

(UNOFFICIAL TRANSLATION)

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

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

The Office of the Auditor General of Thailand has reviewed the consolidated and separate statements of financial position as at June 30, 2018, and the consolidated and separate statements of income, the consolidated and separate statements of comprehensive income for the three-month and the six-month periods ended June 30, 2018, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the six-month period ended June 30, 2018, and condensed notes to the interim financial statements of PTT Public Company Limited and its subsidiaries and of PTT Public Company Limited, respectively. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Thai Accounting Standard No.34, "Interim Financial Reporting". The responsibility of the Office of the Auditor General of Thailand is to express a conclusion on this interim financial information based on the review.

**Scope of review**

The Office of the Auditor General of Thailand conducted the review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable the Office of the Auditor General of Thailand to obtain assurance that the Office of the Auditor General of Thailand would become aware of all significant matters that might be identified in an audit. Accordingly, the Office of the Auditor General of Thailand does not express an audit opinion.

**Conclusion**

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

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**Emphasis of Matter**

The Office of the Auditor General of Thailand draws attention to Note 34.1 to the financial statements, which describes the event that Ombudsman of Thailand submitted a complaint to the Administrative Court (the Court) against the Company as the black case No. 510/2559, requesting the Court as follows:

- 1) To revoke the Cabinet Resolutions on December 18, 2007 and August 10, 2010.
- 2) To order the Minister of Finance, the Minister of Energy and the Company to conduct a separation and transfer of net assets according to the plaintiff's allegation as of September 30, 2001 amounting to Baht 68,569.69 million, including other compensations and benefits.
- 3) To revoke the separation of public assets and the preferential rights to establish the gas pipeline system according to the plaintiff's allegation.

On May 26, 2016, the Administrative Court ordered the Company to submit a defense of the lawsuit and the Company had the public prosecutor prepared the statement and additional statement for submission to the Administrative Court. On May 11, 2018, the Administrative Court issued an order to end the fact finding process. Currently, the case is under the consideration of the Administrative Court.

The Office of the Auditor General of Thailand's conclusion is not qualified in respect of these matters.

(Signed) *Poungchomnad Jariyajinda*  
(Poungchomnad Jariyajinda)  
Deputy Auditor General

(Signed) *Mayuree Juntamat*  
(Mayuree Juntamat)

Director of Financial and Procurement Audit Office No.14

*Office of the Auditor General*

*August 10, 2018*

## (UNOFFICIAL TRANSLATION)

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2018

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	212,305,503,905	166,189,023,655	44,875,546,181	38,691,660,939
Current investments		146,414,228,795	229,651,255,278	50,237,597,714	68,056,258,825
Trade accounts receivable	5	192,192,611,091	174,916,243,685	144,845,222,702	144,265,155,266
Other accounts receivable	6	58,392,458,014	50,602,704,855	9,010,479,898	16,923,203,980
	7.1	1,494,261,456	1,231,329,558	7,888,820,911	4,648,737,018
Inventories	9	142,404,266,678	121,871,798,713	6,351,321,674	27,103,531,169
Materials and supplies		29,446,029,449	28,942,454,106	5,571,730,301	5,749,466,246
Current derivative assets		2,723,898,032	1,997,546,512	-	-
Other current assets		7,604,109,928	6,768,006,749	3,847,876,558	3,956,768,710
Assets held-for-sale	10	-	-	77,886,467,692	-
<b>Total current assets</b>		<b>792,977,367,348</b>	<b>782,170,363,111</b>	<b>350,515,063,631</b>	<b>309,394,782,153</b>
<b>Non-current assets</b>					
Available-for-sale investments	11.2	15,221,816,765	17,602,408,397	2,370,818,064	4,533,102,500
Investments in subsidiaries	12.5	-	-	316,287,037,954	218,929,325,063
Investments in joint ventures	12.3, 12.5	39,853,989,496	37,937,145,910	5,927,614,973	5,927,614,973
Investments in associates	12.4, 12.5	22,447,018,029	21,979,621,626	-	3,173,227,030
Other long-term investments	13.2	26,214,134,401	27,668,655,084	13,015,404,429	15,164,124,801
Long-term lending loans	7.2	17,252,945,955	19,078,604,450	33,571,604,112	22,754,737,237
Investment properties	14	5,801,330,221	6,233,426,284	1,684,020,711	3,851,133,751
Property, plant and equipment	15	1,123,030,925,266	1,076,905,903,235	270,041,169,537	287,729,934,813
Goodwill	16	50,989,075,761	46,688,256,108	-	-
Intangible assets	17	32,066,520,709	32,107,682,512	13,713,659,407	14,403,623,166
Exploration and evaluation assets	18	110,904,354,737	108,759,721,484	-	-
Deferred tax assets		16,160,839,268	15,101,219,955	-	-
Non-current derivative assets		2,136,061,819	3,734,359,338	489,862,589	754,506,988
Other non-current assets	19	38,149,471,699	36,346,789,502	7,622,771,800	6,695,815,983
<b>Total non-current assets</b>		<b>1,500,228,484,126</b>	<b>1,450,143,793,885</b>	<b>664,723,963,576</b>	<b>583,917,146,305</b>
<b>Total assets</b>		<b>2,293,205,851,474</b>	<b>2,232,314,156,996</b>	<b>1,015,239,027,207</b>	<b>893,311,928,458</b>

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 JUNE 30, 2018**

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b><u>Liabilities and Equity</u></b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions		25,479,234,697	18,126,630,943	-	-
Trade accounts payable		173,598,117,350	160,301,286,194	129,585,917,261	139,418,539,503
Other accounts payable		90,250,252,863	71,526,778,845	108,040,853,761	23,624,425,464
	20	98,365,765,520	66,433,929,171	45,097,070,515	29,439,944,692
Short-term loans-related parties	8.5	-	-	3,959,974,303	2,803,042,683
Income tax payable		23,915,757,004	24,094,727,080	6,043,930,666	3,592,947,307
Current derivative liabilities		4,499,617,017	4,954,839,016	362,861,838	86,699,923
Other current liabilities		9,955,990,007	8,958,513,286	3,876,687,066	4,565,821,904
Liabilities directly associated with assets held-fc	10	-	-	39,921,253,473	-
<b>Total current liabilities</b>		<b>426,064,734,458</b>	<b>354,396,704,535</b>	<b>336,888,548,883</b>	<b>203,531,421,476</b>
<b>Non-current liabilities</b>					
Long-term loans	20	386,738,532,986	444,919,659,683	124,508,145,458	150,115,471,277
Deferred tax liabilities		33,258,808,167	35,795,720,701	162,337,487	473,743,077
Provisions for employee benefit	21	24,259,772,424	23,313,066,000	7,510,325,191	8,877,981,146
Long-term provision for decommissioning costs	22	85,154,102,697	74,865,436,241	-	-
Deposits on LPG cylinders		10,697,185,538	10,519,247,338	-	10,519,247,338
Non-current derivative liabilities		962,932,560	2,104,348,790	661,554,248	45,185,175
Other non-current liabilities	23	38,033,359,012	37,844,233,080	20,606,454,896	21,868,611,384
<b>Total non-current liabilities</b>		<b>579,104,693,384</b>	<b>629,361,711,833</b>	<b>153,448,817,280</b>	<b>191,900,239,397</b>
<b>Total liabilities</b>		<b>1,005,169,427,842</b>	<b>983,758,416,368</b>	<b>490,337,366,163</b>	<b>395,431,660,873</b>

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 JUNE 30, 2018**

Unit: Baht

Notes	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and Equity</b> (Continued)				
<b>Equity</b>				
Share capital				
Authorized share capital				
28,562,996,250 ordinary shares of Baht 1 each				
(31 December 2017: 2,857,245,725 ordinary shares of Baht 10 × 24)	28,562,996,250	28,572,457,250	28,562,996,250	28,572,457,250
Issued and paid-up share capital				
28,562,996,250 ordinary shares of Baht 1 each				
(31 December 2017: 2,856,299,625 ordinary shares of Baht 10 × 24)	28,562,996,250	28,562,996,250	28,562,996,250	28,562,996,250
Premium on ordinary shares	29,211,131,966	29,211,131,966	29,211,131,966	29,211,131,966
Deficit from the change in the ownership interests in subsidiaries	(28,022,074,893)	(24,311,625,093)	-	-
Retained earnings				
Appropriated				
Legal reserve	2,857,245,725	2,857,245,725	2,857,245,725	2,857,245,725
Reserve for self-insurance fund	1,199,991,563	1,199,991,563	1,199,991,563	1,199,991,563
Unappropriated	810,985,676,564	775,959,276,682	460,728,141,648	433,069,636,210
Other components of equity	9,817,423,422	5,192,734,029	2,342,153,892	2,979,265,871
Total equity attributable to owners of the parent	854,612,390,597	818,671,751,122	524,901,661,044	497,880,267,585
Non-controlling interests	433,424,033,035	429,883,989,506	-	-
<b>Total equity</b>	<b>1,288,036,423,632</b>	<b>1,248,555,740,628</b>	<b>524,901,661,044</b>	<b>497,880,267,585</b>
<b>Total liabilities and equity</b>	<b>2,293,205,851,474</b>	<b>2,232,314,156,996</b>	<b>1,015,239,027,207</b>	<b>893,311,928,458</b>

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

(Signed) *Tevin Vongvanich*  
(Tevin Vongvanich)  
President & Chief Executive Officer

(Signed) *Wirat Uanarumit*  
(Wirat Uanarumit)  
Chief Operating Officer, Upstream Petroleum and Gas Business Group  
Acting Chief Financial Officer

(UNOFFICIAL TRANSLATION)

Unaudited  
but reviewed

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2018**

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017 (Restated)
Sales and service income		578,786,519,409	478,787,521,437	333,127,139,433	256,208,918,694
Cost of sales and services	27	487,461,000,921	415,679,341,880	310,372,561,667	238,165,203,136
<b>Gross profit</b>		<b>91,325,518,488</b>	<b>63,108,179,557</b>	<b>22,754,577,766</b>	<b>18,043,715,558</b>
Other income	26	213,979,915	4,982,317,898	27,042,938,560	14,174,818,497
Gain (loss) on foreign exchange rates		(2,465,639,817)	3,321,401,771	(887,711,501)	2,252,638,773
<b>Profit before expenses</b>		<b>89,073,858,586</b>	<b>71,411,899,226</b>	<b>48,909,804,825</b>	<b>34,471,172,828</b>
Selling and distribution expenses	27	7,002,394,550	5,425,554,396	1,604,846,490	1,588,615,458
Administrative expenses	27	13,495,661,975	11,569,151,169	4,100,503,400	4,247,845,541
Petroleum royalties and remunerations		3,846,218,848	3,198,397,184	-	-
<b>Operating profit</b>		<b>64,729,583,213</b>	<b>51,218,796,477</b>	<b>43,204,454,935</b>	<b>28,634,711,829</b>
Share of profit from investments in joint ventures		1,355,410,305	1,550,349,965	-	-
Share of profit from investments in associates		462,220,321	387,887,789	-	-
<b>Profit before finance costs and income taxes</b>		<b>66,547,213,839</b>	<b>53,157,034,231</b>	<b>43,204,454,935</b>	<b>28,634,711,829</b>
Finance costs		7,122,213,832	7,380,711,793	1,971,989,461	2,582,676,824
<b>Profit before income taxes</b>		<b>59,425,000,007</b>	<b>45,776,322,438</b>	<b>41,232,465,474</b>	<b>26,052,035,005</b>
Income taxes		18,122,655,035	5,552,946,000	2,716,473,300	1,145,714,301
Profit for the periods from continuing operations		41,302,344,972	40,223,376,438	38,515,992,174	24,906,320,704
Profit for the periods from discontinued operations, net of tax	10	-	-	2,726,572,136	2,822,053,938
<b>Profit for the periods</b>		<b>41,302,344,972</b>	<b>40,223,376,438</b>	<b>41,242,564,310</b>	<b>27,728,374,642</b>
<b>Profit attributable to</b>					
Owners of the parent					
Continuing operations		30,028,526,874	31,316,846,801	38,515,992,174	24,906,320,704
Discontinued operations, net of tax		-	-	2,726,572,136	2,822,053,938
		<b>30,028,526,874</b>	<b>31,316,846,801</b>	<b>41,242,564,310</b>	<b>27,728,374,642</b>
Non-controlling interests					
Continuing operations		11,273,818,098	8,906,529,637	-	-
Discontinued operations, net of tax		-	-	-	-
		<b>11,273,818,098</b>	<b>8,906,529,637</b>	<b>-</b>	<b>-</b>
Basic earnings per share					
Continuing operations	25	1.05	1.07	1.35	0.87
Discontinued operations	25	-	-	0.10	0.10
		<b>1.05</b>	<b>1.07</b>	<b>1.45</b>	<b>0.97</b>

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

(UNOFFICIAL TRANSLATION)

Unaudited  
but reviewed

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2018

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
				(Restated)
Profit for the periods from continuing operations	41,302,344,972	40,223,376,438	38,515,992,174	24,906,320,704
Other comprehensive income (loss)				
Items that may be reclassified to profit or loss in subsequent periods				
Currency translation differences	24,910,205,507	(4,468,968,220)	-	-
Gain (loss) on measurements of available-for-sale investments	355,488,570	(507,701,176)	734,443,488	(853,551,007)
Income taxes related to available-for-sale investments	(106,022,914)	105,026,110	(146,888,697)	170,538,418
Gain (loss) on cash flow hedges	1,493,860,468	(69,319,837)	-	-
Income taxes related to cash flow hedges	9,200,545	8,386,415	-	-
Share of other comprehensive loss of joint ventures and associates	(224,436,378)	(197,657,841)	-	-
Items that will not be reclassified to profit or loss in subsequent periods				
Gain (loss) on remeasurements of defined benefits plans	(659,261)	1,234,914	-	-
Income taxes related to remeasurements of defined benefits plans	1,168,830	-	-	-
Share of other comprehensive loss from joint ventures and associates	(76,086)	(468,911)	-	-
Other comprehensive income (loss) for the periods, net of taxes	26,438,729,281	(5,129,468,546)	587,554,791	(683,012,589)
Comprehensive income for the periods from continuing operations	67,741,074,253	35,093,907,892	39,103,546,965	24,223,308,115
Comprehensive income for the periods from discontinued operations, net of tax	-	-	2,564,572,136	3,083,053,938
<b>Total comprehensive income for the periods</b>	<b>67,741,074,253</b>	<b>35,093,907,892</b>	<b>41,668,119,101</b>	<b>27,306,362,053</b>
<b>Total comprehensive income attributable to</b>				
Owners of the parent				
Continuing operations	47,895,869,100	27,843,172,450	39,103,546,965	24,223,308,115
Discontinued operations, net of tax	-	-	2,564,572,136	3,083,053,938
	<b>47,895,869,100</b>	<b>27,843,172,450</b>	<b>41,668,119,101</b>	<b>27,306,362,053</b>
Non-controlling interests				
Continuing operations	19,845,205,153	7,250,735,442	-	-
Discontinued operations, net of tax	-	-	-	-
	<b>19,845,205,153</b>	<b>7,250,735,442</b>	<b>-</b>	<b>-</b>

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

(UNOFFICIAL TRANSLATION)

Unaudited  
but reviewed

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF INCOME**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018**

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017 (Restated)
Sales and service income		1,111,758,500,351	988,584,774,958	630,677,223,621	538,375,870,682
Cost of sales and services	27	940,888,132,557	848,146,564,690	588,660,914,258	502,304,121,240
<b>Gross profit</b>		<b>170,870,367,794</b>	<b>140,438,210,268</b>	<b>42,016,309,363</b>	<b>36,071,749,442</b>
Other income	26	5,272,688,063	17,446,502,045	31,030,088,931	29,867,001,971
Gain on foreign exchange rates		2,276,346,959	7,822,411,701	2,430,094,178	4,416,238,985
<b>Profit before expenses</b>		<b>178,419,402,816</b>	<b>165,707,124,014</b>	<b>75,476,492,472</b>	<b>70,354,990,398</b>
Selling and distribution expenses	27	12,900,817,169	10,971,333,130	2,981,840,658	3,523,945,627
Administrative expenses	27	24,209,974,826	21,505,045,934	6,618,684,189	5,986,779,507
Petroleum royalties and remuneration		7,481,964,630	6,713,012,419	-	-
<b>Operating profit</b>		<b>133,826,646,191</b>	<b>126,517,732,531</b>	<b>65,875,967,625</b>	<b>60,844,265,264</b>
Share of profit from investments in joint ventures		3,221,370,016	3,020,840,916	-	-
Share of profit from investments in associates		1,068,728,745	965,347,156	-	-
<b>Profit before finance costs and income taxes</b>		<b>138,116,744,952</b>	<b>130,503,920,603</b>	<b>65,875,967,625</b>	<b>60,844,265,264</b>
Finance costs		13,626,102,139	15,158,055,857	4,039,600,236	5,157,188,370
<b>Profit before income taxes</b>		<b>124,490,642,813</b>	<b>115,345,864,746</b>	<b>61,836,367,389</b>	<b>55,687,076,894</b>
Income taxes		26,601,276,815	11,950,776,703	5,974,122,791	2,677,030,081
Profit for the periods from continuing operations		97,889,365,998	103,395,088,043	55,862,244,598	53,010,046,813
Profit for the periods from discontinued operations, net of tax	10	-	-	6,054,049,900	6,290,251,803
<b>Profit for the periods</b>		<b>97,889,365,998</b>	<b>103,395,088,043</b>	<b>61,916,294,498</b>	<b>59,300,298,616</b>
<b>Profit attributable to</b>					
Owners of the parent					
Continuing operations		69,816,784,722	77,484,737,275	55,862,244,598	53,010,046,813
Discontinued operations, net of tax		-	-	6,054,049,900	6,290,251,803
		<b>69,816,784,722</b>	<b>77,484,737,275</b>	<b>61,916,294,498</b>	<b>59,300,298,616</b>
Non-controlling interests					
Continuing operations		28,072,581,276	25,910,350,768	-	-
Discontinued operations, net of tax		-	-	-	-
		<b>28,072,581,276</b>	<b>25,910,350,768</b>	<b>-</b>	<b>-</b>
Basic earnings per share					
Continuing operations	25	2.43	2.68	1.96	1.86
Discontinued operations	25	-	-	0.21	0.22
		<b>2.43</b>	<b>2.68</b>	<b>2.17</b>	<b>2.08</b>

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



(UNOFFICIAL TRANSLATION)

Unaudited  
but reviewed

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
				(Restated)
Profit for the periods from continuing operations	97,889,365,998	103,395,088,043	55,862,244,598	53,010,046,813
Other comprehensive income (loss)				
Items that may be reclassified to profit or loss in subsequent periods				
Currency translation differences	6,941,117,125	(19,397,026,424)	-	-
Loss on measurements of available-for-sale investments	(931,363,668)	(3,996,138,185)	(110,139,974)	(4,546,634,648)
Income taxes related to available-for-sale investments	161,382,252	816,357,343	22,027,995	909,155,146
Gain (loss) on cash flow hedges	1,117,431,401	(166,800,384)	-	-
Income taxes related to cash flow hedges	(27,208,056)	7,718,166	-	-
Share of other comprehensive loss of joint ventures and associates	(241,417,127)	(86,146,432)	-	-
Items that will not be reclassified to profit or loss in subsequent periods				
Gain (loss) on remeasurements of defined benefits plans	(575,009)	684,753	-	-
Income taxes related to remeasurements of defined benefits plans	1,020,628	-	-	-
Share of other comprehensive income (loss) from joint ventures and associates	1,681,415	(849,385)	-	-
Other comprehensive income (loss) for the periods, net of taxes	7,022,068,961	(22,822,200,548)	(88,111,979)	(3,637,479,502)
Comprehensive income for the periods from continuing operations	104,911,434,959	80,572,887,495	55,774,132,619	49,372,567,311
Comprehensive income for the periods from discontinued operations, net of taxes	-	-	5,505,049,900	6,659,251,803
<b>Total comprehensive income for the periods</b>	<b>104,911,434,959</b>	<b>80,572,887,495</b>	<b>61,279,182,519</b>	<b>56,031,819,114</b>
<b>Total comprehensive income attributable to</b>				
Owners of the parent				
Continuing operations	74,442,741,153	61,994,122,947	55,774,132,619	49,362,667,311
Discontinued operations, net of tax	-	-	5,505,049,900	6,669,151,803
	<b>74,442,741,153</b>	<b>61,994,122,947</b>	<b>61,279,182,519</b>	<b>56,031,819,114</b>
Non-controlling interests				
Continuing operations	30,468,693,806	18,578,764,548	-	-
Discontinued operations, net of tax	-	-	-	-
	<b>30,468,693,806</b>	<b>18,578,764,548</b>	-	-

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

(UNOFFICIAL TRANSLATION)

Unaudited

but reviewed

**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018**

Unit: Baht

Consolidated financial statements															
Equity attributable to owners of the parent															
	Retained earnings						Other components of equity					Total equity attributable to owners of the parent	Non-controlling interests	Total equity	
	Notes	Issued and paid-up share capital	Premium on ordinary shares	Deficit from the change in the ownership interests in subsidiaries	Legal reserve	Reserve for self-insurance fund	Unappropriated	Available-for-sale investments	Currency translation differences	Cash flow hedges	Share of other comprehensive loss of joint ventures and associates				Total other components of equity
<b>Balance as at January 1, 2017</b>		28,562,996,250	29,211,131,966	(24,327,311,399)	2,857,245,725	1,174,389,774	694,362,564,563	7,310,780,172	23,709,724,816	242,305,681	(156,178,358)	31,106,632,311	762,947,649,190	408,649,360,167	1,171,597,009,357
<b>Changes in equity for the period</b>															
Interests for subordinated capital debentures		-	-	-	-	-	(731,677,072)	-	-	-	-	-	(731,677,072)	(389,041,901)	(1,120,718,973)
Income taxes related to subordinated capital debentures		-	-	-	-	-	(87,382,637)	-	-	-	-	-	(87,382,637)	(46,462,447)	(133,845,084)
Dividends paid		-	-	-	-	-	(28,562,904,450)	-	-	-	-	-	(28,562,904,450)	-	(28,562,904,450)
Dividends paid of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	(14,298,235,936)	(14,298,235,936)
Change in the ownership interests subsidiaries		-	-	(273,774,302)	-	-	-	-	-	-	-	-	(273,774,302)	(580,627,058)	(854,401,360)
Increase in share capital of subsidiary		-	-	-	-	-	-	-	-	-	-	-	-	3,055,733,911	3,055,733,911
Profit for the period		-	-	-	-	-	77,484,737,275	-	-	-	-	-	77,484,737,275	25,910,350,768	103,395,088,043
Other comprehensive income (loss) for the period		-	-	-	-	-	265,027	(3,230,985,567)	(12,008,575,449)	(83,791,038)	(97,890,896)	(15,421,242,950)	(15,420,977,923)	(7,331,586,220)	(22,752,564,143)
<b>Balance as at June 30, 2017</b>		<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>(24,601,085,701)</b>	<b>2,857,245,725</b>	<b>1,174,389,774</b>	<b>742,465,602,706</b>	<b>4,079,794,605</b>	<b>11,701,149,367</b>	<b>158,514,643</b>	<b>(254,069,254)</b>	<b>15,685,389,361</b>	<b>795,355,670,081</b>	<b>414,969,491,284</b>	<b>1,210,325,161,365</b>
<b>Balance as at January 1, 2018</b>		<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>(24,311,625,093)</b>	<b>2,857,245,725</b>	<b>1,199,991,563</b>	<b>775,959,276,682</b>	<b>3,259,236,757</b>	<b>1,971,688,038</b>	<b>74,024,494</b>	<b>(112,215,260)</b>	<b>5,192,734,029</b>	<b>818,671,751,122</b>	<b>429,883,989,506</b>	<b>1,248,555,740,628</b>
<b>Changes in equity for the period</b>															
Interests for subordinated capital debentures		-	-	-	-	-	(606,399,580)	-	-	-	-	-	(606,399,580)	(322,430,283)	(928,829,863)
Income taxes related to subordinated capital debentures		-	-	-	-	-	72,536,762	-	-	-	-	-	72,536,762	38,568,708	111,105,470
Finance cost from issuance of subordinated capital debentures		-	-	-	-	-	-	-	-	-	-	-	-	(2,600,765)	(2,600,765)
Dividends paid	30	-	-	-	-	-	(34,257,789,060)	-	-	-	-	-	(34,257,789,060)	-	(34,257,789,060)
Dividends paid of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	(17,764,738,598)	(17,764,738,598)
Change in the ownership interests in subsidiary		-	-	(3,710,449,800)	-	-	-	-	-	-	-	-	(3,710,449,800)	(8,877,449,339)	(12,587,899,139)
Profit for the period		-	-	-	-	-	69,816,784,722	-	-	-	-	-	69,816,784,722	28,072,581,276	97,889,365,998
Other comprehensive income (loss) for the period		-	-	-	-	-	1,267,038	(735,619,252)	4,887,775,633	547,565,706	(75,032,694)	4,624,689,393	4,625,956,431	2,396,112,530	7,022,068,961
<b>Balance as at June 30, 2018</b>		<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>(28,022,074,893)</b>	<b>2,857,245,725</b>	<b>1,199,991,563</b>	<b>810,985,676,564</b>	<b>2,523,617,505</b>	<b>6,859,463,671</b>	<b>621,590,200</b>	<b>(187,247,954)</b>	<b>9,817,423,422</b>	<b>854,612,390,597</b>	<b>433,424,033,035</b>	<b>1,288,036,423,632</b>

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

(UNOFFICIAL TRANSLATION)

Unaudited  
but reviewed

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

Unit: Baht

Separate financial statements

Notes	Issued and paid-up share capital	Premium on ordinary shares	Legal reserve	Retained earnings		Other components of equity	Total equity
				Reserve for self-insurance fund	Unappropriated	Other comprehensive income (loss)	
						Available-for-sale investments	
<b>Balance as at January 1, 2017</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,174,389,774</b>	<b>380,086,648,201</b>	<b>7,517,806,054</b>	<b>449,410,217,970</b>
<b>Changes in equity for the period</b>							
Dividend paid	-	-	-	-	(28,562,904,450)	-	(28,562,904,450)
Profit for the period	-	-	-	-	59,300,298,616	-	59,300,298,616
Other comprehensive loss for the period	-	-	-	-	-	(3,268,479,502)	(3,268,479,502)
<b>Balance as at June 30, 2017</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,174,389,774</b>	<b>410,824,042,367</b>	<b>4,249,326,552</b>	<b>476,879,132,634</b>
<b>Balance as at January 1, 2018</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,199,991,563</b>	<b>433,069,636,210</b>	<b>2,979,265,871</b>	<b>497,880,267,585</b>
<b>Changes in equity for the period</b>							
Dividend paid	30	-	-	-	(34,257,789,060)	-	(34,257,789,060)
Profit for the period	-	-	-	-	61,916,294,498	-	61,916,294,498
Other comprehensive loss for the period	-	-	-	-	-	(637,111,979)	(637,111,979)
<b>Balance as at June 30, 2018</b>	<b>28,562,996,250</b>	<b>29,211,131,966</b>	<b>2,857,245,725</b>	<b>1,199,991,563</b>	<b>460,728,141,648</b>	<b>2,342,153,892</b>	<b>524,901,661,044</b>

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

(UNOFFICIAL TRANSLATION)

Unaudited  
but reviewed

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CASH FLOWS  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Cash flows from operating activities</b>				
Profit attributable to owners of the parent	69,816,784,722	77,484,737,275	61,916,294,498	59,300,298,616
Adjustment of profit to net cash provided by (used in) operating activities				
Depreciation and amortization	58,819,205,684	57,471,048,809	10,532,501,283	9,804,852,891
(Gain) loss on disposal of assets	(51,724,003)	31,033,630	(4,740,766,463)	38,516,737
Gain on disposal of investments	(3,320,461)	(906,791,945)	(1,027,704,462)	(989,971,864)
Reversal of loss on impairment of assets	(33,926,202)	(46,799,089)	(33,926,202)	(46,799,089)
Loss on impairment of investments	-	-	21,624,657,670	-
Unrealized loss from reclassification as non-current assets held-for	-	-	-	1,082,408,745
Share of profit from investments in joint ventures	(3,221,370,016)	(3,020,840,916)	-	-
Share of profit from investments in associates	(1,068,728,745)	(965,347,156)	-	-
Profit attributable to non-controlling interests	28,072,581,276	25,910,350,768	-	-
Provision for employee benefit	1,307,288,138	1,155,604,606	484,936,566	478,476,396
Unrealized (gain) loss on exchange rates	206,766,852	(4,657,700,376)	1,454,260,546	(703,520,714)
Unrealized (gain) loss on derivatives	1,180,867,501	(2,751,855,279)	1,157,175,388	(652,611,995)
(Reversal of) doubtful accounts	1,447,735,321	34,772,831	(22,273,033,931)	(2,113,636,949)
Write-off exploration assets	21,785,492	194,868,077	-	-
(Reversal of) allowance for loss on decline in value of inventories	233,732,177	556,366,560	(20,892,597)	9,352,953
(Reversal of) allowance for obsolete materials and supplies	62,451,591	132,009,628	(4,266,534)	(7,701,009)
Dividends income	(162,319,752)	(4,707,161,610)	(22,327,663,143)	(23,048,046,967)
Income taxes	26,601,276,815	11,950,776,703	7,941,374,588	4,507,672,594
Interest income	(4,577,027,901)	(4,145,577,526)	(1,360,321,236)	(2,131,392,958)
Finance costs	13,626,102,139	15,158,055,857	4,043,421,587	5,161,994,068
Others	5,191,938	52,254,776	161,266,155	30,599,652
Profit from operating activities before changes in operating assets and liabilities	192,283,352,566	168,929,805,623	57,527,313,713	50,720,491,107

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

(UNOFFICIAL TRANSLATION)

Unaudited  
but reviewed

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CASH FLOWS  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
				Unit: Baht
(Increase) decrease in operating assets				
Trade accounts receivable	(16,665,563,349)	12,868,156,925	(15,995,422,177)	19,016,418,260
Other accounts receivable	(9,415,738,865)	(1,320,752,123)	(6,167,699,154)	(1,495,046,041)
Inventories	(20,289,782,359)	9,570,683,986	(2,911,077,812)	1,308,649,735
Materials and supplies	(93,139,653)	663,769,307	(12,178,694)	(107,547,415)
Other current assets	(744,388,042)	917,433,521	1,328,487,058	455,059,711
Other non-current assets	(2,793,984,685)	4,411,813,902	(3,769,570,761)	458,709,931
Increase (decrease) in operating liabilities				
Trade accounts payable	10,947,797,471	(30,487,342,535)	12,069,825,110	(36,453,293,504)
Other accounts payable	5,280,112,717	(12,544,273,105)	5,430,556,094	(2,063,341,079)
Other current liabilities	928,329,824	(225,260,944)	166,605,813	322,575,087
Deposits on LPG cylinders	177,938,200	279,798,650	177,938,200	279,798,650
Other non-current liabilities	(3,301,476,070)	(9,895,245,184)	(454,860,807)	(268,607,798)
	<u>(35,969,894,811)</u>	<u>(25,761,217,600)</u>	<u>(10,137,397,130)</u>	<u>(18,546,624,463)</u>
Cash received from operating activities	156,313,457,755	143,168,588,023	47,389,916,583	32,173,866,644
Income tax paid	<u>(27,999,576,535)</u>	<u>(23,199,787,536)</u>	<u>(5,641,305,927)</u>	<u>(5,253,351,144)</u>
Net cash provided by operating activities	<u>128,313,881,220</u>	<u>119,968,800,487</u>	<u>41,748,610,656</u>	<u>26,920,515,500</u>

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

(UNOFFICIAL TRANSLATION)

Unaudited  
but reviewed

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CASH FLOWS  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Cash flows from investing activities</b>				
Payment of property, plant and equipment and investment properties	(56,057,578,099)	(49,686,323,350)	(14,764,532,391)	(11,340,265,388)
Payment of intangible assets	(1,266,459,687)	(1,180,339,822)	(264,215,980)	(148,818,014)
Payment of exploration and evaluation assets	(1,382,414,542)	(241,879,376)	-	-
Payment of long-term rental contracts on land and building	(112,020,993)	(302,827,994)	(105,000,000)	(176,199,663)
Payment for available-for-sale investments	-	(3,946,481,546)	-	(87,048,672)
Payment for business acquisition	(18,389,745,659)	-	-	-
Payment of investments in subsidiaries	-	-	(119,524,460,670)	(24,658,560,600)
Payment of investments in joint ventures	(77,220,800)	-	-	-
Payment of investments in associates	(449,002,000)	(981,978,215)	-	-
Payment of short-term loans	(367,232,233)	(50,440,635)	(2,500,000,000)	(246,825,829)
Payment of long-term loans	(100,848,491)	(2,996,583,627)	(18,500,000,000)	(3,770,214,075)
Payment of other long-term investments	(3,517,539,459)	(10,731,572,422)	(3,011,540,859)	(10,731,572,422)
Proceeds from disposals of property, plant and equipment and intangible assets	342,875,445	63,919,182	7,233,671,267	16,325,695
Proceeds from disposals of available-for-sale investments	941,519,235	7,586,662,838	-	7,365,903,139
Proceeds from advance received for business transfer	-	-	85,366,918,734	-
Proceeds from disposals of investments in subsidiaries	-	-	1,311,368,350	-
Proceeds from disposals of investments in joint ventures	33,269,256	13,647,910	-	-
Proceeds from disposals of investments in associates	-	50,625,000	-	-
Proceeds from short-term loans	45,000,000	-	-	-
Proceeds from long-term loans	1,780,005,905	16,813,067	27,678,893,650	3,042,120,287
Proceeds from disposal of other long-term investments	24,501,220	-	24,501,220	-
Proceeds from cancellation of leasehold in gas stations	1,400,000	-	1,400,000	-
Proceeds from finance lease instalments	-	3,000,000	-	-
Decrease in current investments	88,240,093,280	10,817,765,328	24,416,765,975	9,865,047,627
Interest received	4,459,203,920	3,552,133,554	1,724,991,048	2,188,998,181
Dividends received	2,845,601,063	6,444,890,888	22,703,764,768	22,992,446,967
Net cash provide by (used in) investing activities	16,993,407,361	(41,568,969,220)	11,792,525,112	(5,688,662,767)

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

(UNOFFICIAL TRANSLATION)

Unaudited  
but reviewed

PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CASH FLOWS  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

	Consolidated financial statements		Separate financial statements	
Notes	2018	2017	2018	2017
<b>Cash flows from financing activities</b>				
Proceeds from issuance of ordinary shares of subsidiaries	-	3,055,733,911	-	-
Proceeds from short-term borrowing loans	-	-	1,156,931,620	23,638,760,382
Proceeds from long-term borrowing loans	57,807,775,575	20,391,031,376	-	-
Proceeds from change in ownership in subsidiaries	1,363,737,148	77,062,500	-	-
Repayment of long-term loans	(87,034,943,291)	(43,446,759,468)	(9,756,040,732)	(18,023,529,657)
Repayment of finance lease instalments	(410,101,277)	(417,962,504)	(269,096,180)	(270,482,430)
Payment for change in ownership in subsidiaries	(13,872,690,000)	(1,168,629,054)	-	-
Increase in bank overdrafts and short-term loans				
from financial institutions	7,352,603,755	5,207,941,205	-	-
Finance costs paid	(14,034,836,217)	(15,209,715,943)	(4,734,864,510)	(6,493,516,575)
Dividend paid	(52,128,951,933)	(42,670,264,264)	(34,257,789,060)	(28,562,904,450)
Net cash used in financing activities	(100,957,406,240)	(74,181,562,241)	(47,860,858,862)	(29,711,672,730)
Effects of exchange rates on cash and cash equivalents	1,659,272,659	(1,247,036,124)	503,608,336	(638,964,509)
Currency translation differences	107,325,250	(4,065,293,045)	-	-
Net increase (decrease) in cash and cash equivalents	46,116,480,250	(1,094,060,143)	6,183,885,242	(9,118,784,506)
Cash and cash equivalents at beginning of periods	166,189,023,655	215,566,411,132	38,691,660,939	62,648,286,060
<b>Cash and cash equivalents at end of periods</b>	<b>4</b> <u>212,305,503,905</u>	<u>214,472,350,989</u>	<u>44,875,546,181</u>	<u>53,529,501,554</u>
<b>Non cash items</b>				
Accounts payable from purchases of property, plant and equipment and investment properties	38,451,925,438	43,048,039,615	7,217,298,119	8,066,014,763
Accounts payable from purchases of intangible assets	212,075,374	358,316,598	9,084,195	3,054,050
Accounts payable from purchase securities	5,050,607	14,129,739	-	-

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

**AUDITOR'S INTERIM FINANCIAL INFORMATION REVIEW REPORT  
AND FINANCIAL STATEMENTS  
OF  
PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED JUNE 30, 2018**



**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED JUNE 30, 2018**  
**(UNAUDITED BUT REVIEWED)**

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**PTT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED JUNE 30, 2018**  
**(UNAUDITED BUT REVIEWED)**

**1. General Information**

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

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

The Company's principal activity is the operation of its petroleum business. The Company has invested in subsidiaries, joint arrangements and associates (the Group), which are engaged in upstream petroleum and natural gas, downstream petroleum, and other related businesses as described in Note 28 Operating Segments.

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

**2.1 Purpose of the Interim Financial Statements**

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

**2.2 Basis of Interim Financial Statement Preparation**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2017) "Interim Financial Reporting", and Thai Financial Reporting Standards under the Accounting Act, B.E. 2543. These are Thai Financial Reporting Standards under the Accounting Profession Act, B.E. 2547, including guidelines promulgated by the Federation of Accounting Professions (FAP), and applicable rules and regulations of the Securities and Exchange Commission under the Securities and Exchange Act, B.E. 2535. The content of the interim financial statements comprises the statement of financial position, statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows in the same format as that used for the annual financial statements and condensed notes.

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 New Thai Financial Reporting Standard (TFRS) which is published in the Government Gazette

##### **Effective for accounting periods on or after January 1, 2019**

- ◆ TFRS 15 Revenue from Contracts with Customers

TFRS 15 “Revenue from Contracts with Customers” will replace the following standards.

- ◆ TAS 11 (revised 2017) Construction Contracts
- ◆ TAS 18 (revised 2017) Revenue
- ◆ TSIC 31 (revised 2017) Revenue - Barter Transactions Involving Advertising Services
- ◆ TFRIC 13 (revised 2017) Customer Loyalty Programmes
- ◆ TFRIC 15 (revised 2017) Agreements for the Construction of Real Estate
- ◆ TFRIC 18 (revised 2017) Transfers of Assets from Customers

The management of the Group is now assessing the effects of the first time applying TFRS 15. The Group does not plan to early adopt this standard.

#### 3.2 Accounting Policies

In preparing the interim financial statements, the same accounting policies and computation methods used in the financial statements for the year ended December 31, 2017 are applied, except the revised TASs, TFRSs and Interpretations, which are effective for accounting periods beginning on or after January 1, 2018. Such application has no any significant impact on the consolidated and the separate financial statements.

**4. Cash and Cash Equivalents**

Cash and cash equivalents as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Cash on hand	115.54	1,260.21	52.75	169.52
Call deposits held at banks	111,571.62	93,005.38	38,709.10	30,846.73
Fixed deposits	87,749.27	44,885.89	6,113.70	1,509.76
Treasury bills	9,131.00	14,566.49	-	-
Promissory notes	-	354.01	-	-
Restricted bank deposits within 3 months	860.65	286.42	-	-
Other investments	2,877.42	11,830.62	-	6,165.65
<b>Total</b>	<b>212,305.50</b>	<b>166,189.02</b>	<b>44,875.55</b>	<b>38,691.66</b>

Call deposits held at banks, fixed deposits, treasury bills, promissory notes, restricted bank deposits within 3 months and other investments, as at June 30, 2018 bear the interest at rates ranging from 0.00% - 6.03% per annum (December 31, 2017: interest at rates ranging from 0.00% - 12.09% per annum).

**5. Trade Accounts Receivable**

Trade accounts receivable as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Trade accounts receivable - others	187,746.15	170,901.53	89,534.04	82,123.38
<u>Less</u> Allowance for doubtful accounts	(3,133.52)	(3,188.82)	(2,036.09)	(2,040.57)
Trade accounts receivable - others - net	184,612.63	167,712.71	87,497.95	80,082.81
Trade accounts receivable - related parties - net (Note 8.1)	7,579.98	7,203.53	73,410.70	64,182.35
Total	192,192.61	174,916.24	160,908.65	144,265.16
<u>Less</u> Assets held-for-sale (Note 10)	-	-	(16,063.43)	-
Trade accounts receivable - net	<u>192,192.61</u>	<u>174,916.24</u>	<u>144,845.22</u>	<u>144,265.16</u>

Aging analysis is as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Within credit terms	189,158.19	169,972.04	159,668.49	139,396.74
Overdue				
- Within 3 months	2,681.07	4,700.53	957.09	4,761.12
- Over 3 - 6 months	301.62	133.98	233.65	110.76
- Over 6 - 12 months	93.36	74.80	72.24	-
- Over 12 months	3,168.20	3,300.02	2,089.58	2,113.42
	195,402.44	179,181.37	163,021.05	146,382.04
<u>Less</u> Allowance for doubtful accounts	(3,209.83)	(3,265.13)	(2,112.40)	(2,116.88)
Total	192,192.61	174,916.24	160,908.65	144,265.16
<u>Less</u> Assets held-for-sale (Note 10)	-	-	(16,063.43)	-
Trade accounts receivable - net	<u>192,192.61</u>	<u>174,916.24</u>	<u>144,845.22</u>	<u>144,265.16</u>

Trade accounts receivable - others as at June 30, 2018 include receivables from government agencies and state enterprises in the consolidated financial statements amounting to Baht 19,429.36 million (December 31, 2017: Baht 15,471.99 million), and in the separate financial statements amounting to Baht 17,250.36 million (December 31, 2017: Baht 13,560.72 million).

**6. Other Accounts Receivable**

Other accounts receivable as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Other accounts receivable	20,772.63	13,919.21	1,830.56	2,751.44
<u>Less</u> Allowance for doubtful accounts	(422.41)	(412.11)	(269.13)	(255.28)
Other accounts receivable	20,350.22	13,507.10	1,561.43	2,496.16
Advance payments	17,583.57	16,168.09	652.45	281.60
Refund receivable from the Oil Stabilization Fund	16,020.28	13,578.39	14,681.71	11,797.59
Current tax assets	3,597.04	5,483.09	-	-
Other accounts receivable - others - net	57,551.11	48,736.67	16,895.59	14,575.35
Other accounts receivable - related parties - net (Note 8.2)	662.01	1,412.97	1,941.38	1,974.49
Advance payments - related parties (Note 8.2)	179.34	453.06	142.65	373.36
Total	58,392.46	50,602.70	18,979.62	16,923.20
<u>Less</u> Assets held-for-sale (Note 10)	-	-	(9,969.14)	-
Other accounts receivable - net	58,392.46	50,602.70	9,010.48	16,923.20

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

**7. Lending Loans**

7.1 Short-term lending loans as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Current portion of financial lease receivable - others	651.73	605.19	-	-
Current portion of financial lease receivable - related parties (Note 8.2)	3.88	3.80	-	-
Short-term lending loans - others	591.10	622.34	-	-
Short-term lending loans - related parties	862.54	469.64	8,589.85	5,077.58
<u>Less Allowance for doubtful accounts</u>	<u>(614.99)</u>	<u>(469.64)</u>	<u>(435.33)</u>	<u>(428.84)</u>
Short-term lending loans - related parties - net (Note 8.2)	<u>247.55</u>	<u>-</u>	<u>8,154.52</u>	<u>4,648.74</u>
Total	1,494.26	1,231.33	8,154.52	4,648.74
<u>Less Assets held-for-sale (Note 10)</u>	<u>-</u>	<u>-</u>	<u>(265.70)</u>	<u>-</u>
Short-term lending loans - net	<u>1,494.26</u>	<u>1,231.33</u>	<u>7,888.82</u>	<u>4,648.74</u>

**7. Lending Loans (Continued)**

7.2 Long-term lending loans as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Long-term financial lease receivable - others	5,017.43	5,354.19	-	-
Long-term financial lease receivable - related parties (Note 8.3)	54.70	56.66	-	-
Long-term lending loans - others	4,273.78	4,385.44	-	-
Long-term lending loans - related parties	7,907.04	9,282.31	33,571.60	44,875.26
<u>Less Allowance for doubtful accounts</u>	-	-	-	(22,120.52)
Long-term lending loans - related parties - net (Note 8.3)	<u>7,907.04</u>	<u>9,282.31</u>	<u>33,571.60</u>	<u>22,754.74</u>
Long-term lending loans - net	<u>17,252.95</u>	<u>19,078.60</u>	<u>33,571.60</u>	<u>22,754.74</u>



**8. Related Party Transactions**

In the separate financial statements, significant transactions carried out with related parties include items classified as assets held-for-sale and discontinued operations.

Significant transactions carried out with related parties are as follows:

## 8.1 Trade accounts receivable - related parties as at June 30, 2018 and December 31, 2017

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Subsidiaries	-	-	68,441.41	59,744.47
Joint ventures	2,984.22	3,077.27	1,457.44	1,505.27
Associates	1,760.84	1,764.15	678.52	574.17
Other related parties	2,911.23	2,438.42	2,909.64	2,434.75
	7,656.29	7,279.84	73,487.01	64,258.66
<u>Less</u> Allowance for doubtful accounts	(76.31)	(76.31)	(76.31)	(76.31)
Total (Note 5)	7,579.98	7,203.53	73,410.70	64,182.35

Aging analysis is as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Within credit terms	7,564.92	7,119.37	73,171.53	62,809.97
Overdue				
- Within 3 months	14.39	45.86	239.33	1,344.48
- Over 3 - 6 months	0.36	-	0.01	-
- Over 6 - 12 months	-	10.39	-	-
- Over 12 months	76.62	104.22	76.14	104.21
	7,656.29	7,279.84	73,487.01	64,258.66
<u>Less</u> Allowance for doubtful accounts	(76.31)	(76.31)	(76.31)	(76.31)
Total (Note 5)	7,579.98	7,203.53	73,410.70	64,182.35

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

8.2 Other accounts receivable, advance payments, current portion of financial lease receivable, and short-term lending loans - related parties as at June 30, 2018 and December 31, 2017

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
<u>Other accounts receivable</u>				
Subsidiaries	-	-	1,956.63	1,765.63
Joint ventures	241.57	604.99	10.82	403.97
Associates	298.73	263.92	3.10	2.74
Other related parties	190.72	596.47	1.01	0.69
	731.02	1,465.38	1,971.56	2,173.03
<u>Less Allowance for doubtful accounts</u>	(69.01)	(52.41)	(30.18)	(198.54)
Total (Note 6)	662.01	1,412.97	1,941.38	1,974.49
<u>Advance payments</u>				
Subsidiaries	-	-	32.76	62.24
Joint ventures	2.72	5.32	-	-
Other related parties	176.62	447.74	109.89	311.12
Total (Note 6)	179.34	453.06	142.65	373.36

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

## 8.2 Other accounts receivable, advance payments, current portion of financial lease receivable and short-term lending loans - related parties as at June 30, 2018 and December 31, 2017 (Continued)

	Unit: Million Baht			
	Consolidated		Separate	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
<u>Current portion of financial lease receivable</u>				
Joint ventures (Note 7.1)	3.88	3.80	-	-
<u>Short-term lending loans</u>				
Subsidiaries	-	-	8,589.85	5,077.58
Joint ventures	862.54	469.64	-	-
	862.54	469.64	8,589.85	5,077.58
<u>Less Allowance for doubtful accounts</u>	(614.99)	(469.64)	(435.33)	(428.84)
Total (Note 7.1)	247.55	-	8,154.52	4,648.74

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

	Unit: Million Baht			
	Consolidated		Separate	
	2018	2017	2018	2017
Balance as at January 1	-	90.00	-	941.84
- Payment for loans granted	367.23	50.44	2,990.02	327.28
- Receipt from loans granted	-	-	(490.02)	(80.46)
- Gain (loss) on exchange rate	12.73	-	6.49	(24.32)
- Reclassification	-	(90.00)	-	-
- Currency translation differences	-	(0.22)	-	-
- Allowance for doubtful accounts	(132.41)	(39.86)	(6.49)	-
Balance as at June 30	247.55	10.36	2,500.00	1,164.34
<u>Add Current portion (Note 8.3)</u>	-	-	5,654.52	6,127.64
Balance as at June 30 - net	247.55	10.36	8,154.52	7,291.98

Short-term lending loans - related parties as at June 30, 2018 in the consolidated financial statements bear the interest at rate 3.23% per annum, and in the separate financial statements bear the interest at rates ranging from 2.81% - 3.40% per annum (December 31, 2017: interest at rates ranging from 2.53% - 3.40% per annum).

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

## 8.3 Long-term financial lease receivable and long-term lending loans - related parties as at June 30, 2018 and December 31, 2017

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
<u>Long-term financial lease receivable</u>				
Joint ventures (Note 7.2)	54.70	56.66	-	-
<u>Long-term lending loans</u>				
Subsidiaries	-	-	33,571.60	44,875.26
Joint ventures	5,383.72	6,766.64	-	-
Associates	2,523.32	2,515.67	-	-
	7,907.04	9,282.31	33,571.60	44,875.26
<u>Less Allowance for doubtful accounts*</u>	-	-	-	(22,120.52)
Total (Note 7.2)	7,907.04	9,282.31	33,571.60	22,754.74

\* The Company received a long-term lending loan from a subsidiary in this period. The Company therefore reversed allowance for doubtful accounts which was recorded amounting to Baht 22,120.52 million.

**8. Related Party Transactions (Continued)****8.3 Long-term financial lease receivable and long-term lending loans - related parties as at June 30, 2018 and December 31, 2017 (Continued)**

Details of finance lease receivable - related parties as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Financial lease receivable				
- Within 1 year	6.00	6.00	-	-
- Over 1 year but not over 5 years	24.00	24.00	-	-
- Over 5 years	43.00	46.00	-	-
Future finance income	(14.42)	(15.54)	-	-
<b>Total</b>	<b>58.58</b>	<b>60.46</b>	<b>-</b>	<b>-</b>

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

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Balance as at January 1	9,282.31	8,263.29	27,403.48	34,801.10
- Payment for loans granted	6.57	2,823.83	18,500.00	3,770.21
- Receipt from loans granted	(1,521.65)	-	(27,678.90)	(3,042.12)
- Gain (loss) on exchange rate	137.20	(469.27)	(1,118.98)	(3,425.15)
- Currency translation differences	2.61	(2.62)	-	-
- Reversal of allowance for doubtful accounts	-	-	22,120.52	2,762.53
- Classified as assets held-for-sale	-	-	-	(8,059.90)
Balance as at June 30	7,907.04	10,615.23	39,226.12	26,806.67
<u>Less</u> Current portion (Note 8.2)	-	-	(5,654.52)	(6,127.64)
Balance as at June 30 - net	<u>7,907.04</u>	<u>10,615.23</u>	<u>33,571.60</u>	<u>20,679.03</u>

Long-term loans - related parties as at June 30, 2018 in the consolidated financial statements bear the interest at rates ranging from 4.47% - 6.81% per annum (December 31, 2017: interest at rates ranging from 3.66% - 6.56% per annum), and in the separate financial statements bear the interest at rates ranging from 2.29% - 4.68% per annum (December 31, 2017: interest at rates ranging from 2.63% - 4.68% per annum).

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

## 8.4 Trade accounts payable - related parties as at June 30, 2018 and December 31, 2017

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Subsidiaries	-	-	52,484.58	51,583.58
Joint ventures	866.88	863.80	281.84	269.00
Associates	188.02	317.81	104.41	254.07
Other related parties	1.82	2.59	-	-
<b>Total</b>	<b>1,056.72</b>	<b>1,184.20</b>	<b>52,870.83</b>	<b>52,106.65</b>

## 8.5 Other accounts payable, current portion of financial lease liability and short-term loans - related parties as at June 30, 2018 and December 31, 2017

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
<u>Other accounts payable</u>				
Subsidiaries	-	-	87,818.07	3,440.80
Joint ventures	32.26	22.84	13.97	4.03
Associates	22.43	12.16	12.13	3.74
Other related parties	71.17	135.21	68.45	105.96
<b>Total</b>	<b>125.86</b>	<b>170.21</b>	<b>87,912.62</b>	<b>3,554.53</b>
<u>Current portion of financial lease liability</u>				
Joint venture	407.83	398.68	407.83	398.68
<u>Short-term loans*</u>				
Subsidiaries	-	-	3,959.97	2,803.04

\* The Company has 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.

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

## 8.6 Long-term finance lease liability - related parties as at June 30, 2018 and December 31, 2017

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Joint venture	4,137.68	4,274.28	4,137.68	4,274.28

Details of finance lease liability - related parties as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Finance lease liability				
- Within 1 year	463.46	456.77	463.46	456.77
- Over 1 year but not over 5 years	1,855.10	1,828.35	1,855.10	1,828.35
- Over 5 years	2,553.46	2,743.15	2,553.46	2,743.15
Future finance charges	(326.51)	(355.31)	(326.51)	(355.31)
Total	<u>4,545.51</u>	<u>4,672.96</u>	<u>4,545.51</u>	<u>4,672.96</u>

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

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

For the three-month periods ended June 30, 2018 and 2017

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Revenues</b>				
<u>Sales and service income</u>				
Subsidiaries	-	-	198,812.77	128,738.50
Joint ventures	6,872.66	6,446.62	3,780.89	3,555.91
Associates	3,619.88	3,347.56	875.00	573.55
Other related parties	3,729.41	3,766.73	3,726.53	3,764.85
<u>Interest income</u>				
Subsidiaries	-	-	219.81	634.74
Joint ventures	73.58	64.90	-	57.09
Associates	39.91	40.17	-	-
<u>Dividend income</u>				
Subsidiaries	-	-	21,052.53	10,443.10
Joint ventures	-	-	295.89	414.35
Associates	-	-	684.21	699.28
Other related parties	80.00	80.00	80.00	80.00
<u>Other income</u>				
Subsidiaries	-	-	5,563.69	1,557.39
Joint ventures	41.58	8.99	14.99	22.26
Associates	12.21	1.72	8.25	4.68
Other related parties	10.82	194.80	10.60	1.32
<b>Expenses</b>				
<u>Cost of goods purchased and services</u>				
Subsidiaries	-	-	164,532.96	123,435.74
Joint ventures	2,461.15	2,226.04	403.12	411.62
Associates	845.25	1,101.20	542.54	908.81
Other related parties	347.76	373.73	107.61	68.51
<u>Interest expenses</u>				
Subsidiaries	-	-	8.89	13.26
Joint ventures	14.48	15.71	14.48	15.71
<u>Other expenses</u>				
Subsidiaries	-	-	997.29	875.18
Joint ventures	10.38	18.47	(0.05)	6.26
Associates	13.94	21.98	0.31	0.32
Other related parties	119.11	34.71	66.21	33.33



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

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

For the six-month periods ended June 30, 2018 and 2017

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Revenues</b>				
<u>Sales and service income</u>				
Subsidiaries	-	-	367,567.62	268,762.78
Joint ventures	13,529.84	12,725.00	7,485.33	6,888.43
Associates	7,488.50	6,381.12	1,664.17	1,016.52
Other related parties	6,925.68	7,038.49	6,919.84	7,032.64
<u>Interest income</u>				
Subsidiaries	-	-	490.26	1,154.63
Joint ventures	140.37	104.93	-	90.81
Associates	79.39	80.03	-	-
<u>Dividend income</u>				
Subsidiaries	-	-	21,198.65	17,327.16
Joint ventures	-	-	315.56	435.70
Associates	-	-	684.21	699.28
Other related parties	80.00	200.00	80.00	80.00
<u>Other income</u>				
Subsidiaries	-	-	6,783.99	4,696.23
Joint ventures	83.54	84.05	33.53	51.25
Associates	28.39	17.24	21.36	10.69
Other related parties	26.52	218.79	26.27	9.71
<b>Expenses</b>				
<u>Cost of goods purchased and services</u>				
Subsidiaries	-	-	311,195.36	256,233.68
Joint ventures	4,754.06	4,629.21	784.40	823.40
Associates	1,711.44	1,837.81	1,126.98	1,514.14
Other related parties	653.50	753.01	173.32	135.39
<u>Interest expenses</u>				
Subsidiaries	-	-	14.77	20.10
Joint ventures	28.81	31.25	28.81	31.25
<u>Other expenses</u>				
Subsidiaries	-	-	1,191.46	1,652.11
Joint ventures	149.42	59.30	-	6.82
Associates	26.81	48.36	0.61	2.47
Other related parties	198.83	136.72	107.09	67.96

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

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

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

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

## 8.8 Details of commitments to subsidiaries, joint ventures and associates are stated in Note 33.1.

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

Details of these transactions for the three-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Sales</u>				
Subsidiaries	-	-	-	454.01
<u>Purchases</u>				
Subsidiaries	-	-	-	512.32

Details of these transactions for the six-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Sales</u>				
Subsidiaries	-	-	637.83	1,036.01
<u>Purchases</u>				
Subsidiaries	-	-	657.20	1,077.74

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

## 8.10 Executive remunerations

Details of executive remunerations for the three-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Directors remunerations</u>				
Meeting remuneration and bonuses	130.73	108.93	15.50	15.41
<u>Managements remunerations</u>				
Salaries, bonuses, and other employee benefits	254.90	240.16	20.63	19.27
Post-employment benefits	2.20	1.73	0.63	0.70
Total (Note 27)	<u>387.83</u>	<u>350.82</u>	<u>36.76</u>	<u>35.38</u>

Details of executive remunerations for the six-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>Directors remunerations</u>				
Meeting remuneration and bonuses	216.67	192.24	31.47	41.52
<u>Managements remunerations</u>				
Salaries, bonuses, and other employee benefits	527.83	452.48	55.66	37.53
Post-employment benefits	3.79	19.21	1.25	1.40
Total (Note 27)	<u>748.29</u>	<u>663.93</u>	<u>88.38</u>	<u>80.45</u>

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

**9. Inventories**

Inventories as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Inventories	110,018.62	94,567.70	23,397.17	20,420.94
Inventories - legal reserves	31,385.65	27,304.10	6,635.33	6,682.59
Total	142,404.27	121,871.80	30,032.50	27,103.53
<u>Less</u> Assets held-for-sale (Note 10)	-	-	(23,681.18)	-
Inventories - net	142,404.27	121,871.80	6,351.32	27,103.53

## **10. The Restructuring of the Oil Business Unit**

On November 18, 2016, at the Board of Directors Meeting No. 11/2016 of the Company, the Board passed a resolution to approved the restructuring of PTT by means of the transfer of the oil business unit, including its assets and liabilities of the business unit, and the shares of companies related to the oil business unit from the Company to PTT Retail Business Company Limited (PTTRB), the change of PTTRB's name to PTT Oil and Retail Business Company Limited (PTTOR), the appointment of PTTOR as the flagship company for the oil and retail business of the Group, and the preliminary plan for an initial public offering of the ordinary shares of PTTOR and the listing of PTTOR in the Stock Exchange of Thailand (the SET). The Company and government agencies will hold less than 50%, but the Company will not hold less than 45% , of total paid-up capital (the "Restructuring of PTT"). In addition, the Board passed a resolution to proceed with the request of the Restructuring of PTT to the relevant agencies such as the Ministry of Energy, The Board of Directors of State Enterprise Policy Office ("Superboard"), the Cabinet, and the shareholders' meeting of the Company, to consider granting approvals in accordance with the relevant rules and regulations.

On February 17, 2017, at the Meeting No. 1/2017 (the 11<sup>st</sup> Meeting) of the National Energy Policy Council (NEPC) passed resolutions to (1) acknowledge the proposed Restructuring of PTT and to instruct the Company to proceed in compliance with relevant laws, regulations, and related cabinet resolutions while taking into consideration the maximum benefit of the public and the nation and (2) agree with the opinion of the Cabinet Secretariat that the proposed business restructuring of PTT would not have an impact on the nation's energy security. Subsequently, the Ministry of Energy notified the cabinet of the NEPC's meeting resolutions.

On April 28, 2017, the 2017 Annual General Meeting of the Company's shareholders approved the Restructuring of PTT by means of the transfer of the oil business unit, including the assets and liabilities of the business unit and the shares of companies related to the oil business unit, from the Company to PTTOR (the "Restructuring of PTT"). The business transfer will occur only after the Company obtains any approvals and/or consent from relevant governmental authorities and/or agencies necessary for the Restructuring of PTT in accordance with relevant regulations, and the Board or persons assigned by the Board are authorized to enter into negotiations and determine the criteria, conditions, and other details related to the Restructuring of PTT; execute the business transfer agreements, other agreements and supporting documents; and undertake any act necessary for and relevant to the aforementioned businesses for the purposes of the Restructuring of PTT. The Annual General Meeting also acknowledged the feasibility of the plan to launch an initial public offering (IPO) of PTTOR's ordinary shares, and to offer ordinary shares of PTTOR to PTT's existing shareholders with rights to subscribe to allocated shares, but not to offer the shares to shareholders in cases where such offering would cause PTTOR to be subject to the rules and regulations of foreign countries (Preferential Share Offering) and to list PTTOR on the SET. The Company and government agencies will hold less than 50% of the total paid-up capital after launching an IPO and listing on the SET. On the contrary, the Company will hold no less than 45% the total paid-up capital. The Company will adhere to the opinions of the Office of the Securities and Exchange Commission (the SEC) in relation to the listing of PTTOR on the SET and will obtain approval from the SEC prior to proceed further.

**10. The Restructuring of the Oil Business Unit (Continued)**

On June 18, 2018, the Company and PTTOR successfully executed the Business Transfer Agreement to transfer various assets and liabilities, and shares of related companies (BAFS, PTTCL, PTTOM, TLBC, THAPPLINE, PAT, IPS and FPT) to PTTOR. The Company has commenced the process of transferring various assets and liabilities, and shares of related companies to PTTOR since July 1, 2018. On June 28, 2018, PTTOR made the initial payment of Bath 85,366.92 million to the Company. This amount is included in other accounts payable in the separate statement of financial position.

As a result of the Business Transfer Agreement, the Company reclassified relevant assets and liabilities as assets held-for-sale and liabilities directly associated with the assets held-for-sale in the separate statement of financial position as at June 30, 2018 and presented the operating results of the related oil business unit as discontinued segment. The Company presented the operating results of the discontinued segment separately from those of the normal operation, as profit (loss) from discontinued operations in the separate financial statements. The Company reclassified the transactions of this segment that were undertaken in 2017 for the purpose of comparison with the current period financial information in the statement of income and the statement of comprehensive income for the three-month, and the six-month periods ended June 30, 2018. However, the Company presented the statement of cash flows before the deduction of discontinued operations' portion.

Assets held-for-sale and liabilities directly associated with the assets held-for-sale as at June 30, 2018 are as follows:

	Unit: Million Baht Separate financial statements
Trade accounts receivable	16,063.43
Other accounts receivable	9,969.14
Short-term lending loans	265.70
Inventories	23,681.18
Materials and supplies	173.94
Other current assets	107.94
Available-for-sale investments	1,417.50
Investments in subsidiaries	259.65
Investments in associates	3,173.23
Other long-term investments	0.04
Investment properties	134.30
Property, plant and equipment	20,022.41
Intangible assets	451.47
Other non-current assets	2,166.54
Assets held-for-sale	<u>77,886.47</u>

**10. The Restructuring of the Oil Business Unit (Continued)**

Assets held-for-sale and liabilities directly associated with the assets held-for-sale as at June 30, 2018 are as follows: (Continued)

	Unit: Million Baht Separate financial statements
Trade accounts payable	23,602.69
Other accounts payable	2,099.77
Current portion of long-term loans	110.33
Other current liabilities	864.48
Long-term loans	53.30
Provisions for employee benefit	1,801.12
Deposits on LPG cylinders	10,697.19
Other non-current liabilities	692.37
Liabilities directly associated with the assets held-for-sale	<u>39,921.25</u>
Net assets classified as assets held-for-sale	<u><u>37,965.22</u></u>

Accumulated other comprehensive income related to the assets held-for-sale as at June 30, 2018 is as follows:

	Unit: Million Baht Separate financial statements
Accumulated gain on measurement of available-for-sale investments	1,393.50
Accumulated income taxes related to available-for-sale investments	<u>(278.70)</u>
Accumulated other comprehensive income related to the assets held-for-sale	<u><u>1,114.80</u></u>

**10. The Restructuring of the Oil Business Unit (Continued)**

The operating results of the discontinued operations in the financial information for the three-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht Separate financial statements	
	2018	2017
<b>Statement of income</b>		
Sales and service income	144,419.99	127,621.54
Cost of sales and services	(136,309.70)	(120,545.79)
Gross profit	8,110.29	7,075.75
Other income	1,551.77	1,595.32
Gain (loss) on foreign exchange rates	468.21	(21.71)
Profit before expenses	10,130.27	8,649.36
Selling and distribution expenses	(4,325.70)	(3,430.16)
Administrative expenses	(2,302.46)	(1,648.97)
Profit before finance costs and income taxes	3,502.11	3,570.23
Finance costs	(1.80)	(2.33)
Profit before income taxes	3,500.31	3,567.90
Income taxes	(773.74)	(745.85)
Profit for the periods from discontinued operations, net of tax	<u>2,726.57</u>	<u>2,822.05</u>

	Unit: Million Baht Separate financial statements	
	2018	2017
<b>Statement of comprehensive income</b>		
Items that may be reclassified to profit or loss in subsequent periods		
Gain (loss) on measurement of available-for-sale investments	(202.50)	326.25
Income taxes related to available-for-sale investments	40.50	(65.25)
Other comprehensive income (loss) for the periods from discontinued operations, net of tax	<u>(162.00)</u>	<u>261.00</u>



**10. The Restructuring of the Oil Business Unit (Continued)**

The operating results of the discontinued operations in the financial information for the six-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht Separate financial statements	
	2018	2017
<b>Statement of income</b>		
Sales and service income	288,790.50	266,536.90
Cost of sales and services	(271,949.15)	(251,217.90)
Gross profit	16,841.35	15,319.00
Other income	2,432.59	2,451.40
Gain (loss) on foreign exchange rates	285.71	(157.93)
Profit before expenses	19,559.65	17,612.47
Selling and distribution expenses	(7,714.38)	(6,418.60)
Administrative expenses	(3,820.15)	(3,068.17)
Profit before finance costs and income taxes	8,025.12	8,125.70
Finance costs	(3.82)	(4.81)
Profit before income taxes	8,021.30	8,120.89
Income taxes	(1,967.25)	(1,830.64)
Profit for the periods from discontinued operations, net of tax	<u>6,054.05</u>	<u>6,290.25</u>

	Unit: Million Baht Separate financial statements	
	2018	2017
<b>Statement of comprehensive income</b>		
Items that may be reclassified to profit or loss in subsequent periods		
Gain (loss) on measurement of available-for-sale investments	(686.25)	461.25
Income taxes related to available-for-sale investments	137.25	(92.25)
Other comprehensive income (loss) for the periods from discontinued operations, net of tax	<u>(549.00)</u>	<u>369.00</u>

**10. The Restructuring of the Oil Business Unit (Continued)**

Net cash flows of the discontinued operations for the six-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht Separate financial statements	
	2018	2017
Net cash provided by operating activities	1,273.75	642.20
Net cash used in investing activities	(3,563.77)	(2,306.10)
Net cash provided by (used in) financing activities	-	-
Net cash used in the discontinued operations	<u>(2,290.02)</u>	<u>(1,663.90)</u>

**11. Available-for-sale Investments**

## 11.1 Details of available-for-sale investments

Company	Country of Incorporation	Business	Ownership interest (%)	
			June 30, 2018	December 31, 2017
<b><u>Available-for-sale Investments of the Company</u></b>				
<b><u>Investments in Equity Securities</u></b>				
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
<b><u>Investments in Mutual Funds</u></b>				
CIMB - PRINCIPAL Energy and Petrochemical Index Fund (CIMB - PRINCIPAL EPIF)	Thailand	Mutual fund		
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		
Corporate Venture Capital Fund (CVC)	United States of America	Mutual fund		
<b><u>Available-for-sale Investments of Subsidiaries</u></b>				
<b><u>Investments in Equity Securities</u></b>				
<i>PTTEP Group</i>				
Wentworth Resources Limited (WRL)	Canada	Oil and natural gas exploration	1.18	1.18
<i>IRPC Group</i>				
Bangkok Union Insurance Public Co., Ltd. (BUI)	Thailand	Insurance	0.35	0.35
TPI Polene Public Co., Ltd. (TPIPL)	Thailand	Property, construction and petrochemicals	0.14	0.14
<i>PTTGM Group</i>				
Xanadu Mines Ltd. (XML)	Mongolia	Mineral exploration	3.80	4.19
<b><u>Investment in Debt Securities</u></b>				
<i>PTTGC Group</i>				
Debt Securities Available for Sale (in Private Fund) (DSAFS)	Thailand	Private Fund		
<i>TOP Group</i>				
Debt Securities Available for Sale (in Private Fund) (DSAFS)	Thailand	Private Fund		

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

## 11.1 Details of available-for-sale investments (Continued)

Company	Country of Incorporation	Business	Ownership interest (%)	
			June 30, 2018	December 31, 2017
<b><u>Available-for-sale Investments of Subsidiaries</u></b> (Continued)				
<u>Investments in Mutual Funds</u>				
<i>PTTLNG</i>				
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		
<i>PTTNGD Group</i>				
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		
<i>EnCo</i>				
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		
<i>PTTOR Group</i>				
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		
<i>PTT TANK</i>				
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		
<i>PTTT Group</i>				
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		
<i>PTTGC Group</i>				
CIMB - PRINCIPAL Energy and Petrochemical Index Fund (CIMB - PRINCIPAL EPIF)	Thailand	Mutual fund		
<i>TOP Group</i>				
CIMB - PRINCIPAL Energy and Petrochemical Index Fund (CIMB - PRINCIPAL EPIF)	Thailand	Mutual fund		
<i>PTTER Group</i>				
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		
<i>PTTRTC</i>				
Vayupak Fund 1 (VAYU1)	Thailand	Mutual fund		

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

11.2 Details of available-for-sale investments as at June 30, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

Company	Ownership interest (%)		Consolidated financial statements		Separate financial statements		Dividend incomes for the six-month periods ended June 30	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017	2018	2017
<u>Available-for-sale investments in Equity Securities</u>								
1. TIP	13.33	13.33	312.00	312.00	312.00	312.00	80.00	80.00
2. BAFS	7.06	7.06	24.00	24.00	24.00	24.00	46.35	45.00
3. SPRC	-	-	-	-	-	-	-	151.20
4. WRL	1.18	1.18	36.93	37.39	-	-	-	-
5. BUI	0.35	0.35	2.35	2.35	-	-	-	-
6. TPIPL	0.14	0.14	64.86	64.86	-	-	0.62	-
7. XML	3.80	4.19	243.40	239.83	-	-	-	-
Total			683.54	680.43	336.00	336.00		
<u>Available-for-sale investments in Debt Securities</u>								
8. DSAFS			10,463.19	11,988.88	-	-	-	-
Total			10,463.19	11,988.88	-	-		
<u>Available-for-sale investments in Mutual Funds</u>								
9. CIMB - PRINCIPAL EPIF			854.03	854.03	254.03	254.03	8.68	4,309.71
10. VAYU1			15.12	15.10	10.00	10.00	-	-
11. CVC			260.60	208.99	260.60	208.99	-	-
Total			1,129.75	1,078.12	524.63	473.02		
Total available-for-sale investments before changes in value of investments			12,276.48	13,747.43	860.63	809.02		
Allowance for changes in value			2,984.54	3,893.60	2,927.69	3,724.08		
Less Allowance for impairment			(39.20)	(38.62)	-	-		
Total			15,221.82	17,602.41	3,788.32	4,533.10	135.65	4,585.91
Less Assets held-for-sale (Note 10)			-	-	(1,417.50)	-	(46.35)	-
Total			15,221.82	17,602.41	2,370.82	4,533.10	89.30	4,585.91

**12. Investments in Subsidiaries, Joint Ventures and Associates**

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

Company	Country of Incorporation	Business	Ownership interest (%)	
			June 30, 2018	December 31, 2017
<u>Subsidiaries</u>				
PTT Exploration and Production Public Co., Ltd. (PTTEP)	Thailand	Petroleum exploration and production	65.29	65.29
PTT LNG Co., Ltd. (PTTLNG)	Thailand	Natural gas	100.00	100.00
PTT Natural Gas Distribution Co., Ltd. (PTTNGD)	Thailand	Natural gas	58.00	58.00
PTT Global LNG Co., Ltd. (PTTGL) (The Group holds 100% shareholding)	Thailand	Investing in LNG business	50.00	50.00
Energy Complex Co., Ltd. (EnCo) (The Group holds 100% shareholding)	Thailand	Real estate development for rent	50.00	50.00
PTT Energy Solutions Co., Ltd. (PTTES) (The Group holds 100% shareholding)	Thailand	Technical and operational services	40.00	40.00
Global Power Synergy Public Co., Ltd. (GPSC) (The Group holds 75% shareholding)	Thailand	Generation and supply of electricity, steam and water for industries	22.58	22.58
PTT (Cambodia) Limited (PTTCL)	Cambodia	Oil marketing	100.00	100.00
PTT Oil Myanmar Co., Ltd. (PTTOM)	Myanmar	Business services	100.00	100.00
PTT Oil and Retail Business Public Co., Ltd. (PTTOR)	Thailand	Management services and oil marketing	100.00	100.00
PTT Tank Terminal Co., Ltd. (PTT TANK)	Thailand	Terminal and warehouse	100.00	100.00
Thai Lube Blending Co., Ltd. (TLBC) (The Group holds 100% shareholding)	Thailand	Blending and bottling of lube oil	48.95	48.95
PTT International Trading Pte. Ltd. (PTTT)	Singapore	International trading	100.00	100.00
PTT International Trading London Limited (PTTT LDN)	England	International trading	100.00	100.00
PTT Global Chemical Public Co., Ltd. (PTTGC)	Thailand	Petrochemicals and refining	48.62	48.89
Thai Oil Public Co., Ltd. (TOP)	Thailand	Oil refining	49.03	49.10
IRPC Public Co., Ltd. (IRPC)	Thailand	Petrochemicals and refining	48.05	38.51
Thai Oil Power Co., Ltd. (TP) (The Group holds 100% shareholding)	Thailand	Generation and supply of electricity and steam	26.00	26.00
PTT Energy Resources Co., Ltd. (PTTER)	Thailand	Investment consulting in energy and mining business	100.00	100.00
PTT Global Management Co., Ltd. (PTTGM)	Thailand	Domestic and international investment	100.00	100.00
PTT Green Energy Pte. Ltd. (PTTGE)	Singapore	Investing in palm oil business	100.00	100.00
PTT Regional Treasury Center Pte. Ltd. (PTTRTC)	Singapore	Treasury services	100.00	100.00
PTT Treasury Center Co., Ltd. (PTT TCC)	Thailand	Treasury services	100.00	-
Business Services Alliance Co., Ltd. (BSA)	Thailand	Management services	100.00	100.00
PTT Digital Solutions Co., Ltd. (PTT DIGITAL) (The Group holds 100% shareholding)	Thailand	Information technology and communication services	20.00	20.00

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

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

Company	Country of Incorporation	Business	Ownership interest (%)	
			June 30, 2018	December 31, 2017
<u>Joint Ventures</u>				
Trans Thai-Malaysia (Thailand) Co., Ltd. (TTM(T))	Thailand	Natural gas	50.00	50.00
Trans Thai-Malaysia (Malaysia) Sdn. Bhd. (TTM(M))	Malaysia	Natural gas	50.00	50.00
District Cooling System and Power Plant Co., Ltd. (DCAP)	Thailand	Generation and supply of electricity and chilled water	35.00	35.00
<u>Associates</u>				
Thai Petroleum Pipeline Co., Ltd. (THAPPLINE) (The Group holds 49.21% shareholding)	Thailand	Oil transmission pipelines	40.53	40.53
Petro Asia (Thailand) Co., Ltd. (PAT)	Thailand	Oil marketing	35.00	35.00

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

## 12.2 Details of joint ventures and associates of subsidiaries

Company	Country of Incorporation	Business	Ownership interest (%)	
			June 30, 2018	December 31, 2017
<u>Joint Ventures</u>				
<i>PTTEP Group</i>				
Erawan 2 FSO Bahamas Limited (Erawan 2)	Bahamas	FSO rental services	13.11	13.11
<i>GPSC Group</i>				
Thai Solar Renewable Co., Ltd. (TSR)	Thailand	Investing in other companies	40.00	40.00
Nam Lik1 Power Co., Ltd. (NL1PC)	Laos	Production and distribution of electricity	40.00	40.00
Nava Nakorn Electricity Generating Co., Ltd. (NNEG)	Thailand	Production and distribution of electricity	30.00	30.00
<i>PTTGC Group</i>				
Thai Ethoxylate Co., Ltd. (TEX)	Thailand	Manufacturing and distributing of petrochemical products	50.00	50.00
Emery Oleochemical (M) Sdn. Bhd. (EOM)	Malaysia	Manufacturing and distributing of biochemical products	50.00	50.00
Emery Specialty Chemical Sdn. Bhd. (ESC)	Malaysia	Manufacturing and distributing of chemical specialties	50.00	50.00
NatureWorks LLC (NTR)	United States of America	Manufacturing and distributing of bioplastic products	50.00	50.00
PTT MCC Biochem Co., Ltd. (PTTMCC)	Thailand	Petrochemicals	50.00	50.00
PTT Asahi Chemicals Co., Ltd. (PTTAC)	Thailand	Petrochemicals	50.00	50.00
HMC Polymers Co., Ltd. (HMC)	Thailand	Petrochemicals	41.44	41.44
<i>TOP Group</i>				
TOP-NTL Pte. Ltd. (TOP-NTL)	Singapore	Fund management services	50.00	50.00
TOP-NTL Shipping Trust (TOP-NTL(BT))	Singapore	Investing in other companies	50.00	50.00
TOP-NYK MarineOne Pte. Ltd. (TOP-NYK)	Singapore	Marine transportation services	50.00	50.00
TOP Nautical Star Co., Ltd. (TOP-NS)	Thailand	Storage and marine transportation services	35.00	35.00
<i>IRPC Group</i>				
IRPC Polyol Company Limited (IRPCP)*	Thailand	Manufacturing and distributing of chemical products for polyurethanes	50.00	-
IRPC PCC Co., Ltd. (IRPC-PCC)**	Thailand	Sales of petrochemical products	-	49.99

\* The status of IRPCP changed from a subsidiary of IRPC Group to a joint venture.

\*\* Previously, IRPC-PCC was a joint venture under IRPCP. When the status of IRPCP changed from a subsidiary of IRPC Group to a joint venture, causing IRPC-PCC ceased to be a joint venture of the Group.



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

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

Company	Country of Incorporation	Business	Ownership interest (%)	
			June 30, 2018	December 31, 2017
<u>Joint Ventures</u> (Continued)				
<i>PTTGM Group</i>				
OGP Energy Solutions Company Limited (OGPS)	Thailand	Supply of ready-to-use energy	40.00	40.00
FEE (Bru) Pte. Ltd. (FEEBRU)	Singapore	Coal mines	35.00	35.00
<i>PTTGE Group</i>				
Chancellor Oil Pte. Ltd. (Chancellor)	Singapore	Investing in other companies	77.56	77.56
<u>Associates</u>				
<i>PTTEP Group</i>				
PTTEP AP Group's associates*	Australia	Airbase services	50.00	50.00
<i>GPSC Group</i>				
Bangpa-in Cogeneration Co., Ltd. (BIC)	Thailand	Generation and supply of electricity and steam	25.00	25.00
Xayaburi Power Co., Ltd. (XPCL)	Laos	Hydroelectric power plant	25.00	25.00
<i>PTTOR Group</i>				
FST Aviation Services Limited (FST)	Hong Kong	Aircraft refuelling services	25.00	25.00
<i>PTTGC Group</i>				
PT Indo Thai Trading (ITT)	Indonesia	Petrochemicals	49.00	49.00
Vinythai Plc. (VNT)	Thailand	Petrochemicals	24.98	24.98
Eastern Fluid Transport Co., Ltd. (EFT)	Thailand	Infrastructure	22.65	22.65
Thai Eastern Topseeds Oil Co., Ltd. (TETSO)	Thailand	Petrochemicals	30.00	30.00
S.P. Petpack Inter Group Co., Ltd. (SPPETPACK)	Thailand	Petrochemicals	25.00	25.00
Kuraray GC Advanced Materials Co., Ltd. (KGC)	Thailand	Manufacturing of chemical specialties	33.40	-
<i>TOP Group</i>				
T.I.M Ship Management Co., Ltd. (TIM)	Thailand	Marine transportation services	33.33	33.33
Ubon Bio Ethanol Co., Ltd. (UBE)	Thailand	Manufacturing and distributing of ethanol	21.28	21.28
<i>IRPC Group</i>				
UBE Chemicals (Asia) Public Co., Ltd. (UCHA)	Thailand	Manufacturing and distributing of petrochemicals	25.00	25.00
<i>PTTER Group</i>				
East Mediterranean Gas Company S.A.E. (EMG)	Egypt	Natural gas transmission pipelines	25.00	25.00

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

**12. Investments in Subsidiaries, Joint Ventures and Associates (Continued)****12.3 Investments in joint ventures in the consolidated financial statements as at June 30, 2018 and December 31, 2017**

Unit: Million Baht

Company	Ownership interest (%)		June 30, 2018		December 31, 2017		Dividends income for the six-month periods ended June 30	
	June 30, 2018	December 31, 2017	Cost method	Equity method	Cost method	Equity method	2018	2017
1. TTM(T)	50.00	50.00	4,341.80	4,405.96	4,341.80	4,360.08	208.41	-
2. TTM(M)	50.00	50.00	1,001.31	1,265.78	1,001.31	1,299.72	87.48	-
3. DCAP	35.00	35.00	584.50	889.28	584.50	882.15	19.67	21.35
4. Erawan 2	13.11	13.11	517.44	532.30	544.13	611.83	93.57	124.20
5. TSR	40.00	40.00	1,697.00	1,724.65	1,697.00	1,711.83	147.00	161.00
6. NL1PC	40.00	40.00	414.49	428.53	344.77	324.03	-	-
7. NNEG	30.00	30.00	488.40	552.29	480.90	588.63	108.00	-
8. TEX	50.00	50.00	210.00	664.37	210.00	708.82	91.35	71.40
9. EOM	50.00	50.00	4,965.77	4,443.29	4,965.77	4,526.47	-	-
10. ESC	50.00	50.00	407.04	-	407.04	-	-	-
11. NTR	50.00	50.00	4,793.33	2,809.64	4,793.33	2,486.60	-	-
12. PTTMCC	50.00	50.00	930.12	320.55	930.12	459.98	-	-
13. PTTAC	50.00	50.00	6,909.41	7,889.13	6,909.41	6,555.07	-	-
14. HMC	41.44	41.44	9,117.12	13,194.72	9,117.12	12,849.21	414.35	414.35
15. TOP-NTL	50.00	50.00	0.25	13.97	0.25	11.32	-	-
16. TOP-NTL(BT)	50.00	50.00	24.05	52.77	24.05	43.00	-	-
17. TOP-NYK	50.00	50.00	273.88	466.22	273.88	420.36	-	34.00
18. TOP-NS	35.00	35.00	52.50	81.15	52.50	65.47	-	-
19. IRPCP	50.00	-	150.00	96.13	-	-	-	-
20. IRPC-PCC	-	49.99	-	-	5.00	5.68	-	5.50
21. OGPS	40.00	40.00	39.08	23.26	38.49	26.90	-	-
22. FEEBRU	35.00	35.00	218.04	137.19	214.84	135.18	-	-
23. Chancellor	77.56	77.56	3,015.20	1,317.05	2,971.00	1,297.74	-	-
			40,150.73	41,308.23	39,907.21	39,370.07		
<u>Less Allowance for impairment</u>			<u>(3,233.24)</u>	<u>(1,454.24)</u>	<u>(3,185.83)</u>	<u>(1,432.92)</u>		
<b>Total</b>			<b>36,917.49</b>	<b>39,853.99</b>	<b>36,721.38</b>	<b>37,937.15</b>	<b>1,169.83</b>	<b>831.80</b>

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

12.4 Investments in associates in the consolidated financial statements as at June 30, 2018 and December 31, 2017

Unit: Million Baht

Company	Ownership interest (%)		June 30, 2018		December 31, 2017		Dividends income for the six-month periods ended June 30	
	June 30, 2018	December 31, 2017	Cost method	Equity method	Cost method	Equity method	2018	2017
1. THAPPLINE	49.21	49.21	3,952.72	4,666.32	3,952.72	5,012.28	831.28	849.59
2. PAT	35.00	35.00	131.25	-	131.25	-	-	-
3. PTTEP AP Group's associates	50.00	50.00	49.67	233.11	48.94	229.97	-	-
4. BIC	25.00	25.00	923.75	874.30	923.75	812.20	13.53	20.29
5. XPCL	25.00	25.00	6,240.13	5,755.47	5,794.47	5,249.30	-	-
6. FST	25.00	25.00	0.72	1.35	0.76	1.39	-	-
7. ITT	49.00	49.00	125.28	207.57	125.28	200.67	-	-
8. VNT	24.98	24.98	3,297.39	4,735.72	3,297.39	4,632.40	266.43	133.22
9. EFT	22.65	22.65	2.27	20.39	2.27	19.53	4.08	3.85
10. TETSO	30.00	30.00	46.69	45.47	46.69	45.45	-	-
11. SPPEPACK	25.00	25.00	50.00	42.79	50.00	44.99	-	-
12. KGC	33.40	-	3.34	3.34	-	-	-	-
13. TIM	33.33	33.33	1.00	-	1.00	-	-	-
14. UBE	21.28	21.28	769.55	811.46	769.55	804.26	-	21.28
15. UCHA	25.00	25.00	5,299.82	5,049.73	5,299.82	4,927.18	-	-
16. EMG	25.00	25.00	16,214.84	13,050.03	15,977.09	12,858.69	-	-
			37,108.42	35,497.05	36,420.98	34,838.31		
Less Allowance for impairment			(16,346.09)	(13,050.03)	(16,108.34)	(12,858.69)		
Total			20,762.33	22,447.02	20,312.64	21,979.62	1,115.32	1,028.23

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

12.5 Investments in subsidiaries, joint ventures and associates in the separate financial statements as at June 30, 2018 and December 31, 2017

Unit: Million Baht

Company	Ownership interest (%)		Cost method		Dividends income for the six-month periods ended June 30	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017	2018	2017
<u>Subsidiaries</u>						
1. PTTEP	65.29	65.29	71,390.42	71,390.42	7,127.61	6,479.66
2. PTTLNG	100.00	100.00	18,439.25	15,599.01	733.15	910.43
3. PTTNGD	58.00	58.00	418.14	418.14	580.00	348.00
4. PTTGL	50.00	50.00	5,210.72	5,210.72	-	-
5. EnCo	50.00	50.00	900.00	900.00	31.00	13.27
6. PTTES	40.00	40.00	62.50	62.50	-	-
7. GPSC	22.58	22.58	4,949.93	4,949.93	270.61	236.79
8. PTTCL	100.00	100.00	103.49	103.49	-	-
9. PTTOM	100.00	100.00	16.15	16.15	-	-
10. PTTOR	100.00	100.00	90,000.00	8,621.67	-	-
11. PTT TANK	100.00	100.00	2,500.37	2,500.37	121.00	133.00
12. TLBC	48.95	48.95	140.00	140.00	1.12	3.50
13. PTTT	100.00	100.00	2.50	2.50	38.21	41.90
14. PTTT LDN	100.00	100.00	347.75	347.75	-	-
15. PTTPM	-	-	-	-	-	125.00
16. PTTGC	48.62	48.89	47,856.10	48,121.52	5,499.53	3,967.78
17. TOP	49.03	49.10	11,363.81	11,380.83	3,756.18	3,004.94
18. IRPC	48.05	38.51	42,339.93	28,467.24	2,847.72	1,810.03
19. TP	26.00	26.00	2,304.76	2,304.76	146.12	197.26
20. PTTER	100.00	100.00	33,702.67	33,702.67	-	-
21. PTTGM	100.00	100.00	54,404.22	33,007.14	-	-
22. PTTGE	100.00	100.00	11,781.76	11,750.64	-	-
23. PTTRTC	100.00	100.00	31.40	31.40	-	-
24. PTT TCC	100.00	-	5.00	-	-	-
25. BSA	100.00	100.00	0.50	0.50	30.00	40.00
26. PTT DIGITAL	20.00	20.00	30.00	30.00	16.40	15.60
Investments in subsidiaries			398,301.37	279,059.35		
<u>Less Allowance for impairment</u>			(81,754.68)	(60,130.02)		
Total			316,546.69	218,929.33	21,198.65	17,327.16
<u>Less Assets held-for-sale (Note 10)</u>			(259.65)	-	(1.12)	-
Total			316,287.04	218,929.33	21,197.53	17,327.16

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

## 12.5 Investments in subsidiaries, joint ventures and associates in the separate financial statements as at June 30, 2018 and December 31, 2017 (Continued)

Unit: Million Baht

Company	Ownership interest (%)		Cost method		Dividends income for the six-month periods ended June 30	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017	2018	2017
<u>Joint Ventures</u>						
27. TTM(T)	50.00	50.00	4,341.80	4,341.80	208.41	-
28. TTM(M)	50.00	50.00	1,001.31	1,001.31	87.48	-
29. DCAP	35.00	35.00	584.50	584.50	19.67	21.35
30. HMC	-	-	-	-	-	414.35
Total			5,927.61	5,927.61	315.56	435.70
<u>Associates</u>						
31. THAPPLINE	40.53	40.53	3,173.23	3,173.23	684.21	699.28
32. PAT	35.00	35.00	131.25	131.25	-	-
Investments in associates			3,304.48	3,304.48		
<u>Less</u> Allowance for impairment			(131.25)	(131.25)		
Total			3,173.23	3,173.23	684.21	699.28
<u>Less</u> Assets held-for-sale (Note 10)			(3,173.23)	-	(684.21)	-
Total			-	3,173.23	-	699.28
Total			322,214.65	228,030.17	21,513.09	18,462.14

## 12.6 Significant events during the period ended June 30, 2018

**PTTGM**

On January 23, 2018, at the Extraordinary General Meeting of the shareholders of PTT Global Management Co., Ltd. (PTTGM) No. 1/2018, the shareholders passed an extraordinary resolution to increase 213.97 million authorized share capital at Baht 100.00 per share amounting to Baht 21,397.08 million. The Company made the additional payment on February 1, 2018.

According to the resolution of the shareholding and finance restructuring on December 16, 2016, the Company estimated the recoverable amount of the investment in PTTGM using the discounted future cash flow method. As at June 30, 2018, the recoverable amount is lower than its carrying amount, the Company recorded loss on impairment of the investments in PTTGM amounting to Baht 21,624.66 million in the separate financial statements.

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

### 12.6 Significant events during the period ended June 30, 2018 (Continued)

#### **PTTOR**

On February 7, 2018, at the Board of Directors Meeting of PTT Oil and Retail Business Co., Ltd. (PTTOR) No. 2/2018, the Board passed a resolution to approve the call up of additional share capital of Baht 158.33 million, consisting of share capital Baht 3.287 per share in respect of 36 million ordinary shares, amounting to Baht 118.33 million, and Baht 50.00 per share in respect of 800,000 ordinary shares, amounting to Baht 40.00 million. The Company made the payment on February 23, 2018.

On March 9, 2018, PTTOR registered to change status from PTT Oil and Retail Business Co., Ltd. to PTT Oil and Retail Business Public Co., Ltd, under the Public Limited Companies Act.

On June 5, 2018, at the Extraordinary General Meeting of the shareholders of PTTOR No. 1/2018, the shareholders passed a resolution to increase 8,122 million authorized share capital of PTTOR at Baht 10.00 per share amounting to Baht 81,220.00 million. The Company made the payment on June 28, 2018.

#### **IRPC**

On February 20, 2018, at the Board of Directors Meeting of the Company No. 2/2018, the Board passed a resolution to approve the acquisition of ordinary shares in IRPC Public Co., Ltd. (IRPC) in the number of 1,950 million shares, which is equivalent to an interest of approximately 9.54 percent, amounting to Baht 13,845.00 million, causing its equity interest in IRPC increase to 48.05 percent. The Company made the payment on February 26, 2018 and the Group recognized deficit from the change in the ownership interests in subsidiaries amounting to Baht 4,237.91 million under shareholders' equity in the consolidated financial statements.

#### **PTTGC**

On January 19, 2018, at the Board of Directors Meeting of the Company No. 1/2018, the Board passed a resolution to approve the revision of the policy regarding shareholding in the Group's affiliates. The Company sold 12.16 million ordinary shares in PTT Global Chemical Public Co., Ltd. (PTTGC) in the period, amounting to Baht 1,170.75 million, causing its equity interest in PTTGC decrease to 48.62 percent. The Group recognized surplus from the change in the ownership interests in subsidiaries amounting to Baht 425.72 million under shareholders' equity in the consolidated financial statements and the Company recognized gain on disposal of investments amounting to Baht 905.33 million in the separate financial statements.

#### **TOP**

On January 19, 2018, at the Board of Directors Meeting of the Company No. 1/2018, the Board passed a resolution to approve the revision of the policy regarding shareholding in the Group's affiliates. The Company sold 1.50 million ordinary shares in Thai Oil Public Co., Ltd. (TOP) in the period, amounting to Baht 140.62 million, causing its equity interest in TOP decrease to 49.03 percent. The Group recognized surplus from the change in the ownership interests in subsidiaries amounting to Baht 52.42 million under shareholders' equity in the consolidated financial statements and the Company recognized gain on disposal of investments amounting to Baht 123.60 million in the separate financial statements.

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

### 12.6 Significant events during the period ended June 30, 2018 (Continued)

#### **PTTLNG**

On March 26, 2018, at the Board of Directors Meeting of PTT LNG Co., Ltd. (PTTLNG) No. 3/2018, the Board passed a resolution to approve the call up of additional share capital of Baht 487.92 million and Baht 1,016.07 million. The Company made these additional payments on April 27, 2018 and June 14, 2018, respectively.

On April 24, 2018, at the 2018 Annual General Meeting of PTTLNG, the shareholders passed an extraordinary resolution to increase 534.50 million authorized share capital at Baht 10.00 per share amounting to Baht 5,345.00 million. The Company made the payment amounting to Baht 1,336.25 million on June 15, 2018.

#### **PTTGE**

On October 20, 2017, at the Board of Directors Meeting of the Company No. 10/2017, the Board passed a resolution to approve the increase of the share capital of PTT Green Energy Pte. Ltd. (PTTGE) to support the dissolution of companies under the Sabran Brothers Group. On March 15, 2018, PTTGE called up payment of 1 million additional shares at USD 1.00 per share amounting to USD 1.00 million or equivalent to Baht 31.12 million. The Company made the payment on April 10, 2018.

#### **PTT TCC**

On February 20, 2018, at the Board of Directors Meeting of the Company No. 2/2018, the Board passed a resolution to approve the establishment of PTT Treasury Center Co., Ltd. (PTT TCC), to conduct the business in the area of international headquarters and treasury center for the purpose of financial and treasury management of PTT Group. The Company holds a 100% shareholding of PTT TCC.

PTT TCC has an initial registered share capital of Baht 20.00 million comprising 200,000 shares with a par value of Baht 100.00 each. The Company made the payment amounting to Baht 5.00 million on May 8, 2018.

### 12.7 Additional information in respect of associates

The Company has not recognized its share of profit from some associates for the six-month period ended June 30, 2018 amounting to Baht 0.42 million (2017: Baht 0.15 million) because, as at June 30, 2018, the Company had an unrealized allowance for its share of loss from the associate amounting to Baht 15.95 million (December 31, 2017: Baht 16.37 million).

**13. Other Long-term Investments**

## 13.1 Details of other long-term investments

Company	Country of Incorporation	Business	Ownership interest (%)	
			June 30, 2018	December 31, 2017
<b><u>Other Long-term Investments of the Company</u></b>				
<b><u>Long-term Investments in Equity Securities</u></b>				
Petro Asia (Sanshui) Co., Ltd. (PA (Sanshui))	China	Oil marketing	25.00	25.00
Petro Asia (Maoming) Co., Ltd. (PA (Maoming))	China	Oil marketing	20.00	20.00
Sarn Palung Social Enterprise Co., Ltd. (SPSE) (The Group holds 100% shareholding)	Thailand	Social enterprise	20.00	20.00
Intoplane Services Co., Ltd. (IPS)	Thailand	Aircraft refuelling services	16.67	16.67
Baania (Thailand) Co.,Ltd. (Baania)	Thailand	Integrated online real estate platform	3.57	-
Colour Vision International Co., Ltd. (Corpus)	Thailand	Finished yarn production	0.48	0.48
Fuel Pipeline Transportation Co., Ltd. (FPT)*	Thailand	Oil transmission pipelines	-	-
<b><u>Long-term Investments in Debt Securities</u></b>				
Berli Jucker Public Co., Ltd. (BJC)	Thailand	Consumer products manufacturing and service		
Bangkok Dusit Medical Services Public Co., Ltd. (BDMS)	Thailand	Health care services		
Bangkok Mass Transit System Public Co., Ltd. (BTS)	Thailand	Transportation and logistics		
Indorama Ventures Public Co., Ltd. (IVL)	Thailand	Petrochemicals and chemicals		
The Commercial Bank (P.S.Q.C.) (CBQ)	Qatar	Banking		
Bank of Ayudhya Public Co., Ltd. (BAY)	Thailand	Banking		
Emirates NBD (ENBD)	United Arab Emirates	Banking		
The Siam Cement Public Co., Ltd. (SCC)	Thailand	Property and Construction		
Thai Beverage Public Co., Ltd. (TBEV)	Thailand	Manufacturing and distributing of food and beverage		

\* As at June 30, 2018 and December 31, 2017, the Company holds 0.0000090% of ownership interest.



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

## 13.1 Details of other long-term investments (Continued)

Company	Country of Incorporation	Business	Ownership interest (%)	
			June 30, 2018	December 31, 2017
<b><u>Other Long-term Investments of Subsidiaries</u></b>				
<b><u>Long-term Investments in Equity Securities</u></b>				
<i>PTTEP Group</i>				
Sarn Palung Social Enterprise Co., Ltd. (SPSE) (The Group holds 100% shareholding)	Thailand	Social enterprise	15.00	15.00
<i>PTTGL Group</i>				
Petronas LNG 9 Sdn. Bhd. (PL9SB)	Malaysia	LNG liquefaction	10.00	10.00
<i>GPSC Group</i>				
24M Technologies, Inc. (24M)	United States of America	Research and development of battery	18.00	18.00
Ratchaburi Power Co., Ltd. (RPCL)	Thailand	Electricity generation	15.00	15.00
Sarn Palung Social Enterprise Co., Ltd. (SPSE) (The Group holds 100% shareholding)	Thailand	Social enterprise	10.00	10.00
<i>PTTOR Group</i>				
Sarn Palung Social Enterprise Co., Ltd. (SPSE) (The Group holds 100% shareholding)	Thailand	Social enterprise	10.00	10.00
<i>PTTT Group</i>				
KIC Oil Terminal Sdn. Bhd. (KOT)	Malaysia	Logistics services	10.00	10.00
Kadriah Integrated Facilities Sdn. Bhd. (KIF)	Malaysia	Logistics services	10.00	10.00
Kadriah I Ltd. (K I)	Malaysia	Logistics services	10.00	10.00
Kadriah II Ltd. (K II)	Malaysia	Logistics services	10.00	10.00
<i>PTTGC Group</i>				
Alliance Petrochemical Investment (Singapore) Pte. Ltd. (API)	Singapore	Investment in other companies	15.34	15.34
Exeltium SAS (EXS)	France	Electricity business	4.00	4.00
Sarn Palung Social Enterprise Co., Ltd. (SPSE) (The Group holds 100% shareholding)	Thailand	Social enterprise	15.00	15.00
TPBI & Myanmar Star Co., Ltd. (TPBIMS)	Myanmar	Manufacturing and distributing of polymer products	10.00	-

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

## 13.1 Details of other long-term investments (Continued)

Company	Country of Incorporation	Business	Ownership interest (%)	
			June 30, 2018	December 31, 2017
<b>Other Long-term Investments of Subsidiaries (Continued)</b>				
<u>Long-term Investments in Equity Securities (Continued)</u>				
<i>TOP Group</i>				
Sarn Palung Social Enterprise Co., Ltd. (SPSE) (The Group holds 100% shareholding)	Thailand	Social enterprise	15.00	15.00
<i>IRPC Group</i>				
TPI EOEG Co., Ltd. (TPIE)	Thailand	Finance service	36.31	36.31
TPI Holding Co., Ltd. (TPIH)	Thailand	Investment in other companies	35.01	35.01
Pornchai Enterprises Co., Ltd. (PEC)	Thailand	Real estate for rent	23.65	23.65
Thai Special Steel Industries Public Co.,Ltd. (TSSI)	Thailand	Steel wire manufacturing	16.24	16.24
Rayong Acetylene Co., Ltd. (RAC)	Thailand	Industrial gas manufacturing	13.04	13.04
DIA Polyacrylate Co., Ltd. (DIA)	Thailand	Plastic resin manufacturing	3.65	3.65
Sarn Palung Social Enterprise Co., Ltd. (SPSE) (The Group holds 100% shareholding)	Thailand	Social enterprise	15.00	15.00

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

13.2 Details of other long-term investments as at June 30, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

Company	Ownership interest (%)		Cost/ Cost amortized				Dividends income for the six-month periods ended June 30	
			Consolidated financial statements		Separate financial statements			
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017	2018	2017
<u>Long-term investments in Equity Securities</u>								
1. PA (Sanshui)	25.00	25.00	6.06	6.06	6.06	6.06	-	-
2. PA (Maoming)	20.00	20.00	14.83	14.83	14.83	14.83	-	-
3. SPSE	100.00	100.00	2.50	2.49	0.50	0.50	-	-
4. IPS	16.67	16.67	0.02	0.02	0.02	0.02	-	-
5. Baania	3.57	-	10.00	-	10.00	-	-	-
6. Corpus	0.48	0.48	0.60	0.60	0.60	0.60	-	-
7. FPT*	-	-	0.02	0.02	0.02	0.02	-	-
8. PL9SB	10.00	10.00	9,885.46	9,740.55	-	-	-	-
9. 24M	18.00	18.00	715.62	715.62	-	-	-	-
10. RPCL	15.00	15.00	888.75	888.75	-	-	-	120.00
11. KOT	10.00	10.00	116.54	114.83	-	-	-	-
12. KIF	10.00	10.00	48.30	47.59	-	-	-	-
13. K I	10.00	10.00	242.74	239.19	-	-	-	-
14. K II	10.00	10.00	64.89	63.93	-	-	-	-
15. API	15.34	15.34	290.24	290.24	-	-	-	-
16. EXS	4.00	4.00	282.88	282.88	-	-	-	-
17. TPBIMS	10.00	-	15.88	-	-	-	-	-
18. TPIE	36.31	36.31	828.94	828.94	-	-	-	-
19. TPIH	35.01	35.01	1,415.90	1,415.90	-	-	-	-
20. PEC	23.65	23.65	1,118.95	1,118.95	-	-	-	-
21. TSSI	16.24	16.24	673.35	673.35	-	-	-	-
22. RAC	13.04	13.04	15.00	15.00	-	-	-	-
23. DIA	3.65	3.65	8.50	8.50	-	-	-	-
24. Other	-	-	19.00	2.00	-	-	-	-
<u>Long-term investments in Equity Securities</u>			16,664.97	16,470.24	32.03	22.03		
<u>Less Allowance for impairment</u>			(3,964.74)	(3,957.81)	(14.14)	(14.14)		
Total			12,700.23	12,512.43	17.89	7.89	-	120.00
<u>Less Assets held-for-sale (Note 10)</u>			-	-	(0.04)	-	-	-
Total			12,700.23	12,512.43	17.85	7.89	-	120.00

\* As at June 30, 2018 and December 31, 2017, the Company holds 0.0000090% of ownership interest, totaling 66 shares, amounting to Baht 22,220.00.

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

13.2 Details of other long-term investments as at June 30, 2018 and December 31, 2017 are as follows: (Continued)

Unit: Million Baht

Company	Ownership interest (%)		Cost/ Cost amortized				Dividends income for the six-month periods ended June 30	
			Consolidated financial statements		Separate financial statements			
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017	2018	2017
<u>Long-term investments in Debt Securities</u>								
25. BJC			-	2,500.00	-	2,500.00	-	-
26. BDMS			420.54	420.70	420.54	420.70	-	-
27. BTS			450.80	451.10	450.80	451.10	-	-
28. IVL			500.00	500.00	500.00	500.00	-	-
29. CBQ			6,601.30	6,502.92	6,601.30	6,502.92	-	-
30. BAY			-	2,505.49	-	2,505.49	-	-
31. ENBD			4,620.91	2,276.02	4,620.91	2,276.02	-	-
32. SCC			104.00	-	104.00	-	-	-
33. TBEV			300.00	-	300.00	-	-	-
34. Other			516.35	-	-	-	-	-
Total			13,513.90	15,156.23	12,997.55	15,156.23	-	-
Total			26,214.13	27,668.66	13,015.40	15,164.12	-	120.00

**13.3 Significant events during the period ended June 30, 2018****Baania**

On May 9, 2018, at the Management Committee Meeting of the Company No. 14/ 2018, the Committee passed a resolution to approve the invest in Baania (Thailand) Co.,Ltd. (Baania) amounting to Baht 10.00 million by acquiring 3.57 percent of convertible preference share. On May 14, 2018, the Company entered into a share subscription agreement and made the payment on June 20, 2018.

**14. Investment Properties**

Details of investment properties are as follows:

Unit: Million Baht

	Consolidated financial statements			Total
	Land	Buildings and building improvements	Construction in progress	
<b>As at January 1, 2018</b>				
Cost	5,202.33	2,374.80	4.77	7,581.90
<u>Less</u> Accumulated depreciation	-	(1,081.52)	-	(1,081.52)
Allowance for impairment	(266.95)	-	-	(266.95)
Net book value	4,935.38	1,293.28	4.77	6,233.43
<b>For the period ended June 30, 2018</b>				
Beginning net book value	4,935.38	1,293.28	4.77	6,233.43
- Additions	1,636.64	42.58	27.45	1,706.67
- Reclassifications	-	40.93	(32.22)	8.71
- Disposals - net	(1,962.73)	(133.47)	-	(2,096.20)
- Depreciation for the period	-	(51.28)	-	(51.28)
Ending net book value	4,609.29	1,192.04	-	5,801.33
<b>As at June 30, 2018</b>				
Cost	4,876.24	2,247.74	-	7,123.98
<u>Less</u> Accumulated depreciation	-	(1,055.70)	-	(1,055.70)
Allowance for impairment	(266.95)	-	-	(266.95)
Net book value	4,609.29	1,192.04	-	5,801.33

**14. Investment Properties (Continued)**

Details of investment properties are as follows: (Continued)

Unit: Million Baht

	Separate financial statements			Total
	Land	Buildings and building improvements	Construction in progress	
<b>As at January 1, 2018</b>				
Cost	3,571.06	503.64	4.77	4,079.47
<u>Less</u> Accumulated depreciation	-	(228.34)	-	(228.34)
Net book value	3,571.06	275.30	4.77	3,851.13
<b>For the period ended June 30, 2018</b>				
Beginning net book value	3,571.06	275.30	4.77	3,851.13
- Additions	-	1.35	27.45	28.80
- Reclassifications	-	40.93	(32.22)	8.71
- Disposals - net	(1,926.37)	(133.47)	-	(2,059.84)
- Depreciation for the period	-	(10.48)	-	(10.48)
- Classified as assets held-for-sale	-	(134.30)	-	(134.30)
Ending net book value	1,644.69	39.33	-	1,684.02
<b>As at June 30, 2018</b>				
Cost	1,644.69	335.35	-	1,980.04
<u>Less</u> Accumulated depreciation	-	(161.72)	-	(161.72)
Total	1,644.69	173.63	-	1,818.32
<u>Less</u> Assets held-for-sale (Note 10)	-	(134.30)	-	(134.30)
Net book value	1,644.69	39.33	-	1,684.02

**15. Property, Plant and Equipment**

Detail of property, plant and equipment are as follows:

Unit: Million Baht

	Consolidated financial statements							Total
	Land	Buildings and building improvements	Machinery and equipment	Exploration and production properties	Mining Properties	Other assets	Construction in progress	
<b>As at January 1, 2018</b>								
Cost	38,369.18	288,813.65	966,165.37	879,673.52	53,209.26	23,852.24	68,250.88	2,318,334.10
<u>Less</u> Accumulated depreciation	-	(150,417.72)	(407,753.27)	(580,556.01)	(26,775.94)	(15,552.03)	-	(1,181,054.97)
Allowance for impairment	(99.65)	(707.51)	(3,227.56)	(40,207.92)	(13,872.72)	(546.36)	(1,711.51)	(60,373.23)
Net book value	38,269.53	137,688.42	555,184.54	258,909.59	12,560.60	7,753.85	66,539.37	1,076,905.90

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

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

Unit: Million Baht

	Consolidated financial statements							Total
	Land	Buildings and building improvements	Machinery and equipment	Exploration and production properties	Mining Properties	Other assets	Construction in progress	
<b>For the period ended June 30, 2018</b>								
Beginning net book value	38,269.53	137,688.42	555,184.54	258,909.59	12,560.60	7,753.85	66,539.37	1,076,905.90
- Business Acquisition (Note 31)	-	94.10	40.11	43,209.77	-	-	-	43,343.98
- Additions	2,206.21	732.76	1,345.28	16,528.78	517.15	168.25	33,594.92	55,093.35
- Borrowing costs	-	-	-	-	-	-	594.67	594.67
- Reclassifications	180.34	3,209.09	15,971.33	809.80	-	157.70	(19,988.71)	339.55
- Disposals - net	-	(395.41)	(127.51)	(182.12)	-	(133.92)	(71.82)	(910.78)
- Depreciation for the period	-	(5,681.07)	(21,385.34)	(27,493.32)	(741.93)	(1,050.78)	-	(56,352.44)
- Reversal of loss on impairment	-	10.74	-	-	-	-	-	10.74
- Currency translation differences	34.17	5.90	(48.68)	3,771.63	176.81	1.67	64.46	4,005.96
Ending net book value	40,690.25	135,664.53	550,979.73	295,554.13	12,512.63	6,896.77	80,732.89	1,123,030.93
<b>As at June 30, 2018</b>								
Cost	40,789.90	290,822.70	980,655.29	954,309.40	54,541.41	22,662.03	82,463.65	2,426,244.38
<u>Less</u> Accumulated depreciation	-	(154,454.16)	(426,425.38)	(617,913.21)	(27,949.63)	(15,748.17)	-	(1,242,490.55)
Allowance for impairment	(99.65)	(704.01)	(3,250.18)	(40,842.06)	(14,079.15)	(17.09)	(1,730.76)	(60,722.90)
Net book value	40,690.25	135,664.53	550,979.73	295,554.13	12,512.63	6,896.77	80,732.89	1,123,030.93

As at June 30, 2018, the Group had pledged assets amounting to Baht 52,455.72 million (December 31, 2017: Baht 33,169.75 million.).



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

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

Unit: Million Baht

	Separate financial statements					Total
	Land	Buildings and building improvements	Machinery and equipment	Other assets	Construction in progress	
<b>As at January 1, 2018</b>						
Cost	11,030.38	47,075.51	383,419.77	15,128.11	20,237.17	476,890.94
<u>Less</u> Accumulated depreciation	-	(19,098.62)	(158,630.96)	(11,342.11)	-	(189,071.69)
Allowance for impairment	-	(53.00)	(36.32)	-	-	(89.32)
Net book value	11,030.38	27,923.89	224,752.49	3,786.00	20,237.17	287,729.93
<b>For the period ended June 30, 2018</b>						
Beginning net book value	11,030.38	27,923.89	224,752.49	3,786.00	20,237.17	287,729.93
- Additions	316.71	174.21	625.33	43.25	11,167.74	12,327.24
- Borrowing costs	-	-	-	-	255.01	255.01
- Reclassifications	147.53	628.35	2,800.10	125.02	(3,892.13)	(191.13)
- Disposals - net	-	(373.17)	(78.89)	(27.80)	(0.63)	(480.49)
- Depreciation for the period	-	(1,037.53)	(7,799.10)	(751.09)	-	(9,587.72)
- Reversal of loss on impairment	-	10.74	-	-	-	10.74
- Classified as assets held-for-sale	(5,182.14)	(4,565.43)	(8,336.34)	(473.12)	(1,465.38)	(20,022.41)
Ending net book value	6,312.48	22,761.06	211,963.59	2,702.26	26,301.78	270,041.17
<b>As at June 30, 2018</b>						
Cost	11,494.62	46,015.63	384,607.52	15,063.37	27,767.16	484,948.30
<u>Less</u> Accumulated depreciation	-	(18,646.88)	(164,271.27)	(11,887.99)	-	(194,806.14)
Allowance for impairment	-	(42.26)	(36.32)	-	-	(78.58)
Total	11,494.62	27,326.49	220,299.93	3,175.38	27,767.16	290,063.58
<u>Less</u> Assets held-for-sale (Note 10)	(5,182.14)	(4,565.43)	(8,336.34)	(473.12)	(1,465.38)	(20,022.41)
Net book value	6,312.48	22,761.06	211,963.59	2,702.26	26,301.78	270,041.17

Borrowing costs were capitalized as a part of costs of property, plant and equipment. During the period, the Group used capitalization rates ranging from 1.10% - 5.58% (2017: 1.50% - 4.66%).

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

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

As at June 30, 2018 and December 31, 2017, details of assets under finance leases, recorded as machinery and equipment and other assets, which comprises natural gas pipeline and vehicles, are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Cost	10,739.43	10,782.04	9,976.83	10,038.70
<u>Less</u> Accumulated depreciation	(4,960.78)	(4,655.80)	(4,534.06)	(4,273.61)
Total	5,778.65	6,126.24	5,442.77	5,765.09
<u>Less</u> Assets held-for-sale	-	-	(219.04)	-
Net book value	<u>5,778.65</u>	<u>6,126.24</u>	<u>5,223.73</u>	<u>5,765.09</u>

**16. Goodwill**

Movements of goodwill are as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2018	2017
Net book value as at January 1	46,688.26	50,778.17
- Business Acquisition (Note 31)	3,773.17	-
- Currency translation differences	527.65	(1,951.21)
Net book value as at June 30	<u>50,989.08</u>	<u>48,826.96</u>

**17. Intangible Assets**

Details of intangible assets are as follows:

Unit: Million Baht

	Consolidated financial statements			
	Computer software	Right of use	Other intangible assets	Total
<b>As at January 1, 2018</b>				
Cost	19,996.09	32,687.28	9,228.14	61,911.51
<u>Less</u> Accumulated amortization	(10,860.71)	(13,645.30)	(4,438.74)	(28,944.75)
Allowance for impairment	-	(837.23)	(21.85)	(859.08)
Net book value	9,135.38	18,204.75	4,767.55	32,107.68
<b>For the period ended June 30, 2018</b>				
Beginning net book value	9,135.38	18,204.75	4,767.55	32,107.68
- Business Acquisition (Note 31)	5.79	-	-	5.79
- Additions	354.59	31.46	663.87	1,049.92
- Reclassifications	424.09	1,264.09	(1,115.76)	572.42
- Disposals - net	(4.53)	-	(2.48)	(7.01)
- Amortization for the period	(1,012.45)	(522.90)	(209.88)	(1,745.23)
- Currency translation differences	50.71	(7.21)	39.45	82.95
Ending net book value	8,953.58	18,970.19	4,142.75	32,066.52
<b>As at June 30, 2018</b>				
Cost	20,837.85	33,984.18	8,801.33	63,623.36
<u>Less</u> Accumulated amortization	(11,884.27)	(14,166.80)	(4,636.73)	(30,687.80)
Allowance for impairment	-	(847.19)	(21.85)	(869.04)
Net book value	8,953.58	18,970.19	4,142.75	32,066.52

**17. Intangible Assets (Continued)**

Details of intangible assets are as follows: (Continued)

Unit: Million Baht

	Separate financial statements			Total
	Computer software	Right of use	Other intangible assets	
<b>As at January 1, 2018</b>				
Cost	6,691.53	19,963.08	67.50	26,722.11
<u>Less</u> Accumulated amortization	(3,982.62)	(8,326.24)	(9.63)	(12,318.49)
Net book value	2,708.91	11,636.84	57.87	14,403.62
<b>For the period ended June 30, 2018</b>				
Beginning net book value	2,708.91	11,636.84	57.87	14,403.62
- Additions	94.13	-	-	94.13
- Reclassifications	270.33	173.66	-	443.99
- Disposals - net	(3.92)	-	-	(3.92)
- Amortization for the period	(510.37)	(260.27)	(2.05)	(772.69)
- Classified as assets held-for-sale	(395.65)	-	(55.82)	(451.47)
Ending net book value	2,163.43	11,550.23	-	13,713.66
<b>As at June 30, 2018</b>				
Cost	7,018.03	20,136.74	67.50	27,222.27
<u>Less</u> Accumulated amortization	(4,458.95)	(8,586.51)	(11.68)	(13,057.14)
Total	2,559.08	11,550.23	55.82	14,165.13
<u>Less</u> Assets held-for-sale (Note 10)	(395.65)	-	(55.82)	(451.47)
Net book value	2,163.43	11,550.23	-	13,713.66

**18. Exploration and Evaluation Assets**

Details of exploration and evaluation assets are as follows:

	Unit: Million Baht		
	Consolidated financial statements		
	Petroleum exploration and evaluation assets	Mining properties	Total
<b>As at January 1, 2018</b>			
Cost	166,614.27	847.84	167,462.11
<u>Less</u> Allowance for impairment	(58,539.28)	(163.11)	(58,702.39)
Net book value	108,074.99	684.73	108,759.72
<b>For the period ended June 30, 2018</b>			
Beginning net book value	108,074.99	684.73	108,759.72
- Additions	1,382.41	-	1,382.41
- Reclassifications	(809.80)	-	(809.80)
- Disposals - net	(2.51)	-	(2.51)
- Currency translation differences	1,564.41	10.12	1,574.53
Ending net book value	110,209.50	694.85	110,904.35
<b>As at June 30, 2018</b>			
Cost	166,779.57	860.38	167,639.95
<u>Less</u> Allowance for impairment	(56,570.07)	(165.53)	(56,735.60)
Net book value	110,209.50	694.85	110,904.35

**19. Other Non-current Assets**

Details of other non-current assets as at June 30, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Long-term other accounts receivable	2,411.91	2,007.67	1,232.51	1,217.04
Advance payments and deferred charge	19,141.29	23,112.41	3,981.03	4,690.90
Advance payments for gas purchases	-	559.86	-	620.62
Decommissioning fund	4,403.16	4,292.84	-	-
Others*	12,193.11	6,374.01	4,575.77	167.26
Total	38,149.47	36,346.79	9,789.31	6,695.82
<u>Less Assets held-for-sale (Note 10)</u>	-	-	(2,166.54)	-
Total other non-current assets	38,149.47	36,346.79	7,622.77	6,695.82

The Company made advance payments for some gas that cannot take-up as the minimum volumes committed in the Gas Sales Agreements (Take-or-Pay). The Company has the right to take those volumes of prepaid gas (Make-up Right) in subsequent years, with no maturity period.

\* As at June 30, 2018, the Company has a restricted bank cash amounting to Baht 4,372.75 million placed as a security to stay the enforcement of the judgement as described in Note 33.7.

**20. Long-term Loans**

Details of long-term loans as at June 30, 2018 and December 31, 2017 are as follows:

Current portion of long-term loans

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Loans - Baht currency	13,177.56	13,742.71	-	14.51
Loans - foreign currencies	2,537.50	15,141.42	-	10,182.63
Debentures - Baht currency	71,053.09	26,049.47	44,549.47	18,549.47
Debentures - foreign currencies	10,725.60	10,562.90	-	-
Finance leases liabilities	872.02	937.43	657.93	693.33
<b>Total</b>	<b>98,365.77</b>	<b>66,433.93</b>	<b>45,207.40</b>	<b>29,439.94</b>
<u>Less</u> Liabilities directly associated with assets held-for-sale (Note 10)	-	-	(110.33)	-
<b>Current portion of long-term loans - net</b>	<b>98,365.77</b>	<b>66,433.93</b>	<b>45,097.07</b>	<b>29,439.94</b>

Long-term loans

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Loans - Baht currency	83,784.68	76,554.42	1,000.00	1,000.00
Loans - foreign currencies	16,767.58	36,598.69	6,984.13	6,753.49
Debentures - Baht currency	147,472.71	194,970.13	83,715.20	109,715.20
Debentures - foreign currencies	134,147.08	131,981.09	28,579.21	28,152.20
Finance leases liabilities	4,566.48	4,815.33	4,282.91	4,494.58
<b>Total</b>	<b>386,738.53</b>	<b>444,919.66</b>	<b>124,561.45</b>	<b>150,115.47</b>
<u>Less</u> Liabilities directly associated with assets held-for-sale (Note 10)	-	-	(53.30)	-
<b>Long-term loans - net</b>	<b>386,738.53</b>	<b>444,919.66</b>	<b>124,508.15</b>	<b>150,115.47</b>

As at June 30, 2018, Baht 1,000.00 million (December 31, 2017: Baht 1,000.00 million) of the Company's loans are secured by the Ministry of Finance.

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

## 20.1 Loans

Movements of loans in Baht currency and foreign currencies for the six-month period ended June 30, 2018 are as follows:

Unit: Million

	Consolidated financial statements						Total in Baht equivalent
	Currency						
	Baht	USD	EURO	JPY	LAK	VND	
As at January 1, 2018	90,297.13	1,110.80	167.29	30,208.41	-	-	142,037.24
- Additions	21,807.11	-	1.79	828.16	57,850.39	138,781.16	22,521.06
- Repayments	(15,166.42)	(1,002.18)	(19.69)	(677.41)	-	-	(49,150.63)
- Loss on exchange rates	-	-	-	-	-	-	1,071.18
- Currency translation differences	-	-	-	-	-	-	(556.20)
- Others	24.42	8.97	0.52	3.31	-	-	344.67
As at June 30, 2018	96,962.24	117.59	149.91	30,362.47	57,850.39	138,781.16	116,267.32
- Current portion	(13,177.56)	(60.24)	(10.89)	(200.97)	(12,855.64)	-	(15,715.06)
Long-term loans	83,784.68	57.35	139.02	30,161.50	44,994.75	138,781.16	100,552.26



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

## 20.1 Loans (Continued)

Movements of loans in Baht currency and foreign currencies for the six-month period ended June 30, 2018 are as follows: (Continued)

Unit: Million

	Separate financial statements			Total in Baht equivalent
	Currency			
	Baht	USD	JPY	
As at January 1, 2018	1,014.51	310.00	23,000.00	17,950.63
- Repayments	(14.51)	(310.00)	-	(11,028.37)
- Loss on exchange rates	-	-	-	1,061.87
As at June 30, 2018	1,000.00	-	23,000.00	7,984.13
- Current portion	-	-	-	-
Long-term loans	<u>1,000.00</u>	<u>-</u>	<u>23,000.00</u>	<u>7,984.13</u>

## 20.2 Debentures

Movements of debentures in Baht currency and foreign currency for the six-month period ended June 30, 2018 are as follows:

Unit: Million

	Consolidated financial statements			Total in Baht equivalent
	Currency			
	Baht	USD		
As at January 1, 2018	221,019.60	4,347.01		363,563.59
- Additions	-	1,107.10		35,287.07
- Repayments	(2,500.00)	(1,107.10)		(36,921.23)
- Loss on exchange rates	-	-		44.58
- Currency translation differences	-	-		1,085.35
- Others	6.19	10.83		339.12
As at June 30, 2018	218,525.79	4,357.84		363,398.48
- Current portion	(71,053.09)	(323.38)		(81,778.69)
Long-term debentures	<u>147,472.70</u>	<u>4,034.46</u>		<u>281,619.79</u>

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

## 20.2 Debentures (Continued)

Movements of debentures in Baht currency and foreign currency for the six-month period ended June 30, 2018 are as follows: (Continued)

	Unit: Million		
	Separate financial statements		
	Currency		Total in Baht equivalent
Baht	USD		
As at January 1, 2018	128,264.67	857.07	156,416.87
- Loss on exchange rates	-	-	417.57
- Others	-	0.45	9.44
As at June 30, 2018	128,264.67	857.52	156,843.88
- Current portion	(44,549.47)	-	(44,549.47)
Long-term debentures	83,715.20	857.52	112,294.41

## 20.3 Finance leases liabilities

Details of finance leases liabilities as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Finance leases liabilities				
- Within 1 year	952.68	1,028.09	723.48	766.97
- Over 1 year but not over 5 years	2,304.79	2,396.64	2,006.50	2,058.62
- Over 5 years	2,553.46	2,743.15	2,553.46	2,743.15
Future finance charges	(372.43)	(415.12)	(342.60)	(380.83)
Present value of finance leases liabilities	5,438.50	5,752.76	4,940.84	5,187.91
Present value of finance leases liabilities				
- Current liabilities	872.02	937.43	657.93	693.33
- Non-current liabilities	4,566.48	4,815.33	4,282.91	4,494.58
Total	5,438.50	5,752.76	4,940.84	5,187.91

**21. Provisions for Employee Benefit**

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

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
As at January 1	23,313.07	21,072.33	8,877.98	8,140.10
Service cost	1,008.54	845.03	354.34	341.00
Interest cost	299.04	300.83	130.60	137.48
Actuarial loss from provisions for post-employment benefit	0.58	1.06	-	-
Actuarial (gain) loss from provisions for other long-term employment benefit	(0.29)	9.74	-	-
Actual payment	(346.67)	(685.23)	(51.47)	(45.01)
Currency translation differences	(14.50)	(9.52)	-	-
Total	24,259.77	21,534.24	9,311.45	8,573.57
<u>Less</u> Liabilities directly associated with assets held-for-sale (Note 10)	-	-	(1,801.12)	-
As at June 30	24,259.77	21,534.24	7,510.33	8,573.57

**21. Provisions for Employee Benefit (Continued)**

Expenses recognized in the statements of income and comprehensive income for the three-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cost of sales and services	214.54	195.70	35.89	35.93
Selling and distribution expenses	53.97	52.19	49.99	49.78
Administrative expenses	441.95	317.29	155.96	152.83
Management remuneration	2.42	2.05	0.63	0.70
Other comprehensive loss	0.66	0.51	-	-
<b>Total</b>	<b>713.54</b>	<b>567.74</b>	<b>242.47</b>	<b>239.24</b>

Expenses recognized in the statements of income and comprehensive income for the six-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cost of sales and services	408.44	367.46	71.79	71.85
Selling and distribution expenses	105.44	104.42	99.99	99.56
Administrative expenses	789.39	663.98	311.91	305.67
Management remuneration	4.02	19.74	1.25	1.40
Other comprehensive loss	0.58	1.06	-	-
<b>Total</b>	<b>1,307.87</b>	<b>1,156.66</b>	<b>484.94</b>	<b>478.48</b>

**22. Long-term Provision for Decommissioning Costs**

Movements in the provision for decommissioning costs which will occur in the future are as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2018	2017
As at January 1	74,865.44	72,751.56
- Business acquisition (Note 31)	8,007.39	-
- Additional provision	1,285.93	1,357.26
- Use during the period	(226.72)	(1.53)
- Reversal of non-occurred provision	(2.82)	(1.39)
- Currency translation differences	1,224.88	(3,774.47)
As at June 30	85,154.10	70,331.43
- Current portion	-	-
- Long-term portion	85,154.10	70,331.43

**23. Other Non-current Liabilities**

Other non-current liabilities as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Long-term other accounts payable	4,502.82	4,155.12	4,389.40	4,045.35
Provision for remuneration for the renewal of petroleum production	8,646.14	6,373.27	-	-
Long-term liability: Make-up	9,945.66	10,495.80	9,945.66	10,495.80
Deferred revenue	11,186.48	14,002.78	5,968.74	6,342.08
Others	3,752.26	2,817.26	995.02	985.38
Total	38,033.36	37,844.23	21,298.82	21,868.61
<u>Less</u> Liabilities directly associated with assets held-for-sale (Note 10)	-	-	(692.37)	-
Total other non-current liabilities	38,033.36	37,844.23	20,606.45	21,868.61

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.

**24. Share Capital**

On April 12, 2018, at the 2018 Annual General Shareholders' Meeting of the Company, the shareholders passed resolutions as follows:

1. To approve the reduction of the Company's authorized share capital by Baht 9,461,000 from Baht 28,572,457,250 to Baht 28,562,996,250 by cancelling 946,100 unissued shares with a par value of Baht 10.00 per share. The Company completed the registration of the capital reduction with the Ministry of Commerce on April 17, 2018.
2. To approve a change in the par value of the Company's shares, from Baht 10.00 per share to Baht 1.00 per share. As a result, the number of authorized shares, and issued and paid-up shares increased by 25,706,696,625 shares, from 2,856,299,625 shares to 28,562,996,250 shares. The authorized share capital, and issued and paid-up share capital of the Company remain unchanged. The Company completed the registration of the change with the Ministry of Commerce on April 18, 2018 and the effective date of the change on the Stock Exchange of Thailand is April 24, 2018.

**25. Basic Earnings per Share**

Basic earnings per share for the three-month periods ended June 30, 2018 and 2017 are as follows:

	Consolidated		Separate		Unit: Baht
	financial statements		financial statements		
	2018	2017	2018	2017	
Profit attributable to owners of the parent from continuing operations	30,028,526,874	31,316,846,801	38,515,992,174	24,906,320,704	
Adjustment of profit	(204,600,080)	(599,036,890)	-	-	
Profit for calculation of earnings per share from continuing operations	29,823,926,794	30,717,809,911	38,515,992,174	24,906,320,704	
Profit for calculation of earnings per share from discontinued operations	-	-	2,726,572,136	2,822,053,938	
Total profit	29,823,926,794	30,717,809,911	41,242,564,310	27,728,374,642	
Number of weighted average of ordinary shares (shares)	28,562,996,250	28,562,996,250	28,562,996,250	28,562,996,250	
Earnings per share from continuing operations (Baht/share)	1.05	1.07	1.35	0.87	
Earnings per share from discontinued operations (Baht/share)	-	-	0.10	0.10	
Earnings per share (Baht/share)	1.05	1.07	1.45	0.97	

**25. Basic Earnings per Share (Continued)**

Basic earnings per share for the six-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Profit attributable to owners of the parent from continuing operations	69,816,784,722	77,484,737,275	55,862,244,598	53,010,046,813
Adjustment of profit	(533,862,818)	(819,059,709)	-	-
Profit for calculation of earnings per share from continuing operations	69,282,921,904	76,665,677,566	55,862,244,598	53,010,046,813
Profit for calculation of earnings per share from discontinued operations	-	-	6,054,049,900	6,290,251,803
<b>Total profit</b>	<b>69,282,921,904</b>	<b>76,665,677,566</b>	<b>61,916,294,498</b>	<b>59,300,298,616</b>
Number of weighted average of ordinary shares (shares)	28,562,996,250	28,562,996,250	28,562,996,250	28,562,996,250
Earnings per share from continuing operations (Baht/share)	2.43	2.68	1.96	1.86
Earnings per share from discontinued operations (Baht/share)	-	-	0.21	0.22
<b>Earnings per share (Baht/share)</b>	<b>2.43</b>	<b>2.68</b>	<b>2.17</b>	<b>2.08</b>

The Company adjusted the number of ordinary shares for earning per share (EPS) calculation purpose in proportion as a result of the change in par value from Baht 10.00 per share to Baht 1.00 per share as described in Note 24. Also, the Company adjusted the number of ordinary shares in 2017 for EPS calculation purpose as if the changes in number of shares and par value had occurred at the beginning of the earliest period report.

**26. Other Income**

Details of other income for the three-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017*	2018	2017*
Transportation income	919.35	854.31	1,169.91	1,175.86
Dividend income	128.30	277.45	21,427.30	11,085.14
Interest income	2,072.29	2,005.00	609.67	1,081.20
Compensation for loan interest on advance payments for gas purchases	(0.55)	(0.52)	(0.55)	(0.52)
Gain on disposal of assets and investments	54.84	904.35	5,026.67	1,010.02
Loss on derivatives	(4,176.10)	(976.69)	(1,816.89)	(720.99)
Others	1,215.85	1,918.42	626.83	544.11
<b>Total</b>	<b>213.98</b>	<b>4,982.32</b>	<b>27,042.94</b>	<b>14,174.82</b>

Details of other income for the six-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017*	2018	2017*
Transportation income	1,788.29	1,889.29	2,229.78	2,641.14
Dividend income	162.32	4,707.16	21,595.98	22,300.26
Interest income	4,577.03	4,145.58	1,349.77	2,120.45
Compensation for loan interest on advance payments for gas purchases	(1.09)	(1.03)	(1.09)	(1.03)
Gain on disposal of assets and investments	55.04	875.76	5,810.62	962.92
Gain (loss) on derivatives	(3,820.71)	2,276.72	(1,169.40)	631.91
Others	2,511.81	3,553.02	1,214.43	1,211.35
<b>Total</b>	<b>5,272.69</b>	<b>17,446.50</b>	<b>31,030.09</b>	<b>29,867.00</b>

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 that the Company obtains to make advance payments for gas purchases.

\*The Company has reclassified the financial information to be comparable with the financial statement presentation the three-month and six-month periods ended June 30, 2018.



**27. Expenses by Nature**

Details of expenses by nature for the three-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Changes in finished goods and work in process	(8,352.44)	2,325.46	(195.42)	(331.20)
Goods purchased and raw materials used	448,158.58	366,146.58	303,277.90	231,524.21
Executive remunerations (Note 8.10)	387.83	350.82	36.76	35.38
Staff costs	12,253.65	11,398.87	1,938.32	1,821.11
Outsourcing	2,282.80	2,080.01	228.48	299.64
Transportation	4,620.36	3,531.60	1,163.34	1,172.55
Depreciation and amortization	30,299.72	28,964.21	4,300.17	4,092.49
Repairment	3,678.95	3,178.22	525.50	542.97
Utilities	3,114.69	2,940.76	2,782.78	2,681.53
Rental fees and property insurance premium	2,351.46	1,778.18	479.08	499.42
Petroleum exploration expenses	479.55	662.83	-	-
(Reversal of) doubtful accounts	1,316.86	15.08	31.59	(327.39)
(Reversal of) loss on impairment of assets	(33.93)	224.80	-	(7.59)
Others	7,400.98	9,076.63	1,509.41	1,998.54
<b>Total</b>	<b>507,959.06</b>	<b>432,674.05</b>	<b>316,077.91</b>	<b>244,001.66</b>

**27. Expenses by Nature (Continued)**

Details of expenses by nature for the six-month periods ended June 30, 2018 and 2017 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Changes in finished goods and work in process	(5,523.25)	2,955.67	620.11	298.79
Goods purchased and raw materials used	853,050.10	752,712.04	573,616.64	488,293.21
Executive remunerations (Note 8.10)	748.29	663.93	88.38	80.45
Staff costs	24,065.95	22,586.66	3,689.47	3,554.06
Outsourcing	3,977.70	3,777.62	438.10	461.69
Transportation	8,602.06	8,103.82	2,229.04	2,638.12
Depreciation and amortization	58,819.21	57,471.05	8,670.27	8,084.33
Repairment	6,559.92	6,052.63	899.83	924.97
Utilities	6,101.94	5,855.67	5,387.20	5,291.24
Rental fees and property insurance premium	4,611.67	3,778.12	930.58	979.50
Petroleum exploration expenses	566.07	707.58	-	-
(Reversal of) doubtful accounts	1,447.74	34.77	(22,283.34)	(2,094.79)
(Reversal of) loss on impairment of assets	(33.93)	(46.80)	21,624.66	(7.59)
Others	15,005.45	15,970.18	2,350.50	3,310.87
<b>Total</b>	<b>977,998.92</b>	<b>880,622.94</b>	<b>598,261.44</b>	<b>511,814.85</b>

## 28. 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 Southeast Asia, Australia, America and Africa.
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.
3. Coal business:  
The Group conducts coal mining business, involving overseas exploration, production and distribution of coals.

### 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. This includes the price risk management and international chartering.
3. Petrochemical and Refining business:  
The Group conducts refining business including the production and distribution of petroleum and petrochemicals products in both domestic and overseas markets.

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

The Group changed the operating segment of GPSC EnCo PTES and DCAP from the Gas business segment to the Other business segment in order to reflect the business operations and internal Group reporting. The Group therefore reorganised the operating segment information of 2017 to enable comparison with the current period's information.

## (UNOFFICIAL TRANSLATION)

**28. Operating Segments (Continued)**Consolidated financial statements

For the three-month period ended June 30, 2018

	Upstream petroleum and natural gas			Downstream petroleum			Others	Elimination	Total
	Petroleum	Natural gas	Coal	Oil	International	Petrochemical			
	exploration and production				trading	and Refining			
Sales - others	6,366.51	85,407.11	5,161.12	150,144.71	159,019.79	168,864.18	3,823.10	-	578,786.52
- related parties	35,748.59	35,239.82	-	1,922.60	155,468.90	113,827.28	4,479.24	(346,686.43)	-
Net sales	42,115.10	120,646.93	5,161.12	152,067.31	314,488.69	282,691.46	8,302.34	(346,686.43)	578,786.52
Gross profit*	36,249.65	27,152.87	2,619.29	9,269.69	3,963.34	38,993.86	1,707.39	(924.85)	119,031.24
EBITDA	31,098.16	24,998.57	2,167.34	3,942.72	3,290.74	33,973.35	1,347.42	(119.77)	100,698.53
Depreciation and amortization expenses	(14,675.15)	(4,319.95)	(354.72)	(1,238.00)	(7.32)	(8,679.86)	(1,024.72)	-	(30,299.72)
Segment operating profit	16,423.01	20,678.62	1,812.62	2,704.72	3,283.42	25,293.49	322.70	(119.77)	70,398.81
Share of profit from investments in joint ventures and associates	20.71	71.12	-	234.76	-	1,325.83	165.21	-	1,817.63
Others	-	11.11	1.95	(48.51)	-	(1,243.62)	179.29	-	(1,099.78)
Unallocated revenue and expenses:									
Interest income									2,072.29
Loss on derivatives									(4,176.10)
Loss on exchange rate									(2,465.64)
EBIT									66,547.21
Profit for the period									41,302.35

Unit: Million Baht

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

**28. Operating Segments (Continued)**Consolidated financial statements

For the six-month period ended June 30, 2018

	Upstream petroleum and natural gas			Downstream petroleum			Others	Elimination	Unit: Million Baht Total
	Petroleum exploration and production	Natural gas	Coal	Oil	International trading	Petrochemical and Refining			
Sales - others	11,990.47	162,994.21	10,317.89	299,385.33	288,637.42	331,448.55	6,984.63	-	1,111,758.50
- related parties	67,468.08	67,183.48	-	3,996.76	283,533.39	218,144.61	8,861.60	(649,187.92)	-
Net sales	79,458.55	230,177.69	10,317.89	303,382.09	572,170.81	549,593.16	15,846.23	(649,187.92)	1,111,758.50
Gross profit*	69,073.01	52,448.92	4,271.77	19,089.89	4,464.59	73,052.64	3,584.69	(1,487.50)	224,498.01
EBITDA	59,151.65	48,243.00	3,346.33	10,260.87	3,163.95	63,460.93	3,016.79	171.30	190,814.82
Depreciation and amortization expenses	(27,541.36)	(8,693.63)	(914.68)	(2,459.46)	(15.27)	(17,166.19)	(2,028.62)	-	(58,819.21)
Segment operating profit	31,610.29	39,549.37	2,431.65	7,801.41	3,148.68	46,294.74	988.17	171.30	131,995.61
Share of profit from investments in joint ventures and associates	41.80	225.82	-	485.36	-	3,203.96	333.16	-	4,290.10
Others	0.03	12.52	1.96	(49.16)	-	(1,210.18)	43.19	-	(1,201.64)
Unallocated revenue and expenses:									
Interest income									4,577.03
Loss on derivatives									(3,820.71)
Gain on exchange rate									2,276.35
EBIT									138,116.74
Profit for the period									97,889.37

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

**28. Operating Segments (Continued)**Consolidated financial statements

As at June 30, 2018

Unit: Million Baht

	Upstream petroleum and natural gas			Downstream petroleum			Others	Elimination	Total
	Petroleum exploration and production	Natural gas	Coal	Oil	International trading	Petrochemical and Refining			
Segment assets	597,191.16	394,486.25	27,020.07	130,879.37	99,646.00	779,012.60	186,508.55	-	2,214,744.00
Inter-company assets	23,625.36	15,968.59	352.03	86,496.89	52,900.31	26,562.85	47,271.11	(253,177.14)	-
Investments in joint ventures and associates	765.41	5,695.01	-	4,667.68	-	40,948.40	10,224.51	-	62,301.01
Total segment assets	621,581.93	416,149.85	27,372.10	222,043.94	152,546.31	846,523.85	244,004.17	(253,177.14)	2,277,045.01
Non-allocated assets									16,160.84
Total assets									<u>2,293,205.85</u>

## (UNOFFICIAL TRANSLATION)

**28. Operating Segments (Continued)**Consolidated financial statements

For the three-month period ended June 30, 2017

	Upstream petroleum and natural gas			Downstream petroleum			Others	Elimination	Total
	Petroleum exploration and production	Natural gas	Coal	Oil	International trading	Petrochemical and Refining			
Sales - others	4,665.89	79,844.06	4,425.65	132,698.99	112,623.80	141,439.35	3,089.78	-	478,787.52
- related parties	29,397.20	31,406.32	-	1,081.55	98,015.62	86,230.66	3,996.95	(250,128.30)	-
Net sales	34,063.09	111,250.38	4,425.65	133,780.54	210,639.42	227,670.01	7,086.73	(250,128.30)	478,787.52
Gross profit*	28,292.03	22,790.69	2,146.80	8,078.11	792.57	26,196.49	1,437.17	(430.16)	89,303.70
EBITDA	23,953.86	20,421.95	1,809.57	4,541.48	(0.89)	22,354.13	1,560.06	269.60	74,909.76
Depreciation and amortization expenses	(13,083.05)	(4,029.02)	(426.16)	(1,308.30)	(8.26)	(9,229.04)	(880.38)	-	(28,964.21)
Segment operating profit (loss)	10,870.81	16,392.93	1,383.41	3,233.18	(9.15)	13,125.09	679.68	269.60	45,945.55
Share of profit from investments in joint ventures and associates	22.47	153.09	-	225.44	-	1,401.44	135.80	-	1,938.24
Others	-	(7.17)	(0.01)	(16.42)	-	(266.62)	1,213.75	-	923.53
Unallocated revenue and expenses:									
Interest income									2,005.00
Loss on derivatives									(976.69)
Gain on foreign exchange rate									3,321.40
EBIT									53,157.03
Profit for the period									40,223.38

Unit: Million Baht

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

## (UNOFFICIAL TRANSLATION)

**28. Operating Segments (Continued)**Consolidated financial statements

For the six-month period ended June 30, 2017

	Upstream petroleum and natural gas			Downstream petroleum			Others	Elimination	Total
	Petroleum exploration and production	Natural gas	Coal	Oil	International trading	Petrochemical and Refining			
Sales - others	9,611.97	155,987.87	8,661.29	275,483.61	250,775.32	281,779.23	6,285.48	-	988,584.77
- related parties	61,450.20	65,321.85	-	3,525.34	206,225.86	176,935.90	7,454.74	(520,913.89)	-
Net sales	71,062.17	221,309.72	8,661.29	279,008.95	457,001.18	458,715.13	13,740.22	(520,913.89)	988,584.77
Gross profit*	60,324.44	46,396.71	3,826.02	17,344.09	679.23	62,825.83	2,185.20	(811.03)	192,770.49
EBITDA	51,810.84	41,630.94	3,040.51	10,472.26	(571.40)	54,906.70	2,712.83	168.10	164,170.78
Depreciation and amortization expenses	(27,829.72)	(7,897.72)	(847.59)	(2,261.74)	(16.52)	(16,876.72)	(1,741.04)	-	(57,471.05)
Segment operating profit (loss)	23,981.12	33,733.22	2,192.92	8,210.52	(587.92)	38,029.98	971.79	168.10	106,699.73
Share of profit from investments in joint ventures and associates	46.57	386.44	-	481.29	-	2,798.06	273.83	-	3,986.19
Others	-	(14.51)	0.51	41.33	(0.23)	(13.48)	5,559.67	-	5,573.29
Unallocated revenue and expenses:									
Interest income									4,145.58
Gain on derivatives									2,276.72
Gain on foreign exchange rate									7,822.41
EBIT									130,503.92
Profit for the period									103,395.09

Unit: Million Baht

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



(UNOFFICIAL TRANSLATION)

**28. Operating Segments (Continued)**

Consolidated financial statements

As at December 31, 2017

	Upstream petroleum and natural gas			Downstream petroleum			Others	Elimination	Unit: Million Baht
	Petroleum exploration and production	Natural gas	Coal	Oil	International trading	Petrochemical and Refining			Total
Segment assets	584,407.86	389,996.83	26,218.20	114,904.93	93,781.17	748,140.88	199,846.30	-	2,157,296.17
Inter-company assets	22,552.28	12,338.99	1,326.90	1,142.99	44,918.56	29,407.75	55,136.38	(166,823.85)	-
Investments in joint ventures and associates	841.80	5,686.70	-	5,013.67	-	38,806.45	9,568.15	-	59,916.77
Total segment assets	607,801.94	408,022.52	27,545.10	121,061.59	138,699.73	816,355.08	264,550.83	(166,823.85)	2,217,212.94
Non-allocated assets									15,101.22
Total assets									<u>2,232,314.16</u>

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.

**29. Fair Value Measurement of Financial Instruments**

As at June 30, 2018 and December 31, 2017, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

As at June 30, 2018

	Unit: Million Baht			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	3,337.17	-	-	3,337.17
Mutual funds	1,131.36	-	242.75	1,374.11
Debt instruments	-	10,510.54	-	10,510.54
Derivatives				
Foreign currency forward contracts	-	1,638.59	-	1,638.59
Cross-currency swap contracts	-	1,244.95	-	1,244.95
Interest rate swap contracts	-	6.32	-	6.32
Commodity swap contracts	564.25	513.29	-	1,077.54
Other derivative contracts	-	892.56	-	892.56
<b>Financial liabilities measured at fair value</b>				
Other accounts payable				
Deferred and contingent considerations acquired through business acquisition	-	-	16,512.16	16,512.16
Derivatives				
Foreign currency forward contracts	-	501.20	-	501.20
Cross-currency swap contracts	-	946.32	-	946.32
Interest rate swap contracts	-	531.45	-	531.45
Commodity swap contracts	1,812.50	1,616.64	-	3,429.14
Other derivative contracts	-	54.44	-	54.44

**29. Fair Value Measurement of Financial Instruments (Continued)**

As at June 30, 2018 and December 31, 2017, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows: (Continued)

As at December 31, 2017

	Unit: Million Baht			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	4,243.93	-	-	4,243.93
Mutual funds	1,113.97	-	170.86	1,284.83
Debt instruments	-	12,073.65	-	12,073.65
Derivatives				
Foreign currency forward contracts	-	2,445.39	-	2,445.39
Cross-currency swap contracts	-	1,749.74	-	1,749.74
Interest rate swap contracts	-	28.06	-	28.06
Commodity swap contracts	645.98	35.77	-	681.75
Other derivative contracts	-	826.97	-	826.97
<b>Financial liabilities measured at fair value</b>				
Derivatives				
Foreign currency forward contracts	0.64	3,043.35	-	3,043.99
Cross-currency swap contracts	-	801.56	-	801.56
Interest rate swap contracts	-	70.38	-	70.38
Commodity swap contracts	2,293.09	836.80	-	3,129.89
Other derivative contracts	-	13.37	-	13.37

**29. Fair Value Measurement of Financial Instruments (Continued)**

As at June 30, 2018 and December 31, 2017, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows: (Continued)

As at June 30, 2018

	Unit: Million Baht			
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	3,161.50	-	-	3,161.50
Mutual funds	384.07	-	242.75	626.82
<u>Less</u> Assets held-for-sale (Note 10)	(1,417.50)	-	-	(1,417.50)
Total	2,128.07	-	242.75	2,370.82
Derivatives				
Cross-currency swap contracts	-	489.86	-	489.86
<b>Financial liabilities measured at fair value</b>				
Derivatives				
Cross-currency swap contracts	-	515.49	-	515.49
Interest rate swap contracts	-	508.93	-	508.93

**29. Fair Value Measurement of Financial Instruments (Continued)**

As at June 30, 2018 and December 31, 2017, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows: (Continued)

As at December 31, 2017

	Unit: Million Baht			
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Available-for-sale investments				
Equity instruments	3,983.75	-	-	3,983.75
Mutual funds	378.49	-	170.86	549.35
Derivatives				
Cross-currency swap contracts	-	751.08	-	751.08
Interest rate swap contracts	-	3.43	-	3.43
<b>Financial liabilities measured at fair value</b>				
Derivatives				
Cross-currency swap contracts	-	86.70	-	86.70
Interest rate swap contracts	-	45.19	-	45.19

Fair value valuation techniques and inputs for Level 2 valuation

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

Fair value valuation techniques and inputs for Level 3 valuation

The fair values of available-for-sale investments in mutual funds were determined based on the net asset value as reported in the Capital Call Statement and translated by using the closing exchange rate.

Details of fair value valuation techniques and inputs for deferred and contingent considerations acquired through business acquisition are stated in Note 31

During the period, there was no transfer within the fair value hierarchy.

**30. Dividend Payment**

On April 12, 2018, at the 2018 Annual General Shareholders' Meeting of the Company, the shareholders approved dividend payments for the year 2017 of Baht 20.00 per share, approximately amounting to Baht 57,107.88 million. On September 15, 2017, the Company paid an interim dividend from the operating results of the first half of 2017 at Baht 8.00 per share for 2,856,261,256 shares, amounting to Baht 22,850.09 million. The remaining dividend was paid as follows:

Dividend	For operating period	Dividend payment rate (Baht/share)	Number of shares (shares)	Total dividend (Million Baht)	Payment date
For the year 2017	July 1, 2017 - December 31, 2017	12.00	2,854,815,755	34,257.79	April 27, 2018

**31. Business Acquisition**

On January 31, 2018, PTTEP and PTTEP International Limited (PTTEPI), a subsidiary of PTTEP, have signed an Agreement for the Assignment and Transfer of the 22.2222% stake in the Bongkot Project, consisting of Blocks B15, B16 and B17 from Shell Integrated Gas Thailand Pte. Limited and Block G12/48 from Thai Energy Company Limited respectively.

The transaction was completed on June 21, 2018. As a result, the PTTEP Group's participating interests of Block B15, B16 and B17 and Block G12/48 increased from 44.4445% to 66.6667%. The PTTEP Group is still the operator of the project and classifies the investment as joint operation.

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration	35,566.82
Fair value of net assets acquired	<u>(31,793.65)</u>
Goodwill	<u>3,773.17</u>

**31. Business Acquisition (Continued)**

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

	Unit: Million Baht
Cash and cash equivalents	16.33
Other accounts receivable	13.85
Inventories	14.36
Materials and supplies	479.38
Other current assets	15.73
Property, plant and equipment (Note 15)	43,343.98
Intangible assets (Note 17)	5.79
Deferred tax assets	836.77
Other non-current assets	0.71
Trade accounts payable	(209.72)
Other accounts payable	(522.19)
Other current liabilities	(69.15)
Provision for decommissioning costs (Note 22)	(8,007.39)
Other non-current liabilities	<u>(4,124.80)</u>
Fair value of net assets	31,793.65
<u>Add</u> Goodwill (Note 16)	<u>3,773.17</u>
Total purchase consideration transferred	35,566.82
<u>Less</u> Cash and cash equivalents of joint operation	(16.33)
Deferred consideration	(13,132.17)
Contingent consideration	<u>(3,351.79)</u>
Cash outflow on the business acquisition	<u>19,066.53</u>

Goodwill of Baht 3,773.17 million was a result of benefit which the PTTEP Group will receive from acquisition of additional participation interest in the project in according with the PTTEP Group's policy to increase its future production. Moreover, it can be used for tax benefit.

The fair value of total purchase considerations transferred on the acquisition date of Baht 35,566.82 million consist of cash payment on acquisition date of Baht 19,082.86 million, deferred consideration of Baht 13,132.17 million and contingent consideration of Baht 3,351.79 million. The fair value is estimated using revenue method based on discount rate of 3.4% and probability assumption applied. It is classified as fair value level 3. The contingent consideration (undiscounted value) does not exceed USD 138 million. The PTTEP Group expects that all payments will be completed within the second half of 2019.

**32. Proceeding regarding the Central Administrative Court's Ordering the 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 3 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, 7 of them belonged to the Group, comprising 1 project of the Company and 6 projects of the other companies in the Group. 2 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, B.E. 2550. The revocation was effective as of the date of the judgment. 1 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.



**33. Commitments and Contingent Liabilities**

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

33.1 Details of commitments to subsidiaries, joint ventures and associates are as follows:

33.1.1 The Company has provided loans to its subsidiaries with credit limits totaling Baht 216,827.26 million. As at June 30, 2018, the Company made these loans payments to its subsidiaries totaling Baht 42,157.72 million. The remaining credit limits were Baht 174,669.54 million.

33.1.2 The Company entered into the Sponsor Support Agreements with subsidiaries and joint ventures with credit limits equal to the sum of the loan obligations to financial institutions of such subsidiaries and joint ventures. Under these agreements, as at June 30, 2018, the Company had commitments of USD 56.91 million or equivalent to Baht 1,896.69 million.

33.1.3 The Company had obligations under the Shareholder Agreements to pay for shares in proportion to its shareholding. As at June 30, 2018, the Company had remaining obligations amounting to Baht 6,658.22 million.

33.2 Commitments under operating leases - the Group as a lessee, the future minimum lease payments under uncancellable operating leases as at June 30, 2018 and December 31, 2017 are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Within 1 year	2,314.92	2,210.19	73.79	84.07
Over 1 year but not over 5 years	5,533.35	5,831.53	382.24	398.81
Over 5 years	6,635.34	7,038.09	1,371.30	1,419.47
Total	<u>14,483.61</u>	<u>15,079.81</u>	<u>1,827.33</u>	<u>1,902.35</u>

33.3 As at June 30, 2018, the Group had capital commitments of Baht 51,586.41 million in the consolidated financial statements.

33.4 As at June 30, 2018, the Group had outstanding letters of credit of Baht 32,721.77 million in the consolidated financial statements and Baht 3,461.87 million in the separate financial statements.

33.5 As at June 30, 2018, the Group had contingent liabilities in the form of letter of guarantee amounting to Baht 60,685.92 million in the consolidated financial statements and Baht 100.47 million in the separate financial statements.

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

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

- 33.6 A subsidiary entered into a contract to sell a product to the Company and the Company entered into a contract to resell the same product to a listed company. The term of the two contracts was 15 years, expiring on January 31, 2012. Before the expiration of the contract, the subsidiary notified the Company that the contract would not be renewed. Consequently, without product to resell, the Company had to notify the listed company that the contract would also not be renewed. The Company's notice was served to the listed company in accordance with the terms and conditions set forth in the contract. On December 3, 2009, the listed company submitted claims with the Thai Arbitration Institute (the Institute) requesting the Company and the subsidiary, as the seller and the supplier, respectively, to comply with the contracts by continuing to sell the product to the listed company or be jointly liable to pay damages.

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

The Company forwarded the case to the Office of the Attorney General to submit a defense to the Institute. On April 28, 2010, the public prosecutor submitted the defense with the Institute for the Company. The tribunal finished the witness examination. Consequently, on March 25, 2016, the tribunal ruled that the Company make a partial payment for compensations to the listed company. However, the Company was of the opinion that the arbitral award might be both factually and legally inconsistent. Therefore, the Company could exercise its legal right by filing a motion with the court requesting the arbitral award to be revoked. On June 30, 2016, the Company by the public prosecutor filed a motion to revoke the arbitral award with the Civil Court. Currently, this case is under the consideration of the Civil Court. Subsequently, on December 16, 2016, the listed company submitted a motion with the Civil Court asking for the enforcement of the arbitral award. The Company by the public prosecutor submitted the objection with the Civil Court. Currently, the case is under the consideration of the Civil Court.

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

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

- 33.7 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 for the work performed in the aforementioned project from the Company. The Company, however, considered that the submission of the claims was incompliant with the dispute resolution procedure agreed upon 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 to 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 a motion for receiving a debt payment in accordance with the law as a creditor. 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 both factually and legally inconsistent. The Company, therefore, filed a motion to revoke the arbitral award, while the contractor submitted a motion with the Civil Court to enforce the arbitral award. On October 17, 2017, the Civil Court delivered a judgement to enforce the arbitral award whereby some penalty amounts were reduced. However, The Company submitted with the Supreme Court an appeal of the Civil Court’s judgment and, together with the appeal, the Company also placed with the Civil Court a Company’s book bank as a security to stay the enforcement of the judgment as stated in Note 19. Subsequently, the Contractor also submitted with the Supreme Court an appeal of the Civil Court’s judgment. The case is under the consideration of the Supreme Court.

On September 8, 2010, the Contractor by the official receiver submitted another claim 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 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.

### 33. Commitments and Contingent Liabilities (Continued)

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

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

After the Company terminated the contract with the Contractor, the Company completed an on-shore natural gas pipeline construction project. Subsequently, the Company filed a lawsuit against the Contractor with the Central Administrative Court on the grounds of breach of contract and absent from service and claimed for damages. Currently, the case is under the consideration of the Central Administrative Court.

- 33.9 On August 26, 2010, PTTEP Australasia (PTTEP AA) received a letter from the Government of Indonesia (GoI) claiming compensation relating to an incident in 2009 when oil and natural gas leaked from a well in PTTEP AA’s Montara project in Australian territory in the Timor Sea. PTTEP AA rejected the claim on the basis that the evidence provided by the GoI was considered unproven and unsubstantiated. No verifiable scientific evidence was ever provided to support the claim.

On March 11, 2016, PTTEP AA received a letter from a firm of Australia lawyers representing a group of West Timorese seaweed farmers, notifying PTTEP AA of their intention to commence a legal action for compensation relating to the incident. Subsequently, on August 9, 2016 PTTEP AA was notified of a claim made in the Sydney Registry of the Federal Court of Australia seeking damages on behalf of a group of seaweed farmers (Class Action). The Statement of Claim as filed does not quantify the claim, and no supporting evidence has yet been presented to the court. PTTEP AA has appointed lawyers and is defending the claim.

On July 14, 2017, the Company and PTTEP received the official statement of claim filed by the Ministry of Environment and Forestry on behalf of GoI to the Indonesian Court seeking approximately USD 2.1 billion for damages related to the incident, however, the Company has not been the operator of Montara Project. The Company and two companies of PTTEP Group will proceed to defend against this lawsuit based on the facts and matters of law.

On 6 February 2018, the Ministry of Environment and Forestry of the Republic of Indonesia has filed a request to the court for withdrawal of a lawsuit with the reason to amend the Claim. Therefore, the court has granted the request and ordered to strike the case out of the case-list.

PTTEP considers that the claims from representative of West Timorese seaweed farmers related to Montara oil spill incident remain unproven due to insufficient evidence to support the claim.

### **33. Commitments and Contingent Liabilities (Continued)**

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

33.10 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. Some cases have been dismissed and some cases have been passed a judgement by the Civil Court on August 25, 2016 ordered PTTGC to compensate for damages, including interest and rehabilitation, of approximately Baht 11.26 million. PTTGC has appealed on February 17, 2017. Subsequently, on 11 May 2018, PTTGC made a compromise agreement with most plaintiffs at the Civil Court and is still waiting for the Appeal Court judgment. Furthermore, there is a case waiting for the Rayong Provincial Court judgment. PTTGC believes that the outcome of the Court judgments 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.

### **34. Other Events**

34.1 On April 4, 2016, the Ombudsman of Thailand submitted a complaint to the Administrative Court against the Minister of Finance, the Minister of Energy, the Company and other defendants as a black case No. 510/2559, requesting the Court as follows:

- 1) To revoke the Cabinet Resolutions on December 18, 2007 and August 10, 2010.
- 2) To order the Minister of Finance, the Minister of Energy and the Company to conduct a segregate and transfer of net assets according to the plaintiff's allegation as of September 30, 2001 amounting to Baht 68,569.69 million, including other compensations and benefits.
- 3) To revoke the segregate of public assets and the preferential rights to establish the gas pipeline system according to the plaintiff's allegation.

On May 26, 2016, the Administrative Court ordered the Company to submit a defense, responding to the particular issue that was whether the Company completely transferred the assets of the Petroleum Authority of Thailand (the tenth defendant), which were public assets, to the first defendant (the Minister of Finance) in accordance with the Cabinet Resolution on December 18, 2007. The Company had the public prosecutor prepared the statement and additional statement for submission to the Administrative Court. On May 11, 2018, the Administrative Court issued an order to end the fact finding process. Currently, the case is under the consideration of the Administrative Court.

Nevertheless, on December 14, 2007, the Supreme Administrative Court in a red case No. Fo. 35/2550, ordered the defendants to jointly segregate the public assets to the Minister of Finance, in accordance with the judgment. Therefore, on December 18, 2007, the Cabinet acknowledged the aforesaid judgment and assigned the Minister of Finance and the Minister of Energy to jointly segregate the public assets to comply with the judgment. Consequently, on December 26, 2008, the Supreme Administrative Court declared that the defendants had completely complied with the judgment of the Court. Furthermore, the plaintiff and the co-plaintiffs had submitted complaints regarding such segregation of public assets to the Court for four times but the Court ordered to dismiss such complaints and reaffirmed that the judgment of the Supreme Administrative Court in the red case No. Fo. 35/2550 was completed. Consequently, on August 10, 2010, the Cabinet acknowledged the conduct followed the Supreme Administrative Court's judgment in accordance with the proposals of the Minister of Energy and the Minister of Finance.

**34. Other Events (Continued)**

- 34.2 On June 19, 2018, the Board of Directors of GPSC approved and proposed that the GPSC's shareholders meeting consider and approve GPSC to acquire the shares and make a tender offer for the entire securities of Glow Energy Public Company Limited (GLOW). GPSC will acquire, directly and indirectly, 69.11 percent of the total issued shares of GLOW from the Engie Global Developments B.V. (the Seller) totaling approximately Bath 97,559 million (the said purchase price may be decreased in the amount equivalent to the amount of the dividend paid per share should GLOW pay the dividend prior to the fulfilment of the conditions precedent). GPSC has entered into the share purchase agreement with the Seller on June 20, 2018. GPSC's acquisition of the GLOW shares under the aforementioned will occur upon the satisfaction of all the following conditions precedent (a) GPSC is granted approval by its shareholders meeting to acquire the shares of GLOW (b) GPSC is granted relevant approval by the Energy Regulatory Commission with respect to the acquisition of the GLOW shares

Moreover, GPSC is required to make a tender offer for the remaining shares in GLOW, 30.89 percent of the total issued shares in GLOW, after the completion of the Shares Purchase Transaction at the same price per share as that of the purchase price in accordance with the Shares Purchase Transaction (the said purchase price may be decreased in the amount equivalent to the amount of the dividend paid per share should GLOW pay the dividend prior to the fulfilment of the conditions precedent).

**35. Events after the Reporting Period**

- 35.1 The Company has commenced the process of transferring various assets and liabilities, and shares of related companies to PTTOR since July 1, 2018 in accordance with Business Transfer Agreement.
- 35.2 The Audit Committee of the Company approved these financial statements for public issuance on August 10, 2018.
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