	<u>28,827.16</u>	<u>33,408.29</u>	<u>16,040.95</u>	<u>20,270.43</u>

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

8. Loans

8.1 Short-term loans as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current portion of financial lease receivable - others	289.31	279.96	-	-
Current portion of financial lease receivable - related parties (Note 9.2)	32.75	30.98	32.75	30.98
Short-term loans - others	62.69	64.87	-	52.36
Short-term loans - related parties (Note 9.2)	-	-	8,855.16	9,678.33
Total	384.75	375.81	8,887.91	9,761.67

Short-term loans - others of the Company are loans provided to transport operators to use as working capital for NGV installation, conversion or modification, including purchases of new natural gas vehicles under the Krungthep Fha Sai project which aims to support the use of NGV as alternative source of energy. The loan interest rate as at December 31, 2013 is 0.50% per annum.

8.2 Long-term loans as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Long-term financial lease receivable - others	3,430.81	3,477.48	-	-
Long-term financial lease receivable - related parties (Note 9.3)	1,176.54	1,209.29	1,176.54	1,209.29
Long-term loans - others	-	0.01	-	0.01
Long-term loans - related parties	21.24	12.07	76,698.07	74,249.00
<u>Less</u> Allowance for doubtful accounts	-	-	(16,511.37)	-
Long-term loans - related parties (Note 9.3)	21.24	12.07	60,186.70	74,249.00
Total	4,628.59	4,698.85	61,363.24	75,458.30

Long-term loans - others of the Company are loans under the Krungthep Fha Sai project of which details are disclosed in Note 8.1.

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, 2014 and 2013

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
Subsidiaries	-	-	10,419.47	38,826.54
Jointly controlled entities	-	-	3,215.28	3,361.84
Associates	46,613.11	85,966.59	46,108.68	73,148.24
Other related parties	4,132.13	5,529.49	4,022.64	5,269.49
Total	50,745.24	91,496.08	63,766.07	120,606.11
<u>Less</u> Allowance for doubtful accounts	(294.08)	(301.88)	(294.08)	(301.88)
Trade accounts receivable - related parties (Note 6)	<u>50,451.16</u>	<u>91,194.20</u>	<u>63,471.99</u>	<u>120,304.23</u>

Aging analysis is as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
Within credit terms	49,829.22	90,463.66	60,736.16	108,295.88
Overdue				
- Within 3 months	164.68	280.66	971.22	8,493.43
- Over 3 - 6 months	14.01	24.16	2.96	6.54
- Over 6 - 12 months	9.99	49.26	4.00	44.12
- Over 12 months	727.34	678.34	2,051.73	3,766.14
Total	50,745.24	91,496.08	63,766.07	120,606.11
<u>Less</u> Allowance for doubtful accounts	(294.08)	(301.88)	(294.08)	(301.88)
Trade accounts receivable - related parties	<u>50,451.16</u>	<u>91,194.20</u>	<u>63,471.99</u>	<u>120,304.23</u>

9. Related Party Transactions (Continued)

9.2 Other accounts receivable, advances and short-term loans - related parties as at December 31, 2014 and 2013

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Other accounts receivable</u>				
Subsidiaries	-	-	1,313.75	415.65
Jointly controlled entities	-	-	26.87	22.09
Associates	704.23	333.96	429.91	222.46
Other related parties	31.89	81.63	28.48	32.73
	<u>736.12</u>	<u>415.59</u>	<u>1,799.01</u>	<u>692.93</u>
<u>Less</u> Allowance for doubtful accounts	<u>(20.65)</u>	<u>(16.09)</u>	<u>(277.50)</u>	<u>(16.09)</u>
Total	<u>715.47</u>	<u>399.50</u>	<u>1,521.51</u>	<u>676.84</u>
<u>Advances</u>				
Subsidiaries	-	-	4.13	0.28
Associates	0.04	0.44	-	-
Other related parties	597.01	546.49	472.32	439.71
Total	<u>597.05</u>	<u>546.93</u>	<u>476.45</u>	<u>439.99</u>
Total other accounts receivable (Note 7)	<u>1,312.52</u>	<u>946.43</u>	<u>1,997.96</u>	<u>1,116.83</u>

9. Related Party Transactions (Continued)

9.2 Other accounts receivable, advances and short-term loans - related parties as at December 31, 2014 and 2013 (Continued)

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Current portion of financial lease receivable</u>				
Associates (Note 8.1)	32.75	30.98	32.75	30.98
<u>Short-term loans</u>				
Subsidiaries (Note 8.1)	-	-	8,855.16	9,678.33

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

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Balance as at January 1	-	-	9,678.33	2,024.45
- Payment for loans granted	-	-	2,527.34	4,999.85
- Receipt from loans granted	-	-	(4,690.44)	(60.00)
- Gain (Loss) on exchange rate	-	-	(86.93)	328.03
- Current portion of long-term loans (Note 9.3)	-	-	1,426.86	2,386.00
Balance as at December 31	-	-	8,855.16	9,678.33

Short-term loans - related parties are unsecured and the interest rates as at December 31, 2014 range from 0.50% to 5.11% per annum (December 31, 2013: the interest rates range from 1.50% to 5.31% per annum).

9. Related Party Transactions (Continued)

9.3 Long-term other accounts receivable, advances and long-term loans - related parties as at December 31, 2014 and 2013

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Long-term other accounts receivable</u>				
Jointly controlled entities	-	-	105.53	44.62
Associates*	4,113.67	4,113.67	4,113.67	4,113.67
Total	4,113.67	4,113.67	4,219.20	4,158.29
<u>Long-term advances</u>				
Subsidiaries	-	-	164.00	-
Total other long-term accounts receivable	4,113.67	4,113.67	4,383.20	4,158.29
<u>Long-term financial lease receivable</u>				
Associates (Note 8.2)	1,176.54	1,209.29	1,176.54	1,209.29
<u>Long-term loans</u>				
Subsidiaries	-	-	74,153.23	71,714.63
Jointly controlled entities	-	-	2,544.84	2,534.37
Associates	21.24	12.07	-	-
Total	21.24	12.07	76,698.07	74,249.00
<u>Less</u> Allowance for doubtful accounts**	-	-	(16,511.37)	-
Total Long-term loans (Note 8.2)	21.24	12.07	60,186.70	74,249.00

* The Company has recorded accrued dividends from an associate amounting to Baht 4,113.67 million which were declared on May 29, 2012. The dividend payment will be made when the associate lists its shares on the Stock Exchange of Thailand (SET) or the associate is able to borrow from a bank for loan repayment, depending on which event occurs first.

** The Company set up allowance for doubtful accounts for a long-term loan to a subsidiary amounting to Baht 16,511.37 million. The subsidiary used this loan to invest in its foreign associate; subsequently, the associate encountered the operational problems. Therefore, the Company recognized allowance for doubtful accounts by assessing the recoverable amount of a long-term loan to a subsidiary.

9. Related Party Transactions (Continued)**9.3 Long-term other accounts receivable, advances and long-term loans - related parties as at December 31, 2014 and 2013 (Continued)**

Details of financial lease receivable - related parties as at December 31, 2014 and 2013 are as follows:

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2014	2013	2014	2013
Financial lease receivable				
- Within 1 year	99.29	99.29	99.29	99.29
- Over 1 year but not over 5 years	397.15	397.15	397.15	397.15
- Over 5 years	1,530.69	1,629.98	1,530.69	1,629.98
Future finance incomes	(817.84)	(886.15)	(817.84)	(886.15)
Total financial lease receivable	<u>1,209.29</u>	<u>1,240.27</u>	<u>1,209.29</u>	<u>1,240.27</u>

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

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2014	2013	2014	2013
Balance as at January 1	12.07	-	74,249.00	74,232.56
- Payment for loans granted	9.00	11.66	6,367.06	24,297.43
- Receipt from loans granted	-	-	(2,727.37)	(25,273.13)
- Gain on exchange rate	-	-	236.24	3,378.14
- Currency translation differences	0.17	0.41	-	-
- Current portion of long-term loans (Note 9.2)	-	-	(1,426.86)	(2,386.00)
- Allowance for doubtful accounts	-	-	(16,511.37)	-
Balance as at December 31	<u>21.24</u>	<u>12.07</u>	<u>60,186.70</u>	<u>74,249.00</u>

Long-term loans to related parties are unsecured and the interest rates as at December 31, 2014 range from 1.71% to 5.11% per annum (December 31, 2013: the interest rates range from 1.73% to 5.31% per annum).

9. Related Party Transactions (Continued)

9.4 Trade accounts payable - related parties as at December 31, 2014 and 2013

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Subsidiaries	-	-	19,005.31	27,360.04
Jointly controlled entities	-	-	7,954.87	6,973.75
Associates	34,690.02	56,704.78	20,492.33	40,116.35
Other related parties	915.92	1,885.91	400.17	1,207.19
Total	35,605.94	58,590.69	47,852.68	75,657.33

9.5 Other accounts payable and short-term loans - related parties as at December 31, 2014 and 2013

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Other accounts payable</u>				
Subsidiaries	-	-	2,593.40	1,459.96
Jointly controlled entities	-	-	4.24	31.93
Associates	2,264.12	1,487.13	1,942.11	1,106.02
Other related parties	46.45	55.22	45.74	48.90
Total	2,310.57	1,542.35	4,585.49	2,646.81
<u>Current portion of financial lease liability</u>				
Jointly controlled entities	-	-	387.77	381.04
<u>Short-term loans*</u>				
Subsidiaries	-	-	3,036.11	2,270.47

* 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, 2014 and 2013

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Subsidiaries	-	-	0.12	0.34
Jointly controlled entities	-	-	10.97	11.70
Associates	27.25	26.67	27.25	26.67
Other related parties	559.11	590.90	559.11	590.90
Total	586.36	617.57	597.45	629.61

9.7 Long-term financial lease liability - related parties as at December 31, 2014 and 2013

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Jointly controlled entities	-	-	5,504.97	5,863.08

Details of financial lease liability - related parties as at December 31, 2014 and 2013 are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Financial lease liability				
- Within 1 year	-	-	460.47	458.20
- Over 1 year but not over 5 years	-	-	1,843.16	1,834.04
- Over 5 years	-	-	4,148.05	4,585.73
Future finance charges	-	-	(558.94)	(633.85)
Total financial lease liability	-	-	5,892.74	6,244.12

9. Related Party Transactions (Continued)

9.8 Revenue and expense transactions carried out with related parties

For the years ended December 31, 2014 and 2013

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Revenues				
<u>Sales and service income</u>				
Subsidiaries	-	-	163,254.03	231,660.62
Jointly controlled entities	-	-	15,315.92	12,209.41
Associates	953,547.83	946,426.37	904,931.65	868,928.38
Other related parties	31,990.71	40,134.16	29,005.54	39,488.08
<u>Interest income</u>				
Subsidiaries	-	-	2,135.71	2,752.59
Jointly controlled entities	-	-	70.66	37.46
Associates	68.31	69.98	68.31	69.98
<u>Dividend income</u>				
Subsidiaries	-	-	16,722.17	16,383.56
Jointly controlled entities	-	-	1,686.00	1,779.40
Associates	-	-	11,053.88	15,217.22
Other related parties	145.28	334.16	145.28	334.16
<u>Other income</u>				
Subsidiaries	-	-	1,363.34	693.05
Jointly controlled entities	-	-	100.74	336.90
Associates	2,814.37	2,859.60	2,761.45	2,189.94
Other related parties	1,886.26	1,474.69	1,885.29	1,473.35
Expenses				
<u>Cost of goods purchased and service</u>				
Subsidiaries	-	-	236,786.33	200,423.43
Jointly controlled entities	-	-	42,273.59	39,306.57
Associates	666,642.69	644,979.35	495,604.81	525,809.89
Other related parties	15,990.52	39,816.98	7,524.40	9,214.60
<u>Interest expenses</u>				
Subsidiaries	-	-	61.93	55.69
Jointly controlled entities	-	-	79.26	81.96
<u>Other expenses</u>				
Subsidiaries	-	-	1,989.96	2,711.94
Jointly controlled entities	-	-	0.01	-
Associates	1,555.20	1,501.23	1,515.83	1,398.90
Other related parties	1,102.60	970.54	1,100.97	831.79

9. Related Party Transactions (Continued)

9.8 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.

9.9 Details of commitments to subsidiaries, jointly controlled entities, associates and other related parties are stated in Note 48.1.

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

For the years ended December 31, 2014 and 2013, these transactions are as follow:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
<u>Sales</u>				
Subsidiaries	-	-	-	686.93
Associates	5,953.20	5,517.96	5,953.20	5,517.96
Other related parties	343.40	896.15	343.40	896.15
<u>Purchases</u>				
Subsidiaries	-	-	-	686.93
Associates	5,953.20	5,517.96	5,953.20	5,517.96
Other related parties	343.40	896.15	343.40	896.15

9. Related Party Transactions (Continued)

9.11 Executive remunerations

For the years ended December 31, 2014 and 2013, details of remunerations are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<u>Directors remuneration</u>				
Meeting remuneration and bonuses	183.06	174.90	41.86	61.45
<u>Managements remuneration</u>				
Salaries, bonuses, and other short-term employee benefits	396.42	666.70	96.15	119.14
Post-employment benefits	4.31	0.87	3.66	3.04
Total	<u>583.79</u>	<u>842.47</u>	<u>141.67</u>	<u>183.63</u>

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, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Oil products	21,487.73	21,000.82	9,155.02	15,262.38
Gas products	1,775.71	3,887.25	1,772.20	3,885.37
Petrochemical products	3,959.69	2,132.07	-	-
Others	1,886.69	2,282.33	685.21	749.14
	29,109.82	29,302.47	11,612.43	19,896.89
<u>Less</u> Allowance for decline in value of inventories and obsolescence	(1,595.73)	(504.05)	(1,589.70)	(491.28)
Total	27,514.09	28,798.42	10,022.73	19,405.61

In 2014, the Group wrote down inventories to their net realizable values, and recorded expenses of Baht 1,091.68 million in the consolidated financial statements (2013: Baht 5.31 million) and Baht 1,098.42 million in the separate financial statements (2013: Baht (0.94) 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 (2013: Baht 0.46 million).

The above inventories exclude legal reserves, which are presented as other non-current assets, as disclosed in Note 23.

11. Materials and Supplies

Materials and supplies as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Spare parts, equipment and others	17,291.44	15,434.60	4,459.35	3,850.64
<u>Less</u> Allowance for obsolescence	(107.78)	(60.61)	(18.55)	(5.15)
Total	17,183.66	15,373.99	4,440.80	3,845.49

12. Non-current Assets Held-for-sale

During the year 2014, the Board of Directors of the Company approved Kalimantan Thailand Palm Pte. Ltd. (KTP) which is a subsidiary of PTT Green Energy Pte. Ltd. (PTTGE), a subsidiary of the Company, to dispose its entire investment of 95% of total issued shares of its subsidiary, PT. Mitra Aneka Rezeki (PT. MAR) to PT Prasada Jaya Mulia (PJM). On December 31, 2014 KTP and PJM had already entered into the Conditional Share Purchase Agreement. The sale of this investment is expected to be completed within June 2015.

Non-current assets held-for-sale as at December 31, 2014 comprised:

	Unit: Million Baht
	Consolidated financial statements
Cash and cash equivalents	227.48
Trade accounts receivable	0.96
Other accounts receivable	17.49
Inventories	44.19
Materials and supplies	25.89
Property, plant and equipment (Note 17)	1,220.25
Other non-current assets	44.39
Total	<u>1,580.65</u>

Liabilities directly associated with assets classified as non-current assets held-for-sale as at December 31, 2014 comprised:

	Unit: Million Baht
	Consolidated financial statements
Trade accounts payable	42.67
Other accounts payable	59.10
Deferred tax liabilities (Note 21.2)	28.28
Employee benefits obligations (Note 27)	15.40
Total	<u>145.45</u>

13. Investments in Subsidiaries, Jointly Controlled Entities and Associates

13.1 Details of subsidiaries, jointly controlled entities and associates of the Company

Company	Country of Incorporation	Business	Shareholding (%)	
			2014	2013
<u>Subsidiaries:</u>				
PTT Exploration and Production Public Co., Ltd. (PTTEP)	Thailand	Petroleum exploration and production	65.29	65.29
PTT (Cambodia) Limited (PTTCL)	Cambodia	Oil marketing	100.00	100.00
Subic Bay Energy Co., Ltd. (SBECL)	Cayman Islands	Oil marketing	100.00	100.00
PTT International Trading Pte. Ltd. (PTTT)	Singapore	International oil trading	100.00	100.00
PTT Natural Gas Distribution Co., Ltd. (PTTNGD)	Thailand	Natural gas	58.00	58.00
PTT LNG Co., Ltd. (PTTLNG)	Thailand	Natural gas	100.00	100.00
PTT Polymer Marketing Co., Ltd. (PTTPM)	Thailand	Petrochemicals marketing	50.00	50.00
Energy Complex Co., Ltd. (EnCo)	Thailand	Real estate development for rent	50.00	50.00
PTT Polymer Logistics Co., Ltd. (PTTPL)	Thailand	Logistics services	100.00	100.00
PTT Retail Business Co., Ltd. (PTTRB)	Thailand	Management services and oil marketing	100.00	100.00
PTT Energy Resources Co., Ltd. (PTTER)	Thailand	International investment	100.00	100.00
PTT Green Energy Pte. Ltd. (PTTGE)	Singapore	Investment in palm oil	100.00	100.00
Business Services Alliance Co., Ltd. (BSA) (The Company holds 100% ordinary shares giving the Company has power to govern the financial and operating policies. As a result, BSA is a subsidiary of the Company)	Thailand	Management services	25.00	25.00
PTT Tank Terminal Co., Ltd. (PTT TANK)	Thailand	Terminal and warehouse	100.00	100.00
Thai Lube Blending Co., Ltd. (TLBC) (The Company and PTTRB hold 48.95% and 51.05% shareholding, respectively. As a result, TLBC is a subsidiary of the Company)	Thailand	Blending and bottling of lube oil	48.95	48.95
PTT PMMA Co., Ltd. (PTTPMMA)	Thailand	Manufacturing and distribution of Poly Methyl Methacrylate	100.00	100.00
PTT Oil Myanmar Co., Ltd. (PTTOM)	Myanmar	Business services	100.00	100.00
PTT Regional Treasury Center Pte. Ltd. (PTTRTC)	Singapore	Treasury services	100.00	100.00
<u>Jointly controlled entities:</u>				
Trans Thai-Malaysia (Thailand) Co., Ltd. (TTM(T))	Thailand	Natural gas	50.00	50.00
Trans Thai-Malaysia (Malaysia) Sdn. Bhd. (TTM(M))	Malaysia	Natural gas	50.00	50.00
District Cooling System and Power Plant Co., Ltd. (DCAP)	Thailand	Generation and supply of electricity and chilled water	35.00	35.00

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

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

Company	Country of Incorporation	Business	Shareholding (%)	
			2014	2013
<u>Jointly controlled entities:</u> (Continued)				
PTT Asahi Chemicals Co., Ltd. (PTTAC)	Thailand	Petrochemicals	48.50	48.50
HMC Polymers Co., Ltd. (HMC)	Thailand	Petrochemicals	41.44	41.44
PTT MCC Biochem Co., Ltd. (PTTMCC)	Thailand	Petrochemicals	50.00	50.00
<u>Associates:</u>				
Thai Oil Public Co., Ltd. (TOP)	Thailand	Refining	49.10	49.10
Star Petroleum Refining Public Co., Ltd. (SPRC)	Thailand	Refining	36.00	36.00
Bangchak Petroleum Public Co., Ltd. (BCP)	Thailand	Refining	27.22	27.22
Thai Petroleum Pipeline Co., Ltd. (THAPPLINE)	Thailand	Oil transmission pipelines	40.40	36.44
Petro Asia (Thailand) Co., Ltd. (PA (Thailand))	Thailand	Oil marketing	35.00	35.00
Vietnam LPG Co., Ltd. (VLPG)*	Vietnam	Bottling and sale of LPG	-	45.00
KELOIL-PTT LPG Sdn. Bhd. (KPL)	Malaysia	Bottling and sale of LPG	40.00	40.00
IRPC Public Co., Ltd. (IRPC)	Thailand	Petrochemicals and refining	38.51	38.51
Thai Oil Power Co., Ltd. (TP)	Thailand	Generation and supply of electricity	26.00	26.00
PTT ICT Solutions Co., Ltd. (PTTICT)	Thailand	Information technology and communication services	20.00	20.00
PTT Maintenance & Engineering Co., Ltd. (PTTME)	Thailand	Factory maintenance and engineering services	40.00	40.00
Nava Nakorn Electricity Generating Co., Ltd. (NNEG)**	Thailand	Generation and supply of electricity	-	30.00
PTT Energy Solutions Co., Ltd. (PTTES)	Thailand	Technical and operational services	40.00	40.00
PTT Global Chemical Public Co., Ltd. (PTTGC)	Thailand	Petrochemicals and refining	48.89	48.89
Global Power Synergy Public Co., Ltd. (GPSC)***	Thailand	Generation and supply of electricity, steam and water for industries	30.10	30.10

* VLPG was sold to PetroVietnam Southern Gas Joint Stock Company on February 26, 2014.

** NNEG was sold to GPSC on February 7, 2014.

*** GPSC was registered as a public company limited on November 27, 2014.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities

Company	Country of Incorporation	Business	Held by	Shareholding (%)	
				2014	2013
<u>Subsidiaries of PTTEP:</u>					
PTTEP International Limited (PTTEPI)	Thailand	Petroleum	PTTEP	100.00	100.00
PTTEP Offshore Investment Co., Ltd. (PTTEPO)	Cayman Islands	Petroleum	PTTEP	75.00	75.00
			PTTEPI	25.00	25.00
PTTEP Southwest Vietnam Co., Ltd. (PTTEP SV)	Cayman Islands	Petroleum	PTTEPO	100.00	100.00
PTTEP Kim Long Vietnam Co., Ltd. (PTTEP KV)	Cayman Islands	Petroleum	PTTEPO	100.00	100.00
PTTEP Hoang-Long Co., Ltd. (PTTEP HL)	Cayman Islands	Petroleum	PTTEPO	100.00	100.00
PTTEP Hoan-Vu Co., Ltd. (PTTEP HV)	Cayman Islands	Petroleum	PTTEPO	100.00	100.00
PTTEP Oman Co., Ltd. (PTTEP OM)	Cayman Islands	Petroleum	PTTEPO	100.00	100.00
PTTEP Algeria Co., Ltd. (PTTEP AG)	Cayman Islands	Petroleum	PTTEPO	100.00	100.00
PTTEP Services Limited (PTTEP Services)	Thailand	Service operation	PTTEP	25.00	25.00
			PTTEPI	75.00	75.00
PTTEP Siam Limited (PTTEPS)	Thailand	Petroleum	PTTEP	51.00	51.00
			PTTEPO	49.00	49.00
PTTEP Iran Co., Ltd. (PTTEP IR)	Cayman Islands	Petroleum	PTTEP OM	100.00	100.00
PTTEP Holding Co., Ltd. (PTTEPH)	Cayman Islands	Petroleum	PTTEPO	100.00	100.00
PTTEP Indonesia Co., Ltd. (PTTEP ID)	Cayman Islands	Petroleum	PTTEPH	100.00	100.00
PTTEP Andaman Limited (PTTEPA)*	Thailand	Petroleum	PTTEPS	-	100.00
PTTEP Africa Investment Limited (PTTEP AI)	Cayman Islands	Petroleum	PTTEPH	100.00	100.00
PTTEP Rommana Co., Ltd. (PTTEPR)	Cayman Islands	Petroleum	PTTEP AI	100.00	100.00

* PTTEPA registered its dissolution on October 18, 2013 and was liquidated on October 7, 2014.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

Company	Country of Incorporation	Business	Held by	Shareholding (%)	
				2014	2013
<u>Subsidiaries of PTTEP: (Continued)</u>					
PTTEP Australia Pty Limited (PTTEP AU)	Australia	Petroleum	PTTEPH	100.00	100.00
PTTEP South Asia Limited (PTTEP SA)	Cayman Islands	Petroleum	PTTEPH	100.00	100.00
PTTEP New Zealand Limited (PTTEP NZ)	Cayman Islands	Petroleum	PTTEPH	100.00	100.00
PTTEP Semai II Limited (PTTEP SM)	Cayman Islands	Petroleum	PTTEP ID	100.00	100.00
PTTEP Australia Perth Pty Limited (PTTEP AP)	Australia	Petroleum	PTTEPH	100.00	100.00
PTTEP International Holding Co., Ltd. (PTTEP IH)	Cayman Islands	Petroleum	PTTEPH	100.00	100.00
PTTEP Southwest Vietnam Pipeline Co., Ltd. (PTTEP SVPC)	Cayman Islands	Gas transmission pipelines	PTTEPH	100.00	100.00
PTTEP FLNG Holding Co., Ltd. (PTTEP FH)	Hong Kong	Petroleum	PTTEP IH	100.00	100.00
JV Shore Base Limited (JV Shore Base)	Cayman Islands	Petroleum	PTTEP IH	100.00	100.00
PTTEP Netherland Holding Limited (PTTEP NL)	Cayman Islands	Petroleum	PTTEP IH	100.00	100.00
JV Marine Limited (JV Marine)	Cayman Islands	Petroleum	PTTEP IH	100.00	100.00
PTTEP South Mandar Limited (PTTEP SMD)	Cayman Islands	Petroleum	PTTEP ID	100.00	100.00
PTTEP South Sageri Limited (PTTEP SS)	Cayman Islands	Petroleum	PTTEP ID	100.00	100.00
PTTEP Sadang Limited (PTTEP SD)	Cayman Islands	Petroleum	PTTEP ID	100.00	100.00
PTTEP Malunda Limited (PTTEP ML)	Cayman Islands	Petroleum	PTTEP ID	100.00	100.00
PTTEP Netherlands Coöperatie U.A. (PTTEP NC)	Netherlands	Petroleum	PTTEP IH PTTEP NL	0.000036 99.999964	0.00005 99.99995
PTTEP Canada Limited (PTTEP CA)	Canada	Petroleum	PTTEP NC	100.00	100.00
PTTEP Canada International Finance Limited (PTTEP CIF)	Canada	Funding services for the Group's business	PTTEP NC	100.00	100.00
PTTEP MEA Limited (PTTEP MEA)	Cayman Islands	Petroleum	PTTEP	100.00	100.00
PTTEP HK Holding Limited (PTTEP HK)	Hong Kong	Petroleum	PTTEP PTTEPI	25.00 75.00	25.00 75.00
PTTEP Netherlands Holding Coöperatie U.A. (PTTEP NH)	Netherlands	Petroleum	PTTEPI PTTEP HK	25.00 75.00	25.00 75.00
PTTEP Brazil Investment B.V. (PTTEP BI)	Netherlands	Petroleum	PTTEP NH	100.00	100.00
PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL)	Brazil	Petroleum	PTTEP BI PTTEP NH	99.9999999 0.0000001	99.999998 0.000002
PTTEP Australia Offshore Pty Limited (PTTEP AO)	Australia	Petroleum	PTTEP AU	100.00	100.00
PTTEP Australia Browse Basin Pty Limited (PTTEP AB)	Australia	Petroleum	PTTEP AP	100.00	100.00
PTTEP Australia International Finance Pty Limited (PTTEP AIF)	Australia	Funding services for the Group's business	PTTEP AP	100.00	100.00

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

Company	Country of Incorporation	Business	Held by	Shareholding (%)	
				2014	2013
<u>Subsidiaries of PTTEP:</u> (Continued)					
PTTEP Australasia Pty Limited (PTTEP AA)	Australia	Petroleum	PTTEP AP	100.00	100.00
PTTEP Australia Timor Sea Pty Limited (PTTEP AT)	Australia	Petroleum	PTTEP AP	100.00	100.00
PTTEP Australasia (Finance) Pty Limited (PTTEP AAF)	Australia	Petroleum	PTTEP AP	100.00	100.00
PTTEP Australasia (Petroleum) Pty Limited (PTTEP AAP)	Australia	Petroleum	PTTEP AP	100.00	100.00
Tullian Pty Limited (PTTEP AAT)	Australia	Petroleum	PTTEP AP	100.00	100.00
PTTEP Australasia (Operations) Pty Limited (PTTEP AAO)	Australia	Petroleum	PTTEP AP	100.00	100.00
PTTEP Australasia (Ashmore Cartier) Pty Limited (PTTEP AAA)	Australia	Petroleum	PTTEP AP	100.00	100.00
PTTEP Australasia (Staff) Pty Limited (PTTEP AAS)	Australia	Petroleum	PTTEP AP	100.00	100.00
Cove Energy Limited (Cove)	England	Petroleum	PTTEP AI	100.00	100.00
Cove Energy Mozambique Rovuma Onshore Limited (CEMROL)	Cyprus	Petroleum	Cove	100.00	100.00
Cove Energy East Africa Limited (CEEAL)	Cyprus	Petroleum	Cove	100.00	100.00
Cove Energy Mozambique Rovuma Offshore Limited (CEMROFL)	Cyprus	Petroleum	Cove	100.00	100.00
Cove Mozambique Terra Limitada (CMTL)	Mozambique	Petroleum	Cove	100.00	100.00
Cove Mozambique Energia Limitada (CMEL)	Mozambique	Petroleum	Cove	100.00	100.00
Cove Energy Kenya Limited (CEKL)	Kenya	Petroleum	Cove	100.00	100.00
Sinphuhorm Holdings Limited (SHL)	Cayman Islands	Petroleum	PTTEPO	100.00	-
PTTEP SP Limited (PTTEP SP)	England	Petroleum	SHL	100.00	-
PTTEP G7 Limited (PTTEP G7)	Thailand	Petroleum	PTTEPI	100.00	-
<u>Subsidiary of PTCL:</u>					
PTT (Lao) Co., Ltd. (PTT Lao)	Lao People's Democratic Republic	Oil marketing	PTTCL	100.00	100.00
<u>Subsidiaries of SBECL:</u>					
PTT Philippines Trading Corporation (PTTTC)*	Philippines	Oil marketing	SBECL	-	100.00
PTT Philippines Corporation (PTTPC)*	Philippines	Oil marketing	SBECL	-	100.00
<u>Subsidiary of PTTT:</u>					
PTT International Trading DMCC (PTTT DMCC)	United Arab Emirates	International oil trading	PTTT	100.00	100.00
<u>Subsidiary of PTTNGD:</u>					
Amata Natural Gas Distribution Co., Ltd. (AMATA NGD)	Thailand	Natural gas	PTTNGD	80.00	80.00
<u>Subsidiary of PTTM:</u>					
Polymer Marketing DMCC Co., Ltd. (PM DMCC)	United Arab Emirates	Petrochemicals marketing	PTTPM	100.00	100.00

* SBECL sold PTTTC and PTTPC to PTRB on October 1, 2014.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

Company	Country of Incorporation	Business	Held by	Shareholding (%)	
				2014	2013
<u>Subsidiaries of PTTRB:</u>					
PTT Retail Management Co., Ltd. (PTTRM)	Thailand	Petrol stations and convenient stores management	PTTRB	100.00	100.00
PTT Retail Service Co., Ltd. (PTTRS)	Thailand	Human resource management	PTTRB	100.00	100.00
Thai Lube Blending Co., Ltd. (TLBC)	Thailand	Blending and Bottling of lube oil	PTTRB PTT	51.05 48.95	51.05 48.95
PTT Philippines Trading Corporation (PTTTC)	Philippines	Oil marketing	PTTRB	100.00	-
PTT Philippines Corporation (PTTPC)	Philippines	Oil marketing	PTTRB	100.00	-
<u>Subsidiaries of PTTER:</u>					
PTT Mining Limited (PTTML)	Hong Kong	Investing in other companies	PTTER PTTIH	25.00 75.00	25.00 75.00
International Coal Holdings Pty Ltd (ICH)	Australia	Investing in other companies	PTTML	100.00	100.00
PTT Asia Pacific Mining Pty Ltd (PTTAPM)	Australia	Investing in mining	ICH	100.00	100.00
Straits (Brunei) Pte. Ltd. (Straits (Brunei))	Singapore	Investing in other companies	PTTML	100.00	100.00
Sakari Resources Ltd. (SAR)	Singapore	Investing in coal mining	PTTML	95.26	94.58
Red Island Minerals Limited (RIM)*	Australia	Investing in other companies	PTTAPM	-	100.00
Yoxford Holdings	Mauritius	Investing in other companies	PTTML	100.00	100.00
Madagascar Consolidated Mining SA (MCM)	Madagascar	Coal mining	Yoxford Holdings	80.00	80.00
Tiger Energy Trading Pte. Ltd. (TET)	Singapore	Coal mining marketing	SAR	100.00	100.00
SAR Resources (Australia) Pty Ltd (SARA)	Australia	Human resource management	SAR	100.00	100.00
Sakari Energy Pte. Ltd. (SAEnergy)	Singapore	Investing in other companies	SAR	100.00	100.00
Reyka Wahana Digidjaya Pte. Ltd. (RWD)	Singapore	Investing in other companies	SAR	100.00	100.00
Sakari Energy Trading Pte. Ltd. (SET)	Singapore	Investing in other companies	SAR	100.00	100.00
Sakari Marine & Infrastructure Pte. Ltd. (SMI)	Singapore	Marine engineering	SAR	100.00	100.00
PT Straits Consultancy Services (SCS)	Indonesia	Management services	SAR SMI	99.00 1.00	99.00 1.00
PT Bahari Perdana Persada (BPPD)	Indonesia	Investing in other companies	SAR	100.00	100.00
PT Bahari Putra Perdana (BPPN)	Indonesia	Investing in other companies	BPPD	100.00	100.00

* RIM registered its dissolution with Australian Securities and Investments Commission (ASIC) on October 16, 2014 and this was approved on December 21, 2014.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

Company	Country of Incorporation	Business	Held by	Shareholding (%)	
				2014	2013
<u>Subsidiaries of PTTER:</u> (Continued)					
PT Reyka Wahana Digdjaya (RWD)	Indonesia	Investing in other companies	BPPN	100.00	100.00
PT Bahari Cakrawala Sebuku (BCS)	Indonesia	Coal mining	SAR RWD	80.00 20.00	80.00 20.00
PT Bumi Borneo Metalindo (BBM)	Indonesia	Investing in other companies	BCS	100.00	100.00
PT Citra Pertiwi Nusantara (CPN)	Indonesia	Coal transport equipments and delivery service	BBM	100.00	100.00
PT Kuda Perdana Pertewi (KPP)*	Indonesia	Coal mining	BCS	-	100.00
PT Bumiborneo Pertiwi Nusantara (BPN)	Indonesia	Investing in other companies	BCS	100.00	100.00
PT Karbon Mahakam (KM)	Indonesia	Coal mining	BPN	100.00	100.00
PT Metalindo Bumi Raya (MBR)	Indonesia	Coal mining	BPN	100.00	100.00
PT Borneo Citrapertiwi Nusantara (BCN)	Indonesia	Investing in other companies	BCS	100.00	100.00
PT Separi Energy (SE)	Indonesia	Investing in other companies	BCN	100.00	100.00
PT Jembayan Muarabara (JMB)	Indonesia	Coal mining	SE	100.00	100.00
PT Kemilau Rindang Abadi (KRA)	Indonesia	Coal mining	SE	100.00	100.00
PT Arzara Baraindo Energitama (ABE)	Indonesia	Coal mining	SE	100.00	100.00
PT Cakrawala Abadi Jaya (CAJ)	Indonesia	Investing in other companies	BCS BCN	100.00 -	- 100.00
PT Sakti Utama Luas (SUL)	Indonesia	Investing in other companies	BCS BCN	100.00 -	- 100.00
Tri Tunggal Lestari Bersama (TTLB)	Indonesia	Infrastructure	BCN SE	99.00 1.00	99.00 1.00
PT Makassar Prima Coal (MPC)	Indonesia	Coal mining	SUL	70.00	70.00
PTT International Holding Limited (PTTIH)	Hong Kong	Investing in other companies	PTTER	100.00	100.00
PTT International Investment Limited (PTTII)	Hong Kong	Investing in other companies	PTTIH	100.00	100.00
PTT International (Singapore) (PTT Inter (Sing))	Singapore	Investing in other companies	PTTII	100.00	100.00
<u>Subsidiaries of PTTGE:</u>					
Sabran Brothers Pte. Ltd. (Sabran)	Singapore	Investing in other companies	PTTGE	100.00	100.00
Kalimantan Thailand Palm Pte. Ltd. (KTP)	Singapore	Investing in other companies	Sabran	100.00	100.00
PT Az-Zhara Plantation (PT. Az-Zhara)	Indonesia	Palm oil	Sabran	95.00	95.00
PTT Green Energy (Hong Kong) Limited (PTTGE HK)	Hong Kong	Financing	Sabran	100.00	100.00

* BCS sold KPP to PT Sekaba Berjaya Agung on March 31, 2014.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

Company	Country of Incorporation	Business	Held by	Shareholding (%)	
				2014	2013
<u>Subsidiaries of PTTGE: (Continued)</u>					
PTT Green Energy (Netherlands) Coöperatief U.A. (PTTGE COOP)	Netherlands	Investing in other companies	Sabran	100.00	100.00
PT Mitra Aneka Rezeki (PT. MAR)	Indonesia	Palm oil	KTP	95.00	95.00
PT Taringin Perkasa (PT. TP)	Indonesia	Palm oil	PT. Az-Zhara	95.00	95.00
PT Sawit Mandiri Sampuraga (PT. SMS)	Indonesia	Palm oil	PT. Az-Zhara	95.00	95.00
PT Sawit Mandiri Sejahtera Kobar (PT. SMSK)	Indonesia	Palm oil	PT. Az-Zhara	95.00	95.00
PT Mirza Pratama Putra (PT. MPP)	Indonesia	Palm oil	PT. Az-Zhara	95.00	95.00
PT Landen Roslia Mandiri (PT. LRM)	Indonesia	Palm oil	PT. Az-Zhara	95.00	95.00
PT Lamandau Sawit Lestari (PT. LSL)	Indonesia	Palm oil	PT. Az-Zhara	95.00	95.00
PTT Green Energy (Thailand) Co., Ltd. (PTTGE TH)	Thailand	Management services	PTTGE BV Sabran PTTGE	50.00 25.00 25.00	50.00 25.00 25.00
PTT Green Energy Services (Netherlands) B.V. (PTTGE BV)	Netherlands	Financing	PTTGE COOP	100.00	100.00
<u>Jointly Controlled Entities of PTTGE BV:</u>					
PT Kalpataru Sawit Plantation (PT. KSP)	Indonesia	Palm oil	PTTGE BV	75.00	75.00
PT Kutai Sawit Plantation (PT. KtSP)	Indonesia	Palm oil	PTTGE BV	75.00	75.00
PT Sawit Khatulistiwa Plantation (PT. SKP)	Indonesia	Palm oil	PTTGE BV	75.00	75.00
PT Kutai Inti Utama (PT. KIU)	Indonesia	Palm oil	PTTGE BV	75.00	75.00
PT Kota Bangun Plantation (PT. KBP)	Indonesia	Palm oil	PTTGE BV	75.00	75.00
PT Mahakam Sawit Plantation (PT. MSP)	Indonesia	Palm oil	PTTGE BV	75.00	75.00
PT Malaya Sawit Khatulistiwa (PT. MSK)	Indonesia	Palm oil	PTTGE BV	75.00	75.00
<u>Subsidiary of BSA:</u>					
Sport Services Alliance Co., Ltd. (SSA)	Thailand	Management services for sport tournaments	BSA	100.00	100.00
<u>Subsidiary of TTM(T):</u>					
TTM Sukuk Berhad (TTMT SPV)	Malaysia	Financing	TTM(T)	100.00	100.00
<u>Jointly Controlled Entities of PTTEP:</u>					
Carigali - PTTEPI Operating Company Sdn Bhd. (CPOC)	Malaysia	Petroleum	PTTEPI	50.00	50.00
Moattama Gas Transportation Company (MGTC)	Bermuda	Gas pipelines transportation	PTTEPO	25.50	25.50
Taninthayi Pipeline Company LLC (TPC)	Cayman Islands	Gas pipelines transportation	PTTEPO	19.3178	19.3178

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

Company	Country of Incorporation	Business	Held by	Shareholding (%)	
				2014	2013
<u>Jointly Controlled Entities of PTTEP: (Continued)</u>					
Orange Energy Limited (Orange)	Thailand	Petroleum	PTTEPO	53.9496	53.9496
B 8/32 Partners Limited (B8/32 Partners)	Thailand	Petroleum	PTTEPO	25.0009	25.0009
Andaman Transportation Limited (ATL)	Cayman Islands	Gas pipeline transportation	PTTEPO	80.00	80.00
PTT FLNG Limited (PTT FLNG)	Hong Kong	Petroleum	PTTEP FH	50.00	50.00
			PTT Inter (Sing)	50.00	50.00
Erawan 2 FSO Bahamas Limited (Erawan2)	Bahamas	FSO rental service	JV Marine	13.11	13.11
KKD Oil Sands Partnership (KOSP)*	Canada	Petroleum	PTTEP CA	-	40.00
Leismer Aerodrome Limited (LAL)	Canada	Service	PTTEP CA	32.00	32.00
Groupement Bir Seba (GBRS)	Algeria	Petroleum	PTTEP AG	35.00	35.00
NST Supply Base Company Limited (NST)	Thailand	Petroleum	JV Shore Base	15.67	15.67
Natuna 2 B.V. (Natuna 2)	Netherlands	Petroleum	PTTEP NH	50.00	50.00
<u>Jointly Controlled Entities of PTTER:</u>					
FEE (Bru) Pte. Ltd. (FEEBRU)	Singapore	Coal mining	Straits (Brunei)	35.00	35.00
PTT FLNG Limited (PTT FLNG)	Hong Kong	Petroleum	PTT Inter (Sing)	50.00	50.00
			PTTEP FH	50.00	50.00
Nam Lik1 Power Company Limited (NL1PC)**	Laos	Hydroelectric power plant	PTTIH	-	40.00
<u>Jointly Controlled Entities of PTTGE:</u>					
Chancellor Oil Pte. Ltd. (Chancellor)	Singapore	Investing in other companies	PTTGE	77.56	77.56
<u>Subsidiaries of Chancellor:</u>					
PT First Borneo Plantations (PT. FBP)	Indonesia	Palm oil	Chancellor	95.00	95.00
PT Borneo International Anugerah (PT. BIA)	Indonesia	Palm oil	PT. FBP	95.00	95.00
PT Wahana Hampan Hijau (PT. WHH)	Indonesia	Palm oil	PT. FBP	95.00	95.00
PT Mitra Kapuas Agro (PT. MKA)	Indonesia	Palm oil	PT. FBP	95.00	95.00
PT Berkah Sawit Abadi (PT. BSA)	Indonesia	Palm oil	PT. FBP	95.00	95.00
PT Kapuas Bio Agro (PT. KBA)	Indonesia	Palm oil	PT. FBP	95.00	95.00
PT Khatulistiwa Agro Abadi (PT. KAA)	Indonesia	Palm oil	PT. FBP	95.00	95.00

* The additional information is disclosed in Note 44 to financial statements, Restructuring of the Ownership Interests in Canada Oil Sands KKD Project.

** PTTIH sold NL1PC to GPSC on December 5, 2014.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

<u>Project</u>	<u>Country</u>	<u>Operator</u>	<u>Shareholding (%)</u>	
			<u>2014</u>	<u>2013</u>
Projects of PTT Exploration and Production Public Co., Ltd. (PTTEP)				
Bongkot	Thailand	PTT Exploration and Production Public Co., Ltd.	44.4445	44.4445
Arthit	Thailand	PTT Exploration and Production Public Co., Ltd.	80.00	80.00
Contract 4 (B 12/27)	Thailand	Chevron Thailand Exploration and Production, Ltd.	45.00	45.00
Sinphuhorm (E 5 North)	Thailand	PTTEP SP Limited	20.00	20.00
S 1	Thailand	PTTEP Siam Limited.	25.00	25.00
Contract 3 (B 10 , B 11, B 12 and B 13)	Thailand	Chevron Thailand Exploration and Production, Ltd.	5.00	5.00
E 5	Thailand	ExxonMobil Exploration and Production Khorat Inc.	20.00	20.00
Algeria Hassi Bir Rekaiz	Algeria	PTT Exploration and Production Public Co., Ltd.	24.50	24.50
Projects of PTTEP International Limited (PTTEPI)				
Yadana	Myanmar	Total E&P Myanmar	25.50	25.50
Yetagun	Myanmar	Petronas Carigali Myanmar (Hong Kong) Ltd.	19.31784	19.31784
PTTEP 1	Thailand	PTTEP International Limited	100.00	100.00
G 4/43	Thailand	Chevron Offshore (Thailand) Ltd.	21.375	21.375
G 9/43	Thailand - Cambodia	PTTEP International Limited	100.00	100.00
L 22/43	Thailand	PTTEP International Limited	100.00	100.00
L 53/43 and L 54/43	Thailand	PTTEP International Limited	100.00	100.00
G 4/48	Thailand	Chevron Pattani, Ltd.	5.00	5.00
Bongkot (G 12/48) L 21 and L 28/48	Thailand	PTTEP International Limited	44.4445	44.4445
- L 21/48*	Thailand	PTTEP International Limited	-	70.00
- L 28/48	Thailand	PTTEP International Limited	70.00	70.00
A 4/48 and 5/48	Thailand	PTTEP International Limited	100.00	100.00
Contract 3 (G 6/50)**	Thailand	Chevron Petroleum (Thailand), Ltd.	-	5.00
Contract 4 (G 7/50)	Thailand	Chevron Petroleum (Thailand), Ltd.	45.00	45.00
Arthit (G 8/50)	Thailand	PTTEP International Limited	80.00	80.00

* On April 10, 2014, PTTEPI, an operator of the exploration Block L 21/48 and 28/48, received approval of the return of the concession Block L 21/48 after the fulfilment of the concession requirements for the year one of the exploration phase 3.

** The concession for exploration Block G 6/50, in which PTTEPI is a 5% holder of participating interests, expired on December 18, 2013.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

<u>Project</u>	<u>Country</u>	<u>Operator</u>	<u>Shareholding (%)</u>	
			<u>2014</u>	<u>2013</u>
Projects of PTTEP International Limited (PTTEPI) (Continued)				
Zawtika	Myanmar	PTTEP International Limited	80.00	80.00
Myanmar M 3	Myanmar	PTTEP International Limited	80.00	80.00
Myanmar M 11	Myanmar	PTTEP International Limited	52.9412	45.00
MTJDA-B 17	Thailand - Malaysia	Carigali-PTTEPI Operating Company Sendirian Berhad	50.00	50.00
Project of PTTEP Offshore Investment Co., Ltd. (PTTEPO)				
B 8/32 and 9 A *	Thailand	Chevron Offshore (Thailand) Ltd.	25.0010	25.0010
Project of PTTEP Southwest Vietnam Co., Ltd. (PTTEP SV)				
Vietnam 52/97	Vietnam	Chevron Vietnam (Block 52), Ltd.	7.00	7.00
Project of PTTEP Kim Long Vietnam Co., Ltd. (PTTEP KV)				
Vietnam B & 48/95	Vietnam	Chevron Vietnam (Block B), Ltd.	8.50	8.50
Project of PTTEP Hoang-Long Co., Ltd. (PTTEP HL)				
Vietnam 16-1	Vietnam	Hoang Long Joint Operating Company	28.50	28.50
Project of PTTEP Hoan-Vu Co., Ltd. (PTTEP HV)				
Vietnam 9-2	Vietnam	Hoan-Vu Joint Operating Company	25.00	25.00
Project of PTTEP Oman Co., Ltd. (PTTEP OM)				
Oman 44	Oman	PTTEP Oman Co., Ltd.	100.00	100.00
Project of PTTEP Algeria Co., Ltd. (PTTEP AG)				
Algeria 433 a and 416 b	Algeria	Groupement Bir Seba	35.00	35.00
Projects of PTTEP Siam Limited (PTTEPS)				
Sinphuhorm (EU-1)	Thailand	PTTEP SP Limited	20.00	20.00
B 6/27	Thailand	PTTEP Siam Limited	60.00	60.00
S 1	Thailand	PTTEP Siam Limited	75.00	75.00

* PTTEPO held shares in Orange Energy Limited and B 8/32 Partners Limited which were concession holders in this project.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

<u>Project</u>	<u>Country</u>	<u>Operator</u>	<u>Shareholding (%)</u>	
			<u>2014</u>	<u>2013</u>
Project of PTTEP Semai II Limited (PTTEP SM)				
Indonesia Semai II	Indonesia	Murphy Semai Oil Co., Ltd	28.33	28.33
Project of PTTEP South Asia Limited (PTTEP SA)				
Myanmar PSC G and EP 2	Myanmar	PTTEP South Asia Limited	90.00	90.00
Myanmar MD-7 and MD-8	Myanmar	PTTEP South Asia Limited	100.00	100.00
Myanmar MOGE 3	Myanmar	PTTEP South Asia Limited	85.00	-
Project of PTTEP New Zealand Limited (PTTEP NZ)				
New Zealand Great South*	New Zealand	Shell GSB Limited	-	18.00
Project of PTTEP South Mandar Limited (PTTEP SMD)				
Indonesia South Mandar	Indonesia	PTTEP South Mandar Limited	50.7463	34.00
Project of PTTEP Malunda Limited (PTTEP ML)				
Indonesia Malunda	Indonesia	PTTEP Malunda Limited	100.00	100.00
Project of PTTEP Sadang Limited (PTTEP SD)				
Indonesia Sadang	Indonesia	Talisman Sadang B.V.	30.00	30.00
Project of PTTEP South Sageri Limited (PTTEP SS)				
Indonesia South Sageri**	Indonesia	Talisman South Sageri B.V.	-	20.00

* On September 24, 2014, PTTEP NZ received approval from the government of New Zealand to terminate its 18% participating interests in the New Zealand Great South Project.

** On September 13, 2013, PTTEP SS terminated its 20% participating interests in the Indonesia South Sageri Project. The termination was approved by the government of Indonesia on July 8, 2014.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

<u>Project</u>	<u>Country</u>	<u>Operator</u>	<u>Shareholding (%)</u>	
			<u>2014</u>	<u>2013</u>
Project of PTTEP Canada Limited (PTTEP CA)				
Canada Oil Sands KKD*	Canada	Statoil Canada Limited	-	40.00
Marina Oil Sands	Canada	PTTEP Canada Limited	100.00	-
Project of Cove Energy Limited (Cove)				
Mozambique Rovuma Offshore Area 1	Mozambique	Anadarko Mozambique Area 1 Limitada	8.50	8.50
Mozambique Rovuma Onshore	Mozambique	Anadarko Mozambique Area 1 Limitada	10.00	10.00
Kenya L 10 A and B				
- L 10 A	Kenya	BG Kenya Limited	31.25	31.25
- L 10 B**	Kenya	BG Kenya Limited	-	15.00
Kenya L 5, L 7, L 11 A, L 11 B and L 12	Kenya	Anadarko Kenya Company	10.00	10.00
Project of Natuna 2 B.V. (Natuna 2)				
Natuna Sea A	Indonesia	Premier Oil Natuna Sea BV	11.50	11.50
Project of PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL)				
Bararinas AP 1	Brazil	BG E&P Brasil Limitada	25.00	-
Brazil BM-ES-23	Brazil	Petaobras	20.00	-
Project of PTTEP SP Limited (PTTEP SP)				
Contract 4 (B 12/27)	Thailand	Chervon Thailand Exploration and Production, Ltd.	15.00	-
Sinphuhorm (E 5 North and EU-1)	Thailand	PTTEP SP Limited	35.00	-
Project of PTTEP G7 (PTTEP G7)				
Contract 4 (G7/50)	Thailand	Chevron Petroleum (Thailand) , Ltd.	15.00	-

* The additional information is disclosed in Note 44 to financial statements, Restructuring of the Ownership Interests in Canada Oil Sands KKD Project.

** On May 29, 2014, Cove Energy Kenya Limited (CEKL) was granted approval by the government of Kenya for the termination of its 15% participating interests in Kenya L 10 B Project. The termination was effective on May 31, 2014.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

Project **Country****Projects of PTTEP Australia Perth Pty Limited (PTTEP AP)**

PTTEP Australasia Australia

Details of operators and shareholding percentages in PTTEP Australasia projects are as follows:

<u>Block</u>	<u>Operator</u>	<u>Shareholding (%)</u>	
		<u>2014</u>	<u>2013</u>
AC/L 7, AC/L 8, AC/RL 7, AC/P 33, AC/P 34, & AC/P 54	PTTEP Australasia (Ashmore Cartier) Pty Limited	100.00	100.00
AC/L 1, AC/L 2 & AC/L 3	PTTEP Australasia (Ashmore Cartier) Pty Limited	89.6875	89.6875
AC/RL 10	PTTEP Australia Timor Sea Pty Limited	90.00	90.00
AC/RL 4 (Tenacious)	PTTEP Australia Timor Sea Pty Limited	100.00	100.00
AC/RL 6 (Audacious), AC/RL 4 (exclusive of Tenacious), AC/RL 5, AC/RL 6 (exclusive of Audacious)	PTTEP Australia Timor Sea Pty Limited	50.00	50.00
AC/P 4*	PTTEP Australia Timor Sea Pty Limited	-	50.00
WA-396-P and WA-397-P	Woodside Energy Limited	20.00	20.00

* On September 18, 2014, PTTEP Australasia (Ashmore Cartier) Pty Limited submitted a request to terminate its 50% participating interest in the AC/P 4 concession block. The termination was approved by the government of Australia on October 29, 2014.

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

13.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

Company	Country of Incorporation	Business	Held by	Shareholding (%)	
				2014	2013
<u>Associates of PTTEP:</u>					
Energy Complex Co., Ltd. (EnCo)	Thailand	Real estate development for rent	PTTEP	50.00	50.00
PTT ICT Solutions Co., Ltd. (PTTICT)	Thailand	Information technology and communication services	PTTEP	20.00	20.00
PTTEP AP group's Associates*	Australia	Service operation	PTTEP AAO	50.00	50.00
UAQ Petroleum Limited (UAQ)	Hong Kong	Petroleum	PTTEP FH	30.00	30.00
<u>Associate of SBECL:</u>					
FST Aviation Services Limited (FST)**	Hong Kong	Aircraft refueling service	PTTPC	-	25.00
<u>Associate of PTTRB:</u>					
FST Aviation Services Limited (FST)	Hong Kong	Aircraft refueling service	PTTPC	25.00	-
<u>Associates of PTTER:</u>					
East Mediterranean Gas Company S.A.E. (EMG)	Egypt	Natural gas transmission pipelines	PTTER	25.00	25.00

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

** SBECL sold PTTPC and PTTPC to PTTRB on October 1, 2014; consequently, FST (an associate of PTTPC) was transferred to PTTRB.

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

13.3 Investments in associates in the consolidated financial statements as at December 31, 2014 and 2013

Unit: Million Baht

Company	Shareholding (%)		2014		2013		Dividends	
	2014	2013	Cost method	Equity method	Cost method	Equity method	2014	2013
<u>Refining Business Group</u>								
1. TOP	49.10	49.10	11,380.83	40,909.25	11,380.83	44,874.47	2,063.39	3,004.94
2. SPRC	36.00	36.00	14,770.48	16,315.71	14,770.48	19,000.41	668.05	1,606.24
3. BCP	27.22	27.22	5,585.26	9,235.20	5,585.26	9,640.18	505.91	562.12
4. IRPC	38.51	38.51	28,467.24	27,344.00	28,467.24	30,245.17	786.97	629.57
<u>Oil Business Group</u>								
5. THAPPLINE	40.40	36.44	3,173.23	3,942.77	2,719.47	2,827.39	-	-
6. PA (Thailand)	35.00	35.00	131.25	-	131.25	-	-	-
7. V LPG	-	45.00	-	-	87.35	86.53	-	20.25
8. KPL	40.00	40.00	21.49	-	21.49	-	-	-
9. FST	25.00	25.00	0.86	1.61	0.86	1.61	-	-
<u>Petrochemicals Business Group</u>								
10. PPCL	-	-	-	-	-	-	-	252.00
11. PTTME	40.00	40.00	66.40	187.72	66.40	191.71	-	9.40
12. PTTGC	48.89	48.89	49,562.99	125,490.10	49,562.99	125,357.73	7,052.51	9,112.30
13. PTES	40.00	40.00	62.50	86.81	62.50	74.78	3.60	-
<u>Natural Gas Business Group</u>								
14. TP	26.00	26.00	2,304.76	2,611.03	2,304.76	2,447.81	36.53	146.12
15. EMG	25.00	25.00	16,115.01	12,969.68	16,041.97	12,910.90	-	-
16. NNEG	-	30.00	-	-	120.60	104.91	-	-
17. GPSC	30.10	30.10	4,949.93	7,417.10	4,949.93	7,299.53	33.83	-
<u>Petroleum Exploration and Production Business Group</u>								
18. UAQ	30.00	30.00	0.01	0.01	0.01	0.01	-	-
<u>Other Business Group</u>								
19. PTTICT	40.00	40.00	60.00	357.08	60.00	287.41	24.00	30.00
20. Mungalalu	50.00	50.00	49.36	209.73	49.14	182.82	-	-
			136,701.60	247,077.80	136,382.53	255,533.37		
<u>Less</u> Allowance for impairment			(12,536.48)	(9,238.42)	(12,480.36)	(9,196.55)		
Total			124,165.12	237,839.38	123,902.17	246,336.82	11,174.79	15,372.94

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

13.4 Investments in subsidiaries, jointly controlled entities and associates in the separate financial statements as at December 31, 2014 and 2013

Unit: Million Baht

Company	Shareholding (%)		Cost method		Dividends	
	2014	2013	2014	2013	2014	2013
<u>Subsidiaries:</u>						
1. PTTEP	65.29	65.29	71,390.42	71,390.42	15,551.16	15,551.16
2. PTCL	100.00	100.00	0.23	0.23	-	-
3. SBECL	100.00	100.00	1,154.81	1,154.81	-	-
4. PTTT	100.00	100.00	2.50	2.50	-	-
5. PTTNGD	58.00	58.00	418.14	418.14	870.00	754.00
6. PTTLNG	100.00	100.00	8,008.00	6,403.00	-	-
7. PTTPM	50.00	50.00	20.00	20.00	45.00	-
8. EnCo	50.00	50.00	900.00	900.00	27.47	-
9. PTTPL	100.00	100.00	1,200.00	1,200.00	144.00	-
10. PTTTB	100.00	100.00	6,900.00	5,100.00	-	-
11. PTTT	100.00	100.00	33,316.00	33,316.00	-	-
12. PTTGE	100.00	100.00	11,750.64	11,750.64	-	-
13. BSA	25.00	25.00	0.50	0.50	13.80	6.27
14. PTT TANK	100.00	100.00	2,500.37	2,500.37	60.80	60.23
15. TLBC	48.95	48.95	140.00	140.00	9.94	11.90
16. PTTMMA	100.00	100.00	165.00	165.00	-	-
17. PTTOM	100.00	100.00	16.15	9.56	-	-
18. PTTRTC	100.00	100.00	31.40	31.40	-	-
Total investments in subsidiaries			137,914.16	134,502.57		
<u>Less</u> Allowance for impairment			(8,885.61)	-		
Total investments in subsidiaries			129,028.55	134,502.57	16,722.17	16,383.56
<u>Jointly Controlled Entities:</u>						
<i>Natural Gas Business Group</i>						
19. TTM(T)	50.00	50.00	5,666.80	5,666.80	464.68	538.35
20. TTM(M)	50.00	50.00	1,001.31	1,001.31	-	-
21. DCAP	35.00	35.00	584.50	584.50	-	-
<i>Petrochemicals Business Group</i>						
22. PTTAC	48.50	48.50	6,909.41	6,909.41	-	-
23. HMC	41.44	41.44	9,117.12	9,117.12	1,221.32	1,241.05
24. PTTMCC	50.00	50.00	930.13	890.13	-	-
Total investments in jointly controlled entities			24,209.27	24,169.27	1,686.00	1,779.40

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

13.4 Investments in subsidiaries, jointly controlled entities and associates in the separate financial statements as at December 31, 2014 and 2013 (Continued)

Unit: Million Baht

Company	Shareholding (%)		Cost method		Dividends	
	2014	2013	2014	2013	2014	2013
<i>Associates:</i>						
<i>Refining Business Group</i>						
25. TOP	49.10	49.10	11,380.83	11,380.83	2,063.39	3,004.94
26. SPRC	36.00	36.00	14,770.48	14,770.48	668.05	1,606.24
27. BCP	27.22	27.22	5,585.26	5,585.26	505.91	562.12
28. IRPC	38.51	38.51	28,467.24	28,467.24	786.97	629.57
<i>Oil Business Group</i>						
29. THAPPLINE	40.40	36.44	3,173.23	2,719.47	-	-
30. PA (Thailand)	35.00	35.00	131.25	131.25	-	-
31. V LPG	-	45.00	-	87.35	-	20.25
32. KPL	40.00	40.00	21.49	21.49	-	-
<i>Petrochemicals Business Group</i>						
33. PPCL	-	-	-	-	-	252.00
34. PTTME	40.00	40.00	66.40	66.40	-	9.40
35. PTTGC	48.89	48.89	48,121.52	48,121.52	6,943.60	8,971.58
36. PTES	40.00	40.00	62.50	62.50	3.60	-
<i>Natural Gas Business Group</i>						
37. TP	26.00	26.00	2,304.76	2,304.76	36.53	146.12
38. NNEG	-	30.00	-	120.60	-	-
39. GPSC	30.10	30.10	4,949.93	4,949.93	33.83	-
<i>Other Business Group</i>						
40. PTTICT	20.00	20.00	30.00	30.00	12.00	15.00
Investments in associates			119,064.89	118,819.08		
<u>Less</u> Allowance for impairment			(152.74)	(152.74)		
Total investments in associates			118,912.15	118,666.34	11,053.88	15,217.22
Total			272,149.97	277,338.18	29,462.05	33,380.18

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

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

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

	Unit: Million Baht	
	<u>2014</u>	<u>2013</u>
Balance as at January 1	246,336.82	237,050.53
- Share of income	2,942.05	26,356.15
- Dividends received	(11,174.79)	(15,372.95)
- Additional investments	453.76	2,910.93
- Disposal of investments	(186.99)	(6,438.69)
- Unrealized loss on available-for-sale investments	(69.08)	(86.95)
- Currency translation differences	(431.82)	2,070.74
- Surplus on shareholding change	748.81	(5.56)
- Actuarial loss	(349.73)	-
- Eliminate intercompany transactions	(429.65)	(147.44)
- Others	-	0.06
Balance as at December 31	<u>237,839.38</u>	<u>246,336.82</u>

13.5.2 Movements in investments in subsidiaries, jointly controlled entities and associates under the cost method in the separate financial statements are as follows:

	Unit: Million Baht	
	<u>2014</u>	<u>2013</u>
Balance as at January 1	277,338.18	277,814.83
- Additional investments	3,905.35	6,671.01
- Disposal of investments	(207.95)	(7,147.66)
- Loss on impairment of investments	(8,885.61)	-
Balance as at December 31	<u>272,149.97</u>	<u>277,338.18</u>

(UNOFFICIAL TRANSLATION)

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

13.6 Shares of net assets and results of operations from jointly controlled entities, in proportion to the Company's shareholding, which are included in the consolidated financial statements as at December 31, 2014 and 2013, are as follows:

Statements of financial position:

As at December 31, 2014 and 2013

Unit: Million Baht

	2014						2013					
	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	PTTMCC	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	PTTMCC
Current assets	4,002.74	444.82	324.31	2,366.96	4,587.11	162.62	3,645.65	206.15	250.85	1,998.98	4,635.20	381.22
Non-current assets	9,319.97	2,778.04	1,070.82	12,267.43	12,227.68	1,167.75	9,900.66	1,317.10	1,174.20	12,625.60	12,443.02	511.76
Current liabilities	(1,316.66)	(179.57)	(210.89)	(3,546.01)	(1,876.58)	(544.95)	(1,341.25)	(116.26)	(196.66)	(3,118.88)	(2,289.67)	(69.16)
Non-current liabilities	(6,519.35)	(2,067.63)	(549.44)	(6,071.64)	(3,439.29)	(0.53)	(7,111.85)	(283.39)	(680.16)	(6,722.81)	(3,998.59)	(0.20)
Net assets	<u>5,486.70</u>	<u>975.66</u>	<u>634.80</u>	<u>5,016.74</u>	<u>11,498.92</u>	<u>784.89</u>	<u>5,093.21</u>	<u>1,123.60</u>	<u>548.23</u>	<u>4,782.89</u>	<u>10,789.96</u>	<u>823.62</u>

(UNOFFICIAL TRANSLATION)

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

13.6 Shares of net assets and results of operations from jointly controlled entities, in proportion to the Company's shareholding, which are included in the consolidated financial statements as at December 31, 2014 and 2013, are as follows: (Continued)

Statements of income:

For the years ended December 31, 2014 and 2013

Unit: Million Baht

	2014						2013					
	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	PTTMCC	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	PTTMCC
Revenue*	2,016.76	37.25	1,065.96	7,599.44	15,456.52	(3.84)	1,830.40	128.18	1,008.44	4,538.83	13,218.99	11.31
Expenses	(1,068.94)	(104.60)	(966.90)	(7,366.45)	(13,292.59)	(74.89)	(1,015.40)	(88.06)	(923.45)	(5,978.83)	(11,917.55)	(59.05)
Profit (loss) before taxes	947.82	(67.35)	99.06	232.99	2,163.93	(78.73)	815.00	40.12	84.99	(1,440.00)	1,301.44	(47.74)
Income taxes	(123.09)	(21.87)	(12.56)	0.87	(241.22)	-	331.59	(30.19)	-	0.31	(64.27)	-
Net profit (loss)	824.73	(89.22)	86.50	233.86	1,922.71	(78.73)	1,146.59	9.93	84.99	(1,439.69)	1,237.17	(47.74)

* Including gain (loss) on foreign exchange rate

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

13.7 Significant events during the year ended December 31, 2014

VLPG

On January 31, 2014, at the Board of Directors Meeting No. 1/2014 of the Company, the Board passed a resolution to approve the sales of the Company's 45% shareholdings in Vietnam LPG Co., Ltd. (VLPG), totaling Baht 87.35 million, to PetroVietnam Southern Gas Joint Stock Company for USD 3.85 million. The Company received the full payment for the shares on February 26, 2014. The Company recognized a gain on disposal of the investment in the consolidated financial statements and the separate financial statements amounting to Baht 38.98 million and Baht 34.64 million, respectively.

NNEG

On September 27, 2013, at the Board of Directors Meeting No. 9/2013 of the Company, the Board passed a resolution to approve the sales of the Company's 30% shareholdings in Nava Nakorn Electricity Generating Co., Ltd. (NNEG), totaling 12.06 million shares, to Global Power Synergy Public Co., Ltd. (GPSC) for Baht 144 million. The Company received the full payment for the shares on February 7, 2014. The Company recognized a gain on disposal of the investment in the consolidated financial statements and the separate financial statements amounting to Baht 27.97 million and Baht 23.40 million, respectively.

PTTLNG

On April 24, 2014, at the Annual Shareholders Meeting of PTT LNG Co., Ltd. (PTTLNG), the shareholders passed a resolution to increase its authorized share capital by Baht 6,420 million, from Baht 6,403 million to Baht 12,823 million, by issuing 642 million additional shares with a par value of Baht 10 each. PTTLNG called for the first payment of authorized share capital, at Baht 2.50 per share, amounting to Baht 1,605 million. The Company made the share payment on June 6, 2014.

PTTOM

On January 17, 2014, at the Extraordinary General Meeting of the shareholders of PTT Oil Myanmar Co., Ltd. (PTTOM), the shareholders passed a resolution to increase authorized share capital by USD 200,000, from USD 300,000 to USD 500,000, by issuing 200,000 additional shares with a par value of USD 1 each or equivalent to Baht 6,590,820. Furthermore, PTTOM called for the full amount of the additional authorized share capital. The Company made the share payment on February 3, 2014.

PTTMCC

On December 26, 2013, at the Extraordinary General Meeting of the shareholders of PTT MCC Biochem Co., Ltd. (PTTMCC), the shareholders passed a resolution to increase its authorized share capital by Baht 360 million, from Baht 1,500 million to Baht 1,860 million, by issuing 36 million additional shares with a par value of Baht 10 each. The Company paid totaling Baht 40 million for these remaining share capital in proportion to its shareholding on May 26, 2014.

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

13.7 Significant events during the year ended December 31, 2014 (Continued)

PTTRB and SBECL

On September 15, 2014, PTT Retail Business Co., Ltd. (PTTRB) and Subic Bay Energy Co., Ltd. (SBECL), subsidiaries of the Company, executed a Shares Sale and Purchase Agreement under which PTTRB will purchase 100% shareholdings in PTT Philippines Trading Corporation (PTTTC) and PTT Philippines Corporation (PTTPC), subsidiaries of SBECL, for a total of USD 54 million or equivalent to Baht 1,747.54 million. PTTRB made the share payment on October 1, 2014. These transactions were business acquisition under common control; consequently, there was no effect on the consolidated financial statements of the Group.

On September 15, 2014, at the PTTRB's Extraordinary General Meeting of the shareholders No. 1/2014, the shareholders passed a resolution to increase 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 and called for the first payment of share capital with a par value of Baht 50 each, amounting to Baht 1,800 million. On October 1, 2014 the Company already paid the full amount.

THAPPLINE

On September 27, 2013, at the Board of Directors Meeting No. 9/2013 of the Company, the Board passed a resolution to approve an investment in 3.36 million shares of Thai Petroleum Pipeline Co., Ltd. (THAPPLINE), to be purchased from SUSCO Dealers Co., Ltd., for a total of Baht 453.76 million. The resulting 3.96% interest increased the Company's shareholding in THAPPLINE from 36.44% to 40.40%. On October 31, 2014, the Company paid the full amount for the additional shares.

PTTGE and PTTRB

During the year 2014, the Company tested impairment of its investments of PTT Green Energy Pte. Ltd. (PTTGE) and PTT Retail Business Co., Ltd. (PTTRB) and found that net realizable value of the investments were less than net book value. The Company; therefore, recognized impairment losses in the separate financial statements amounting to Baht 7,841.61 million and Baht 1,044.00 million, respectively.

PTTER (NLIPC)

On October 14, 2013, at the Board of Directors Meeting No. 11/2013 of PTT Energy Resources Co., Ltd. (PTTER), the Board passed a resolution to approve the sale of PTT International Holdings Limited (PTTIH)'s 40% shareholdings in Nam Lik Power Company Limited (NLIPC) to Global Power Synergy Public Co., Ltd. (GPSC) amounting to USD 3.54 million or equivalent to Baht 115.87 million. PTTER has not yet received payment from GPSC and recognized the amount as other accounts receivable as at December 31, 2014. The Company recognized a gain of Baht 48.29 million on the disposal of the investment in the consolidated financial statements, disclosed in Note 43.

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

13.8 Additional information in respect of associates

13.8.1 Shares of net assets and results of operations from associates presented by business segments as at December 31, 2014 and 2013 are as follows:

Statements of financial position:

As at December 31, 2014 and 2013

Unit: Million Baht

	2014					2013				
	Natural Gas	Oil	Petro-chemicals	Refinery	Others	Natural Gas	Oil	Petro-chemicals	Refinery	Others
Current assets	2,596.75	1,853.75	65,335.47	83,840.95	389.79	4,912.76	1,154.07	79,236.88	115,768.39	291.30
Non-current assets	13,394.10	11,068.55	134,381.50	119,290.67	116.36	13,004.16	2,415.62	133,213.88	103,060.60	98.08
Current liabilities	(1,709.47)	(332.03)	(31,717.02)	(47,051.42)	(282.76)	(2,988.54)	(458.50)	(41,294.03)	(61,414.05)	(198.80)
Non-current liabilities	(3,675.50)	(1,761.64)	(49,475.32)	(61,635.77)	(36.74)	(4,628.94)	(97.07)	(50,937.93)	(52,015.12)	(39.23)
Net assets	10,605.88	10,828.63	118,524.63	94,444.43	186.65	10,299.44	3,014.12	120,218.80	105,399.82	151.35

Statements of income:

For the years ended December 31, 2014 and 2013

Unit: Million Baht

	2014					2013				
	Natural Gas	Oil	Petro-chemicals	Refinery	Others	Natural Gas	Oil	Petro-chemicals	Refinery	Others
Income	1,525.37	1,677.64	285,217.47	438,459.14	604.58	1,880.46	2,206.82	275,477.27	463,848.10	474.12
Expenses	(1,307.07)	(1,296.33)	(278,203.43)	(446,150.75)	(545.35)	(1,813.17)	(1,513.11)	(258,621.92)	(455,001.57)	(420.04)
Income (loss) before taxes	218.30	381.31	7,014.04	(7,691.61)	59.23	67.29	693.71	16,855.35	8,846.53	54.08
Income taxes	(17.53)	(67.18)	(275.79)	2,019.66	(11.70)	(17.17)	(48.23)	(966.00)	(218.18)	(10.75)
Net income (loss)	200.77	314.13	6,738.25	(5,671.95)	47.53	50.12	645.48	15,889.35	8,628.35	43.33

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

13.8 Additional information in respect of associates (Continued)

13.8.2 The Company has not recognized its share of losses from some associates for the year ended December 31, 2014 amounting to Baht 19.73 million (2013: Baht 2.90 million) because, as at December 31, 2014, the Company had an unrealized allowance for its share of losses from these associates amounting to Baht 86.63 million (December 31, 2013: Baht 78.58 million).

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

<u>Associates</u>	Unit: Million Baht	
	<u>December 31, 2014</u>	<u>December 31, 2013</u>
BCP	11,804.58	10,399.27
IRPC	24,081.27	25,655.20
TOP	42,069.19	56,092.26
PTTGC	112,971.34	173,590.11

13.8.4 Investments in subsidiaries, jointly controlled entities and associates where voting rights and ownership interests differ are as follows:

<u>Company</u>	Unit: Percentage	
	<u>Voting rights</u>	<u>Ownership</u>
Subsidiary		
BSA	57.14	100.00
Jointly Controlled Entity		
HMC	42.10	41.44
Associate		
THAPPLINE	40.5280	40.5265

14. Available-for-sale Investments

14.1 Details of available-for-sale investments

Company	Country of Incorporation	Business	Shareholding (%)		
			2014	2013	
<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	
<u>Investments in mutual funds</u>					
Core Flexible Fund (CORE)	Thailand	Mutual fund	32.57	32.57	
Finansa Asset Management - Energy and Petrochemical Index Fund (FAM EPIF)	Thailand	Mutual fund			
Vayupak fund 1 (VAYU1)	Thailand	Mutual fund			
Company	Country of Incorporation	Business	Share held by	Shareholding (%)	
				2014	2013
<u>Available-for-sale investments of PTTEP:</u>					
<u>Investments in equity securities</u>					
Wentworth Resources Limited (WRL)	Canada	Oil and natural gas exploration	Cove	2.42	2.42
<u>Available-for-sale investments of PTTER:</u>					
<u>Investments in equity securities</u>					
Xanadu Mines Ltd. (XML)	Mongolia	Mineral exploration	SET	6.95	12.31

14. Available-for-sale Investments (Continued)

14.2 Details of available-for-sale investments as at December 31, 2014 and 2013 are as follows:

Unit: Million Baht

Company	Shareholding (%)		Consolidated financial statements		Separate financial statements		Dividends	
	2014	2013	2014	2013	2014	2013	2014	2013
<u>Investments in Equity Securities</u>								
TIP	13.33	13.33	312.00	312.00	312.00	312.00	80.00	20.00
BAFS	7.06	7.06	24.00	24.00	24.00	24.00	35.28	29.16
WRL	2.42	2.42	43.48	45.83	-	-	-	-
XML	6.95	12.31	241.90	240.80	-	-	-	-
Total investments in equity securities			621.38	622.63	336.00	336.00		
<u>Investments in Mutual Funds</u>								
CORE	32.57	32.57	499.90	503.65	499.90	503.65	-	-
FAM EPIF			6,300.00	6,300.00	6,300.00	6,300.00	71.83	71.83
VAYU1			15.52	14.52	10.00	10.00	0.04	-
Total investments in mutual funds			6,815.42	6,818.17	6,809.90	6,813.65		
Total available-for-sale investments before changes in value of investments			7,436.80	7,440.80	7,145.90	7,149.65		
Allowance for changes in value of investments			5,074.30	5,197.42	5,224.08	5,355.27		
<u>Less</u> Allowance for impairment losses on investments			(38.95)	(38.78)	-	-		
Total			12,472.15	12,599.44	12,369.98	12,504.92	187.15	120.99

14. Available-for-sale Investments (Continued)

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

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Balance as at January 1	12,599.44	12,972.33	12,504.92	12,871.44
- Additional investments	-	14.52	-	10.00
- Disposals of investments	(3.75)	(1.24)	(3.75)	(1.24)
- Reclassifications	0.94	-	-	-
- Unrealized loss on available-for-sale investments	(123.81)	(356.25)	(131.19)	(375.28)
- Loss on impairment of investments	-	(35.33)	-	-
- Currency translation differences	(0.67)	5.41	-	-
Balance as at December 31	12,472.15	12,599.44	12,369.98	12,504.92

15. Other Long-term Investments

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

Company	Country of Incorporation	Business	Shareholding (%)	
			2014	2013
<u>Other long-term investments of the Company:</u>				
Petro Asia (Maoming) Co., Ltd. (PA (Maoming))	China	Oil marketing	20.00	20.00
Petro Asia (Sanshui) Co., Ltd. (PA (Sanshui))	China	Oil marketing	25.00	25.00
Fuel Pipeline Transportation Co., Ltd. (FPT)*	Thailand	Oil transmission pipelines	-	-
Intoplane Services Co., Ltd. (IPS)	Thailand	Aircraft refuelling services	16.67	16.67
Ratchaburi Power Co., Ltd. (RPCL)**	Thailand	Electricity generation	-	15.00
Colour Vision International Co., Ltd. (Corpus)	Thailand	Finished yarn production	0.48	0.48
<u>Other long-term investments of subsidiaries and jointly controlled entities:</u>				
<u>Other long-term investments of PTTT:</u>				
KIC Oil Terminals Sdn. Bhd. (KOT)	Malaysia	Logistics services	10.00	10.00
Kadriah Integrated Facilities Sdn. Bhd. (KIF)	Malaysia	Logistics services	10.00	10.00
Kadriah I Ltd. (K I)	Malaysia	Logistics services	10.00	10.00
Kadriah II Sdn. Bhd. (K II)	Malaysia	Logistics services	10.00	10.00
<u>Other long-term investments of HMC:</u>				
Rayong Olefins Co., Ltd. (ROC)	Thailand	Petrochemicals	5.91	5.91
Basell Advanced Polyolefins (Thailand) Co., Ltd. (BAPT)	Thailand	Petrochemicals	2.07	2.07

*As at December 31, 2014 and 2013 the Company holds 0.00024% of shareholding.

** RPCL was sold to GPSC on June 25, 2014.

15. Other Long-term Investments (Continued)

15.2 Details of other long-term investments as at December 31, 2014 and 2013 are as follows:

Unit: Million Baht

Company	Shareholding (%)		Consolidated financial statements		Separate financial statements		Dividends	
	2014	2013	2014	2013	2014	2013	2014	2013
Other long-term investments								
1. FPT*	-	-	0.02	0.02	0.02	0.02	-	-
2. IPS	16.67	16.67	0.02	0.02	0.02	0.02	-	-
3. RPCL	-	15.00	-	1,098.75	-	1,098.75	30.00	285.00
4. ROC	5.91	5.91	1,094.35	1,094.35	-	-	-	-
5. BAPT	2.07	2.07	18.19	18.19	-	-	-	-
6. PA (Maoming)	20.00	20.00	14.83	14.83	14.83	14.83	-	-
7. PA (Sanshui)	25.00	25.00	6.06	6.06	6.06	6.06	-	-
8. KOT	10.00	10.00	115.82	115.30	-	-	-	-
9. KIF	10.00	10.00	48.00	47.78	-	-	-	-
10. K I	10.00	10.00	241.25	240.16	-	-	-	-
11. K II	10.00	10.00	64.49	64.19	-	-	-	-
12. Corpus	0.48	0.48	0.60	0.60	0.60	0.60	-	-
Total other long-term investments			1,603.63	2,700.25	21.53	1,120.28		
Less Allowance for impairment losses on investments			(501.89)	(499.76)	(14.14)	(14.14)		
Total			1,101.74	2,200.49	7.39	1,106.14	30.00	285.00

* As at December 31, 2014 and 2013, the Company holds 0.00024% of shareholding, totaling 66 shares, amounting to Baht 22,220.00.

15. Other Long-term Investments (Continued)

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

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Balance as at January 1	2,200.49	2,015.96	1,106.14	1,106.12
- Additional investments	-	184.53	-	0.02
- Disposal of investments	(1,098.75)	(15.16)	(1,098.75)	(15.16)
- Loss on impairment of investments	-	15.16	-	15.16
Balance as at December 31	<u>1,101.74</u>	<u>2,200.49</u>	<u>7.39</u>	<u>1,106.14</u>

15.4 Significant events during the year ended December 31, 2014

RPCL

On September 27, 2013, at the Board of Directors Meeting No. 9/2013 of the Company, the Board passed a resolution to approve the sales of the Company's 15% shareholdings in Ratchaburi Power Co., Ltd. (RPCL), totaling 10.99 million shares, to Global Power Synergy Public Co., Ltd. (GPSC) for Baht 1,098.75 million. The Company received the full payment for the shares on June 25, 2014. The Company recognized a gain on disposal of the investment in the consolidated financial statements and the separate financial statements amounting to Baht 921.43 million and Baht 1,318.25 million, respectively.

16. Investment Properties

Details of investment properties are as follows:

Unit: Million Baht

	Consolidated financial statements			Total
	Land	Buildings and building improvements	Construction in progress	
Cost				
As at January 1, 2014	3,594.26	3,581.81	-	7,176.07
- Additions	-	2.53	11.75	14.28
- Reclassifications	-	6.00	(11.75)	(5.75)
As at December 31, 2014	3,594.26	3,590.34	-	7,184.60
Accumulated depreciation				
As at January 1, 2014	-	(904.18)	-	(904.18)
- Depreciation for the year	-	(197.52)	-	(197.52)
- Reclassifications	-	(0.03)	-	(0.03)
As at December 31, 2014	-	(1,101.73)	-	(1,101.73)
Net book value				
As at December 31, 2013	3,594.26	2,677.63	-	6,271.89
As at December 31, 2014	3,594.26	2,488.61	-	6,082.87

16. Investment Properties (Continued)

Details of investment properties are as follows: (Continued)

Unit: Million Baht

	Separate financial statements			Total
	Land	Buildings and building improvements	Construction in progress	
Cost				
As at January 1, 2014	3,594.26	323.55	-	3,917.81
- Additions	-	2.00	11.75	13.75
- Reclassifications	-	4.20	(11.75)	(7.55)
As at December 31, 2014	3,594.26	329.75	-	3,924.01
Accumulated depreciation				
As at January 1, 2014	-	(172.68)	-	(172.68)
- Depreciation for the year	-	(12.32)	-	(12.32)
As at December 31, 2014	-	(185.00)	-	(185.00)
Net book value				
As at December 31, 2013	3,594.26	150.87	-	3,745.13
As at December 31, 2014	3,594.26	144.75	-	3,739.01

The fair values of investment properties in the consolidated financial statements and the separate financial statements amounting to Baht 14,063.42 million (December 31, 2013: Baht 10,376.19 million) and amounting to Baht 9,903.86 million (December 31, 2013: Baht 6,260.81 million), respectively.

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17. Property, Plant and Equipment

Detail of property, plant and equipment are as follows:

Unit : Million Baht

	Consolidated financial statements						Total
	Land	Buildings and building improvement	Machinery and equipment	Exploration and producing properties	Other assets	Construction in progress	
Cost							
As at January 1, 2014	11,493.53	52,024.26	361,422.91	708,574.37	17,656.78	44,325.73	1,195,497.58
- Business Acquisition (Note 42)	-	1.19	22.05	32,428.79	-	-	32,452.03
- Business Disposal (Note 43)	-	(1.79)	(0.43)	-	(2.97)	(223.53)	(228.72)
- Additions	231.31	1,024.43	3,377.55	103,001.87	1,646.91	34,615.21	143,897.28
- Borrowing costs	-	-	-	-	-	1,327.00	1,327.00
- Reclassifications	2,178.33	3,318.16	9,313.39	163.36	601.34	(16,323.02)	(748.44)
- Disposals	-	(179.33)	(1,536.35)	(4,407.16)	(715.44)	(298.82)	(7,137.10)
- Restructuring of the ownership interests in KKD project	(161.70)	(6.85)	(107.04)	(65,066.24)	-	-	(65,341.83)
- Classified as non-current assets held-for-sale (Note 12)	(187.99)	(254.34)	(380.37)	-	(1,619.93)	(169.20)	(2,611.83)
- Currency translation differences	(8.01)	19.74	13.27	3,477.72	(46.47)	(128.26)	3,327.99
As at December 31, 2014	13,545.47	55,945.47	372,124.98	778,172.71	17,520.22	63,125.11	1,300,433.96

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17. 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 improvement	Machinery and equipment	Exploration and producing properties	Other assets	Construction in progress	Total
Accumulated depreciation							
As at January 1, 2014	-	(19,064.29)	(129,102.93)	(291,293.77)	(9,343.06)	-	(448,804.05)
- Business Acquisition (Note 42)	-	(0.06)	(15.88)	(13,377.09)	-	-	(13,393.03)
- Business Disposal (Note 43)	-	0.10	0.06	-	0.08	-	0.24
- Depreciation for the year	-	(2,323.65)	(16,071.47)	(81,703.81)	(1,607.49)	-	(101,706.42)
- Reclassifications	-	(201.53)	2.91	-	(3.96)	-	(202.58)
- Disposals	-	156.26	1,410.87	84.18	488.11	-	2,139.42
- Restructuring of the ownership interests in KKD project	-	0.33	66.01	3,861.30	-	-	3,927.64
- Classified as Non-current assets held-for-sale (Note 12)	-	47.33	203.89	-	246.88	-	498.10
- Currency translation differences	-	(8.47)	(23.79)	(2,951.55)	180.16	-	(2,803.65)
As at December 31, 2014	-	(21,393.98)	(143,530.33)	(385,380.74)	(10,039.28)	-	(560,344.33)

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17. Property, Plant and Equipment (Continued)

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

	Consolidated financial statements						Unit : Million Baht
	Land	Buildings and building improvement	Machinery and equipment	Exploration and producing properties	Other assets	Construction in progress	Total
Allowance for impairment of assets							
As at January 1, 2014	(23.13)	(4.69)	(16.54)	(6,864.14)	-	-	(6,908.50)
- Impairment losses	(21.20)	(5.39)	(667.03)	(12,074.87)	(909.95)	-	(13,678.44)
- Classified as non-current assets held-for-sale (Note 12)	-	-	-	-	893.48	-	893.48
- Currency translation differences	(0.16)	(0.04)	(0.01)	(53.84)	(7.02)	-	(61.07)
As at December 31, 2014	(44.49)	(10.12)	(683.58)	(18,992.85)	(23.49)	-	(19,754.53)
Net book value							
As at December 31, 2013	11,470.40	32,955.28	232,303.44	410,416.46	8,313.72	44,325.73	739,785.03
As at December 31, 2014	13,500.98	34,541.37	227,911.07	373,799.12	7,457.45	63,125.11	720,335.10

As at December 31, 2014, the Group had pledged assets amounting to Baht 11,055.84 million.

17. 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, 2014	6,472.97	31,231.40	287,373.70	11,529.93	40,097.08	376,705.08
- Additions	3.43	261.32	1,772.45	835.19	27,485.85	30,358.24
- Borrowing costs	-	-	-	-	1,303.35	1,303.35
- Reclassifications	2,179.65	2,669.71	8,791.27	354.86	(14,756.46)	(760.97)
- Disposals	-	(88.30)	(700.98)	(632.98)	-	(1,422.26)
As at December 31, 2014	8,656.05	34,074.13	297,236.44	12,087.00	54,129.82	406,183.44
Accumulated depreciation						
As at January 1, 2014	-	(13,502.63)	(110,319.25)	(7,479.40)	-	(131,301.28)
- Depreciation for the year	-	(1,271.07)	(12,213.19)	(1,043.76)	-	(14,528.02)
- Reclassifications	-	(0.05)	0.12	-	-	0.07
- Disposals	-	75.80	689.65	421.91	-	1,187.36
As at December 31, 2014	-	(14,697.95)	(121,842.67)	(8,101.25)	-	(144,641.87)
Allowance for impairment of assets						
As at January 1, 2014	(23.13)	(4.70)	(16.42)	-	-	(44.25)
- Impairment losses	-	-	(665.25)	-	-	(665.25)
As at December 31, 2014	(23.13)	(4.70)	(681.67)	-	-	(709.50)
Net book value						
As at December 31, 2013	6,449.84	17,724.07	177,038.03	4,050.53	40,097.08	245,359.55
As at December 31, 2014	8,632.92	19,371.48	174,712.10	3,985.75	54,129.82	260,832.07

Borrowing costs amounting to Baht 1,327.00 million in the consolidated financial statements (December 31, 2013: Baht 1,220.36 million) and amounting to Baht 1,303.35 million in the separate financial statements (December 31, 2013: Baht 1,219.25 million) were capitalized as part of costs of property, plant and equipment. The Group used capitalization rates 2.00% to 4.58% (December 31, 2013: 2.00% to 3.89%).

17. Property, Plant and Equipment (Continued)

As at December 31, 2014 and 2013, other assets include vehicles and natural gas pipeline acquired under finance leases including machinery and equipment. Details are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cost	10,236.89	10,158.56	9,968.52	9,932.32
<u>Less Accumulated depreciation</u>	<u>(2,800.27)</u>	<u>(2,497.07)</u>	<u>(2,653.00)</u>	<u>(2,408.29)</u>
Net book value	<u>7,436.62</u>	<u>7,661.49</u>	<u>7,315.52</u>	<u>7,524.03</u>

As at December 31, 2014, PTTEP had the following carried cost to be reimbursed from the foreign government for various projects. These are presented as oil and gas properties, exploration and evaluation assets and other non-current assets in the statements of financial position and as petroleum exploration expenses in the statements of income. Details are as follows:

Projects	Unit: Million Baht			
	Carried cost to be reimbursed from the government			
	Oil and gas properties	Exploration & Evaluation assets	Other non-current assets	Petroleum exploration expenses (Accumulated from the year 2002 to December 31, 2014)
Vietnam 52/97	-	-	33.26	-
Vietnam B and 48/95	-	-	34.81	-
Vietnam 16-1*	851.11	-	-	1,268.59
Vietnam 9-2*	1,093.61	-	-	791.82
Algeria 433 A and 416 B	249.27	-	-	428.92
Algeria Hassi Bir Rekaiz	4.55	1,682.18	-	593.10
Myanmar PSC-G and EP-2	-	103.77	-	103.76
Myanmar MOGE 3	-	-	-	0.26
Mozambique Rovuma Offshore Area 1	24.46	1,508.81	-	431.02
Mozambique Rovuma Onshore	-	6.65	-	76.36

* The Vietnam 16-1 and the Vietnam 9-2 projects received the full reimbursement of the carried cost from the reimbursement based on its participating interests.

18. 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, 2014	8,702.95	18,941.84	104,090.11	4,244.90	135,979.80
- Business acquisition (Note 42)	-	-	11,353.88	-	11,353.88
- Business disposal (Note 43)	(0.03)	-	-	-	(0.03)
- Additions	678.88	1.33	15,728.45	166.46	16,575.12
- Increase from restructuring of the ownership interests in KKD project	-	-	50,694.10	-	50,694.10
- Reclassifications	462.54	(360.49)	(163.36)	404.68	343.37
- Disposals	(47.37)	(49.76)	(4,372.60)	(90.58)	(4,560.31)
- Decrease from restructuring of the ownership interests in KKD project	-	-	(7,476.73)	-	(7,476.73)
- Currency translation differences	27.30	-	(3,656.33)	9.62	(3,619.41)
As at December 31, 2014	9,824.27	18,532.92	166,197.52	4,735.08	199,289.79
Accumulated amortization					
As at January 1, 2014	(2,836.74)	(6,576.28)	-	(1,579.98)	(10,993.00)
- Amortization for the year	(1,017.53)	(492.14)	-	(266.84)	(1,776.51)
- Reclassifications	0.02	201.25	-	-	201.27
- Disposals	47.19	49.76	-	84.88	181.83
- Currency translation differences	(10.28)	-	-	(4.34)	(14.62)
As at December 31, 2014	(3,817.34)	(6,817.41)	-	(1,766.28)	(12,401.03)
Allowance for impairment of assets					
As at January 1, 2014	-	-	-	(89.70)	(89.70)
- Impairment losses	-	-	(20,721.10)	(5.30)	(20,726.40)
- Currency translation differences	-	-	85.49	(0.47)	85.02
As at December 31, 2014	-	-	(20,635.61)	(95.47)	(20,731.08)
Net book value					
As at December 31, 2013	5,866.21	12,365.56	104,090.11	2,575.22	124,897.10
As at December 31, 2014	6,006.93	11,715.51	145,561.91	2,873.33	166,157.68

18. 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, 2014	3,494.61	18,355.24	51.55	21,901.40
- Additions	75.26	0.09	-	75.35
- Reclassifications	412.76	(3.80)	28.00	436.96
- Disposals	(0.47)	(49.76)	(51.55)	(101.78)
As at December 31, 2014	3,982.16	18,301.77	28.00	22,311.93
Accumulated amortization				
As at January 1, 2014	(1,425.99)	(6,355.57)	(51.55)	(7,833.11)
- Amortization for the year	(529.68)	(482.24)	(0.59)	(1,012.51)
- Reclassifications	(0.02)	-	-	(0.02)
- Disposals	0.35	49.76	51.55	101.66
As at December 31, 2014	(1,955.34)	(6,788.05)	(0.59)	(8,743.98)
Net book value				
As at December 31, 2013	2,068.62	11,999.67	-	14,068.29
As at December 31, 2014	2,026.82	11,513.72	27.41	13,567.95

19. Mining properties

Movements of mining properties are as follows:

	Unit: Million Baht
	<u>Consolidated financial statements</u>
Cost	
As at January 1, 2014	54,462.22
- Additions	1,523.24
- Disposals	(87.04)
- Currency translation differences	238.55
As at December 31, 2014	<u>56,136.97</u>
Accumulated amortization	
As at January 1, 2014	(19,157.22)
- Amortization for the year	(4,203.95)
- Disposals	5.15
- Currency translation differences	(149.03)
As at December 31, 2014	<u>(23,505.05)</u>
Allowance for impairment of assets	
As at January 1, 2014	(85.80)
- Impairment losses	(77.72)
- Currency translation differences	(1.00)
As at December 31, 2014	<u>(164.52)</u>
Net book value	
As at December 31, 2013	<u>35,219.20</u>
As at December 31, 2014	<u>32,467.40</u>

20. Goodwill

Movements of goodwill are as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2014	2013
Net book value as at January 1	51,851.23	46,501.14
- Additions (Note 42)	14,331.82	4,135.82
- Business disposal	-	(506.27)
- Reclassifications	-	(56.43)
- Decrease from restructuring of the ownership interests in KKD Project	(9,927.24)	-
- Impairment losses	(1,156.03)	-
- Currency translation differences	201.78	1,776.97
Net book value as at December 31	<u>55,301.56</u>	<u>51,851.23</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, subsidiaries and jointly controlled entities	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, 2014 and 2013 are as follows:

	Unit: Million Baht			
	<u>Consolidated</u> <u>financial statements</u>		<u>Separate</u> <u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current tax:				
Current tax	44,160.13	44,390.68	4,935.11	828.70
Adjustments in respect of current tax of previous year	289.35	952.56	(41.22)	(47.81)
	<u>44,449.48</u>	<u>45,343.24</u>	<u>4,893.89</u>	<u>780.89</u>
Deferred tax:				
Change in temporary differences	(3,976.73)	(2,149.92)	(1,321.86)	33.66
Tax effect of currency translation on tax base	555.77	4,456.08	-	-
	<u>(3,420.96)</u>	<u>2,306.16</u>	<u>(1,321.86)</u>	<u>33.66</u>
Total	<u>41,028.52</u>	<u>47,649.40</u>	<u>3,572.03</u>	<u>814.55</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							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	(65,818.66)	5,155.61	-	(14,290.49)	14,728.74	28.28	103.40	(60,093.12)	495.30	(60,588.42)
Intangible assets	(10,297.71)	165.63	-	-	-	-	(39.44)	(10,171.52)	347.59	(10,519.11)
Investments	6.47	-	-	-	-	-	-	6.47	6.47	-
Available-for-sale investments	(1,070.99)	-	26.07	-	-	-	0.03	(1,044.89)	0.03	(1,044.92)
Trade and other accounts receivable	(2,714.95)	1,154.18	-	-	-	-	(1.18)	(1,561.95)	423.49	(1,985.44)
Inventories	2.95	107.84	-	-	-	-	-	110.79	110.79	-
Loans	(182.10)	249.15	-	-	-	-	-	67.05	67.05	-
Employee benefit obligations	2,577.99	567.74	267.67	-	-	-	24.10	3,437.50	3,437.50	-
Provision for decommissioning costs	10,328.39	(2,486.22)	-	507.10	(53.72)	-	105.43	8,400.98	8,400.98	-
Cumulative loss carried forward	12,784.00	(5,267.54)	-	-	264.07	-	154.14	7,934.67	7,934.67	-
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	(677.57)	3,273.93	-	-	(12.47)	-	(226.51)	2,357.38	5,205.34	(2,847.96)
Total before set-off of taxes	(52,292.50)	3,420.96	293.74	(13,783.39)	14,926.62	28.28	128.59	(47,277.70)	30,324.14	(77,601.84)
Set-off of taxes								-	(20,279.96)	20,279.96
Net deferred tax assets (liabilities)								(47,277.70)	10,044.18	(57,321.88)

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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, 2013		
	Net balance as at January 1, 2013	Profit (Loss)	Other comprehensive income (loss)	Business acquisition	Business disposal	Currency translation differences	Net balance	Deferred tax assets	Deferred tax liabilities
	Property, plant and equipment	(57,391.32)	(3,082.43)	-	(2,360.89)	(7.77)	(2,976.25)	(65,818.66)	793.93
Intangible assets	(9,159.26)	(458.35)	-	-	-	(680.10)	(10,297.71)	146.12	(10,443.83)
Investments	5.86	0.61	-	-	-	-	6.47	6.47	-
Available-for-sale investments	(1,146.11)	-	75.09	-	-	0.03	(1,070.99)	0.06	(1,071.05)
Trade and other accounts receivable	(2,567.05)	(139.26)	-	-	-	(8.64)	(2,714.95)	122.09	(2,837.04)
Inventories	54.21	(51.26)	-	-	-	-	2.95	2.95	-
Loans	(920.23)	738.13	-	-	-	-	(182.10)	-	(182.10)
Employee benefit obligations	2,041.42	132.37	-	-	-	404.20	2,577.99	2,577.99	-
Provision for decommissioning costs	7,625.53	2,037.22	-	-	-	665.64	10,328.39	10,328.39	-
Cumulative loss carried forward	10,812.61	1,267.39	-	-	-	704.00	12,784.00	12,784.00	-
Petroleum resource rent tax in Australia	1,554.02	36.38	-	-	-	29.70	1,620.10	1,620.10	-
Tax effect of currency translation on tax base	5,490.23	(4,456.08)	-	-	-	115.43	1,149.58	1,598.10	(448.52)
Others	(1,737.77)	1,669.12	-	-	-	(608.92)	(677.57)	5,513.27	(6,190.84)
Total before set-off of taxes	(45,337.86)	(2,306.16)	75.09	(2,360.89)	(7.77)	(2,354.91)	(52,292.50)	35,493.47	(87,785.97)
Set-off of taxes							-	(22,309.56)	22,309.56
Net deferred tax assets (liabilities)							(52,292.50)	13,183.91	(65,476.41)

(UNOFFICIAL TRANSLATION)

21. Income Taxes and Deferred Taxes (Continued)

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

Unit: Million Baht

	Separate financial statement					
	Net balance as at January 1, 2014	Profit (Loss)	Other comprehensive income (loss)	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	(1,071.05)	-	26.23	(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	(182.10)	249.15	-	67.05	67.05	-
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	(2,965.03)	1,321.86	287.24	(1,355.93)	2,128.07	(3,484.00)
Set-off of taxes				-	(2,128.07)	2,128.07
Net deferred tax assets (liabilities)				<u>(1,355.93)</u>	<u>-</u>	<u>(1,355.93)</u>

(UNOFFICIAL TRANSLATION)

21. Income Taxes and Deferred Taxes (Continued)

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

Unit: Million Baht

	Separate financial statement					
	Net balance as at January 1, 2013	Profit (Loss)	Other comprehensive income (loss)	As at December 31, 2013		
Net balance				Deferred tax assets	Deferred tax liabilities	
Property, plant and equipment	537.32	(598.00)	-	(60.68)	-	(60.68)
Intangible assets	141.25	4.87	-	146.12	146.12	-
Investments	5.86	(3.03)	-	2.83	2.83	-
Available-for-sale investments	(1,146.11)	-	75.06	(1,071.05)	-	(1,071.05)
Trade and other accounts receivable	(2,264.92)	(273.96)	-	(2,538.88)	121.40	(2,660.28)
Inventories	54.21	(53.09)	-	1.12	1.12	-
Loans	(920.23)	738.13	-	(182.10)	-	(182.10)
Employee benefit obligations	807.90	56.18	-	864.08	864.08	-
Others	(221.71)	95.24	-	(126.47)	248.76	(375.23)
Total before set-off of taxes	(3,006.43)	(33.66)	75.06	(2,965.03)	1,384.31	(4,349.34)
Set-off of taxes				-	(1,384.31)	1,384.31
Net deferred tax assets (liabilities)				<u>(2,965.03)</u>	<u>-</u>	<u>(2,965.03)</u>

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	
	2014	2013	2014	2013
Balance as at January 1	4,690.55	5,688.54	5,634.01	6,780.11
- Make-up Right	(354.03)	(997.99)	(380.24)	(1,146.10)
Balance as at December 31	<u>4,336.52</u>	<u>4,690.55</u>	<u>5,253.77</u>	<u>5,634.01</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, 2014, advance payments for gas purchases comprised the balance of advance payments made for gas purchases from the Yadana gas fields in the Republic of the Union of Myanmar, irrespective of take-up in 2000.

23. Other Non-current Assets

Other non-current assets as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Retention and refundable deposits	537.55	697.90	65.60	49.50
Advances	8,732.20	7,992.53	3,335.53	3,565.52
Inventories - legal reserves	19,693.37	23,374.88	19,693.37	23,374.88
Deferred compensation	662.42	717.09	-	-
Others	2,710.09	2,831.90	186.43	189.46
Total	32,335.63	35,614.30	23,280.93	27,179.36

The Fuel Oil Trading Act B.E. 2543 categorizes the Company as an oil trader under section 7 of this Act. To protect against and resolve fuel oil shortages, this Act prescribes that oil traders under section 7 must reserve fuel oil according to the categories and volumes determined by the Director General of the Department of Energy Business. In accordance with the Notice of the Department of Energy Business B.E. 2556, the Company currently sets aside reserves at 6% of the planned trading volume as reported to the Director General of the Department of Energy Business, the Ministry of Energy.

In 2014 and 2013, the legal reserved inventories of the Group are written down to the lower of net realizable value or costs.

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

As at December 31, 2014, the bank overdrafts and short-term loans from financial institutions bear interest at rates ranging from 0.55% to 3.43% per annum (December 31, 2013: interest at rates range from 0.68% to 3.65% per annum).

25. Other Current Liabilities

Details of other current liabilities as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Undue output VAT	3,738.62	5,115.74	3,561.08	4,924.06
Retention	7.08	14.48	-	-
Provision for remuneration for the renewal of petroleum production	1,810.12	1,202.41	-	-
Others	1,267.90	2,765.69	708.14	559.00
Total	<u>6,823.72</u>	<u>9,098.32</u>	<u>4,269.22</u>	<u>5,483.06</u>

26. Long-term Loans

Details of long-term loans as at December 31, 2014 and 2013 are as follows:

Current portion of long-term loans

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Loans - Baht currency	3,744.82	3,770.11	2,500.00	2,500.00
Loans - Baht currency - EPPO	29.01	116.76	29.01	116.76
Loans - foreign currencies	13,078.10	4,552.18	9,933.96	-
Debentures - Baht currency	22,140.53	14,645.00	22,140.53	2,946.20
Debentures - foreign currencies	23,283.99	22,550.75	-	22,550.75
Liabilities under finance leases	434.85	497.79	597.82	640.70
Total	62,711.30	46,132.59	35,201.32	28,754.41

Long-term loans

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Loans - Baht currency	21,588.24	25,433.05	16,500.00	19,000.00
Loans - Baht currency - EPPO	87.05	28.32	87.05	28.32
Loans - foreign currencies	59,476.08	75,394.58	16,624.84	27,364.12
Debentures - Baht currency	171,741.98	164,304.64	144,667.47	156,808.00
Debentures - foreign currencies	134,552.19	157,167.46	76,465.48	76,057.30
Liabilities under finance leases	3,327.29	2,933.98	6,034.43	6,033.23
Total	390,772.83	425,262.03	260,379.27	285,290.97

As at December 31, 2014, Baht 4,500.00 million of the Company's loans are secured by the Ministry of Finance (December 31, 2013: Baht 6,000.00 million).

26. Long-term Loans (Continued)

Long-term loans, including the current portion, outstanding as at December 31, 2014 and 2013 can be classified by types of interest rate as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Floating interest rate	112,479.76	82,876.82	65,444.74	56,287.81
Fixed interest rate	341,004.37	388,517.80	230,135.85	257,757.57
Total	453,484.13	471,394.62	295,580.59	314,045.38

Interest rates charged on long-term loans as at December 31, 2014 and 2013 are as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
PTT bonds	5.07%-7.83%	5.07%-7.83%	5.07%-7.83%	5.07%-7.83%
Loans - Baht currency	1.92%-6.05%	2.52%-4.71%	2.68%-4.36%	2.52%-4.36%
Loans - Baht currency - EPPO	0.50%	0.50%	0.50%	0.50%
Loans - Foreign currencies				
- US dollar	1.28%-6.00%	1.23%-6.05%	1.59%-2.99%	1.59%-2.99%
- Yen	4.45%	4.45%	4.45%	4.45%
- Canada dollar	2.98%-3.39%	2.98%-3.38%	-	-
Debentures - Baht currency	3.80%-7.40%	3.20%-7.40%	3.80%-7.40%	3.20%-7.40%
Debentures - Foreign currencies	1.37%-6.35%	1.07%-6.35%	1.37%-5.88%	1.07%-5.88%
Liabilities under finance leases	1.16%-6.50%	1.16%-5.90%	1.16%-4.65%	1.16%-4.80%

26. Long-term Loans (Continued)

26.1 Loans

Movements of loans in Baht currency and foreign currencies for the year ended December 31, 2014 are as follows:

Unit: Million

	Consolidated financial statements				Total in Baht equivalent
	Currency				
	Baht	USD	JPY	CAD	
Balance as at January 1, 2014	29,348.24	1,780.81	23,000.00	475.00	109,295.00
- Additions	-	63.59	-	-	2,078.36
- Repayments	(3,900.74)	(231.59)	-	-	(11,392.65)
- Business disposal (Note 43)	-	(6.38)	-	-	(208.86)
- Gain on exchange rates	-	-	-	-	(1,954.02)
- Currency translation differences	-	-	-	-	183.85
- Others	1.62	-	-	-	1.62
Balance as at December 31, 2014	25,449.12	1,606.43	23,000.00	475.00	98,003.30
- Current portion	(3,773.83)	(345.67)	-	-	(16,851.93)
Long-term loans	<u>21,675.29</u>	<u>1,260.76</u>	<u>23,000.00</u>	<u>475.00</u>	<u>81,151.37</u>

Unit: Million

	Separate financial statements				Total in Baht equivalent
	Currency				
	Baht	USD	JPY	CAD	
Balance as at January 1, 2014	21,645.08	610.00	23,000.00	-	49,009.20
- Repayments	(2,529.02)	-	-	-	(2,529.02)
- Gain on exchange rates	-	-	-	-	(805.32)
Balance as at December 31, 2014	19,116.06	610.00	23,000.00	-	45,674.86
- Current portion	(2,529.01)	(300.00)	-	-	(12,462.97)
Long-term loans	<u>16,587.05</u>	<u>310.00</u>	<u>23,000.00</u>	<u>-</u>	<u>33,211.89</u>

26. Long-term Loans (Continued)

26.1 Loans (Continued)

Loans - foreign currency

On August 8, 2013, a jointly controlled entity of a subsidiary entered into loan agreements with three financial institutions amounting to USD 86.80 million. The first repayment of loan principal is due in April 2018 and the final repayment is due in 2029, with a quarterly interest payment. The loan bears an interest rate of LIBOR plus a fixed rate of 4.25% to 4.50% per annum. As at December 4, 2014, the jointly controlled entity has the loan less deferred charge amounting to USD 15.95 million or equivalent to Baht 517.16 million. The Company recognized the loan amounting to Baht 206.86 million according to its percentage of the investment. On December 5, 2014, the subsidiary disposed its investment in the jointly controlled entity. As a result, the Company derecognized the loan in the consolidated financial statement. (Note 43)

On September 12, 2014, a jointly controlled entity entered into loan agreements with four financial institutions amounting to USD 188.20 million. The first repayment of loan principal is due in September 2015 and the final repayment is due in 2025, with interest to be paid monthly or quarterly during the availability period and then quarterly or semi-annually or as mutually agreed. The loan bears an interest rate of LIBOR plus a fixed rate of 1.65% per annum. During the year, the jointly controlled entity drew down the loan amounting to USD 114.41 million or equivalent to Baht 3,743.00 million. The Company recognized the loan amounting to Baht 1,871.50 million according to its percentage of the investment.

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26. Long-term Loans (Continued)

26.1 Loans (Continued)

Loans - Baht currency

As at December 31, 2014, 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 of 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 (IRS), 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, 2014, 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:

<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>
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.

(UNOFFICIAL TRANSLATION)

26. Long-term Loans (Continued)

26.1 Loans (Continued)

Loans - Foreign currencies (Continued)

As at December 31, 2014, 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: (Continued)

<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>
25/05/2010	USD	300	LIBOR + a fixed rate on USD principal	Semi- annual	Maturity on May 25, 2015	- In 2010, the Company entered into an interest rate swap contract (IRS). - In 2011, the parties of some interest rate swap contract (IRS), amounting to USD 100 million, exercised their rights to change the interest rate from a floating rate of LIBOR + a fixed rate to a fixed interest rate at 2.756% per annum, which is effective for interest rate from May 25, 2011 until the principal maturity date. - In 2012, the Company restructured its risk management for a part of the loans amounting to USD 50 million.	Fixed rate ranging from 1.585-2.989% on the USD principal	-

26. Long-term Loans (Continued)

26.2 Debentures

Details of debentures as at December 31, 2014 and 2013 are as follows:

	Unit: Million			
	Consolidated financial statements			
	2014		2013	
	Baht	USD	Baht	USD
Unsecured unsubordinated debentures				
- USD currency	155,007.55	4,691.95	176,714.22	5,373.01
- Baht currency	193,882.51	-	178,949.64	-
Secured unsubordinated debentures				
- USD currency	2,828.63	85.81	3,003.99	91.55
Total	351,718.69	4,777.76	358,667.85	5,464.56
Current portion	(45,424.52)	(706.37)	(37,195.75)	(684.41)
Long-term debentures	306,294.17	4,071.39	321,472.10	4,780.15

	Unit: Million			
	Separate financial statements			
	2014		2013	
	Baht	USD	Baht	USD
Unsecured unsubordinated debentures				
- USD currency	76,465.48	2,309.21	98,608.05	2,992.72
- Baht currency	166,808.00	-	159,754.20	-
Total	243,273.48	2,309.21	258,362.25	2,992.72
Current portion	(22,140.53)	-	(25,496.95)	(684.41)
Long-term debentures	221,132.95	2,309.21	232,865.30	2,308.31

26. Long-term Loans (Continued)

26.2 Debentures (Continued)

Debentures - Baht currency

On June 6, 2014, PTTEP issued and offered two tranches of unsecured unsubordinated debentures to institutional investors and high net worth investors. The first tranche, amounting to Baht 8,200 million, has a tenor of 5 years and a fixed interest rate of 3.91% per annum. The second tranche, amounting to Baht 11,400 million, has a tenor of 15 years and a fixed interest rate of 4.82% per annum.

On December 15, 2014, the Company issued and offered unsecured unsubordinated debentures No. 1/2014 amounting to Baht 10,000 million to general investors, the details of the debentures are as follows:

Condition	Details
Offering price (million Baht)	10,000.00
Tenor (years)	6 years 11 months
Fixed interest rate (% per annum)	4.00
Interest instalments	Semi-annual interest payment on May 15 and November 15
Issue date	December 15, 2014
Maturity date	November 15, 2021

(UNOFFICIAL TRANSLATION)

26. Long-term Loans (Continued)

26.2 Debentures (Continued)

As at December 31, 2014, 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	Currencies	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, 2014, 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	Currencies	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 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	-

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26. Long-term Loans (Continued)

26.2 Debentures (Continued)

As at December 31, 2014, 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	Currencies	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
27/01/2012	Baht	9,000	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 for USD obligations of USD 285 million. This cross currency swap contract expired on November 15, 2018.	Floating rate of LIBOR + a fixed rate on USD principal	-
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 expired on October 25, 2018.	Floating rate of LIBOR + a fixed rate on USD principal	-
25/10/2012	USD	400	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. This interest rate swap contract expired 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, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Liabilities under finance leases				
- Within 1 year	502.58	556.25	696.58	730.30
- Over 1 year but not over 5 years	1,538.90	1,162.00	2,407.61	2,011.62
- Over 5 years	2,083.43	2,074.16	4,148.05	4,585.73
Future finance charges	<u>(362.77)</u>	<u>(360.64)</u>	<u>(619.99)</u>	<u>(653.72)</u>
Present value of liabilities under finance leases	<u>3,762.14</u>	<u>3,431.77</u>	<u>6,632.25</u>	<u>6,673.93</u>
Present value of liabilities under finance leases				
- Current liabilities	434.85	497.79	597.82	640.70
- Non-current liabilities	<u>3,327.29</u>	<u>2,933.98</u>	<u>6,034.43</u>	<u>6,033.23</u>
Total	<u>3,762.14</u>	<u>3,431.77</u>	<u>6,632.25</u>	<u>6,673.93</u>

26. Long-term Loans (Continued)

26.4 Maturities of long-term loans as at December 31, 2014 and 2013 are as follows:

Unit: Million Baht

	Consolidated financial statements						
	2014						
	Baht Currency Loans	Baht Currency Loans From EPPO	Foreign Currency Loans	Baht Currency Debentures	Foreign Currency Debentures	Liabilities Under Finance leases	Total
Within 1 year	3,744.82	29.01	13,078.10	22,140.53	23,283.99	434.85	62,711.30
Over 1 year but not over 2 years	6,394.16	29.02	1,589.96	31,070.00	235.72	392.20	39,711.06
Over 2 years but not over 5 years	13,256.68	58.03	47,647.92	53,737.67	42,126.78	981.00	157,808.08
Over 5 years	1,937.40	-	10,238.20	86,934.31	92,189.69	1,954.09	193,253.69
Total	25,333.06	116.06	72,554.18	193,882.51	157,836.18	3,762.14	453,484.13

Unit: Million Baht

	Consolidated financial statements						
	2013						
	Baht Currency Loans	Baht Currency Loans From EPPO	Foreign Currency Loans	Baht Currency Debentures	Foreign Currency Debentures	Liabilities Under Finance leases	Total
Within 1 year	3,770.11	116.76	4,552.18	14,645.00	22,550.75	497.79	46,132.59
Over 1 year but not over 2 years	3,744.83	27.48	15,974.58	22,140.53	23,149.93	315.73	65,353.08
Over 2 years but not over 5 years	17,931.90	0.84	45,247.81	45,619.47	41,955.40	674.49	151,429.91
Over 5 years	3,756.32	-	14,172.19	96,544.64	92,062.13	1,943.76	208,479.04
Total	29,203.16	145.08	79,946.76	178,949.64	179,718.21	3,431.77	471,394.62

26. Long-term Loans (Continued)

26.4 Maturities of long-term loans as at December 31, 2014 and 2013 are as follows: (Continued)

Unit: Million Baht

	Separate financial statements						Total
	2014						
	Baht Currency Loans	Baht Currency Loans From EPPO	Foreign Currency Loans	Baht Currency Debentures	Foreign Currency Debentures	Liabilities Under Finance leases	
Within 1 year	2,500.00	29.01	9,933.96	22,140.53	-	597.82	35,201.32
Over 1 year but not over 2 years	5,400.00	29.02		31,070.00	-	564.44	37,063.46
Over 2 years but not over 5 years	10,100.00	58.03	10,265.09	38,049.47	25,001.90	1,566.05	85,040.54
Over 5 years	1,000.00	-	6,359.75	75,548.00	51,463.58	3,903.94	138,275.27
Total	19,000.00	116.06	26,558.80	166,808.00	76,465.48	6,632.25	295,580.59

Unit: Million Baht

	Separate financial statements						Total
	2013						
	Baht Currency Loans	Baht Currency Loans From EPPO	Foreign Currency Loans	Baht Currency Debentures	Foreign Currency Debentures	Liabilities Under Finance leases	
Within 1 year	2,500.00	116.76	-	2,946.20	22,550.75	640.70	28,754.41
Over 1 year but not over 2 years	2,500.00	27.48	9,884.82	22,140.53	-	480.12	35,032.95
Over 2 years but not over 5 years	14,300.00	0.84	10,214.31	43,119.47	24,878.22	1,263.39	93,776.23
Over 5 years	2,200.00	-	7,264.99	91,548.00	51,179.08	4,289.72	156,481.79
Total	21,500.00	145.08	27,364.12	159,754.20	98,608.05	6,673.93	314,045.38

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	
	2014	2013	2014	2013
As at January 1	8,130.28	7,485.54	4,320.38	4,039.49
Current service costs	717.85	705.99	370.20	307.96
Interest on obligations	343.12	298.61	207.90	176.45
Actuarial (gain) loss	1,370.10	(9.89)	1,324.20	-
Actual payment	(403.27)	(311.77)	(218.54)	(203.52)
Classified as liabilities directly associated with non-current assets held-for-sale (Note 12)	(15.40)	-	-	-
Business disposal	-	(0.95)	-	-
Currency translation differences	8.28	(37.25)	-	-
As at December 31	<u>10,150.96</u>	<u>8,130.28</u>	<u>6,004.14</u>	<u>4,320.38</u>

Expenses recognized in the statements of income and comprehensive income for the years ended December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current service costs	717.85	705.99	370.20	307.96
Interest on obligations	343.12	298.61	207.90	176.45
Actuarial (gain) loss	1,370.10	(9.89)	1,324.20	-
Total	<u>2,431.07</u>	<u>994.71</u>	<u>1,902.30</u>	<u>484.41</u>
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	Cost of sales and services	138.30	112.43	87.74
Selling expenses	51.91	42.39	49.34	40.06
Administrative expenses	886.10	839.02	456.51	373.85
Management remuneration	4.31	0.87	3.66	3.04
Other comprehensive loss	1,350.45	-	1,305.05	-
Total	<u>2,431.07</u>	<u>994.71</u>	<u>1,902.30</u>	<u>484.41</u>

27. Employee Benefit Obligations (Continued)Principal actuarial assumptions

• Financial assumptions of the Group

	Annual percentage (%)
Discount rate	3.60 - 6.10
Inflation rate	2.00 - 6.50

• Demographic assumptions of the Group

- Assumptions regarding mortality rates are based on the published statistics of mortality tables B.E. 2551 (TMO08) issued by the Office of Insurance Commission.
- Employee turnover rates assumption:

Age-related scale	Annual percentage (%)
Prior to age 30	2.00 - 30.00
Age 30 - 39	1.00 - 17.00
Age 40 - 49	0.50 - 17.00
Age 50 and over	0.50 - 5.00

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, 2014	39,873.85
- Business acquisition (Note 42)	1,696.00
- Addition	30,465.75
- Use during the year	(75.83)
- Reversal of non-occurred provision	(466.14)
- Decrease from restructuring of the ownership interests in KKD project	(211.77)
- Currency translation differences	652.67
As at December 31, 2014	71,934.53
- Current portion	-
- Long-term portion	<u>71,934.53</u>

29. Other Non-current Liabilities

Other non-current liabilities as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Provision for remuneration for the renewal of petroleum production	16,234.65	17,406.65	-	-
Long-term liability: Make-up	7,537.99	7,062.86	7,537.99	7,062.86
Retention	1,179.30	1,785.55	696.95	1,309.80
Deferred revenue	589.94	628.90	589.91	628.90
Others	2,348.82	1,514.44	856.30	154.30
Total	27,890.70	28,398.40	9,681.15	9,155.86

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, 2013	10	2,857,245,725	28,572,457,250
As at December 31, 2014	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, 2013	2,856,299,625	28,562,996,250	29,211,131,966	57,774,128,216
As at December 31, 2014	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	
	2014	2013	2014	2013
Balance as at January 1	1,056.67	1,075.40	1,056.67	1,075.40
Appropriated during the years	42.07	(18.73)	42.07	(18.73)
Balance as at December 31	<u>1,098.74</u>	<u>1,056.67</u>	<u>1,098.74</u>	<u>1,056.67</u>

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. Earnings per Share

Basic earnings per share for the years ended December 31, 2014 and 2013 are calculated as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Profit attributable to owners of the parent (Baht)	55,794,933,013	93,091,413,997	44,256,323,684	63,275,851,271
Adjustment of profit (Baht)	<u>(571,367,356)</u>	<u>(190,495,106)</u>	<u>-</u>	<u>-</u>
Profit for calculation of earnings per share (Baht)	<u>55,223,565,657</u>	<u>92,900,918,891</u>	<u>44,256,323,684</u>	<u>63,275,851,271</u>
Number of weighted average of ordinary shares for calculation of earnings per share (shares)	2,856,299,625	2,856,299,625	2,856,299,625	2,856,299,625
Earnings per share (Baht/share)	19.33	32.52	15.49	22.15

33. Sales and Service Income

Details of sales and services income for the years ended December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Oil products	2,011,340.11	2,069,440.36	1,768,298.34	1,869,966.88
Gas products	621,545.19	589,395.92	616,302.04	587,526.54
Petrochemicals products	160,205.32	138,449.48	28,451.58	46,579.53
Mining products	21,041.84	24,977.75	-	-
Non-oil businesses	9,537.10	8,881.35	4,823.14	4,252.91
Services	8,972.74	9,606.16	-	-
Others	2,089.88	1,657.29	-	-
Total	2,834,732.18	2,842,408.31	2,417,875.10	2,508,325.86

Sales and services income for the years ended December 31, 2014 and 2013 include sales to government agencies and state enterprises amounting to Baht 179,951.45 million and Baht 176,989.58 million in the consolidated financial statements, and Baht 179,271.85 million and Baht 175,547.16 million in the separate financial statements, respectively.

34. Other Income

Details of other income for the years ended December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Transportation income	5,977.53	4,726.26	6,180.17	4,870.13
Dividend income	215.98	405.99	29,679.18	33,786.17
Interest income	2,702.40	2,740.20	4,168.73	4,263.12
Compensation for loan interest on advance payments for gas purchases	(1.81)	(7.09)	(1.81)	(7.09)
Gain on disposal of investments	1,081.25	455.60	1,374.98	1,806.17
Revenue from product sales of KKD Project (Note 44)	1,815.83	-	-	-
Gain from restructuring of the ownership interests in KKD project (Note 44)	1,041.96	-	-	-
Others	5,220.49	5,706.25	4,767.89	3,118.94
Total	18,053.63	14,027.21	46,169.14	47,837.44

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, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Changes in finished goods and work in process	73,144.26	(808.28)	8,928.91	(931.84)
Goods purchased and raw materials used	2,377,663.22	2,494,760.73	2,308,011.18	2,419,519.45
Staff costs	20,499.07	18,562.90	8,800.97	8,301.79
Outsourcing	7,866.26	7,833.30	7,587.49	7,560.98
Transportation	17,697.38	13,693.87	5,491.63	3,881.36
Depreciation and amortization	108,340.75	76,243.89	15,877.37	15,018.21
Repairment	10,053.40	7,666.74	4,523.97	3,786.17
Utilities	17,801.38	16,828.11	14,942.31	14,211.23
Loss on impairment of assets	36,707.17	14.08	665.25	-
Loss on impairment of investments	-	35.33	8,885.61	-
(Reversal of) Doubtful accounts	1,406.95	(48.42)	18,169.35	(49.02)
Rental fees and property insurance premium	3,993.59	4,218.94	3,309.06	2,970.34
Cash call for KKD project (Note 44)	1,337.67	-	-	-
Others	25,893.66	28,457.37	7,699.75	8,271.65

36. Petroleum Royalties and Remuneration

Details of petroleum royalties and remuneration for the years ended December 31, 2014 and 2013 are as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2014	2013
Petroleum royalties	27,261.19	27,103.33
Special remuneration benefits	63.15	18.68
Total	<u>27,324.34</u>	<u>27,122.01</u>

37. Finance Costs

Details of finance costs for the years ended December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Interest expenses:				
Loans from financial institutions	7,517.40	2,771.86	1,213.11	1,337.19
Bonds and debentures	10,856.78	15,353.06	10,856.78	10,977.20
Liabilities under finance leases	70.26	115.71	99.70	102.81
Others	3,018.63	253.58	-	-
Other finance costs	755.21	2,099.05	632.30	675.87
Total	<u>22,218.28</u>	<u>20,593.26</u>	<u>12,801.89</u>	<u>13,093.07</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 business:
The Group conducts petrochemical business including the production and distribution of the main petrochemical products and by-products in both domestic and overseas markets to serve the demands of industry and consumer groups.
4. Refining business:
The Group conducts refining business, involving the processing and distribution of finished oil products to serve both domestic and overseas customers. In addition, the Group conducts petrochemical business, which utilizes refining products as raw materials.

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.

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38. Operating Segments (Continued)Consolidated financial statements

For the year ended December 31, 2014

	Unit: Million Baht									
	Upstream petroleum and natural gas		Downstream petroleum				Coal	Others	Elimination	Total
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals	Refining				
Sales - others	39,891.72	528,664.59	633,754.41	1,498,199.18	111,725.96	-	20,436.37	2,059.95	-	2,834,732.18
- related parties	207,925.40	29,353.05	4,654.63	100,902.05	125.52	-	120.15	2,130.64	(345,211.44)	-
Net sales	247,817.12	558,017.64	638,409.04	1,599,101.23	111,851.48	-	20,556.52	4,190.59	(345,211.44)	2,834,732.18
Gross profit*	220,002.09	66,858.29	25,048.37	2,601.56	6,011.97	-	7,073.92	908.19	(268.95)	328,235.44
EBITDA	174,739.74	54,102.09	11,577.52	(751.13)	4,113.25	-	4,474.94	1,538.31	1,230.54	251,025.26
Depreciation and amortization expenses	83,214.67	14,322.59	2,861.72	35.87	1,312.43	-	4,709.20	1,886.61	(2.34)	108,340.75
EBIT	91,525.07	39,779.50	8,715.80	(787.00)	2,800.82	-	(234.26)	(348.30)	1,232.88	142,684.51
Share of income (loss) from investments in associates	-	779.87	657.84	-	7,132.94	(5,746.71)	-	118.11	-	2,942.05
Interest income										2,702.40
Loss on impairment of assets										(36,707.17)
Other income-net										2,967.10
Gain on exchange rate										11,155.53
Finance costs										(22,218.28)
EBT										103,526.14
Income taxes										(41,028.52)
Profit for the year										62,497.62
Attributable to:										
Owners of the parent										55,794.93
Non-controlling interests										6,702.69
Profit for the year										62,497.62

*Gross profit 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	Total	
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals					Refining
Segment assets	731,024.17	361,256.34	105,599.25	103,604.52	42,070.92	-	51,448.38	136,292.02	-	1,531,295.60
Inter-company assets	22,145.15	4,572.78	1,008.24	5,415.67	304.88	-	24.73	40,522.07	(73,993.52)	-
Investments in associates	0.01	13,759.39	3,944.38	-	125,764.63	93,804.16	-	566.81	-	237,839.38
Total segment assets	753,169.33	379,588.51	110,551.87	109,020.19	168,140.43	93,804.16	51,473.11	177,380.90	(73,993.52)	1,769,134.98
Non-allocated assets										10,044.18
Total assets										<u>1,779,179.16</u>
Segment liabilities	301,449.32	94,519.30	41,263.07	84,905.61	19,759.07	-	4,743.41	307,875.38	-	854,515.16
Inter-company liabilities	1,369.93	36,905.20	7,966.83	5,611.22	4,121.93	-	7,090.04	10,928.37	(73,993.52)	-
Total segment liabilities	302,819.25	131,424.50	49,229.90	90,516.83	23,881.00	-	11,833.45	318,803.75	(73,993.52)	854,515.16
Non-allocated liabilities										57,321.88
Total liabilities										<u>911,837.04</u>
Capital expenditure	120,449.22	4,509.52	9,175.44	103.14	1,625.97	-	2,255.54	856.84	-	138,975.67

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38. Operating Segments (Continued)Consolidated financial statements

For the year ended December 31, 2013

	Upstream petroleum and natural gas						Downstream petroleum			Coal	Others	Elimination	Total	Unit: Million Baht
	Petroleum	Natural gas	Oil	International	Petrochemicals	Refining								
	exploration and production			trading										
Sales - others	43,247.48	503,539.82	611,273.93	1,564,369.11	93,024.81	-	24,977.75	1,975.41	-	2,842,408.31				
- related parties	181,725.21	25,510.91	6,031.52	92,366.32	28.71	-	-	2,051.96	(307,714.63)	-				
Net sales	224,972.69	529,050.73	617,305.45	1,656,735.43	93,053.52	-	24,977.75	4,027.37	(307,714.63)	2,842,408.31				
Gross profit (loss) *	199,482.33	58,471.85	24,806.28	(123.36)	3,764.83	-	8,883.34	932.38	(2,380.41)	293,837.24				
EBITDA	161,272.57	44,836.48	13,296.85	(1,150.70)	2,041.08	-	5,809.49	1,599.50	836.04	228,541.31				
Depreciation and amortization expenses	50,350.89	13,851.31	2,644.40	12.57	1,272.17	-	6,400.69	1,714.23	(2.37)	76,243.89				
EBIT	110,921.68	30,985.17	10,652.45	(1,163.27)	768.91	-	(591.20)	(114.73)	838.41	152,297.42				
Share of income from investments in associates	-	472.30	608.15	-	17,012.89	8,124.57	-	138.24	-	26,356.15				
Interest income										2,740.20				
Other income-net										623.60				
Loss on exchange rate										(210.37)				
Finance costs										(20,593.26)				
EBT										161,213.74				
Income taxes										(47,649.40)				
Profit for the year										113,564.34				
Attributable to:														
Owners of the parent										93,091.41				
Non-controlling interests										20,472.93				
Profit for the year										113,564.34				

*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, 2013 (Continued)

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Total	
	Petroleum exploration and production	Natural gas	Oil	International trading	Petrochemicals					Refining
Segment assets	665,634.90	375,087.78	118,563.62	169,720.65	42,001.61	-	55,543.41	118,966.42	-	1,545,518.39
Inter-company assets	28,554.93	2,980.23	904.45	4,833.85	543.08	-	-	32,422.64	(70,239.18)	-
Investments in associates	0.01	13,566.61	2,915.53	-	125,624.21	103,760.23	-	470.23	-	246,336.82
Total segment assets	694,189.84	391,634.62	122,383.60	174,554.50	168,168.90	103,760.23	55,543.41	151,859.29	(70,239.18)	1,791,855.21
Non-allocated assets										13,183.91
Total assets										<u>1,805,039.12</u>
Segment liabilities	265,833.68	95,067.49	55,046.88	146,327.52	21,108.01	-	14,506.83	318,829.89	-	916,720.30
Inter-company liabilities	1,403.27	38,900.76	9,887.36	10,233.89	4,146.74	-	-	5,667.16	(70,239.18)	-
Total segment liabilities	267,236.95	133,968.25	64,934.24	156,561.41	25,254.75	-	14,506.83	324,497.05	(70,239.18)	916,720.30
Non-allocated liabilities										65,476.41
Total liabilities										<u>982,196.71</u>
Capital expenditure	101,723.45	16,666.78	5,823.91	130.54	1,200.57	-	2,491.27	3,662.12	-	131,698.64

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 Company 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 Company borrows at both fixed and floating interest rates to finance its operations. Accordingly, the Company's 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 carrying amounts and exchange rates under the forward foreign exchange contracts as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
Forward foreign exchange purchase contracts				
Baht 32.8150 - 33.0126 = 1 USD	30,404.18	-	30,404.18	-
Baht 31.7941 - 32.8380 = 1 USD	-	31,108.69	-	31,108.69
Forward foreign exchange sale contracts				
Baht 32.2521 - 33.3330 = 1 USD	16,180.81	-	13,244.65	-
Baht 29.2653 - 33.1450 = 1 USD	-	31,941.90	-	28,344.56

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

The Company has entered into a cross-currency swap in the form of a participating swap amounting to JPY 23,000 million. The terms of such contract as at December 31, 2014 and 2013 detailed as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
JPY 23,000 million/USD 196.94 million	6,521.42	6,489.16	6,521.42	6,489.16

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. The terms of the outstanding cross-currency and interest rate swap contracts as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
- JPY 36,000 million/USD 290.51 million	9,619.71	9,572.13	9,619.71	9,572.13
- Baht 3,053.80 million/USD 90 million	-	2,965.45	-	2,965.45
- Baht 2,636 million/USD 79.45 million	2,630.69	2,617.68	2,630.69	2,617.68
- Baht 4,000 million/USD 120.55 million	3,991.95	3,972.20	3,991.95	3,972.20
- Baht 3,000 million/USD 99.66 million	3,300.32	3,283.99	3,300.32	3,283.99
- Baht 6,000 million/USD 194.66 million	-	6,413.80	-	6,413.80
- Baht 9,000 million/USD 285.42 million	9,451.17	9,404.42	9,451.17	9,404.42
- Baht 11,700 million/USD 389.50 million	-	11,698.80	-	-
- Baht 2,500 million/USD 82.92 million	2,500.00	2,500.00	-	-
- Baht 5,000 million/USD 161.81 million	4,997.28	4,996.94	-	-
- Baht 8,000 million/USD 251.07 million	8,190.92	-	-	-
- Baht 11,400 million/USD 349.05 million	11,386.31	-	-	-
Total	<u>56,068.35</u>	<u>57,425.41</u>	<u>28,993.84</u>	<u>38,229.67</u>

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

The following are the maturities of contracts:

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	2014	2013	2014	2013
Due within 1 year	-	21,078.05	-	9,379.25
Over 1 year but not over 5 years	40,690.09	27,378.22	25,001.89	24,878.22
Over 5 years	15,378.26	8,969.14	3,991.95	3,972.20
Total	<u>56,068.35</u>	<u>57,425.41</u>	<u>28,993.84</u>	<u>38,229.67</u>

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

The Group has entered into interest rate swap contracts. The terms of the outstanding interest rate swap contracts as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
Interest rate swap contracts to swap floating for fixed rate in USD currency*	11,835.72	11,837.02	9,933.96	9,884.82
Interest rate swap contracts to swap fixed for floating rate in USD currency	29,605.83	16,393.65	29,605.83	16,421.00
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***	5,000.00	5,000.00	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	55,941.55	42,730.67	51,539.79	38,305.82

* Some interest rate swap contracts granted the contract parties a one-time right to change the interest rate from a fixed rate to a floating rate.

** The contracts granted the contract parties a one-time right to change the interest rate from a floating rate to a fixed rate. As at December 30, 2013, the contract party chose not to exercise its right.

*** The contract party exercised the right to change the interest rate from a floating rate to a fixed rate in 2012.

The following are the maturity periods of contracts:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
Due within 1 year	11,610.11	59.03	9,933.96	-
Over 1 year but not over 5 years	14,611.98	24,909.64	12,000.00	20,684.82
Over 5 years	29,719.46	17,762.00	29,605.83	17,621.00
Total	55,941.55	42,730.67	51,539.79	38,305.82

39. Disclosure of Financial Instruments (Continued)

39.5 Fluctuations in Oil Market Price Risk

The Group has entered into forward oil price contracts. As at December 31, 2014, the volume of the oil according to such contracts that will mature during January to December 2015 and November, 2016 is 9.87 million barrels in the consolidated financial statements and 3.83 million barrels in the separate financial statements (as at December 31, 2013: 12.28 million barrels in the consolidated financial statements and 6.24 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.

39. Disclosure of Financial Instruments (Continued)**39.7 Fair Value of Financial Instruments**

Most financial assets and liabilities of the Group are classified as short-term. The fair values of financial assets and liabilities approximate their carrying values.

The Group calculates the fair values of fixed-interest-rate long-term loans and debentures using the discounted cash flow method based on the discount rates of contracts with similar borrowing conditions. The fair values of forward foreign exchange contracts, cross-currency and interest rate swap contracts, participating swap contracts, interest rate swap contracts and forward oil and gas price contracts are determined by the Group's contracted banks with reference to their quoted market prices as at December 31, 2014 and 2013 as follows:

Unit: Million Baht

	Consolidated financial statements			
	2014		2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term loans - Baht currency	25,333.06	25,725.56	29,203.16	29,698.48
Long-term loans - Foreign currencies	72,554.18	73,555.32	79,946.76	74,923.16
Unsecured unsubordinated debentures - Baht currency	193,882.51	209,887.48	178,949.64	186,328.96
Unsecured unsubordinated debentures - Foreign currencies	155,007.55	162,577.49	176,714.22	174,491.69
Secured unsubordinated debentures - Foreign currencies	2,828.63	2,828.63	3,003.99	3,003.99
Forward foreign exchange purchase contracts	-	59.49	-	532.99
Forward foreign exchange sale contracts	-	2,620.87	-	2,923.17
Foreign exchange option contracts	-	7.94	-	32.08
Cross-currency and interest rate swap contracts	-	1,381.42	-	939.29
Interest rate swap contracts	-	50.40	-	(487.38)
Forward oil price contracts	-	702.90	-	546.98

39. Disclosure of Financial Instruments (Continued)**39.7 Fair Value of Financial Instruments (Continued)**

Unit: Million Baht

	Separate financial statements			
	2014		2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term loans - Baht currency	19,000.00	19,392.49	21,500.00	21,995.32
Long-term loans - Foreign currencies	26,558.80	27,559.94	27,364.12	28,156.77
Unsecured unsubordinated debentures - Baht currency	166,808.00	180,907.69	159,754.20	166,894.86
Unsecured unsubordinated debentures - Foreign currencies	76,465.48	76,882.49	98,608.06	93,349.71
Forward foreign exchange purchase contracts	-	59.49	-	532.99
Forward foreign exchange sale contracts	-	(31.67)	-	(761.40)
Foreign exchange option contracts	-	7.94	-	32.08
Cross-currency and interest rate swap contracts	-	388.65	-	939.29
Interest rate swap contracts	-	(60.25)	-	(457.21)
Forward oil price contracts	-	(186.58)	-	546.98

40. Subordinated Capital Debentures

On June 18, 2014, PTTEP issued and offered subordinated capital debentures, with a value of USD 1,000 million, which are perpetual long-term, unsecured and unconvertible with no final maturity date. The principle payment will be paid upon liquidation or early redemption by PTTEP, subject to certain restrictions under the agreement. The subordinated capital debentures bear a fixed interest rate of 4.875% per annum for the first five years and the rate of return from the sixth year onwards are based on terms and conditions. The interest is paid on a semi-annual basis. PTTEP can defer the interest payments at its sole discretion. All deferred interest will be accumulated, but not bear any interests after the interest is deferred for 12 months. If PTTEP deferred the interest payment, PTTEP shall not declare or make any dividend payment, make any interest payment or distribution of any sort of any instrument or security issued by PTTEP which ranks pari passu or junior to these subordinated capital debentures. In addition, PTTEP shall not redeem, reduce, cancel, acquire or buy-back for any consideration on any instrument or security issued by PTTEP which rank pari passu or junior to these subordinated capital debentures. These debentures are recognized by the Company as a part of non-controlling interests in the statement of financial position.

As at December 31, 2014, the Company had subordinated capital debentures net of finance costs. As a result, the net amount of these debentures were Baht 37,188.50 million.

41. Dividend Payment

On April 10, 2014, at the 2014 Annual Shareholders' Meeting of the Company, the shareholders approved dividend payments for the year 2013 of Baht 13.00 per share, approximately amounting to Baht 37,128.42 million. On October 4, 2013, the Company paid an interim dividend for the operating results of the first half of 2013 at Baht 5.00 per share for 2,855,950,233 shares, amounting to Baht 14,279.75 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 2013	July 1, 2013 - December 31, 2013	8.00	2,856,084,152	22,848.67	April 23, 2014

On September 3, 2014, at the Board of Directors Extraordinary Meeting No. 3/2014 of the Company, the Board approved interim dividend payments for the first half of the year 2014 as follows:

Dividends	For operating period	Dividend payment rate (Baht/share)	Number of shares (shares)	Total dividend (million Baht)	Payment date
Interim	January 1, 2014 - June 30, 2014	6.00	2,856,095,706	17,136.58	October 2, 2014

42. Business Acquisition

On April 22, 2014, PTTEP Offshore Investment Company Limited (PTTEPO) and PTTEP International Limited (PTTEPI), subsidiaries of PTTEP, have entered into the Share Purchase agreement (SPA) to acquire 100% equity stakes in Hess Thailand Holdings II Limited (HTH) and Hess Exploration Thailand Company Limited (HETCL), subsidiaries of Hess Corporation.

The transaction of HTH was completed on April 22, 2014. As a result, PTTEP's participating interests in Block B12/27 of Contract 4 Project and Block EU-1 and Block E5 North of Sinphuhorm Project increased by 15% and 35%, respectively. Also, the transaction of HETCL was completed on May 28, 2014, therefore PTTEP owned the increasing of 15% participating interest in Block G7/50 of Contract 4 Project, while PTTEP has become the operator of Sinphuhorm Project after the acquisition. PTTEP then changed the names of HTH and HETCL to Sinphuhorm Holdings Limited and PTTEP G7 Limited, respectively.

Hess Thailand Holdings II Limited (HTH)

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration	32,483.82
Fair value of net assets acquired	<u>(18,160.63)</u>
Goodwill	<u>14,323.19</u>

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

	Unit: Million Baht
Cash and cash equivalents	6,265.29
Trade accounts receivable and other accounts receivable	2,030.01
Other current assets	310.90
Property, plant and equipment (Note 17)	19,059.00
Intangible assets (Note 18)	11,333.93
Other non-current assets	2.57
Trade accounts payable and other accounts payable	(1,401.88)
Income tax payable	(3,896.01)
Other current liabilities	(63.79)
Deferred tax liabilities (Note 21.2)	(13,783.39)
Provision for decommissioning costs (Note 28)	<u>(1,696.00)</u>
Fair value of net assets	18,160.63
<u>Add</u> Goodwill (Note 20)	<u>14,323.19</u>
Total purchase consideration transferred	32,483.82
<u>Less</u> Cash and cash equivalents	<u>(6,265.29)</u>
Cash outflow on the business acquisition	<u>26,218.53</u>

42. Business Acquisition (Continued)

Hess Exploration Thailand Company Limited (HETCL)

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration	47.02
Fair value of net assets acquired	<u>(38.39)</u>
Goodwill	<u>8.63</u>

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

	Unit: Million Baht
Cash and cash equivalents	16.09
Other current assets	2.54
Intangible assets (Note 18)	19.95
Other accounts payable	<u>(0.19)</u>
Fair value of net assets	38.39
<u>Add</u> Goodwill (Note 20)	<u>8.63</u>
Total purchase consideration transferred	47.02
<u>Less</u> Cash and cash equivalents	<u>(16.09)</u>
Cash outflow on the business acquisition	<u>30.93</u>

The goodwill from the business acquisition HTH of Baht 14,323.19 million resulted primarily from the recognition of deferred tax liabilities of Baht 11,794.20 million. These were derived from the differences between the fair values of net assets acquired assumed in a business combination and their tax bases, which have not been adjusted to reflect fair value. The remaining goodwill of Baht 2,528.99 million represents the future benefits that PTTEP expects to gain from acquiring the Project, conforming to PTTEP's strategy to increase productivity.

The goodwill from the business acquisition HETCL of Baht 8.63 million represents the future benefits that PTTEP expects to gain from acquiring the Project, conforming to PTTEP's strategy to increase productivity.

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

43. Business Disposal

On December 5, 2014, PTT International Holding Limited (PTTIH), a subsidiary of PTTER, disposed of a 40% interest in Nam Lik1 Power Company Limited (NL1PC) to Global Power Synergy Public Co., Ltd. (GPSC) for USD 3.54 million or equivalent to Baht 115.87 million. PTTER recognized a gain on disposal of NL1PC in the consolidated financial statements amounting to USD 2.11 million or equivalent to Baht 69.09 million (Note 13.7). As at December 31, 2014, PTTER did not receive the payment from GPSC and recognize as other receivable. However, PTTER received the full payment for the share on January 20, 2015.

The Company recognized a gain of Baht 48.29 million on disposal of NL1PC in the consolidated financial statements in the statement of income.

Details of net assets on the disposal date are as follows:

	Unit: Million Baht
Cash and cash equivalents	48.55
Other accounts receivable	1.33
Other current assets	0.09
Property, plant and equipment (Note 17)	228.48
Intangible assets (Note 18)	0.03
Other non-current assets	118.03
Other accounts payable	(124.50)
Other current liabilities	(0.38)
Loan (Note 26.1)	(208.86)
Other non-current liabilities	(16.03)
Total net assets	<u>46.74</u>
Selling price of investment	115.87
<u>Less</u> Cash and cash equivalents	<u>(48.55)</u>
Net assets received from the disposal of jointly controlled entity	<u>67.32</u>

44. Restructuring of the Ownership Interests in Canada Oil Sands KKD project

On January 30, 2014, PTTEP Canada Limited (PTTEP CA), a subsidiary of PTTEP, had signed into a Partnership Units Redemption Agreement (PURA) with Statoil Canada Limited, a joint venture partner of Canada Oil Sands KKD (KKD) Project, to restructure the ownership interests of the five areas of the KKD Project, whereby PTTEP CA exchanged its 40% participating interests in Leismer and Corner (L&C) areas with the 60% participating interests in Thornbury, Hangingstone and South Leisner (THSL) areas.

On May 28, 2014, PTTEP CA had fulfilled all the terms and conditions as prescribed in the PURA and the government of Canada had approved the transaction, therefore PTTEP became the owner of 100% participating interests and the sole operator in THSL areas, and received cash of USD 200 million or equivalent to Baht 6,558.23 million and net cash of USD 219 million or equivalent to Baht 7,194.93 million derived from the price adjustment to reflect the exchange value of the ownership interests.

The Company recognized the intangible assets of USD 1,546 million or equivalent to Baht 50,694.10 million from the acquisition of 60% participating interests in THSL areas and recognized gain from the restructuring of the ownership interests in KKD Project of USD 25 million or equivalent to Baht 819.43 million as other income in the consolidated financial statements. During the second quarter of 2014, the Company also recognized revenue from product sales of USD 56 million or equivalent to Baht 1,815.83 million and cash call for KKD Project of USD 41 million or equivalent to Baht 1,337.67 million, as parts of other income and administrative expenses, respectively.

Moreover, PTTEP received additional net cash of USD 7 million, or equivalent to Baht 222.53 million, from the calculation of the exchange value of the ownership interests as prescribed in PURA and presented this as other income in the consolidated financial statements for the year ended December 31, 2014.

45. 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 2014, the Company utilizes 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.

The sales from the promoted and non-promoted businesses for the years ended December 31, 2014 and 2013 are as follows:

	Unit: Million Baht	
	Separate financial statements	
	2014	2013
Promoted businesses	159,627.17	153,069.74
Non-promoted businesses	2,258,247.93	2,355,256.12
Total	<u>2,417,875.10</u>	<u>2,508,325.86</u>

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

PTTPL received Category 7.7 promotional privileges for its international merchandise distribution centre with modern system. The promotional privileges include exemption from import duties on the machinery approved by the BOI and corporate income tax exemption on the net income from the promoted business for five years starting from the date on which income is first derived from such operations.

45. Promotional Privileges (Continued)

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.

HMC received promotional privileges for its business with respect to the production of chemicals from petroleum. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption on the net income from promoted business for eight years starting from the date on which the income is first derived from such operations, and 50% corporate income tax exemption on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption period.

TTM(T) received Category 7.1 promotional privileges for its public utility and basic services business, Category 7.2 privileges for its mass transit systems and transportation of bulk products and Category 7.7 privileges for its natural gas transmission pipeline business. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption on the net income from promoted business for eight years starting from the date on which the income is first derived from such operations.

DCAP received Category 7.1 promotional privileges for its public utility and basic services business. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption on the net income from promoted business for eight years starting from the date on which income is first derived from such operations.

PTTAC received promotional privileges for its Acrylonitrile, Methyl Methacrylate and Ammonium Sulfate production business. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption for the net income from the promoted business on up to 100% of its investment for eight years starting from the date on which income is first derived from such operations.

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

46. 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.

47. 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. At present, the case is in the Civil Court's proceedings.

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. At present, the case is in the Civil Court's proceedings.

48. Commitments and Contingent Liabilities

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

48.1 Details of commitments to subsidiaries, jointly controlled entities, associates and other related companies are as follows:

48.1.1 The Group has provided loans to its subsidiaries and jointly controlled entities with credit limits totaling Baht 104,662.08 million. As at December 31, 2014, the Group made payments in respect of these loans totaling Baht 86,133.23 million. The remaining credit limits were Baht 18,528.85 million.

48.1.2 The Company has obligations under a commercial credit agreement with an overseas subsidiary and a jointly controlled entity that provide an extended credit term for purchases of raw materials under a credit limit of USD 150 million. As at December 31, 2014, the subsidiary and the jointly controlled entity have drawn down USD 90.52 million of the commercial credit. The remaining commercial credit line was USD 59.48 million or equivalent to Baht 1,969.57 million.

48.1.3 The Company entered into the Sponsor Support Agreements with three jointly controlled entities with credit limits equal to the sum of the loan obligations to financial institutions of the three jointly controlled entities. Under these agreements, as at December 31, 2014, the Company had commitments of USD 306.21 million or equivalent to Baht 10,139.59 million.

48.1.4 The Company had obligations under the Shareholder Agreements to pay for ordinary shares in proportion to its shareholding. As at December 31, 2014, the Company had remaining obligations amounting to Baht 8,064.26 million.

48. Commitments and Contingent Liabilities (Continued)

48.2 Commitments under operating leases - the Group as a lessee

The future minimum lease payments under uncancellable operating leases as at December 31, 2014 and 2013 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Within 1 year	2,262.88	2,812.10	83.77	131.02
Over 1 year but not over 5 years	2,787.87	3,265.29	281.97	287.63
Over 5 years	4,141.79	4,500.68	807.67	791.82
Total	<u>9,192.54</u>	<u>10,578.07</u>	<u>1,173.41</u>	<u>1,210.47</u>

48.3 As at December 31, 2014, the Group had capital commitments of Baht 5,611.46 million in the consolidated financial statements. This amount included Baht 644.05 million relating to the Group's interest in the jointly controlled entities.

48.4 As at December 31, 2014, the Group had outstanding letters of credit of Baht 26,270.07 million in the consolidated financial statements and Baht 8,824.01 million in the separate financial statements.

48.5 As at December 31, 2014, the Group had contingent liabilities in the form of letter of guarantee amounting to Baht 1,568.66 million in the consolidated financial statements and Baht 300.12 million in the separate financial statements.

48.6 An associate entered into a contract to sell a product to the Company and the Company entered into a contract to resell the same product to a listed company. The term of the two contracts was 15 years, expiring on January 31, 2012. Before the expiration of the contract, the associate 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 associate, 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 associate submitted motion to the Institute asking to dismiss the claims against it from the case list. The Institute issued an order to dismiss the claims relating to the associate.

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

48. Commitments and Contingent Liabilities (Continued)

48.7 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.

48.8 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.

48.9 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. Currently, the prosecutor has submitted the answer with the Court and the case is now under the consideration of the Court.

48. Commitments and Contingent Liabilities (Continued)

- 48.10 On August 26, 2010, PTTEP Australasia Pty Ltd (PTTEP AA) received a letter from the Government of Indonesia claiming for compensation in relation to the oil and gas leak incident in the Montara area under the PTTEP Australasia's project. PTTEP AA submitted a letter rejecting the claim for the compensation to the Government of Indonesia because no proved and verifiable scientific evidence has yet been provided to support the claim.

Subsequently on October 3, 2014, PTTEP AA received a letter from lawyers acting on behalf of West Timor Care Foundation, a representative of West Timorese coastal fishermen and seaweed farmers, warning that there may be litigation against PTTEP AA, claiming for compensation relating to an incident of oil and natural gas leak in Montara area in 2009. Currently, PTTEP considers the claims made by the Government of Indonesia and by lawyers acting on behalf of West Timor Care Foundation to be unproven and unsubstantiated.

49. Other Events

- 49.1 From oil spill incident on July 27, 2013, PTTGC recognized expenses resulted from this incident in the period that expenses incurred. During 2014, an insurance company paid compensation to PTTGC for a number of preliminary damage claim and PTTGC has recognized the payments as other income. The management and insurance company are in the process of negotiation for the remaining compensation. Furthermore, a number of people filed a lawsuit against PTTGC as a result of this incident.

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.

49. Other Events (Continued)

49.2 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, 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. Currently, this matter is under discussion and negotiation between the two entities with regards to the extension terms of the two Agreements to be in compliance with the opinion of the OAG.

49.3 On June 9, 2014, one of IRPC’s plants in Choengnern District, Rayong Province, there was a fire at the VGOHT : Vacuum Gas Oil Hydro Treating Unit. This unit has produced fuel oil to feed the Cracker unit to produce propylene. After the fire VGOHT and the plant nearby had to temporarily cease operations. However, the refinery plant and all other petrochemical plants still continued their normal operations, except for the VGOHT that has ceased its operations for repairs and replacement of certain equipment. The cessation is expected to be approximately 10 months due to the lead time for replacement equipment. As at December 31, 2014, IRPC has provided an allowance for impairment of damaged assets of Baht 267 million.

IRPC has insurance coverage of USD 1,200 million. The management of IRPC, insurers and surveyors are assessing the total damages, which had not been completed by at the report date. Nevertheless, during 2014, IRPC has recognized the claims to the insurance company amounting to Baht 1,710 million.

49. Other Events (Continued)

49.4 On December 26, 2014, at the Board of Directors Meeting No. 12/2014 of the Company, the Board approved the termination of the FLNG project of PTT FLNG Limited (PTT FLNG) and deregistered PTT FLNG, which was a joint venture between PTT International (Singapore) Pte. Ltd. (PTTI SG), a subsidiary of PTTER, and PTTEP FLNG Holding Company Limited (PTTEP FH), a subsidiary of PTTEP, who each holds 50% stakes in PTT FLNG. The termination of the FLNG project and the deregistration of PTT FLNG are to comply with the Group policy and investment strategy as well as to reduce operating expenses. The deregistration is expected to be completed by the end of 2015. This disposal does not affect the Company's business operation.

50. Events after the Reporting Period

50.1 On January 8, 2015, PTT Energy Resources Co., Ltd. (PTTER) called up additional authorized share capital of Baht 300.00 million. The Company made the share payment on January 16, 2015.

50.2 On February 3, 2015, at the Board of Directors Meeting No. 1/2015 of the Company, the Board approved, in principle, acceptance of an offer from Vayupak Fund I to purchase 210 million shares of Bangchak Petroleum Public Company Limited (BCP), or 15.25% of its total paid up shares.

50.3 On February 19, 2015, at the Board of Directors Meeting No. 2/2015 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 11.00 per share for 2014. On October 2, 2014, the Company paid an interim dividend of Baht 6.00 per share as described in Note 41. Accordingly, the remaining dividend of Baht 5.00 per share or approximately Baht 14,281 million will be proposed for approval by the Annual General Meeting of the Company's shareholders for the year 2015.

50.4 The board of directors of the Company approved these financial statements for public issuance on February 19, 2015.
