



(TRANSLATION)
AUDITOR'S REVIEW REPORT

TO: THE SHAREHOLDERS OF PTT PUBLIC COMPANY LIMITED

The Office of the Auditor General of Thailand has reviewed the accompanying consolidated and separate balance sheets of PTT Public Company Limited and its subsidiaries as at June 30, 2009, and the related consolidated and separate statements of income for the three-month and six-month periods ended June 30, 2009 and 2008, changes in shareholders' equity and cash flows for the six-month periods ended June 30, 2009 and 2008 of PTT Public Company Limited and its subsidiaries and of PTT Public Company Limited. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. The responsibility of the Office of the Auditor General of Thailand is to issue a report on these financial statements based on the reviews.

The Office of the Auditor General of Thailand conducted the reviews in accordance with the generally accepted auditing standards applicable to review engagements. Those standards require that the Office of the Auditor General of Thailand plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards, accordingly, the Office of the Auditor General of Thailand does not express an audit opinion.

Based on the reviews, nothing has come to attention that causes the Office of the Auditor General of Thailand to believe that the consolidated and the separate financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.



The Office of the Auditor General of Thailand previously audited the consolidated and separate financial statements for the year ended December 31, 2008, of PTT Public Company Limited and its subsidiaries in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements in the report dated February 20, 2009. The consolidated and the separate balance sheets as at December 31, 2008, presented for comparative purposes, are a part of the financial statements which the Office of the Auditor General of Thailand has audited and issued a report thereon as stated above. The Office of the Auditor General of Thailand has not performed any other auditing procedures subsequent to the date of that report.

(Signed) *Duangta Jantong*
(Duangta Jantong)
Deputy Auditor General

(Signed) *Poungchomnad Jariyajinda*
(Poungchomnad Jariyajinda)
Director of Audit Office

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT JUNE 30, 2009 AND DECEMBER 31, 2008

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
		(Unaudited Reviewed)	(Audited) (Restated)	(Unaudited Reviewed)	(Audited) (Restated)
Assets					
Current Assets					
Cash and cash equivalents	2	96,434,377,995	90,818,703,116	22,526,624,047	38,150,065,625
Current investments		3,295,608,288	1,218,022,917	1,003,907,611	1,002,954,363
Trade accounts and notes receivable - others, net	3	79,412,356,295	66,879,456,945	67,942,067,844	55,739,064,784
Trade accounts receivable - related parties, net	4.1	57,438,344,160	31,211,604,812	68,198,926,174	39,227,561,022
Other accounts receivable, advances and short-term loans - related parties, net	4.2	2,345,340,095	800,619,203	23,702,278,887	21,428,801,103
Other accounts receivable and short-term loans -others, net		18,303,461,781	20,082,002,332	12,238,866,479	13,862,799,790
Inventories		16,542,600,240	14,687,585,362	8,645,374,088	10,155,987,385
Materials and supplies, net		10,839,744,227	9,003,800,322	2,530,726,200	2,393,447,266
Other current assets		10,371,386,070	8,711,891,201	6,822,541,590	4,637,512,846
Total Current Assets		294,983,219,151	243,413,686,210	213,611,312,920	186,598,194,184
Non-current Assets					
Investments in associates	5.2, 5.3	188,045,147,198	179,286,625,855	112,596,808,421	112,290,517,821
Investments in subsidiaries	5.3	-	-	36,674,663,713	24,150,577,113
Investments in jointly controlled entities	5.3	-	-	19,772,693,037	18,122,943,037
Other long-term investments, net	6	9,323,148,300	7,784,740,062	8,079,487,293	6,643,230,433
Other accounts receivable, advances and long-term loans - related parties, net	4.3	6,745,206,956	6,500,339,781	20,633,583,583	19,005,780,581
Property, plant and equipment, net	7	453,961,529,670	374,614,107,653	189,129,515,692	168,515,483,949
Intangible assets, net	8	19,568,105,032	16,057,715,407	14,207,488,153	14,383,898,370
Goodwill, net	9	16,804,322,228	12,107,218,932	-	-
Deferred tax assets		4,541,683,542	1,550,910,747	1,713,969,452	1,544,507,731
Advance payments for gas purchased	10	24,992,618,709	24,055,928,196	27,740,100,566	26,590,360,944
Other non-current assets		23,515,373,221	19,821,507,426	15,756,154,619	11,697,271,383
Total Non-current Assets		747,497,134,856	641,779,094,059	446,304,464,529	402,944,571,362
Total Assets		1,042,480,354,007	885,192,780,269	659,915,777,449	589,542,765,546

Notes to financial statements form an integral part of these financial statements.

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT JUNE 30, 2009 AND DECEMBER 31, 2008

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
		(Unaudited Reviewed)	(Audited) (Restated)	(Unaudited Reviewed)	(Audited) (Restated)
<u>Liabilities and Shareholders' Equity</u>					
Current Liabilities					
Bank overdrafts and short-term loans from financial institutions		5,278,067,247	6,201,731,242	1,196,030,137	-
Trade accounts payable - others		88,609,521,476	72,319,265,824	81,965,157,988	63,291,335,687
Trade accounts payable - related parties	4.4	29,633,857,158	15,395,794,997	39,078,677,738	28,642,353,686
Other accounts payable - related parties	4.5	662,127,956	417,907,174	1,375,973,090	385,170,439
Other accounts payable - others		18,050,922,560	11,587,262,570	10,643,561,582	7,610,053,746
Current portion of long-term loans	11	31,016,832,009	10,774,759,569	10,538,921,995	10,039,406,554
Short-term loans		15,697,005,971	3,819,163,821	-	-
Income tax payable		13,688,159,882	26,478,174,379	3,926,954,185	238,415,556
Accrued expenses		26,434,419,957	29,537,889,443	8,383,363,460	11,306,976,083
Other current liabilities		5,834,329,013	3,514,302,026	3,411,676,997	2,492,486,115
Total Current Liabilities		234,905,243,229	180,046,251,045	160,520,317,172	124,006,197,866
Non-current Liabilities					
Other long-term accounts payable - related parties	4.6	755,509,884	772,269,336	781,119,599	798,723,797
Long-term loans	11	292,748,620,044	228,350,572,062	215,640,323,333	196,710,765,012
Deferred tax liabilities		22,957,474,961	19,924,960,086	4,749,240,694	4,321,910,385
Provision for decommissioning costs	12	20,003,577,740	16,309,665,236	-	-
Deposits on LPG cylinders		5,228,490,693	5,042,493,793	5,228,490,693	5,042,493,793
Other non-current liabilities		5,645,902,185	4,211,066,608	5,031,546,328	3,676,130,572
Total Non-current Liabilities		347,339,575,507	274,611,027,121	231,430,720,647	210,550,023,559
Total Liabilities		582,244,818,736	454,657,278,166	391,951,037,819	334,556,221,425

Notes to financial statements form an integral part of these financial statements.

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT JUNE 30, 2009 AND DECEMBER 31, 2008

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
		(Unaudited Reviewed)	(Audited (Restated))	(Unaudited Reviewed)	(Audited (Restated))
Liabilities and Shareholders' Equity (Continued)					
Shareholders' Equity					
Share capital					
Authorized share capital					
2,857,245,725 ordinary shares of Baht 10 each	13.1	28,572,457,250	28,572,457,250	28,572,457,250	28,572,457,250
Issued and paid-up share capital					
2,824,713,725 ordinary shares of Baht 10 each	13.2	28,247,137,250		28,247,137,250	
2,824,056,625 ordinary shares of Baht 10 each	13.2		28,240,566,250		28,240,566,250
Premium on share capital					
Premium on ordinary shares	13.2	22,917,924,366	22,801,956,166	22,917,924,366	22,801,956,166
Surplus on dilution of investments in subsidiaries and associates		3,864,978,768	3,862,091,917	-	-
Unrealized gain(loss) on available-for-sale securities		610,540,030	(398,161,828)	496,026,781	(509,353,021)
Currency translation differences		(1,108,028,480)	(817,508,878)	-	-
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		963,259,666	963,259,666	963,259,666	963,259,666
Unappropriated		347,764,924,499	326,069,102,279	212,483,145,842	200,632,869,335
Total parent's shareholders' equity		406,117,981,824	383,578,551,297	267,964,739,630	254,986,544,121
Minority interests		54,117,553,447	46,956,950,806	-	-
Total Shareholders' Equity		460,235,535,271	430,535,502,103	267,964,739,630	254,986,544,121
Total Liabilities and Shareholders' Equity		1,042,480,354,007	885,192,780,269	659,915,777,449	589,542,765,546

Notes to financial statements form an integral part of these financial statements.

(Signed) Prasert Bunsumpun
(Prasert Bunsumpun)
Chief Executive Officer & President

(Signed) Tevin Vongvanich
(Tevin Vongvanich)
Chief Financial Officer

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE THREE-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2009	2008 (Restated)	2009	2008 (Restated)
Sales and services		387,056,324,499	589,450,588,859	361,510,713,918	554,297,641,118
Cost of sales and services		351,534,213,108	540,842,390,706	348,461,052,352	536,332,985,343
Gross Margin		35,522,111,391	48,608,198,153	13,049,661,566	17,964,655,775
Other income	15	2,582,911,126	4,227,851,196	6,202,616,147	15,062,238,590
Income before Expenses		38,105,022,517	52,836,049,349	19,252,277,713	33,026,894,365
Selling expenses		3,272,200,128	3,956,575,606	3,052,235,758	3,815,133,542
Administrative expenses		5,045,717,408	4,528,994,663	3,219,562,889	2,578,528,783
Directors' remuneration	4.9	18,193,966	21,728,489	5,721,447	10,134,000
Petroleum exploration expenses		1,050,739,435	750,676,067	-	-
Petroleum royalties and remuneration		3,593,325,076	4,838,679,471	-	-
(Gain) loss from currency exchanges		(2,839,561,141)	2,961,707,416	(2,747,008,790)	1,701,665,045
Operating Income		27,964,407,645	35,777,687,637	15,721,766,409	24,921,432,995
Share of net income from investments in associates	16	8,024,696,261	13,354,815,052	-	-
Income before Finance Costs & Taxes		35,989,103,906	49,132,502,689	15,721,766,409	24,921,432,995
Finance costs		3,322,342,976	2,912,687,007	2,527,939,796	2,516,924,424
Income before Taxes		32,666,760,930	46,219,815,682	13,193,826,613	22,404,508,571
Income taxes		10,153,559,287	11,716,947,785	2,985,244,443	2,190,760,235
Net Income		22,513,201,643	34,502,867,897	10,208,582,170	20,213,748,336
Attributable to:					
Equity holders of the Company		19,895,160,336	29,884,508,682	10,208,582,170	20,213,748,336
Minority interests		2,618,041,307	4,618,359,215	-	-
		22,513,201,643	34,502,867,897	10,208,582,170	20,213,748,336
Basic earnings per share attributable to the equity holders of the Company	14	7.04	10.60	3.61	7.17
Diluted earnings per share attributable to the equity holders of the Company	14	7.00	10.50	3.61	7.13

Notes to financial statements form an integral part of these financial statements.

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008

Unaudited
Reviewed

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Notes	2009	2008	2009	2008	Unit : Baht
		(Restated)		(Restated)	
Sales and services		690,564,892,110	1,082,559,322,312	647,474,711,362	1,023,036,252,787
Cost of sales and services		627,159,822,894	994,855,918,336	625,478,298,764	988,078,767,050
Gross Margin		63,405,069,216	87,703,403,976	21,996,412,598	34,957,485,737
Other income	15	6,404,885,049	8,304,215,071	15,565,694,643	24,753,541,772
Income before Expenses		69,809,954,265	96,007,619,047	37,562,107,241	59,711,027,509
Selling expenses		6,752,337,157	7,709,384,001	6,399,684,333	7,383,333,765
Administrative expenses		10,670,525,839	8,471,339,685	6,782,520,202	5,243,069,565
Directors' remuneration	4.9	34,798,580	39,364,069	15,022,529	20,736,387
Petroleum exploration expenses		2,994,755,165	1,709,653,686	-	-
Petroleum royalties and remuneration		6,629,101,959	8,293,832,758	-	-
(Gain) loss from currency exchanges		(2,224,701,907)	(1,226,453,997)	(2,781,991,598)	(1,165,146,367)
Operating Income		44,953,137,472	71,010,498,845	27,146,871,775	48,229,034,159
Share of net income from investments					
in associates	16	10,431,895,187	21,093,137,957	-	-
Income before Finance Costs & Taxes		55,385,032,659	92,103,636,802	27,146,871,775	48,229,034,159
Finance costs		6,313,472,724	5,433,354,550	5,122,450,527	4,675,394,182
Income before Taxes		49,071,559,935	86,670,282,252	22,024,421,248	43,553,639,977
Income taxes		17,110,005,171	22,806,065,331	4,526,096,592	6,186,588,802
Net Income		31,961,554,764	63,864,216,921	17,498,324,656	37,367,051,175
Attributable to:					
Equity holders of the Company		27,343,870,369	56,017,063,724	17,498,324,656	37,367,051,175
Minority interests		4,617,684,395	7,847,153,197	-	-
		31,961,554,764	63,864,216,921	17,498,324,656	37,367,051,175
Basic earnings per share attributable to					
the equity holders of the Company	14	9.68	19.88	6.20	13.26
Diluted earnings per share attributable to					
the equity holders of the Company	14	9.61	19.69	6.20	13.19

Notes to financial statements form an integral part of these financial statements.

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008
CONSOLIDATED FINANCIAL STATEMENTS

**Unaudited
Reviewed
(Restated)**

Unit : Baht

Notes	Issued and paid-up share capital	Premium on share capital	Surplus on dilution of investments	Unrealized gain(loss) on available-for-sale securities	Currency translation differences	Retained earnings			Total parent's shareholders' equity	Minority interests	Total equity
						Legal reserve	Reserve for Self-insurance Fund	Unappropriated			
Balance as at January 1, 2008	28,173,881,250	21,624,238,766	3,851,325,364	671,702,449	(914,236,846)	2,857,245,725	928,759,399	304,303,841,805	361,496,757,912	37,154,760,927	398,651,518,839
Cumulative effect of the changes in accounting policy	-	-	-	-	-	-	-	5,344,813,641	5,344,813,641	-	5,344,813,641
Balance after adjustment	28,173,881,250	21,624,238,766	3,851,325,364	671,702,449	(914,236,846)	2,857,245,725	928,759,399	309,648,655,446	366,841,571,553	37,154,760,927	403,996,332,480
Currency translation differences	-	-	-	-	(348,327,664)	-	-	-	(348,327,664)	(47,040,774)	(395,368,438)
Unrealized loss on available-for-sale securities	-	-	-	(79,378,352)	-	-	-	-	(79,378,352)	-	(79,378,352)
Surplus on dilution of investments in subsidiaries and associates	-	-	31,934,953	-	-	-	-	-	31,934,953	(32,071,145)	(136,192)
Total revenues (expenses) recognized in equity	-	-	31,934,953	(79,378,352)	(348,327,664)	-	-	-	(395,771,063)	(79,111,919)	(474,882,982)
Net income	-	-	-	-	-	-	-	56,017,063,724	56,017,063,724	7,847,153,197	63,864,216,921
Total revenues (expenses) recognized in the period	-	-	31,934,953	(79,378,352)	(348,327,664)	-	-	56,017,063,724	55,621,292,661	7,768,041,278	63,389,333,939
Dividends paid	-	-	-	-	-	-	-	(18,318,224,763)	(18,318,224,763)	(2,266,450,815)	(20,584,675,578)
Issued and paid-up share capital	16,647,000	-	-	-	-	-	-	-	16,647,000	1,236,400	17,883,400
Premium on share capital	-	311,611,200	-	-	-	-	-	-	311,611,200	77,752,020	389,363,220
Balance as at June 30, 2008	28,190,528,250	21,935,849,966	3,883,260,317	592,324,097	(1,262,564,510)	2,857,245,725	928,759,399	347,347,494,407	404,472,897,651	42,735,339,810	447,208,237,461
Balance as at January 1, 2009	28,240,566,250	22,801,956,166	3,862,091,917	(398,161,828)	(817,508,878)	2,857,245,725	963,259,666	326,069,102,279	383,578,551,297	46,956,950,806	430,535,502,103
Currency translation differences	-	-	-	-	(290,519,602)	-	-	-	(290,519,602)	(1,035,512,571)	(1,326,032,173)
Unrealized gain on available-for-sale securities	-	-	-	1,008,701,858	-	-	-	-	1,008,701,858	-	1,008,701,858
Surplus on dilution of investments in subsidiaries and associates	-	-	2,886,851	-	-	-	-	-	2,886,851	(3,428,744)	(541,893)
Total revenues (expenses) recognized in equity	-	-	2,886,851	1,008,701,858	(290,519,602)	-	-	-	721,069,107	(1,038,941,315)	(317,872,208)
Net income	-	-	-	-	-	-	-	27,343,870,369	27,343,870,369	4,617,684,395	31,961,554,764
Total revenues (expenses) recognized in the period	-	-	2,886,851	1,008,701,858	(290,519,602)	-	-	27,343,870,369	28,064,939,476	3,578,743,080	31,643,682,556
Dividends paid	-	-	-	-	-	-	-	(5,648,048,149)	(5,648,048,149)	(2,917,982,173)	(8,566,030,322)
Issued and paid-up share capital	6,571,000	-	-	-	-	-	-	-	6,571,000	16,975,480	23,546,480
Premium on share capital	-	115,968,200	-	-	-	-	-	-	115,968,200	23,486,540	139,454,740
Business acquisitions	-	-	-	-	-	-	-	-	-	6,459,379,714	6,459,379,714
Balance as at June 30, 2009	28,247,137,250	22,917,924,366	3,864,978,768	610,540,030	(1,108,028,480)	2,857,245,725	963,259,666	347,764,924,499	406,117,981,824	54,117,553,447	460,235,535,271

Notes to financial statements form an integral part of these financial statements.

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008
 SEPARATE FINANCIAL STATEMENTS

Unaudited
Reviewed
(Restated)

Unit : Baht

	Notes	Issued and paid-up share capital	Premium on share capital	Unrealized gain(loss) on available-for-sale securities	Retained earnings			Total equity
					Legal reserve	Reserve for Self-insurance Fund	Unappropriated	
Balance as at January 1, 2008		28,173,881,250	21,624,238,766	531,097,724	2,857,245,725	928,759,399	175,923,513,867	230,038,736,731
Unrealized loss on available-for-sale securities		-	-	(73,223,164)	-	-	-	(73,223,164)
Total revenues (expenses) recognized in equity		-	-	(73,223,164)	-	-	-	(73,223,164)
Net income		-	-	-	-	-	37,367,051,175	37,367,051,175
Total revenues (expenses) recognized in the period		-	-	(73,223,164)	-	-	37,367,051,175	37,293,828,011
Dividends paid		-	-	-	-	-	(18,318,224,763)	(18,318,224,763)
Issued and paid-up share capital		16,647,000	-	-	-	-	-	16,647,000
Premium on share capital		-	311,611,200	-	-	-	-	311,611,200
Balance as at June 30, 2008		28,190,528,250	21,935,849,966	457,874,560	2,857,245,725	928,759,399	194,972,340,279	249,342,598,179
Balance as at January 1, 2009		28,240,566,250	22,801,956,166	(509,353,021)	2,857,245,725	963,259,666	200,632,869,335	254,986,544,121
Unrealized gain on available-for-sale securities		-	-	1,005,379,802	-	-	-	1,005,379,802
Total revenues (expenses) recognized in equity		-	-	1,005,379,802	-	-	-	1,005,379,802
Net income		-	-	-	-	-	17,498,324,656	17,498,324,656
Total revenues (expenses) recognized in the period		-	-	1,005,379,802	-	-	17,498,324,656	18,503,704,458
Dividends paid		-	-	-	-	-	(5,648,048,149)	(5,648,048,149)
Issued and paid-up share capital	13	6,571,000	-	-	-	-	-	6,571,000
Premium on share capital	13	-	115,968,200	-	-	-	-	115,968,200
Balance as at June 30, 2009		28,247,137,250	22,917,924,366	496,026,781	2,857,245,725	963,259,666	212,483,145,842	267,964,739,630

Notes to financial statements form an integral part of these financial statements.

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008

Unaudited
Reviewed

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2009	2008 (Restated)	2009	2008 (Restated)
Cash Flows from Operating Activities				
Net income attributable to the equity holders of the Company	27,343,870,369	56,017,063,724	17,498,324,656	37,367,051,175
Adjustment of net income to net cash provided by				
(used in) operating activities :				
Depreciation, depletion and amortization	19,595,187,513	14,627,521,172	4,767,955,771	3,310,378,949
(Reversal of) Loss on impairment of assets	(152,208,709)	82,180,350	(166,593,927)	8,437,638
(Gain) Loss on disposal of assets	179,715,046	(41,232,312)	2,181,412	(51,551,273)
Gain on disposal of investment	-	(70,518)	-	(70,518)
Write-off fixed assets	144,091,275	(81,828,761)	141,091,243	(81,828,761)
Share of net income from investments				
in associates	(10,431,895,187)	(21,093,137,957)	-	-
Income attributable to minority interests	4,105,438,055	7,847,153,197	-	-
Gain on foreign exchange	(2,809,680,385)	(271,629,039)	(2,189,042,447)	(27,168,136)
(Reversal of) Doubtful accounts	75,038,382	(68,085,915)	78,885,303	(88,726,543)
Amortization of exploration costs	2,361,464,424	636,217,332	-	-
Amortization of bond issue expenses	-	2,190,227	-	-
Amortization of bond discounts	13,773,190	13,773,190	13,773,190	13,773,190
Amortization of deferred interest from finance leases	12,170,245	18,897,503	11,427,031	18,070,091
(Reversal of) Allowance for loss on decline in value of inventories	(806,094,503)	10,782,505	(550,726,800)	712,224
Dividends received	(32,999,976)	(41,520,000)	(8,898,579,955)	(16,675,006,429)
Income taxes	17,110,115,220	22,806,065,331	4,526,096,592	6,186,588,802
Interest income	(1,704,049,811)	(1,860,003,031)	(1,454,689,507)	(1,407,386,403)
Interest expenses	6,976,146,984	5,899,250,984	5,006,874,189	4,257,820,506
Others	21,202,540	(389,757)	208,194	(389,757)
Net income from operating activities before				
changes in operating assets and liabilities	62,001,284,672	84,503,198,225	18,787,184,945	32,830,704,755

Notes to financial statements form an integral part of these financial statements.

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008

Unaudited
Reviewed

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2009	2008 (Restated)	2009	2008 (Restated)
Changes in operating assets (increase) decrease				
Trade accounts and notes receivable - others	(10,997,809,082)	16,661,641,368	(12,362,155,355)	17,648,603,300
Trade accounts receivable - related parties	(25,976,572,869)	(12,743,068,018)	(29,019,056,161)	(8,982,960,856)
Other accounts receivable, advances and short-term loans - related parties	(2,316,995,404)	1,763,407,656	(1,458,079,465)	116,738,957
Other accounts receivable and short-term loans - others	3,695,528,758	1,061,646,851	1,957,631,306	1,952,667,931
Inventories	(2,251,465,649)	(13,624,447,733)	440,928,862	(9,875,267,288)
Materials and supplies	(1,932,115,186)	(776,456,155)	(156,389,504)	(112,398,522)
Other current assets	(750,023,396)	129,457,262	(2,189,948,927)	622,853,291
Advance payments for gas purchased	(10,097,657,086)	(3,336,215,337)	(10,310,706,195)	(3,043,688,979)
Other long-term accounts receivable and advances - related parties	(7,110,931)	62,848,370	215,469	62,848,269
Other non-current assets	(3,042,679,998)	(4,511,725,256)	(3,967,533,438)	(2,664,496,057)
Changes in operating liabilities increase (decrease)				
Trade accounts payable - others	24,181,109,918	14,625,009,469	27,982,567,503	11,806,461,435
Trade accounts payable - related parties	14,232,701,988	(4,302,445,932)	10,430,486,855	(4,927,895,050)
Other accounts payable - related parties	343,079,852	(2,443,525,740)	988,950,899	(1,598,393,349)
Other accounts payable - others	501,205,946	2,612,876,909	1,663,526,471	2,094,945,785
Income tax payable	(339,298)	(129,058,512)	-	-
Accrued expenses	(4,067,685,610)	(4,310,199,075)	(2,479,915,795)	(3,022,333,490)
Other current liabilities	1,965,463,631	(1,007,477,628)	910,638,576	(683,237,978)
Deposits on LPG cylinders	185,996,900	184,713,360	185,996,900	184,713,360
Other long-term accounts payable - related parties	(14,683,176)	(139,760,365)	(17,604,198)	(36,642,248)
Deferred tax liabilities	(3,443,931,786)	-	-	-
Other non-current liabilities	1,404,705,930	(557,159,840)	1,354,841,404	(287,297,200)
	(18,389,276,548)	(10,779,938,346)	(16,045,604,793)	(744,778,689)
Interest received	347,101,093	564,786,249	134,150,553	190,605,193
Interest paid	(193,361,460)	(172,278,385)	-	-
Income tax paid	(29,268,309,270)	(28,463,632,342)	(1,061,142,758)	(10,250,779,787)
Net cash provided by operating activities	14,497,438,487	45,652,135,401	1,814,587,947	22,025,751,472

Notes to financial statements form an integral part of these financial statements.

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008

Unaudited
Reviewed

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2009	2008 (Restated)	2009	2008 (Restated)
Cash Flows from Investing Activities				
Proceeds from disposals of property, plant and equipment	7,255,573	23,507,156	3,097,344	8,530,796
Payment of property, plant and equipment	(64,669,351,523)	(34,729,234,083)	(22,084,137,231)	(11,220,532,646)
Payment of intangible assets	(4,406,472,642)	(122,429,679)	(27,867,831)	(31,334,046)
Payment of long-term contracts on land and building	(31,439,103)	(38,708,696)	(9,988,705)	(38,708,696)
Long-term loans to others	(11,819,516)	(176,375,273)	(11,819,516)	(176,375,273)
Long-term loans to related parties	(139,937,773)	-	(4,030,200,000)	(6,120,000,000)
Short-term loans to related parties	-	-	(924,357,429)	(648,727,676)
Payment of investments in subsidiaries	(5,274,322,961)	-	(12,524,586,600)	(8,544,170,000)
Payment of investments in jointly controlled entities	-	-	(1,649,750,000)	(1,479,750,000)
Payment of investments in associates	(358,430,254)	(4,587,181,947)	(306,290,600)	(4,567,835,815)
Payment of long-term investments	-	(293,250,000)	-	(293,250,000)
Proceeds from disposal of long-term investments	-	3,128,989	-	3,128,989
Proceeds from long-term loans to related parties	-	-	2,500,000,000	760,000,000
Proceeds from short-term loans to related parties	-	757,637,585	-	10,657,637,585
Proceeds from cancellation of leasehold in gas stations	3,467,467	18,448,565	3,467,467	18,448,565
(Increase) decrease in current investments	(1,107,933,450)	(328,314,391)	1,753,521	(724,903,408)
Interest received	1,342,957,840	1,185,380,637	1,283,062,826	1,098,065,509
Dividends received	3,349,860,102	12,613,965,612	8,898,579,955	16,605,848,328
Net cash used in investing activities	<u>(71,296,166,240)</u>	<u>(25,673,425,525)</u>	<u>(28,879,036,799)</u>	<u>(4,693,927,788)</u>

Notes to financial statements form an integral part of these financial statements.

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008

Unaudited
Reviewed

Unit : Baht

<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2009</u>	<u>2008</u> (Restated)	<u>2009</u>	<u>2008</u> (Restated)
Cash Flows from Financing Activities				
Proceeds from issuing ordinary shares	30,030,640	95,135,420	6,571,000	16,647,000
Proceeds from premium on share capital	115,968,200	311,611,200	115,968,200	311,611,200
Proceeds from issuing prefer shares	1,500,000	-	-	-
Proceeds from long-term loans	22,227,244,105	799,196,081	14,351,503,287	85,553,204
Proceeds from issuing bonds	55,000,000,000	-	15,000,000,000	-
Proceeds from short-term loans	12,296,133,622	8,336,628,206	2,298,810,069	-
Payment of short-term loans	(1,483,000,000)	-	(1,100,000,000)	-
Payment of long-term loans	(238,192,229)	(211,708,203)	(201,442,229)	(181,958,203)
Payment of notes payable	-	(1,500,000,000)	-	(1,500,000,000)
Redemption of government bonds	(7,400,000,000)	(4,000,000,000)	(7,400,000,000)	(4,000,000,000)
Payment of finance lease installments	(103,407,562)	(99,684,676)	(91,379,233)	(91,233,759)
Decrease in bank overdrafts and short-term loans from financial institutions	(52,876,500)	-	-	-
Payment of loan acquirement fees	(144,708,178)	-	-	-
Interest received	956,770	1,598,798	-	-
Interest paid	(7,895,685,744)	(6,885,645,466)	(5,888,279,793)	(5,190,767,592)
Dividends paid	(9,385,308,991)	(20,584,224,627)	(5,648,048,148)	(18,318,224,763)
Net cash provided (used in) by financing activities	<u>62,968,654,133</u>	<u>(23,737,093,267)</u>	<u>11,443,703,153</u>	<u>(28,868,372,913)</u>
Effects of exchange rates on cash and cash equivalents	<u>(199,750,809)</u>	<u>56,359,291</u>	<u>(2,695,879)</u>	<u>1,066,315</u>
Currency translation differences	<u>(354,500,692)</u>	<u>(252,052,716)</u>	<u>-</u>	<u>-</u>
Net increase(decrease) in cash and cash equivalents	5,615,674,879	(3,954,076,816)	(15,623,441,578)	(11,535,482,914)
Cash and cash equivalents at beginning of periods	<u>90,818,703,116</u>	<u>74,958,290,312</u>	<u>38,150,065,625</u>	<u>43,184,607,043</u>
Cash and cash equivalents at end of periods	2 <u><u>96,434,377,995</u></u>	<u><u>71,004,213,496</u></u>	<u><u>22,526,624,047</u></u>	<u><u>31,649,124,129</u></u>

Notes to financial statements form an integral part of these financial statements.

AUDITOR'S REVIEW REPORT AND FINANCIAL STATEMENTS
PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2009

PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008
(UNAUDITED, REVIEWED)
AND FOR THE YEAR ENDED DECEMBER 31, 2008 (AUDITED)

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PTT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2009 AND 2008
(UNAUDITED, REVIEWED)
AND FOR THE YEAR ENDED DECEMBER 31, 2008 (AUDITED)

1. General Information

1.1 Purpose of the Interim Financial Statements

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

1.2 Preparation of the Interim Financial Statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 41 (revised 2007) “Interim Financial Reporting”. The contents of the interim financial statements comprise the balance sheets, statements of income, changes in shareholders’ equity and cash flows, as presented in the most recent annual financial statements, together with selected significant explanatory notes.

1.3 Basis of Preparation

PTT Public Company Limited “the Company” and its subsidiaries are collectively referred to as “the Group”.

These consolidated financial statements have been prepared under the same basis as the consolidated financial statements for the year ended December 31, 2008.

Except for classification of financial statements in compliance with the notification of the Department of Business Development, dated January 30, B.E. 2552 (2009), “Regulation of the Abbreviated components required in the financial statements, B.E. 2552 (2009)” under the third paragraph of section 11 of the Accounting Act, B.E. 2543 (2000) which is effective for accounting periods beginning on or after January 1, 2009.

During the period, the Company has begun to include a subsidiary named PTT Tank Terminal Co., Ltd. (PTT TANK) in the consolidated financial statements as detailed in Note 5.5.

1.4 Summary of Significant Accounting Policies

The Company has prepared these interim financial statements based on the same accounting policies and computation methods as were applied in the financial statements for the year ended December 31, 2008 which were prepared in accordance with generally accepted accounting principles.

1. General Information (Continued)

1.5 New Accounting Standards and Financial Reporting Standards, including Amendments to Accounting Standards

The Federation of Accounting Professions (FAP) announced the amendments to Thai Accounting Standards which were announced in a Ratchakitchanubeksa and were effective for accounting periods beginning on or after January 1, 2009 as follows:

- ◆Thai Accounting Standard No.36 (revised 2007) Impairment of Assets
- ◆Thai Financial Reporting Standard No.5 Non-current Assets Held for Sale and Discontinued Operations
(revised 2007) (Thai Accounting Standard No.54, formerly)

- ◆Accounting Framework (revised 2007) has been effective date since June 26, 2009

These revised accounting standards and compliance with these accounting standards do not have a significant effect on the consolidated and the separate financial statements.

During the year of 2009, The Federation of Accounting Professions (FAP) announced the renumber of Thai Accounting Standards to follow with International Financial Reporting standards which were classified to Accounting Standards and Financial Reporting Standards. As a result, the renumber of Thai Accounting Standards were changed including the announcements of new Accounting Standards and the amendments to Accounting Standards were announced in a Ratchakitchanubeksa as follows:

- ◆Thai Accounting Standard No.24 (revised 2007) Related Party Disclosures
- ◆Thai Accounting Standard No.40 Investment Property
(These were effective for accounting periods beginning on or after January 1, 2011)

- ◆Thai Accounting Standard No.20 Accounting for Government Grants and Disclosure of Government Assistance
(These were effective for accounting periods beginning on or after January 1, 2012)

2. Cash and Cash Equivalents

Cash and cash equivalents as at June 30, 2009 and December 31, 2008 are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
Cash on hand	3,416.88	389.34	233.99	243.15
Deposits held at call with banks	33,321.06	32,844.75	10,974.26	16,012.25
Fixed deposits	18,540.60	17,235.31	-	6,000.00
Treasury bills	29,163.45	23,288.95	2,446.88	386.32
Promissory notes	5,120.90	6,052.00	2,000.00	4,500.00
Bank of Thailand bonds	6,871.49	11,008.35	6,871.49	11,008.35
Total	<u>96,434.38</u>	<u>90,818.70</u>	<u>22,526.62</u>	<u>38,150.07</u>

Cash and cash equivalents as at June 30, 2009 bear interest at rates ranging from 0.01% to 4.20% per annum (December 31, 2008: interest rates ranging from 0.50% to 4.00% per annum).

3. Trade Accounts and Notes Receivable – Others, Net

Trade accounts and notes receivable – others, net as at June 30, 2009 and December 31, 2008 are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
Trade accounts receivable	80,548.03	67,914.73	68,234.41	55,906.18
Notes receivable	1,353.90	1,404.82	1,353.90	1,404.82
Total	81,901.93	69,319.55	69,588.31	57,311.00
<u>Less</u> Allowance for doubtful accounts	2,489.57	2,440.09	1,646.24	1,571.94
Trade accounts and notes receivable – others, net	<u>79,412.36</u>	<u>66,879.46</u>	<u>67,942.07</u>	<u>55,739.06</u>

Outstanding trade accounts and notes receivable – others, net as at June 30, 2009 and December 31, 2008 can be aged as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
Current	76,522.43	60,623.54	66,350.09	51,665.22
Overdue				
- Up to 3 months	1,577.99	3,199.95	735.75	1,498.18
- Over 3 months up to 6 months	498.42	1,455.05	454.68	1,326.93
- Over 6 months up to 12 months	749.19	1,339.37	665.92	1,319.27
- Over 12 months	2,553.90	2,701.64	1,381.87	1,501.40
Total	81,901.93	69,319.55	69,588.31	57,311.00
<u>Less</u> Allowance for doubtful accounts	2,489.57	2,440.09	1,646.24	1,571.94
Trade accounts and notes receivable - others, net	<u>79,412.36</u>	<u>66,879.46</u>	<u>67,942.07</u>	<u>55,739.06</u>

Trade accounts and notes receivable – others, net as at June 30, 2009 include receivables from government agencies and state enterprises in the consolidated financial statements amounting to Baht 13,226.97 million (December 31, 2008: Baht 16,161.61 million), and in the separate financial statements amounting to Baht 13,045.17 million (December 31, 2008: Baht 15,945.10 million).

4. Related Party Transactions

The significant related party transactions are detailed as follows;

4.1 Trade accounts receivable – related parties, net as at June 30, 2009 and December 31, 2008

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2009</u>	<u>December 31, 2008</u>	<u>June 30, 2009</u>	<u>December 31, 2008</u>
Subsidiaries	-	-	10,685.19	7,970.58
Jointly controlled entities	-	-	143.69	117.54
Associates	54,179.82	29,472.11	54,122.99	29,407.27
Other related parties	3,511.03	2,000.20	3,499.56	2,000.00
Total	57,690.85	31,472.31	68,451.43	39,495.39
<u>Less</u> Allowance for doubtful accounts	252.51	260.71	252.51	267.83
Trade accounts receivable – related parties, net	<u>57,438.34</u>	<u>31,211.60</u>	<u>68,198.92</u>	<u>39,227.56</u>

Outstanding trade accounts receivable – related parties, net as at June 30, 2009 and December 31, 2008 can be aged as follows:

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2009</u>	<u>December 31, 2008</u>	<u>June 30, 2009</u>	<u>December 31, 2008</u>
Current	57,309.37	27,844.57	64,723.84	32,327.99
Overdue				
- Up to 3 months	116.60	62.56	74.98	345.55
- Over 3 months up to 6 months	47.91	3,267.27	348.07	3,280.93
- Over 6 months up to 12 months	41.19	293.03	499.43	317.92
- Over 12 months	175.78	4.88	2,805.11	3,223.00
Total	57,690.85	31,472.31	68,451.43	39,495.39
<u>Less</u> Allowance for doubtful accounts	252.51	260.71	252.51	267.83
Trade accounts receivable – related parties, net	<u>57,438.34</u>	<u>31,211.60</u>	<u>68,198.92</u>	<u>39,227.56</u>

4. Related Party Transactions (Continued)

4.2 Other accounts receivable, advances and short-term loans – related parties, net as at June 30, 2009 and December 31, 2008

	Unit: Million Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
Other accounts receivable				
Subsidiaries	-	-	899.48	1,032.60
Jointly controlled entities	-	-	221.87	283.88
Associates	600.44	550.54	596.54	545.62
Other related parties	155.66	144.07	153.99	143.23
Total	756.10	694.61	1,871.88	2,005.33
<u>Less</u> Allowance for doubtful accounts	135.94	141.67	136.02	141.75
Other accounts receivable, net	620.16	552.94	1,735.86	1,863.58
Advances				
Associates	2,012.60	354.50	2,012.60	354.50
Other related parties	89.18	247.25	88.52	247.25
Total	2,101.78	601.75	2,101.12	601.75
<u>Less</u> Allowance for doubtful accounts	376.60	354.07	376.60	354.07
Advances, net	1,725.18	247.68	1,724.52	247.68
Short-term loans				
Subsidiaries	-	-	18,520.56	17,632.25
Jointly controlled entities	-	-	1,721.34	1,685.29
Short-term loans	-	-	20,241.90	19,317.54
Total	2,345.34	800.62	23,702.28	21,428.80

Changes in short-term loans – related parties for the six-month period ended June 30, 2009 are as follows:

	Unit: Million Baht	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Balance as at December 31, 2008	-	19,317.54
- Payment for loans granted	-	924.36
Balance as at June 30, 2009	-	20,241.90

Short-term loans to related parties are unsecured and bear interest at rates ranging from 2.45% to 7.25% per annum.

4. Related Party Transactions (Continued)

4.3 Other accounts receivable, advances and long-term loans – related parties, net as at June 30, 2009 and December 31, 2008

	Unit: Million Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
Other accounts receivable				
Subsidiaries	-	-	271.11	278.44
Associates	1,555.22	1,450.07	1,555.22*	1,450.07
	<u>1,555.22</u>	<u>1,450.07</u>	<u>1,826.33</u>	<u>1,728.51</u>
Advances				
Associates	-	0.22	-	0.22
	<u>-</u>	<u>0.22</u>	<u>-</u>	<u>0.22</u>
Long-term loans				
Subsidiaries	-	-	13,632.00	12,227.00
Associates	5,189.99	5,050.05	5,175.25	5,050.05
	<u>5,189.99</u>	<u>5,050.05</u>	<u>18,807.25</u>	<u>17,277.05</u>
Total	<u><u>6,745.21</u></u>	<u><u>6,500.34</u></u>	<u><u>20,633.58</u></u>	<u><u>19,005.78</u></u>

* As at June 30, 2009, these include accrued interest income from an associate amounting to Baht 1,555.22 million, which is due to be paid after this associate makes redemption of its debentures.

Changes in long-term loans – related parties for the six-month period ended June 30, 2009 are as follows:

	Unit: Million Baht	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Balance as at December 31, 2008	5,050.05	17,277.05
- Payment for loans granted	139.94	4,030.20
- Receipt from loans granted	-	(2,500.00)
Balance as at June 30, 2009	<u><u>5,189.99</u></u>	<u><u>18,807.25</u></u>

Long-term loans - related parties are unsecured and bear interest at rates ranging from 3.38% to 7.25% per annum.

4. Related Party Transactions (Continued)

4.4 Trade accounts payable – related parties as at June 30, 2009 and December 31, 2008

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2009</u>	<u>December 31, 2008</u>	<u>June 30, 2009</u>	<u>December 31, 2008</u>
Subsidiaries	-	-	9,484.40	10,538.81
Jointly controlled entities	-	-	2,946.98	4,491.19
Associates	28,102.63	14,327.19	26,090.33	13,382.84
Other related parties	<u>1,531.23</u>	<u>1,068.60</u>	<u>556.96</u>	<u>229.51</u>
Total	<u>29,633.86</u>	<u>15,395.79</u>	<u>39,078.67</u>	<u>28,642.35</u>

4.5 Other accounts payable – related parties as at June 30, 2009 and December 31, 2008

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2009</u>	<u>December 31, 2008</u>	<u>June 30, 2009</u>	<u>December 31, 2008</u>
Subsidiaries	-	-	311.18	72.43
Jointly controlled entities	-	-	506.73	1.76
Associates	467.65	235.64	457.98	223.25
Other related parties	<u>194.48</u>	<u>182.27</u>	<u>100.08</u>	<u>87.73</u>
Total	<u>662.13</u>	<u>417.91</u>	<u>1,357.97</u>	<u>385.17</u>

4.6 Other long-term accounts payable – related parties as at June 30, 2009 and December 31, 2008

Unit: Million Baht

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2009</u>	<u>December 31, 2008</u>	<u>June 30, 2009</u>	<u>December 31, 2008</u>
Subsidiaries	-	-	10.65	11.13
Jointly controlled entities	-	-	14.96	15.32
Associates	21.52	22.38	21.52	22.38
Other related parties	<u>733.99</u>	<u>749.89</u>	<u>733.99</u>	<u>749.89</u>
Total	<u>755.51</u>	<u>772.27</u>	<u>781.12</u>	<u>798.72</u>

4. Related Party Transactions (Continued)

4.7 Revenue and expense transactions carried out with related parties

For the three-month periods ended June 30, 2009 and 2008

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Revenues				
Sales:				
Subsidiaries	-	-	17,336.74	12,675.34
Jointly controlled entities	-	-	343.59	280.89
Associates	138,662.44	257,952.81	138,596.10	257,928.26
Other related parties	5,509.64	5,308.59	5,496.48	5,308.59
Interest income:				
Subsidiaries	-	-	554.40	427.75
Jointly controlled entities	-	-	24.38	20.28
Associates	59.53	67.05	59.53	67.05
Dividend income:				
Subsidiaries	-	-	-	522.00
Jointly controlled entities	-	-	17.38	69.16
Associates	-	-	3,299.40	10,724.77
Other related parties	33.00	41.52	33.00	41.52
Other income:				
Subsidiaries	-	-	248.45	106.78
Jointly controlled entities	-	-	25.36	53.11
Associates	257.81	4,572.54	257.20	4,572.29
Other related parties	31.12	9.46	31.40	9.30
Expenses				
Purchases:				
Subsidiaries	-	-	23,794.29	33,504.83
Jointly controlled entities	-	-	7,612.84	6,364.34
Associates	99,021.94	166,029.57	96,048.05	162,466.87
Other related parties	4,570.99	5,292.92	2,024.42	1,646.27
Other expenses:				
Subsidiaries	-	-	149.43	40.47
Jointly controlled entities	-	-	0.12	0.10
Associates	125.79	89.42	121.79	85.39
Other related parties	201.32	174.25	201.07	172.61

4. Related Party Transactions (Continued)

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

For the six-month periods ended June 30, 2009 and 2008

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Revenues				
Sales:				
Subsidiaries	-	-	30,679.43	25,764.66
Jointly controlled entities	-	-	656.60	552.83
Associates	248,734.03	472,433.88	248,580.42	472,395.68
Other related parties	9,610.20	8,983.27	9,585.45	8,983.27
Interest income:				
Subsidiaries	-	-	1,099.70	943.67
Jointly controlled entities	-	-	48.34	40.57
Associates	151.49	136.90	151.49	136.90
Dividend income:				
Subsidiaries	-	-	5,548.80	4,141.73
Jointly controlled entities	-	-	17.38	69.16
Associates	-	-	3,299.40	12,422.61
Other related parties	33.00	41.52	33.00	41.52
Other income:				
Subsidiaries	-	-	330.21	385.61
Jointly controlled entities	-	-	42.97	59.69
Associates	2,415.91	6,979.53	2,414.96	6,979.04
Other related parties	50.31	22.31	50.13	21.98
Expenses				
Purchases:				
Subsidiaries	-	-	45,499.05	54,456.83
Jointly controlled entities	-	-	14,791.63	13,145.80
Associates	175,953.86	305,367.14	170,595.27	298,281.32
Other related parties	8,341.62	9,106.93	3,502.79	2,879.92
Other expenses:				
Subsidiaries	-	-	288.46	198.30
Jointly controlled entities	-	-	0.23	0.22
Associates	413.14	169.41	405.92	164.83
Other related parties	393.89	390.17	393.64	387.72

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

The stipulated prices for transactions between the Company and its related parties are based on the normal prices used in the same type of business for transactions with others. Goods purchased from subsidiaries are purchased at normal prices determined by the subsidiaries with reference to global market prices.

4. Related Party Transactions (Continued)

4.8 Details of commitments to subsidiaries, jointly controlled entities, associates and other related parties are provided in Note 22.1.

4.9 Directors' Remuneration

Directors' remuneration comprises directors' meeting fees and bonuses.

4.10 Crude oil purchase and sales transactions carried out with related parties without the delivery of products, with the objective of maintaining crude oil reserves, were offset in the financial statements. The details are as follows:

For the three-month periods ended June 30, 2009 and 2008:

	Unit: Million Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Sales				
Associates	333.59	2,664.06	333.59	2,664.06
Purchases				
Associates	333.59	2,664.06	333.59	2,664.06

For the six-month periods ended June 30, 2009 and 2008:

	Unit: Million Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Sales				
Associates	3,059.94	10,416.79	3,059.94	10,416.79
Purchases				
Associates	3,059.94	10,416.79	3,059.94	10,416.79

5. Investments in Subsidiaries, Jointly Controlled Entities and Associates

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

Company	Country of incorporation	Business	Shareholding Percentage	
			June 30, 2009	December 31, 2008
<u>Subsidiaries:</u>				
PTT Exploration and Production Public Co., Ltd. (PTTEP)	Thailand	Petroleum exploration and production	65.53	65.54
PTT (Cambodia) Co., Ltd. (PTTCL)	Cambodia	Oil marketing	100.00	100.00
Subic Bay Energy Co., Ltd. (SBECL)	Cayman Islands	Oil marketing	100.00	100.00
Retail Business Alliance Co., Ltd. (RBA)	Thailand	Management services and oil marketing	49.00	49.00
PTT International Trading Pte. Ltd. (PTTT)	Singapore	International oil trading	100.00	100.00
PTT Natural Gas Distribution Co., Ltd. (PTTNGD)	Thailand	Natural gas	58.00	58.00
PTT LNG Co., Ltd. (PTTLNG)	Thailand	Natural gas	100.00	100.00
PTT Polymer Marketing Co., Ltd (PTTPM)	Thailand	Polymer marketing	50.00	50.00
Energy Complex Co., Ltd. (EnCo)	Thailand	Commercial	50.00	50.00
PTT Polymer Logistics Co., Ltd. (PTTPL)	Thailand	Logistics services	100.00	100.00
PTT Retail Business Co., Ltd. (PTTRB)	Thailand	Management services and oil marketing	100.00	100.00
Combined Heat and Power Producing Co., Ltd. (CHPP)	Thailand	Generation and supply of electricity and chilled water	100.00	100.00
PTT International Co., Ltd. (PTT INTER)	Thailand	Petroleum	100.00	100.00
PTT Green Energy Pte. Ltd. (PTTGE)	Singapore	Petroleum	100.00	100.00
Business Services Alliance Co., Ltd.(BSA)	Thailand	Management services	25.00	25.00
PTT Tank Terminal Co., Ltd.(PTT TANK)	Thailand	Terminal and warehouse	100.00	-

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

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

Company	Country of incorporation	Business	Shareholding Percentage	
			June 30, 2009	December 31, 2008
<u>Jointly controlled entities:</u>				
Trans Thai-Malaysia (Thailand) Co., Ltd. (TTM (T))	Thailand	Natural gas	50.00	50.00
Trans Thai-Malaysia (Malaysia) Sdn. Bhd. (TTM (M))	Malaysia	Natural gas	50.00	50.00
District Cooling System and Power Plant Co., Ltd. (DCAP)	Thailand	Generation and supply of electricity and chilled water	35.00	35.00
PTT Asahi Chemicals Co., Ltd. (PTTAC)	Thailand	Petrochemicals	48.50	48.50
HMC Polymers Co., Ltd. (HMC)	Thailand	Petrochemicals	41.44	41.44
<u>Associates:</u>				
Thai Oil Public Co., Ltd. (TOP)	Thailand	Refining	49.10	49.10
Star Petroleum Refining Co., Ltd. (SPRC)	Thailand	Refining	36.00	36.00
Bangchak Petroleum Public Co., Ltd. (BCP)	Thailand	Refining	29.75	29.75
Thai Lube Blending Co., Ltd. (TLBC)	Thailand	Blending and bottling of lube oil	48.95	48.95
Thai Petroleum Pipeline Co., Ltd. (THAPPLINE)	Thailand	Oil transmission pipeline	33.19	33.19
Petro Asia (Thailand) Co., Ltd. (PA (Thailand))	Thailand	Oil marketing	35.00	35.00
Vietnam LPG Co., Ltd. (VLPG)	Vietnam	Bottling and selling LPG	45.00	45.00
KELOIL-PTT LPG Sdn. Bhd. (KPL)	Malaysia	Bottling and selling LPG	40.00	40.00
IRPC Public Co., Ltd. (IRPC)	Thailand	Petrochemicals and refining	36.77	36.77
Independent Power (Thailand) Co., Ltd. (IPT)	Thailand	Electricity generation	20.00	20.00
Thai Oil Power Co., Ltd. (TP)	Thailand	Generation and supply of electricity	26.00	26.00
PTT Phenol Co., Ltd. (PPCL)	Thailand	Petrochemicals	40.00	40.00
PTT Chemical Public Co., Ltd. (PTTCH)	Thailand	Petrochemicals	49.30	49.30
PTT Utility Co., Ltd. (PTTUT)	Thailand	Generation and supply of electricity steam and water for industry	40.00	40.00
PTT ICT Solutions Co., Ltd. (PTTICT)	Thailand	Communication and technology services	20.00	20.00
PTT Aromatics and Refining Public Co., Ltd. (PTTAR)	Thailand	Petrochemicals and refining	48.66	48.66
PTT Maintenance & Engineering Co., Ltd. (PTTME) (Formerly Alliance Plant Service Co., Ltd. (APS))	Thailand	Factory maintenance and engineering services	40.00	40.00

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

5.2 Investments in associates in the consolidated financial statements as at June 30, 2009 and December 31, 2008

Consolidated financial statements

Unit: Million Baht

Company	Shareholding Percentage		June 30, 2009		December 31, 2008		Dividends for the six-month periods ended June 30	
	June 30, 2009	December 31, 2008	Cost method	Equity Method	Cost method	Equity method	2009	2008
Associates:								
Refining Business Group								
1 TOP	49.10	49.10	11,380.83	32,012.76	11,380.83	29,143.05	1,001.65	2,754.53
2 SPRC	36.00	36.00	14,770.48	16,924.15	14,770.48	15,608.94	-	1,624.77
3 BCP	29.75	29.75	4,060.18	5,713.81	4,060.18	4,639.40	166.46	99.88
4 PTTAR	48.66	48.66	12,820.01	27,715.14	12,820.01	26,414.04	720.99	3,604.97
5 IRPC	36.77	36.77	25,853.29	27,033.36	25,853.29	26,062.15	579.72	1,313.73
Oil Business Group								
6 THAPPLINE	33.19	33.19	2,682.35	578.41	2,682.35	349.17	-	-
7 TLBC	48.95	48.95	140.00	149.59	140.00	144.95	1.54	-
8 PA (Thailand)	35.00	35.00	131.25	-	131.25	-	-	-
9 V LPG	45.00	45.00	87.35	105.50	87.35	97.31	-	-
10 KPL	40.00	40.00	21.49	16.88	21.49	27.73	-	-
11 FST	25.00	25.00	1.13	1.32	1.13	1.30	-	-
Petrochemicals Business Group								
12 PTCH	49.30	49.30	33,520.89	52,392.82	33,520.89	52,293.47	780.05	3,021.51
13 PPCL	40.00	40.00	3,025.20	2,618.69	2,756.80	2,448.44	-	-
14 PTTME (Formerly APS)	40.00	40.00	66.40	124.79	28.51	37.05	-	-
Natural Gas Business Group								
15 IPT	20.00	20.00	400.19	1,475.53	400.19	1,436.96	18.06	-
16 AMATA NGD	50.00	50.00	80.00	259.36	80.00	247.21	-	80.00
17 TP	26.00	26.00	2,304.76	2,062.17	2,304.76	2,060.44	73.06	73.06
18 PTTUT	40.00	40.00	2,743.60	2,490.23	2,743.60	2,478.11	-	-
19 EMG	25.00	25.00	16,544.61	14,811.39	16,544.61	15,703.79	-	-
Coal Business Group								
20 RIM	33.50	-	1,406.64	1,394.76	-	-	-	-
Other Business Group								
21 PTTICT	20.00	20.00	60.00	106.36	60.00	93.12	-	-
22 ShoreAir	50.00	-	16.88	58.13	-	-	-	-
Total			132,117.53	188,045.15	130,387.72	179,286.63	3,341.53	12,572.45

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

5.3 Investments in subsidiaries, jointly controlled entities and associates in the separate financial statements as at June 30, 2009 and December 31, 2008

Separate financial statements

Unit: Million Baht

Company	Shareholding Percentage		Cost method		Dividends for the six-month periods ended June 30	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008	2009	2008
Subsidiaries:						
1 PTTEP	65.53	65.54	11,131.33	11,131.33	5,548.80	3,619.73
2 PTTT	100.00	100.00	2.50	2.50	-	-
3 PTTCL	100.00	100.00	0.23	0.23	-	-
4 SBECL	100.00	100.00	1,154.81	1,154.81	-	-
5 PTTNGD	58.00	58.00	418.14	418.14	-	522.00
6 PTTLNG	100.00	100.00	1,638.25	1,638.25	-	-
7 PTTPM	50.00	50.00	20.00	20.00	-	-
8 EnCo	50.00	50.00	900.00	400.00	-	-
9 RBA	49.00	49.00	0.49	0.49	-	-
10 PTTPL	100.00	100.00	1,200.00	1,200.00	-	-
11 PTTTB	100.00	100.00	5,100.00	5,100.00	-	-
12 CHPP	100.00	100.00	270.00	270.00	-	-
13 PTT INTER	100.00	100.00	8,682.00	100.00	-	-
14 PTTGE	100.00	100.00	5,906.05	2,714.33	-	-
15 BSA	25.00	25.00	0.50	0.50	-	-
16 PTT TANK	100.00	-	250.36	-	-	-
Total Investment in Subsidiaries			36,674.66	24,150.58	5,548.80	4,141.73
Jointly Controlled Entities:						
Natural Gas Business Group						
17 TTM(T)	50.00	50.00	5,490.00	5,320.00	-	-
18 TTM(M)	50.00	50.00	281.32	281.32	-	-
19 DCAP	35.00	35.00	350.00	350.00	-	-
Petrochemicals Business Group						
20 PTTAC	48.50	48.50	4,534.25	3,054.50	-	-
21 HMC	41.44	41.44	9,117.12	9,117.12	17.38	69.16
Total Investment in Jointly Controlled Entities			19,772.69	18,122.94	17.38	69.16

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

5.3 Investments in subsidiaries, jointly controlled entities and associates in the separate financial statements as at June 30, 2009 and December 31, 2008 (Continued)

Separate financial statements (Continued)

Unit: Million Baht

Company	Shareholding Percentage		Cost method		Dividends for the six-month periods ended June 30	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008	2009	2008
Associates:						
Refining Business Group						
22 TOP	49.10	49.10	11,380.83	11,380.83	1,001.65	2,754.53
23 SPRC	36.00	36.00	14,770.48	14,770.48	-	1,624.77
24 BCP	29.75	29.75	4,060.18	4,060.18	166.46	99.88
25 PTTAR	48.66	48.66	12,820.01	12,820.01	720.99	3,604.97
26 IRPC	36.77	36.77	25,853.29	25,853.29	579.72	1,313.73
Oil Business Group						
27 THAPPLINE	33.19	33.19	2,682.35	2,682.35	-	-
28 TLBC	48.95	48.95	140.00	140.00	1.54	-
29 PA (Thailand)	35.00	35.00	131.25	131.25	-	-
30 V LPG	45.00	45.00	87.35	87.35	-	-
31 KPL	40.00	40.00	21.49	21.49	-	-
Petrochemicals Business Group						
32 PTTCH	49.30	49.30	32,079.42	32,079.42	737.92	2,951.67
33 PPCL	40.00	40.00	3,025.20	2,756.80	-	-
34 PTTME(Formerly APS)	40.00	40.00	66.41	28.51	-	-
Natural Gas Business Group						
35 IPT	20.00	20.00	400.19	400.19	18.06	-
36 TP	26.00	26.00	2,304.76	2,304.76	73.06	73.06
37 PTTUT	40.00	40.00	2,743.60	2,743.60	-	-
Others Business Group						
38 PTTICT	20.00	20.00	30.00	30.00	-	-
Total Investment in Associates			112,596.81	112,290.51	3,299.40	12,422.61
Total			169,044.16	154,564.03	8,865.58	16,633.50

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

5.4 Share of net assets and results of operations from jointly controlled entities which are included in the consolidated financial statements as at June 30, 2009 and December 31, 2008 are as follows:

Balance Sheets:

As at June 30, 2009 and December 31, 2008

Unit: Million Baht

	June 30, 2009					December 31, 2008				
	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	TTM(T)	TTM(M)	DCAP	PTTAC	HMC
Current assets	3,327.47	114.71	174.86	2,781.96	2,314.14	2,458.49	109.52	195.56	1,622.33	2,175.17
Non-current assets	13,922.25	670.04	834.03	3,357.84	10,606.25	14,016.55	711.09	863.43	1,704.76	9,990.82
Current liabilities	(3,390.92)	(53.12)	(141.32)	(46.57)	(764.01)	(3,100.28)	(50.50)	(138.56)	(272.40)	(664.49)
Non-current liabilities	(7,773.61)	(527.17)	(598.50)	(1,561.43)	(4,171.34)	(7,982.04)	(540.76)	(637.00)	(4.62)	(3,939.56)
Net assets	6,085.19	204.46	269.07	4,531.80	7,985.04	5,392.72	229.35	283.43	3,050.07	7,561.94

Statements of Income:

For the three-month periods ended June 30, 2009 and 2008

Unit: Million Baht

	2009					2008				
	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	TTM(T)	TTM(M)	DCAP	PTTAC	HMC
Income	856.69	40.81	144.03	49.68	1,956.69	365.10	20.39	170.27	5.53	2,361.57
Expenses	(384.21)	(25.74)	(150.70)	(28.30)	(1,548.94)	(812.05)	(35.42)	(139.02)	(6.27)	(2,122.61)
Gain(loss) before taxes	472.48	15.07	(6.67)	21.38	407.75	(446.95)	(15.03)	31.25	(0.74)	238.96
Income taxes	-	-	-	-	(90.37)	-	0.32	-	-	(38.81)
Net income(loss)	472.48	15.07	(6.67)	21.38	317.38	(446.95)	(14.71)	31.25	(0.74)	200.15

For the six-month periods ended June 30, 2009 and 2008

Unit: Million Baht

	2009					2008				
	TTM(T)	TTM(M)	DCAP	PTTAC	HMC	TTM(T)	TTM(M)	DCAP	PTTAC	HMC
Income	1,290.38	35.44	285.79	43.06	3,416.95	771.24	46.97	304.88	5.55	4,708.64
Expenses	(767.91)	(51.53)	(300.14)	(40.57)	(2,850.85)	(677.07)	(48.46)	(274.89)	(10.14)	(4,130.76)
Gain(loss) before taxes	522.47	(16.09)	(14.35)	2.49	566.10	94.17	(1.49)	29.99	(4.59)	577.88
Income taxes	-	-	-	-	(123.93)	-	0.32	-	-	(94.46)
Net income(loss)	522.47	(16.09)	(14.35)	2.49	442.17	94.17	(1.17)	29.99	(4.59)	483.42

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

5.5 Significant events during the six-month period ended June 30, 2009

PTTEP

During the period, PTTEP's employees exercised the right to purchase ordinary shares under the Employee Stock Ownership Program (ESOP) as detailed in Note 14. The effect arising from the dilution of investments amounting to Baht 3.43 million was recognized as a surplus on dilution of investments in subsidiaries and associates in shareholders' equity. Hence, the Company's shareholding in PTTEP was 65.53 as at June 30, 2009.

PTTEP Australasia (Operations) Pty Ltd. (PTTEP AAO), a subsidiary of PTTEP, invested the sum of Baht 16.88 million in ShoreAir Pty Ltd., a company registered in Australia, giving it a shareholding of 50%.

PTTGE

On January 21, 2009, PTTGE's board of directors' meeting passed a resolution to increase the authorized share capital by USD 91 million or approximately Baht 3,191.72 million from Baht 2,714.33 million to Baht 5,906.05 million by issuing 91 million ordinary shares at a par value of USD 1. The Company made a payment for these shares on February 10, 2009. As a result, on June 30, 2009, PTTGE had authorized share capital comprising 173.85 million shares.

TTM(T)

At TTM(T)'s extraordinary shareholders' meeting No. 1/2009 held on January 7, 2009, a resolution was passed to increase the authorized share capital by Baht 693.60 million from Baht 10,640 million to Baht 11,333.60 million by issuing 69.36 million ordinary shares at a par value of Baht 10. TTM(T) called for payment of these additional shares in the amount of Baht 340 million. Accordingly, on March 25, 2009, the Company made a payment of Baht 170 million reflecting its shareholding of 50%.

PPCL

At PPCL's board of directors' meeting No. 1/2009 held on January 21, 2009, a resolution was passed to have its shareholders pay for the remaining unpaid shares in the amount of Baht 108 million. Accordingly, on February 12, 2009, the Company made a payment of Baht 43.20 million reflecting its shareholding of 40%.

At PPCL's extraordinary shareholders' meeting No. 2/2009 held on February 20, 2009, a resolution was passed to increase the authorized share capital by Baht 2,252 million from Baht 7,000 million to Baht 9,252 million by issuing 22.52 million ordinary shares at a par value of Baht 100. PPCL called for payment of 25% amounting to Baht 563 million. Thus, on March 13, 2009, the Company made a payment of Baht 225.20 million reflecting its shareholding of 40%.

PTT TANK

At the Company's board of directors' meeting No. 9/2008 held on September 19, 2008, a resolution was passed to establish PTT Tank Terminal Co., Ltd. (PTT TANK) to develop the terminal area and liquid product warehouses. PTT TANK was registered on March 6, 2009, with registered share capital of Baht 1,000 million comprising ten million shares of Baht 100 per share. The Company has a 100% shareholding in PTT Tank. PTT TANK called for payment of 25% of the shares, amounting to Baht 250 million. Thus, on February 25, 2009, the Company made this payment.

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

5.5 Significant events during the six-month period ended June 30, 2009 (Continued)

PTT INTER

PTT INTER's ordinary shareholders' meeting held on April 1, 2009 passed a resolution to increase the authorized share capital by Baht 16,500 million from Baht 100 million to Baht 16,600 million by issuing 1,650 million ordinary shares at a par value of Baht 10. PTT INTER called for the first payment of 25%, amounting to Baht 4,125 million. Hence, the Company made a payment on April 7, 2009. On April 20, 2009, PTT INTER called for the second payment in the amount of Baht 4,457 million. Hence, the Company made a payment on April 24, 2009.

On April 28, 2009, Lints Limited, Hong Kong (Lints), a subsidiary of PTT INTER, acquired Straits Bulk and Industrial Pty Limited (SBI) in the 60% interest from Straits Resources Limited (SRL) and made the first payment amounting to USD 219.87 million or approximately Baht 7,822 million and received the transferred SBI stock on the acquisition date. As SBI holds 47.1% interest in Straits Asia Resources (SAR), a company listed with the Singapore Exchange Securities Trading Limited (SGX), the acquisition of the 60% interest in SBI by Lints triggered a mandatory general offer of SAR. As a result, Lints was required to make an offer for all of the remaining SAR shares on the SGX at SGD 0.807 per share.

On June 15, 2009, Lints had completed the offer for all the remaining issued shares and received acceptance of the offer for 2,563,098 shares representing approximately 0.23% of all SAR shares. The offer has not become unconditional in accordance with the terms of the offer. Therefore the relevant number of offer shares in respect of which the SAR shareholders have accepted the offer has been transferred back to the respective securities accounts of each accepting shareholder. As a result, the total numbers of SAR shares owned and controlled by Lints and parties acting in concert with it remain the same as an aggregate amount of 514,679,220 shares, representing approximately 47.1% of all the SAR shares.

As a result of the acquisition of shares in SBI by Lints, a subsidiary of PTT INTER, on April 28, 2009, an investment in Red Island Mineral (RIM) has arisen. SBI has 33.50% shareholding in RIM. RIM operates a venture capital business with the Madagascar government involved in the exploration and development of coal mining.

On June 29, 2009, SBI registered a changed in name from Straits Bulk and Industrial Pty Limited to PTT Asia Pacific Mining Pty Ltd.(PTTAPM).

PTTAC

PTTAC's board of directors' meeting No. 2/2009 held on February 27, 2009 passed a resolution to call for the third payment for additional authorized share capital of 25% amounting to Baht 1,479.75 million. Hence, the Company made a payment on May 25, 2009.

PTTME (APS)

PTTME's ordinary shareholders' meeting held on April 21, 2009 passed a resolution to increase the authorized share capital by Baht 157.8774 million from Baht 42.1226 million to Baht 200 million by issuing 1,578,774 million ordinary shares at a par value of Baht 100. PTTME called for the first payment of 60%. Hence, on April 30, 2009, the Company made a payment amounting to Baht 37.89 million reflecting the shareholding of 40%.

On June 18, 2009, APS registered a changed in name from Alliance Plant Service Co., Ltd.(APS) to PTT Maintenance and Engineering Co., Ltd.(PTTME).

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

5.5 Significant events during the six-month period ended June 30, 2009 (Continued)

ENCO

ENCO's ordinary shareholders' meeting held on April 22, 2009 passed a resolution to increase the authorized share capital by Baht 1,000 million from Baht 800 million to Baht 1,800 million by issuing 100 million ordinary shares at a par value of Baht 10. ENCO called for full payment in respect of this additional capital. On May 25, 2009, the Company made a payment amounting to Baht 500 million reflecting its interest of 50%.

5.6 Additional information in respect of associates

5.6.1 The Company has not recognized the share of net profit(loss) from some associates for the three-month period ended June 30, 2009 amounting to Baht 1.29 million (2008: Baht (0.06) million) and for the six-month period ended June 30, 2009 amounting to Baht 1.73 million (2008: Baht 0.16 million) because as at June 30, 2009, the Company had an unrealized accumulated loss carried forward from associates amounting to Baht 66.33 million (December 31, 2008: Baht 68.06 million).

5.6.2 The fair value of investments in associates which have equity securities traded on the Stock Exchange of Thailand (SET) is calculated based on the current bid price at the balance sheet date. The details are as follows:

The fair value of investments in associates as at June 30, 2009 and December 31, 2008

<u>Associates</u>	<u>June 30, 2009</u>	Unit: Million Baht
		<u>December 31, 2008</u>
PTTCH	38,556.18	23,244.39
BCP	4,694.17	2,580.13
IRPC	23,478.52	15,652.35
TOP	35,558.48	23,638.88
PTTAR	26,099.97	14,131.48

6. Other Long-term Investments, Net

6.1 Other long-term investments, net as at June 30, 2009 and December 31, 2008 are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
General investments	2,349.78	2,247.63	1,106.12	1,106.12
Investments in available-for-sale securities				
- Investments in equity instruments	336.00	336.00	336.00	336.00
- Investments in debt securities	585.60	585.60	585.60	585.60
- Investments in mutual funds	5,343.16	5,343.16	5,343.16	5,343.16
Allowance for increase in fair value of investments	708.61	(727.65)	708.61	(727.65)
Total	9,323.15	7,784.74	8,079.49	6,643.23

6.2 Details of other long-term investments of the Company are as follows:

Company	Country of incorporation	Business	Shareholding Percentage	
			June 30, 2009	December 31, 2008
Petro Asia (Huizhou) Co., Ltd. (PA (Huizhou))	China	Oil marketing	25.00	25.00
Petro Asia (Shantou) Co., Ltd. (PA (Shantou))	China	Oil marketing	15.00	15.00
Petro Asia (Maoming) Co., Ltd. (PA (Maoming))	China	Oil marketing	20.00	20.00
Petro Asia (Sanshui) Co., Ltd. (PA (Sanshui))	China	Oil marketing	25.00	25.00
PTT Mart Co., Ltd. (PTT Mart)	Thailand	Management services	49.00	49.00
Fuel Pipeline Transportation Co., Ltd. (FPT)	Thailand	Oil pipeline	2.76	2.76
Intoplane Services Co., Ltd. (IPS)	Thailand	Aircraft refuelling services	16.67	16.67
Ratchaburi Power Co., Ltd. (RPCL)	Thailand	Electricity generation	15.00	15.00
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

6. Other Long-term Investments, Net (Continued)

6.3 Other long-term investments, net as at June 30, 2009 and December 31, 2008 are as follows:

Unit: Million Baht

Company	Shareholding Percentage		Consolidated financial statements		Separate financial statements		Dividends for the six-month periods ended June 30	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008	2009	2008
General Investments								
1 PA (Huizhou)	25.00	25.00	15.16	15.16	15.16	15.16	-	-
2 PTT Mart	49.00	49.00	78.40	78.40	78.40	78.40	-	-
3 FPT	2.76	2.76	44.00	44.00	44.00	44.00	-	-
4 IPS	16.67	16.67	0.02	0.02	0.02	0.02	-	-
5 PA (Shantou)	15.00	15.00	60.84	60.84	60.84	60.84	-	-
6 RPCL	15.00	15.00	1,098.75	1,098.75	1,098.75	1,098.75	-	-
7 ROC	5.91	5.91	643.73	643.73	-	-	-	-
8 BAPT	2.07	2.07	18.19	18.19	-	-	-	-
9 PA(Maoming)	20.00	20.00	14.83	14.83	14.83	14.83	-	-
10 PA(Sanshui)	25.00	25.00	6.06	6.06	6.06	6.06	-	-
11 KOT	10.00	10.00	117.93	117.93	-	-	-	-
12 KIF	10.00	10.00	48.84	48.84	-	-	-	-
13 KAD I	10.00	10.00	245.39	245.39	-	-	-	-
14 KAD II	10.00	10.00	65.52	65.52	-	-	-	-
15 XML (Note 19)	13.00	-	120.13	-	-	-	-	-
Total investments accounted for under the cost method			2,577.79	2,457.66	1,318.06	1,318.06		
Currency translation differences			2.12	20.10	-	-		
Allowance for impairment of investments			(230.13)	(230.13)	(211.94)	(211.94)		
Total general investments			2,349.78	2,247.63	1,106.12	1,106.12		
Investments in Available-for-sale Securities								
Investments in equity instruments								
16 TIP	13.33	13.33	312.00	312.00	312.00	312.00	-	-
17 BAFS	7.06	7.06	24.00	24.00	24.00	24.00	-	-
Total investments in equity instruments			336.00	336.00	336.00	336.00		
Investments in debt securities								
Investments in mutual funds								
MFC Energy Fund	32.57	32.57	293.16	293.16	293.16	293.16	-	-
FAM EPIF			5,050.00	5,050.00	5,050.00	5,050.00	-	-
			6,264.76	6,264.76	6,264.76	6,264.76		
Allowance for increase in fair value of investments			708.61	(727.65)	708.61	(727.65)		
Total investments in available-for-sale securities			6,973.37	5,537.11	6,973.37	5,537.11		
Total other long-term investments			9,323.15	7,784.74	8,079.49	6,643.23	-	-

6. Other Long-term Investments, Net (Continued)

6.3 Other long-term investments, net as at June 30, 2009 and December 31, 2008 are as follows: (Continued)

The allowance for impairment of other long-term investments in the consolidated financial statements amounting to Baht 230.13 million comprises the allowance for impairment of investments in PTT Mart, PA (Huizhou), FPT, PA (Shantou), PA (Maoming), PA (Sanshui) and BAPT amounting to Baht 78.40, 15.16, 44.00, 60.84, 7.48, 6.06 and 18.19 million, respectively, and in the separate financial statements amounting to Baht 211.94 million.

6.4 Significant events during the six-month period ended June 30, 2009

PTT INTER

As a result of Lint's acquisition of shares in Straits Bulk and Industrial Pty Limited (SBI) (now known as PTT Asia Pacific Mining (PTTAPM)), a subsidiary of PTT INTER, on April 28, 2009, a long-term investment in Xanadu Mines Ltd (XML) has arisen. PTTAPM's subsidiary held 13% interest with an investment amount of USD 3.38 million or approximately Baht 120.13 million. XML operates a mine exploration business in the Republic of Mongolia.

7. Property, Plant and Equipment, Net

Property, plant and equipment, net as at June 30, 2009 and December 31, 2008 are as follows:

Unit: Million Baht

	Consolidated financial statements							Total
	Land	Buildings and building improvements	Machinery and equipment	Oil and gas properties	Mining properties	Other assets	Construction in progress	
Cost								
As at December 31, 2008	8,758.43	22,290.59	204,893.79	283,616.19	-	9,442.25	53,031.61	582,032.86
- Business acquisition (Note 19)	394.64	-	2,367.63	18,767.18	18,277.45	969.63	2,129.46	42,905.99
- Additions	86.91	338.56	2,321.93	27,020.04	87.92	509.72	30,704.26	61,069.34
- Borrowing costs	-	-	-	-	-	-	975.23	975.23
- Reclassification	147.85	2,152.83	12,674.03	169.69	-	813.02	(15,874.92)	82.50
- Disposals	-	(28.62)	(104.46)	(2,133.93)	-	(112.35)	(387.36)	(2,766.72)
- Currency translation differences	(15.39)	(1.57)	(131.75)	(185.49)	(743.55)	(40.37)	(85.60)	(1,203.72)
As at June 30, 2009	9,372.44	24,751.79	222,021.17	327,253.68	17,621.82	11,581.90	70,492.68	683,095.48
Accumulated Depreciation								
As at December 31, 2008	-	(10,745.63)	(71,077.59)	(118,115.88)	-	(6,365.68)	-	(206,304.78)
- Business acquisition (Note 19)	-	-	(506.34)	-	(1,902.13)	(584.35)	-	(2,992.82)
- Depreciation for the period	-	(660.22)	(4,244.97)	(13,571.36)	(106.26)	(474.91)	-	(19,057.72)
- Reclassification	-	(48.15)	(5.05)	(16.14)	-	(3.19)	-	(72.53)
- Disposals	-	18.90	89.44	-	-	97.46	-	205.80
- Currency translation differences	-	0.24	31.43	67.98	79.55	26.64	-	205.84
As at June 30, 2009	-	(11,434.86)	(75,713.08)	(131,635.40)	(1,928.84)	(7,304.03)	-	(228,016.21)
Allowance for Impairment of Assets								
As at December 31, 2008	(53.53)	(259.64)	(242.73)	(558.07)	-	-	-	(1,113.97)
- Loss on impairment of assets	-	-	-	(3.77)	-	-	-	(3.77)
As at June 30, 2009	(53.53)	(259.64)	(242.73)	(561.84)	-	-	-	(1,117.74)
Net Book Value								
As at December 31, 2008	8,704.90	11,285.32	133,573.47	164,942.24	-	3,076.57	53,031.61	374,614.11
As at June 30, 2009	9,318.91	13,057.29	146,065.36	195,056.44	15,692.98	4,277.87	70,492.68	453,961.53

7. Property, Plant and Equipment, Net (Continued)

Unit: Million Baht

	Separate financial statements					Total
	Land	Buildings and building improvements	Machinery and equipment	Other assets	Construction in progress	
Cost						
As at December 31, 2008	7,395.92	16,018.02	182,678.93	7,815.14	32,665.46	246,573.47
- Additions	58.81	54.57	1,578.54	83.94	22,634.97	24,410.83
- Borrowing costs	-	-	-	-	589.91	589.91
- Reclassification	223.09	2,070.86	9,557.20	322.06	(12,274.79)	(101.58)
- Disposals	-	(9.73)	(37.08)	(62.21)	-	(109.02)
As at June 30, 2009	7,677.82	18,133.72	193,777.59	8,158.93	43,615.55	271,363.61
Accumulated Depreciation						
As at December 31, 2008	-	(8,312.25)	(63,840.33)	(5,349.51)	-	(77,502.09)
- Depreciation for the period	-	(442.28)	(3,455.35)	(370.50)	-	(4,268.13)
- Reclassification	-	0.51	(0.86)	0.38	-	0.03
- Disposals	-	8.65	34.15	49.19	-	91.99
As at June 30, 2009	-	(8,745.37)	(67,262.39)	(5,670.44)	-	(81,678.20)
Allowance for Impairment of Assets						
As at December 31, 2008	(53.53)	(259.64)	(242.73)	-	-	(555.90)
As at June 30, 2009	(53.53)	(259.64)	(242.73)	-	-	(555.90)
Net Book Value						
As at December 31, 2008	7,342.39	7,446.13	118,595.87	2,465.63	32,665.46	168,515.48
As at June 30, 2009	7,624.29	9,128.71	126,272.47	2,488.49	43,615.55	189,129.51

Borrowing costs in the consolidated financial statements amounting to Baht 975.23 million (December 31, 2008: Baht 1,958.67 million) and in the separate financial statements amounting to Baht 589.91 million (December 31, 2008: Baht 1,602.04 million) were capitalized as part of the costs of property, plant and equipment. The Group used capitalization rates ranging from 3.32% - 7.25% (December 31, 2008: 5.29% - 7.25%).

7. Property, Plant and Equipment, Net (Continued)

As at June 30, 2009 and December 31, 2008, the net book value of other assets included vehicles acquired under finance leases. The details are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
Cost	842.75	863.07	725.52	766.48
<u>Less: Accumulated depreciation</u>	<u>418.06</u>	<u>373.10</u>	<u>378.05</u>	<u>345.71</u>
Net book value	<u>424.69</u>	<u>489.97</u>	<u>347.47</u>	<u>420.77</u>

8. Intangible Assets, Net

The details of changes in intangible assets, net are as follows:

Unit: Million Baht

	Consolidated financial statements	Separate financial statements
Net book value as at December 31, 2008	16,057.72	14,383.90
- Business acquisition (Note 19)	3,382.68	-
- Additions	505.73	20.27
- Amortization	(454.10)	(281.34)
- Reclassification	81.31	84.66
- Disposals	(0.27)	-
- Currency translation differences	(4.97)	-
Net book value as at June 30, 2009	<u>19,568.10</u>	<u>14,207.49</u>

9. Goodwill, Net

The details of changes in goodwill, net are as follows:

Unit: Million Baht

	Consolidated financial statements
Net book value as at December 31, 2008	12,107.22
- Additions	4,986.85
- Currency translation differences	(279.13)
- Loss on impairment	(10.62)
Net book value as at June 30, 2009	<u>16,804.32</u>

10. Advance Payments for Gas Purchased

The details of changes in advance payments for gas purchased are as follows:

	Unit: Million Baht	
	Consolidated financial statements	Separate financial statements
Balance as at December 31, 2008	24,055.93	26,590.36
Additions	25.79	25.79
Make up Right Adjustment	910.90	1,123.95
Balance as at June 30, 2009	24,992.62	27,740.10

The Company paid in advance for the committed gas volumes from Yadana and Yetagun gas fields in the Union of Myanmar, irrespective of take-up in 1998-2001, according to the established minimum volume in the Export Gas Sales Agreements (Take or Pay). The Company had the right to take certain volumes of prepaid gas (Make up right) in subsequent years, with no maturity period. As at June 30, 2009, the remaining advance payments for gas purchased are for irrespective of take up gas in 2000-2001. In addition, the Company adjusted the volume and price of the make up right for the year 2008 amounting to Baht 910.90 million in the consolidated financial statements and Baht 1,123.95 million in the separate financial statements.

During the period, the Company paid Baht 25.79 million in advance for the committed gas volumes from the Malaysia-Thailand Joint Development Area (JDA) gas field Block A-18 in Malaysia for take up in 2008. As at June 30, 2009, the Company has not made up any gas from this gas field.

11. Long-term Loans

Long-term loans as at June 30, 2009 and December 31, 2008 are as follows:

Current Portion of Long-term Loans

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
Loans – Baht currency	8,575.25	9,473.50	8,500.00	9,400.00
Loans – Baht currency – EPPO	136.98	57.54	136.98	57.54
Loans – Foreign currencies	11,489.06	1,050.32	1,684.86	406.62
Bonds – Baht currency	9,497.23	-	-	-
Liabilities from finance leases	1,318.31	193.40	217.08	175.24
Total	31,016.83	10,774.76	10,538.92	10,039.40

11. Long-term Loans (Continued)

Long-term Loans

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
Loans – Baht currency	47,548.99	34,776.67	40,500.00	33,000.00
Loans – Baht currency – EPPO	481.28	209.22	481.28	209.22
Loans – Foreign currencies	30,640.45	31,898.87	18,064.32	20,579.19
Bonds – Baht currency	160,048.87	114,592.25	111,104.20	96,104.20
Bonds – Foreign currencies	45,334.86	46,543.72	45,334.86	46,543.72
Liabilities from finance leases	8,694.17	329.84	155.66	274.44
Total	<u>292,748.62</u>	<u>228,350.57</u>	<u>215,640.32</u>	<u>196,710.77</u>

As at June 30, 2009, the Company's loans amounting to Baht 30,260.39 million (December 31, 2008: Baht 36,895.51 million) were secured by the Ministry of Finance.

On April 2, 2009, the Company entered into a long-term loan agreement with a financial institution, amounting to Baht 12,000 million with a maturity period of ten years, bearing interest at a rate of 6M THBFIX + 2.00% per annum. The principal and interest are payable every six months on June 30 and December 30. The first payment of interest was made on June 30, 2009 and the principal is repayable from June 30, 2016 to December 2018. The last repayment will be made on maturity date.

On April 23, 2009, the Company entered into an operating loan agreement with a financial institution, amounting to Baht 2,000 million with a maturity period of three years, bearing interest at the rate of SPRL – 2.00% per annum. The interest is payable every six months on the last day of June and December as well as the first payment was made on June 25, 2009. The principal is repayable in installments of Baht 500 million on the last day of December. The last repayment of Baht 1,000 million will be made within the last day of December 2011.

On April 2, 2009, a subsidiary entered into a long-term loan agreement with a financial institution amounting to Baht 5,000 million with a maturity period of 13 years, bearing interest at the rate of 6M THBFIX + 2.50% per annum. The interest is payable every month. The first payment of interest was made in April, 2009 and the principal is repayable every three months starting from March, 2016.

Loans from Energy Policy and Planning Office (EPPO)

On September 15, 2006, the Company entered into an Energy Conservation Fund Confirmation Letter in accordance with the Working Capital Fund for the NGV Project in order to borrow funds from the Energy Policy and Planning Office (EPPO) at a credit limit of Baht 2,000 million. The Company received the allocated funds in the form of a loan at the actual payment within 24 months after the signing date in the confirmation letter. On January 10, 2008, the Company drew down the first loan amount of Baht 90 million with a redemption period of five years, repayable every three months at an amount of Baht 4.56 million per repayment, totalling 20 repayments. The loan bears interest at the fixed rate of 0.50% per annum, payable every three months. The first payment was made in April 2008, and the last payment will be made in January 2013.

11. Long-term Loans (Continued)

Loans from Energy Policy and Planning Office (EPPO) (Continued)

Subsequently, on August 25, 2008, the Company drew down a second loan amount of Baht 200 million with a maturity period of five years, bearing interest at the fixed rate of 0.50% per annum, payable every three months. The principal is payable every three months in installments of Baht 10.31 million, totalling 20 installments. The first payment was made in November 2008, and the last payment will be made in August 2013.

On March 25, 2009, the Company drew down the third loan amount of Baht 400 million with a maturity period of five years, bearing interest at a fixed rate of 0.50% per annum, payable every three months. The principal is payable every three months in installments of Baht 20.26 million, totalling 20 installments. The first payment will be made in June 2009, and the last payment will be made in March 2014.

11.1 Loans

Movements of loans in Baht currency and foreign currencies for the six-month period ended June 30, 2009 are as follows:

	Consolidated financial statements			Unit: Million
	Currency			Total equivalent to Baht
	Baht	USD	JPY	
Balance as at December 31, 2008	44,516.93	683.50	23,000.00	77,466.12
- Additions	19,710.82	395.87	-	30,416.47
- Repayments	(7,485.25)	(235.80)	-	(15,842.45)
- Gain on exchange rate	-	-	-	(1,997.03)
- Business acquisitions	-	249.37	-	8,850.94
- Currency translation differences	-	-	-	(22.04)
- Current portion	(8,712.23)	(337.35)	-	(20,201.29)
Balance as at June 30, 2009	48,030.27	755.59	23,000.00	78,670.72

	Separate financial statements			Unit: Million
	Currency			Total equivalent in Baht
	Baht	USD	JPY	
Balance as at December 31, 2008	42,666.76	342.63	23,000.00	63,652.57
- Additions	14,400.00	-	-	14,400.00
- Repayments	(7,448.50)	(5.74)	-	(7,649.94)
- Gain on exchange rate	-	-	-	(1,035.19)
- Current portion	(8,636.98)	(49.31)	-	(10,321.84)
Balance as at June 30, 2009	40,981.28	287.58	23,000.00	59,045.60

11. Long-term Loans (Continued)

11.2 Bonds

Bonds as at June 30, 2009 and December 31, 2008 are as follows:

Unit: Million

	Consolidated financial statements			
	June 30, 2009		December 31, 2008	
	Baht	USD	Baht	USD
Unsecured unsubordinated bonds				
- USD currency	45,334.86	1,326.77	46,543.72	1,326.70
- Baht currency	169,546.10	-	114,592.25	-
- Current portion	(9,497.23)	-	-	-
Total	<u>205,383.73</u>	<u>1,326.77</u>	<u>161,135.97</u>	<u>1,326.70</u>

Unit: Million

	Separate financial statements			
	June 30, 2009		December 31, 2008	
	Baht	USD	Baht	USD
Unsecured unsubordinated bonds				
- USD currency	45,334.86	1,326.77	46,543.72	1,326.70
- Baht currency	111,104.20	-	96,104.20	-
Total	<u>156,439.06</u>	<u>1,326.77</u>	<u>142,647.92</u>	<u>1,326.70</u>

On March 6, 2009, the Company issued unsecured unsubordinated bonds for sale to retail and institutional investors No.1/2009 totalling Baht 15,000 million. The details are as follows:

Conditions	Details
Aggregate amount of bonds (million Baht)	15,000
Tenor (years)	15 With put option in 8 th year
Fixed interest rate (% per annum)	Year 1-5: 5.00 Year 6-8: 6.20 Year 9-15: 6.80
Interest installments	Payable every six months on September 6 and March 6
Issuance date	March 6, 2009
Maturity date	March 6, 2024

11. Long-term Loans (Continued)

11.2 Bonds (Continued)

On May 29, 2009, PTTEP issued unsecured unsubordinated bonds for sale to retail and institutional investors totalling Baht 40,000 million, two times and two tranches each. The details are as follows:

Conditions	No.1 Tranche 1	No.1 Tranche 2
Aggregate amount of bonds (million Baht)	18,300	11,700
Tenor (years)	3	5
Fixed interest rate (% per annum)	3.25	4.00
Interest installments	Payable every six months	
Issuance date	May 29, 2009	May 29, 2009
Maturity date	May 29, 2012	May 29, 2014
Offering to	Retail investors	Retail investors

Conditions	No.2 Tranche 1	No.2 Tranche 2
Aggregate amount of bonds (million Baht)	5,000	5,000
Tenor (years)	4	10
Fixed interest rate (% per annum)	Year 1-2: 3.00 Year 3-4: 4.00 or 6M THBFIX + 1.25% with 3.25% floor and 6.00% cap	4.80
Interest installments	Payable every six months	
Issuance date	May 29, 2009	May 29, 2009
Maturity date	May 29, 2013	May 29, 2019
Offering to	Institutional investors	Institutional investors

11. Long-term Loans (Continued)

11.3 Liabilities from Finance Leases

Liabilities from finance leases as at June 30, 2009 and December 31, 2008 are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	June 30, 2009	December 31, 2008	June 30, 2009	December 31, 2008
Liabilities from finance leases				
- Not later than 1 year	1,333.81	213.67	230.27	194.42
- Later than 1 year and not later than 5 years	8,700.44	339.04	159.28	282.62
Future finance charges on finance leases	(21.77)	(29.47)	(16.80)	(27.36)
Present value of liabilities from finance leases	<u>10,012.48</u>	<u>523.24</u>	<u>372.75</u>	<u>449.68</u>
Present value of liabilities from finance leases				
- Current liabilities (Not later than 1 year)	1,318.31	193.40	217.08	175.24
- Non-current liabilities (Later than 1 year and not later than 5 years)	8,694.17	329.84	155.67	274.44
Total	<u>10,012.48</u>	<u>523.24</u>	<u>372.75</u>	<u>449.68</u>

During the year 2009, PTTEP has finance lease liabilities arising from the use of the Floating Production Storage and Offloading (FPSO) of PTTEP Australasia project. PTTEP recorded the capital expenditure at the lower of the fair value of the leased property or the present value of the minimum lease payments and recorded the liabilities at the lease obligation value, net of finance charges. The costs of finance lease are approximately USD 365 million. PTTEP will repay the lease within one month prior to the first oil in the Montara area and the lease contract term is five years. The interest rate for the lease is 10.34% per annum. PTTEP recognized the assets from finance leases as "Oil and Gas Properties" under "Property, Plant and Equipment, net" in the balance sheets. As at June 30, 2009, the finance lease liabilities amounting to Baht 9,555.01 million are included in the balance sheets.

12. Provision for Decommissioning Costs

The Group recognized provision for liabilities as at June 30, 2009 and December 31, 2008 for decommissioning costs expected to be incurred in the future amounting to Baht 20,003.58 million and Baht 16,309.66 million, respectively. The provision was estimated based on existing technology and current prices according to judgment of the Group's engineers and management.

13. Share Capital

13.1 Share Capital – Authorized Share Capital

	Par value (Baht per share)	The number of authorized share capital (shares)	The value of authorized share capital (Baht)
As at December 31, 2008	10	2,857,245,725	28,572,457,250
As at June 30, 2009	10	2,857,245,725	28,572,457,250

13. Share Capital (Continued)

13.2 Share Capital – Issued and Paid-up Share Capital

	The number of issued and fully paid-up share capital (shares)	The value of issued and fully paid-up share capital (Baht)	Premium on share capital (Baht)	Total (Baht)
As at December 31, 2008	2,824,056,625	28,240,566,250	22,801,956,166	51,042,522,416
Additions	657,100	6,571,000	115,968,200	122,539,200
As at June 30, 2009	<u>2,824,713,725</u>	<u>28,247,137,250</u>	<u>22,917,924,366</u>	<u>51,165,061,616</u>

The details of the issued and offered warrants under the Employee Stock Ownership Plan (ESOP) are as follows:

Date of issue and offer of warrants	Exercise price (Baht per share)	Exercise right (warrant per ordinary share)	The number of allotted shares (million shares)	The number of reserved shares (million shares)	Last exercise date of warrants
September 1, 2005	183	1 : 1	24.07	15.93	August 31, 2010
September 29, 2006	234	1 : 1	3.39	16.61	September 28, 2011
			<u>27.46</u>	<u>32.54</u>	

14. Earnings per Share

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

For the calculation of diluted earnings per share, the Company assumes that warrants of the Group given to directors, management and employees that can be exercised are converted to ordinary shares. The exercise of these warrants resulted in net income of the Group recognized in the Company's financial statements, adjusted by decreases in shareholding proportion. The number of diluted shares was calculated by using a market price (an average market price of the Company's ordinary shares during the period) and exercise prices. This calculation is prepared to determine the number of ordinary shares to be added to ordinary shares held by third parties for the calculation of diluted earnings per share.

14. Earnings per Share (Continued)

Basic earnings per share and diluted earnings per share for the three-month periods ended June 30, 2009 and 2008 are calculated as follows:

Consolidated financial statements

	Basic Earnings per Share		Diluted Earnings per Share	
	2009	2008	2009	2008
Net income attributable to ordinary shareholders (Baht)	19,895,160,336	29,884,508,682	19,895,160,336	29,884,508,682
Adjustment of net income (Baht)	-	-	(121,871,539)	(146,323,493)
Net income for calculation of earnings per share (Baht)	19,895,160,336	29,884,508,682	19,773,288,797	29,738,185,189
Weighted average number of ordinary shares for calculation of earnings per share (shares)	2,824,258,942	2,818,606,829	2,826,243,923	2,833,318,241
Earnings per share (Baht/share)	7.04	10.60	7.00	10.50

Separate financial statements

	Basic Earnings per Share		Diluted Earnings per Share	
	2009	2008	2009	2008
Net income attributable to ordinary shareholders (Baht)	10,208,582,170	20,213,748,336	10,208,582,170	20,213,748,336
Weighted average number of ordinary shares for calculation of earnings per share (shares)	2,824,258,942	2,818,606,829	2,826,243,923	2,833,318,241
Earnings per share (Baht/share)	3.61	7.17	3.61	7.13

Basic earnings per share and diluted earnings per share for the six-month periods ended June 30, 2009 and 2008 are calculated as follows:

Consolidated financial statements

	Basic Earnings per Share		Diluted Earnings per Share	
	2009	2008	2009	2008
Net income attributable to ordinary shareholders (Baht)	27,343,870,369	56,017,063,724	27,343,870,369	56,017,063,724
Adjustment of net income (Baht)	-	-	(193,252,360)	(234,805,454)
Net income for calculation of earnings per share (Baht)	27,343,870,369	56,017,063,724	27,150,618,009	55,782,258,270
Weighted average number of ordinary shares for calculation of earnings per share (shares)	2,824,158,342	2,818,139,775	2,824,158,342	2,832,763,389
Earnings per share (Baht/share)	9.68	19.88	9.61	19.69

14. Earnings per Share (Continued)

Separate financial statements

	Basic Earnings per Share		Diluted Earnings per Share	
	2009	2008	2009	2008
Net income attributable to ordinary shareholders (Baht)	17,498,324,656	37,367,051,175	17,498,324,656	37,367,051,175
Weighted average number of ordinary shares for calculation of earnings per share (shares)	2,824,158,342	2,818,139,775	2,824,158,342	2,832,763,389
Earnings per share (Baht/share)	6.20	13.26	6.20	13.19

Diluted earnings resulted from the issuance of name registered and non-transferable warrants by the Company and the Group to their directors, management and employees.

The Company issued warrants under the Employee Stock Ownership Plan (ESOP) according to Note 13.

PTTEP

PTTEP had registered share capital of 3,322 million ordinary shares with a par value of Baht 1 per share, totalling Baht 3,322 million. On May 12, 2009, PTTEP registered a change in its issued and fully paid-up capital to 3,307.56 million ordinary shares with a par value of Baht 1 per share, totalling Baht 3,307.56 million.

PTTEP has reserved ordinary shares for the exercise of warrants under the Employee Stock Ownership Plan (ESOP) for five years consecutively, totalling 62 million ordinary shares. As at June 30, 2009, the employees had exercised warrants for 47.56 million ordinary shares. Therefore, the remaining reserved shares for exercise totalled 14.44 million ordinary shares. The details are as follows:

<u>Date of issue and offer of warrants</u>	<u>Exercise price (Baht per share)</u>	<u>Exercise right (warrant per ordinary share)</u>	<u>The number of allotted shares (million shares)</u>	<u>The number of reserved shares (million shares)</u>	<u>Last exercise date of warrants</u>
August 1, 2002*	22.20	1 : 5	9.78	0.22	July 31, 2007
August 1, 2003*	23.40	1 : 5	9.71	0.29	July 31, 2008
August 1, 2004	36.60	1 : 5	13.36	0.64	July 31, 2009
August 1, 2005	55.60	1 : 5	9.54	4.46	July 31, 2010
August 1, 2006	91.20	1 : 5	5.17	8.83	July 31, 2011
			<u>47.56</u>	<u>14.44</u>	

*As at June 30, 2009, the warrants of PTTEP issued and offered on August 1, 2002 and August 1, 2003 had expired. There were 0.04 million units and 0.06 million units of unexercised warrants, respectively.

14. Earnings per Share (Continued)

PTTAR

PTTAR issued and offered warrants under the Employee Stock Ownership Plan (ESOP) as follows:

<u>Date of issue and offer of warrants</u>	<u>Exercise price (Baht per share)</u>	<u>Exercise right (warrant per ordinary share)</u>	<u>The number of allotted shares (million shares)</u>	<u>The number of reserved shares (million shares)</u>	<u>Last exercise date of warrants</u>
October 15, 2007	23.22	1 : 0.52	-	30.19	October 15, 2012

PTTCH

PTTCH issued and offered warrants under the Employee Stock Ownership Plan (ESOP) as follows:

<u>Date of issue and offer of warrants</u>	<u>Exercise price (Baht per share)</u>	<u>Exercise right (warrant per ordinary share)</u>	<u>The number of allotted shares (million shares)</u>	<u>The number of reserved shares (million shares)</u>	<u>Last exercise date of warrants</u>
September 29, 2006	66.50	1 : 1	6.71	22.29	September 28, 2011

IRPC

IRPC issued and offered warrants under the Employee Stock Ownership Plan (ESOP) as follows:

<u>Date of issue and offer of warrants</u>	<u>Exercise price (Baht per share)</u>	<u>Exercise right (warrant per ordinary share)</u>	<u>The number of allotted shares (million shares)</u>	<u>The number of reserved shares (million shares)</u>	<u>Last exercise date of warrants</u>
June 29, 2007	2.88	1 : 1	215.61	692.26	June 28, 2011
September 28, 2007	2.88	1 : 1	3.42	34.68	September 27, 2011
			<u>219.03</u>	<u>726.94</u>	

BCP

BCP issued and offered convertible bonds to institutional investors and companies as follows:

<u>Date of issue and offer of convertible bonds</u>	<u>Exercise price (Baht per share)</u>	<u>Exercise right (convertible bond per ordinary share)</u>	<u>The number of allotted shares (million shares)</u>	<u>The number of reserved shares (million shares)</u>	<u>Last exercise date of convertible bonds</u>
January 29, 2004	14.30	1 : 699	178.20	101.40	September 30, 2013
May 16, 2006	14.00	1 : 714	-	41.81	May 15, 2016
			<u>178.20</u>	<u>143.21</u>	

14. Earnings per Share (Continued)

BCP issued and offered warrants under the Employee Stock Ownership Plan (ESOP) as follows:

Date of issue and offer of warrants	Exercise price (Baht per share)	Exercise right (warrant per ordinary share)	The number of allotted shares (million shares)	The number of reserved shares (million shares)	Last exercise date of warrants
August 25, 2004	5.00	1 : 1	-	24.00	August 24, 2009
May 15, 2006	18.00	1 : 1	0.06	69.03	May 14, 2011
			<u>0.06</u>	<u>93.03</u>	

15. Other Income

Other income for the three-month periods ended June 30, 2009 and 2008 are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2009	2008	2009	2008
	Interest income	411.46	765.45	699.15
Penalty income	190.54	44.09	87.44	67.57
Transportation income	1,369.18	1,994.55	1,418.32	2,022.79
Dividend income	33.00	41.52	3,349.78	11,357.45
Compensation for loan interest of advance payments for gas purchased	109.37	123.98	109.37	123.98
Others	469.36	1,258.26	538.56	583.20
Total	<u>2,582.91</u>	<u>4,227.85</u>	<u>6,202.62</u>	<u>15,062.24</u>

Other income for the six-month periods ended June 30, 2009 and 2008 are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2009	2008	2009	2008
	Interest income	952.91	1,579.35	1,499.36
Penalty income	288.52	75.03	194.09	130.77
Transportation income	2,924.29	4,252.15	3,018.41	4,305.34
Dividend income	33.00	41.52	8,898.58	16,675.01
Compensation for loan interest of advance payments for gas purchased	217.36	259.68	217.36	259.68
Others	1,988.80	2,096.49	1,737.89	1,428.54
Total	<u>6,404.88</u>	<u>8,304.22</u>	<u>15,565.69</u>	<u>24,753.54</u>

Compensation for loan interest on advance payments for gas purchased (Take or Pay) represents the Company's compensation received from the Electricity Generating Authority of Thailand (EGAT) and the Independent Power Plants (IPPs) to absorb interest on loans raised by the Company for advance payments for gas purchased.

16. Share of Net Income from Investments in Associates

Share of net income from investments in associates for the three-month periods ended June 30, 2009 and 2008 include share of gain (loss) on foreign exchange as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2009	2008
Share of net income before gain (loss) on foreign exchange	7,604.44	14,789.58
<u>Add</u> Share of gain (loss) on foreign exchange	<u>420.26</u>	<u>(1,434.76)</u>
Total	<u>8,024.70</u>	<u>13,354.82</u>

Share of net income from investments in associates for the six-month periods ended June 30, 2009 and 2008 include share of gain (loss) on foreign exchange as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2009	2008
Share of net income before gain (loss) on foreign exchange	10,570.44	20,344.09
<u>Add</u> Share of gain (loss) on foreign exchange	<u>(138.54)</u>	<u>749.05</u>
Total	<u>10,431.90</u>	<u>21,093.14</u>

17. Segment Information

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

17. Segment Information (Continued)

Consolidated financial statements

For the three-month period ended June 30, 2009

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht	
	Petroleum exploration and production	Natural gas	Oil	International trading	Petro-chemical				Refining	Total
Sales - others	6,084.83	73,342.10	94,870.96	199,983.07	7,951.44	-	4,823.44	0.48	-	387,056.32
- related parties	22,482.37	5,305.31	881.83	7,373.32	0.61	-	-	189.55	(36,232.99)	-
Net sales	28,567.20	78,647.41	95,752.79	207,356.39	7,952.05	-	4,823.44	190.03	(36,232.99)	387,056.32
Gross Margin*	25,513.44	10,735.52	5,419.90	501.03	563.64	-	2,200.83	16.13	(349.64)	44,600.85
EBITDA	20,374.72	9,215.59	3,484.11	636.72	364.72	-	1,514.97	(566.92)	32.56	35,056.47
Depreciation and amortization	7,193.54	2,171.99	791.81	2.63	40.17	-	194.76	85.94	(2.40)	10,478.44
EBIT	13,181.18	7,043.60	2,692.30	634.09	324.55	-	1,320.21	(652.86)	34.96	24,578.03
Share of net income (loss) from investments under the equity method	4,293.21	(149.90)	306.24	480.53	1,379.34	7,348.35	141.54	(756.94)	(5,017.67)	8,024.70
Interest income										411.46
Other income										135.35
Gain on foreign exchange										2,839.56
Finance cost										(3,322.34)
EBT										32,666.76
Income taxes										(10,153.56)
Net income										<u>22,513.20</u>
Attributable to:										
Equity holders of the Company										19,895.16
Minority interests										<u>2,618.04</u>
Net income										<u>22,513.20</u>

* Gross margin exclude depreciation and amortization in cost of sales

17. Segment Information (Continued)

Consolidated financial statements

For the three-month period ended June 30, 2008

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht	
	Petroleum exploration and production	Natural gas	Oil	International trading	Petro-chemical				Refining	Total
Sales - others	4,755.99	70,313.57	155,296.95	348,529.98	10,554.10	-	-	-	-	589,450.59
- related parties	33,042.44	6,583.24	1,541.98	12,217.81	-	-	-	-	(53,385.47)	-
Net sales	37,798.43	76,896.81	156,838.93	360,747.79	10,554.10	-	-	-	(53,385.47)	589,450.59
Gross Margin*	35,067.15	17,113.47	2,053.99	1,040.68	429.74	-	-	-	(146.78)	55,558.25
EBITDA	28,914.83	16,069.64	177.92	793.76	245.53	-	-	(522.43)	(18.05)	45,661.20
Depreciation and amortization	5,959.66	1,355.13	612.86	2.33	36.42	-	-	78.40	(0.32)	8,044.48
EBIT	22,955.17	14,714.51	(434.94)	791.43	209.11	-	-	(600.83)	(17.73)	37,616.72
Share of net income (loss) from investments under the equity method	8,572.47	(257.30)	35.68	(437.04)	3,066.28	10,403.76	-	(298.85)	(7,730.18)	13,354.82
Interest income										765.44
Other income										357.24
Loss on foreign exchange										(2,961.71)
Finance cost										(2,912.69)
EBT										46,219.82
Income taxes										(11,716.95)
Net income										<u>34,502.87</u>
Attributable to:										
Equity holders of the Company										29,884.51
Minority interests										<u>4,618.36</u>
Net income										<u>34,502.87</u>

* Gross margin exclude depreciation and amortization in cost of sales

17. Segment Information (Continued)

Consolidated financial statements

For the six-month period ended June 30, 2009

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht	
	Petroleum exploration and production	Natural gas	Oil	International trading	Petro-chemical				Refining	Total
Sales - others	9,663.91	140,544.31	180,943.10	339,813.56	14,733.62	-	4,823.44	42.95	-	690,564.89
- related parties	44,921.56	10,575.63	1,312.98	15,215.40	0.90	-	-	354.15	(72,380.62)	-
Net sales	54,585.47	151,119.94	182,256.08	355,028.96	14,734.52	-	4,823.44	397.10	(72,380.62)	690,564.89
Gross Margin*	49,509.18	17,891.84	9,138.38	1,366.01	1,013.94	-	2,200.83	68.05	(509.26)	80,678.97
EBITDA	38,443.50	14,809.21	5,547.86	1,326.39	612.76	-	1,514.97	(882.54)	44.73	61,416.88
Depreciation and amortization	13,687.61	4,065.98	1,396.60	5.17	79.08	-	194.76	168.69	(2.72)	19,595.17
EBIT	24,755.89	10,743.23	4,151.26	1,321.22	533.68	-	1,320.21	(1,051.23)	47.45	41,821.71
Share of net income (loss) from investments under the equity method	8,080.22	(375.55)	332.60	318.23	1,345.44	9,997.14	141.54	(1,097.45)	(8,310.27)	10,431.90
Interest income										952.91
Other expenses										(46.19)
Gain on foreign exchange										2,224.70
Finance cost										<u>(6,313.47)</u>
EBT										49,071.56
Income taxes										<u>(17,110.01)</u>
Net income										<u>31,961.55</u>
Attributable to:										
Equity holders of the Company										27,343.87
Minority interests										<u>4,617.68</u>
Net income										<u>31,961.55</u>

* Gross margin exclude depreciation and amortization in cost of sales

17. Segment Information (Continued)

Consolidated financial statements

For the six-month period ended June 30, 2008

	Upstream petroleum and natural gas		Downstream petroleum			Coal	Others	Elimination	Unit: Million Baht	
	Petroleum exploration and production	Natural gas	Oil	International trading	Petro-chemical				Refining	Total
Sales - others	8,981.40	133,953.85	287,097.13	633,126.45	19,400.49	-	-	-	-	1,082,559.32
- related parties	55,987.45	12,676.21	2,621.57	18,219.87	-	-	-	-	(89,505.10)	-
Net sales	64,968.85	146,630.06	289,718.70	651,346.32	19,400.49	-	-	-	(89,505.10)	1,082,559.32
Gross Margin*	60,156.00	31,624.39	5,578.87	2,444.41	950.02	-	-	-	(373.85)	100,379.84
EBITDA	48,799.05	29,572.26	2,140.83	2,309.10	582.20	-	-	(1,021.79)	(88.24)	82,293.41
Depreciation and amortization	10,492.51	2,692.94	1,209.24	4.04	71.93	-	-	157.50	(0.64)	14,627.52
EBIT	38,306.54	26,879.32	931.59	2,305.06	510.27	-	-	(1,179.29)	(87.60)	67,665.89
Share of net income (loss) from investments under the equity method	14,580.89	525.80	45.63	(372.69)	6,183.59	15,093.77	-	(597.67)	(14,366.18)	21,093.14
Interest income										1,579.36
Other income										538.79
Gain on foreign exchange										1,226.45
Finance cost										(5,433.35)
EBT										86,670.28
Income taxes										(22,806.07)
Net income										<u>63,864.21</u>
Attributable to:										
Equity holders of the Company										56,017.06
Minority interests										<u>7,847.15</u>
Net income										<u>63,864.21</u>

* Gross margin exclude depreciation and amortization in cost of sales

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 of petroleum terminals and operating fees, are applied.

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

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

17. Segment Information (Continued)

The Group categorizes segments for major businesses as follows:

Upstream Petroleum and Natural Gas Business Group

1. Petroleum exploration and production business:

The Group conducts its petroleum exploration and production business both domestically and overseas. The Group is the operator and jointly invests with the leading petroleum exploration and production companies. Most domestic projects are located in the Gulf of Thailand. Overseas projects cover the Asia Pacific and Middle East regions.

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 transportation and industry sectors.

Downstream Petroleum Business Group

1. Oil business:

The Group conducts marketing of petroleum and lubricant products in both domestic and overseas markets under an efficient operating system of receiving, storage, and distribution of products through to the retail business at service stations.

2. International trading business:

The Group conducts international trading business including importing and exporting petroleum and petrochemical products as well as all other related products. The business also covers the management of possible risks arising from oil trading as well as from the procurement and distribution of petroleum and petrochemical products in international markets.

3. Petrochemical business:

The Group conducts petrochemical business including the production and distribution of the main petrochemical products and by products for both domestic and overseas markets to serve the demand of industry and consumer groups as well as to reduce imports of the raw materials of petrochemical products.

4. Refining business:

The Group conducts refining business, involving the processing and distribution of finished oil products to serve both domestic and overseas customers.

Coal Business Group

The Group conducts its coal mining business involving exploration and production overseas.

Other operations of the Group mainly comprise other segments, none of which constitute separately reportable segments.

18. Dividend Payment

On April 10, 2009, the annual shareholders' meeting of the Company approved the dividend payments for the year 2008 of Baht 8.00 per share, amounting to Baht 22,592.40 million. On September 12, 2008, the Company paid the interim dividends for the operating results of the first-half of 2008 at Baht 6.00 per share for 2,824,047,825 shares, amounting to Baht 16,944.29 million. The remaining dividends were paid as follows:

Dividends	For operating period	Dividend payment rate (Baht/share)	Number of shares (shares)	Total dividends (million Baht)	Payment date
For the year 2008	July 1, 2008 – December 31, 2008	2.00	2,824,056,625	5,648.11	April 30, 2009

19. Business Acquisition

On February 4, 2009, PTTEP acquired 100% of the ordinary shares of Coogee Resources Limited (CRL) which was later renamed PTTEP Australasia Limited. CRL was engaged in investment and the development of oil and gas exploration and production businesses in Australia. The acquired business contributed a net loss of Baht 171 million to PTTEP for the period from February 4, 2009 to June 30, 2009. If the acquisition had occurred on January 1, 2009, PTTEP's net loss before income allocation would have been Baht 303 million.

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration (Cash paid)	5,475.05
Fair value of net assets acquired	<u>5,290.23</u>
Goodwill (Note 9)	<u>184.82</u>

The assets and liabilities arising from the acquisition are as follows:

	Unit: Million Baht
Cash and cash equivalents	361.87
Restricted cash	503.69
Trade accounts receivable	324.43
Inventories	376.76
Materials and supplies	441.75
Net deferred tax assets	3,435.84
Property, plant and equipment, net (Note 7)	18,813.07
Intangible assets (Note 8)	3,382.68
Trade accounts payable	(1,485.77)
Borrowings	(12,846.43)
Finance lease liabilities	(8,343.21)
Other assets, net	<u>325.55</u>
Net assets	5,290.23
Goodwill (Note 9)	<u>184.82</u>
Total purchase consideration	5,475.05
<u>Less:</u> Cash and cash equivalents in subsidiary acquired	361.87
Purchase consideration payable	<u>349.75</u>
Cash outflow on the acquisition	<u>4,763.43</u>

19. Business Acquisition (Continued)

On April 28, 2009, Lints Limited, Hong Kong (Lints), a subsidiary of PTT INTER, acquired 60% of the ordinary shares in Straits Bulk and Industrial Pty Ltd (SBI) which was later renamed PTT Asia Pacific Mining Pty Ltd (PTTAPM) from Straits Resources Limited (SRL). SBI is a holding company which holds shares in various companies that have the right to extract coal from potential mine at a high quantity and quality. There is potential for future development.

Details of net assets acquired and goodwill are as follows:

	Unit: Million Baht
Purchase consideration (Cash paid)	12,371.15
Fair value of net assets acquired	<u>9,689.07</u>
Goodwill (Note 9)	<u>2,682.08</u>

19. Business Acquisition (Continued)

The assets and liabilities arising from the acquisition are as follows:

	Unit: Million Baht
Cash and cash equivalents	2,613.60
Trade accounts and notes receivable	1,677.21
Other accounts receivable and short-term loans	2,149.73
Inventories	357.13
Investments in associates (Note 5.2)	1,267.73
Other long-term investments (Note 6.3)	120.13
Property, plant and equipment, net (Note 7)	21,100.10
Goodwill (Note 9)	1,795.58
Deferred tax assets	87.47
Trade accounts payable	(1,287.71)
Borrowings	(8,850.94)
Other current liabilities	(2,394.73)
Deferred tax liabilities	(2,417.55)
Other non-current liabilities	(69.30)
Minority interests	(6,459.38)
Fair value of net acquired assets	9,689.07
Goodwill (Note 9)	2,682.08
Total purchase consideration	12,371.15
<u>Less:</u> Cash and cash equivalents in subsidiary acquired	2,613.60
Purchase consideration payable	4,483.22
Cash outflow on the acquisition	5,274.33

20. Reclassification and Adjustment

The Group has reclassified certain items in the consolidated and the separate financial statements for the three-month period and the six-month period ended June 30, 2008 and as at December 31, 2008 to ensure consistency with the presentation in the consolidated and the separate financial statements for the three-month period and the six-month period ended June 30, 2009 and to align with the “Summary of the set must be in financial year 2009” announced by the Department of Business Development which became effective for accounting periods beginning on or after January 1, 2009.

The Group has reclassified land leasehold rights from construction in progress included in property, plant and equipment to long-term advanced payment presented as other non-current assets amounting to Baht 1,140.66 million in the consolidated financial statements and the separate financial statements. It has reclassified land leasehold rights from intangible assets to long-term advanced payment for land lease presented as other non-current assets amounting to Baht 4,414.73 million in the consolidated financial statements and Baht 2,842.18 million in the separate financial statements according to the Accounting Standard No.29 (revised 2007) “Leases”.

To ensure consistency with the presentation in the balance sheets as at June 30, 2009, the Company has reclassified the account receivable – subsidy from natural gas producer (Signature bonus) in the balance sheet as at December 31, 2008 from other accounts receivable, advances and long-term loans – related parties to other accounts receivable, advances and short-term loans – related parties amounting to Baht 835.32 million in the separate financial statements and has reclassified from other long – term accounts receivable presented as non – current assets to other accounts receivable and short – term loans – others amounting to Baht 208.83 million in the consolidated financial statements and the separate financial statements. The Company has also reclassified deferred bond discount from other non-current assets to an off-set account against long-term loans amounting to Baht 11.95 million in the consolidated financial statements. In addition, the Company has made an adjustment by reducing sales and cost of sales relating to legal reserve inventories in the statements of income for the three-month period and the six-month period ended June 30, 2008, amounting to Baht 53.82 million and Baht 290.19 million in the consolidated financial statements and the separate financial statements respectively.

21. Promotional Privileges

The Company received promotional privileges from the Board of Investment (BOI) under the Investment Act, B.E. 2520 (1977) for the Gas Separation Plant Unit#5 project, the third gas offshore and onshore pipeline project, the Sai Noi-South Bangkok Power Plant gas pipeline project, the Songkhla Power Plant gas pipeline project, the Ethane Separation Plant project, the Suvarnabhumi-Phayathai NGV gas distribution pipeline project, the Gas Separation Plant Unit#6 project, the gas distribution pipelines to the Rojana Industrial Park project, the Enco combined heat and power plant project, the Bangchak utility project, The North Bangkok Power Plant gas transmission pipeline project, and the Rayong-Kangkoi gas pipeline project. The promotional privileges include exemption from import duties on the machinery approved by the BOI and corporate income tax exemption on net income from the promoted business for eight years starting from the date on which the first sale is realized.

22. Commitments and Contingent Liabilities

Significant changes in commitments and contingent liabilities are as follows:

- 22.1 Commitments to subsidiaries, jointly controlled entities, associates and other related parties are as follows:
- 22.1.1 According to a condition with a financial institution, the Company entered into Shareholders' Commercial Support Arrangements with two associates at credit limits of USD 190 million. The Company has obligations under the arrangements in the form of extended credit for raw materials and/or advance product payments. As at June 30, 2009, both of the associates had not used the commercial credit line.
- 22.1.2 The Company has an obligation with a subsidiary in a foreign country under a commercial credit agreement in the form of extended credit for raw materials at a credit limit of USD 100 million. As at June 30, 2009, the subsidiary had used the commercial credit line of USD 99.81 million. The remaining commercial credit line is USD 0.19 million or approximately Baht 6.49 million.
- 22.1.3 The Company entered into Sponsor Support Agreements with two jointly controlled entities at a credit limit equal to the loan obligations of these jointly controlled entities to a financial institution. As at June 30, 2009, the Company had a remaining commitment of USD 261.30 million or approximately Baht 8,928.44 million.
- 22.1.4 The Company provided a loan to a jointly controlled entity at a credit limit of USD 50 million. As at June 30, 2009, the Company had made a payment on this loan totalling USD 48.50 million. The remaining commitment is USD 1.50 million or approximately Baht 51.25 million.
- 22.1.5 The Group provided a loan to its subsidiaries and associates at a credit limit of Baht 61,023.05 million. As at June 30, 2009, the Group had made a payment on this loan totalling Baht 37,477.81 million. The remaining commitment is Baht 23,545.24 million.
- 22.1.6 The Company has the obligations under a Shareholder Agreement to pay for ordinary shares in accordance with the portion of equity held. As at June 30, 2009, the Company's remaining commitment amounting to Baht 18,071.70 million.
- 22.2 Commitment for operating leases - the Group as a lessee, the future minimum lease payments for uncancellable operating leases as at June 30, 2009 are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	June	December	June	December
	31,2009	31, 2008	31,2009	31, 2008
- Not later than 1 year	3,050.52	3,388.84	3.56	208.47
- Later than 1 year, but not later than 5 years	9,070.50	9,280.18	40.25	115.16
- Later than 5 years	4,624.61	1,633.54	-	501.67
Total	<u>16,745.63</u>	<u>14,302.56</u>	<u>43.81</u>	<u>825.30</u>

22. Commitments and Contingent Liabilities (Continued)

- 22.3 As at June 30, 2009, the Group and the Company have contingent liabilities in the form of unused letters of credit amounting to Baht 489.40 million in the consolidated financial statements and Baht 200.83 million in the separate financial statements.
- 22.4 As at June 30, 2009, the Group and the Company had contingent liabilities in the form of letters of guarantee amounting to Baht 2,686.42 million in the consolidated financial statements and Baht 145.70 million in the separate financial statements.
- 22.5 The Company is the subject of nine lawsuits which are under the consideration of the Court. The Company may have to pay compensation of approximately Baht 6.72 million. However, the Company has already accounted for these obligations.

23. Subsequent Events

- 23.1 On July 31, 2009, the Company issued unsecured unsubordinated bonds for sale to retail and institutional investors No.2/2009 in three tranches totalling Baht 35,000 million. The details are as follows:

Conditions	Tranche 1	Tranche 2	Tranche 3
Aggregate amount of bonds (million Baht)	8,500	17,100	9,400
Tenor (years)	3	7	15 With put option in 10 th year
Fixed interest rate (% per annum)	3.20	Year 1-5: 4.25 Year 6-7: 5.25	Year 1-5: 4.25 Year 6-10: 5.50 Year 11-15: 5.75
Interest installments	Payable every six months on January 31 and July 31		
Issuance date	July 31, 2009	July 31, 2009	July 31, 2009
Maturity date	July 31, 2012	July 31, 2016	July 31, 2024 With the bondholders' right to exercise early redemption one time in 2019

- 23.2 The Audit Committee of the Company approved these financial statements for public issuance on August 10, 2009.