

PTT Exploration and Production Public Company Limited

JP Morgan Thailand Conference
5-6 February 2015



MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM



Company Overview



Financial Results



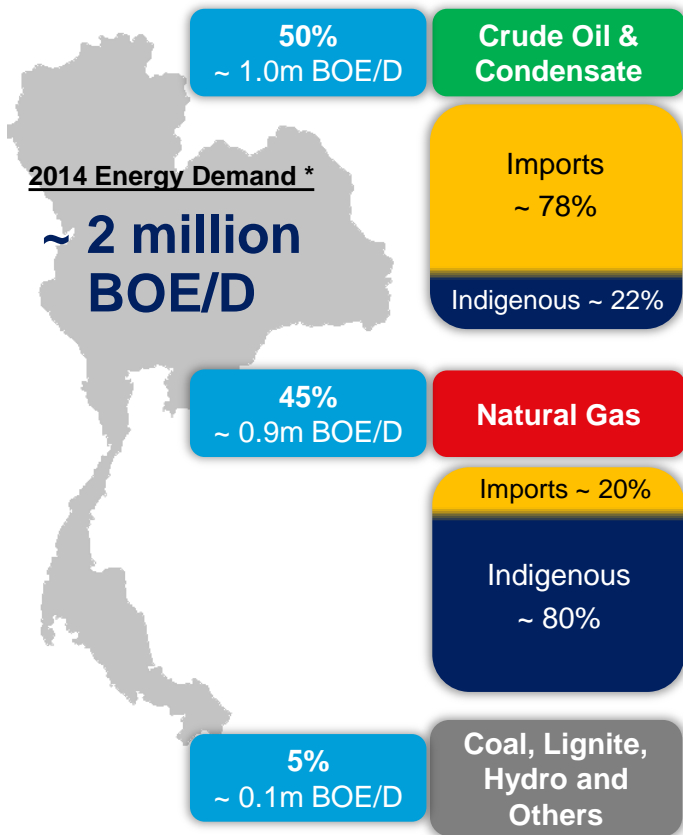
Outlook

Supporting Thailand's Energy Value Chain

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



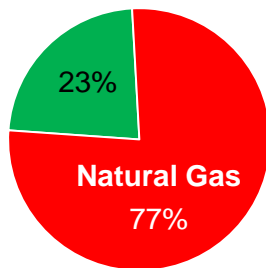
Energy Demand and Sources *



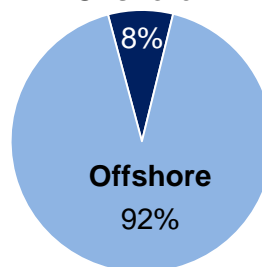
Thailand Petroleum Production 2014 *

% by Petroleum Type and Area

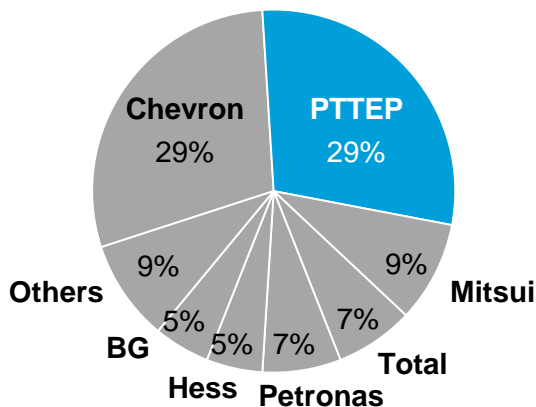
Crude and Condensate



Onshore



% Production by Company



Integration with Midstream and Downstream Value Chain

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

Top 10 Constituent in SET

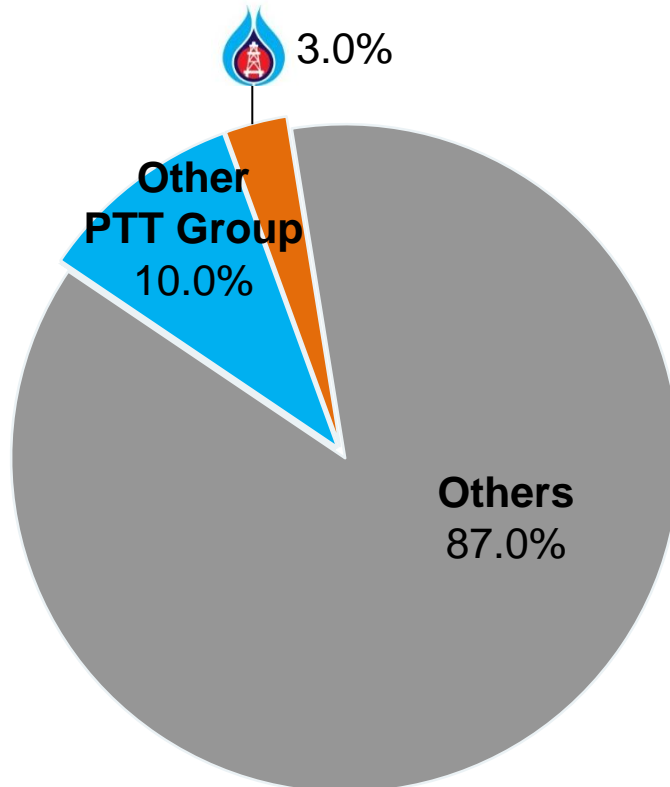
Well developed institutional shareholder base



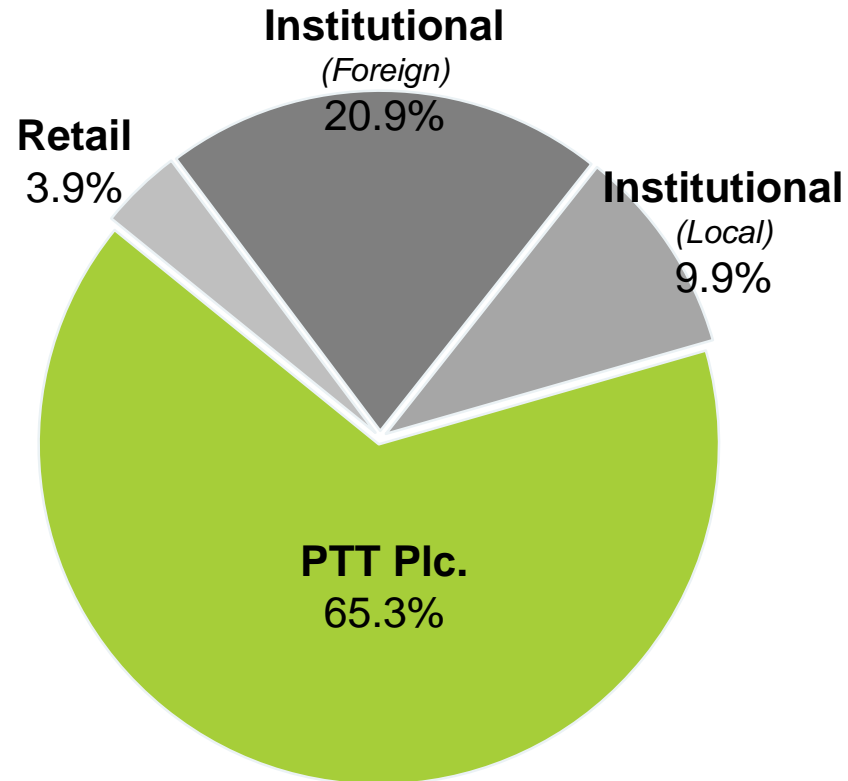
PTTEP's market capitalization is USD c.13 billion

...with a significant base of institutional investors.

Stock Exchange of Thailand (SET) Composition



Shareholding structure

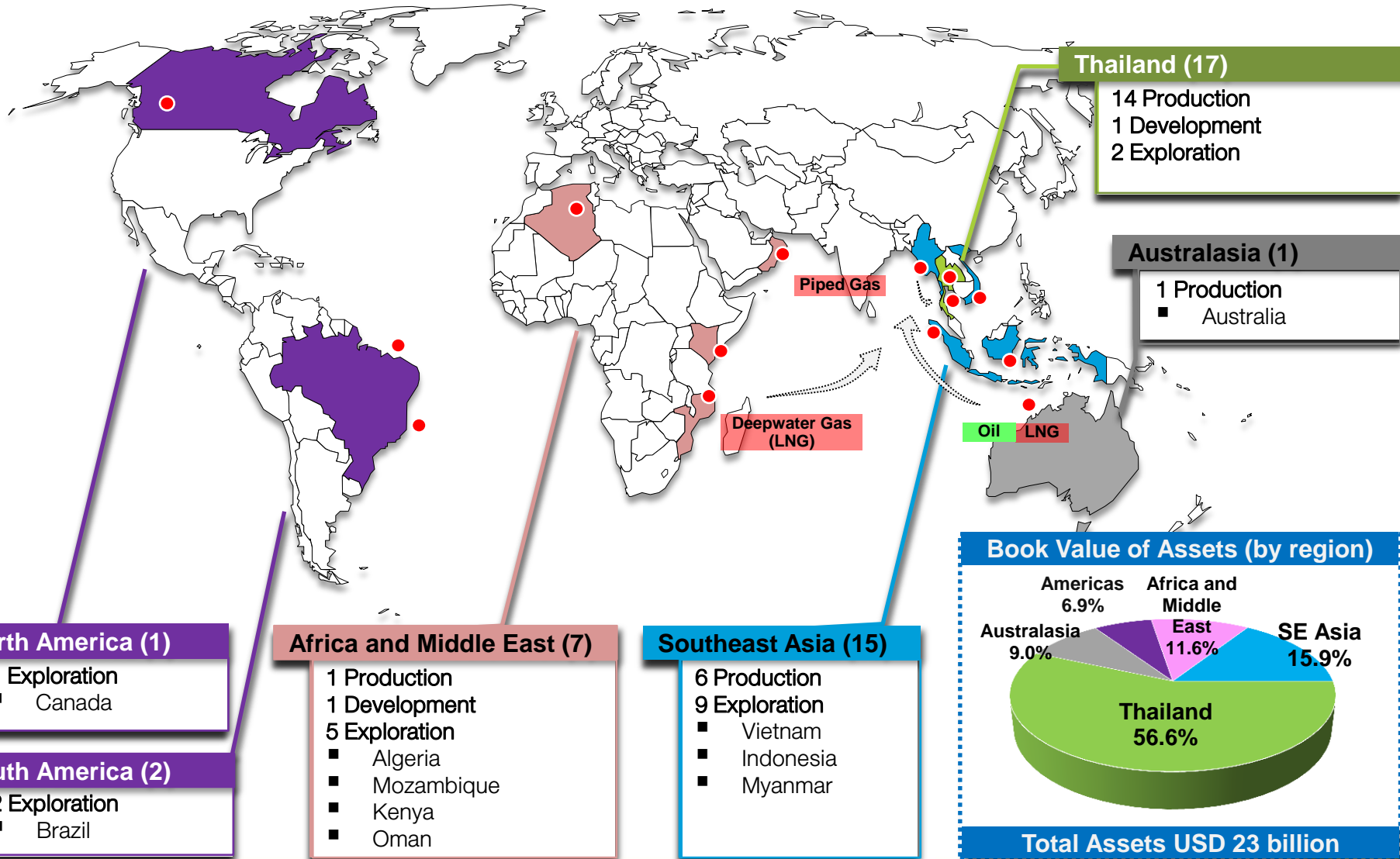


Source: Bloomberg, 27 January 2015

Note: As of 31 October 2014

Diversified International Portfolio

Worldwide operations: 43 projects* in 11 countries



Notes:
 • Excludes 3 projects that are pending official withdrawal approval



Company Overview



Financial Results



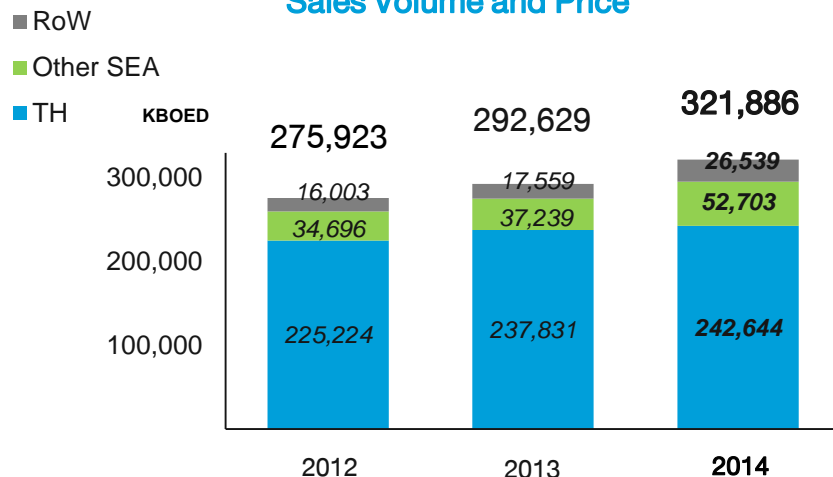
Outlook

Sales Volume & Unit Costs

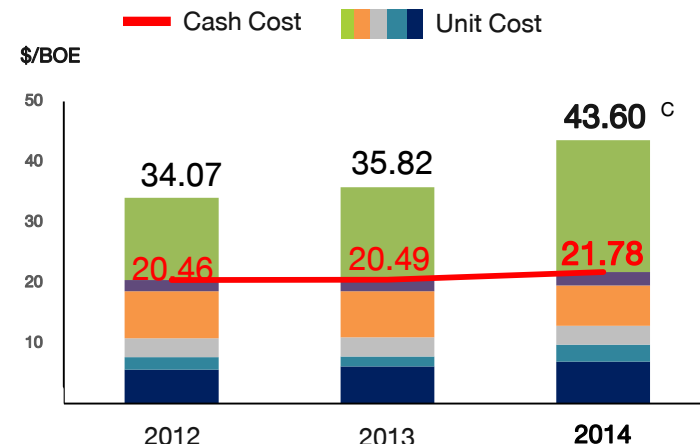
Gas-weighted portfolio and healthy cash margin to weather low oil prices



Sales Volume and Price



Unit Cost



Gas (\$/MMBTU)	7.59	7.92 ^A	8.03 ^A
Liquid (\$/BBL)	103.27	100.15	94.91
Weighted Avg. (\$/BOE)	64.86	65.58 ^B	63.38 ^B
Avg. Dubai (\$/BBL)	109.03	105.54	96.60
Avg. HSFO (\$/BBL)	103.26	97.52	86.74
<i>High Sulfur Fuel Oil</i>			
Volume Mix (Gas:Liquid)	66 : 34	66 : 34	67 : 33
Revenue Mix (Gas:Liquid)	46 : 54	47 : 53	51 : 49

A) If Vietnam 16-1 retroactive sales are excluded, gas price is \$ 8.01 for 2013 and 8.07 \$ for 2014

B) If Vietnam 16-1 retroactive sales are excluded, average selling price is 66.09 for 2013 and 63.59 for 2014

DD&A	13.61	15.33	21.82
Finance Cost	1.85	1.88	2.21
Royalties	7.80	7.65	6.69
G&A	3.09	3.17	3.10
Exploration Exp.	2.11	1.61	2.83
Operating Exp. ^D	5.61	6.18	6.95 ^C
Lifting Cost	4.28	4.88	5.26
Success Ratio ^E	43:54	38:55	25 : 43

C) If exclude extra expense from Montara's Development well (H5) : 2014 Operating Exp. : 6.53 \$/BOE / Unit cost : 43.18 \$/BOE

D) Exclude diluent cost for blending bitumen in KKD Oil Sands project

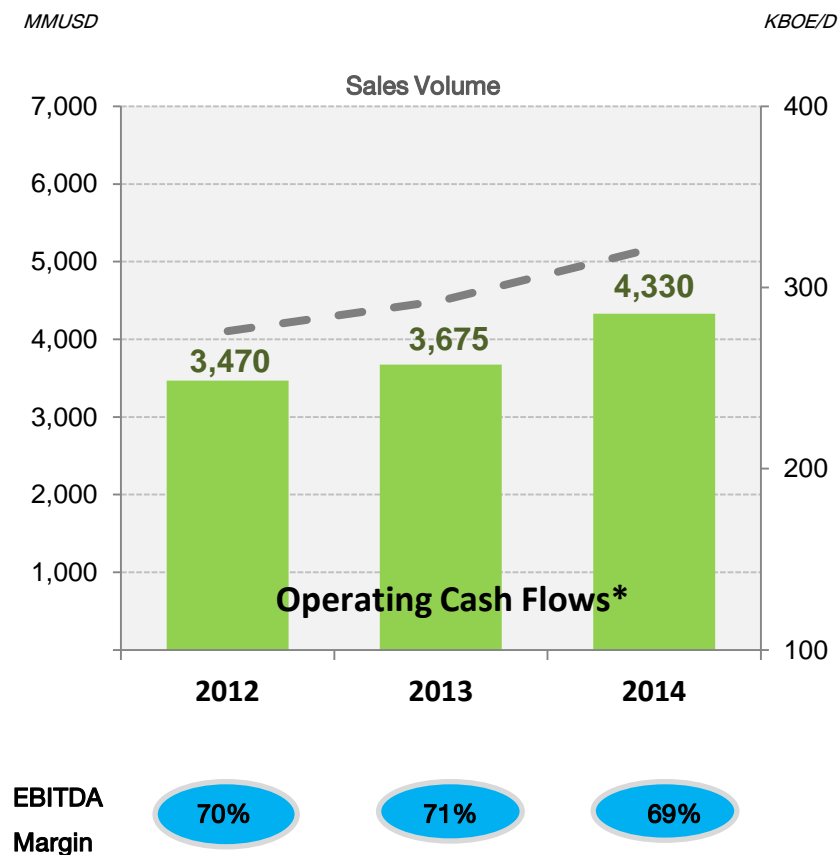
E) Exploration and Appraisal wells

Cash Flow Performance

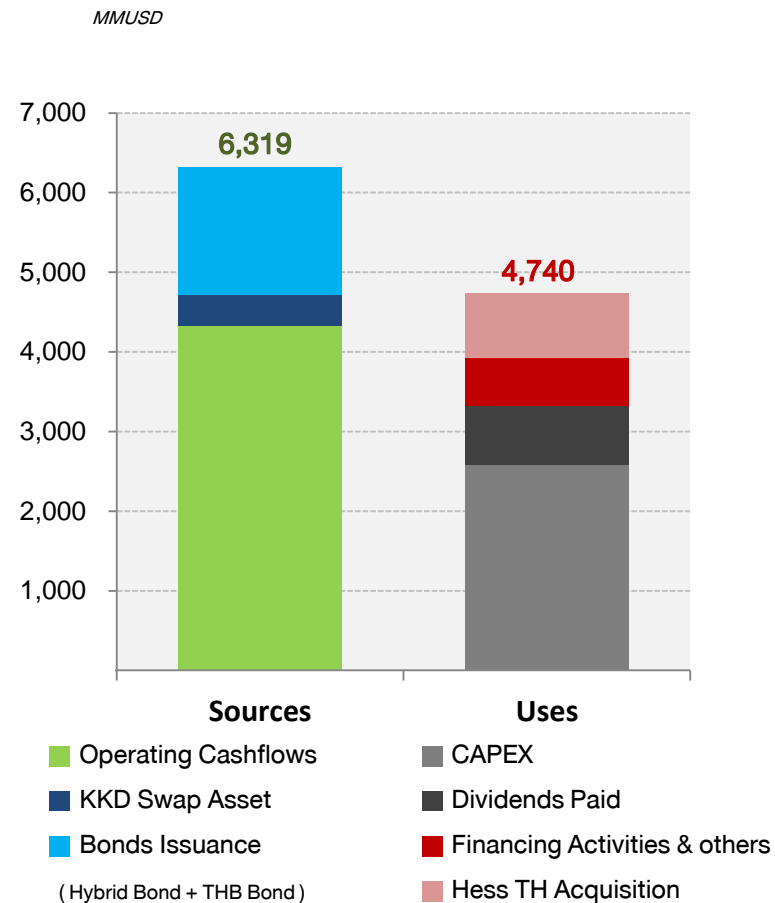
Robust liquidity to fund CAPEX and Debt Service



Cash Flow Performance



Source & Use of Funds 2014

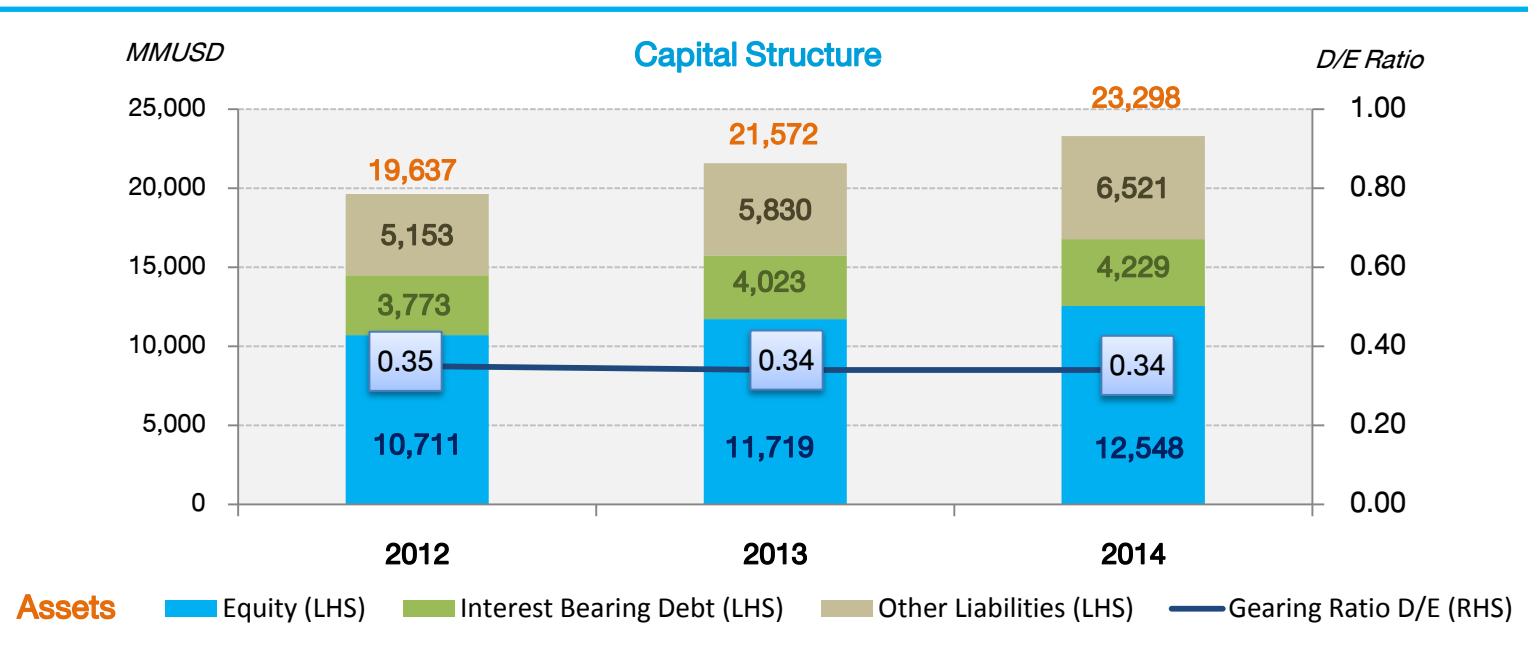


* Net of adjustment for the effect of exchange rate changes on cash and cash equivalents. Operating cash flows before exchange rate effect adjustment is:
2012 = 3,455 MMUSD ; 2013 = 3,740 MMUSD ; 2014 = 4,320 MMUSD

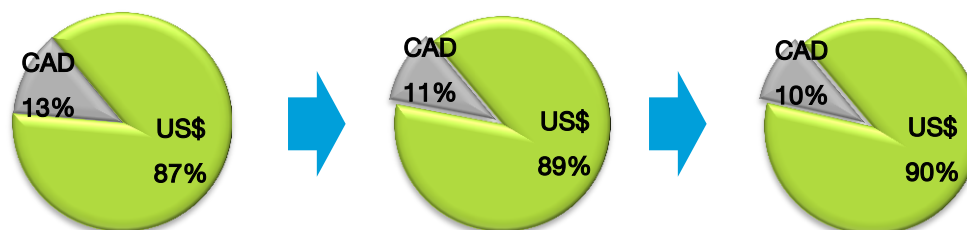
** Operating cashflow included in Source of fund in 2014 is shown net of adjustment for the effect of exchange rate changes on cash and cash equivalents 4,320 MMUSD

Financial Position

Strong Balance Sheet with Low Gearing



Debt Profile *



Weighted Average

Cost of Debt* (%)

[Fixed : Floating]

Average Loan Life*(Years)

3.99

[79 : 21]

7.50

3.99

[75 : 25]

6.81

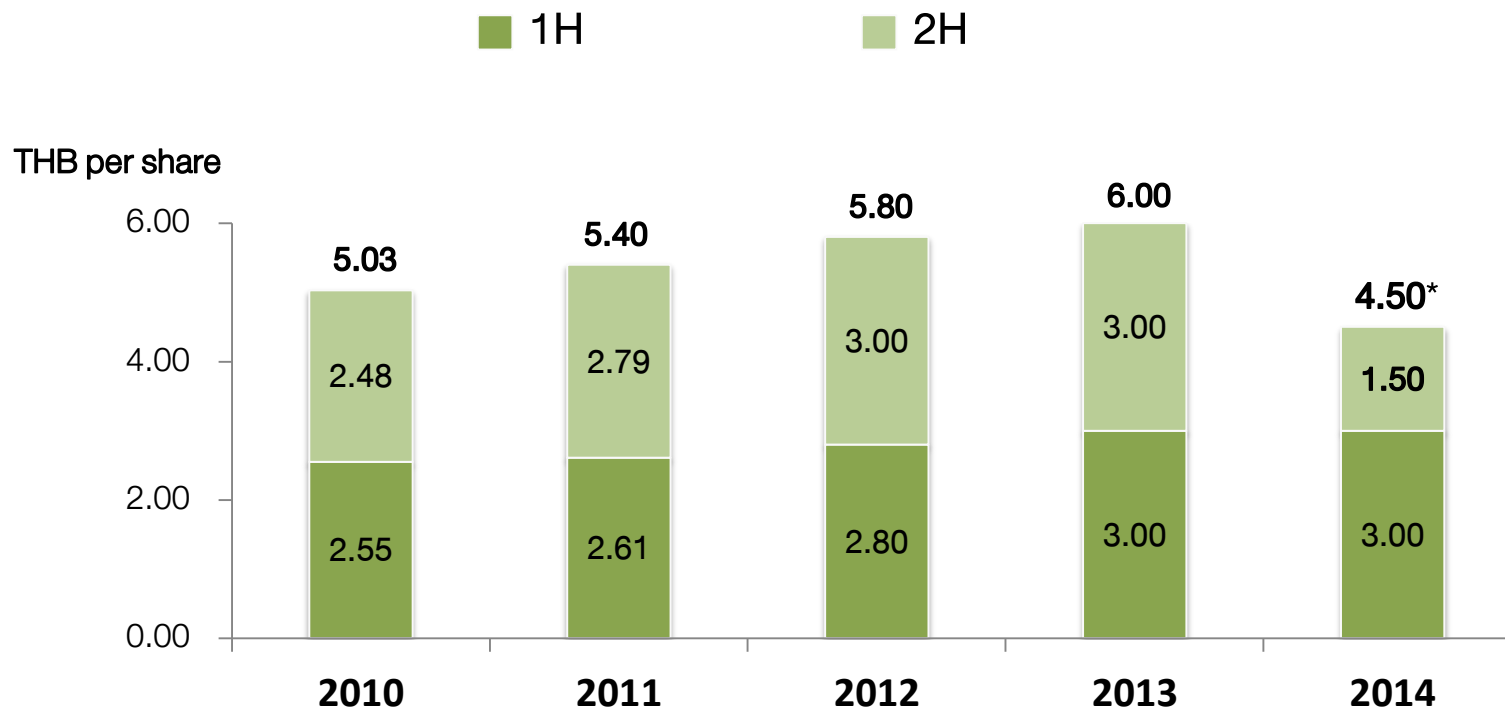
4.14

[77 : 23]

7.05

* Excludes Hybrid bonds

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



Payout Ratio (%)	40	40	38	40	82
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* Subject to the 2015 Annual General Shareholders' Meeting approval



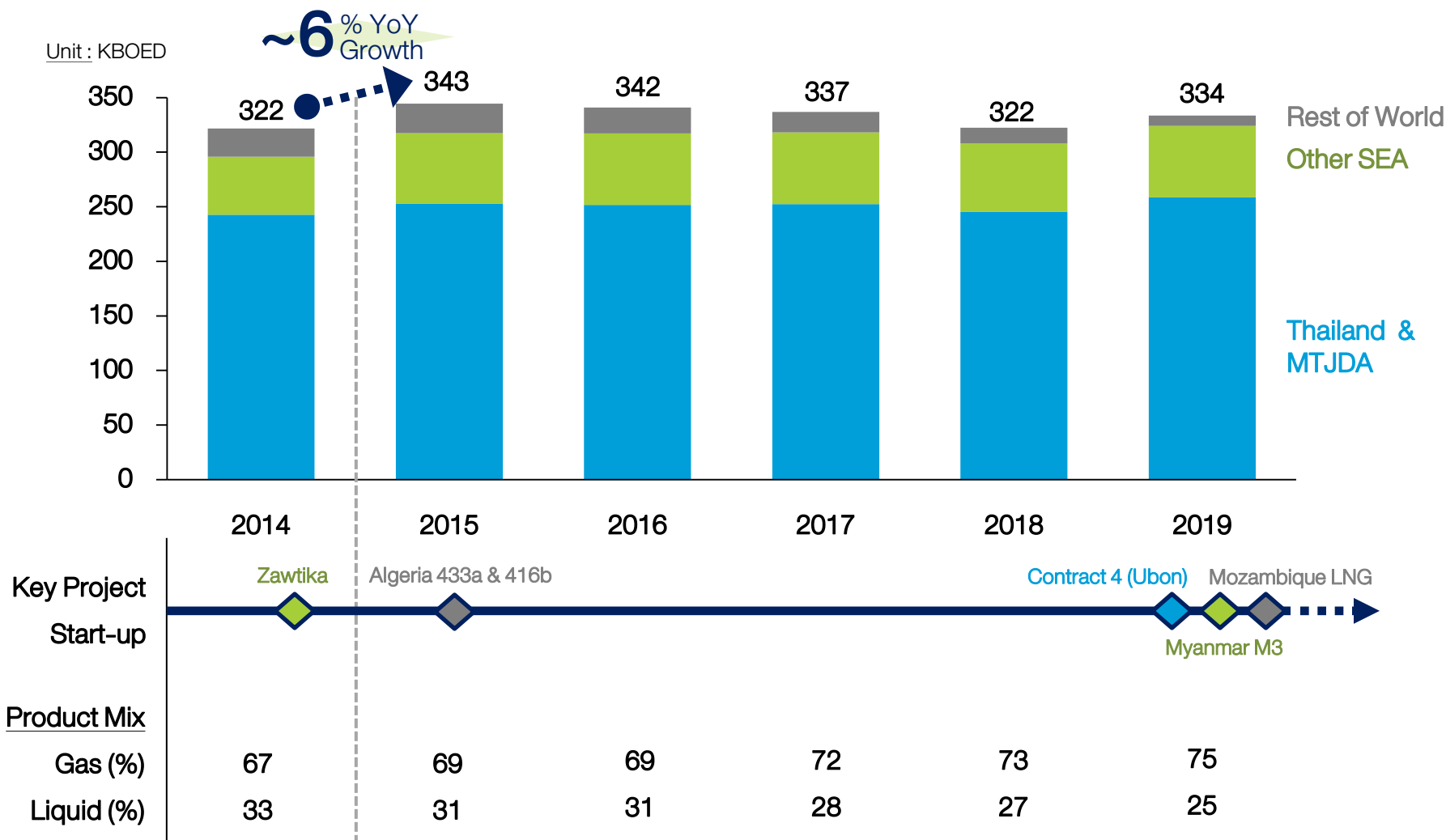
Company Overview

Financial Results

Outlook

Sales Volume Profile

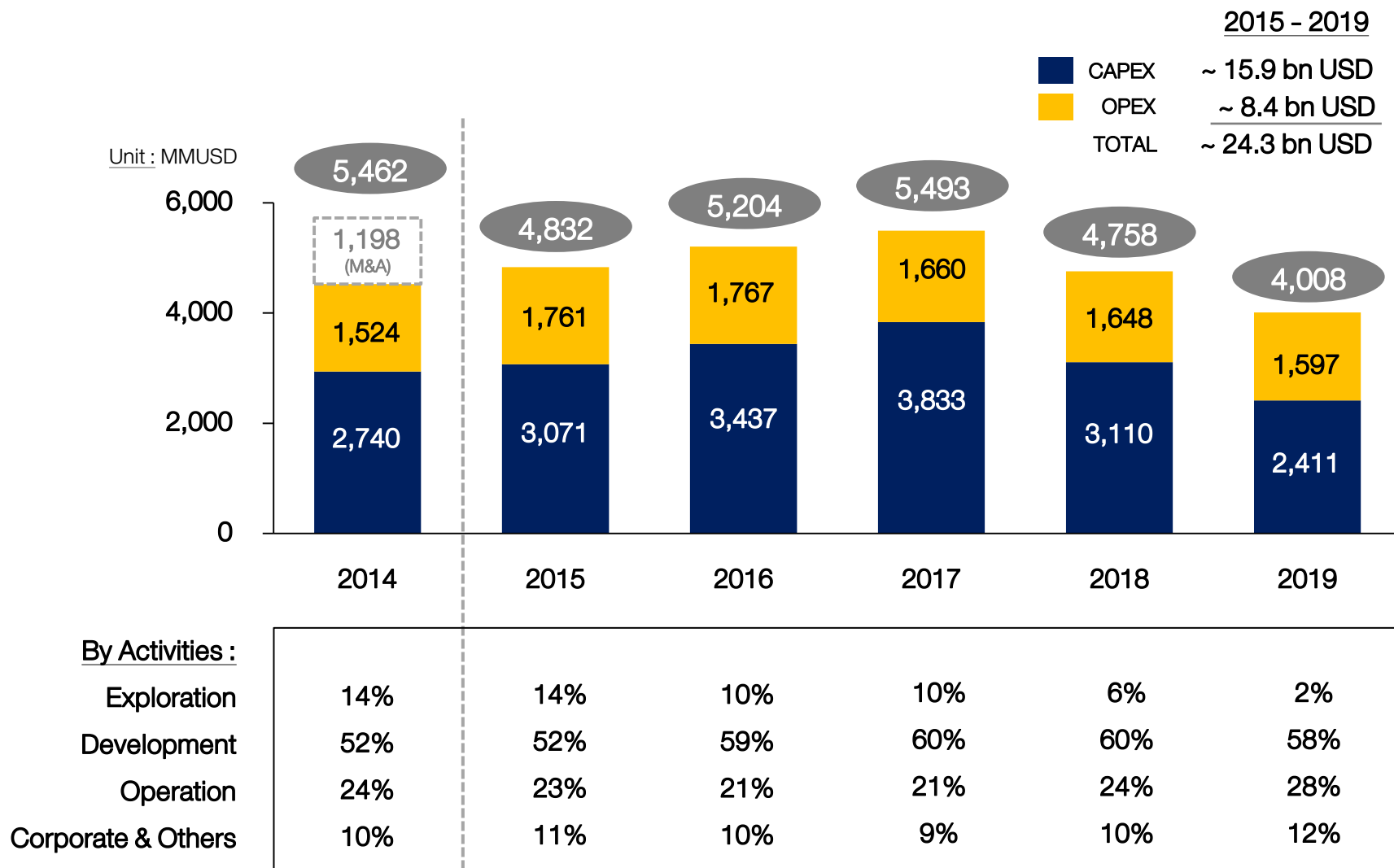
Stable volume from high value contributors in Thailand and Other SEA



Note : * closing forecast

5-Year Investment Plan

Emphasis on capital discipline & investment flexibility to cope with oil price volatility



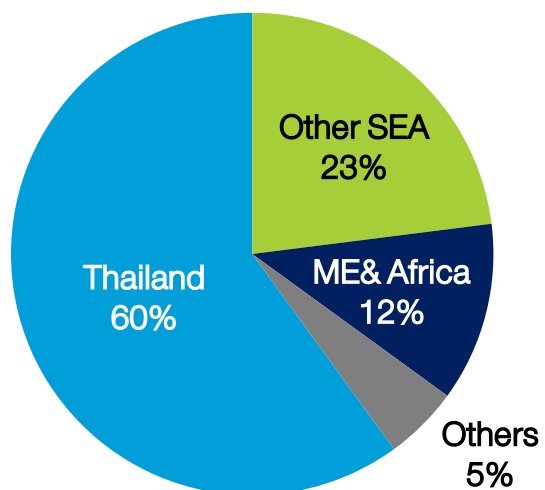
CAPEX by Region

~80% allocated to core high margin operations in SEA



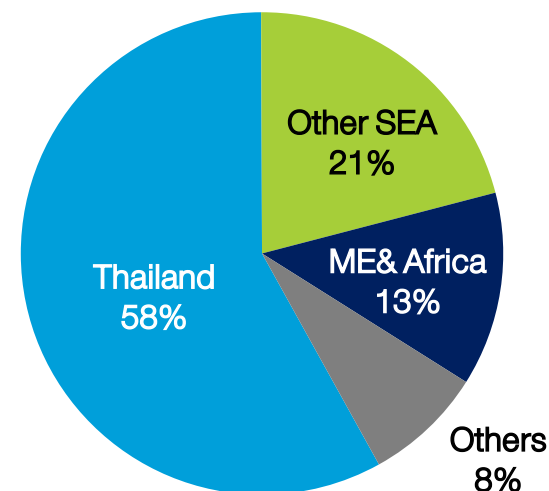
2015

~3.1 billion USD



2015 - 2019

~15.9 billion USD



1.8 billion USD

Domestic

9.2 billion USD

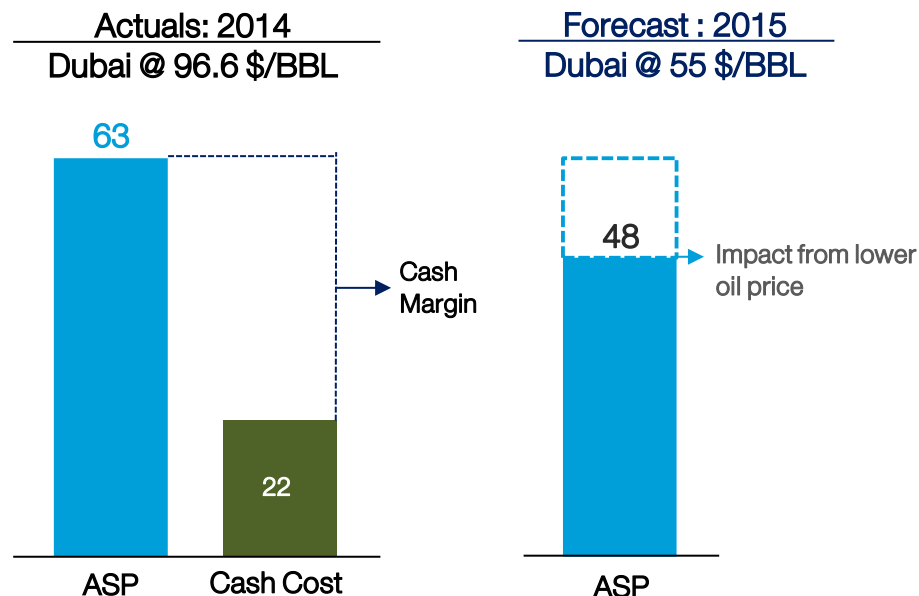
1.3 billion USD

International

6.7 billion USD

Limited impact from gas-weighted price and resilient unit cost...

Unit : USD / BOE



Maintain cost structure through :

- Disciplined capital allocations
- Prioritize asset work program
- “Quick-win” cost reduction

...with more cost savings initiatives

- **Leaner drilling work plan**
(reduced no. of wells, rig contract renegotiation, new drilling technology)
- **Optimize field development**
(wellhead bundling, rig fleet optimization, inventory management)
- **Reduced G&A**
(leaner professional services and business-related expenses, staff re-allocation)
- **Instill and reinforce cost conscious culture**

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



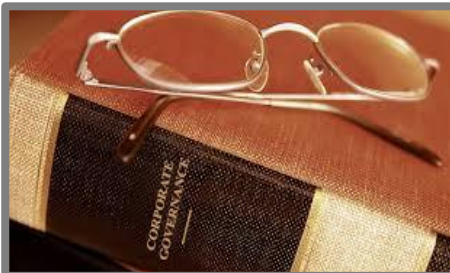
Underpinning Thailand's Energy Supply

- Production contributes approximately 30% Thailand's total petroleum production
- Strategically driven by Thailand's continuous growth in energy demand with natural gas remaining the key source of fuel
- Expected volume growth in 2015 of approximately 6% driven by domestic sales



Ability to weather volatile oil price environment

- Gas-weighted volumes, with price based on secured long-term contracts with PTT, provide cushion amidst low oil price
- Competitive cash cost profile ensures positive operating cash flow under distressed environment
- Strong capital structure with low gearing and high liquidity



Focus on improving capital efficiency

- Capture additional value from cost efficiency in the expenditure program
- Leverage strong balance sheet for value-creating M&A opportunity during the industry downturn



Exploring new horizons, we take every step as learning

For more information, please visit our website at

<http://www.pttep.com>


OR

Contact us via email address at

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OR

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

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- 1. 2015 Exploration Plan**
 - 2. Organization Structure**
 - 3. Majority Shareholder & Credit Ratings**
 - 4. Thailand Upstream Energy Reform**
 - 5. Reserves and Resources**
 - 6. Project Details**
 - 7. Ratios & Formula**

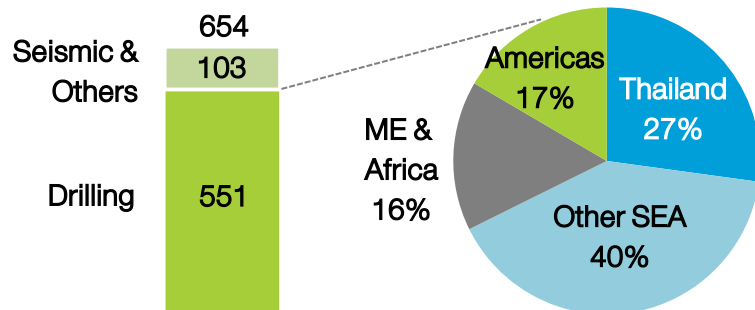
2015 Exploration Program

Focused on Key Growth Hub



Expenditure Summary

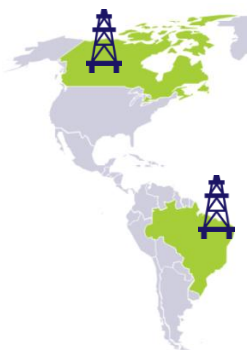
Unit : MMUSD



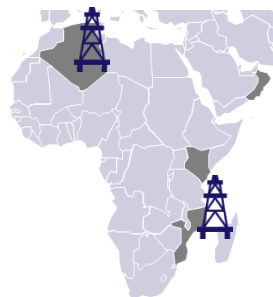
- Focus on committed wells , fast conversion to reserves , low risk areas
- ~5% provisional expenditure

Keeping progress with exploration outside SEA

Americas

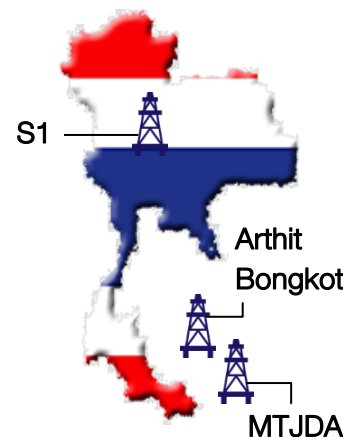


Middle East & Africa



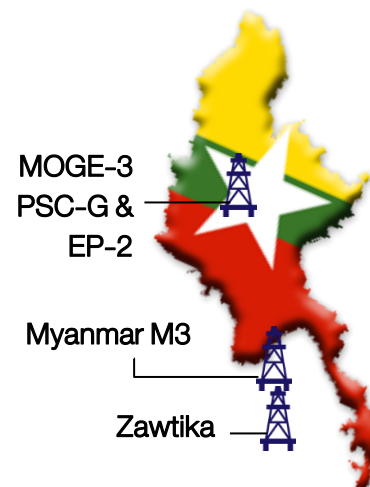
Key theme in Thailand and Myanmar

➤ Thailand



Active exploration and appraisal to maintain production levels

➤ Myanmar



Continued exploration and appraisal program to support growth

Organizational Structure

Ensuring Transparency, Integrity, and Good Corporate Governance practices



Majority Shareholder & Credit Ratings

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



Ownership Structure



66.0%²



Thailand's national energy company

65.3%



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:

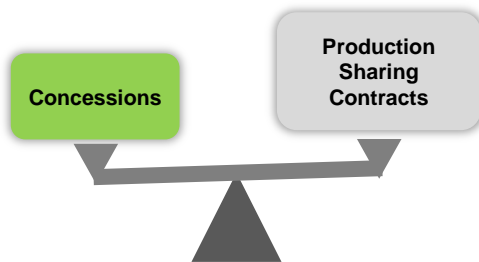
1 Ownership as of 31 October 2014

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

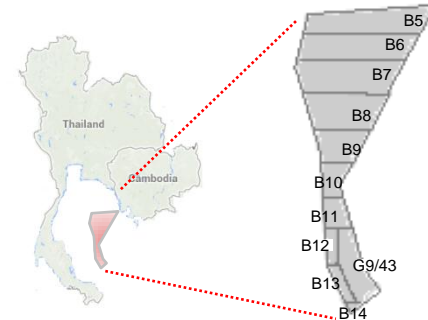
Thailand's Upstream Energy Reform

Long term issues with long term impacts; clarity will follow

Petroleum Fiscal Regime



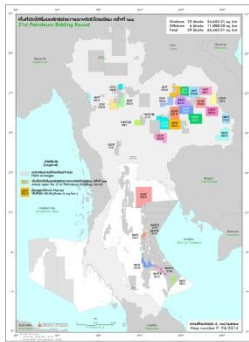
Thai -Cambodian OCA



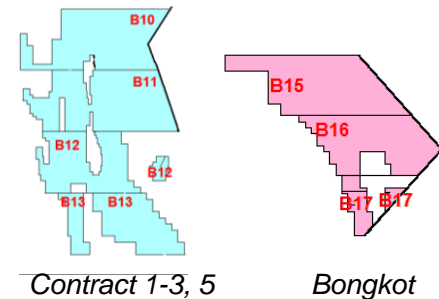
21st Bidding Round

กระทรวงพลังงาน
MINISTRY OF ENERGY

THAILAND
21st
PETROLEUM
BIDDING ROUND

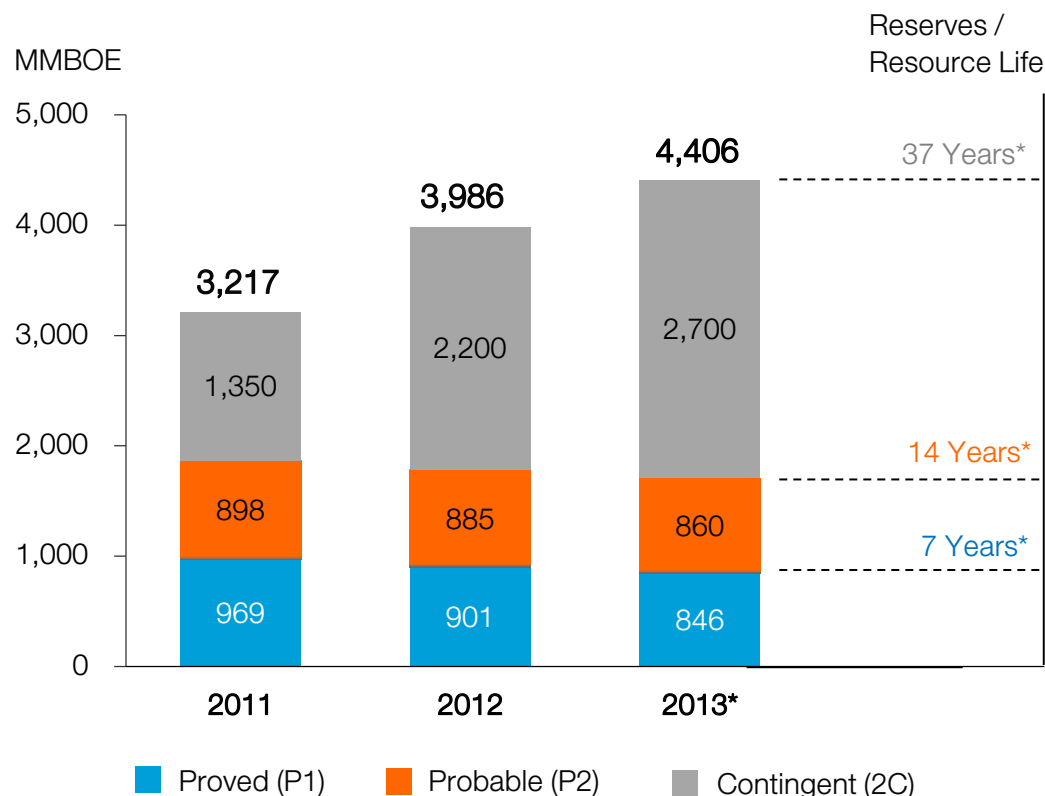


Expiring Concessions



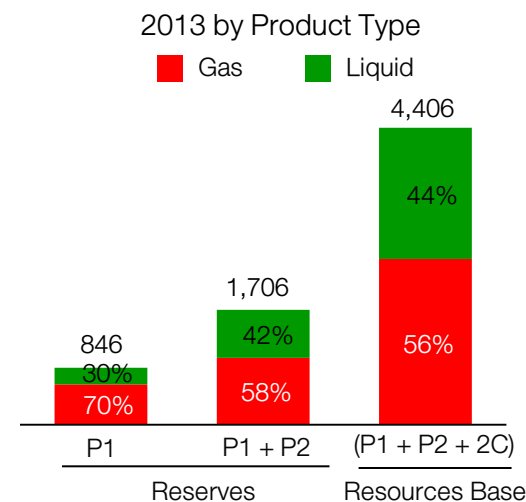
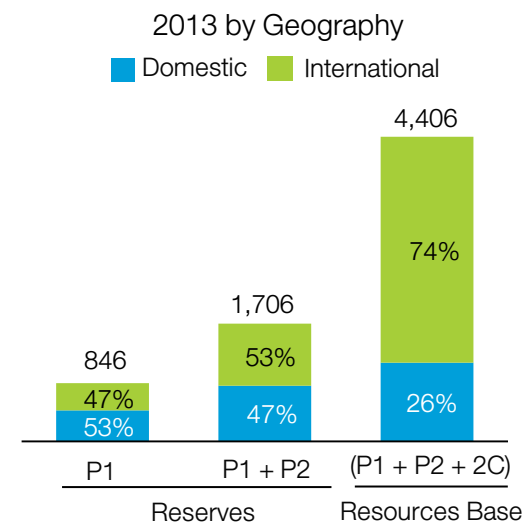
2013 Year-end Reserves and Resources

Large resource base with flexibility for development



5-Year Average Proved Reserves Replacement Ratio (RRR)

2011	2012	2013
1.10x	0.91x	0.82x



* Based on total production of natural gas, crude oil (including bitumen) and condensate of 329 KBOED for the year ended December 31, 2013
Reserves and resources data as of year-end 2013, prior to the KKD asset swap transaction announced on January 30, 2014

Project Information 1/4

Production Phase: Thailand and JDA



	Project	PTTEP's Share	Partners (as of 2014)		2014 Average Sales Volume *		2014 Key Activities
					Gas	Oil and Other	
Production Phase							
Thailand and JDA							
1	Arthit	80%	Chevron MOECO	16% 4%	218 MMSCFD Condensate: 9.4 k BPD	-	<ul style="list-style-type: none">Ensure gas deliverability level above 220 MMSCFDDrill Exploration/Appraisal wells
2	B6/27	60%	JX NOEX	40%	N/A	N/A	<ul style="list-style-type: none">Completed 1 exploration well (Nok Kaew-1)
3	B8/32 & 9A	25%	Chevron MOECO KrisEnergy PSTL	51.66% 16.71% 4.63% 2%	93 MMSCFD	Crude: 28 k BPD	<ul style="list-style-type: none">Drill Development wells
4	Bongkot	44.4445%	TOTAL British Gas	33.3333% 22.2222%	860 MMSCFD Condensate: 28.8 k BPD	-	<ul style="list-style-type: none">Drill Exploration / Appraisal / Development wells
5	Contract 3 (Formerly Unocal III)	5%	Chevron MOECO	71.25% 23.75%	606 MMSCFD Condensate: 16.9 k BPD	Crude: 21 k BPD	<ul style="list-style-type: none">Drill Exploration / Development wells
6	Contract 4 (Formerly Pailin)	60%	Chevron MOECO	35% 5%	374 MMSCFD Condensate: 17.4 k BPD	-	<ul style="list-style-type: none">Drill Exploration / Appraisal / Development wells
7	E5	20%	ExxonMobil	80%	12 MMSCFD	-	
8	G4/43	21.375%	Chevron MOECO PSTL	51% 21.25% 6.375%	3.5 MMSCFD	Crude: 6.5 k BPD	<ul style="list-style-type: none">Drill Exploration / Development wells
9	G4/48	5%	Chevron MOECO	71.25% 23.75%	9.4 MMSCFD	Crude: 1.7 k BPD	
10	L53/43 & L54/43	100%			-	Crude: 123 BPD	<ul style="list-style-type: none">Drill Exploration/ Appraisal wells
11	PTTEP1	100%			-	Crude: 267 BPD	
12	S1	100%			27 MMSCFD	Crude: 27.8 k BPD	<ul style="list-style-type: none">Maintain production level above 30,000 BPDContinue Exploration and development activities
13	Sinphuhorm	55%	Apico ExxonMobil	35% 10%	105 MMSCFD Condensate: 415 BPD	-	<ul style="list-style-type: none">Drill 1 Development well
14	MTJDA	50%	Petronas-Carigali	50%	332 MMSCFD Condensate: 8.3 k BPD	-	<ul style="list-style-type: none">Drill 1 Appraisal well

* Sales volume stated at 100% basis.

	Project	PTTEP's Share	Partners (as of 2014)	2014 Average Sales Volume *		2014 Key Activities
				Gas	Oil and Other	
Production Phase						
Overseas						
15	Oman 44	100%		27 MMSCFD Condensate: 2.2 k BPD	-	<ul style="list-style-type: none">Drill Exploration / Appraisal wellsMaintain production rate
16	Vietnam 9-2	25%	PetroVietnam 50% SOCO 25%	15 MMSCFD	Crude: 5.8 k BPD	<ul style="list-style-type: none">In process of drilling 1 Development well
17	Yadana	25.5%	TOTAL 31.24% Chevron 28.26% MOGE 15%	767 MMSCFD	-	<ul style="list-style-type: none">Completed 3D Seismic acquisition of 3,335 sq.km.
18	Yetagun	19.3178%	Petronas- 30.00140% Carigali MOGE 20.4541% Nippon Oil 19.3178% PC Myanmar 10.90878% (Hong Kong)	343 MMSCFD Condensate: 7.9 k BPD	-	<ul style="list-style-type: none">Completed drilling 1 exploration well and 2 development wellsFirst gas from Yetagun North in August 14
19	Vietnam 16-1	28.5%	PetroVietnam 41% SOCO 28.5% OPECO 2%	38 MMSCFD	Crude: 34.3 K BPD	<ul style="list-style-type: none">Drill development wellsH5 development sanctioned in Q3 2014
20	PTTEP Australasia (PTTEP AA)	20%-100% (varied by permits)		-	Crude: 18.6 k BPD	<ul style="list-style-type: none">Completed 2 exploration well (Dillion South-1 & Maple East-1)
21	Natuna Sea A	11.5%	Premier Oil 28.67% KUFPEC 33.33% Petronas 15% Pertamina 11.5%	219 MMSCFD	Crude: 1.5 k BPD	
22	Zawtika (M9 & a part of M11)	80%	Myanma Oil and Gas Enterprise (MOGE) 20%	147 MMSCFD	-	<ul style="list-style-type: none">Successfully delivering gas to Myanmar since late March 2014Successfully delivering gas to Thailand since early August 2014Daily contractual quantity at 300 MMSCFD (80% to Thailand and 20% to Myanmar)

* Sales volume stated at 100% basis.

Project Information 3/4

Development & Exploration Phase



	Project	PTTEP's Share	Partners (as of 2014)	2014 Key Activities
Development Phase :				
Thailand and JDA				
23	L22/43	100%		<ul style="list-style-type: none"> Completed 1 Exploration wells Fabrication and installation of Wellhead production facility
Overseas				
24	Algeria 433a & 416b (Bir Seba)	35%	PetroVietnam 40% Sonatrach 25%	<ul style="list-style-type: none"> Drill 4 Development wells Continue Engineering, Procurement & Construction (EPC) work First oil expected in the second half of 2015

	Project	PTTEP's Share	Partners (as of 9M 2014)	2014 Key Activities
Exploration Phase				
Thailand and JDA				
25	G9/43	100%		
26	L28/48	70%	Resourceful Petroleum (Thailand) 30%	<ul style="list-style-type: none"> In process of plug and abandon (P&A) Ratana-1 and Ratana-2 well
Overseas				
27	Myanmar M3	80%	MOECO 20%	<ul style="list-style-type: none"> Drill 4 appraisal wells
28	Mozambique Rovuma Offshore Area 1	8.5%	Anadarko, Mitsui, ENH, Bharat Petroleum, BREML, OVL 26.5%, 20%, 15%, 10%, 10%, 10%	<ul style="list-style-type: none"> Completed drilling 2 Exploration and in process of drilling 4 Appraisal wells To award FEED contract to vendors
29	Algeria Hassi Bir Rekaiz	24.5%	CNOOC 24.5% Sonatrach 51%	<ul style="list-style-type: none"> In process of drilling 3 Appraisal wells Studying and Preparing the Final Development Report (FDR) Completed 3D seismic acquisition of 1,000 sq.km
30	Indonesia South Mandar	50.75%*	TOTAL 49.25%	<ul style="list-style-type: none"> G&G studies Continue divestment effort

* Waiting for the official approval from Indonesian government to change the participation interest resulting from Talisman's withdrawal from the project.

	Project	PTTEP's Share	Partners (as of 2014)	2014 Key Activities
Exploration Phase (con't)				
Overseas (con't)				
31	Indonesia Malunda	100%		<ul style="list-style-type: none"> G&G studies Continue divestment effort
32	Myanmar M11	52.9412%	TOTAL 47.0588%	<ul style="list-style-type: none"> G&G Studies
33	Vietnam B & 48/95	8.5%	Chevron 42.38% MOECO 25.62% PVEP 23.5%	<ul style="list-style-type: none"> Negotiate a GSA with the Vietnamese government
34	Vietnam 52/97	7%	Chevron 43.4% PVEP 30% MOECO 19.6%	<ul style="list-style-type: none"> Negotiate a GSA with the Vietnamese government
35	Myanmar PSC-G and EP-2	90%	WinPreciousResources 10%	<ul style="list-style-type: none"> Drilled 1 Exploration well
36	Mozambique Rovuma Onshore	10%	Anadarko, Maurel&Prom, 35.7%,27.7% ENH, Wentworth Resources 15%,11.6%	<ul style="list-style-type: none"> In process of drilling 2 Exploration wells
37	Kenya L10A	31.25%	BG, Pan Cont. 50%,18.75%	<ul style="list-style-type: none"> Conduct G&G studies Completed 1 Exploration well (Sunbird-1)
38	Kenya L5, L7, L11, L11B, L12	10%	Anadarko, Total 50%,40%	<ul style="list-style-type: none"> Conduct G&G Studies
39	Myanmar MD 7 and MD 8	100%		<ul style="list-style-type: none"> Completed 2D seismic acquisition
40	Mariana Oil Sands	100%		<ul style="list-style-type: none"> Completion of asset swap on 28 May 2014 Pre-FEED for the first production phase of the Thornbury field
41	Barreirinhas AP1	25%	BG Brasil 75%	<ul style="list-style-type: none"> 3D seismic acquisition
42	MOGE 3	85%	Palang Sophon Offshore 10% WinPreciousResources 5%	<ul style="list-style-type: none"> Environmental Impact Assessment/ Social Impact Assessment
43	Concession BM-ES-23	20%	Petrobras 65% INPEX 15%	<ul style="list-style-type: none"> Completed drilling of 2 exploration and appraisal wells

Ratio	Formula
Lifting Cost (\$/BOE)	$(\text{Operating Exp.} - \text{Transportation Cost} - \text{Stock Variation} - \text{Other expense not related to lifting}) / \text{Production Volume}$
Cash Cost (\$/BOE)	$(\text{Operating Exp.} + \text{Exploration Exp.} + \text{SG\&A} + \text{Royalty \& SRB} + \text{Interest Expense}) / \text{Sales Volume}$
Unit Cost (\$/BOE)	$(\text{Operating Exp.} + \text{Exploration Expense} + \text{SG\&A} + \text{Royalty} + \text{DD\&A}) / \text{Sales Volume}$
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	$\text{Number of wells with petroleum discovery} / \text{Total number of exploration and appraisal wells}$
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	$\text{EBITDA} / \text{Sales Revenue}$
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	$\text{Total interest bearing debt} / \text{Shareholders' equity}$
Total Debt to EBITDA Ratio	$\text{Total interest bearing debt} / \text{Trailing-12-month EBITDA}$
Dividend Payout Ratio	$\text{Dividend Payment} / \text{Net Profit}$