

PTT Exploration and Production Public Company Limited

Conference Call Q2 2016 Financial Results

28 July 2016



PTTEP

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Sustainability Indices**

In Collaboration with RobecoSAM





Summary of Q2 2016 Financial Results

Healthy core earnings from efficient cost reduction and improved average product price

Unit : MMUSD

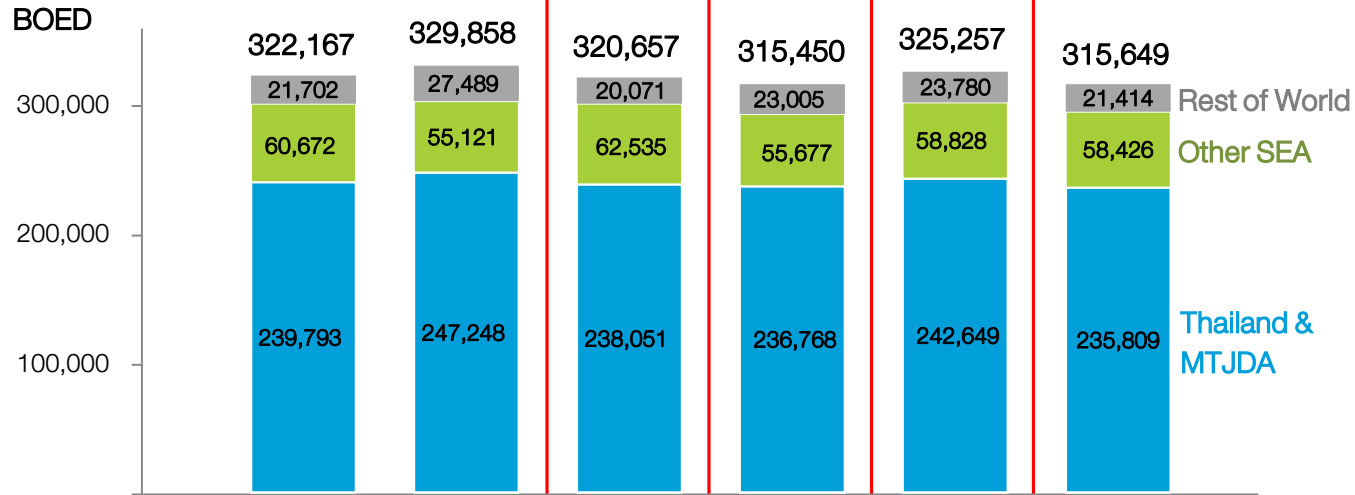
Statement of Income	Q1 16	Q2 16	% QoQ	Q2 15 *	% YoY	6M 16	6M 15 *	% YTD
Total Revenues	1,093	1,110	2	1,448	(23)	2,203	2,895	(24)
Sales	1,053	1,069	2	1,398	(24)	2,122	2,790	(24)
Others	40	41	3	50	(18)	81	105	(23)
Sales Volume (BOED)	329,858	320,657	(3)	315,450	2	325,257	315,649	3
Sales Price (USD/BOE)	35.08	36.62	4	48.71	(25)	35.84	48.83	(27)
Total Expenses	936	1,035	11	1,413	(27)	1,971	2,596	(24)
Major Expenses:								
Operating Expenses	135	144	7	182	(21)	279	349	(20)
Exploration Expenses	26	15	(42)	38	(61)	41	52	(21)
DD&A	518	518	-	726	(29)	1,036	1,454	(29)
Income Tax Expense	30	55	83	137	(60)	85	155	(45)
(Gain)/Loss on FX	(6)	(7)	(17)	19	>(100)	(13)	53	>(100)
Net Income	157	75	(52)	35	>100	232	299	(22)
Recurring Net Income	116	154	33	194	(21)	270	442	(39)
Non-Recurring **	41	(79)	>(100)	(159)	50	(38)	(143)	73

Note: * Restated

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



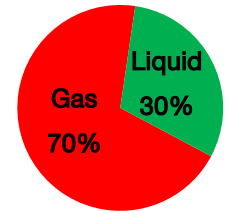
Sales Volume



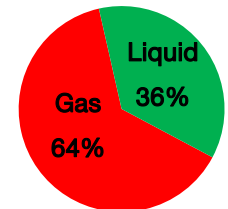
Sales Price	2015	Q1 16	Q2 16	Q2 15 *	6M 16	6M 15 *
Gas (\$/MMBTU)	7.20	6.09	5.59	7.32	5.84	7.70
Liquid (\$/BBL)	50.05	32.04	43.68	59.30	37.61	54.79
Weighted Avg. (\$/BOE)	45.29	35.08	36.62	48.71	35.84	48.83
Avg. Dubai (\$/BBL)	50.91	30.42	43.18	61.30	36.80	56.59
Avg. HSFO (\$/BBL) (High Sulphur Fuel Oil)	44.86	24.67	33.65	56.44	29.16	52.67

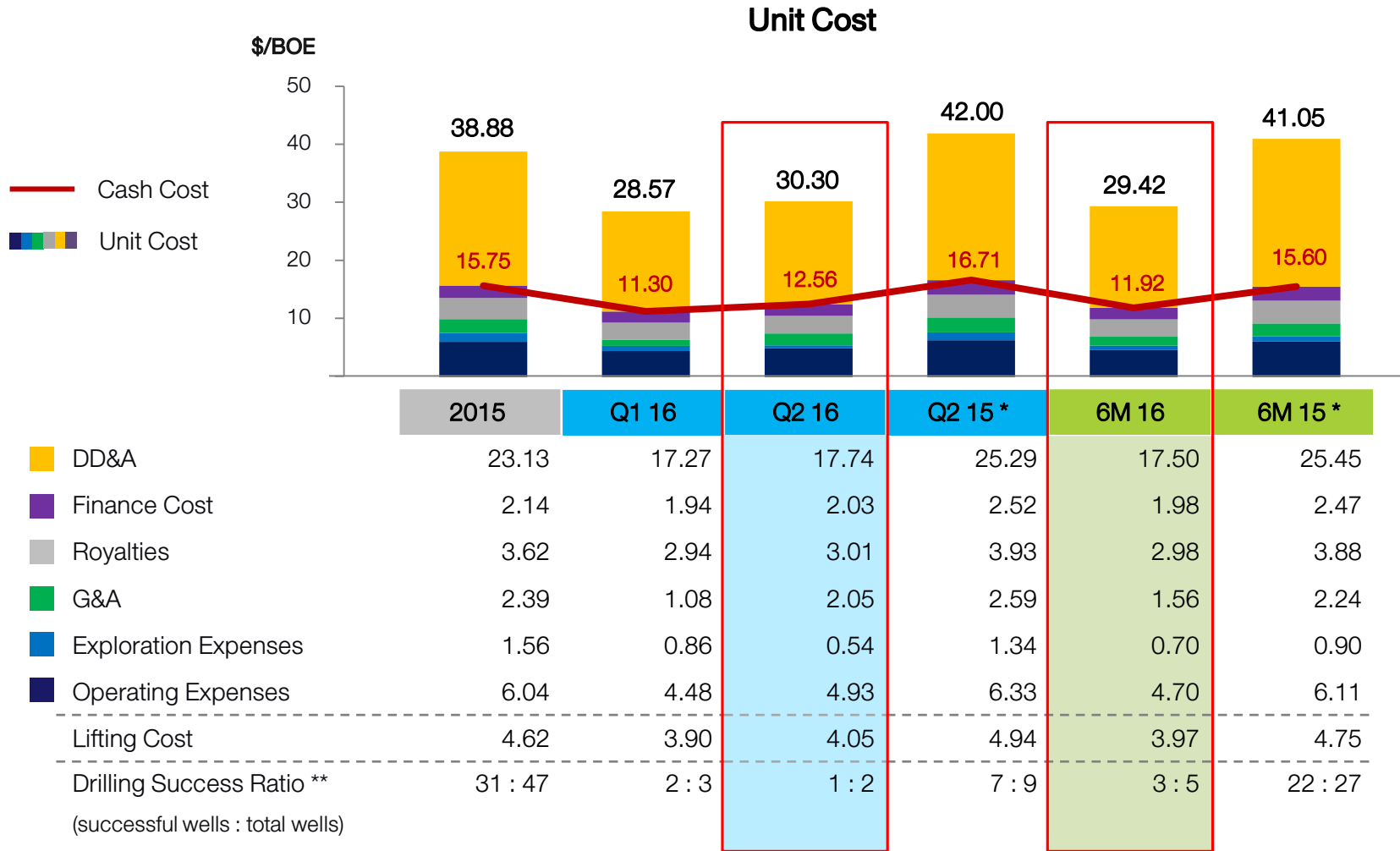
Q2 2016 Sales Volume & Revenue By Product

Volume Mix



Revenue Mix





Note: * Restated

** Exploration and Appraisal Wells

The formulas for calculating ratios are provided in the supplementary section for your reference



	Q1 16	Q2 16	Q2 15 *	6M 16	6M 15 *
Sales Revenue ** (MMUSD)	1,070	1,085	1,429	2,155	2,856
EBITDA (MMUSD)	789	778	1,022	1,567	2,106
Net Income (MMUSD)	157	75	35	232	299
Recurring Net Income (MMUSD)	116	154	194	270	442
Earning Per Share (USD)	0.04	0.01	0.005	0.05	0.07
Key Financial Ratios					
EBITDA Margin (%)	74	72	72	73	74
Return on Equity (%) (LTM)	(8)	(8)	0.3	(8)	0.3
Return on Capital Employed (%) (LTM)	(5)	(5)	1	(5)	1
Return on Equity (%) (LTM, Recurring Net Income)	5	5	8	5	8
Return on Capital Employed (%) (LTM, Recurring Net Income)	5	4	7	4	7

Note: * Restated

** Sales and revenue from pipeline transportation

The formulas for calculating ratios are provided in the supplementary section for your reference



	Q4 15	Q1 16	Q2 16
Total Assets (MMUSD)	19,642	19,795	19,025
- Cash & cash equivalents ** (MMUSD)	3,260	3,702	3,205
Total Liabilities (MMUSD)	8,314	8,509	7,704
- Interest bearing debt (MMUSD)	3,005	3,018	2,844
Equity (MMUSD)	11,328	11,286	11,321
Key Financial Ratios			
Total Debt to Equity (X)	0.27	0.27	0.25
Net Debt ** to Equity (X)	(0.02)	(0.06)	(0.03)
Total Debt to Capital (X)	0.21	0.21	0.20
Total Debt to EBITDA (X)	0.78	0.85	0.86
Net Debt ** to EBITDA (X)	(0.07)	(0.19)	(0.11)
EBITDA Interest Coverage (X)	24	24	24

Credit Ratings : BBB+ (S&P), Baa1 (Moody's), AAA (TRIS)

Weighted Average Cost of Debt ** : 4.40%

Average Loan Life ** : 8.65 years

Note: * Cash & Cash Equivalents (Cash on hand) include Short-term Investments (Fixed deposit > 3 months)

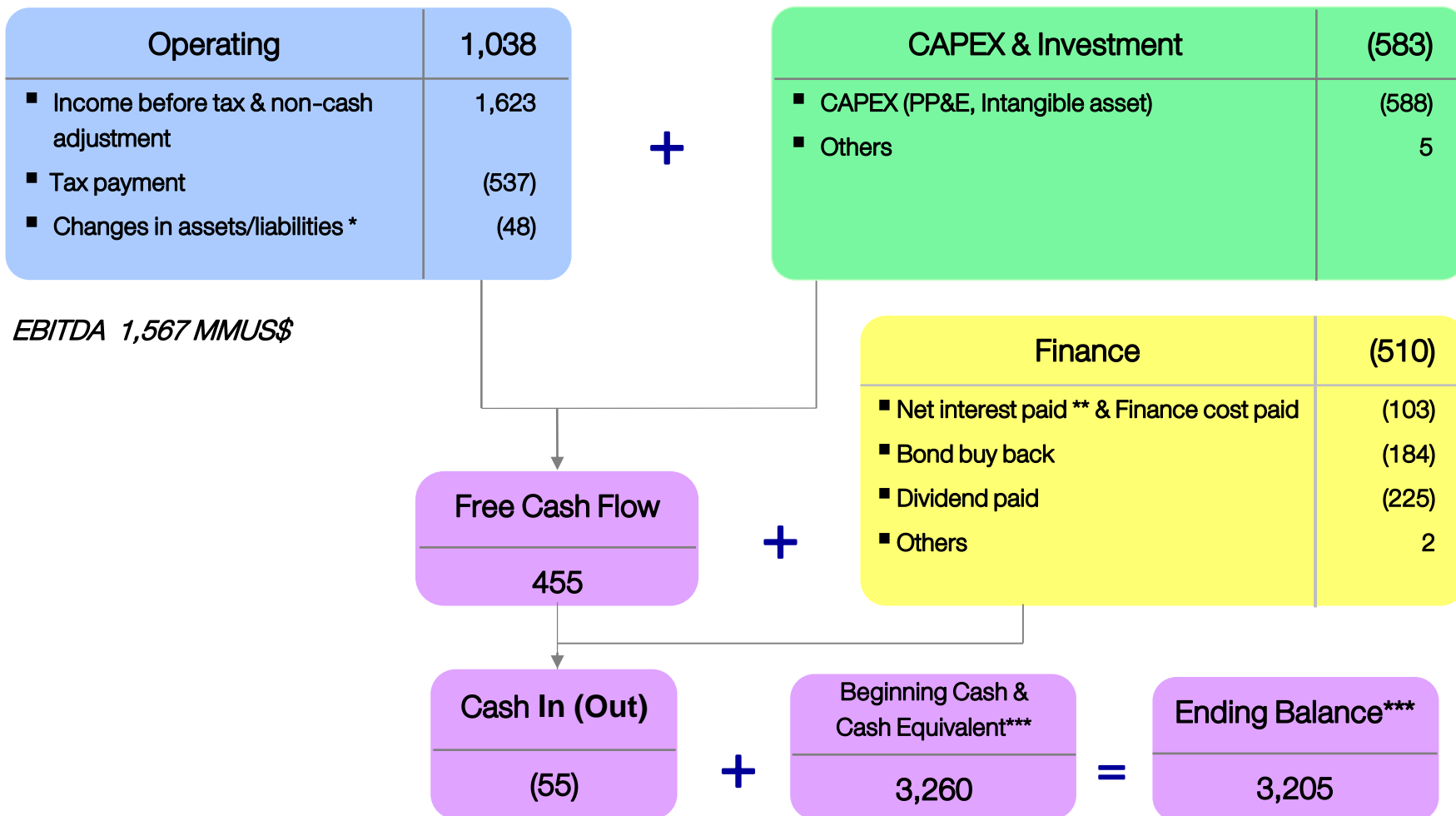
Net Debt = Total Debt less Cash & Cash Equivalents and Short-term Investments

** Excludes hybrid bonds

The formulas for calculating ratios are provided in the supplementary section for your reference



Unit : MMUSD



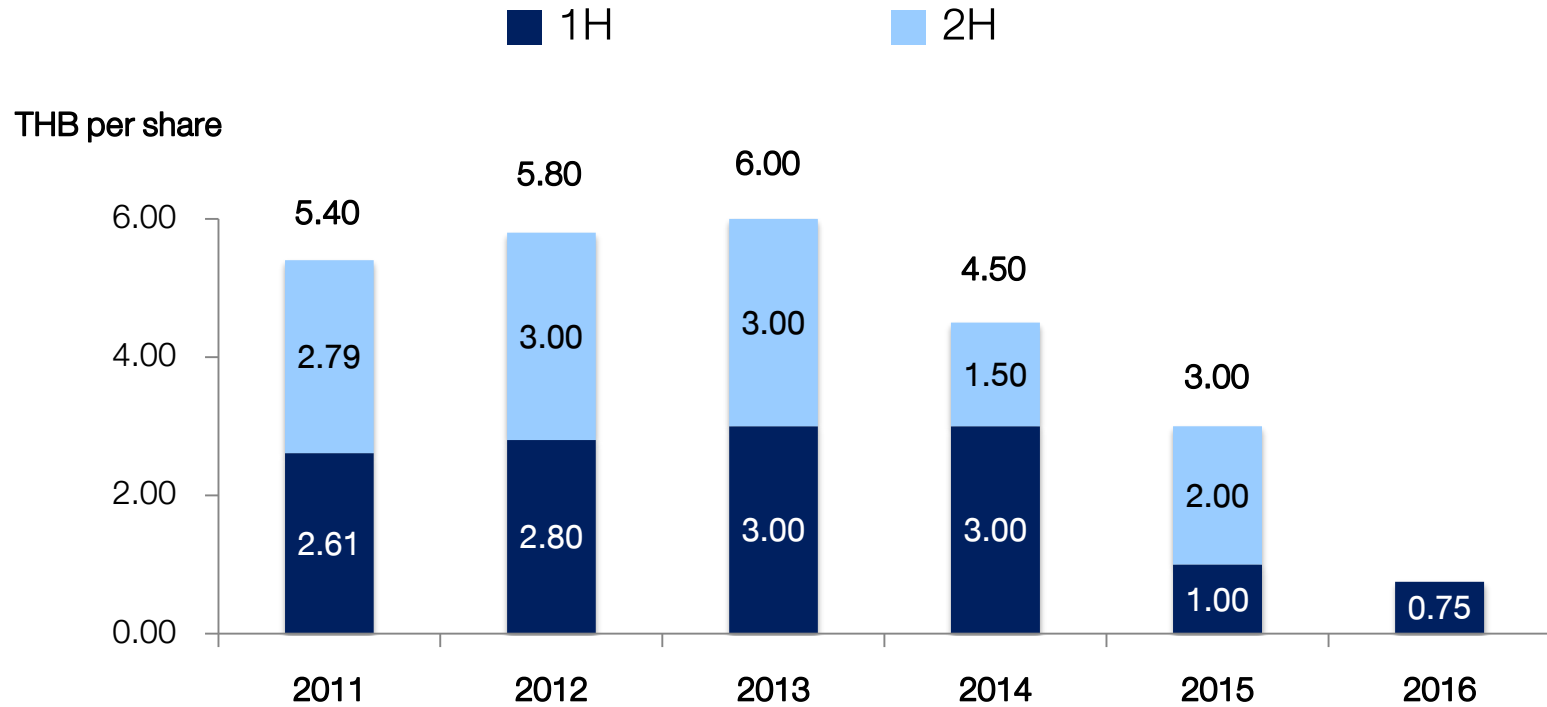
Note: * Net of foreign exchange rate effect

** Net of interest received

*** Include Short-term investment (Fixed deposit > 3 months)



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



Payout Ratio (%)	2011	2012	2013	2014	2015	2016
	40	38	40	82	N/A	37



Summary of Statement of Profit and Loss :

Unit : MMUSD

Statement of Income	Q1 16	Q2 16	% QoQ	Q2 15 *	% YoY	6M 16	6M 15 *	% YTD
Net Income	157	75	(52)	35	>100	232	299	(22)
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- ✓ **Solid operational performance** : On track to achieve 2016 sales volume target
- ✓ **Efficient cost management** : alleviating impact of low oil price and driving competitive advantage
- ✓ **Strong EBITDA margin** : leading to healthy operating cash flow and high levels of liquidity
- ✓ **\$3.2Bn cash on hand + Strong balance sheet** : well positioned for M&A and ready to weather through low oil prices
- ✓ **Consistent dividend payment** : enhancing shareholders' value

Note: * Restated

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

Remark: Cash on hand includes short-term investments



You can reach the Investor Relations team for more information and inquiry through the following channels:



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Ratio	Formula
Lifting Cost (\$/BOE)	$(\text{Operating Exp.}) / \text{Production Volume}$
Cash Cost (\$/BOE)	$(\text{Operating Exp.} + \text{Exploration Exp.} + \text{G\&A} + \text{Royalties} + \text{Finance Cost}) / \text{Sales Volume}$
Unit Cost (\$/BOE)	$(\text{Operating Exp.} + \text{Exploration Exp.} + \text{G\&A} + \text{Royalties} + \text{Finance Cost} + \text{DD\&A}) / \text{Sales Volume}$
Reserves Replacement Ratio	$5\text{-Yr Additional Proved Reserves} / 5\text{-Yr Production Volume}$
Reserves Life Index (Year)	$\text{Proved Reserves} / \text{Production Volume}$
Success Ratio	$\text{Number of wells with petroleum discovery} / \text{Total number of exploration and appraisal wells}$
Sales Revenue	$\text{Sales} + \text{Revenue from pipeline transportation}$
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	$\text{EBITDA} / \text{Sales Revenue}$
Return on Equity	$\text{Trailing-12-month net income} / \text{Average shareholders' equity between the beginning and the end of the 12-month period}$
Return on Capital Employed	$(\text{Trailing-12-month net income} + \text{Trailing-12-month Interest Expenses \& Amortise Bond Issuing Cost}) / (\text{Average shareholders' equity and average total debt between the beginning and the end of the 12-month period})$
Simple Effective Tax Rate	$\text{Income tax expenses} / \text{Income before income taxes}$
Total debt	$\text{Short-term loans from financial institution} + \text{Current portion of long-term debts} + \text{Bonds} + \text{Long-term loans from financial institution}$
Net debt	$\text{Total debt} - \text{Liquidity}$
Debt to Equity	$\text{Total debt} / \text{Shareholders' equity}$
Net Debt to Equity	$\text{Net debt} / \text{Shareholders' equity}$
Total Debt to Capital	$\text{Total debt} / (\text{Total debt} + \text{Shareholders' equity})$
Total Debt to EBITDA	$\text{Total debt} / \text{Trailing-12-month EBITDA}$
Net Debt to EBITDA	$\text{Net debt} / \text{Trailing-12-month EBITDA}$
EBITDA Interest Coverage Ratio	$\text{Trailing-12-month EBITDA} / \text{Trailing-12-month Interest Expenses \& Amortize Bond Issuing Cost}$