

PTT Exploration and Production Public Company Limited

Conference Call

2017 Year-end Financial Results

26 January 2018



PTTEP

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM





Summary of 2017 Financial Results

Strong core profits led by improved average selling price

Unit : MMUSD

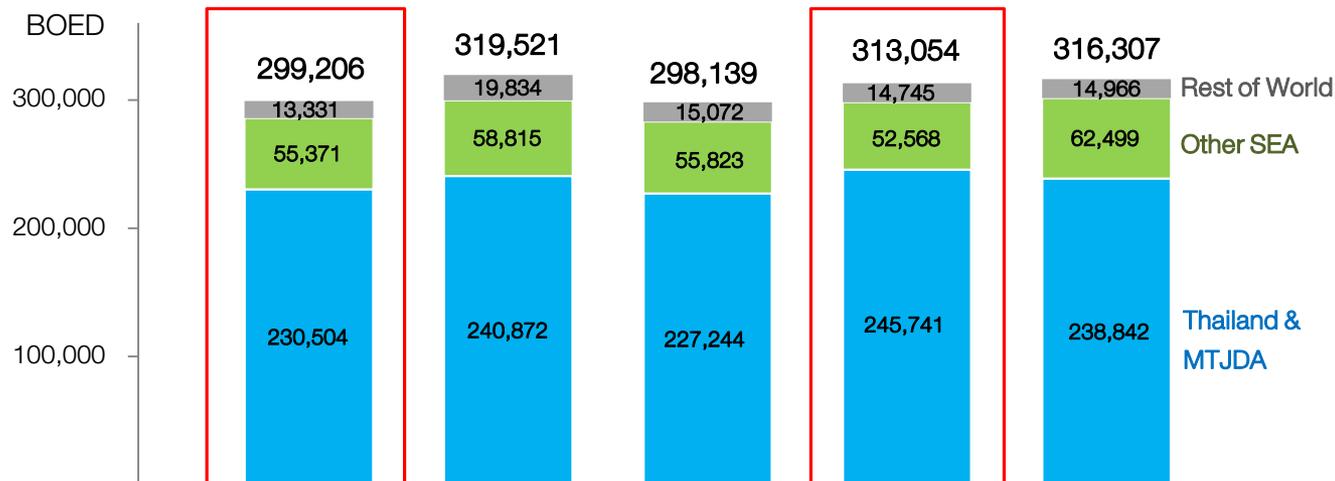
Statement of Income	2017	2016	% YTD	Q3 17	Q4 17	% QoQ	Q4 16	% YoY
Total Revenues	4,523	4,339	4%	1,134	1,271	12%	1,089	17%
Sales	4,281	4,190	2%	1,064	1,202	13%	1,038	16%
Others	242	149	62%	70	69	(1%)	51	35%
Sales Volume (BOED)	299,206	319,521*	(6%)	298,139	313,054	5%	316,307	(1%)
Sales Price (USD/BOE)	39.20	35.91	9%	38.78	41.74	8%	35.65	17%
Total Expenses	3,929	3,987	(1%)	1,398	982	(30%)	1,122	(12%)
Major Expenses:								
Operating Expenses	625	582	7%	162	168	4%	167	1%
Exploration Expenses	52	73	(29%)	9	23	>100%	12	92%
DD&A	1,650	2,079	(21%)	413	436	6%	509	(14%)
Impairment Loss on Assets	558	47	>100%	558	-	(100%)	47	(100%)
Income Tax Expense	180	285	(37%)	57	64	12%	133	(52%)
(Gain)/Loss on FX	(51)	(12)	(>100%)	(23)	(14)	39%	16	(>100%)
Net Income from Continuing Operations	594	352	69%	(264)	289	>100%	(33)	>100%
Profit (Loss) from Discontinued Operations	-	20	(100%)	-	-	-	17	(100%)
Net Income	594	372	60%	(264)	289	>100%	(16)	>100%
Recurring Net Income	836	466	79%	218	240	10%	123	95%
Non-Recurring**	(242)	(94)	(>100%)	(482)	49	>100%	(139)	>100%

Note: * Sales volume includes discontinued operations

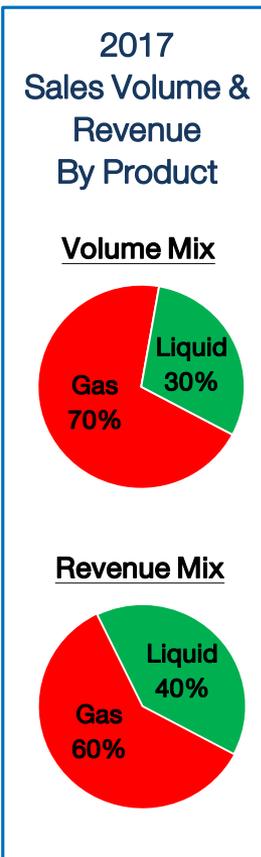
** Includes Gain/(Loss) on FX, Deferred tax from Functional currency, Current Tax from FX Revaluation, Gain/(Loss) from Financial Instruments, Impairment loss on assets and etc.



Sales Volume



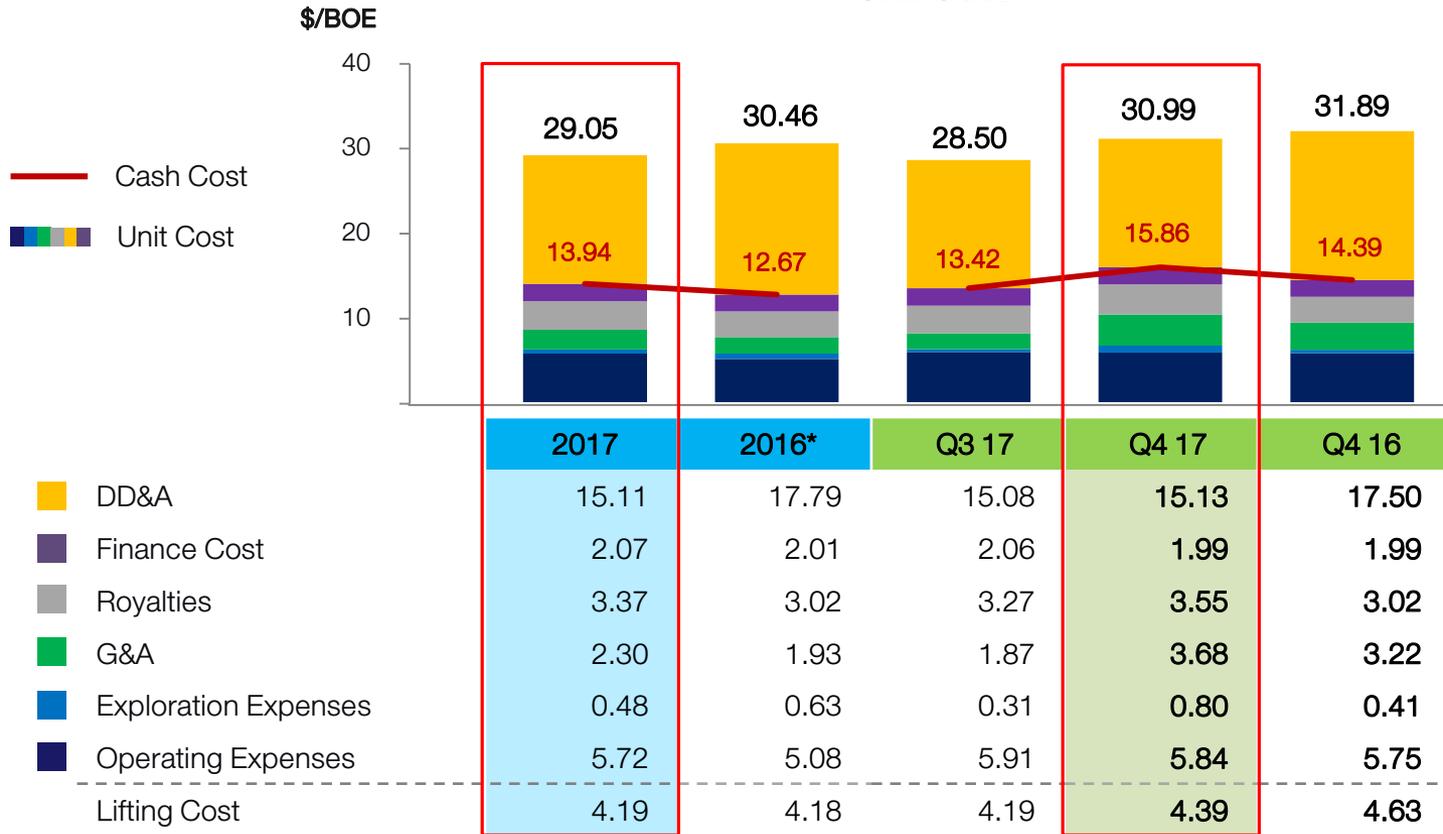
Sales Price	2017	2016*	Q3 17	Q4 17	Q4 16
Gas (\$/MMBTU)	5.59	5.60	5.72	5.75	5.15
Liquid (\$/BBL)	52.26	41.17	48.46	59.20	46.80
Weighted Avg. (\$/BOE)	39.20	35.91	38.78	41.74	35.65
Avg. Dubai (\$/BBL)	53.14	41.27	50.43	59.31	48.32
Avg. HSFO (\$/BBL) (High Sulphur Fuel Oil)	49.64	35.48	47.95	54.98	45.59



Note: * Includes discontinued operations until end of August 2016



Unit Cost



Note: * Includes discontinued operations until end of August 2016

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



	2017	2016*	Q3 17	Q4 17	Q4 16
Sales and Revenue from pipeline transportation (MMUSD)	4,359	4,274	1,089	1,224	1,054
EBITDA (MMUSD)	3,063	3,027	777	825	690
Net Income (MMUSD)	594	372	(264)	289	(16)
Recurring Net Income (MMUSD)	836	466	218	240	123
Earning Per Share (USD)	0.13	0.08	(0.07)	0.07	(0.01)
Key Financial Ratios					
EBITDA Margin (%)	70	71	71	67	65
Return on Equity (%) (LTM)	5	3	3	5	3
Return on Capital Employed (%) (LTM)	5	3	3	5	3
Return on Equity (%) (LTM, Recurring Net Income)	7	4	6	7	4
Return on Capital Employed (%) (LTM, Recurring Net Income)	7	4	6	7	4

Note: * Includes discontinued operations until end of August 2016

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



	2017	2016
Total Assets (MMUSD)	19,220	18,891
- Cash & cash equivalents* (MMUSD)	4,468	4,022
Total Liabilities (MMUSD)	7,703	7,505
- Interest bearing debt (MMUSD)	2,907	2,832
Equity (MMUSD)	11,517	11,386
Key Financial Ratios**		
Total Debt to Equity (X)	0.25	0.25
Net Debt* to Equity (X)	(0.14)	(0.10)
Total Debt to Capital (X)	0.20	0.20
Total Debt to EBITDA (X)	0.95	0.94
EBITDA Interest Coverage (X)	23	22

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

Weighted Average Cost of Debt* :** 4.50%

Average Loan Life* :** 7.15 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

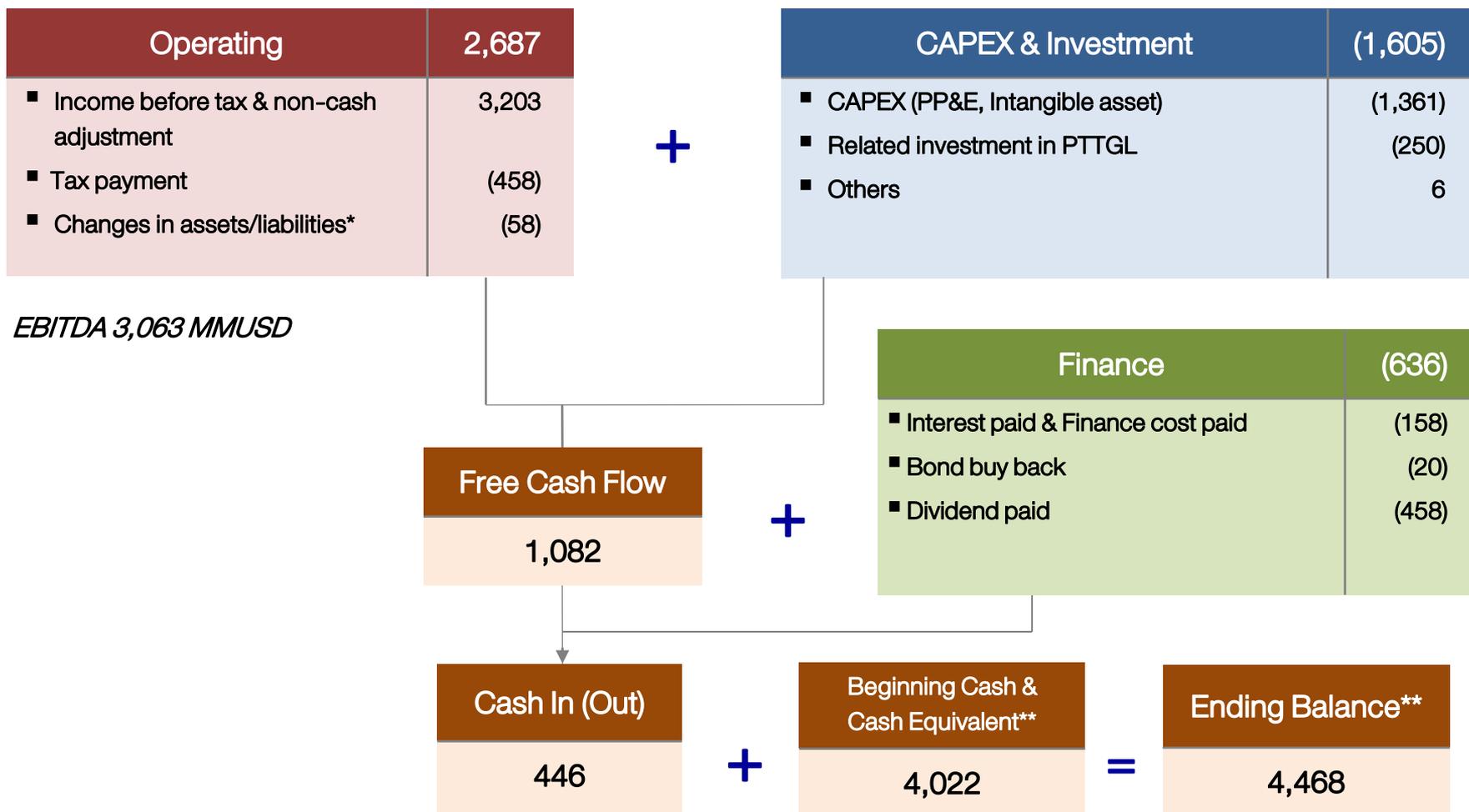
** Includes discontinued operations until end of August 2016

*** Excludes hybrid bonds

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



Unit : MMUSD

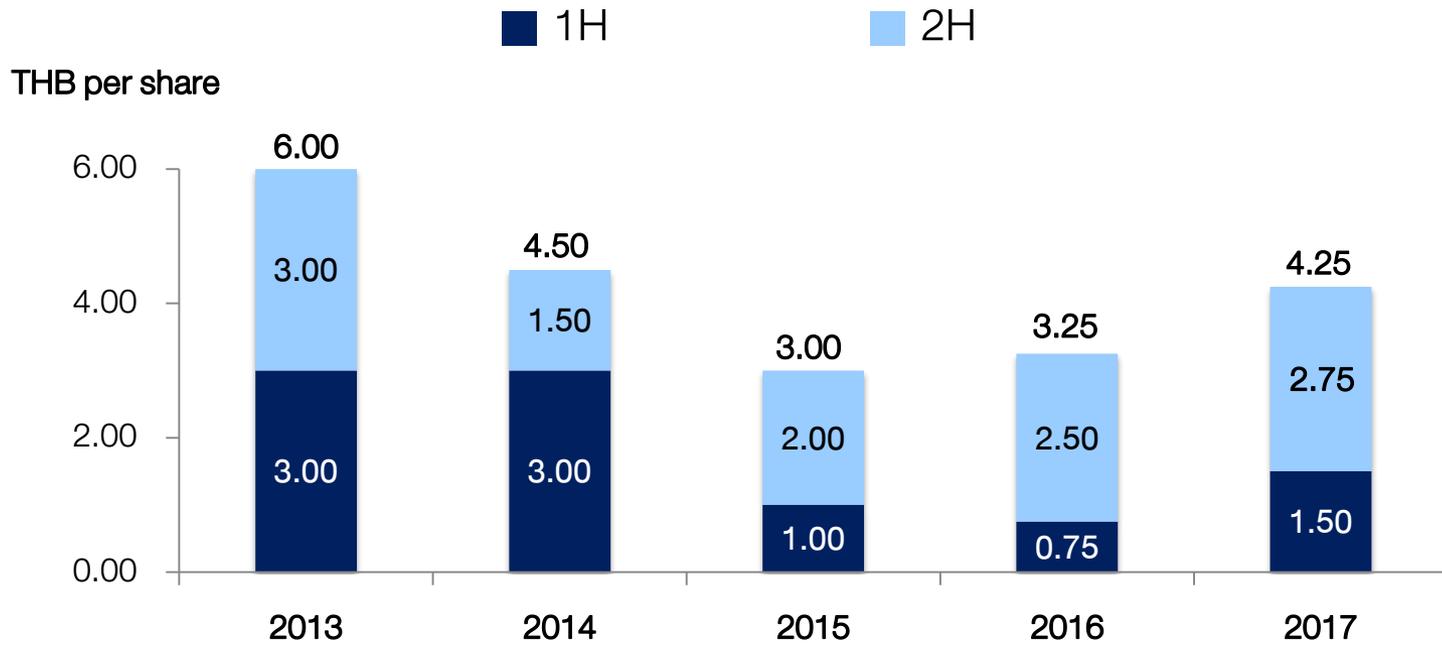


Note: * Net of foreign exchange rate effect

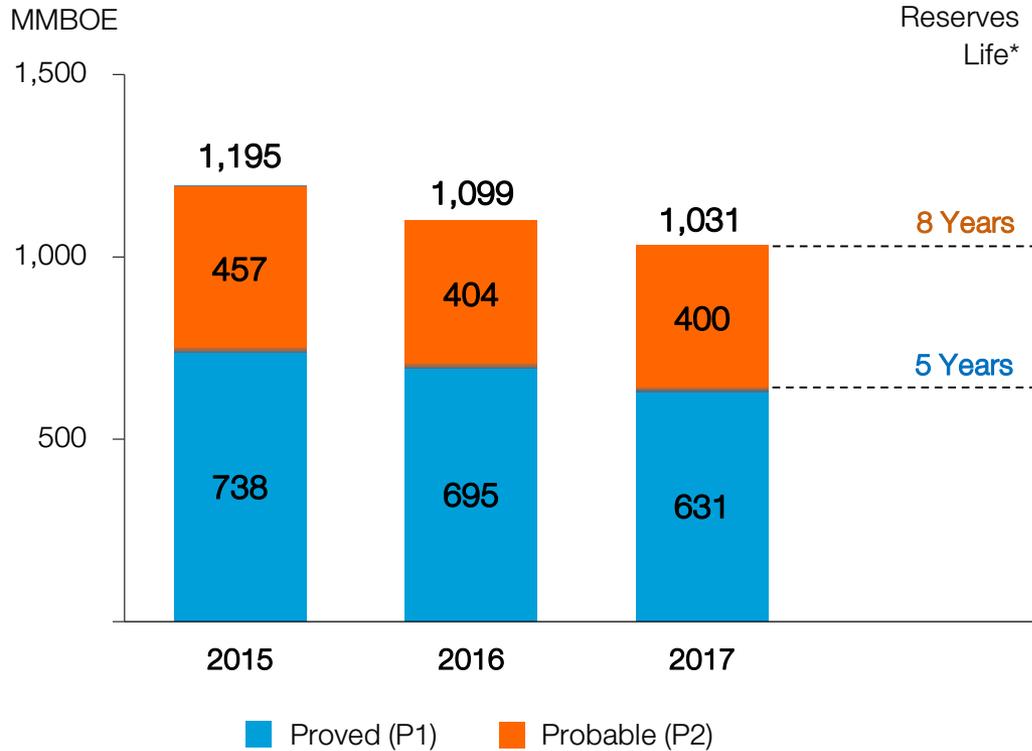
** Include Short-term investment (Fixed deposit > 3 months)



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



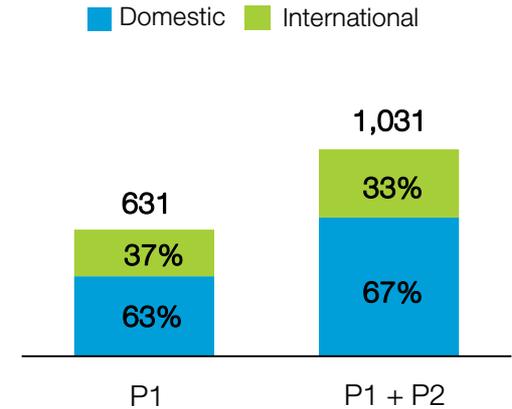
Payout Ratio (%)	2013	2014	2015	2016	2017
	40	82	N/A	98	90



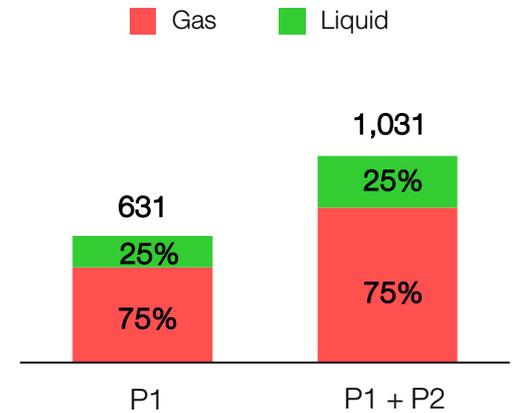
5-Year Average Proved Reserves Replacement Ratio (RRR)

2015	2016	2017
0.50x	0.57x	0.58x

2017 by Geography



2017 by Product Type



* Based on total production of natural gas, condensate, and crude oil (including LPG) of 347 KBOED for the year ended December 31, 2017



Financial Outlook	
Average Sales Volume (KBOED)	
Q1 2018	FY 2018
~ 300	~ 302
Average Gas Price (USD/MMBTU)	
Q1 2018	FY 2018*
~ 6.0	~ 6.2
Unit Cost (USD/BOE)	
Q1 2018	FY 2018
~ 30	30-31
EBITDA Margin	
	FY 2018
	~ 70 %

* Based on FY2018 Dubai oil price at 60 \$/BBL



Operational Performance

Strengthened core earnings through operational enhancement and cost optimization

EBITDA Margin

Company's effort along with a recovery in ASP led to promising 70% EBITDA margin

Balance Sheet

Unlocking future growth fueled by \$4.5 billion cash and plenty of debt headroom

Dividend Payment

Assuring our dividend commitment to shareholders



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



<http://www.pttep.com>



IR@pttep.com



+66 2 537 4000



Ratio	Formula
Lifting Cost (\$/BOE)	$(\text{Operating Exp.} - \text{Transportation Cost} - \text{Stock Variation} - \text{Other expenses not related to lifting}) / \text{Production Volume}$
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	$(\text{Trailing-12-month net income} + \text{Trailing-12-month Interest Expenses \& Amortization of Bond Issuing Cost}) / (\text{Average shareholders' equity and average total debt between the beginning and the end of the 12-month period})$
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	$\text{Trailing-12-month EBITDA} / \text{Trailing-12-month Interest Expenses \& Amortization of Bond Issuing Cost}$