

PTT Exploration and Production Public Company Limited

J.P. Morgan's Thailand CEO-CFO Conference

January 29, 2016



PTTEP

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM





Company Overview



Financial Results



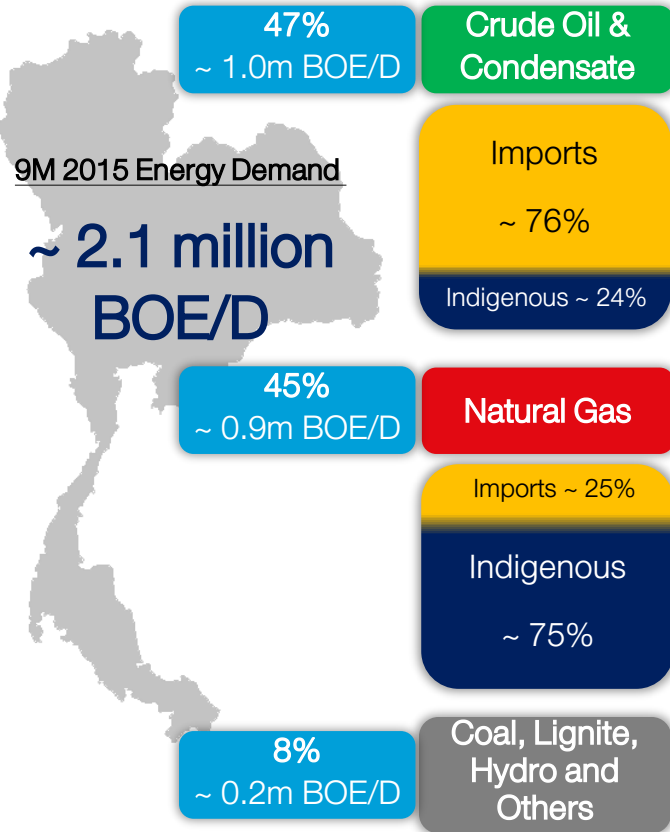
Outlook

Thailand's Energy Supply Chain

PTTEP contributes almost 1/3 of Thailand's Petroleum Production

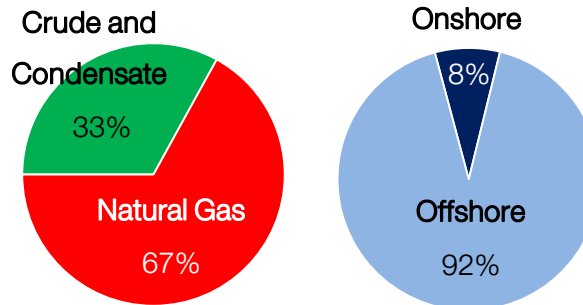


Energy Demand and Sources

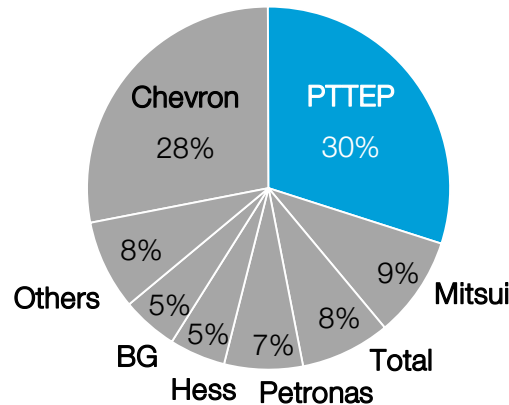


Thailand Petroleum Production 9M15

% by Petroleum Type and Area



% Production by Company



Midstream and Downstream Value

Midstream

Transmission Pipelines
Gas Separation Plants

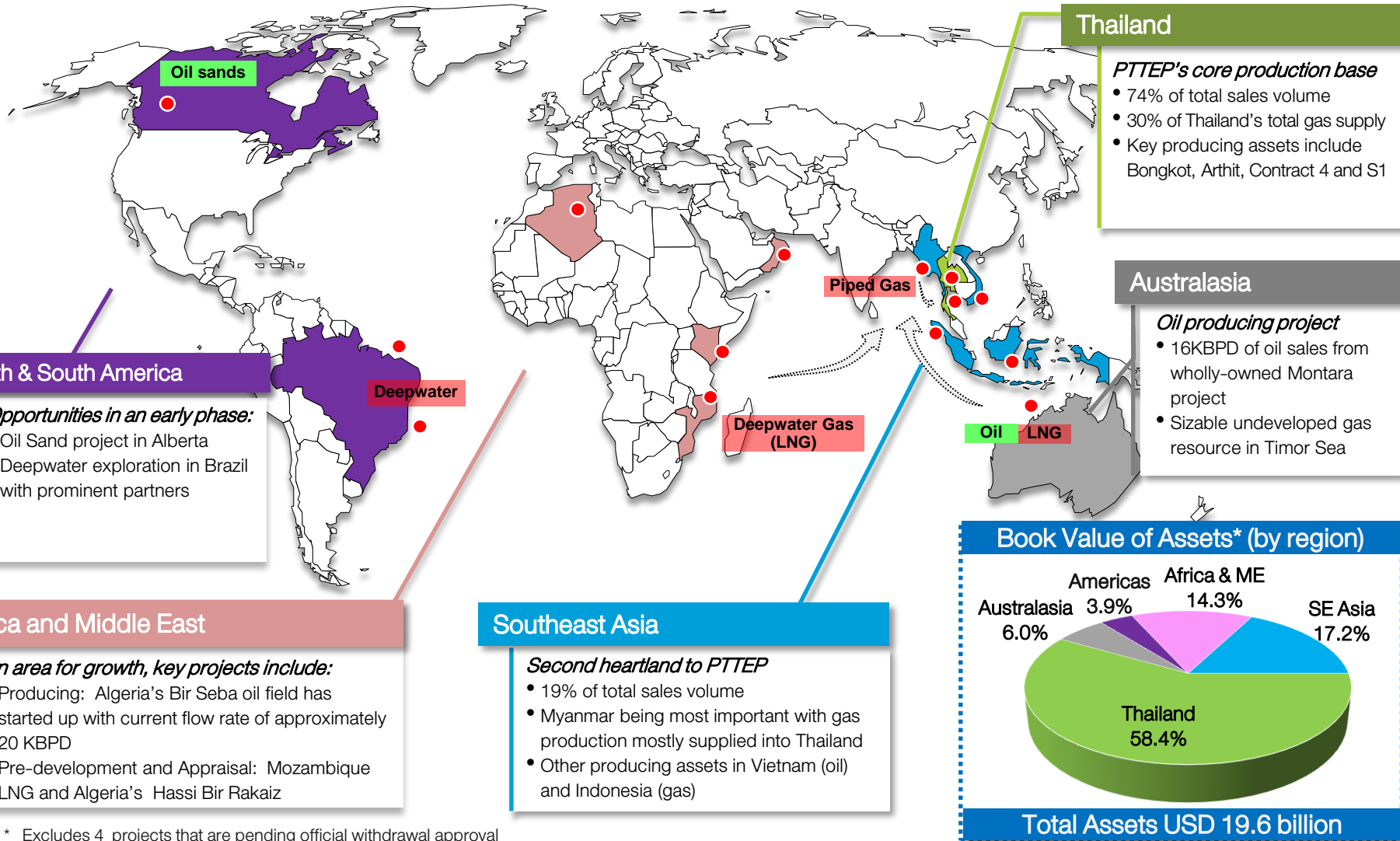
Downstream & End User Products

Refineries
Petrochemical Plants
Power Plants
Electricity
Industrial Plants
Transportation
Fuels, Lubes, NGV/CNG
Household Use and Products
LPG
Chemical Products

Source: Energy Policy and Planning Office (EPPO) and Department of Mineral Fuels (DMF)

Diversified International Portfolio

Worldwide operations: 39 projects* in 11 countries

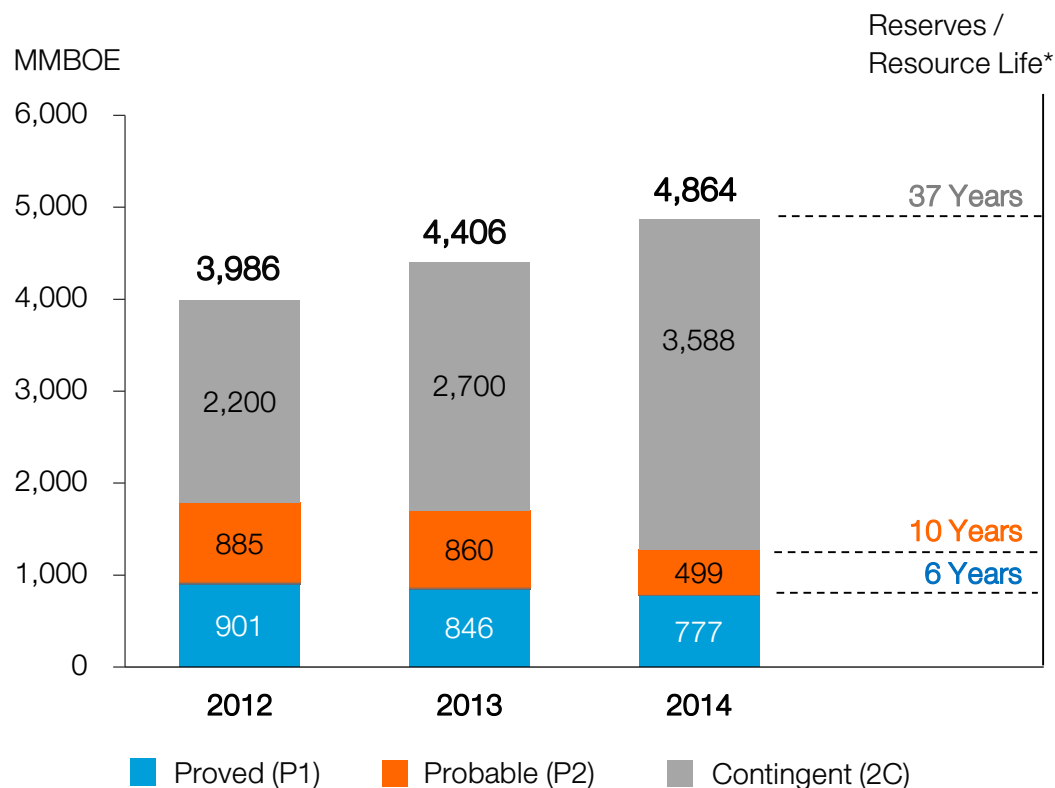


Notes: * Excludes 4 projects that are pending official withdrawal approval

** Information dated as of 31 December 2015

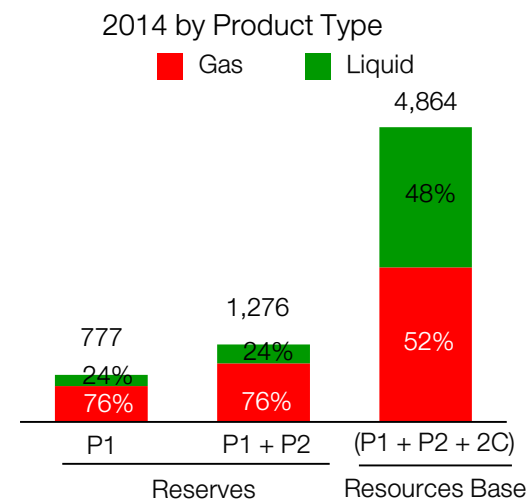
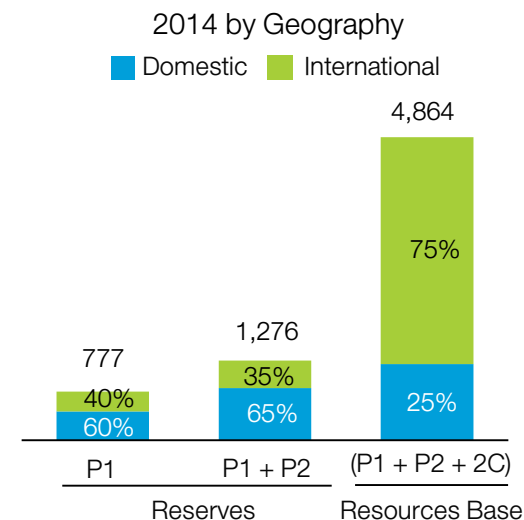
Reserves and Resources

Target resource turnaround in the near future



5-Year Average Proved Reserves Replacement Ratio (RRR)

2012	2013	2014
0.91x	0.82x	0.45x



* Based on total production of natural gas, crude oil (including bitumen) and condensate of 359 KBOED for the year ended December 31, 2014



Company Overview



Financial Results



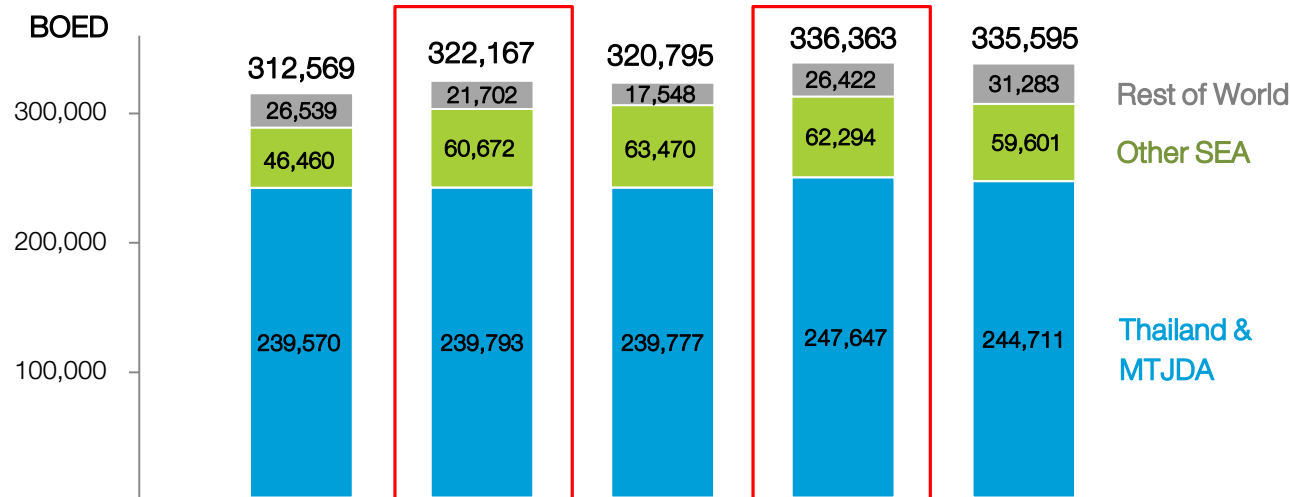
Outlook

PTTEP Sales Volume & Average Selling Price

Sales volume increased per 3% target; while ASP decreased from lowered oil prices



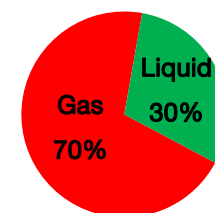
Sales Volume



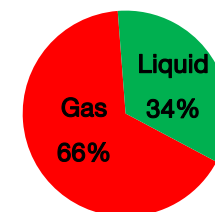
Sales Price	2014	2015	Q3 15	Q4 15	Q4 14
Gas (\$/MMBTU)	8.06	7.20	7.16	6.29	8.12
Liquid (\$/BBL)	94.82	50.05	49.33	42.22	74.84
Weighted Avg. (\$/BOE)	63.71	45.29	44.83	39.18	56.95
Avg. Dubai (\$/BBL)	96.60	50.91	49.74	40.71	74.40
Avg. HSFO (\$/BBL) (High Sulphur Fuel Oil)	86.74	44.86	40.69	33.39	67.23

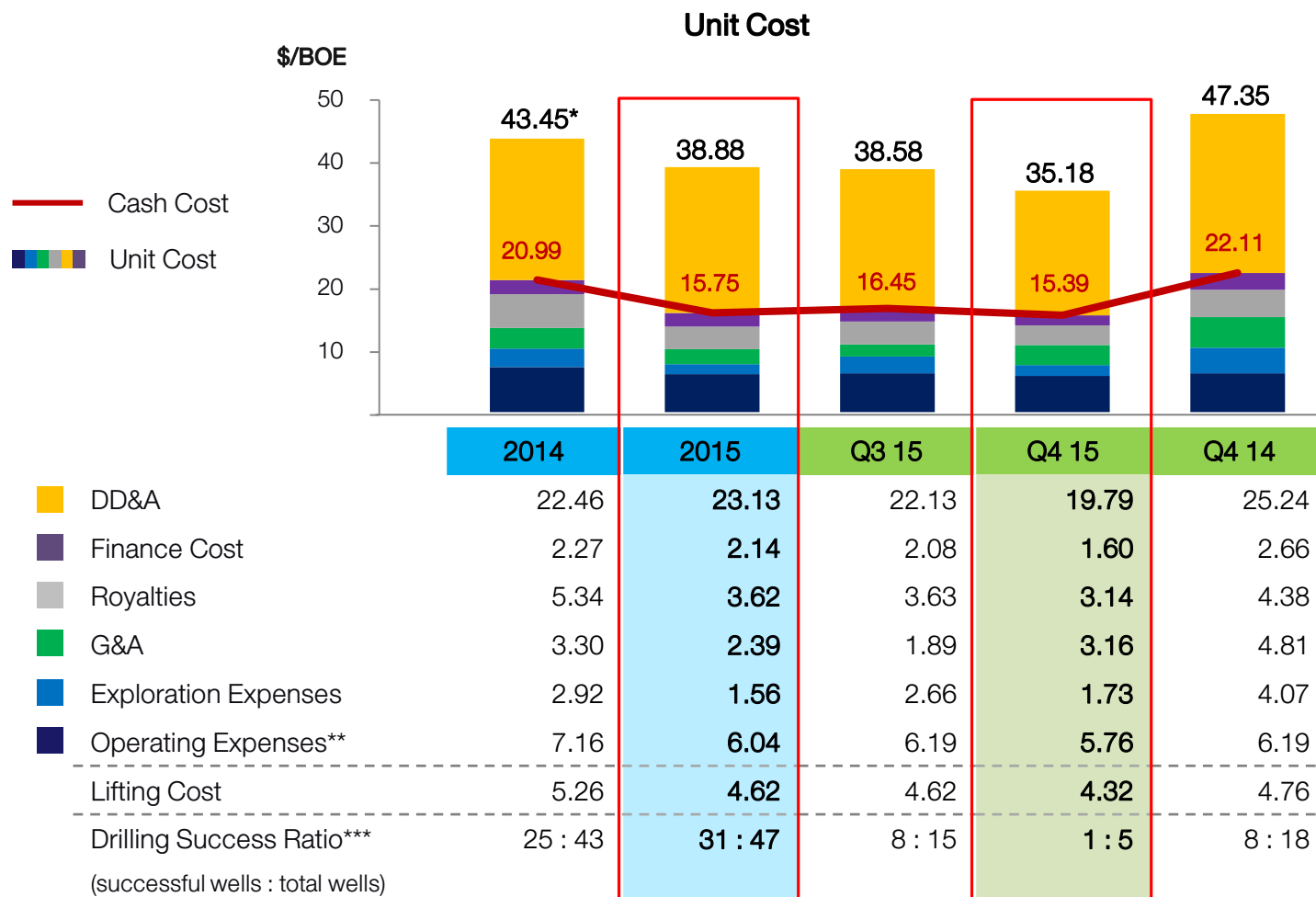
2015 Sales Volume By Product

Volume Mix



Revenue Mix





* If excluded extra expense from Montara's Development well (H5) : For 2014 : Operating Exp. : 6.73 \$/BOE / Unit cost : 43.02 \$/BOE

** Excludes diluent cost for blending bitumen in Oil Sands project

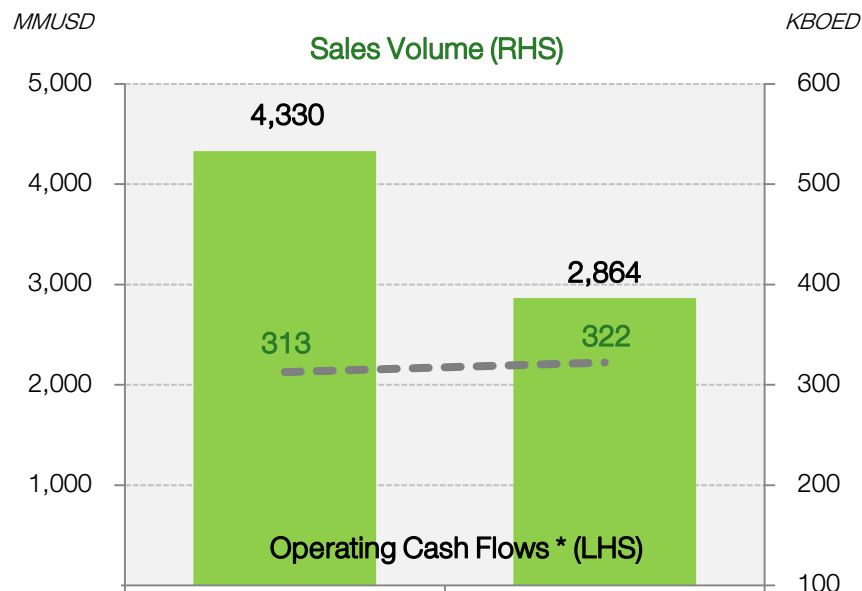
*** Exploration and Appraisal Wells

Cash Flow Performance

Robust liquidity to fund CAPEX, interest and dividend

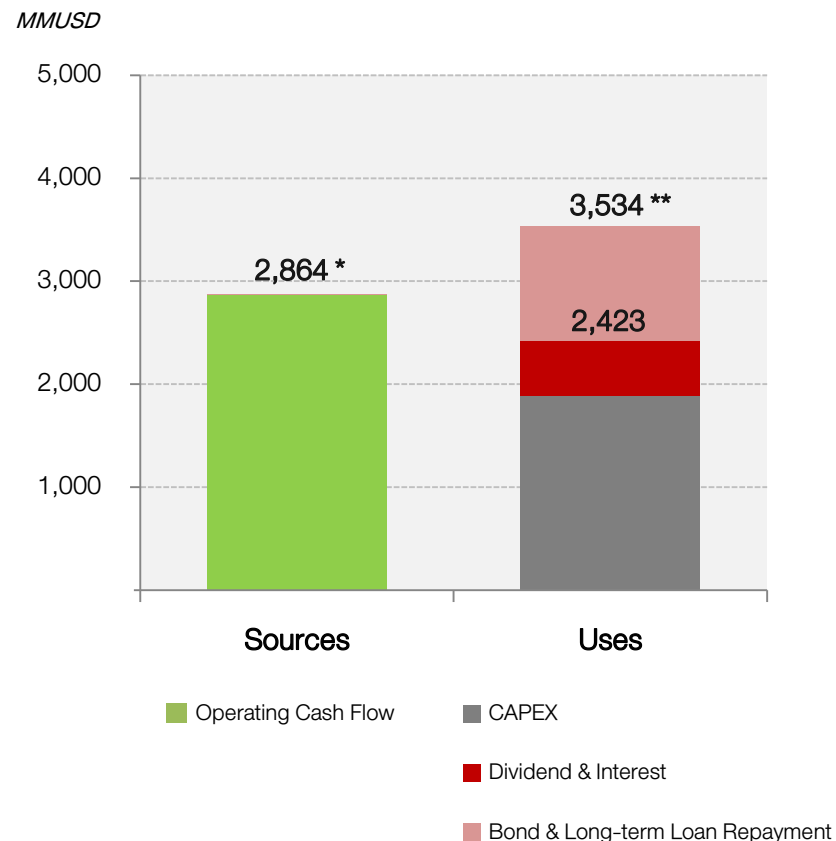


Cash Flow Performance



	FY 2014	FY 2015
Net Income	677	(854)
Recurring Net Income***	1,538	718
EBITDA Margin	71 %	71 %

Source & Use of Funds in 9M 2015



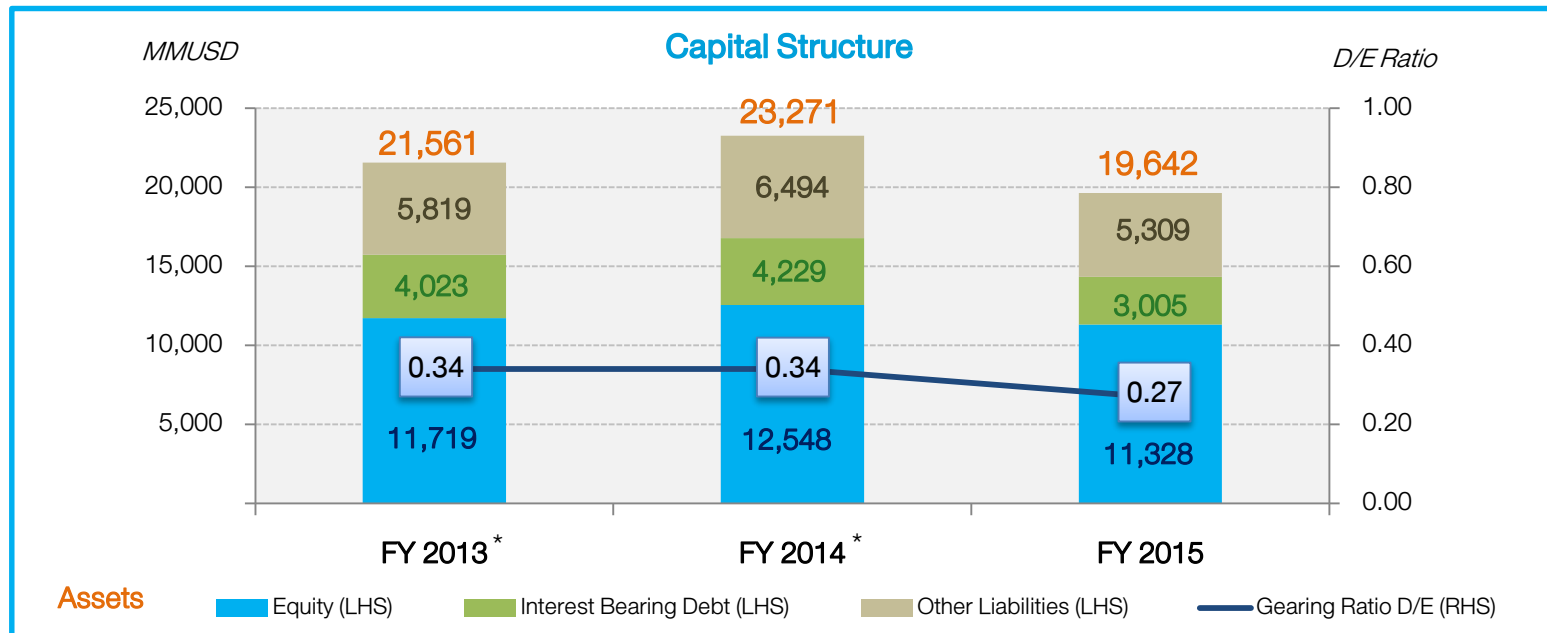
* Net of adjustment for the effect of exchange rate changes on cash and cash equivalents

** Excludes cash flows for investing in short-term investments (Fixed deposit > 3 months) of 782 MMUSD

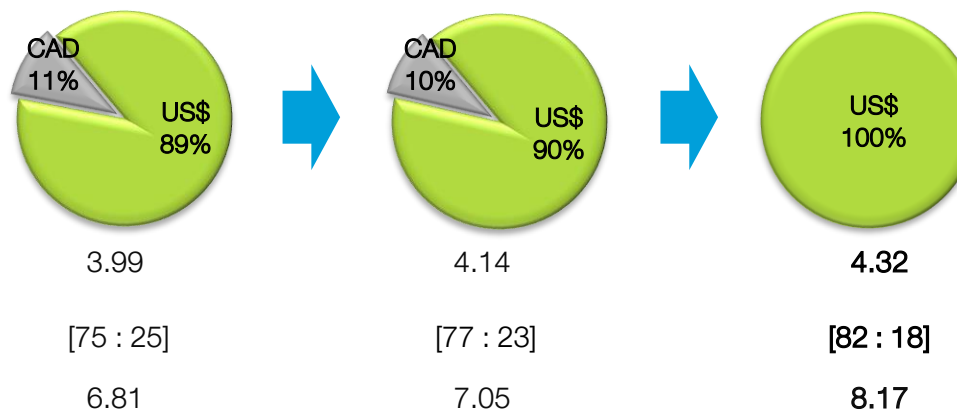
*** Excludes Gain/(Loss) on FX, Deferred tax from Functional currency, Current Tax from FX Revaluation, Gain/(Loss) from Financial Instruments, Impairment Loss on Assets, and etc.

Financial Position

Healthy balance sheet with low gearing ratio

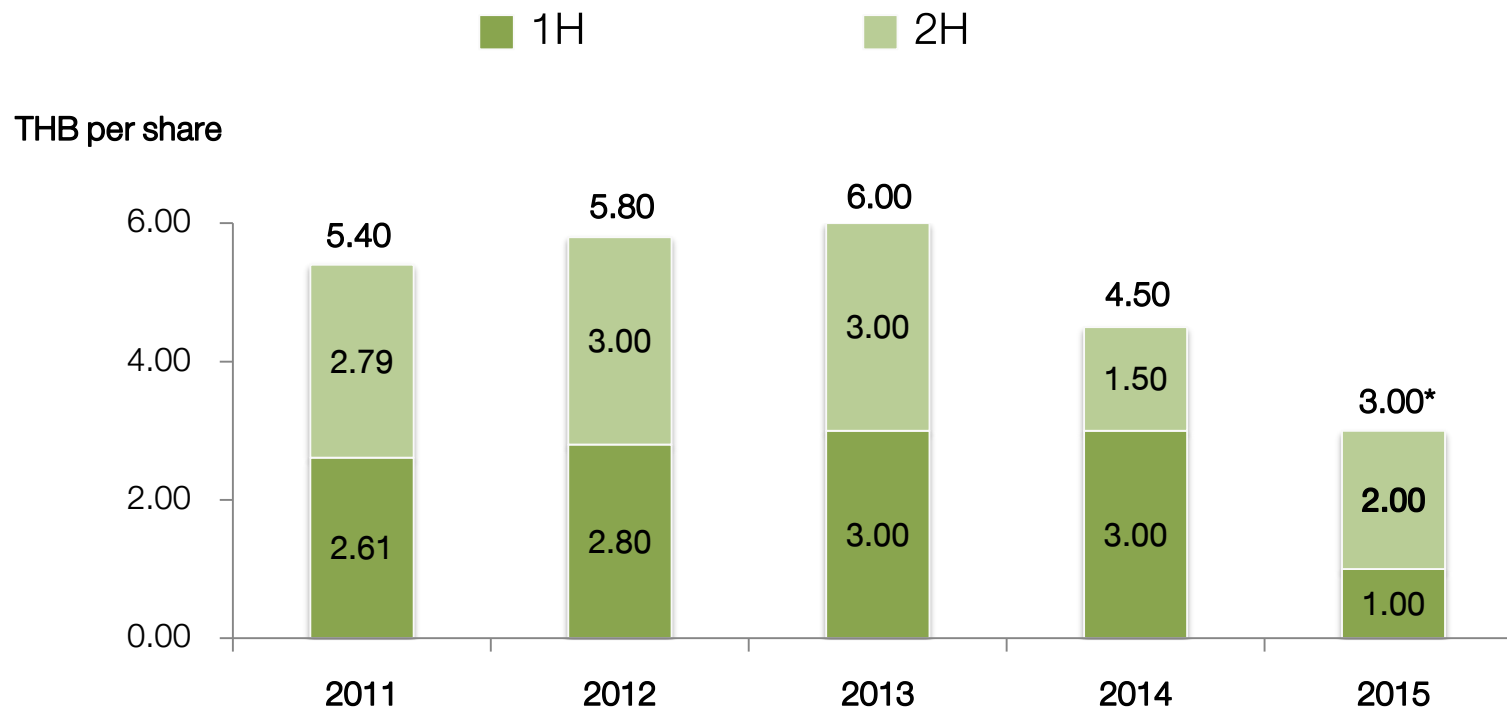


Debt Profile **



* Restated
** Excludes Hybrid bonds

Dividend Payment History (Policy : No Less Than 30% of Net Income)



Payout Ratio (%)	40	38	40	82	N/A
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* Subject to the Annual General Shareholders' Meeting approval



Company Overview



Financial Results



Outlook

2015 PRIORITIES

PROGRESS

Deliver sales volume growth as planned

Achieved ~3% growth as planned

Focus on cost optimization and investment prioritization

Improved cost performance through SAVE to be SAFE

Deliver near-term start-up and cautiously approach pre-FID projects

Successful start-up of Algeria Bir Seba project

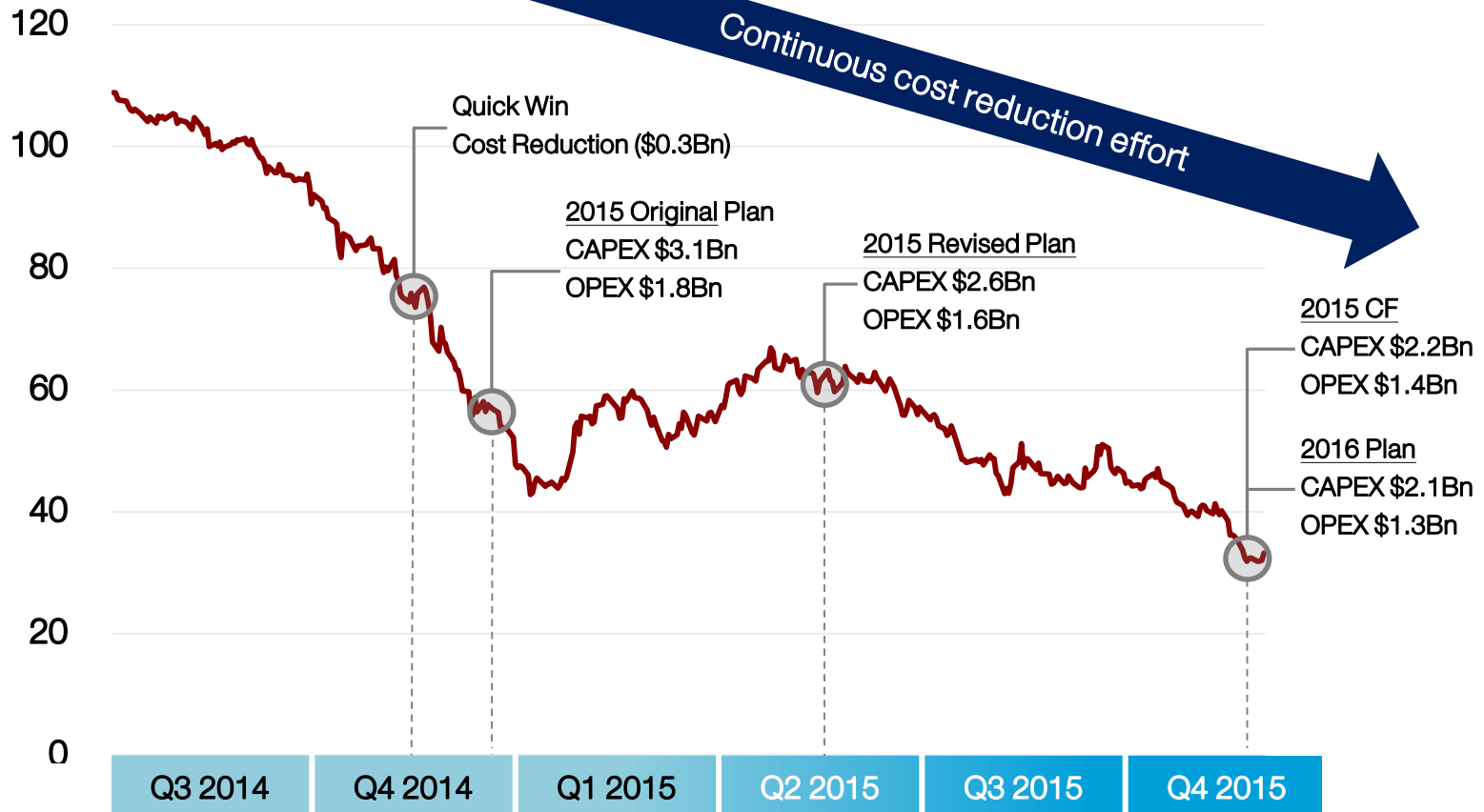
Leverage strong balance sheet for value-creating opportunities

\$2.9 bn OCF and low D/E of 0.27x with \$3.3 bn cash on hand

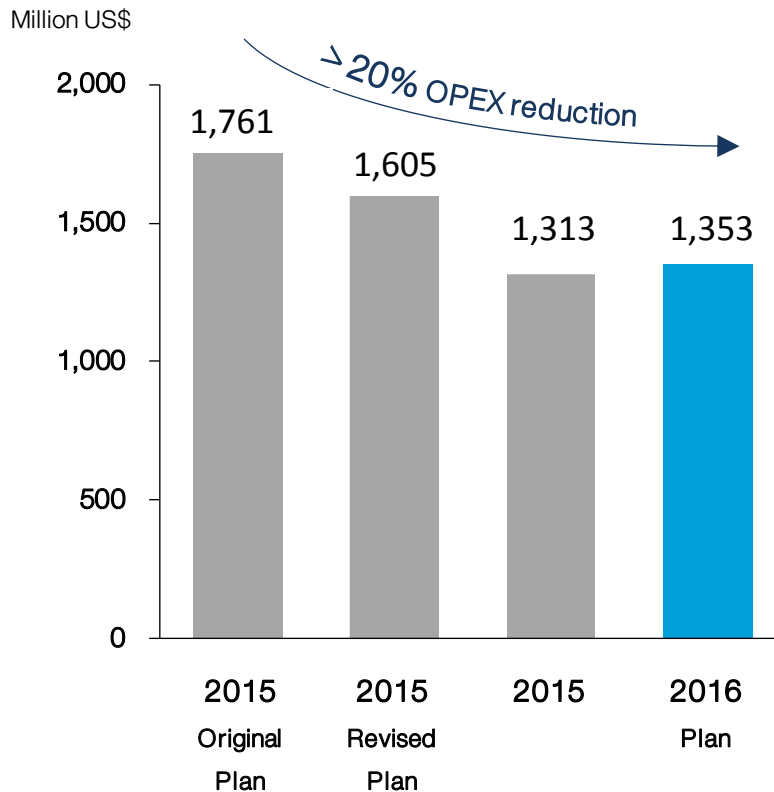


Dubai Crude Price

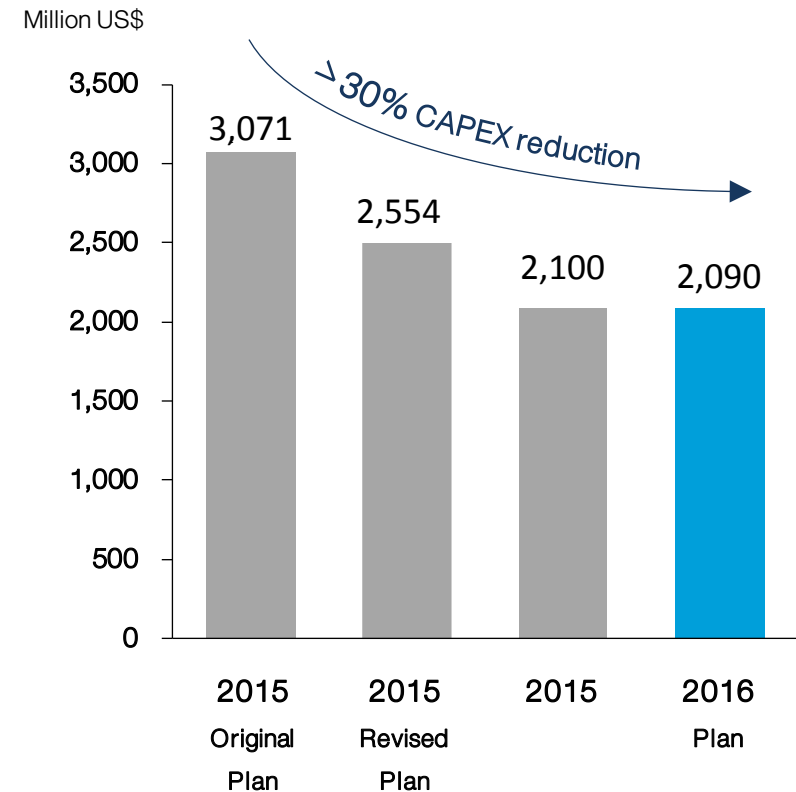
US\$ / Barrel



OPEX Budget Revision



CAPEX Budget Revision

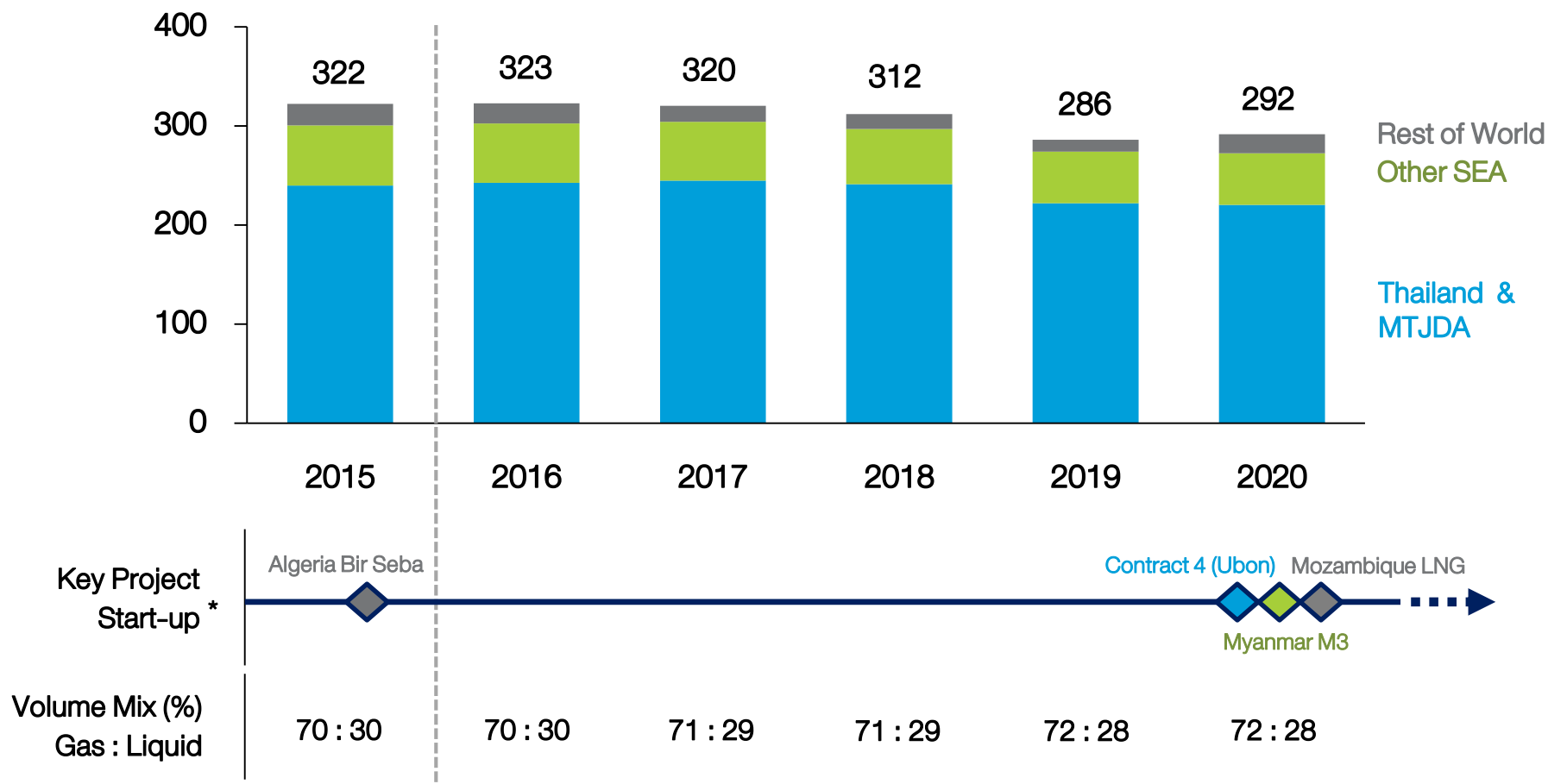


5-Year Sales Volume

Stable volume outlook with new project start-up expected in 2020



Unit : KBOED



Note: Sales volume net PSC royalty

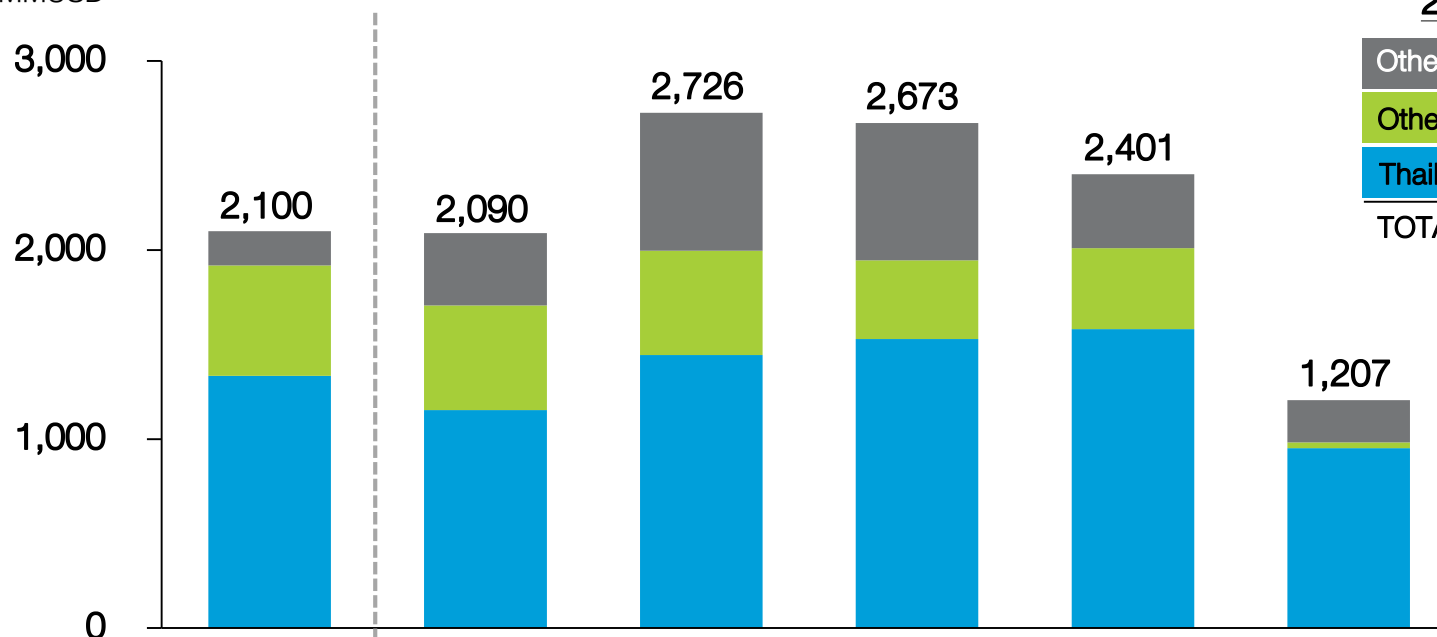
* Subject to FID timing

5-Year CAPEX Breakdown

Approximately two-third of CAPEX used to maintain output from producing projects



Unit : MMUSD



2016 - 2020

Other regions	2.4 Bn
Other SEA	2.0 Bn
Thailand	6.7 Bn
TOTAL	11.1 Bn

By Activities :

	2015	2016	2017	2018	2019	2020	2016 - 2020
Production	83%	82%	64%	53%	52%	65%	62%
New Project Development *	1%	15%	31%	45%	39%	35%	33%
Exploration and Others **	16%	3%	5%	2%	8%	1%	5%

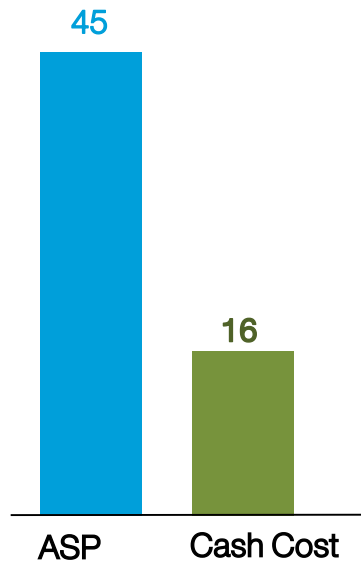
Note: * subject to FID

** include exploration and appraisal in all projects and Head Office CAPEX

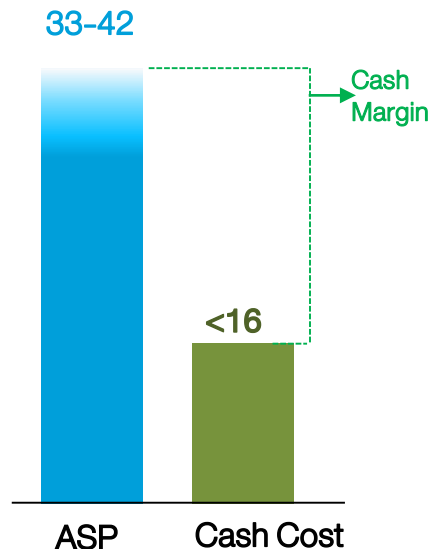
Strong Cash Margin to Support Investment

Unit : USD / BOE

Actual : 2015
Dubai @ 51\$/BBL



Forecast : 2016
Dubai @ 30–54 \$/BBL



Investment plan supported by strong operating cash margin

Together with healthy balance sheet and cash on hand, able to maintain funding capability to support M&A

In case of substantial change in price environment, preserve flexibility to adjust the investment program

Note: Cash cost = (Operating Exp + Exploration Exp + SG&A + Royalty & SRB+ Interest Exp) / Sales Volume



Exploring new horizons, we take every step as learning

For more information, please visit our website at

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Call us at **+66 2 537 4000**

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1. Sustainable Development
 2. Thailand Energy Updates
 3. Shareholding Structure
 4. Organization Structure
 5. Key Project Highlights by Region
 6. Progress on Key Projects
 7. Investment Plan (CAPEX and OPEX)
 8. FY 2015 Net Income Breakdown
 9. Ratios & Formula

Sustainable Development

Pursuing long-term growth hand-in-hand with social and environmental well-being



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In Collaboration with RobecoSAM

2015 DJSI Listed Company

Dow Jones Sustainability World Index
Oil & Gas Sector



Certified Member

Thailand's Private Sector Collective Action
Coalition Against Corruption (CAC)



Proven business integrity

NACC Integrity Awards
The National Anti-Corruption Commission

GC Advanced level Certification
The United Nations Global Compact (UNGC)

Best Public Company in Resources Sector
Money & Banking Magazine

Exemplary social contributor

CSR Excellence Award
Ministry of Social Development and Human Security

Best Strategic Corporate CSR
Alpha Southeast Asia Magazine

Global CSR Award :
Best Community Program
Pinnacle Group International Singapore



Green driver to environment

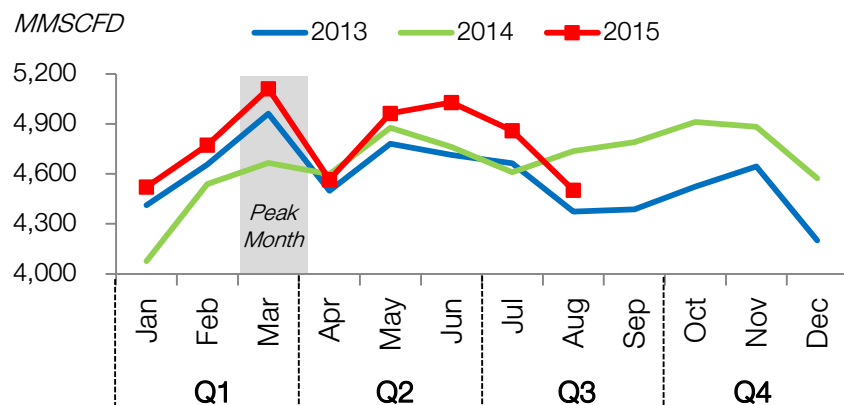
Best Environmental Responsibility
Corporate Governance Asia

CDP's Climate A List
CDP

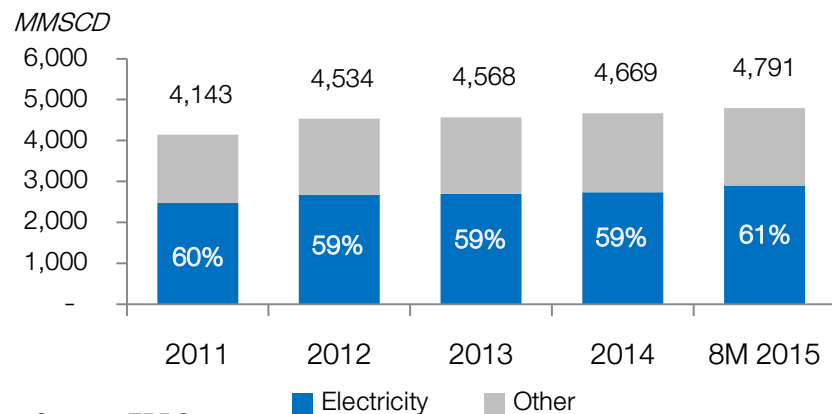
Participation in Thailand Voluntary Emission
Reduction Program (T-VER)

Thailand Gas Demand

Monthly Gas Consumption by Year



Annual Gas Consumption by Use



Source: EPPO

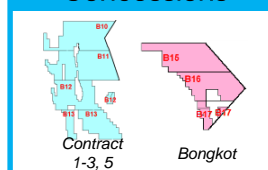
Thai Upstream Energy Reform

21st Bidding Round



- Bidding round process could be resumed after amendments to Petroleum Act is finalized

Expiring Concessions



- NEPC announced basic principles to concession renewal
- Target for definitive solution within 2017
- Gas supply stability continues to be key consideration

Thai-Cambodian OCA



- Discussion resumes at the Government level to seek resolution on OCA

Source: MOE, DMF

Integral support from major shareholder

PTTEP leverages its relationships with PTT Plc. and the Thai Government



Ownership Structure



Government of
Thailand

66.0%²



Thailand's national energy company

65.3%¹



Oil & Gas exploration and production Flagship of PTT



PTTEP supplies more than 80% of sales volume to PTT, a financially strong corporate and Thailand's main provider of natural gas

- PTTEP is engaged in long-term gas off-take agreements (generally 25 to 30 years) with PTT, a major source of PTTEP's stable revenue stream



Synergies between PTTEP and PTT in the natural gas value chain

- PTTEP provides PTT with access to gas production
- PTT provides leverage and support for PTTEP's relationships with other government bodies and agencies
- The relationship with PTT provides PTTEP with a competitive position to offer integrated solutions to counterparties

Credit Ratings on par with Sovereign Rating

	PTTEP	Thailand
Moody's	Baa1	Baa1
S&P's	BBB+	BBB+
JCR	A-	A-
TRIS	AAA	N/A

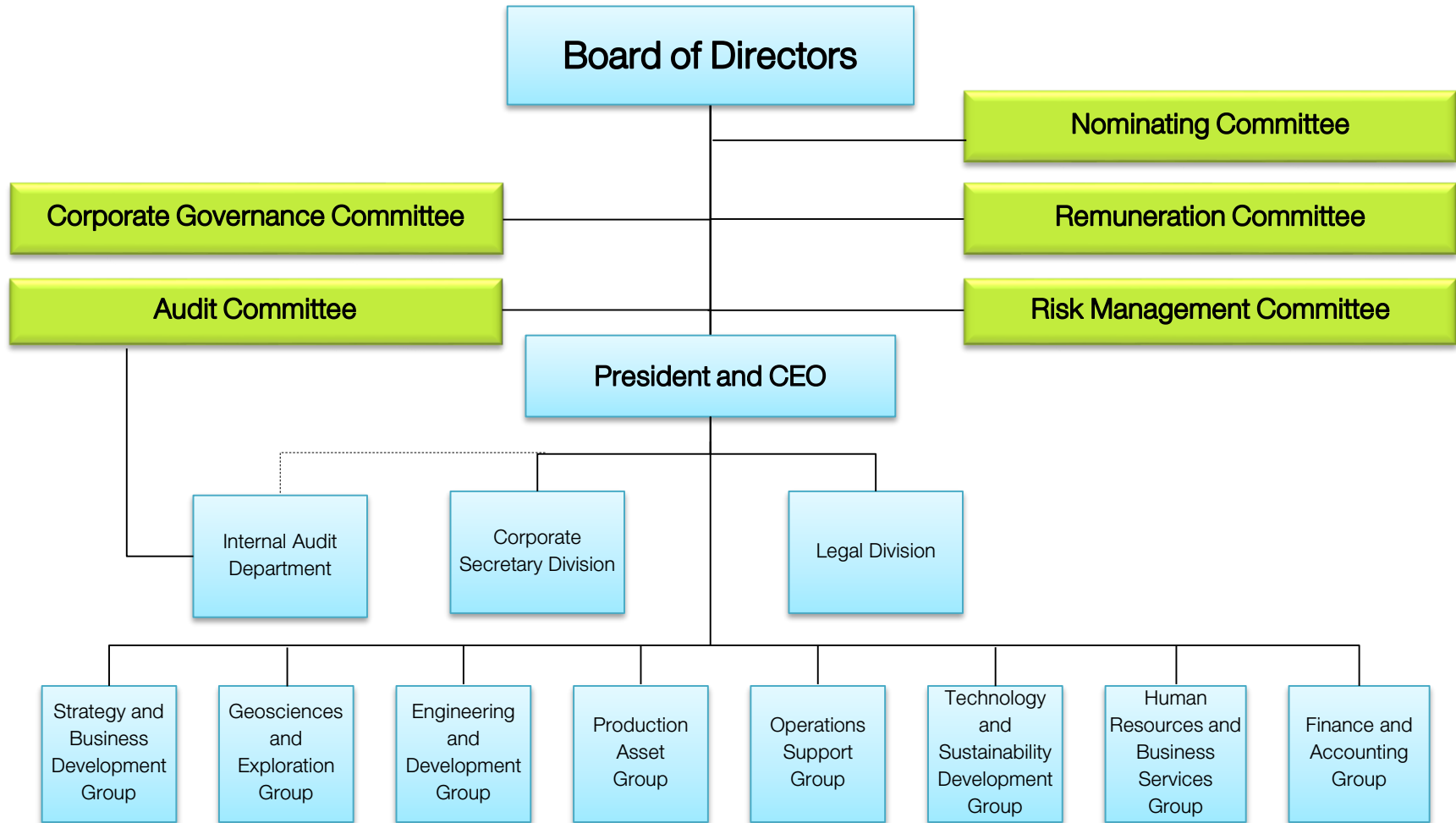
Notes:

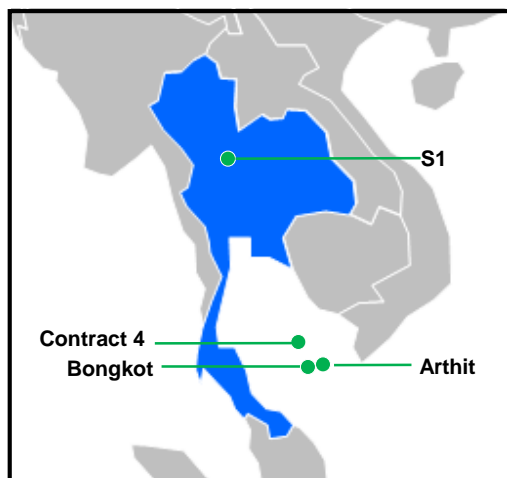
¹ Ownership as of 31 October 2015

² 51.1% is directly held by the Government of Thailand (Ministry of Finance), with the remaining 14.9% held by the state-controlled Vayupak Fund I

Organizational Structure

Ensuring Transparency, Integrity, and Good Corporate Governance practices





● Production / Ramp-up Projects

Bongkot (44.4% interest)

- Bongkot's natural gas sales volume of 905 MMSCFD (2015) represents approximately 22% of Thailand's natural gas supply
- Average condensate sales volume was 27.68 KBPD in 2015

S1 (100% interest)

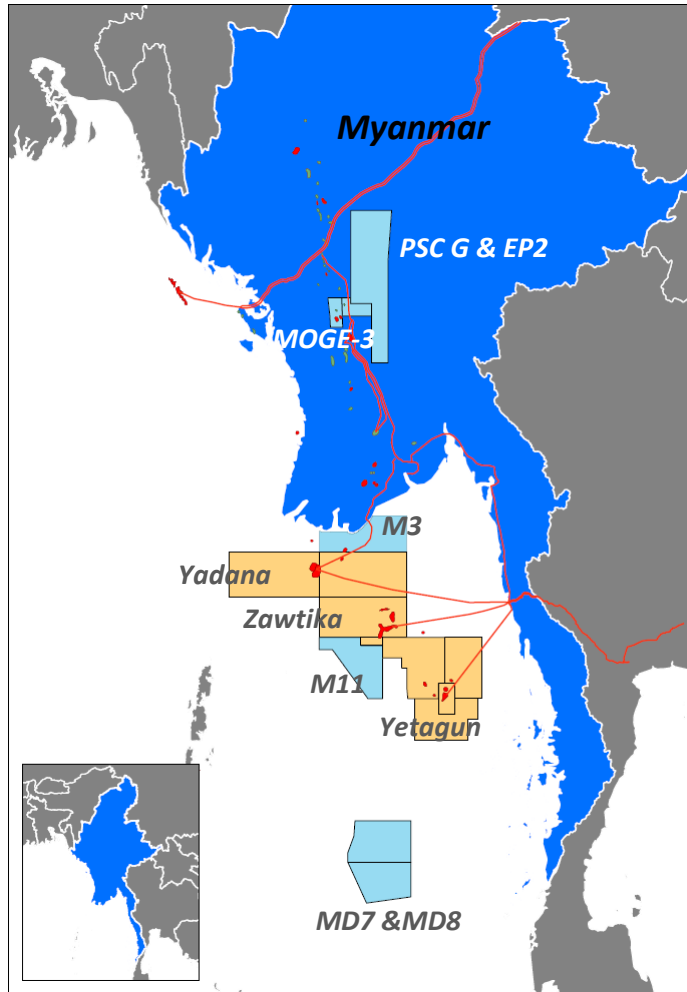
- S1 is the largest onshore crude oil production field in Thailand
- Average crude oil sales volume was 29 KBPD in 2015


Arthit (80% interest)

- Average sales volume in 2015 was 213 MMSCFD of natural gas and 9 KBPD of condensates

Acquisition of Hess Assets in Thailand

- PTTEP successfully acquired Hess Corporation's working interests in the Contract 4 project and Sinphuhorm project, and now holds 60% working interest in the Contract 4 project and 55% working interest in the Sinphuhorm project . PTTEP has also become the operator of the Sinphuhorm project
- The Contract 4 project had an average sales rate of 305 MMSCD for natural gas and 14 KBPD for condensate in 2015



 Exploration block  Production block

- Participating in three producing gas fields which supply gas to both Thailand and Myanmar: Yadana, Yetagun, Zawtika
- Operate Zawtika project, brought online in August 2014. Deliver gas supply of 314 MMSCFD in 2015.
- Significant exploration acreage both onshore and offshore in the Moattama Basin

Project Status

Producing

- Yadana
(25.5% WI)
- Yetagun
(19.3% WI)
- Zawtika
(80% WI)

Appraisal

- M3
(80% WI)

Exploration

- PSC G & EP2
(70% WI)
- MOGE-3
(75% WI)
- M11
(100% WI)*
- MD7 & MD8
(100% WI)

Note: WI – working interest

* New participating interest subject to government approval



Vietnam 16-1 (28.5% interest)

- Average crude oil sales volume of 31.3 KBPD in 2015
- Commissioned production platform in the H5 area to support current production level

Natuna Sea A (11.5% interest)

- Average sales volume of natural gas was 213 MMSCFD, and average sales volume of crude oil was 1.4 KBPD in 2015



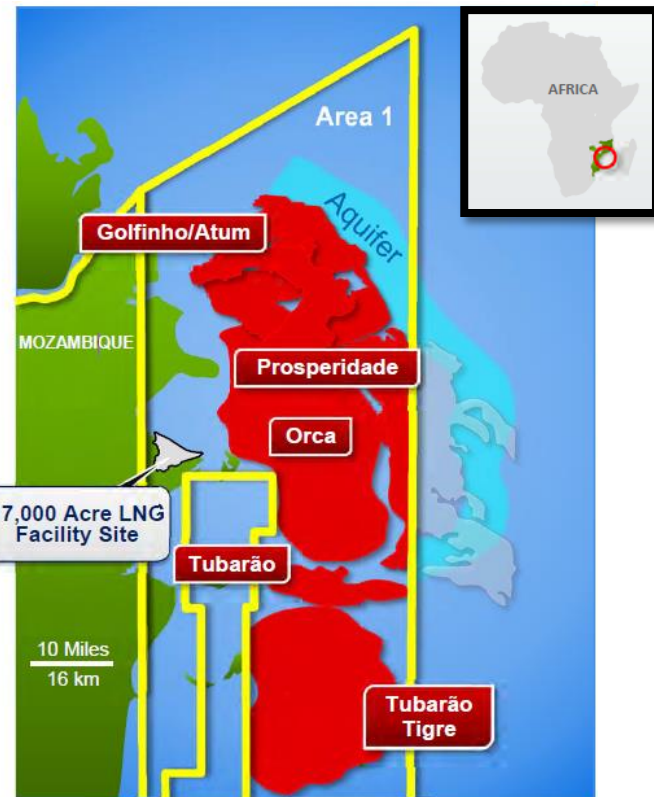
Source : Premier Oil



● Production / Ramp-up Projects

East Africa : Mozambique

Potential to become one of the world's largest emerging LNG supply hubs



Location and Cost Advantage

- Close proximity to shore
- High quality reservoirs
- Access to Asian markets

Source: Anadarko

*Substantial recoverable resources of **70+ tcf** with scalable offshore development of **more than 6 LNG trains***

Key Milestones to Final Investment Decision

Technical

- ✓ Certified reserves to support initial trains
- ✓ Announced selection of contractor for onshore LNG facilities construction

Commercial

- ✓ Secured more than 8 MTPA of non-binding HOAs

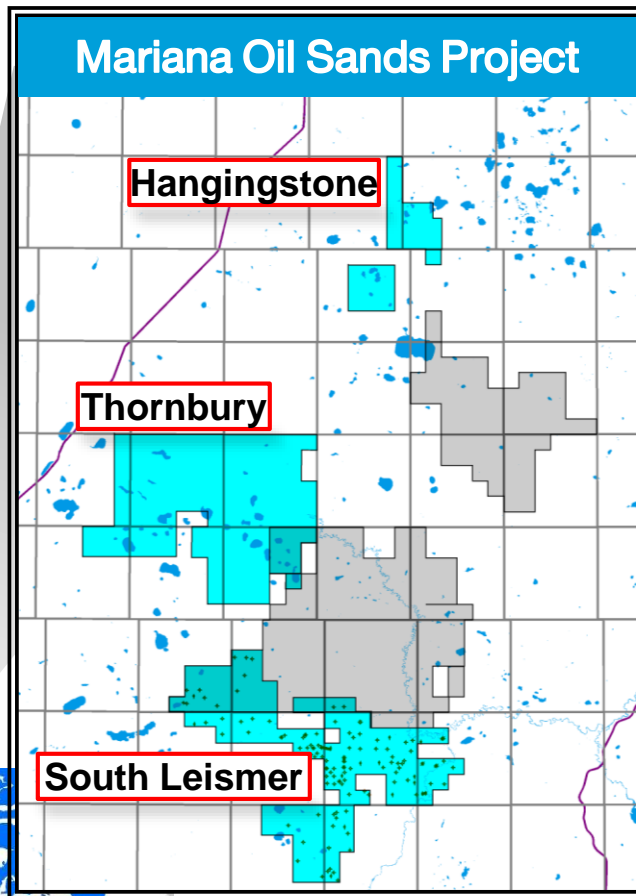
Regulatory

- ✓ Decree law ratified
- ✓ Substantial engagement with government to progress on remaining agreements and approvals to support investment

Financing

- ✓ Positive indications on project financing

Onwards to initial phase of 12 MTPA

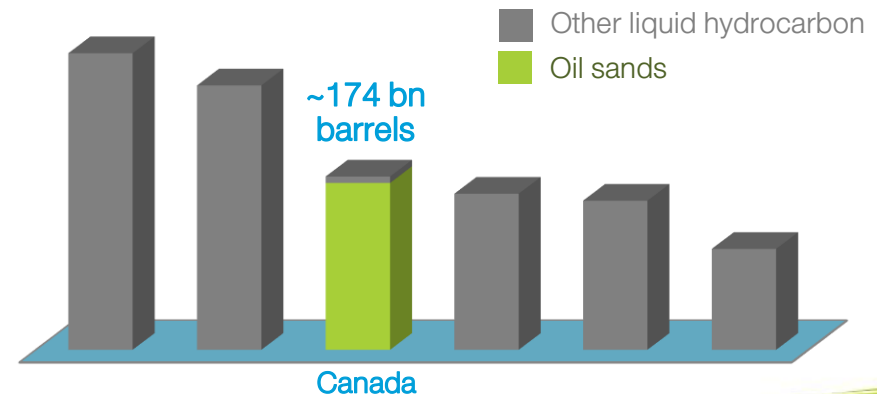


Source: Company data, BP Statistical Review of World Energy 2014

Project Overview

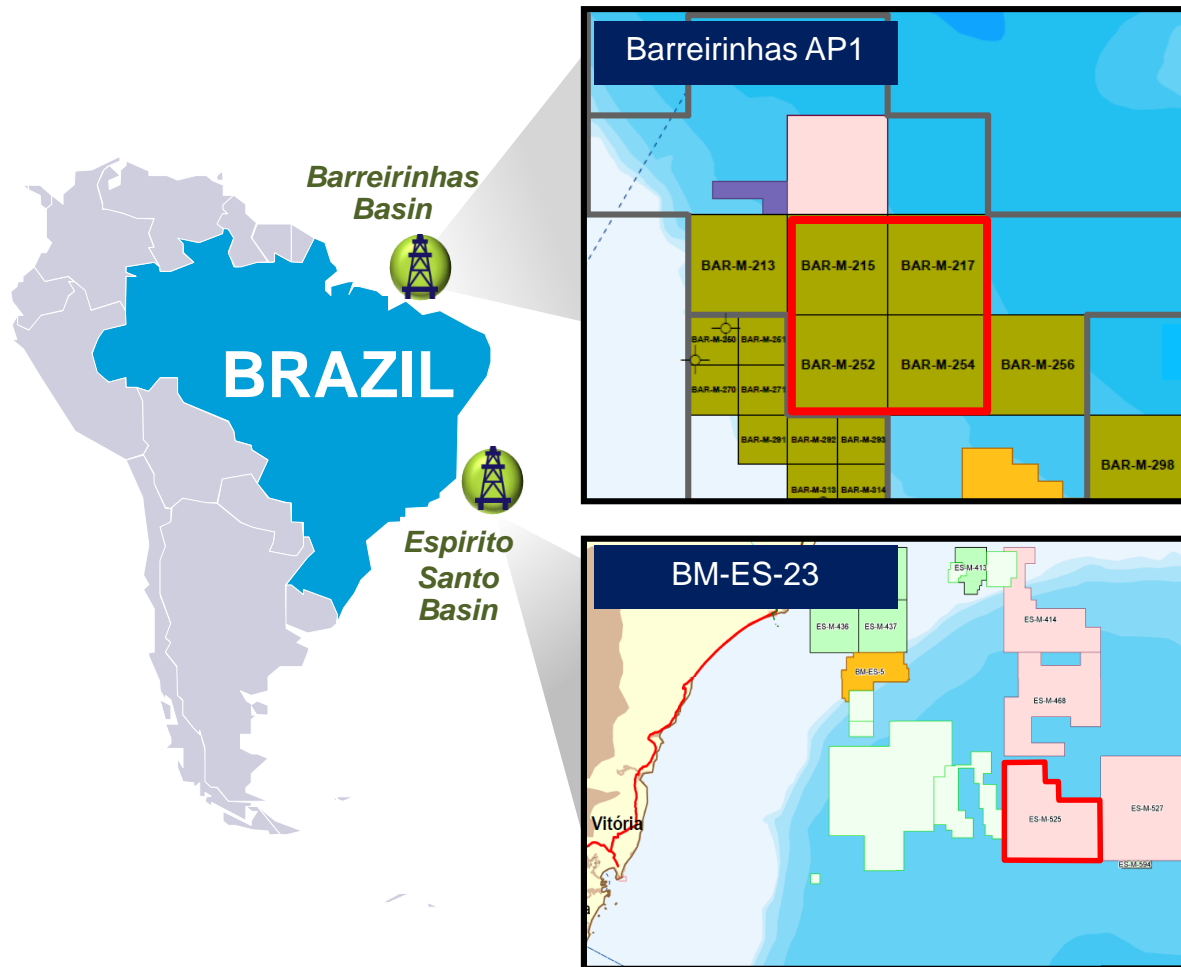
- Operates 100% interest of the Thornbury, Hangingstone and South Leismer (THSL) areas (exploration and appraisal phase)
- Potential large resource base with over a billion barrel
- Current focus on assessing cost reduction opportunity in light of low oil price environment.

Approximately 96% of the reserves in Canada, the world's 3rd largest oil reserves, is oil sands



America : Brazil Deepwater

Entry into high potential petroleum province at exploration phase



- Farm-in 25% from BG Group in 2014
- Operated by BG Group (75% interest)
- Four offshore exploration blocks: BAR-M-215, BAR-M-217, BAR-M-252 and BAR-M-254
- Currently preparing for seismic acquisition and conducting G&G studies

- Acquired 20% interest from Shell in Q3 2014
- Partnered with Petrobras (65%, operator) and INPEX (15%)
- Drilled 2 exploration wells in 2015

Source : The National Agency of Petroleum, Natural Gas and Biofuels, Brazil (the ANP)

Progress continues to be made on key projects

Bir Seba: PTTEP First Production in Africa

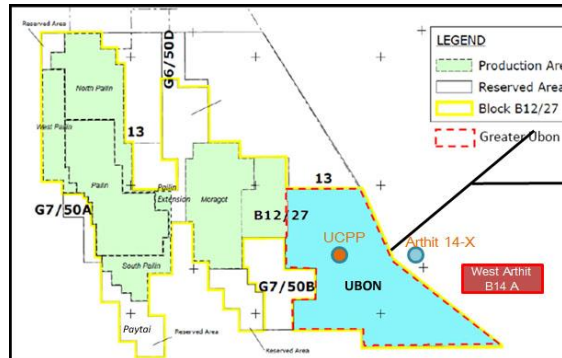


Algeria Bir Seba



- 35% interest, jointly operated with PetroVietnam, and Sonatrach
- Gross production capacity of 20kbpd
- Project Status:
 - Commenced its first production and the first crude oil sales in Q4 2015.
- Future opportunities include possible expansion at Bir Seba and oil discovery at HBR

Contract 4 (Ubon)



- 60% interest (operated by Chevron)
- Oil resources in the Gulf of Thailand
- Proposed production capacity in 30kbpd range

Mozambique Area 1



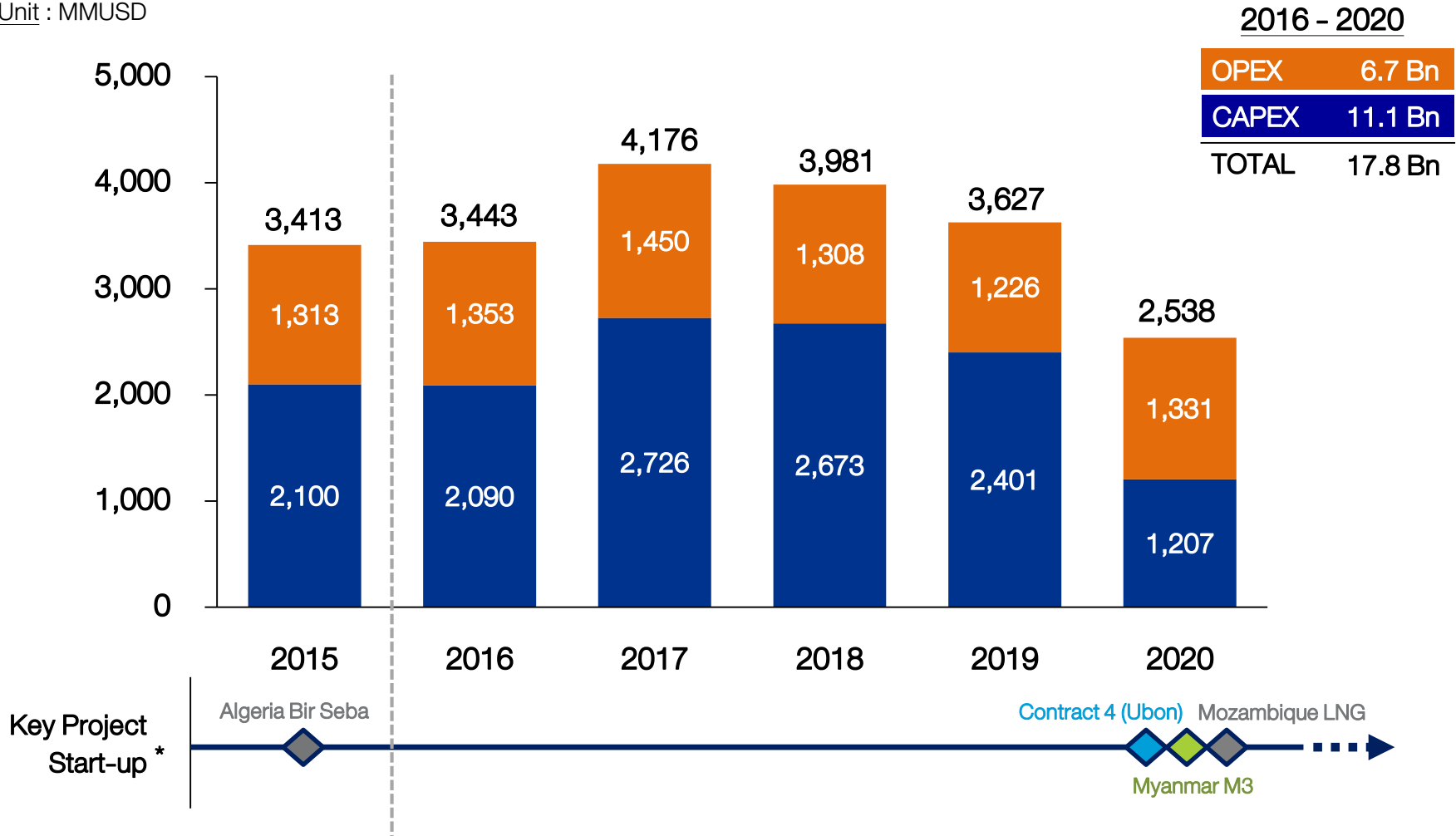
- 8.5% interest (operated by Anadarko)
- Key attractions:
 - Massive gas resource
 - Competitive cost profile
- Initial development proposed for 12 MMTPA LNG (2 trains)
- Progress to FID with:
 - Decree law ratified
 - Onshore EPC contractor selected
 - 8MMTPA non-binding HOA signed with Asian buyers
 - Project financing

Investment Plan (CAPEX and OPEX)

Leaner CAPEX and OPEX program achieved through SAVE to be SAFE initiative



Unit : MMUSD



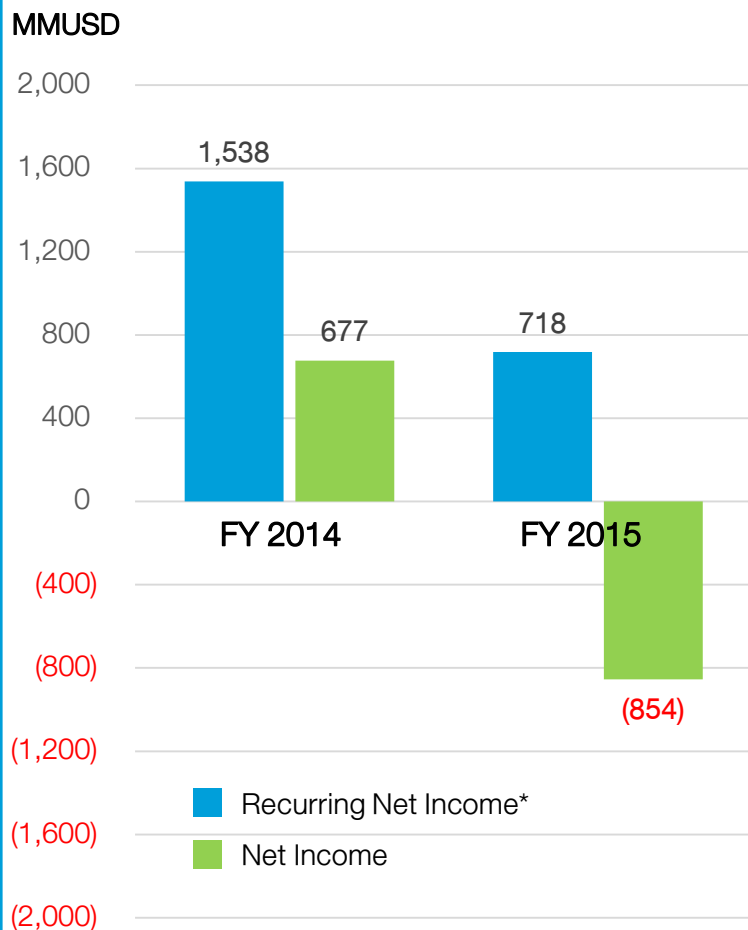
Note: *Subject to FID timing

FY 2015 Net Income Breakdown

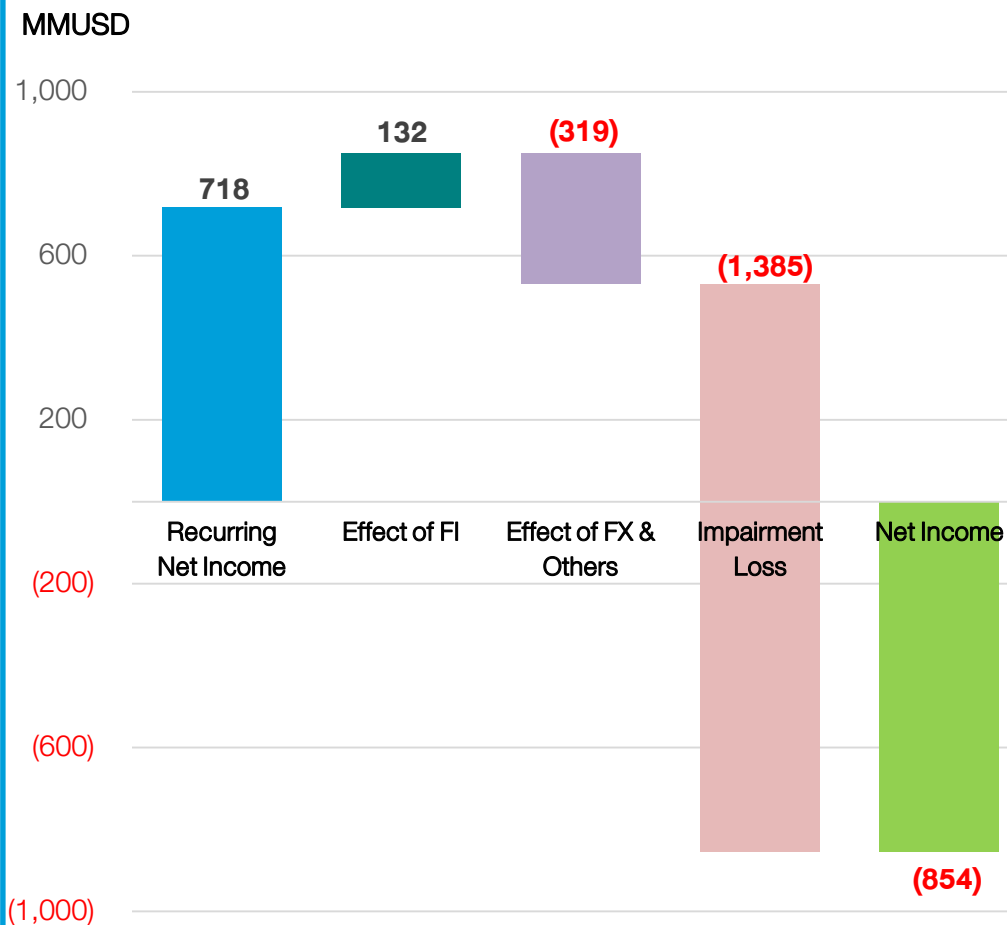
Net income primarily hurt by impairment loss



Net Income Comparison



Net Income FY 2015



* Excludes Gain/(Loss) on FX, Deferred tax from Functional currency, Current Tax from FX Revaluation, Gain/(Loss) from Financial Instruments, Impairment Loss on Assets, and etc.

Ratio	Formula
Lifting Cost (\$/BOE)	$\frac{(\text{Operating Exp.} - \text{Transportation Cost} - \text{Stock Variation} - \text{Other expense not related to lifting})}{\text{Production Volume}}$
Cash Cost (\$/BOE)	$\frac{(\text{Operating Exp.} + \text{Exploration Exp.} + \text{SG\&A} + \text{Royalty \& SRB} + \text{Interest Expense})}{\text{Sales Volume}}$
Unit Cost (\$/BOE)	$\frac{(\text{Operating Exp.} + \text{Exploration Expense} + \text{SG\&A} + \text{Royalty} + \text{DD\&A})}{\text{Sales Volume}}$
Reserves Replacement Ratio	$\frac{5\text{-Yr Additional Proved Reserves}}{5\text{-Yr Production Volume}}$
Reserves Life Index (Year)	$\frac{\text{Proved Reserves}}{\text{Production Volume}}$
Success Ratio	$\frac{\text{Number of wells with petroleum discovery}}{\text{Total number of exploration and appraisal wells}}$
EBITDA	$(\text{Sales} + \text{Revenue from pipeline transportation}) - (\text{Operating expenses} + \text{Exploration expenses} + \text{Administrative expenses} + \text{Petroleum royalties and remuneration} + \text{Management's remuneration})$
EBITDA Margin	$\frac{\text{EBITDA}}{\text{Sales Revenue}}$
Total Interest Bearing Debt	$\text{Short-term loans from financial institution} + \text{Current portion of long-term debts} + \text{Bonds} + \text{Long-term loans from financial institution}$
Total Debt to Equity Ratio	$\frac{\text{Total interest bearing debt}}{\text{Shareholders' equity}}$
Total Debt to EBITDA Ratio	$\frac{\text{Total interest bearing debt}}{\text{Trailing-12-month EBITDA}}$
Dividend Payout Ratio	$\frac{\text{Dividend Payment}}{\text{Net Profit}}$