

	Unit: Million Baht							
	Q3/2006	Q3/2005	Differen		9M/2006	9M/2006	Difference	
	Million Baht	%	Million Baht	%				
Sales	349,801	267,449	82,352	30.8%	933,423	681,939	251,484	36.9%
and services								
: Oil1/	281,895	237,948	43,947	18.5%	784,751	596,932	187,819	31.5%
: Gas2/	64,057	56,872	7,185	12.6%	181,703	154,917	26,786	17.3%
: PTTEP	19,959	17,344	2,615	15.1%	58,106	41,781	16,325	39.1%
: Refinery3/	-	92,717	(92,717)	(100.0%)	76,389	106,855	(30,466)	(28.5%)
: Petrochemical4/	19,159	2,891	16,268	562.6%	55,006	6,664	48,342	725.4%
: Others 5/								

: Elimination	(35,269)	(140,323)	105,054	74.9%	(222,532)	(225,210)	2,678	1.2%
EBITDA	37,177	33,619	3,558	10.6%	112,299	86,847	25,452	29.3%
: Oil 1/	2,307	1,938	369	19.1%	5,357	5,470	(113)	(2.1%)
: Gas 2/	12,075	12,247	(172)	(1.4%)	34,517	33,389	1,128	3.4%
: PTTEP	16,413	14,674	1,739	11.9%	48,851	35,639	13,212	37.1%
: Refinery 3/	-	5,158	(5,158)	(100%)	6,469	12,833	(6,364)	(49.6%)
: Petrochemical 4/	6,753	104	6,649	6,380.5%	18,299	320	17,979	5,620.5%
: Others 5/	(366)	(140)	(226)	(161.0%)	(674)	(314)	(360)	(114.4%)
: Elimination	(5)	(362)	357	98.5%	(520)	(490)	(30)	(6.2%)
EBIT	29,832	28,941	891	3.1%	91,753	74,332	17,421	23.4%
: Oil 1/	1,804	1,416	388	27.4%	3,830	3,919	(89)	(2.3%)
: Gas 2/	10,592	10,935	(348)	(3.1%)	30,369	29,720	649	2.2%
: PTTEP	12,097	12,263	(166)	(1.3%)	37,277	29,167	8,110	27.8%
: Refinery 3/	-	4,704	(4,704)	(100%)	5,728	11,936	(6,208)	(52.0%)
: Petrochemical 4/	6,015	34	5,981	17,420%	16,250	117	16,133	13,785.8%
: Others 5/	(379)	(145)	(234)	(162.3%)	(708)	(326)	(382)	116.9%
: Elimination	(297)	(266)	(31)	(11.7%)	(993)	(201)	(792)	394.4%
Net profit	24,320	24,022	298	1.2%	79,701	68,373	11,329	16.6%
EPS (Baht/share)	8.69	8.59	0.10	1.2%	28.482	4.44	4.04	16.6%

Note : 1/ Included the consolidation of Oil Marketing Segment, Oil Trading Segment, PTT International Trading Pte., Ltd. (PTTT), PTT (Cambodia) Co., Ltd. (PTTCL), Retail Business Alliance Co., Ltd.(RBA) and Subic Bay Energy Co., Ltd. (SBECL).

2/ Included the proportionate consolidation of Trans Thai-Malaysia (Thailand) Co., Ltd.(TTM (T)), Trans Thai-Malaysia (Malaysia) Co., Ltd. (TTM (M) and District Cooling System and Power Plant Co., Ltd. (DCAP) and consolidation of PTT Natural Gas Distribution Co., Ltd. (PTT NGD) and PTT LNG Co., Ltd (PTT LNG). Moreover, PTT Utility Co., Ltd. (PTTUT) has been included since December 2005.

3/ Included the consolidation of RRC as PTT's subsidiary.

4/ Included the consolidation of Bangkok Polyethylene Public CO., Ltd (BPE) and PTT Polyethylene Co., Ltd. (PTTPE) while PTT Polymer Marketing Co., Ltd. (PTTPM) is consolidated since Q3/2005. Moreover, PTT Chemical Public Co., Ltd. (PTTCH) and PTT Phenol Co., Ltd. (PPCL) have been consolidated since December 2005. PTT Asahi Chemical Co., Ltd (PTTAC) and HMC Polymers Co., Ltd have also been proportionate consolidated since August 2006.

5/ Included the consolidation of Energy Complex Co., Ltd. (EnCo)

* Oil Business Unit (Oil marketing and Oil Trading Activities)

Sales revenue in Q3/2006 increased by Baht 43,947 million or 18.5% due to the increase in sales volume which increased by 1,183 million liters or 8.4% from 14,113 million liters or equivalent to 964,841 barrels per day in Q3/2005 to 15,296 million liters or equivalent to 1,045,771 barrels per day in Q3/2006, mainly from the increase in both domestic sales and trading segment, especially from the crude, condensate, naphtha, jet oil, gasoline and high-speed diesel. Moreover the increase of sales was also due to the increase in sales price in relation to the global market price when compared to the same period of last year.

EBITDA in Q3/2006 increased by Baht 369 million, or 19.1% from the same period of last year from the increase in sales volume as mentioned and the slightly increase in gross margin per unit.

EBIT in Q3/2006 increased by Baht 388 million, or 27.4% due mainly to the increase in EBITDA while the depreciation and amortization also decreased slightly.

For the 9M/2006 performance, sales revenue increased by Baht 187,819 million or 31.5% due to the increase in both sales prices and sales volume. Sales volume increased by 2,463 million liters or 6.0% from 41,077 million liters or equivalent to 946,417 barrels per day in 9M/2005 to 43,540 million liters or equivalent to 1,003,165 barrels per day in 9M/2006, resulted from the increase in both domestic sales and trading segment, mainly from crude, condensate, jet oil, gasoline, high-speed diesel, heavy fuel oil and Petrochemical.

EBITDA in 9M/2006 decreased by Baht 113 million or 2.1% due primarily to the increase in selling and administrative expenses although sales volume and gross margin increased.

EBIT in 9M/2006 decreased by Baht 89 million or 2.3% due to the decrease in EBITDA as mentioned while the depreciation and amortization decreased slightly.

* Gas Business Unit

Revenue from gas business in Q3/2006 increased by Baht 7,185 million or 12.6% due to the following reasons:

- The average natural gas sales volume (included natural gasoline derived from Dew Point Control Units) increased by 77 million cubic feet per day (mmcf) or 2.5% from 3,061 mmcf in Q3/2005 to 3,138 mmcf in Q3/2006 (calculated at heat value 1,000 BTU per cubic feet) which resulted from the increase in gas demand from Independent Power Producers (IPPs), gas separation plants (GSPs) and industrial customers while gas sales volume to Electricity Generating Authority of Thailand (EGAT) decreased due to the shutdown for maintenance of Wang Noi Electricity Plant during July and August 2006.

- The GSPs' products sales volume, consisting of liquefied petroleum gas (LPG), ethane, propane and natural gasoline (NGL), decreased by 0.7% from 925,326 tons in Q3/2005 to 918,708 tons in Q3/2006 (excluded LPG purchased from petrochemical producers for resale in an amount of approximately 46,259 tons in Q3/2005 and 61,573 tons in Q3/2006). The decrease in sales volume was resulted from annual planned shutdown of GSP Unit 3 during July and August 2006. The average utilization rate of GSP Unit 1-5 in Q3/2006 was 87%.

The details of all products sales from gas separation plants are as follows:

Unit:	Tons	Q3/2006	Q3/2005	Difference	9M/2006	9M/2005	Difference
	Tons	%	Tons	%			
LPG	486,012	507,543	(21,531)	(4%)	1,463,542	1,442,570	20,972 1%
Ethane	251,098	230,685	20,413	9%	726,643	591,504	135,139 23%
Propane	61,491	61,828	(337)	(1%)	175,787	161,132	14,655 9%
NGL	120,107	125,270	(5,163)	(4%)	358,227	347,487	10,740 3%
Total	918,708	925,326	(6,618)	(1%)	2,724,199	2,542,693	181,506 7%

The average LPG price (Contract Price - CP) in Q3/2006 increased by US\$ 124 per ton from US\$ 413 per ton in Q3/2005 to US\$ 537 per ton in Q3/2006 while the average prices of ethylene (South-East Asia Spot) increased from US\$ 913 per ton in Q3/2005 to US\$ 1,311 per ton

in Q3/2006, propylene (South-East Asia Spot) increased from US\$ 925 per ton in Q3/2005 to US\$ 1,255 per ton in Q3/2006, High Density Polyethylene (HDPE) increased from US\$ 1,016 per ton in Q3/2005 to US\$ 1,347 per ton in Q3/2006, Polypropylene (PP) (South-East Asia Spot) increased from US\$ 1,081 per ton in Q3/2005 to US\$ 1,343 per ton in Q3/2006 and Naphtha (Mean of Platt - Singapore (MOP'S)) increased from US\$ 471 per ton in Q3/2005 to US\$ 550 per ton in Q3/2006

The details of reference products prices for calculation of products from gas separation plants' sales prices are as follows :

Unit : US\$/Ton	Q3/2006	Q3/2005	Change	9M/2549	9M/2548	Change	
	(US\$/ton)	%	(US\$/ton)	%			
LPG 1/	537	413	+124	+30.0%	524	399	+125 +31.3%
Ethylene 2/	1,311	913	+399	+43.7%	1,159	920	+239 +26.0%
Propylene 2/	1,255	925	+330	+35.7%	1,114	948	+166 +17.5%
High Density Polyethylene 2/	1,347	1,016	+331	+32.6%	1,220	1,017	+203 +20.0%
Polypropylene 2/	1,343	1,081	+262	+24.2%	1,213	1,049	+164 +15.6%
Naphtha 3/	540	471	+69	+14.7%	525	414	+111 +26.8%

Note : 1/ Contract price (CP) : The government capped the ex-refinery LPG price for domestic sales at US\$ 315 per ton, derived from the CP of US\$ 331 per ton, effective from February 10, 2003 onward.

2/ South East Asia Spot Price

3/ MOP Singapore

EBITDA in Q3/2006 decreased by Baht 172 million or 1.4% from Q3/2005 due to the decrease in GSPs' products sales and the increase in GSPs' feedstock despite the increase in all GSPs' products selling price.

EBIT in Q3/2006 decreased by Baht 343 million or 3.1% from Q3/2005 due to the increase in EBITDA as mentioned while the depreciation and amortization also increased mainly from the depreciation of Trans Thai-Malaysia Gas Pipeline (TTM). Sales revenue in 9M/2006 increased by Baht 26,786 million or 17.3% due to the followings :

- The increase in average natural gas sales volume (include natural gasoline derived from Dew Point Control Unit) by 71 mmcf/d or 2.4% from 3,015 mmcf/d to 3,086 mmcf/d (calculated at heat value 1,000 BTU per cubic feet).

- The increase in GSPs' products sales volume from 2,542,693 tons in 9M/2005 to 2,724,199 tons in 9M/2006 (details as shown in the above table "details of all products sales from gas separation plants"), together with the higher prices of all GSPs' products when compared to the same period of last year.

EBITDA in 9M/2006 increased by Baht 1,128 million or 3.4% due to the increase in sales volume and sales prices as mentioned.

EBIT in 9M/2006 increased by Baht 649 million or 2.2% due to the increase in EBITDA while the depreciation and amortization also increased mainly from the depreciation of Trans Thai-Malaysia Gas Pipeline (TTM).

* PTT Exploration and Production Public Co., Ltd. (PTTEP)

In Q3/2006, PTTEP's net sales was Baht 19,959 million, increased by Baht 2,615 million or 15.1% from the same period of last year, resulted from the higher average petroleum sales price from US\$ 31.47 per barrel of oil equivalent (BOE) in Q3/2005 to US\$ 38.25 per BOE in Q3/2006. In addition, sales volume increased from 160,830 barrels of oil equivalent per day (BOED) in Q3/2005 to 168,830 BOED in Q3/2006, resulted mainly from the crude oil sales from the B8/32 & 9A project, natural gas sales from the Bangkot and Yadana projects and condensate sales from the Pailin project.

EBITDA in Q3/2006 was Baht 16,413 million, increased from Q3/2005 by Baht 1,739 million or 11.9% due to the increase in sales prices and sales volume as mentioned.

EBIT in Q3/2006 was Baht 12,097 million, decreased by Baht 166 million or 1.3% which resulted from the increase in depreciation and amortization (DD&A) by Baht 1,904 million. The increase in DD&A was due mainly to the depreciation of the B8/32 & 9A and S1 projects as a result of additional completed assets and the amortization of the excess of the acquiring cost in Orange Energy Limited and B8/32 Partners Limited. In addition, the exploration expenses also increased, mainly due to the write-off of dry wells in the Myanmar M7 & M9, Vietnam 16-1, L22/43 and G4/43 projects and the seismic cost from the Vietnam 16-1, Vietnam B&48-95, Algeria 433a & 416b and Indonesia Merangin-1 projects.

For 9M/2006, PTTEP's net sales was Baht 58,106 million, increased by Baht 16,325 million or 39.1% from the same period of last year, resulted from the higher average petroleum sales price from US\$ 28.50 per BOE in 9M/2005 to US\$ 36.72 per BOE in 9M/2006. In addition, sales volume also increased from 147,532 barrels of oil equivalent per day (BOED) in 9M/2005 to 170,657 BOED in 9M/2006, due mainly to the crude oil sales from the B8/32 & 9A and S1 project, natural gas sales and condensate sales from the Pailin and Bongkot projects and the natural gas sales from the Yadana project.

EBITDA for 9M/2006 was 48,851 million, increased by Baht 13,212 million or 37.1% due to the increase in sales prices and sales volume as mentioned.

EBIT for 9M/2006 was 37,277 million, increased by Baht 8,110 million or 27.8% despite the increase in DD&A of the B8/32 & 9A, S1 and Bongkot projects as a result of additional completed assets and the amortization of the excess of the acquiring cost in Orange Energy Limited and B8/32 Partners Limited. In addition, the exploration expenses also increased, mainly due to the write-off of dry wells in the Myanmar M7 & M9, Vietnam 16-1, L22/43 and G4/43 projects and the seismic cost from the Vietnam 16-1, Vietnam B&48-95, Algeria 433a & 416b and Indonesia Merangin-1 projects.

* Refining Subsidiary : Rayong Refinery Public Co., Ltd. (RRC)

For 9M/2006, sales from the refining subsidiary decreased by Baht 30,466 million or 28.5%, resulted from the transform of RRC from a subsidiary to an associate since June 5, 2006. EBITDA decreased by Baht 6,634 million or 49.6% from Baht 12,833 million in 9M/2005 to Baht 6,469 million in 9M/2006 and EBIT decreased by Baht 6,208 million or 52.0% from Baht 11,93 million to Baht 5,728 million resulted from the changing of RRC's status as mentioned.

* Petrochemical Subsidiaries which comprise of BPE, PTTPE, PPCL, PTTCH, PTTPM, PTTAC and HMC In Q3/2006, petrochemical subsidiaries' sales increased from Q3/2005 by Baht 16,268

million or 562.6% due mainly to the consolidation of PTTCH, status of which is transformed from an associate to a subsidiary since October 2005.

EBITDA increased from Baht 104 million in Q3/2005 to Baht 6,753 million in Q3/2006 while EBIT increased from Baht 34 million in Q3/2005 to Baht 6,015 million in Q3/2006, due primarily to the consolidation of PTTCH as mentioned.

For 9M/2006, sales from petrochemical subsidiaries increased from Baht 6,664 million in 9M/2005 to Baht 55,006 million in 9M/2006. EBITDA increased from Baht 320 million in 9M/2005 to Baht 18,299 million in 9M/2006 while EBIT increased from Baht 117 million in 9M/2005 to Baht 16,251 million, due mainly to the consolidation of PTTCH as mentioned.

* Net Income : Net income in Q3/2006 increased from Q3/2005 by Baht 298 million or 1.2% and

Net income in 9M/2006 increased from 9M/2005 by Baht 11,329 million or 16.6%

Net income of PTT and its subsidiaries in Q3/2006 was 24,320 million or Baht 8.69 per share, increased from Q3/2005 by Baht 298 million or 1.2%. Net profit in 9M/2006 was Baht 79,701 million or Baht 28.48 per share, increased from 9M/2005 by Baht 11,329 million or 16.6%, due to the increase in sales volume and sales price, including other reasons as follows;

: Share of net income from investments under equity method increased by Baht 108 million or 1.6% from Baht 6,749 million in Q3/2005 to Baht 6,857 million in Q3/2006 and increased by Baht 747 million or 4.4% from Baht 17,024 million in 9M/2005 to Baht 17,771 million in 9M/2006, due to the changing of status and/or investment recognition of PTT's major affiliates such as BCP, TPI, RRC, PTTCH and HMC and the improvement of associates' operating performance from higher sales price and volume.

Refining associates reported decreasing performance due to the lower GRM of PTT's complex refineries (included inventory gain/loss) from approximate US\$ 10.24/bbl in Q3/2005 to US\$ 1.31/bbl in Q3/2006.

Petrochemical associates reported strong performance due to the higher sales volume and products price which led to the higher product to feed margin.

: There was gain on foreign exchange in an amount of Baht 1,506 million in Q3/2006 and Baht 586 million in Q3/2005. For 9M/2006, there was gain on foreign exchange in an amount of Baht 8,071 million while there was foreign exchange loss in 9M/2005 in an amount of Baht 362 million.

Details of net income from investments under equity method are as follows;

Unit : Million Baht	Q3/2006	Q3/2005	9M/2006	9M/2005
Refining associates	3,529	4,646	12,548	10,484
Petrochemical associates	3,030	1,866	4,631	6,239
Oil associates	(10)	9	9	29
Gas associates	123	111	232	90
Other associates	185	117	352	183
Total	6,857	6,749	17,771	17,024

: Interest expenses of PTT and its subsidiaries in Q3/2006 decreased by Baht 192 million when compared to the same

period of last year while interest expenses in 9M/2006 increased by Baht 1,455 million when compared to the same period of last year. The increase in interest expenses was due to the consolidation of PTTCH, status of which is transformed from an associate to a subsidiary since October 2005..

: Income taxes in Q3/2006 increased by Baht 233 million or 2.8% when compared to the same period of last year while increased by Baht 8,553 million or 45.9% in 9M/2006 when compared to the same period of last year, which resulted from the changing of status of PTTCH and the higher income.

2. The Analysis of PTT and its subsidiaries' Financial Status at the end of Q3/2006 compared with the end of the year 2005 Financial status of PTT and its subsidiaries at the end of Q3/2006 compared to the end of the year 2005 is as follows :

Assets

As of September 30, 2006, total assets was Baht 702,322 million, increased by Baht 52,516 million or 8.1%. Current assets increased by Baht 9,293 million due primarily to the increase in trade account and notes receivable-others, net in an amount of Baht 19,166 million, the increase in trade accounts receivable - related parties, net in an amount of Baht 23,369 million which mainly due to the increase in oil and products price, the material and supplies-net in an amount of Baht 1,006 million while cash and cash equivalents decreased by Baht 26,395 million, the current investment decreased by Baht 294 million, other accounts receivable, advances and short-term loans - related parties, net decreased by Baht 2,112 million, inventories decreased by Baht 4,064 million and other current assets decreased by Baht 1,383 million.

Non-current assets also increased by Baht 43,223 million, resulted from the increase in investment accounted for under the equity method by Baht 32,292 million, due mainly to the change of RRC's status from PTT's subsidiary to an associate and BCP's status from another related company to an associate, the increase in other long-term investments by Baht 974 million, the increase in the property, plant and equipment, net by Baht 7,299 million, the increase in intangible assets by Baht 8,722 million, while advances and long-term loans - related parties, net decreased by Baht 185 million, deferred tax assets decreased by Baht 733 million, advance payment for gas purchased decrease by Baht 2,611 million and other non-current assets decreased by Baht 2,535 million.

Liabilities

Total liabilities was Baht 377,678 million, increased by Baht 6,304 million or 1.7%. Current liabilities increased by Baht 29,489 million or 19.9% due to the increase in trade accounts payable-others by Baht 20,594 million, the increase in trade accounts payable-related parties by Baht 7,691 million which mainly due to the increase in oil and products price, the increase in current portion of long-term loans by Bath 11,066 million and the increase in dividend payable of aht 1,459 million while bank overdrafts and short-term loans from financial institutions decreased by Baht 453 million, other accounts payable-related parties decreased by Baht 118 million, income tax payable decreased by Baht 3,975 million and other current liabilities decreased by Baht 566 million

Non-current liabilities decreased by Baht 23,185 million. The decrease was due to the decrease in long term loans by Baht 23,669 million, Baht 11,000 million of which was resulted from the decrease in long-term loan of RRC due to the change of status from PTT's subsidiary to an associate. For 9M/2006, PTT and its subsidiaries had proceeds from long term loan and cash received from the issue of bonds in a total amount of Baht 26,119 million which included PTT's borrowing from a financial institution in an amount of Yen 23,000 million (PTT has also entered into a Participating SWAP (P-SWAP) to convert the Yen principal into US\$ principal, amounting US\$ 196.94 million) and issuing of un-subordinated and unsecured debentures in a total amount of Baht 4,000 million. During 9M/2006, PTT and its subsidiaries had made repayment of long term loan, debentures and government bonds in a total amount of Baht 15,287 million.

The maturity of long-term loans, debentures and government bonds as of September 30, 2006 are as follows :

Unit : Million Baht

Maturity	PTT	PTTEP	DCAP	PTTNGD	PTTUT
(from Sep. 30, 2006)					
Within 1 year	14,401	14,802	-	32	-
(Sep. 30, 2007)					
Between 1 to 2 years	7,414	-	-	8	-
Between 2 to 5 years	32,035	-	220	-	693
Beyond 5 years	103,823	2,289	480	-	1,573
Total	157,673	17,091	700	40	2,266

Maturity	TTM(T)	TTM(M)	HMC	BPE	PTTCH	Total
(from Sep. 30, 2006)						
Within 1 year	-	-	37	686	2,564	32,522
(Sep. 30, 2007)						
Between 1 to 2 years	-	-	37	279	1,504	9,242
Between 2 to 5 years	2,121	123	653	472	1,364	37,681
Beyond 5 years	7,100	491	-	-	11,234	126,990
Total	9,221	614	727	1,437	16,666	206,435

The long-term debt outstanding (including long-term loans and bonds due within 1 year and later than 1 year) as of September 30, 2006 consisted of local and foreign debt, details of which are as follows :

Unit : Million Baht

Long-term debt outstanding	PTT	PTTEP	DCAP	PTTNGD	PTTUT
Local Debt	112,400	-	700	40	2,266
Foreign Debt	45,273	17,091	-	-	-
Total	157,673	17,091	700	40	2,266
Ratio of long-term foreign debt to total long-term debt (%)	28.7%	100.0%	0.0%	0.0	0.0%

Long-term

debt outstanding	TTM(T)	TTM(M)	HMC	BPE	PTTCH	Total
Local Debt	-	-	727	321	5,432	121,886
Foreign Debt	9,221	614	-	1,116	11,234	84,549
Total	9,221	614	727	1,437	16,666	206,435
Ratio of long-term foreign debt to total long-term debt (%)						
	100.0%	100.0%	0.0%	77.7%	67.4%	41.0%

As of September 30, 2006, PTT's loans and bonds amounting to Baht 50,031.16 million is guaranteed by the Ministry of Finance.

Shareholders' Equity

Total shareholders' equity was Baht 324,645 million, increased from the end of 2005 by Baht 45,212 million or 16.6% due mainly to the increase in issued and paid-up share capital in an amount of Baht 73.5 million (7,354,700 shares) from the exercised of warrants under Employee Stock Option Program (ESOP) and an increase in premium on ordinary shares by Baht 1,272 million, the increase in unappropriated retained earnings by Baht 39,796 million which resulted from the net income of Baht 79,701 million while there was dividend payment to the shareholders in an amount of Baht 46,816 million and the increase in legal reserve by Baht 7 million. Minority interests also increased in an amount of Baht 4,816 million. The balance are currency translation differences, unrealized gain on available-for-sale securities and surplus on dilution of investment in subsidiaries and associates.

Liquidity

In 9M/2006, net decrease in cash and cash equivalents of PTT and its subsidiaries was Baht 26,395 million, while cash and cash equivalents at the beginning of the period was Baht 73,441 million, which resulted that cash and cash equivalents at the end of the period was Baht 47,046 million, details of activities are as follows :

	Amount (Million Baht)
Net cash provided by operating activities	63,912
Net cash used in investing activities	(56,983)
Net cash used in financing activities	(33,057)
Effects of exchange rates on cash and cash equivalents	(381)
Currency translation differences	114
Net decrease in cash and cash equivalents in 9M/2006	(26,395)
Cash and cash equivalents at beginning of period	73,441
Cash and cash equivalents at end of period	47,046

Net cash flow from operating activities of Baht 63,912 million was derived from net income of Baht 79,701 million and adjusted with non cash items of Baht 22,598 million (mainly derived from depreciation, depletion and amortization, gain on foreign exchange and deferred income taxes) in addition to income of minority interests of Baht 14,297 million and adjusted with gain on disposal of investments in an amount of Baht 7,130 million, share of net income from investment under equity method in an amount of Baht 17,771 million, gain on foreign exchange in an amount of Baht 7,870 million. Working capital decreased by Baht 19,913 million due mainly to the increase in trade-accounts receivable, materials and supplies and other non-current assets, the decrease in advance payment for gas purchased, trade account payable -

related parties, income tax payable, other current liabilities despite the increase in the trade-accounts payable - others.

Net cash used in investing activities was Baht 56,983 million, due mainly to the investment activities in property, plant and equipment of Baht 66,494 million, payment for investment in joint ventures, namely PTTAC and HMC, in an amount of Baht 6,182 million, payment for investment in associates, mainly BCP, in an amount of Baht 4,766 million while there were cash received from disposal of long-term investments in an amount of Baht 13,751 million, mainly from the divestment of RRC, cash received from repayment of short-term loans to related parties in an amount of Baht 3,082 million and dividend received of Baht 4,847 million.

Net cash used in financing activities was Baht 33,057 million, resulted mainly from the repayment of long-term loans, redemption of debentures, repayment of notes payable and government bonds in a total amount of Baht 16,287 million and also dividend payment of Baht 46,816 million. During 9M/2006, there were proceeds from long-term loans and cash received from the issue of bonds in the total amount of Baht 26,119 million.

Financial ratios and earnings per share of PTT and its subsidiaries for Q3/2006, Q3/2005, 9M/2006 and 9M/2005 calculated according to the Office of the Securities and Exchange Commission's formulae are as follows :

		Consolidated		Consolidated	
Financial Ratios and earnings per share					
Unit	Q3/2006	Q3/2005	9M/2006	9M/2005	
Liquidity Ratios					
Current Ratio	Time	1.30	1.50	1.30	1.505
Quick Ratio	Time	1.01	1.10	1.01	1.10
Profitability Ratios					
Gross Profit Margin	%	10.33	12.57	11.68	12.83
Net Profit Margin	%	6.72	8.69	8.23	9.69
Financial Ratios					
Total Debt to Equity Ratio	Time	1.16	1.33	1.16	1.33
Interest Coverage Ratio	Time	16.79	16.12	12.33	12.73
Earnings per share (EPS)					
EPS					
Baht/share	8.69	8.59	28.48		24.44

3. Economic Outlook in Q4/2006

Thailand's economics in 2006 is expected to grow at the rate of 4.5-5.0%. In Q4/2006, Thailand economy is expected to expand continuously from the strong exports and the holiday season which could boost the tourism and private consumption. Furthermore, the decrease in the political uncertainty leads to the improve in consumers and investors' confidence as resulted in the continuously rise of the SET Index since the Military Coup D'etat on September 19, 2006 from the large capital inflows both in the Thai and regional stock markets, resulting in the appreciation of Thai Baht currency. The inflation tends to decrease according to the lower oil prices which also lead to the relieve in the monetary policy. The analysts opined that current interest rate is at the highest level and is expected to decrease in 2007.

In Q4/2006, it is forecasted that oil consumption in logistics, transportation and traveling would be the factors encouraging oil demand, whereas the demand of natural gas is expected to increase continuously both in the transportation and electricity generation sectors. For petrochemical products, the demand is expected to increased in relative to economic growth.

Crude oil and refined oil products prices are expected to maintain at high level due to high demand during winter and tight supply from refineries. Petrochemical products prices are also expected to sustain at high level but lower than Q3/2006 due to the additional production capacity.

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