

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION  
OF  
PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED  
AND SUBSIDIARIES  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012

**(TRANSLATION)**



**AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

**TO: THE SHAREHOLDERS OF PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED**

The Office of the Auditor General of Thailand has reviewed the consolidated and separate statements of financial position as at September 30, 2012 and the related consolidated and separate statements of income, and of comprehensive income for the three-month and nine-month periods ended September 30, 2012 and 2011, the related consolidated and separate statements of changes in shareholders' equity and cash flows for the nine-month periods ended September 30, 2012 and 2011 and condensed notes to the interim financial information of PTT Exploration and Production Public Company Limited and its subsidiaries and of PTT Exploration and Production Public Company Limited, respectively, which are presented in US Dollar and in Thai Baht. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". The responsibility of the Office of the Auditor General of Thailand is to express a conclusion on this interim financial information based on the review.

**Scope of review**

The Office of the Auditor General of Thailand conducted the review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable the Office of the Auditor General of Thailand to obtain assurance that the Office of the Auditor General of Thailand would become aware of all significant matters that might be identified in an audit. Accordingly, the Office of the Auditor General of Thailand does not express an audit opinion.

*Office of the Auditor General*

**Conclusion**

Based on the review, nothing has come to attention that causes the Office of the Auditor General of Thailand to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, “Interim Financial Reporting”.

**Statements of financial position as at December 31, 2011 presented for comparative purposes**

The Office of the Auditor General of Thailand has audited the consolidated and separate financial statements for the year ended December 31, 2011 of PTT Exploration and Production Public Company Limited and its subsidiaries, and of PTT Exploration and Production Public Company Limited, respectively, which are presented in US Dollar and in Thai Baht, in accordance with Thai Standards on Auditing and expressed an unqualified opinion on those statements in the report dated February 17, 2012. The consolidated and separate statements of financial position as at December 31, 2011, presented for comparative purposes, are part of the aforementioned financial statements. The Office of the Auditor General of Thailand has not performed any other auditing procedures subsequent to the date of that report.

*(Signed)*

*Sirin Phankasem  
(Sirin Phankasem)  
Inspector General 1*

*(Signed)*

*Adisorn Puawaranukroh  
(Adisorn Puawaranukroh)  
Director of Audit Office for  
Auditor General*

*Office of the Auditor General*

October 24, 2012

(TRANSLATION)

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## PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

## CONSOLIDATED

|   |       | Unit : US Dollar            |                       | Unit : Baht                 |                        |
|---|-------|-----------------------------|-----------------------|-----------------------------|------------------------|
|   | Notes | September 30, 2012          | December 31, 2011     | September 30, 2012          | December 31, 2011      |
|   |       | (Unaudited<br>but reviewed) | (Audited)             | (Unaudited<br>but reviewed) | (Audited)              |
| <b>Assets</b>                                 |       |                             |                       |                             |                        |
| <b>Current Assets</b>                         |       |                             |                       |                             |                        |
| Cash and cash equivalents                     | 6     | 675,032,604                 | 1,350,529,553         | 20,810,445,142              | 42,799,902,166         |
| Restricted deposits at financial institution  | 6     | 69,345,960                  | -                     | 2,137,852,753               | -                      |
| Account receivable - parent company           | 7     | 788,674,195                 | 484,200,308           | 24,313,879,000              | 15,344,888,772         |
| Trade accounts receivable                     | 8     | 180,221,043                 | 150,154,941           | 5,555,998,496               | 4,758,590,271          |
| Other accounts receivable                     |       | 79,003,606                  | 201,896,882           | 2,435,586,371               | 6,398,354,465          |
| Inventories                                   |       | 25,045,282                  | 17,360,176            | 772,115,983                 | 550,164,826            |
| Materials and supplies, net                   |       | 293,278,894                 | 271,130,269           | 9,041,436,368               | 8,592,443,590          |
| Other current assets                          |       |                             |                       |                             |                        |
| Working capital from co-venturers             |       | 58,647,990                  | 43,557,383            | 1,808,047,161               | 1,380,385,765          |
| Accrued interests receivable                  |       | 755,743                     | 1,376,819             | 23,298,661                  | 43,633,057             |
| Financial derivative assets                   | 17    | 1,525,186                   | -                     | 47,019,641                  | -                      |
| Other current assets                          |       | 152,766,293                 | 217,592,694           | 4,709,601,504               | 6,895,773,598          |
| <b>Total Current Assets</b>                   |       | <b>2,324,296,796</b>        | <b>2,737,799,025</b>  | <b>71,655,281,080</b>       | <b>86,764,136,510</b>  |
| <b>Non-current Assets</b>                     |       |                             |                       |                             |                        |
| Investments in available-for-sales securities | 10    | 1,348,464                   | -                     | 41,571,530                  | -                      |
| Investments in associates                     | 11.3  | 30,696,068                  | 26,923,262            | 946,322,947                 | 853,230,480            |
| Investments in subsidiaries                   |       | -                           | -                     | -                           | -                      |
| Long-term loans to related parties            | 9.2   | 18,813,605                  | 18,485,368            | 580,000,875                 | 585,823,494            |
| Property, plant and equipment, net            | 12,13 | 10,208,315,688              | 9,300,911,875         | 314,710,122,684             | 294,757,058,393        |
| Goodwill                                      | 14    | 906,303,505                 | 329,695,073           | 27,940,249,488              | 10,448,432,503         |
| Intangible assets, net                        | 15    | 3,283,103,409               | 1,136,554,494         | 101,214,138,365             | 36,018,775,784         |
| Deferred income tax assets                    | 16.2  | 424,988,229                 | 510,603,298           | 13,101,877,119              | 16,181,631,225         |
| Other non-current assets                      |       |                             |                       |                             |                        |
| Prepaid expenses                              |       | 24,151,365                  | 32,787,786            | 744,557,590                 | 1,039,084,290          |
| Deferred remuneration under agreement         |       | 24,054,176                  | 25,373,664            | 741,561,378                 | 804,121,869            |
| Financial derivative assets                   | 17    | 5,381,357                   | 6,152,097             | 165,900,763                 | 194,967,328            |
| Other non-current assets                      |       | 7,104,498                   | 6,146,157             | 219,023,150                 | 194,779,094            |
| <b>Total Non-current Assets</b>               |       | <b>14,934,260,364</b>       | <b>11,393,633,074</b> | <b>460,405,325,889</b>      | <b>361,077,904,460</b> |
| <b>Total Assets</b>                           |       | <b>17,258,557,160</b>       | <b>14,131,432,099</b> | <b>532,060,606,969</b>      | <b>447,842,040,970</b> |

Notes to interim financial information are an integral part of these interim financial information.

(Signed) Tevin Vongvanich  
(Tevin Vongvanich)  
President and Chief Executive Officer

(Signed) Yongyos Krongphanich  
(Yongyos Krongphanich)  
Senior Vice President, Accounting Div.

## PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

## CONSOLIDATED

|   |       | Unit : US Dollar            |                       | Unit : Baht                 |                        |
|---|-------|-----------------------------|-----------------------|-----------------------------|------------------------|
|   | Notes | September 30, 2012          | December 31, 2011     | September 30, 2012          | December 31, 2011      |
|   |       | (Unaudited<br>but reviewed) | (Audited)             | (Unaudited<br>but reviewed) | (Audited)              |
| <b>Liabilities and Shareholders' Equity</b>       |       |                             |                       |                             |                        |
| <b>Current Liabilities</b>                        |       |                             |                       |                             |                        |
| Short-term loans from financial institution       | 18    | 1,827,037,187               | 315,545,000           | 56,325,364,045              | 9,999,999,704          |
| Trade accounts payable                            |       | 106,764,832                 | 72,995,698            | 3,291,431,648               | 2,313,321,265          |
| Current portion of long-term debts                | 18    | 162,694,921                 | 687,772,029           | 5,015,689,166               | 21,796,320,923         |
| Working capital to co-venturers                   |       | 21,856,524                  | 35,665,289            | 673,810,419                 | 1,130,275,802          |
| Accrued expenses                                  |       | 910,236,844                 | 995,314,234           | 28,061,509,625              | 31,542,702,448         |
| Accrued interests payable                         |       | 47,097,372                  | 29,583,190            | 1,451,955,466               | 937,526,785            |
| Income tax payable                                |       | 679,933,577                 | 802,476,294           | 20,961,536,254              | 25,431,436,741         |
| Financial derivative liabilities                  | 17    | 22,554,987                  | 46,419,035            | 695,343,178                 | 1,471,074,934          |
| Short-term provision                              |       | 24,439,040                  | 75,771,581            | 753,426,268                 | 2,401,292,309          |
| Other current liabilities                         |       | 129,739,796                 | 78,254,792            | 3,999,722,214               | 2,479,988,280          |
| <b>Total Current Liabilities</b>                  |       | <b>3,932,355,080</b>        | <b>3,139,797,142</b>  | <b>121,229,788,283</b>      | <b>99,503,939,191</b>  |
| <b>Non-current Liabilities</b>                    |       |                             |                       |                             |                        |
| Bonds   | 18    | 2,512,827,977               | 2,251,986,616         | 77,467,471,143              | 71,368,158,255         |
| Long-term loans from financial institution        | 18    | 1,098,651,034               | 617,860,511           | 33,870,092,992              | 19,580,741,015         |
| Deferred income tax liabilities                   | 16.2  | 1,515,572,558               | 918,665,924           | 46,723,283,280              | 29,113,625,520         |
| Provision for employee benefits                   | 19    | 74,418,265                  | 62,462,916            | 2,294,225,819               | 1,979,524,765          |
| Provision for decommissioning costs               |       | 716,589,865                 | 703,997,864           | 22,091,605,629              | 22,310,537,096         |
| Other non-current liabilities                     |       |                             |                       |                             |                        |
| Financial derivative liabilities                  | 17    | 53,961,426                  | 46,831,567            | 1,663,566,001               | 1,484,148,559          |
| Deferred income                                   |       | 39,592,396                  | 36,371,103            | 1,220,586,069               | 1,152,643,891          |
| Other non-current liabilities                     |       | 31,339,351                  | 41,795,496            | 966,154,579                 | 1,324,549,447          |
| <b>Total Non-current Liabilities</b>              |       | <b>6,042,952,872</b>        | <b>4,679,971,997</b>  | <b>186,296,985,512</b>      | <b>148,313,928,548</b> |
| <b>Total Liabilities</b>                          |       | <b>9,975,307,952</b>        | <b>7,819,769,139</b>  | <b>307,526,773,795</b>      | <b>247,817,867,739</b> |
| <b>Shareholders' Equity</b>                       |       |                             |                       |                             |                        |
| Share capital                                     | 20    |                             |                       |                             |                        |
| Authorized share capital                          |       |                             |                       |                             |                        |
| 3,322,000,000 ordinary shares of Baht 1 each      |       |                             |                       | 3,322,000,000               | 3,322,000,000          |
| Issued and paid-up share capital                  |       |                             |                       |                             |                        |
| 3,319,985,400 ordinary shares of Baht 1 each      |       | 129,475,062                 | 129,475,062           | 3,319,985,400               | 3,319,985,400          |
| Share premium                                     |       | 469,655,446                 | 469,655,446           | 14,411,841,900              | 14,411,841,900         |
| Subordinated capital debentures                   | 21    | 156,752,370                 | -                     | 4,987,735,024               | -                      |
| Retained earnings                                 |       |                             |                       |                             |                        |
| Appropriated                                      |       |                             |                       |                             |                        |
| Legal reserve                                     |       | 12,963,632                  | 12,963,632            | 332,200,000                 | 332,200,000            |
| Reserve for expansion                             |       | 431,231,212                 | 431,231,212           | 16,900,000,000              | 16,900,000,000         |
| Unappropriated                                    |       | 6,059,710,665               | 5,254,384,351         | 204,435,875,378             | 179,146,315,584        |
| Other components of Shareholders' Equity          |       | 23,460,821                  | 13,953,257            | (19,853,804,528)            | (14,086,169,653)       |
| <b>Total Shareholders' Equity</b>                 |       | <b>7,283,249,208</b>        | <b>6,311,662,960</b>  | <b>224,533,833,174</b>      | <b>200,024,173,231</b> |
| <b>Total Liabilities and Shareholders' Equity</b> |       | <b>17,258,557,160</b>       | <b>14,131,432,099</b> | <b>532,060,606,969</b>      | <b>447,842,040,970</b> |

Notes to interim financial information are an integral part of these interim financial information.

## PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

## THE COMPANY

Unit : US Dollar

Unit : Baht

|                                       | Notes | September 30, 2012<br>(Unaudited<br>but reviewed) | December 31, 2011<br>(Audited) | September 30, 2012<br>(Unaudited<br>but reviewed) | December 31, 2011<br>(Audited) |
|---------------------------------------|-------|---|--------------------------------|---|--------------------------------|
| <b>Assets</b>                         |       |   |                                |   |                                |
| <b>Current Assets</b>                 |       |   |                                |   |                                |
| Cash and cash equivalents             | 6     | 154,544,437                                       | 744,934,786                    | 4,764,419,547                                     | 23,607,877,304                 |
| Account receivable - parent company   | 7     | 487,107,692                                       | 292,942,319                    | 15,016,945,617                                    | 9,283,693,613                  |
| Trade accounts receivable             | 8     | 2,988,728   | 2,452,697                      | 92,138,897  | 77,728,928                     |
| Other accounts receivable             |       | 37,460,834  | 23,264,914                     | 1,154,872,547                                     | 737,293,049                    |
| Inventories                           |       | 1,950,523   | 2,433,076                      | 60,132,293  | 77,107,092                     |
| Materials and supplies, net           |       | 107,737,488                                       | 106,292,983                    | 3,321,417,472                                     | 3,368,552,169                  |
| Other current assets                  |       |   |                                |   |                                |
| Working capital from co-venturers     |       | 1,732,559   | 1,514,304                      | 53,412,712  | 47,990,097                     |
| Accrued interests receivable          |       | 7,498,781   | 4,897,957                      | 231,178,409                                       | 155,222,129                    |
| Financial derivative assets           | 17    | 46,422  | -                              | 1,431,137   | -                              |
| Other current assets                  |       | 29,973,823  | 26,195,222                     | 924,056,990                                       | 830,158,034                    |
| <b>Total Current Assets</b>           |       | <b>831,041,287</b>                                | <b>1,204,928,258</b>           | <b>25,620,005,621</b>                             | <b>38,185,622,415</b>          |
| <b>Non-current Assets</b>             |       |   |                                |   |                                |
| Investments in associates             | 11.3  | 25,577,427  | 25,577,427                     | 788,521,395                                       | 810,579,368                    |
| Investments in subsidiaries           | 11.2  | 616,235,970                                       | 616,235,970                    | 18,997,815,472                                    | 19,529,257,373                 |
| Long-term loans to related parties    | 9.2   | 3,181,630,418                                     | 3,101,453,770                  | 98,085,847,832                                    | 98,288,791,696                 |
| Property, plant and equipment, net    | 12,13 | 3,010,509,522                                     | 2,884,955,883                  | 92,810,395,938                                    | 91,427,713,871                 |
| Intangible assets, net                | 15    | 85,595,541  | 41,649,920                     | 2,638,807,804                                     | 1,319,935,944                  |
| Deferred income tax assets            | 16.2  | 17,645,059  | 21,284,916                     | 543,976,008                                       | 674,544,530                    |
| Other non-current assets              |       |   |                                |   |                                |
| Deferred remuneration under agreement |       | 24,054,176  | 25,373,664                     | 741,561,378                                       | 804,121,869                    |
| Financial derivative assets           | 17    | 5,381,357   | 6,152,097                      | 165,900,763                                       | 194,967,329                    |
| Other non-current assets              |       | 4,241,881   | 3,647,167                      | 130,772,104                                       | 115,583,107                    |
| <b>Total Non-current Assets</b>       |       | <b>6,970,871,351</b>                              | <b>6,726,330,814</b>           | <b>214,903,598,694</b>                            | <b>213,165,495,087</b>         |
| <b>Total Assets</b>                   |       | <b>7,801,912,638</b>                              | <b>7,931,259,072</b>           | <b>240,523,604,315</b>                            | <b>251,351,117,502</b>         |

Notes to interim financial information are an integral part of these interim financial information.

## PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

## THE COMPANY

Unit : US Dollar

Unit : Baht

|   | Notes | September 30, 2012<br>(Unaudited<br>but reviewed) | December 31, 2011<br>(Audited) | September 30, 2012<br>(Unaudited<br>but reviewed) | December 31, 2011<br>(Audited) |
|---|-------|---|--------------------------------|---|--------------------------------|
| <b>Liabilities and Shareholders' Equity</b>       |       |   |                                |   |                                |
| <b>Current Liabilities</b>                        |       |   |                                |   |                                |
| Short-term loans from financial institution       | 18    | 290,669,753                                       | 315,545,000                    | 8,960,999,678                                     | 9,999,999,704                  |
| Trade accounts payable                            |       | 13,140,572  | 22,099,114                     | 405,108,072                                       | 700,347,455                    |
| Current portion of long-term debts                | 18    | 162,694,921                                       | 687,772,029                    | 5,015,689,166                                     | 21,796,320,924                 |
| Working capital to co-venturers                   |       | 3,154,758   | -                              | 97,257,388  | -                              |
| Accrued expenses                                  |       | 388,091,245                                       | 334,734,862                    | 11,964,387,381                                    | 10,608,149,473                 |
| Accrued interests payable                         |       | 7,943,116   | 7,148,298                      | 244,876,749                                       | 226,538,145                    |
| Income tax payable                                |       | 462,128,203                                       | 565,391,437                    | 14,246,857,953                                    | 17,917,933,101                 |
| Financial derivative liabilities                  | 17    | 2,972,167   | 45,649,071                     | 91,628,357  | 1,446,673,833                  |
| Other current liabilities                         |       | 43,714,470  | 31,351,736                     | 1,347,664,640                                     | 993,574,122                    |
| <b>Total Current Liabilities</b>                  |       | <b>1,374,509,205</b>                              | <b>2,009,691,547</b>           | <b>42,374,469,384</b>                             | <b>63,689,536,757</b>          |
| <b>Non-current Liabilities</b>                    |       |   |                                |   |                                |
| Bonds   | 18    | 622,484,128                                       | 858,843,414                    | 19,190,438,689                                    | 27,217,778,392                 |
| Long-term loans from financial institution        | 18    | 50,000,000  | 50,000,000                     | 1,541,440,000                                     | 1,584,560,000                  |
| Deferred income tax liabilities                   | 16.2  | 234,683,652                                       | 182,459,934                    | 7,235,015,377                                     | 5,782,374,273                  |
| Provision for employee benefits                   | 19    | 66,702,571  | 56,484,282                     | 2,056,360,219                                     | 1,790,054,690                  |
| Provision for decommissioning costs               |       | 311,550,522                                       | 302,372,883                    | 9,604,728,728                                     | 9,582,559,522                  |
| Other non-current liabilities                     |       |   |                                |   |                                |
| Financial derivative liabilities                  | 17    | 50,869,230  | 46,831,567                     | 1,568,237,330                                     | 1,484,148,559                  |
| Deferred income                                   |       | -   | 104,082                        | -   | 3,298,502                      |
| Other non-current liabilities                     |       | 10,603,037  | 9,386,505                      | 326,878,908                                       | 297,469,577                    |
| <b>Total Non-current Liabilities</b>              |       | <b>1,346,893,140</b>                              | <b>1,506,482,667</b>           | <b>41,523,099,251</b>                             | <b>47,742,243,515</b>          |
| <b>Total Liabilities</b>                          |       | <b>2,721,402,345</b>                              | <b>3,516,174,214</b>           | <b>83,897,568,635</b>                             | <b>111,431,780,272</b>         |
| <b>Shareholders' Equity</b>                       |       |   |                                |   |                                |
| Share capital                                     | 20    |   |                                |   |                                |
| Authorized share capital                          |       |   |                                |   |                                |
| 3,322,000,000 ordinary shares of Baht 1 each      |       |   |                                | 3,322,000,000                                     | 3,322,000,000                  |
| Issued and paid-up share capital                  |       |   |                                |   |                                |
| 3,319,985,400 ordinary shares of Baht 1 each      |       | 129,475,062                                       | 129,475,062                    | 3,319,985,400                                     | 3,319,985,400                  |
| Share premium                                     |       | 469,655,446                                       | 469,655,446                    | 14,411,841,900                                    | 14,411,841,900                 |
| Subordinated capital debentures                   | 21    | 156,752,370                                       | -                              | 4,987,735,024                                     | -                              |
| Retained earnings                                 |       |   |                                |   |                                |
| Appropriated                                      |       |   |                                |   |                                |
| Legal reserve                                     |       | 12,963,632  | 12,963,632                     | 332,200,000                                       | 332,200,000                    |
| Reserve for expansion                             |       | 431,231,212                                       | 431,231,212                    | 16,900,000,000                                    | 16,900,000,000                 |
| Unappropriated                                    |       | 3,911,978,541                                     | 3,381,288,319                  | 133,134,053,342                                   | 116,496,332,798                |
| Other components of Shareholders' Equity          |       | (31,545,970)                                      | (9,528,813)                    | (16,459,779,986)                                  | (11,541,022,868)               |
| <b>Total Shareholders' Equity</b>                 |       | <b>5,080,510,293</b>                              | <b>4,415,084,858</b>           | <b>156,626,035,680</b>                            | <b>139,919,337,230</b>         |
| <b>Total Liabilities and Shareholders' Equity</b> |       | <b>7,801,912,638</b>                              | <b>7,931,259,072</b>           | <b>240,523,604,315</b>                            | <b>251,351,117,502</b>         |

Notes to interim financial information are an integral part of these interim financial information.

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF INCOME  
FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
CONSOLIDATED

|  |             | Unit : US Dollar     |                      | Unit : Baht           |                       |
|--|-------------|----------------------|----------------------|-----------------------|-----------------------|
|  | <u>Note</u> | <u>2012</u>          | <u>2011</u>          | <u>2012</u>           | <u>2011</u>           |
| <b>Revenues</b>                          |             |                      |                      |                       |                       |
| Sales                                    |             | 1,755,375,712        | 1,373,546,481        | 55,048,112,925        | 41,374,938,718        |
| Revenue from pipeline transportation     |             | 37,634,815           | 34,413,783           | 1,180,266,233         | 1,036,597,887         |
| Other revenues                           |             |                      |                      |                       |                       |
| Interest income                          |             | 1,488,943            | 4,301,144            | 46,616,215            | 129,777,881           |
| Other revenues                           |             | 25,826,293           | 9,838,249            | 807,652,289           | 295,700,956           |
| <b>Total Revenues</b>                    |             | <b>1,820,325,763</b> | <b>1,422,099,657</b> | <b>57,082,647,662</b> | <b>42,837,015,442</b> |
| <b>Expenses</b>                          |             |                      |                      |                       |                       |
| Operating expenses                       |             | 177,560,342          | 178,654,705          | 5,567,828,245         | 5,384,179,558         |
| Exploration expenses                     |             | 44,909,221           | 51,237,763           | 1,404,328,794         | 1,550,481,483         |
| Administrative expenses                  |             | 78,484,807           | 49,105,660           | 2,451,832,751         | 1,483,048,108         |
| Petroleum royalties and remuneration     |             | 207,679,661          | 163,396,751          | 6,512,643,749         | 4,920,839,962         |
| Depreciation, depletion and amortization |             | 371,846,010          | 272,365,810          | 11,662,673,813        | 8,207,441,936         |
| Other expenses                           |             |                      |                      |                       |                       |
| Loss on foreign exchange                 |             | 12,439,600           | 180,912,028          | 366,586,389           | 5,486,780,191         |
| Loss from Montara incident               |             | -                    | 1,033,629            | -                     | 31,057,357            |
| Loss on financial derivatives            |             | 19,239,630           | 2,019,730            | 590,676,428           | 62,836,477            |
| Management's remuneration                |             | 1,171,880            | 852,820              | 36,757,801            | 25,687,635            |
| Impairment loss on assets                |             | -                    | -                    | -                     | -                     |
| Finance costs                            |             | 54,140,501           | 32,830,745           | 1,696,177,131         | 989,071,929           |
| <b>Total Expenses</b>                    |             | <b>967,471,652</b>   | <b>932,409,641</b>   | <b>30,289,505,101</b> | <b>28,141,424,636</b> |
| Share of gain (loss) from associates     |             | 1,300,056            | (853)                | 40,426,419            | (54,982)              |
| <b>Income before income taxes</b>        |             | <b>854,154,167</b>   | <b>489,689,163</b>   | <b>26,833,568,980</b> | <b>14,695,535,824</b> |
| Income tax expenses                      | 16.1        | (296,472,224)        | (240,100,824)        | (9,307,153,315)       | (7,245,807,393)       |
| <b>Income for the period</b>             |             | <b>557,681,943</b>   | <b>249,588,339</b>   | <b>17,526,415,665</b> | <b>7,449,728,431</b>  |
| <b>Earnings per share</b>                |             |                      |                      |                       |                       |
| Basic earnings per share                 |             | 0.17                 | 0.08                 | 5.26                  | 2.24                  |
| Diluted earnings per share               |             | 0.17                 | 0.08                 | 5.26                  | 2.24                  |

Notes to interim financial information are an integral part of these interim financial information.



PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
CONSOLIDATED

|  | Unit : US Dollar   |                    | Unit : Baht            |                       |
|--|--------------------|--------------------|------------------------|-----------------------|
|  | <u>2012</u>        | <u>2011</u>        | <u>2012</u>            | <u>2011</u>           |
| Income for the period  | 557,681,943        | 249,588,339        | 17,526,415,665         | 7,449,728,431         |
| Other comprehensive income (expense)                             |                    |                    |                        |                       |
| Exchange differences on translating financial statement          | 40,847,756         | 9,278,430          | (5,947,695,987)        | 2,869,077,668         |
| Unrealised gain on available-for-sales securities                | 14,134             | -                  | 438,142                | -                     |
| Gain (loss) on cash flow hedges                                  | (17,651,082)       | 12,011,926         | (554,409,433)          | 369,141,342           |
| Income taxes relating to gain (loss) on cash flow hedges         | 3,150,161          | (3,489,403)        | 97,651,532             | (106,140,642)         |
| Other comprehensive income (expense) for the period - net of tax | <u>26,360,969</u>  | <u>17,800,953</u>  | <u>(6,404,015,746)</u> | <u>3,132,078,368</u>  |
| Total comprehensive income for the period                        | <u>584,042,912</u> | <u>267,389,292</u> | <u>11,122,399,919</u>  | <u>10,581,806,799</u> |

Notes to interim financial information are an integral part of these interim financial information.

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF INCOME  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
CONSOLIDATED

|  |       | Unit : US Dollar     |                      | Unit : Baht            |                        |
|--|-------|----------------------|----------------------|------------------------|------------------------|
|  | Notes | 2012                 | 2011                 | 2012                   | 2011                   |
| <b>Revenues</b>                          |       |                      |                      |                        |                        |
| Sales                                    |       | 4,847,360,711        | 3,999,070,133        | 151,333,764,538        | 121,175,514,192        |
| Revenue from pipeline transportation     |       | 113,547,706          | 93,037,718           | 3,545,886,240          | 2,818,122,121          |
| Other revenues                           |       |                      |                      |                        |                        |
| Interest income                          |       | 10,235,237           | 10,070,363           | 320,753,420            | 305,038,387            |
| Other revenues                           |       | 109,464,452          | 51,154,686           | 3,416,121,175          | 1,553,105,972          |
| <b>Total Revenues</b>                    |       | <b>5,080,608,106</b> | <b>4,153,332,900</b> | <b>158,616,525,373</b> | <b>125,851,780,672</b> |
| <b>Expenses</b>                          |       |                      |                      |                        |                        |
| Operating expenses                       |       | 487,534,589          | 445,843,807          | 15,207,325,966         | 13,503,814,654         |
| Exploration expenses                     |       | 144,347,830          | 189,818,423          | 4,523,866,949          | 5,770,651,674          |
| Administrative expenses                  |       | 202,941,700          | 168,338,391          | 6,329,084,495          | 5,109,374,691          |
| Petroleum royalties and remuneration     | 23    | 574,059,952          | 477,834,678          | 17,922,117,229         | 14,477,492,980         |
| Depreciation, depletion and amortization |       | 1,014,753,233        | 849,754,407          | 31,673,917,262         | 25,754,335,953         |
| Other expenses                           |       |                      |                      |                        |                        |
| Loss on foreign exchange                 | 22    | 22,120,100           | 114,666,076          | 671,492,153            | 3,478,361,390          |
| Loss from Montara incident               |       | -                    | 2,659,874            | -                      | 81,331,706             |
| Loss on financial derivatives            |       | 26,233,261           | 7,432,884            | 813,331,275            | 226,987,174            |
| Management's remuneration                | 9.1   | 3,336,944            | 2,414,543            | 104,137,523            | 73,245,252             |
| Impairment loss on assets                |       | 109,167,123          | -                    | 3,455,128,281          | -                      |
| Finance costs                            |       | 127,531,443          | 88,389,583           | 3,988,003,098          | 2,678,789,691          |
| <b>Total Expenses</b>                    |       | <b>2,712,026,175</b> | <b>2,347,152,666</b> | <b>84,688,404,231</b>  | <b>71,154,385,165</b>  |
| Share of gain from associates            |       | 4,155,179            | 1,205,715            | 129,364,839            | 36,683,060             |
| <b>Income before income taxes</b>        |       | <b>2,372,737,110</b> | <b>1,807,385,949</b> | <b>74,057,485,981</b>  | <b>54,734,078,567</b>  |
| Income tax expenses                      | 16.1  | (975,734,201)        | (828,271,156)        | (30,509,905,634)       | (25,135,639,890)       |
| <b>Income for the period</b>             |       | <b>1,397,002,909</b> | <b>979,114,793</b>   | <b>43,547,580,347</b>  | <b>29,598,438,677</b>  |
| <b>Earnings per share</b>                | 24    |                      |                      |                        |                        |
| Basic earnings per share                 |       | 0.42                 | 0.30                 | 13.09                  | 8.92                   |
| Diluted earnings per share               |       | 0.42                 | 0.30                 | 13.09                  | 8.92                   |

Notes to interim financial information are an integral part of these interim financial information.

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
CONSOLIDATED

|  | Unit : US Dollar     |                    | Unit : Baht            |                       |
|--|----------------------|--------------------|------------------------|-----------------------|
|  | <u>2012</u>          | <u>2011</u>        | <u>2012</u>            | <u>2011</u>           |
| Income for the period  | 1,397,002,909        | 979,114,793        | 43,547,580,347         | 29,598,438,677        |
| Other comprehensive income (expense)                             |                      |                    |                        |                       |
| Exchange differences on translating financial statement          | 33,945,654           | 9,214,242          | (5,008,824,158)        | 6,387,922,652         |
| Unrealised gain on available-for-sales securities                | 14,134               | -                  | 438,142                | -                     |
| Loss on cash flow hedges   | (29,947,457)         | (3,912,571)        | (927,917,322)          | (116,801,539)         |
| Income taxes relating to gain (loss) on cash flow hedges         | 5,495,233            | 1,173,771          | 168,668,463            | 36,141,990            |
| Other comprehensive income (expense) for the period - net of tax | <u>9,507,564</u>     | <u>6,475,442</u>   | <u>(5,767,634,875)</u> | <u>6,307,263,103</u>  |
| Total comprehensive income for the period                        | <u>1,406,510,473</u> | <u>985,590,235</u> | <u>37,779,945,472</u>  | <u>35,905,701,780</u> |

Notes to interim financial information are an integral part of these interim financial information.

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF INCOME  
FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
THE COMPANY

|  |             | Unit : US Dollar     |                    | Unit : Baht           |                       |
|--|-------------|----------------------|--------------------|-----------------------|-----------------------|
|  | <u>Note</u> | <u>2012</u>          | <u>2011</u>        | <u>2012</u>           | <u>2011</u>           |
| <b>Revenues</b>                          |             |                      |                    |                       |                       |
| Sales                                    |             | 924,439,655          | 728,039,354        | 28,983,464,172        | 21,924,605,537        |
| Other revenues                           |             |                      |                    |                       |                       |
| Gain on foreign exchange                 |             | 12,636,331           | -                  | 393,077,681           | -                     |
| Interest income                          |             | 30,327,805           | 27,737,855         | 950,938,925           | 835,646,185           |
| Gain on financial derivatives            |             | 4,658,862            | 850,309            | 145,640,330           | 24,450,040            |
| Other revenues                           |             | 870,479              | 7,110,987          | 27,235,578            | 213,058,620           |
| Dividends received from related parties  |             | 38,469,711           | -                  | 1,173,006,900         | -                     |
| <b>Total Revenues</b>                    |             | <b>1,011,402,843</b> | <b>763,738,505</b> | <b>31,673,363,586</b> | <b>22,997,760,382</b> |
| <b>Expenses</b>                          |             |                      |                    |                       |                       |
| Operating expenses                       |             | 54,742,230           | 82,199,858         | 1,716,704,282         | 2,476,790,058         |
| Exploration expenses                     |             | 3,291,951            | 3,199,980          | 103,262,377           | 96,191,639            |
| Administrative expenses                  |             | 28,663,976           | 22,715,200         | 896,048,507           | 685,459,897           |
| Petroleum royalties and remuneration     |             | 115,554,957          | 90,997,578         | 3,622,933,023         | 2,740,354,910         |
| Depreciation, depletion and amortization |             | 191,089,887          | 141,244,966        | 5,995,608,843         | 4,253,611,840         |
| Other expenses                           |             |                      |                    |                       |                       |
| Loss on foreign exchange                 |             | -                    | 9,389,223          | -                     | 295,143,748           |
| Management's remuneration                |             | 1,171,880            | 852,820            | 36,757,801            | 25,687,635            |
| Finance costs                            |             | 14,030,496           | 19,541,749         | 439,886,925           | 588,543,921           |
| <b>Total Expenses</b>                    |             | <b>408,545,377</b>   | <b>370,141,374</b> | <b>12,811,201,758</b> | <b>11,161,783,648</b> |
| <b>Income before income taxes</b>        |             | <b>602,857,466</b>   | <b>393,597,131</b> | <b>18,862,161,828</b> | <b>11,835,976,734</b> |
| Income tax expenses                      | 16.1        | (149,045,235)        | (176,243,096)      | (4,675,015,611)       | (5,324,264,925)       |
| <b>Income for the period</b>             |             | <b>453,812,231</b>   | <b>217,354,035</b> | <b>14,187,146,217</b> | <b>6,511,711,809</b>  |
| <b>Earnings per share</b>                |             |                      |                    |                       |                       |
| Basic earnings per share                 |             | 0.14                 | 0.07               | 4.25                  | 1.96                  |
| Diluted earnings per share               |             | 0.14                 | 0.07               | 4.25                  | 1.96                  |

Notes to interim financial information are an integral part of these interim financial information.

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
THE COMPANY

|  | Unit : US Dollar    |                    | Unit : Baht            |                      |
|--|---------------------|--------------------|------------------------|----------------------|
|  | <u>2012</u>         | <u>2011</u>        | <u>2012</u>            | <u>2011</u>          |
| Income for the period  | 453,812,231         | 217,354,035        | 14,187,146,217         | 6,511,711,809        |
| Other comprehensive income (expense)                             |                     |                    |                        |                      |
| Exchange differences on translating financial statement          | -                   | -                  | (5,016,863,322)        | 1,797,627,496        |
| Gain (loss) on cash flow hedges                                  | (16,189,771)        | 12,011,926         | (508,477,544)          | 369,141,342          |
| Income taxes relating to gain (loss) on cash flow hedges         | 3,150,161           | (3,489,403)        | 97,651,532             | (106,140,642)        |
| Other comprehensive income (expense) for the period - net of tax | <u>(13,039,610)</u> | <u>8,522,523</u>   | <u>(5,427,689,334)</u> | <u>2,060,628,196</u> |
| Total comprehensive income for the period                        | <u>440,772,621</u>  | <u>225,876,558</u> | <u>8,759,456,883</u>   | <u>8,572,340,005</u> |

Notes to interim financial information are an integral part of these interim financial information.

## PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF INCOME

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

## THE COMPANY

|  |       | Unit : US Dollar     |                      | Unit : Baht           |                       |
|--|-------|----------------------|----------------------|-----------------------|-----------------------|
|  | Notes | 2012                 | 2011                 | 2012                  | 2011                  |
| <b>Revenues</b>                          |       |                      |                      |                       |                       |
| Sales                                    |       | 2,474,127,175        | 2,295,560,994        | 77,241,805,190        | 69,577,351,864        |
| Other revenues                           |       |                      |                      |                       |                       |
| Gain on foreign exchange                 | 22    | 3,516,282            | -                    | 109,910,197           | -                     |
| Interest income                          |       | 99,265,116           | 82,646,887           | 3,099,130,265         | 2,504,555,890         |
| Gain on financial derivatives            |       | 2,894,806            | -                    | 85,561,603            | -                     |
| Other revenues                           |       | 20,425,775           | 10,493,753           | 635,449,921           | 316,278,091           |
| Dividends received from related parties  |       | 147,188,461          | 16,718,154           | 4,488,026,400         | 510,003,000           |
| <b>Total Revenues</b>                    |       | <b>2,747,417,615</b> | <b>2,405,419,788</b> | <b>85,659,883,576</b> | <b>72,908,188,845</b> |
| <b>Expenses</b>                          |       |                      |                      |                       |                       |
| Operating expenses                       |       | 144,119,791          | 211,464,048          | 4,489,790,155         | 6,405,713,106         |
| Exploration expenses                     |       | 19,894,607           | 22,889,059           | 626,075,099           | 694,310,335           |
| Administrative expenses                  |       | 83,993,548           | 79,371,907           | 2,620,170,438         | 2,408,863,218         |
| Petroleum royalties and remuneration     | 23    | 309,252,887          | 286,951,779          | 9,654,814,846         | 8,697,376,604         |
| Depreciation, depletion and amortization |       | 497,433,798          | 457,234,660          | 15,549,291,980        | 13,860,717,833        |
| Other expenses                           |       |                      |                      |                       |                       |
| Loss on foreign exchange                 | 22    | -                    | 18,693,505           | -                     | 575,826,485           |
| Loss on financial derivatives            |       | -                    | 3,811,708            | -                     | 117,036,394           |
| Management's remuneration                | 9.1   | 3,336,944            | 2,414,543            | 104,137,523           | 73,245,252            |
| Finance costs                            |       | 47,763,627           | 58,403,769           | 1,490,723,259         | 1,770,743,773         |
| <b>Total Expenses</b>                    |       | <b>1,105,795,202</b> | <b>1,141,234,978</b> | <b>34,535,003,300</b> | <b>34,603,833,000</b> |
| <b>Income before income taxes</b>        |       | <b>1,641,622,413</b> | <b>1,264,184,810</b> | <b>51,124,880,276</b> | <b>38,304,355,845</b> |
| Income tax expenses                      | 16.1  | (519,255,596)        | (539,252,066)        | (16,229,139,179)      | (16,366,744,062)      |
| <b>Income for the period</b>             |       | <b>1,122,366,817</b> | <b>724,932,744</b>   | <b>34,895,741,097</b> | <b>21,937,611,783</b> |
| <b>Earnings per share</b>                |       |                      |                      |                       |                       |
| 24                                       |       |                      |                      |                       |                       |
| Basic earnings per share                 |       | 0.34                 | 0.22                 | 10.49                 | 6.61                  |
| Diluted earnings per share               |       | 0.34                 | 0.22                 | 10.49                 | 6.61                  |

Notes to interim financial information are an integral part of these interim financial information.

(Unaudited  
but reviewed)

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
THE COMPANY

|  | Unit : US Dollar     |                    | Unit : Baht            |                       |
|--|----------------------|--------------------|------------------------|-----------------------|
|  | <u>2012</u>          | <u>2011</u>        | <u>2012</u>            | <u>2011</u>           |
| Income for the period  | 1,122,366,817        | 724,932,744        | 34,895,741,097         | 21,937,611,783        |
| Other comprehensive income (expense)                             |                      |                    |                        |                       |
| Exchange differences on translating financial statement          | -                    | -                  | (4,236,263,308)        | 4,334,355,881         |
| Loss on cash flow hedges   | (27,512,390)         | (3,912,571)        | (851,162,273)          | (116,801,539)         |
| Income taxes relating to gain (loss) on cash flow hedges         | 5,495,233            | 1,173,771          | 168,668,463            | 36,141,990            |
| Other comprehensive income (expense) for the period - net of tax | <u>(22,017,157)</u>  | <u>(2,738,800)</u> | <u>(4,918,757,118)</u> | <u>4,253,696,332</u>  |
| Total comprehensive income for the period                        | <u>1,100,349,660</u> | <u>722,193,944</u> | <u>29,976,983,979</u>  | <u>26,191,308,115</u> |

Notes to interim financial information are an integral part of these interim financial information.

(TRANSLATION)

15

(Unaudited but reviewed)

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
CONSOLIDATED

Unit : US Dollar

| Note  | Issued and paid-up<br>share capital | Share<br>premium | Retained earnings |                          |                | Other components of Shareholders' Equity                      |                    |   |                               |
|---|-------------------------------------|------------------|-------------------|--------------------------|----------------|---|--------------------|---|-------------------------------|
|   |                                     |                  | Legal<br>reserve  | Reserve for<br>expansion | Unappropriated | Other comprehensive income (expense)                          |                    | Total other components<br>of Shareholders' Equity | Total<br>Shareholders' Equity |
|   |                                     |                  |                   |                          |                | Exchange differences<br>on translating<br>financial statement | Cash flow<br>hedge |   |                               |
| Balance - as at January 1, 2011                     | 129,391,187                         | 462,089,883      | 12,963,632        | 431,231,212              | 4,345,041,133  | 27,320,376  | -                  | 27,320,376  | 5,408,037,423                 |
| Changes in shareholders' equity for the period      |                                     |                  |                   |                          |                |   |                    |   |                               |
| Share capital issued and paid-up                    | 83,875                              | 7,565,563        | -                 | -                        | -              | -   | -                  | -   | 7,649,438                     |
| Dividends paid 26                                   | -                                   | -                | -                 | -                        | (558,903,868)  | -   | -                  | -   | (558,903,868)                 |
| Total comprehensive income (expense) for the period | -                                   | -                | -                 | -                        | 979,114,793    | 9,214,242   | (2,738,800)        | 6,475,442   | 985,590,235                   |
| Balance - as at September 30, 2011                  | 129,475,062                         | 469,655,446      | 12,963,632        | 431,231,212              | 4,765,252,058  | 36,534,618  | (2,738,800)        | 33,795,818  | 5,842,373,228                 |

Unit : US Dollar

|   |                                     |                  |                                    |                  |                          |                | Other components of Shareholders' Equity                      |   |                    |   |                               |
|---|-------------------------------------|------------------|------------------------------------|------------------|--------------------------|----------------|---|---|--------------------|---|-------------------------------|
| Retained earnings                                     |                                     |                  |                                    |                  |                          |                | Other comprehensive income (expense)                          |   |                    |   |                               |
| Notes   | Issued and paid-up<br>share capital | Share<br>premium | Subordinated<br>capital debentures | Legal<br>reserve | Reserve for<br>expansion | Unappropriated | Exchange differences<br>on translating<br>financial statement | Unrealised gain<br>on available-for-sales<br>securities | Cash flow<br>hedge | Total other components<br>of Shareholders' Equity | Total<br>Shareholders' Equity |
|   |                                     |                  |                                    |                  |                          |                |   |   |                    |   |                               |
| Balance - as at January 1, 2012                       | 129,475,062                         | 469,655,446      | -                                  | 12,963,632       | 431,231,212              | 5,254,384,351  | 23,482,070  | -   | (9,528,813)        | 13,953,257  | 6,311,662,960                 |
| Changes in shareholders' equity for the period        |                                     |                  |                                    |                  |                          |                |   |   |                    |   |                               |
| Share capital issued and paid-up                      | -                                   | -                | -                                  | -                | -                        | -              | -   | -   | -                  | -   | -                             |
| Subordinated capital debentures 21                    | -                                   | -                | 156,752,370                        | -                | -                        | -              | -   | -   | -                  | -   | 156,752,370                   |
| Interest expenses for subordinated capital debentures | -                                   | -                | -                                  | -                | -                        | (2,379,187)    | -   | -   | -                  | -   | (2,379,187)                   |
| Dividends paid 26                                     | -                                   | -                | -                                  | -                | -                        | (589,297,408)  | -   | -   | -                  | -   | (589,297,408)                 |
| Total comprehensive income (expense) for the period   | -                                   | -                | -                                  | -                | -                        | 1,397,002,909  | 33,945,654  | 14,134  | (24,452,224)       | 9,507,564   | 1,406,510,473                 |
| Balance - as at September 30, 2012                    | 129,475,062                         | 469,655,446      | 156,752,370                        | 12,963,632       | 431,231,212              | 6,059,710,665  | 57,427,724  | 14,134  | (33,981,037)       | 23,460,821  | 7,283,249,208                 |

Notes to interim financial information are an integral part of these interim financial information.



(TRANSLATION)

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(Unaudited but reviewed)

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
CONSOLIDATED

Unit : Baht

| Note  | Issued and paid-up<br>share capital | Share<br>premium | Retained earnings |                          |                  | Other components of Shareholders' Equity                      |                    |   |                               |
|---|-------------------------------------|------------------|-------------------|--------------------------|------------------|---|--------------------|---|-------------------------------|
|   |                                     |                  | Legal<br>reserve  | Reserve for<br>expansion | Unappropriated   | Other comprehensive income (expense)                          |                    | Total other components<br>of Shareholders' Equity | Total<br>Shareholders' Equity |
|   |                                     |                  |                   |                          |                  | Exchange differences<br>on translating<br>financial statement | Cash flow<br>hedge |   |                               |
| Balance - as at January 1, 2011                     | 3,317,447,600                       | 14,182,932,340   | 332,200,000       | 16,900,000,000           | 151,503,183,579  | (23,176,404,778)  | -                  | (23,176,404,778)                                  | 163,059,358,741               |
| Changes in shareholders' equity for the period      |                                     |                  |                   |                          |                  |   |                    |   |                               |
| Share capital issued and paid-up                    | 2,537,800                           | 228,909,560      | -                 | -                        | -                | -   | -                  | -   | 231,447,360                   |
| Dividends paid 26                                   | -                                   | -                | -                 | -                        | (17,104,924,531) | -   | -                  | -   | (17,104,924,531)              |
| Total comprehensive income (expense) for the period | -                                   | -                | -                 | -                        | 29,598,438,677   | 6,387,922,652   | (80,659,549)       | 6,307,263,103                                     | 35,905,701,780                |
| Balance - as at September 30, 2011                  | 3,319,985,400                       | 14,411,841,900   | 332,200,000       | 16,900,000,000           | 163,996,697,725  | (16,788,482,126)  | (80,659,549)       | (16,869,141,675)                                  | 182,091,583,350               |

Unit : Baht

|   |                                     |                  |                                    |                  |                          |                  | Other components of Shareholders' Equity                      |   |                    |   |                               |
|---|-------------------------------------|------------------|------------------------------------|------------------|--------------------------|------------------|---|---|--------------------|---|-------------------------------|
| Retained earnings                                     |                                     |                  |                                    |                  |                          |                  | Other comprehensive income (expense)                          |   |                    |   |                               |
| Notes   | Issued and paid-up<br>share capital | Share<br>premium | Subordinated<br>capital debentures | Legal<br>reserve | Reserve for<br>expansion | Unappropriated   | Exchange differences<br>on translating<br>financial statement | Unrealised gain<br>on available-for-sales<br>securities | Cash flow<br>hedge | Total other components<br>of Shareholders' Equity | Total<br>Shareholders' Equity |
|   |                                     |                  |                                    |                  |                          |                  |   |   |                    |   |                               |
| Balance - as at January 1, 2012                       | 3,319,985,400                       | 14,411,841,900   | -                                  | 332,200,000      | 16,900,000,000           | 179,146,315,584  | (13,794,783,769)  | -   | (291,385,884)      | (14,086,169,653)                                  | 200,024,173,231               |
| Changes in shareholders' equity for the period        |                                     |                  |                                    |                  |                          |                  |   |   |                    |   |                               |
| Share capital issued and paid-up                      | -                                   | -                | -                                  | -                | -                        | -                | -   | -   | -                  | -   | -                             |
| Subordinated capital debentures 21                    | -                                   | -                | 4,987,735,024                      | -                | -                        | -                | -   | -   | -                  | -   | 4,987,735,024                 |
| Interest expenses for subordinated capital debentures | -                                   | -                | -                                  | -                | -                        | (73,752,198)     | -   | -   | -                  | -   | (73,752,198)                  |
| Dividends paid 26                                     | -                                   | -                | -                                  | -                | -                        | (18,184,268,355) | -   | -   | -                  | -   | (18,184,268,355)              |
| Total comprehensive income (expense) for the period   | -                                   | -                | -                                  | -                | -                        | 43,547,580,347   | (5,008,824,158)   | 438,142   | (759,248,859)      | (5,767,634,875)                                   | 37,779,945,472                |
| Balance - as at September 30, 2012                    | 3,319,985,400                       | 14,411,841,900   | 4,987,735,024                      | 332,200,000      | 16,900,000,000           | 204,435,875,378  | (18,803,607,927)  | 438,142   | (1,050,634,743)    | (19,853,804,528)                                  | 224,533,833,174               |

Notes to interim financial information are an integral part of these interim financial information.

(TRANSLATION)

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(Unaudited but reviewed)

## PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

## THE COMPANY

Unit : US Dollar

| Note   | Issued and paid-up<br>share capital | Share<br>premium | Retained earnings |                          |                | Other components of<br>Shareholders' Equity | Total<br>Shareholders' Equity |
|--|-------------------------------------|------------------|-------------------|--------------------------|----------------|---|-------------------------------|
|  |                                     |                  | Legal<br>reserve  | Reserve for<br>expansion | Unappropriated | Other comprehensive<br>income (expense)     |                               |
|  |                                     |                  |                   |                          |                | Cash flow<br>hedge                          |                               |
| Balance - as at January 1, 2011                    | 129,391,187                         | 462,089,883      | 12,963,632        | 431,231,212              | 2,891,192,193  | -   | 3,926,868,107                 |
| Changes in shareholders' equity for the period     |                                     |                  |                   |                          |                |   |                               |
| Share capital issued and paid-up                   | 83,875                              | 7,565,563        | -                 | -                        | -              | -   | 7,649,438                     |
| Dividends paid 26                                  | -                                   | -                | -                 | -                        | (558,903,868)  | -   | (558,903,868)                 |
| Total comprehensive income(expense) for the period | -                                   | -                | -                 | -                        | 724,932,744    | (2,738,800)                                 | 722,193,944                   |
| Balance - as at September 30, 2011                 | 129,475,062                         | 469,655,446      | 12,963,632        | 431,231,212              | 3,057,221,069  | (2,738,800)                                 | 4,097,807,621                 |

Unit : US Dollar

| Notes   | Issued and paid-up<br>share capital | Share<br>premium | Subordinated<br>capital debentures | Retained earnings |                          |                | Other components of<br>Shareholders' Equity | Total<br>Shareholders' Equity |
|---|-------------------------------------|------------------|------------------------------------|-------------------|--------------------------|----------------|---|-------------------------------|
|   |                                     |                  |                                    | Legal<br>reserve  | Reserve for<br>expansion | Unappropriated | Other comprehensive<br>income (expense)     |                               |
|   |                                     |                  |                                    |                   |                          |                | Cash flow<br>hedge                          |                               |
| Balance - as at January 1, 2012                       | 129,475,062                         | 469,655,446      | -                                  | 12,963,632        | 431,231,212              | 3,381,288,319  | (9,528,813)                                 | 4,415,084,858                 |
| Changes in shareholders' equity for the period        |                                     |                  |                                    |                   |                          |                |   |                               |
| Share capital issued and paid-up                      | -                                   | -                | -                                  | -                 | -                        | -              | -   | -                             |
| Subordinated capital debentures 21                    | -                                   | -                | 156,752,370                        | -                 | -                        | -              | -   | 156,752,370                   |
| Interest expenses for subordinated capital debentures | -                                   | -                | -                                  | -                 | -                        | (2,379,187)    | -   | (2,379,187)                   |
| Dividends paid 26                                     | -                                   | -                | -                                  | -                 | -                        | (589,297,408)  | -   | (589,297,408)                 |
| Total comprehensive income(expense) for the period    | -                                   | -                | -                                  | -                 | -                        | 1,122,366,817  | (22,017,157)                                | 1,100,349,660                 |
| Balance - as at September 30, 2012                    | 129,475,062                         | 469,655,446      | 156,752,370                        | 12,963,632        | 431,231,212              | 3,911,978,541  | (31,545,970)                                | 5,080,510,293                 |

Notes to interim financial information are an integral part of these interim financial information.

(TRANSLATION)

18

(Unaudited but reviewed)

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
THE COMPANY

Unit : Baht

|   |                                     |                  |                   |                          |                  | Other components of Shareholders' Equity                      |                    |                               |  |   |
|---|-------------------------------------|------------------|-------------------|--------------------------|------------------|---|--------------------|-------------------------------|--|---|
| Note  | issued and paid-up<br>share capital | Share<br>premium | Retained earnings |                          |                  | Other comprehensive income (expense)                          |                    | Total<br>Shareholders' Equity |  |   |
|   |                                     |                  | Legal<br>reserve  | Reserve for<br>expansion | Unappropriated   | Exchange differences<br>on translating<br>financial statement | Cash flow<br>hedge |                               | Total other<br>components of<br>Shareholders' Equity |   |
|   |                                     |                  |                   |                          |                  |   |                    |                               |  |   |
|   |                                     |                  |                   |                          |                  |   |                    |                               |  |   |
| Balance - as at January 1, 2011                     | 3,317,447,600                       | 14,182,932,340   | 332,200,000       | 16,900,000,000           | 101,524,307,235  | (17,856,708,848)  | -                  | (17,856,708,848)              | 118,400,178,327                                      |   |
| Changes in shareholders' equity for the period      |                                     |                  |                   |                          |                  |   |                    |                               |  | - |
| Share capital issued and paid-up                    | 2,537,800                           | 228,909,560      | -                 | -                        | -                | -   | -                  |                               | 231,447,360  |   |
| Dividends paid                                      | 26                                  | -                | -                 | -                        | (17,104,924,531) | -   | -                  |                               | (17,104,924,531)                                     |   |
| Total comprehensive income (expense) for the period | -                                   | -                | -                 | -                        | 21,937,611,783   | 4,334,355,881   | (80,659,549)       | 4,253,696,332                 | 26,191,308,115                                       |   |
| Balance - as at September 30, 2011                  | 3,319,985,400                       | 14,411,841,900   | 332,200,000       | 16,900,000,000           | 106,356,994,487  | (13,522,352,967)  | (80,659,549)       | (13,603,012,516)              | 127,718,009,271                                      |   |

Unit : Baht

|   |                                     |                  |                                    |                  |                          |                  | Other components of Shareholders' Equity                      |                    |  |                               |
|---|-------------------------------------|------------------|------------------------------------|------------------|--------------------------|------------------|---|--------------------|--|-------------------------------|
| Retained earnings                                     |                                     |                  |                                    |                  |                          |                  | Other comprehensive income (expense)                          |                    |  |                               |
| Notes   | issued and paid-up<br>share capital | Share<br>premium | Subordinated<br>capital debentures | Legal<br>reserve | Reserve for<br>expansion | Unappropriated   | Exchange differences<br>on translating<br>financial statement | Cash flow<br>hedge | Total other<br>components of<br>Shareholders' Equity | Total<br>Shareholders' Equity |
|   |                                     |                  |                                    |                  |                          |                  |   |                    |  |                               |
| Balance - as at January 1, 2012                       | 3,319,985,400                       | 14,411,841,900   | -                                  | 332,200,000      | 16,900,000,000           | 116,496,332,798  | (11,249,636,984)  | (291,385,884)      | (11,541,022,868)                                     | 139,919,337,230               |
| Changes in shareholders' equity for the period        |                                     |                  |                                    |                  |                          |                  |   |                    |  |                               |
| Share capital issued and paid-up                      | -                                   | -                | -                                  | -                | -                        | -                | -   | -                  | -  | -                             |
| Subordinated capital debentures                       | 21                                  | -                | 4,987,735,024                      | -                | -                        | -                | -   | -                  | -  | 4,987,735,024                 |
| Interest expenses for subordinated capital debentures |                                     | -                | -                                  | -                | -                        | (73,752,198)     | -   | -                  | -  | (73,752,198)                  |
| Dividends paid  | 26                                  | -                | -                                  | -                | -                        | (18,184,268,355) | -   | -                  | -  | (18,184,268,355)              |
| Total comprehensive income (expense) for the period   |                                     | -                | -                                  | -                | -                        | 34,895,741,097   | (4,236,263,308)   | (682,493,810)      | (4,918,757,118)                                      | 29,976,983,979                |
| Balance - as at September 30, 2012                    | 3,319,985,400                       | 14,411,841,900   | 4,987,735,024                      | 332,200,000      | 16,900,000,000           | 133,134,053,342  | (15,485,900,292)  | (973,879,694)      | (16,459,779,986)                                     | 156,626,035,680               |

Notes to interim financial information are an integral part of these interim financial information.

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
CONSOLIDATED

|   | Unit : US Dollar     |                      | Unit : Baht            |                       |
|---|----------------------|----------------------|------------------------|-----------------------|
|   | <u>2012</u>          | <u>2011</u>          | <u>2012</u>            | <u>2011</u>           |
| <b>Cash flows from operating activities</b>   |                      |                      |                        |                       |
| Income before income taxes  | 2,372,737,110        | 1,807,385,949        | 74,057,485,981         | 54,734,078,567        |
| Adjustment to reconcile income before income tax to net cash provided by (used in) operating activities |                      |                      |                        |                       |
| Share of gain from associates   | (4,155,179)          | (1,205,715)          | (129,364,839)          | (36,683,060)          |
| Depreciation, depletion and amortization  | 1,014,753,233        | 849,754,407          | 31,673,917,262         | 25,754,335,953        |
| Impairment loss on assets   | 109,167,123          | -                    | 3,455,128,281          | -                     |
| Amortization of prepaid expenses  | 7,203,175            | 4,548,829            | 225,013,693            | 138,025,799           |
| Amortization of exploration expenses  | 66,731,651           | 118,444,342          | 2,089,204,090          | 3,602,384,527         |
| Loss on disposal of assets  | 2,165,590            | 790,286              | 67,379,462             | 23,559,454            |
| Income recognized from deferred income  | 3,221,293            | (11,454,853)         | 98,451,699             | (345,976,432)         |
| Loss on financial derivatives   | 26,233,261           | 7,432,884            | 813,331,275            | 226,987,174           |
| Provision for employee benefits   | 11,659,947           | 11,497,438           | 362,726,316            | 349,900,266           |
| Loss (Gain) on foreign exchange   | 27,291,274           | (43,941,153)         | 851,970,779            | (1,332,150,753)       |
| Interest income less than interest expenses   | 109,960,784          | 75,680,717           | 3,437,753,747          | 2,293,561,686         |
|   | <b>3,746,969,262</b> | <b>2,818,933,131</b> | <b>117,002,997,746</b> | <b>85,408,023,181</b> |
| <b>Changes in operating assets and liabilities</b>  |                      |                      |                        |                       |
| Increase in account receivable - parent company   | (294,476,941)        | (111,521,500)        | (9,192,892,812)        | (3,380,963,829)       |
| Increase in trade accounts receivable   | (29,033,634)         | (32,940,694)         | (906,363,267)          | (998,653,138)         |
| Decrease (increase) in other accounts receivable  | 145,543,272          | (10,642,765)         | 4,543,526,188          | (322,653,514)         |
| Increase in inventories   | (5,251,399)          | (2,969,884)          | (163,936,612)          | (90,037,082)          |
| Increase in materials and supplies, net   | (17,146,748)         | (20,527,260)         | (535,282,037)          | (622,318,783)         |
| Increase in working capital from co-venturers   | (11,614,894)         | (17,054,077)         | (362,590,282)          | (517,023,336)         |
| Decrease (increase) in other current assets   | 64,586,377           | (34,519,688)         | 2,016,238,156          | (1,046,523,025)       |
| Decrease (increase) in prepaid expenses   | 8,859,643            | (4,664,630)          | 276,577,671            | (141,416,188)         |
| (Increase) decrease in other non-current assets   | (854,468)            | 222,999              | (26,674,517)           | 6,760,594             |
| Increase (decrease) in trade accounts payable   | 26,178,047           | (42,738,645)         | 817,218,417            | (1,295,694,679)       |
| Decrease in working capital to co-venturers   | (13,808,764)         | (15,995,442)         | (431,077,867)          | (484,929,016)         |

Notes to interim financial information are an integral part of these interim financial information.

## PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

## CONSOLIDATED

|  | Unit : US Dollar       |                        | Unit : Baht              |                          |
|--|------------------------|------------------------|--------------------------|--------------------------|
|  | <u>2012</u>            | <u>2011</u>            | <u>2012</u>              | <u>2011</u>              |
| Changes in operating assets and liabilities (continued)                                    |                        |                        |                          |                          |
| (Decrease) increase in accrued expenses  | (262,529,726)          | 246,807,538            | (8,195,574,223)          | 7,482,390,087            |
| (Decrease) increase in other current liabilities   | (32,159,536)           | 21,880,250             | (1,003,946,772)          | 663,336,975              |
| Decrease in other non-current liabilities  | (11,882,689)           | (2,744,668)            | (370,950,209)            | (83,209,276)             |
| Currency translation differences (decrease) increase                                       | (44,259,478)           | 331,677,386            | (1,381,679,105)          | 10,055,363,808           |
| Interest received from bank deposits   | 22,709,355             | 14,752,019             | 708,933,831              | 447,232,534              |
| Taxation paid  | (985,000,751)          | (899,690,941)          | (30,749,457,949)         | (27,275,660,351)         |
|  | <u>(1,440,142,334)</u> | <u>(580,670,002)</u>   | <u>(44,957,931,389)</u>  | <u>(17,603,998,219)</u>  |
| Net cash provided by operating activities  | <u>2,306,826,928</u>   | <u>2,238,263,129</u>   | <u>72,045,066,357</u>    | <u>67,804,024,962</u>    |
| Cash flows from investing activities   |                        |                        |                          |                          |
| Increase in restricted deposits at financial institution                                   | (69,345,960)           | -                      | (2,137,852,753)          | -                        |
| Cash received from long-term loans to related parties                                      | 183,757                | 210,890                | 5,736,492                | 6,393,489                |
| Purchase of business   | (1,875,538,593)        | (1,889,560,277)        | (58,550,001,133)         | (57,285,232,050)         |
| Loss from investments in related parties   | (140,827)              | -                      | (4,396,295)              | -                        |
| Dividends received from related parties  | 523,200                | -                      | 16,333,095               | -                        |
| Interest received from loans   | 565,612                | 1,984,443              | 17,657,105               | 60,161,763               |
| Increase in property, plant and equipment  | (2,062,375,936)        | (1,642,509,839)        | (64,382,633,262)         | (49,795,478,036)         |
| Increase in intangible assets  | (76,463,995)           | (99,823,968)           | (2,387,030,037)          | (3,026,333,290)          |
|  | <u>(4,082,592,742)</u> | <u>(3,629,698,751)</u> | <u>(127,422,186,788)</u> | <u>(110,040,488,124)</u> |
| Net cash used in investing activities  | <u>(4,082,592,742)</u> | <u>(3,629,698,751)</u> | <u>(127,422,186,788)</u> | <u>(110,040,488,124)</u> |
| Cash flows from financing activities   |                        |                        |                          |                          |
| Decrease in short-term loans with maturity date within 3 months from financial institution | (28,881,374)           | (266,053,262)          | (901,610,082)            | (8,065,856,928)          |
| Proceeds from short-term loans with maturity date within 1 year from financial institution | 1,502,769,967          | 329,760,422            | 46,913,022,000           | 9,997,247,786            |
| Proceeds from issuance of bonds  | 500,000,000            | 700,000,000            | 15,608,850,000           | 21,221,690,000           |
| Payments of bonds  | (782,551,600)          | -                      | (24,429,461,083)         | -                        |
| Proceeds from long-term loans from financial institution                                   | 478,101,699            | 625,000,000            | 14,925,235,426           | 18,947,937,500           |
| Interest paid for loans  | (113,600,087)          | (99,228,461)           | (3,546,333,439)          | (3,008,279,484)          |
| Cash payments for financial costs  | (19,877,240)           | (10,642,361)           | (620,521,704)            | (322,641,265)            |
| Proceeds from issuance of subordinated capital debentures                                  | 157,137,828            | -                      | 4,905,481,596            | -                        |
| Interest paid for subordinated capital debentures  | (2,379,187)            | -                      | (74,272,764)             | -                        |
| Cash payments for financial costs from issuance of subordinated capital debentures         | (385,458)              | -                      | (12,033,123)             | -                        |
| Proceeds from common stock   | -                      | 7,649,438              | -                        | 231,905,717              |
| Dividends paid   | (587,602,453)          | (560,105,736)          | (18,343,597,099)         | (16,980,557,567)         |
|  | <u>1,102,732,095</u>   | <u>726,380,040</u>     | <u>34,424,759,728</u>    | <u>22,021,445,759</u>    |
| Net cash provided by financing activities  | <u>1,102,732,095</u>   | <u>726,380,040</u>     | <u>34,424,759,728</u>    | <u>22,021,445,759</u>    |
| Net decrease in cash and cash equivalents  | (673,033,719)          | (665,055,582)          | (20,952,360,703)         | (20,215,017,403)         |
| Cash and cash equivalents at the beginning of the period                                   | <u>1,350,529,553</u>   | <u>1,979,477,802</u>   | <u>42,799,902,166</u>    | <u>59,683,829,065</u>    |
|  | 677,495,834            | 1,314,422,220          | 21,847,541,463           | 39,468,811,662           |
| Adjustment for the effect of exchange rate changes on cash and cash equivalents            | (2,463,230)            | (30,394,336)           | (1,037,096,321)          | 550,999,002              |
| Cash and cash equivalents at the end of the period   | <u>675,032,604</u>     | <u>1,284,027,884</u>   | <u>20,810,445,142</u>    | <u>40,019,810,664</u>    |
| Supplementary cash flow information  |                        |                        |                          |                          |
| Unpaid for outstanding payable from purchases of property, plant and equipment             | 308,044,204            | 209,266,765            | 9,496,633,162            | 6,522,300,982            |

Notes to interim financial information are an integral part of these interim financial information.

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
THE COMPANY

|  | Unit : US Dollar     |                      | Unit : Baht           |                       |
|--|----------------------|----------------------|-----------------------|-----------------------|
|  | <u>2012</u>          | <u>2011</u>          | <u>2012</u>           | <u>2011</u>           |
| <b>Cash flows from operating activities</b>  |                      |                      |                       |                       |
| Income before income taxes   | 1,641,622,413        | 1,264,184,810        | 51,124,880,276        | 38,304,355,845        |
| Adjustments to reconcile income before income taxes to net cash provided by (used in) operating activities |                      |                      |                       |                       |
| Depreciation, depletion and amortization   | 497,433,798          | 457,234,660          | 15,549,291,980        | 13,860,717,833        |
| Amortization of prepaid expenses   | 1,117,920            | 1,712,863            | 34,929,725            | 52,003,318            |
| Amortization of exploration expenses   | 11,676,200           | 14,938,927           | 369,519,729           | 453,743,474           |
| Loss on disposal of assets   | 165,459              | 115,233              | 5,192,183             | 3,208,963             |
| Income recognized from deferred income   | (104,083)            | -                    | (3,249,221)           | -                     |
| (Gain) loss on financial derivatives   | (2,894,806)          | 3,811,708            | (85,561,603)          | 117,036,394           |
| Dividend received from related parties   | (147,188,461)        | (16,718,154)         | (4,488,026,400)       | (510,003,000)         |
| Provision for employee benefits  | 9,828,370            | 9,668,533            | 305,747,539           | 294,241,107           |
| (Gain) loss on foreign exchange  | (54,167,821)         | 23,518,252           | (1,690,994,795)       | 712,995,790           |
| Interest income higher than interest expenses  | (52,222,886)         | (25,098,702)         | (1,631,188,724)       | (759,703,317)         |
|  | <b>1,905,266,103</b> | <b>1,733,368,130</b> | <b>59,490,540,689</b> | <b>52,528,596,407</b> |
| <b>Changes in operating assets and liabilities</b>   |                      |                      |                       |                       |
| Increase in account receivable - parent company  | (187,565,796)        | (75,708,977)         | (5,855,372,762)       | (2,295,246,343)       |
| (Increase) decrease in trade accounts receivable   | (485,928)            | 330,204              | (15,169,562)          | 10,010,696            |
| (Increase) decrease in other accounts receivable   | (13,462,613)         | 2,437,926            | (420,271,802)         | 73,909,871            |
| (Increase) decrease in inventories   | 126,347              | (1,324,315)          | 3,944,264             | (40,148,861)          |
| Increase in materials and supplies, net  | (1,642,335)          | (3,540,168)          | (51,269,937)          | (107,326,211)         |
| Increase in working capital from co-venturers  | (213,763)            | (11,965,902)         | (6,673,195)           | (362,766,661)         |
| Increase in other current assets   | (4,677,746)          | (3,617,290)          | (146,028,483)         | (109,664,296)         |
| Decrease in prepaid expenses   | -                    | 16,301               | -                     | 494,193               |
| (Increase) decrease in other non-current assets  | (547,837)            | 342,562              | (17,102,210)          | 10,385,349            |
| (Decrease) increase in trade accounts payable  | (8,982,379)          | 13,224,329           | (280,409,217)         | 400,918,015           |
| Increase (decrease) in working capital to co-venturers   | 3,154,758            | (20,607,109)         | 98,484,273            | (624,739,541)         |

Notes to interim financial information are an integral part of these interim financial information.

## PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

## THE COMPANY

|  | Unit : US Dollar       |                        | Unit : Baht             |                         |
|--|------------------------|------------------------|-------------------------|-------------------------|
|  | <u>2012</u>            | <u>2011</u>            | <u>2012</u>             | <u>2011</u>             |
| Changes in operating assets and liabilities (continued)                                    |                        |                        |                         |                         |
| Increase in accrued expenses   | 18,530,285             | 28,031,833             | 578,472,884             | 849,832,672             |
| Decrease in other current liabilities  | (35,265,295)           | (8,264,227)            | (1,100,901,410)         | (250,544,091)           |
| (Decrease) increase in other non-current liabilities                                       | (92,697)               | 362,874                | (2,893,781)             | 11,001,142              |
| Interest received from bank deposits   | 18,420,806             | 10,448,995             | 575,055,209             | 316,779,047             |
| Taxation paid  | (566,995,386)          | (587,745,451)          | (17,700,291,853)        | (17,818,502,514)        |
|  | <u>(779,699,579)</u>   | <u>(657,578,415)</u>   | <u>(24,340,427,582)</u> | <u>(19,935,607,533)</u> |
| Net cash provided by operating activities  | <u>1,125,566,524</u>   | <u>1,075,789,715</u>   | <u>35,150,113,107</u>   | <u>32,592,988,874</u>   |
| Cash flows from investing activities   |                        |                        |                         |                         |
| Cash received from long-term loans to related parties                                      | 2,252,370,152          | 2,220,386,076          | 70,313,815,712          | 67,314,778,550          |
| Cash paid to long-term loan to related parties   | (2,279,034,500)        | (3,180,074,992)        | (71,146,215,316)        | (96,409,379,510)        |
| Increase in investments in associates  | -                      | (50,000)               | -                       | (1,515,835)             |
| Dividends received from related parties  | 147,188,461            | 16,718,154             | 4,488,026,400           | 510,003,000             |
| Interest received from loans   | 91,055,611             | 81,314,187             | 2,842,546,753           | 2,465,177,813           |
| Increase in property, plant and equipment  | (604,936,436)          | (634,145,974)          | (18,884,724,167)        | (19,225,213,250)        |
| Increase in intangible assets  | (45,181,718)           | (13,846,453)           | (1,410,469,315)         | (419,778,762)           |
| Net cash used in investing activities  | <u>(438,538,430)</u>   | <u>(1,509,699,002)</u> | <u>(13,797,019,933)</u> | <u>(45,765,927,994)</u> |
| Cash flows from financing activities   |                        |                        |                         |                         |
| Decrease in short-term loans with maturity date within 3 months from financial institution | (28,881,374)           | (266,053,262)          | (901,610,082)           | (8,065,856,928)         |
| Proceeds from short-term loans with maturity date within 1 year from financial institution | -                      | 329,760,422            | -                       | 9,997,247,786           |
| Payment for bonds  | (782,551,600)          | -                      | (24,429,461,083)        | -                       |
| Proceeds from long-term loans from financial institution                                   | -                      | 50,000,000             | -                       | 1,515,835,000           |
| Interest paid for loans  | (45,307,186)           | (45,809,086)           | (1,414,386,128)         | (1,388,780,318)         |
| Proceeds from issuance of subordinated capital debentures                                  | 157,137,828            | -                      | 4,905,481,596           | -                       |
| Interest paid for subordinated capital debentures  | (2,379,187)            | -                      | (74,272,764)            | -                       |
| Cash payments for financial costs from issuance of subordinated capital debentures         | (385,458)              | -                      | (12,033,123)            | -                       |
| Proceeds from common stock   | -                      | 7,649,438              | -                       | 231,905,717             |
| Dividends paid   | (587,602,453)          | (560,105,736)          | (18,343,597,099)        | (16,980,557,567)        |
| Net cash used in financing activities  | <u>(1,289,969,430)</u> | <u>(484,558,224)</u>   | <u>(40,269,878,683)</u> | <u>(14,690,206,310)</u> |
| Net decrease in cash and cash equivalents  | (602,941,336)          | (918,467,511)          | (18,916,785,509)        | (27,863,145,430)        |
| Cash and cash equivalents at the beginning of the period                                   | <u>744,934,786</u>     | <u>1,443,127,146</u>   | <u>23,607,877,304</u>   | <u>43,512,159,526</u>   |
|  | 141,993,450            | 524,659,635            | 4,691,091,795           | 15,649,014,096          |
| Adjustment for the effect of exchange rate changes on cash and cash equivalents            | 12,550,987             | (10,406,672)           | 73,327,752              | 378,913,697             |
| Cash and cash equivalents at the end of the period   | <u>154,544,437</u>     | <u>514,252,963</u>     | <u>4,764,419,547</u>    | <u>16,027,927,793</u>   |
| Supplementary cash flow information  |                        |                        |                         |                         |
| Unpaid for outstanding payable from purchases of property, plant and equipment             | 126,911,896            | 114,352,914            | 3,912,541,474           | 3,564,083,020           |

Notes to interim financial information are an integral part of these interim financial information.

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
NOTES TO INTERIM FINANCIAL INFORMATION  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
(UNAUDITED BUT REVIEWED)

**1. General Information**

PTT Exploration and Production Public Company Limited (the Company) is registered as a company in Thailand and listed on the Stock Exchange of Thailand. The address of its registered office is 555/1 Energy Complex Building A, 6<sup>th</sup> and 19<sup>th</sup> - 36<sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chatuchak, Bangkok 10900.

The principal business operations of the Company, subsidiaries, and associates (the Group) are exploration and production of petroleum in Thailand and overseas, foreign gas pipeline transportation and investment in projects strategically connected to the energy business.

**2. Basis of Interim Financial Information Preparation**

These interim financial information are intended to provide additional information other than that included in the latest annual financial statements. Accordingly, the interim financial information focus on the reporting of new activities, events and circumstances so as not to duplicate information previously reported. These interim financial information should therefore be read in conjunction with the latest annual financial statements.

These interim consolidated and the Company's interim financial information have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act, B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act, B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial statements i.e., statements of financial position, statements of income, comprehensive income, changes in shareholders' equity and cash flows have been prepared in the full format as required by the Securities and Exchange Commission. The notes to the interim financial information have been prepared in a condensed format according to Thai Accounting Standard No. 34 "Interim Financial Reporting", and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

Commencing January 1, 2011, the Company's management has determined US Dollar as the functional currency and presents its financial statements in US Dollar in accordance with Thai Accounting Standard No. 21 "The Effects of Changes in Foreign Exchange Rates". In addition, the Stock Exchange of Thailand and the Department of Business Development require the entity to present its financial statements in Thai Baht. The Group, therefore, presents its financial information in Thai Baht by translating from US Dollar.



The Group has adopted the International Accounting Standards (IAS) No. 12 "Income Taxes". The content of the standard does not differ significantly from that of Thai Accounting Standards No. 12 as published in the Government Gazette. The accounting standard comes into effect for periods beginning on or after January 1, 2013.

The consolidated and the Company's financial information have been prepared under the historical cost basis except as disclosed in the accounting policies.

An English-language version of the consolidated and the Company's financial information has been translated from the statutory financial information which are prepared in the Thai language. In the event of a conflict or difference in the interpretation between the two languages, the Thai-language version of the statutory financial information shall prevail.

### 3. Summary of Significant Accounting Policies

These interim financial information are prepared in accordance with Thai generally accepted accounting principles. For preparing of the interim financial information, the Company applies the same accounting policies and methods of computation as in the financial information for the year ended December 31, 2011.

### 4. New Financial Reporting Standards, Amendments to Accounting Standards and New Interpretation to Accounting Standards

The following new financial reporting standards, amendments to accounting standards and new interpretation to accounting standards are mandatory for the accounting periods beginning on or after January 1, 2013, but the Group has not early adopted them:

|  |   |
|--|---|
| Thai Financial Reporting Standard No. 8        | Operating Segments  |
| Thai Accounting Standard No. 20 (Revised 2009) | Accounting for Government Grants and Disclosure of Government Assistance  |
| Thai Standing Interpretations Committee No. 10 | Government Assistance – No Specific Relation to Operating Activities      |
| Thai Standing Interpretations Committee No. 21 | Income Taxes – Recovery of Revalued Non-Depreciable Assets                |
| Thai Standing Interpretations Committee No. 25 | Income Taxes – Changes in the Tax Status of an Entity or its Shareholders |

The Group's management has analyzed that if the new financial reporting standards, amendments to accounting standards and new interpretation to accounting standards are implemented, there is no material impact to the financial information.

## 5. Acquisition

On May 23, 2012, PTTEP announced the terms of recommended cash offer to acquire the entire issued share and to be issued share capital of Cove Energy plc. (Cove) which was listed on the Alternative Investment Market ("AIM") of the London Stock Exchange at the price of 240 pence for each Cove Share (the Offer Price). Cove has an 8.5 percent participating interest in the Rovuma Offshore Area 1 Project which is a world class gas discovery in the Republic of Mozambique. The Acquisition values the entire issued and to be issued share capital of Cove at approximately 1,221.40 million Pound Sterling (GBP). On August 17, 2012, the Company through PTTEP Africa Investment Limited (PTTEP AI), a wholly owned subsidiary, fulfilled all offering requirements and successfully acquired share of Cove. Subsequently on October 5, 2012, PTTEP AI completely acquired all shares and became 100% shareholder of Cove.

PTTEP AI has received written consent from the Republic of Mozambique's Ministry of Mineral Resources in relation to the change of indirect control in all assets of Cove in the Republic of Mozambique. In addition, the Company has received written consent from the Competition Authority of Kenya for the acquisition of the issued and to be issued share capital of Cove.

On August 17, 2012, Cove had submitted a request to the London Stock Exchange for the cancellation of trading in Cove Shares on AIM. Effective on September 18, 2012, the London Stock Exchange announced the cancellation of admission to trading of Cove's shares on AIM.

The acquisition of Cove also results in the Company obtaining a 10% indirect participating interests in the Rovuma Onshore exploration block in the Republic of Mozambique and 10% to 25% indirect participating interests in seven exploration blocks in the Republic of Kenya offshore deepwater which are Blocks L5, L7, L10A, L10B, L11A, L11B, and L12. In addition, the Company becomes the ultimate parent company of all Cove's subsidiaries as follows:

| Company  | Registered country | Type of business        | Investment |
|--|--------------------|-------------------------|------------|
| Cove Energy East Africa Limited                | Cyprus             | Oil and gas Exploration | 100        |
| Cove Energy Mozambique Rovuma Onshore Limited  | Cyprus             | Oil and gas Exploration | 100        |
| Cove Energy Mozambique Rovuma Offshore Limited | Cyprus             | Oil and gas Exploration | 100        |
| Cove Mozambique Terra Limitada                 | Mozambique         | Oil and gas Exploration | 100        |
| Cove Mozambique Energia Limitada               | Mozambique         | Oil and gas Exploration | 100        |
| Cove Energy Kenya Limited                      | Kenya              | Oil and gas Exploration | 100        |

Details of net assets acquired at the acquisition date and goodwill arising from the business acquisition are as follow:

|   | Unit: Million US Dollar | Unit: Million Baht |
|---|-------------------------|--------------------|
|   | Fair value              | Fair value         |
| Cash and cash equivalents   | 43.14                   | 1,359.35           |
| Other receivable  | 11.62                   | 366.26             |
| Materials and supplies  | 6.80                    | 214.32             |
| Working capital from co-ventures  | 3.48                    | 109.60             |
| Available-for-sales investments   | 1.33                    | 42.05              |
| Property, plant and equipment, net  | 1.65                    | 51.86              |
| Intangible assets, net  | 2,037.75                | 64,214.49          |
| Accrued expenses  | (175.85)                | (5,541.58)         |
| Other current liabilities   | (15.52)                 | (488.89)           |
| Net assets  | 1,914.40                | 60,327.46          |
| <u>Less</u> : Deferred tax liabilities recognized as a result of the<br>accounting requirements | (568.01)                | (17,899.46)        |
| Goodwill  | 570.58                  | 17,980.52          |
| Total consideration paid  | 1,916.97                | 60,408.52          |

Total goodwill from business acquisition of US Dollar 570.58 million (Baht 17,980.52 million) was primarily derived from the recognition of deferred tax liabilities of US Dollar 568.01 million (Baht 17,899.46 million) which represents the deferred tax liabilities from the differences between the assigned fair values and the tax bases of assets acquired and liabilities assumed in a business combination at amounts that do not reflect fair value.

The remaining goodwill balance of US Dollar 2.57 million (Baht 81.06 million) represents the future benefits that the Company expects to receive from entering into the Africa market which aligns with the Company's strategy to increase the production volumes in the future.

None of the goodwill recognized is expected to be deductible for income tax purposes.

## 6. Cash and Cash Equivalents and Restricted Deposits at Financial Institution

- Cash and cash equivalents comprised:

|                           | Unit : Million US Dollar |              | Unit: Million Baht |              |
|---------------------------|--------------------------|--------------|--------------------|--------------|
|                           | Consolidated             |              | Consolidated       |              |
|                           | September 30,            | December 31, | September 30,      | December 31, |
|                           | 2012                     | 2011         | 2012               | 2011         |
| Cash on hand and at banks | 662.05                   | 885.19       | 20,410.46          | 28,052.58    |
| Cash equivalents          |                          |              |                    |              |
| - Fixed deposits          | 2.84                     | 53.02        | 87.48              | 1,680.43     |
| - Treasury bills          | 10.14                    | 412.32       | 312.51             | 13,066.89    |
| Total                     | 675.03                   | 1,350.53     | 20,810.45          | 42,799.90    |

  

|                           | Unit : Million US Dollar |              | Unit: Million Baht |              |
|---------------------------|--------------------------|--------------|--------------------|--------------|
|                           | The Company              |              | The Company        |              |
|                           | September 30,            | December 31, | September 30,      | December 31, |
|                           | 2012                     | 2011         | 2012               | 2011         |
| Cash on hand and at banks | 154.12                   | 338.48       | 4,751.45           | 10,726.88    |
| Cash equivalents          |                          |              |                    |              |
| - Fixed deposits          | 0.42                     | 50.65        | 12.97              | 1,605.32     |
| - Treasury bills          | -                        | 355.80       | -                  | 11,275.68    |
| Total                     | 154.54                   | 744.93       | 4,764.42           | 23,607.88    |

The interest rate on saving deposits held at call with banks for the nine-month period ended September 30, 2012 is between 0.05% - 4.25% per annum (during the year 2011: interest rate is between 0.11%-4.25% per annum).

The interest rate on fixed deposits with banks for the nine-month period ended September 30, 2012 is between 0.59% – 5.75% per annum (during the year 2011: interest rate is between 0.56% - 6.00% per annum).

The interest rate on treasury bills for the nine-month period ended September 30, 2012 is between 2.84% – 3.09% per annum (during the year 2011: interest rate is between 1.77% - 3.42% per annum).

- Restricted Deposits at Financial Institution in the consolidated financial information comprised:

Restricted deposits at a financial institution of US Dollar 69.35 million (Baht 2,137.85 million) which is a short-term fixed deposit with a financial institution for the purchase of Cove shares including other expenditures relating to the purchase of shares such as bank fees, stamp duties. The payment transaction was completed on October 15, 2012. The interest rates on the short-term fixed deposit account for the nine-month period ended September 30, 2012 is between 0.09% - 0.155% per annum.

## 7. Account Receivable - Parent Company

Account receivable - parent company comprised:

|  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|-------------------------|----------------------|-----------------------|----------------------|
|  | Consolidated            |                      | Consolidated          |                      |
|  | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Sales of petroleum products            | 752.66                  | 448.69               | 23,203.47             | 14,219.63            |
| Gas pipeline construction service      | 36.01                   | 35.04                | 1,110.41              | 1,110.41             |
| Sales of topside equipment on platform | -                       | 0.47                 | -                     | 14.85                |
| Total                                  | <u>788.67</u>           | <u>484.20</u>        | <u>24,313.88</u>      | <u>15,344.89</u>     |

|  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|-------------------------|----------------------|-----------------------|----------------------|
|  | The Company             |                      | The Company           |                      |
|  | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Sales of petroleum products            | 451.10                  | 257.43               | 13,906.54             | 8,158.43             |
| Gas pipeline construction service      | 36.01                   | 35.04                | 1,110.41              | 1,110.41             |
| Sales of topside equipment on platform | -                       | 0.47                 | -                     | 14.85                |
| Total                                  | <u>487.11</u>           | <u>292.94</u>        | <u>15,016.95</u>      | <u>9,283.69</u>      |

## 8. Trade Accounts Receivable

Trade accounts receivable comprised:

|  | Unit: Million US Dollar |              | Unit: Million Baht |              |
|--|-------------------------|--------------|--------------------|--------------|
|  | Consolidated            |              | Consolidated       |              |
|  | September 30,           | December 31, | September 30,      | December 31, |
|  | 2012                    | 2011         | 2012               | 2011         |
| Binh Son Refining & Petrochemical Co., Ltd.  | 7.14                    | 9.00         | 220.20             | 285.18       |
| Chevron Product Company                      | 17.63                   | 9.42         | 543.56             | 298.42       |
| Chevron U.S.A. INC                           | -                       | 0.79         | -                  | 25.05        |
| Extap (Exxonmobile Asia Pacific Pte)         | 7.94                    | 10.59        | 244.88             | 335.46       |
| Ministry of Oil and Gas (Oman)               | 0.94                    | 1.34         | 28.89              | 42.48        |
| Myanmar Oil and Gas Enterprise               | 39.34                   | 29.00        | 1,212.76           | 919.15       |
| Shell International Eastern Trading Company  | 19.32                   | -            | 595.69             | -            |
| Star Petroleum Refining Co., Limited         | 10.44                   | 2.03         | 321.81             | 64.37        |
| Statoil Canada Ltd.                          | 48.08                   | 47.93        | 1,482.34           | 1,518.90     |
| Unipet Asia Co.,Ltd.                         | 18.18                   | -            | 560.37             | -            |
| Vitol Asia PTE Limited                       | 9.21                    | 38.37        | 284.06             | 1,216.14     |
| Electricity Generating Authority of Thailand | 1.90                    | 1.61         | 58.66              | 51.04        |
| Others                                       | 0.10                    | 0.07         | 2.78               | 2.40         |
| Total  | 180.22                  | 150.15       | 5,556.00           | 4,758.59     |

|  | Unit: Million US Dollar |              | Unit: Million Baht |              |
|--|-------------------------|--------------|--------------------|--------------|
|  | The Company             |              | The Company        |              |
|  | September 30,           | December 31, | September 30,      | December 31, |
|  | 2012                    | 2011         | 2012               | 2011         |
| Star Petroleum Refining Co., Limited         | 2.49                    | 2.03         | 76.78              | 64.37        |
| Electricity Generating Authority of Thailand | 0.48                    | 0.40         | 14.67              | 12.76        |
| Others                                       | 0.02                    | 0.02         | 0.69               | 0.60         |
| Total  | 2.99                    | 2.45         | 92.14              | 77.73        |

## 9. Significant Transactions with Related Parties

Significant transactions with related parties are summarized as follows:

### 9.1 Revenues and Expenses with Related Parties

Significant transactions with related parties for the nine-month periods ended September 30, 2012 and 2011 are as follows:

|  | Unit: Million US Dollar |          | Unit: Million Baht |            |
|--|-------------------------|----------|--------------------|------------|
|  | Consolidated            |          | Consolidated       |            |
|  | 2012                    | 2011     | 2012               | 2011       |
| Parent company - PTT Public Company Limited (PTT)        |                         |          |                    |            |
| Sales revenue (world market reference price)             | 3,877.27                | 3,474.26 | 121,048.05         | 105,277.66 |
| Amortization of deferred remuneration under agreement    | 1.32                    | 1.31     | 41.20              | 39.57      |
| Subsidiaries, associates and jointly controlled entities |                         |          |                    |            |
| Interest income  | 0.64                    | 0.61     | 20.04              | 18.40      |
| Rental and service expenses                              | 9.91                    | 12.61    | 309.41             | 382.41     |
| Management's Remuneration                                |                         |          |                    |            |
| Director's remuneration                                  | 1.41                    | 0.32     | 43.88              | 9.73       |
| Senior management's remuneration *                       | 1.93                    | 2.09     | 60.26              | 63.51      |

  

|  | Unit: Million US Dollar |          | Unit: Million Baht |           |
|--|-------------------------|----------|--------------------|-----------|
|  | The Company             |          | The Company        |           |
|  | 2012                    | 2011     | 2012               | 2011      |
| Parent company - PTT Public Company Limited (PTT)        |                         |          |                    |           |
| Sales revenue (world market reference price)             | 2,453.98                | 2,275.57 | 76,614.12          | 68,971.75 |
| Amortization of deferred remuneration under agreement    | 1.32                    | 1.31     | 41.20              | 39.57     |
| Subsidiaries, associates and jointly controlled entities |                         |          |                    |           |
| Interest income  | 93.90                   | 78.91    | 2,930.53           | 2,391.44  |
| Management and services fees                             | 0.24                    | 0.24     | 7.55               | 7.40      |
| Rental and service expenses                              | 9.91                    | 12.61    | 309.41             | 382.41    |
| Management's Remuneration                                |                         |          |                    |           |
| Director's remuneration                                  | 1.41                    | 0.32     | 43.88              | 9.73      |
| Senior management's remuneration *                       | 1.93                    | 2.09     | 60.26              | 63.51     |

\* Exclusive of the remuneration for senior management seconded to PTT Public Company Limited.

## 9.2 Long-term Loans to Related Parties

Long-term loans to related parties comprised:

| Loans to               | Unit: Million US Dollar |              | Unit: Million Baht |              |
|------------------------|-------------------------|--------------|--------------------|--------------|
|                        | Consolidated            |              | Consolidated       |              |
|                        | September 30,           | December 31, | September 30,      | December 31, |
|                        | 2012                    | 2011         | 2012               | 2011         |
| <b>Associates</b>      |                         |              |                    |              |
| Energy Complex Company | 18.81                   | 18.30        | 580.00             | 580.00       |
| ShoreAir Pty Ltd.      | -                       | 0.19         | -                  | 5.82         |
| Total                  | 18.81                   | 18.49        | 580.00             | 585.82       |

| Loans to                                     | Unit: Million US Dollar |              | Unit: Million Baht |              |
|--|-------------------------|--------------|--------------------|--------------|
|  | The Company             |              | The Company        |              |
|  | September 30,           | December 31, | September 30,      | December 31, |
|  | 2012                    | 2011         | 2012               | 2011         |
| <b>Subsidiaries</b>                          |                         |              |                    |              |
| PTTEP International Limited                  | 813.39                  | 992.32       | 25,075.89          | 31,447.76    |
| PTTEP Services Limited                       | 1.84                    | 2.06         | 56.58              | 65.22        |
| PTTEP Siam Limited                           | 16.42                   | -            | 506.11             | -            |
| PTTEP Offshore Investment<br>Company Limited | 2,331.17                | 2,088.77     | 71,867.27          | 66,195.81    |
| <b>Associates</b>                            |                         |              |                    |              |
| Energy Complex Company                       | 18.81                   | 18.30        | 580.00             | 580.00       |
| Total  | 3,181.63                | 3,101.45     | 98,085.85          | 98,288.79    |



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Movements in the long-term loans to related parties for the nine-month period ended September 30, 2012 are as follows:

|                                  | Unit: Million US Dollar | Unit: Million Baht |
|----------------------------------|-------------------------|--------------------|
|                                  | Consolidated            | Consolidated       |
| Balance as at January 1, 2012    | 18.49                   | 585.82             |
| Addition                         | -                       | -                  |
| Repayment                        | (0.18)                  | (5.74)             |
| Currency translation differences | 0.50                    | (0.08)             |
| Balance as at September 30, 2012 | 18.81                   | 580.00             |

  

|                                  | Unit: Million US Dollar | Unit: Million Baht |
|----------------------------------|-------------------------|--------------------|
|                                  | The Company             | The Company        |
| Balance as at January 1, 2012    | 3,101.45                | 98,288.79          |
| Addition                         | 2,279.03                | 71,146.22          |
| Repayment                        | (2,236.98)              | (69,833.35)        |
| Currency translation differences | 38.13                   | (1,515.81)         |
| Balance as at September 30, 2012 | 3,181.63                | 98,085.85          |

The Company has provided loans to subsidiaries for the nine-month period ended September 30, 2012 with an interest rate of 3.71% – 4.02% per annum (during the year 2011: interest rate is between 3.46% - 3.86% per annum). The subsidiaries shall occasionally repay the loans. In addition, the Company has provided loans to an associate for the nine-month period ended September 30, 2012 with an interest rate of 4.60% per annum (during the year 2011: interest rate is between 3.90% - 4.60% per annum).

**10. Investments in Available-For-Sales Securities**

Investments in available-for-sales securities represent the investment in listed equity security in the Alternative Investment Market (AIM) in the London Stock Exchange held by Cove Energy East Africa Limited. This available-for-sale investment was part of the net assets acquired from the business acquisition which was disclosed in the Notes to the financial information No. 5

Movements in the Investments in available-for-sales securities for the nine-month period ended September 30, 2012 are as follows:

|   | Unit: Million US Dollar | Unit: Million Baht |
|---|-------------------------|--------------------|
|   | Consolidated            | Consolidated       |
| Balance as at January 1, 2012                     | -                       | -                  |
| Business acquisition                              | 1.33                    | 42.05              |
| Unrealised gain on available-for-sales securities | 0.02                    | 0.44               |
| Currency translation differences                  | -                       | (0.92)             |
| Balance as at September 30, 2012                  | 1.35                    | 41.57              |

**11. Investments in Subsidiaries, Associates and Jointly Controlled Entities****11.1 Investments in Subsidiaries, Associates, and Jointly Controlled Entities**

Changes of investments in subsidiaries and associates which are accounted for using the equity method for the consolidated financial statements and using the cost method for the Company's financial statements are as follows:

|  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|-------------------------|----------------------|-----------------------|----------------------|
|  | Consolidated            |                      | Consolidated          |                      |
|  | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Net book value as at the beginning of the period     | 26.92                   | 24.60                | 853.23                | 741.76               |
| Share of net gain from investment after income taxes | 4.16                    | 2.42                 | 129.36                | 74.87                |
| Increase (decrease) in investment                    | (0.38)                  | (0.10)               | (11.87)               | (3.29)               |
| Currency translation differences                     | -                       | -                    | (24.40)               | 39.89                |
| Net book value as at the end of the period           | 30.70                   | 26.92                | 946.32                | 853.23               |

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|  | Unit: Million US Dollar |              | Unit: Million Baht |              |
|--|-------------------------|--------------|--------------------|--------------|
|  | The Company             |              | The Company        |              |
|  | September 30,           | December 31, | September 30,      | December 31, |
|  | 2012                    | 2011         | 2012               | 2011         |
| Net book value as at the beginning of the period | 641.82                  | 641.77       | 20,339.84          | 19,350.00    |
| Increase in investment                           | -                       | 0.05         | -                  | 1.58         |
| Currency translation differences                 | -                       | -            | (553.50)           | 988.26       |
| Net book value as at the end of the period       | 641.82                  | 641.82       | 19,786.34          | 20,339.84    |

## 11.2 Investments in Subsidiaries

Investments in subsidiaries accounted for using the cost method for the Company's financial statements are as follows:

|   | Unit: Million US Dollar |              | Unit: Million Baht |              |
|---|-------------------------|--------------|--------------------|--------------|
|   | The Company             |              | The Company        |              |
|   | September 30,           | December 31, | September 30,      | December 31, |
|   | 2012                    | 2011         | 2012               | 2011         |
| PTTEP International Limited               | 516.38                  | 516.38       | 15,919.49          | 16,364.82    |
| PTTEP Services Limited                    | 0.01                    | 0.01         | 0.20               | 0.20         |
| PTTEP Siam Limited                        | 99.79                   | 99.79        | 3,076.44           | 3,162.50     |
| PTTEP Offshore Investment Company Limited | 0.005                   | 0.005        | 0.15               | 0.16         |
| PTTEP MEA Limited                         | 0.05                    | 0.05         | 1.54               | 1.58         |
| Total                                     | 616.24                  | 616.24       | 18,997.82          | 19,529.26    |

### 11.3 Investments in Associates

Investments in associates accounted for using the equity method for the consolidated financial statements and using the cost method for the Company's financial statements are as follows:

|                                   | Unit: Million US Dollar |              | Unit: Million Baht |              |
|-----------------------------------|-------------------------|--------------|--------------------|--------------|
|                                   | Consolidated            |              | Consolidated       |              |
|                                   | September 30,           | December 31, | September 30,      | December 31, |
|                                   | 2012                    | 2011         | 2012               | 2011         |
| Energy Complex Company Limited    | 23.66                   | 21.77        | 729.31             | 690.10       |
| PTT ICT Solutions Company Limited | 3.22                    | 2.18         | 99.24              | 69.11        |
| PTTEP AP group's associates       | 3.82                    | 2.97         | 117.77             | 94.02        |
| Total                             | 30.70                   | 26.92        | 946.32             | 853.23       |

|                                   | Unit: Million US Dollar |              | Unit: Million Baht |              |
|-----------------------------------|-------------------------|--------------|--------------------|--------------|
|                                   | The Company             |              | The Company        |              |
|                                   | September 30,           | December 31, | September 30,      | December 31, |
|                                   | 2012                    | 2011         | 2012               | 2011         |
| Energy Complex Company Limited    | 24.79                   | 24.79        | 764.23             | 785.61       |
| PTT ICT Solutions Company Limited | 0.79                    | 0.79         | 24.29              | 24.97        |
| Total                             | 25.58                   | 25.58        | 788.52             | 810.58       |

#### 11.4 Investments in Jointly Controlled Entities

Investments in jointly controlled entities are recorded in the Company's financial statements using the cost method. The Company presents its share of the assets, liabilities, revenues and expenses of jointly controlled entities, together with similar items, under similar headings in the proportionate consolidated financial statements. The transactions of jointly controlled entities included in the Company's financial statements are as follows:

|                                    | Unit: Million US Dollar |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|------------------------------------|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                    | CPOC                    |                  | MGTC             |                  | TPC              |                  | Orange           |                  | B8/32 Partners   |                  | PTT FLNG         |                  |
|                                    | Sep. 30,<br>2012        | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 |
| Statements of financial position : |                         |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Current assets                     | 0.77                    | 1.03             | 37.61            | 31.67            | 24.67            | 19.84            | 129.10           | 147.49           | 33.67            | 34.50            | 1.82             | 3.20             |
| Non-current assets                 | -                       | -                | 72.43            | 75.93            | 41.16            | 42.94            | 147.93           | 154.60           | 50.81            | 51.20            | -                | -                |
| Current liabilities                | (0.72)                  | (0.98)           | (0.68)           | (0.94)           | (1.62)           | (1.13)           | (60.27)          | (75.29)          | (17.78)          | (22.13)          | (3.58)           | (3.47)           |
| Non-current liabilities            | -                       | -                | (41.96)          | (45.32)          | (13.82)          | (16.56)          | (65.09)          | (63.48)          | (20.68)          | (20.17)          | (9.50)           | (6.50)           |
| Net assets                         | 0.05                    | 0.05             | 67.40            | 61.34            | 50.39            | 45.09            | 151.67           | 163.32           | 46.02            | 43.40            | (11.26)          | (6.77)           |

|                                    | Unit: Million US Dollar |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|------------------------------------|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                    | Erawan 2                |                  | KOSP             |                  | LAL              |                  | GBRS             |                  | ATL              |                  | NST              |                  |
|                                    | Sep. 30,<br>2012        | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 |
| Statements of financial position : |                         |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Current assets                     | 1.97                    | 3.98             | 283.42           | 93.99            | 0.99             | 0.31             | 27.15            | 3.30             | 17.08            | -                | 2.19             | -                |
| Non-current assets                 | 20.95                   | 7.93             | 2,727.51         | 2,541.50         | 7.70             | 7.53             | -                | -                | 320.43           | -                | 2.70             | -                |
| Current liabilities                | (0.38)                  | (0.27)           | (73.34)          | (65.94)          | (0.66)           | (0.32)           | (27.15)          | (3.30)           | (39.07)          | -                | (0.02)           | -                |
| Non-current liabilities            | -                       | -                | (602.11)         | (595.62)         | -                | -                | -                | -                | (308.72)         | -                | -                | -                |
| Net assets                         | 22.54                   | 11.64            | 2,335.48         | 1,973.93         | 8.03             | 7.52             | -                | -                | (10.28)          | -                | 4.87             | -                |

## (TRANSLATION)

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Unit: Million US Dollar

|                                   | CPOC                             |                  | MGTC             |                  | TPC              |                  | Orange           |                  | B8/32 Partners   |                  | PTT FLNG         |                  |
|-----------------------------------|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                   | For the nine-month periods ended |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|                                   | Sep. 30,<br>2012                 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 |
| Statements of income :            |                                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Revenues                          | -                                | -                | 144.34           | 114.80           | 90.68            | 75.78            | 225.09           | 225.37           | 85.09            | 80.02            | 0.04             | 0.12             |
| Expenses                          | -                                | -                | (6.24)           | (6.72)           | (4.29)           | (4.04)           | (102.31)         | (102.41)         | (34.57)          | (33.99)          | (4.53)           | (5.30)           |
| Income (loss) before income taxes | -                                | -                | 138.10           | 108.08           | 86.39            | 71.74            | 122.78           | 122.96           | 50.52            | 46.03            | (4.49)           | (5.18)           |
| Income taxes                      | -                                | -                | (38.04)          | (31.29)          | (21.12)          | (21.59)          | (58.90)          | (62.39)          | (25.15)          | (26.23)          | -                | -                |
| Net income (loss)                 | -                                | -                | 100.06           | 76.79            | 65.27            | 50.15            | 63.88            | 60.57            | 25.37            | 19.80            | (4.49)           | (5.18)           |

Unit: Million US Dollar

|                                   | Erawan 2                         |                  | KOSP             |                  | LAL              |                  | GBRS             |                  | ATL              |                  | NST              |                  |
|-----------------------------------|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                   | For the nine-month periods ended |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|                                   | Sep. 30,<br>2012                 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 |
| Statements of income :            |                                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Revenues                          | 0.75                             | 0.001            | 180.39           | 87.59            | 1.53             | 1.30             | -                | -                | 0.03             | -                | -                | -                |
| Expenses                          | (0.47)                           | (0.008)          | (208.18)         | (154.14)         | (1.34)           | (1.10)           | -                | -                | (4.58)           | -                | (0.07)           | -                |
| Income (loss) before income taxes | 0.28                             | (0.007)          | (27.79)          | (66.55)          | 0.19             | 0.20             | -                | -                | (4.55)           | -                | (0.07)           | -                |
| Income taxes                      | -                                | -                | 18.03            | 16.45            | -                | -                | -                | -                | -                | -                | -                | -                |
| Net income (loss)                 | 0.28                             | (0.007)          | (9.76)           | (50.10)          | 0.19             | 0.20             | -                | -                | (4.55)           | -                | (0.07)           | -                |

## (TRANSLATION)

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Unit: Million Baht

|                                    | CPOC             |                  | MGTC             |                  | TPC              |                  | Orange           |                  | B8/32 Partners   |                  | PTT FLNG         |                  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                    | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 |
| Statements of financial position : |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Current assets                     | 23.73            | 32.68            | 1,159.57         | 1,003.74         | 760.49           | 628.87           | 3,979.97         | 4,674.03         | 1,038.12         | 1,093.31         | 56.25            | 101.35           |
| Non-current assets                 | -                | -                | 2,232.93         | 2,406.17         | 1,269.06         | 1,361.02         | 4,560.77         | 4,899.31         | 1,566.35         | 1,622.57         | -                | -                |
| Current liabilities                | (22.26)          | (30.93)          | (20.81)          | (29.91)          | (49.97)          | (35.94)          | (1,858.12)       | (2,385.99)       | (548.06)         | (701.33)         | (110.63)         | (109.92)         |
| Non-current liabilities            | -                | -                | (1,293.72)       | (1,436.16)       | (426.19)         | (524.86)         | (2,006.70)       | (2,011.60)       | (637.57)         | (639.13)         | (292.87)         | (205.99)         |
| Net assets                         | 1.47             | 1.75             | 2,077.97         | 1,943.84         | 1,553.39         | 1,429.09         | 4,675.92         | 5,175.75         | 1,418.84         | 1,375.42         | (347.25)         | (214.56)         |

Unit: Million Baht

|                                    | Erawan 2         |                  | KOSP             |                  | LAL              |                  | GBRS             |                  | ATL              |                  | NST              |                  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                    | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 |
| Statements of financial position : |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Current assets                     | 60.75            | 126.13           | 8,737.38         | 2,978.55         | 30.54            | 9.72             | 837.01           | 104.68           | 526.45           | -                | 67.41            | -                |
| Non-current assets                 | 645.79           | 251.37           | 84,085.91        | 80,543.29        | 237.25           | 238.84           | -                | -                | 9,878.37         | -                | 83.36            | -                |
| Current liabilities                | (11.64)          | (8.49)           | (2,261.06)       | (2,089.81)       | (20.30)          | (10.17)          | (837.01)         | (104.68)         | (1,204.37)       | -                | (0.66)           | -                |
| Non-current liabilities            | -                | -                | (18,562.31)      | (18,875.76)      | -                | -                | -                | -                | (9,517.29)       | -                | -                | -                |
| Net assets                         | 694.90           | 369.01           | 71,999.92        | 62,556.27        | 247.49           | 238.39           | -                | -                | (316.84)         | -                | 150.11           | -                |

## (TRANSLATION)

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Unit: Million Baht

|                                   | CPOC                             |                  | MGTC             |                  | TPC              |                  | Orange           |                  | B8/32 Partners   |                  | PTT FLNG         |                  |
|-----------------------------------|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                   | For the nine-month periods ended |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|                                   | Sep. 30,<br>2012                 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 |
| Statements of income :            |                                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Revenues                          | -                                | -                | 4,509.09         | 3,477.52         | 2,832.38         | 2,295.79         | 7,024.68         | 6,824.77         | 2,656.27         | 2,424.25         | 1.24             | 3.65             |
| Expenses                          | -                                | -                | (194.93)         | (203.99)         | (134.03)         | (122.75)         | (3,189.58)       | (3,101.77)       | (1,078.34)       | (1,029.75)       | (141.22)         | (161.60)         |
| Income (loss) before income taxes | -                                | -                | 4,314.16         | 3,273.53         | 2,698.35         | 2,173.04         | 3,835.10         | 3,723.00         | 1,577.93         | 1,394.50         | (139.98)         | (157.95)         |
| Income taxes                      | -                                | -                | (1,185.06)       | (948.30)         | (657.41)         | (653.93)         | (1,841.32)       | (1,889.64)       | (786.20)         | (793.50)         | -                | -                |
| Net income (loss)                 | -                                | -                | 3,129.10         | 2,325.23         | 2,040.94         | 1,519.11         | 1,993.78         | 1,833.36         | 791.73           | 601.00           | (139.98)         | (157.95)         |

Unit: Million Baht

|                                   | Erawan 2                         |                  | KOSP             |                  | LAL              |                  | GBRS             |                  | ATL              |                  | NST              |                  |
|-----------------------------------|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                   | For the nine-month periods ended |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|                                   | Sep. 30,<br>2012                 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 | Sep. 30,<br>2012 | Sep. 30,<br>2011 |
| Statements of income :            |                                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Revenues                          | 23.56                            | 0.03             | 5,630.25         | 2,647.46         | 47.57            | 39.18            | -                | -                | 0.98             | -                | 0.08             | -                |
| Expenses                          | (14.99)                          | (0.25)           | (6,500.93)       | (4,654.29)       | (41.69)          | (33.25)          | -                | -                | (143.18)         | -                | (2.29)           | -                |
| Income (loss) before income taxes | 8.57                             | (0.22)           | (870.68)         | (2,006.83)       | 5.88             | 5.93             | -                | -                | (142.20)         | -                | (2.21)           | -                |
| Income taxes                      | -                                | -                | 567.55           | 501.63           | -                | -                | -                | -                | -                | -                | -                | -                |
| Net income (loss)                 | 8.57                             | (0.22)           | (303.13)         | (1,505.20)       | 5.88             | 5.93             | -                | -                | (142.20)         | -                | (2.21)           | -                |



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Jointly controlled entities accounted for using the equity method for the consolidated financial statements and using the cost method for the Company's financial statements are as follows:

| Unit: Million US Dollar                             |                    |                             |                 |          |   |                        |          |                  |                  |                  |                  |  |                  |
|---|--------------------|-----------------------------|-----------------|----------|---|------------------------|----------|------------------|------------------|------------------|------------------|--|------------------|
| Company   | Registered country | Type of business            | Paid-in capital |          | Shareholding<br><br>By<br>(Direct and Indirect) | Percentage of interest |          | Investments      |                  |                  |                  | Dividends for the<br>nine-month<br>periods ended |                  |
|   |                    |                             | Sep. 30,        | Dec. 31, |   | Sep. 30,               | Dec. 31, | Cost Method      |                  | Equity Method    |                  |  |                  |
|   |                    |                             | 2012            | 2011     |   | 2012                   | 2011     | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012 | Dec. 31,<br>2011 | Sep. 30,<br>2012                                 | Sep. 30,<br>2011 |
| <b>Jointly Controlled Entities</b>                  |                    |                             |                 |          |   |                        |          |                  |                  |                  |                  |  |                  |
| Carigali – PTTEPI Operating Company Sdn Bhd. (CPOC) | Malaysia           | Petroleum                   | 0.10            | 0.10     | PTTEPI  | 50%                    | 50%      | 0.05             | 0.05             | 0.05             | 0.06             | -  | -                |
| Moattama Gas Transportation Company (MGTC)          | Bermuda            | Gas pipeline transportation | 0.03            | 0.03     | PTTEPO  | 25.5%                  | 25.5%    | 0.008            | 0.008            | 67.40            | 61.34            | 93.99  | 71.37            |
| Taninthayi Pipeline Company LLC (TPC)               | Cayman Islands     | Gas pipeline transportation | 0.10            | 0.10     | PTTEPO  | 19.3178%               | 19.3178% | 8.01             | 8.01             | 49.38            | 44.14            | 59.98  | 48.69            |
| Orange Energy Limited (Orange)                      | Thailand           | Petroleum                   | 4.00            | 4.00     | PTTEPO  | 53.9496%               | 53.9496% | 329.77           | 329.77           | 177.21           | 195.39           | 75.53  | 43.16            |
| B8/32 Partners Limited (B8/32 Partners)             | Thailand           | Petroleum                   | 4.40            | 4.40     | PTTEPO  | 25.0009%               | 25.0009% | 109.95           | 109.95           | 53.11            | 52.68            | 22.75  | 22.66            |
| PTT FLNG Limited (PTT FLNG)                         | Hong Kong          | Petroleum                   | 0.0006          | 0.0006   | PTTEP FH  | 50%                    | 50%      | 0.0006           | 0.0006           | (11.26)          | (6.77)           | -  | -                |
| Erawan 2 FSO Bahamas Limited (Erawan 2)             | Bahamas            | Petroleum                   | 0.0001          | 0.0001   | JV Marine                                       | 13.11%                 | 13.11%   | 22.29            | 11.67            | 22.79            | 11.74            | -  | -                |
| KKD Oil Sands Partnership (KOSP)                    | Canada             | Petroleum                   | 3,966.47        | 3,966.47 | PTTEP CA  | 40%                    | 40%      | 2,417.09         | 2,067.58         | 2,438.15         | 2,099.95         | -  | -                |
| Leismer Aerodrome Limited (LAL)                     | Canada             | Services                    | 21.17           | 21.17    | PTTEP CA  | 40%                    | 40%      | 7.70             | 7.40             | 8.03             | 7.52             | -  | -                |
| Groupement Bir Seba (GBRS)                          | Algeria            | Petroleum                   | -               | -        | PTTEP AG  | 35%                    | 35%      | -                | -                | -                | -                | -  | -                |
| Andaman Transportation Limited (ATL) <sup>1</sup>   | Cayman Islands     | Gas pipeline transportation | 0.05            | -        | PTTEPO  | 80%                    | -        | 0.05             | -                | (22.55)          | -                | -  | -                |
| NST Supply Base Company Limited (NST) <sup>2</sup>  | Thailand           | Petroleum                   | 32.20           | -        | JV Shore Base                                   | 15.67%                 | -        | 5.05             | -                | 4.87             | -                | -  | -                |

<sup>1</sup> As at January 5, 2012, Andaman Transportation Limited (ATL) was changed from a subsidiary to a jointly controlled entity. For details, please refer to Note to the interim financial information No. 28.

<sup>2</sup> As at December 13, 2011, JV Shore Based Limited has entered into the venture agreement to purchase 19.5875% interests of NST Supply Based Company Limited. As at February 3, 2012, NST Supply Base Company Limited has increased its registered share capital which resulted in a decrease in the Group's interests to 15.67% and had paid the entire amount.

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| Unit: Million Baht                                  |                    |                             |                 |            |                                       |                        |          |               |               |               |               |  |               |
|---|--------------------|-----------------------------|-----------------|------------|---------------------------------------|------------------------|----------|---------------|---------------|---------------|---------------|--|---------------|
| Company   | Registered country | Type of business            | Paid-in capital |            | Shareholding By (Direct and Indirect) | Percentage of interest |          | Investment    |               |               |               | Dividends for the nine-month periods ended |               |
|   |                    |                             | Sep. 30,        | Dec. 31,   |                                       | Sep. 30,               | Dec. 31, | Cost Method   |               | Equity Method |               |  |               |
|   |                    |                             | 2012            | 2011       |                                       | 2012                   | 2011     | Sep. 30, 2012 | Dec. 31, 2011 | Sep. 30, 2012 | Dec. 31, 2011 | Sep. 30, 2012                              | Sep. 30, 2011 |
| <b><u>Jointly Controlled Entities</u></b>           |                    |                             |                 |            |                                       |                        |          |               |               |               |               |  |               |
| Carigali – PTTEPI Operating Company Sdn Bhd. (CPOC) | Malaysia           | Petroleum                   | 3.68            | 3.68       | PTTEPI                                | 50%                    | 50%      | 1.49          | 1.53          | 1.49          | 1.75          | -  | -             |
| Moattama Gas Transportation Company (MGTC)          | Bermuda            | Gas pipeline transportation | 0.76            | 0.76       | PTTEPO                                | 25.5%                  | 25.5%    | 0.24          | 0.24          | 2,077.97      | 1,943.85      | 2,938.43                                   | 2,231.60      |
| Taninthayi Pipeline Company LLC (TPC)               | Cayman Islands     | Gas pipeline transportation | 2.62            | 2.62       | PTTEPO                                | 19.3178%               | 19.3178% | 254.81        | 253.73        | 1,522.44      | 1,398.73      | 1,874.33                                   | 1,522.81      |
| Orange Energy Limited (Orange)                      | Thailand           | Petroleum                   | 100.00          | 100.00     | PTTEPO                                | 53.9496%               | 53.9496% | 10,166.37     | 10,450.76     | 5,463.16      | 6,192.22      | 2,303.02                                   | 1,369.31      |
| B8/32 Partners Limited (B8/32 Partners)             | Thailand           | Petroleum                   | 110.00          | 110.00     | PTTEPO                                | 25.0009%               | 25.0009% | 3,389.65      | 3,484.47      | 1,637.18      | 1,669.64      | 700.31                                     | 719.87        |
| PTT FLNG Limited (PTT FLNG)                         | Hong Kong          | Petroleum                   | 0.02            | 0.02       | PTTEP FH                              | 50%                    | 50%      | 0.02          | 0.02          | (347.25)      | (214.51)      | -  | -             |
| Erawan 2 FSO Bahamas Limited (Erawan 2)             | Bahamas            | Petroleum                   | 0.003           | 0.003      | JV Marine                             | 13.11%                 | 13.11%   | 687.08        | 369.77        | 702.51        | 372.04        | -  | -             |
| KKD Oil Sands Partnership (KOSP)                    | Canada             | Petroleum                   | 127,684.27      | 127,684.27 | PTTEP CA                              | 40%                    | 40%      | 74,516.04     | 65,524.02     | 75,165.09     | 66,550.01     | -  | -             |
| Leismer Aerodrome Limited (LAL)                     | Canada             | Services                    | 681.63          | 681.63     | PTTEP CA                              | 40%                    | 40%      | 237.33        | 234.44        | 247.49        | 238.39        | -  | -             |
| Groupement Bir Seba (GBRS)                          | Algeria            | Petroleum                   | -               | -          | PTTEP AG                              | 35%                    | 35%      | -             | -             | -             | -             | -  | -             |
| Andaman Transportation Limited (ATL) <sup>1</sup>   | Cayman Islands     | Gas pipeline transportation | 1.74            | -          | PTTEPO                                | 80%                    | -        | 1.59          | -             | (695.08)      | -             | -  | -             |
| NST Supply Base Company Limited (NST) <sup>2</sup>  | Thailand           | Petroleum                   | 1,000.00        | -          | JV Shore Base                         | 15.67%                 | -        | 155.55        | -             | 150.11        | -             | -  | -             |

<sup>1</sup> As at January 5, 2012, Andaman Transportation Limited (ATL) was changed from a subsidiary to a jointly controlled entity. For details, please refer to Note to the interim financial information No. 28.

<sup>2</sup> As at December 13, 2011, JV Shore Based Limited has entered into the venture agreement to purchase 19.5875% interests of NST Supply Based Company Limited. As at February 3, 2012, NST Supply Base Company Limited has increased its registered share capital which resulted in a decrease in the Group's interests to 15.67% and had paid the entire amount.

## 12. Property, Plant and Equipment - Net

Unit: Million US Dollar

|   | Consolidated   |  |                          |          |         |            |
|---|--|--|--------------------------|----------|---------|------------|
|   | Oil and Gas Properties                                   |  |                          | Pipeline | Others  | Total      |
|   | Proved Properties<br>and Related<br>Producing Properties | Support<br>Equipment<br>and Facilities | Decommissioning<br>Costs |          |         |            |
|   |  |  |                          |          |         |            |
| <u>Historical cost</u>                    |  |  |                          |          |         |            |
| Balance as at January 1, 2012             | 14,103.94  | 153.33                                 | 694.94                   | 353.83   | 109.27  | 15,415.31  |
| Acquisition                               | -  | 1.65                                   | -                        | -        | -       | 1.65       |
| Increase                                  | 1,787.83   | 13.30                                  | 5.02                     | 114.66   | 16.21   | 1,937.02   |
| Transfer                                  | 3.52   | -                                      | -                        | -        | -       | 3.52       |
| Decrease                                  | (72.68)  | (2.37)                                 | (8.54)                   | -        | (1.90)  | (85.49)    |
| Currency translation differences*         | 71.50  | 0.67                                   | 0.47                     | -        | -       | 72.64      |
| Balance as at September 30, 2012          | 15,894.11  | 166.58                                 | 691.88                   | 468.49   | 123.58  | 17,344.65  |
| <u>Accumulated depreciation</u>           |  |  |                          |          |         |            |
| Balance as at January 1, 2012             | (5,541.75)   | (91.66)                                | (341.58)                 | (91.28)  | (28.02) | (6,094.29) |
| Depreciation for the period               | (909.05)   | (10.32)                                | (31.54)                  | (5.19)   | (7.07)  | (963.17)   |
| Decrease                                  | 33.79  | 1.56                                   | 0.85                     | -        | 1.30    | 37.50      |
| Currency translation differences*         | (1.98)   | (0.08)                                 | (0.02)                   | -        | -       | (2.08)     |
| Balance as at September 30, 2012          | (6,418.99)   | (100.50)                               | (372.29)                 | (96.47)  | (33.79) | (7,022.04) |
| <u>Allowance for impairment of assets</u> |  |  |                          |          |         |            |
| Balance as at January 1, 2012             | (20.01)  | (0.10)                                 | -                        | -        | -       | (20.11)    |
| Increase                                  | (101.85)   | -                                      | -                        | -        | -       | (101.85)   |
| Decrease                                  | 7.67   | -                                      | -                        | -        | -       | 7.67       |
| Balance as at September 30, 2012          | (114.19)   | (0.10)                                 | -                        | -        | -       | (114.29)   |
| Net book value as at December 31, 2011    | 8,542.18   | 61.57                                  | 353.36                   | 262.55   | 81.25   | 9,300.91   |
| Net book value as at September 30, 2012   | 9,360.93   | 65.98                                  | 319.60                   | 372.02   | 89.79   | 10,208.32  |

Depreciation included in the statement of income for the nine-month period ended September 30, 2011

US Dollar 791.94 million

Depreciation included in the statement of income for the nine-month period ended September 30, 2012

US Dollar 963.17 million

\* Net foreign exchange rate differences in translating financial statements.

## (TRANSLATION)

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Unit: Million Baht

|   | Consolidated   |  |                          |            |            |              |
|---|--|--|--------------------------|------------|------------|--------------|
|   | Oil and Gas Properties                                   |  |                          | Pipeline   | Others     | Total        |
|   | Proved Properties<br>and Related<br>Producing Properties | Support<br>Equipment<br>and Facilities | Decommissioning<br>Costs |            |            |              |
|   |  |  |                          |            |            |              |
| <u>Historical cost</u>                    |  |  |                          |            |            |              |
| Balance as at January 1, 2012             | 446,970.69   | 4,859.32                               | 22,023.40                | 11,213.34  | 3,462.84   | 488,529.59   |
| Acquisition                               | -  | 51.86                                  | -                        | -          | -          | 51.86        |
| Increase                                  | 56,869.85  | 418.75                                 | 169.30                   | 3,641.37   | 510.01     | 61,609.28    |
| Transfer                                  | 108.48   | -                                      | -                        | -          | -          | 108.48       |
| Decrease                                  | (2,254.57)   | (61.35)                                | (265.78)                 | -          | (59.27)    | (2,640.97)   |
| Currency translation differences*         | (11,697.80)  | (132.87)                               | (593.48)                 | (411.59)   | (103.88)   | (12,939.62)  |
| Balance as at September 30, 2012          | 489,996.65   | 5,135.71                               | 21,333.44                | 14,443.12  | 3,809.70   | 534,718.62   |
| <u>Accumulated depreciation</u>           |  |  |                          |            |            |              |
| Balance as at January 1, 2012             | (175,624.71)   | (2,904.96)                             | (10,825.13)              | (2,892.71) | (887.82)   | (193,135.33) |
| Depreciation for the period               | (28,396.65)  | (322.79)                               | (984.30)                 | (162.04)   | (220.38)   | (30,086.16)  |
| Decrease                                  | 1,059.21   | 47.44                                  | 26.28                    | -          | 40.06      | 1,172.99     |
| Currency translation differences*         | 5,071.75   | 81.67                                  | 302.61                   | 80.76      | 26.52      | 5,563.31     |
| Balance as at September 30, 2012          | (197,890.40)   | (3,098.64)                             | (11,480.54)              | (2,973.99) | (1,041.62) | (216,485.19) |
| <u>Allowance for impairment of assets</u> |  |  |                          |            |            |              |
| Balance as at January 1, 2012             | (634.03)   | (3.17)                                 | -                        | -          | -          | (637.20)     |
| Increase                                  | (3,223.62)   | -                                      | -                        | -          | -          | (3,223.62)   |
| Decrease                                  | 219.37   | -                                      | -                        | -          | -          | 219.37       |
| Currency translation differences*         | 118.05   | 0.09                                   | -                        | -          | -          | 118.14       |
| Balance as at September 30, 2012          | (3,520.23)   | (3.08)                                 | -                        | -          | -          | (3,523.31)   |
| Net book value as at December 31, 2011    | 270,711.95   | 1,951.19                               | 11,198.27                | 8,320.63   | 2,575.02   | 294,757.06   |
| Net book value as at September 30, 2012   | 288,586.02   | 2,033.99                               | 9,852.90                 | 11,469.13  | 2,768.08   | 314,710.12   |

Depreciation included in the statement of income for the nine-month period ended September 30, 2011 Baht 23,997.94 million

Depreciation included in the statement of income for the nine-month period ended September 30, 2012 Baht 30,086.16 million

\* Net foreign exchange rate differences in translating financial statements.

Impairment loss

In assessing whether a write-down is required in the carrying value of a potentially impaired tangible asset, the asset's carrying value is compared with its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell or value in use.

During the second quarter ended June 30, 2012, PTTEP Australasia Pty Limited recognized the impairment loss of US Dollar 109 million due to the increase of the Montara project cost and the delay in the first oil production to the end of the fourth quarter of 2012. The recoverable amount used in assessing the impairment loss is based on fair value less cost to sell. The group estimates fair value less cost to sell using discounted cash flow over the life of the project. The cash flow projections are based on a proved and probable reserve production profile and various estimates and assumptions. The key assumptions used in the cash flow projections include the oil prices, exchange rates, discount rates, and capital expenditure, etc.

The short term oil price was determined based on the forward price curve and long term oil price was determined based on long-term view of global supply and demand, building upon past experience of the industry and consistent with external sources. For the exchange rate, the Company used the forward prices of United States dollars / Australian dollars at 30 June 2012. The Company used the weighted average cost of capital of 8.27% as a discount rate and the capital expenditure was determined based on forecasts by project management team. The Company expects that the Montara production will be commenced in the fourth quarter of 2012.

## (TRANSLATION)

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Unit: Million US Dollar

|   | The Company  |  |                          |         |            |
|---|--|--|--------------------------|---------|------------|
|   | Oil and Gas Properties                                   |  |                          | Others  | Total      |
|   | Proved Properties<br>and Related<br>Producing Properties | Support<br>Equipment<br>and Facilities | Decommissioning<br>Costs |         |            |
| <u>Historical cost</u>                  |  |  |                          |         |            |
| Balance as at January 1, 2012           | 5,778.00   | 56.97                                  | 272.37                   | 73.41   | 6,180.75   |
| Increase                                | 617.04   | 1.28                                   | 4.80                     | 3.85    | 626.96     |
| Decrease                                | (37.10)  | (0.56)                                 | -                        | (1.91)  | (39.57)    |
| Balance as at September 30, 2012        | 6,357.94   | 57.69                                  | 277.17                   | 75.35   | 6,768.15   |
| <u>Accumulated depreciation</u>         |  |  |                          |         |            |
| Balance as at January 1, 2012           | (3,066.95)   | (40.54)                                | (167.10)                 | (21.20) | (3,295.79) |
| Depreciation for the period             | (474.92)   | (2.35)                                 | (13.01)                  | (5.56)  | (495.84)   |
| Decrease                                | 31.80  | 0.17                                   | 0.72                     | 1.30    | 33.99      |
| Balance as at September 30, 2012        | (3,510.07)   | (42.72)                                | (179.39)                 | (25.46) | (3,757.64) |
| Net book value as at December 31, 2011  | 2,711.05   | 16.43                                  | 105.27                   | 52.21   | 2,884.96   |
| Net book value as at September 30, 2012 | 2,847.87   | 14.97                                  | 97.78                    | 49.89   | 3,010.51   |

|   |           |                |
|---|-----------|----------------|
| Depreciation included in the statement of income for the nine-month period ended September 30, 2011 | US Dollar | 456.12 million |
| Depreciation included in the statement of income for the nine-month period ended September 30, 2012 | US Dollar | 495.84 million |

## (TRANSLATION)

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Unit: Million Baht

|   | The Company  |  |                          |          |              |
|---|--|--|--------------------------|----------|--------------|
|   | Oil and Gas Properties                                   |  |                          | Others   | Total        |
|   | Proved Properties<br>and Related<br>Producing Properties | Support<br>Equipment<br>and Facilities | Decommissioning<br>Costs |          |              |
| <u>Historical cost</u>                  |  |  |                          |          |              |
| Balance as at January 1, 2012           | 183,111.68   | 1,805.44                               | 8,631.63                 | 2,326.60 | 195,875.35   |
| Increase                                | 19,224.59  | 39.45                                  | 149.04                   | 119.53   | 19,532.61    |
| Decrease                                | (1,154.69)   | (17.30)                                | -                        | (59.27)  | (1,231.26)   |
| Currency translation differences*       | (5,174.02)   | (48.99)                                | (235.92)                 | (63.84)  | (5,522.77)   |
| Balance as at September 30, 2012        | 196,007.56   | 1,778.60                               | 8,544.75                 | 2,323.02 | 208,653.93   |
| <u>Accumulated depreciation</u>         |  |  |                          |          |              |
| Balance as at January 1, 2012           | (97,195.39)  | (1,284.84)                             | (5,295.40)               | (672.01) | (104,447.64) |
| Depreciation for the period             | (14,846.72)  | (73.70)                                | (406.39)                 | (172.89) | (15,499.70)  |
| Decrease                                | 998.58   | 5.20                                   | 22.43                    | 40.07    | 1,066.28     |
| Currency translation differences*       | 2,832.39   | 36.14                                  | 149.05                   | 19.95    | 3,037.53     |
| Balance as at September 30, 2012        | (108,211.14)   | (1,317.20)                             | (5,530.31)               | (784.88) | (115,843.53) |
| Net book value as at December 31, 2011  | 85,916.29  | 520.60                                 | 3,336.23                 | 1,654.59 | 91,427.71    |
| Net book value as at September 30, 2012 | 87,796.42  | 461.40                                 | 3,014.44                 | 1,538.14 | 92,810.40    |

Depreciation included in the statement of income for the nine-month period ended September 30, 2011 Baht 13,828.20 million

Depreciation included in the statement of income for the nine-month period ended September 30, 2012 Baht 15,499.70 million

\* Net foreign exchange rate differences in translating financial statements.

## 13. Carried Costs under Petroleum Sharing Contract

As at September 30, 2012, the Group presented carried costs under oil and gas properties and other non-current assets in the statement of financial position and presented exploration expenses in the statement of income for the following projects:

Unit: Million US Dollar

| Project                           | Carried Costs          |                          |   |
|-----------------------------------|------------------------|--------------------------|---|
|                                   | Oil and Gas Properties | Other Non-Current Assets | Exploration Expenses<br>(Cumulative since 2002 – September 30, 2012 ) |
| Vietnam 52/97                     | -                      | 1.01                     | -   |
| Vietnam B & 48/95                 | -                      | 1.06                     | -   |
| Vietnam 16-1                      | 25.82                  | -                        | 35.49   |
| Vietnam 9-2                       | 33.18                  | -                        | 19.93   |
| Algeria 433a & 416b               | 8.11                   | -                        | 12.35   |
| Algeria Hassi Ber Rekaiz          | 25.72                  | -                        | 8.12  |
| Myanmar PSC-G and EP-2            | 0.36                   | -                        | 0.11  |
| Mozambique Rovuma Offshore Area 1 | 22.04                  | -                        | 4.75  |
| Mozambique Rovuma Onshore         | 0.86                   | -                        | 0.43  |

Unit: Million Baht

| Project                           | Carried Costs          |                          |  |
|-----------------------------------|------------------------|--------------------------|--|
|                                   | Oil and Gas Properties | Other Non-Current Assets | Exploration Expenses<br>(Cumulative since 2002 – September 30, 2012) |
| Vietnam 52/97                     | -                      | 31.10                    | -  |
| Vietnam B & 48/95                 | -                      | 32.55                    | -  |
| Vietnam 16-1                      | 796.00                 | -                        | 1,268.59   |
| Vietnam 9-2                       | 1,022.81               | -                        | 791.82   |
| Algeria 433a & 416b               | 250.09                 | -                        | 413.69   |
| Algeria Hassi Ber Rekaiz          | 792.82                 | -                        | 253.47   |
| Myanmar PSC-G and EP-2            | 10.97                  | -                        | 3.33   |
| Mozambique Rovuma Offshore Area 1 | 679.32                 | -                        | 147.16   |
| Mozambique Rovuma Onshore         | 26.44                  | -                        | 13.44  |



## 14. Goodwill

|   | Consolidated            |                    |
|---|-------------------------|--------------------|
|   | Unit: Million US Dollar | Unit: Million Baht |
| <u>Historical Cost</u>                    |                         |                    |
| Balance as at January 1, 2012             | 329.70                  | 10,448.43          |
| Acquisition                               | 570.58                  | 17,980.52          |
| Currency translation differences*         | 13.33                   | (263.23)           |
| Balance as at September 30, 2012          | 913.61                  | 28,165.72          |
| <u>Allowance for impairment of assets</u> |                         |                    |
| Balance as at January 1, 2012             | -                       | -                  |
| Increase                                  | (7.31)                  | (232.77)           |
| Currency translation differences*         | -                       | 7.30               |
| Balance as at September 30, 2012          | (7.31)                  | (225.47)           |
| Net Book Value as at December 31, 2011    | 329.70                  | 10,448.43          |
| Net Book Value as at September 30, 2012   | 906.30                  | 27,940.25          |

\* Net foreign exchange rate differences in translating financial statements.

## 15. Intangible Assets, Net

Unit: Million US Dollar

|   | Consolidated                         |                            |          |
|---|--------------------------------------|----------------------------|----------|
|   | Exploration and<br>Evaluation Assets | Other<br>Intangible Assets | Total    |
| <u>Historical cost</u>                    |                                      |                            |          |
| Balance as at January 1, 2012             | 1,107.49                             | 53.65                      | 1,161.14 |
| Acquisition                               | 2,037.75                             | -                          | 2,037.75 |
| Increase                                  | 101.61                               | 13.91                      | 115.52   |
| Decrease                                  | (37.67)                              | (0.01)                     | (37.68)  |
| Transfer                                  | (3.52)                               | -                          | (3.52)   |
| Currency translation differences*         | 35.93                                | -                          | 35.93    |
| Balance as at September 30, 2012          | 3,241.59                             | 67.55                      | 3,309.14 |
| <u>Accumulated amortization</u>           |                                      |                            |          |
| Balance as at January 1, 2012             | -                                    | (21.10)                    | (21.10)  |
| Amortization for the period               | -                                    | (1.46)                     | (1.46)   |
| Decrease                                  | -                                    | 0.01                       | 0.01     |
| Balance as at September 30, 2012          | -                                    | (22.55)                    | (22.55)  |
| <u>Allowance for impairment of assets</u> |                                      |                            |          |
| Balance as at January 1, 2012             | (3.49)                               | -                          | (3.49)   |
| Increase                                  | -                                    | -                          | -        |
| Decrease                                  | -                                    | -                          | -        |
| Balance as at September 30, 2012          | (3.49)                               | -                          | (3.49)   |
| Net Book Value as at December 31, 2011    | 1,104.00                             | 32.55                      | 1,136.55 |
| Net Book Value as at September 30, 2012   | 3,238.10                             | 45.00                      | 3,283.10 |

\* Net foreign exchange rate differences in translating financial statements.

Unit: Million Baht

|   | Consolidated                         |                            |            |
|---|--------------------------------------|----------------------------|------------|
|   | Exploration and<br>Evaluation Assets | Other Intangible<br>Assets | Total      |
| <u>Historical cost</u>                    |                                      |                            |            |
| Balance as at January 1, 2012             | 35,097.72                            | 1,700.30                   | 36,798.02  |
| Acquisition                               | 64,214.49                            | -                          | 64,214.49  |
| Increase                                  | 3,177.64                             | 432.30                     | 3,609.94   |
| Decrease                                  | (1,184.17)                           | (0.36)                     | (1,184.53) |
| Transfer                                  | (108.48)                             | -                          | (108.48)   |
| Currency translation differences*         | (1,262.96)                           | (49.67)                    | (1,312.63) |
| Balance as at September 30, 2012          | 99,934.24                            | 2,082.57                   | 102,016.81 |
| <u>Accumulated amortization</u>           |                                      |                            |            |
| Balance as at January 1, 2012             | -                                    | (668.71)                   | (668.71)   |
| Amortization for the period               | -                                    | (45.54)                    | (45.54)    |
| Decrease                                  | -                                    | 0.36                       | 0.36       |
| Currency translation differences*         | -                                    | 18.74                      | 18.74      |
| Balance as at September 30, 2012          | -                                    | (695.15)                   | (695.15)   |
| <u>Allowance for impairment of assets</u> |                                      |                            |            |
| Balance as at January 1, 2012             | (110.53)                             | -                          | (110.53)   |
| Increase                                  | -                                    | -                          | -          |
| Decrease                                  | -                                    | -                          | -          |
| Currency translation differences*         | 3.01                                 | -                          | 3.01       |
| Balance as at September 30, 2012          | (107.52)                             | -                          | (107.52)   |
| Net Book Value as at December 31, 2011    | 34,987.19                            | 1,031.59                   | 36,018.78  |
| Net Book Value as at September 30, 2012   | 99,826.72                            | 1,387.42                   | 101,214.14 |

\* Net foreign exchange rate differences in translating financial statements.

Unit: Million US Dollar

|   | The Company       |                  |         |
|---|-------------------|------------------|---------|
|   | Exploration and   | Other Intangible | Total   |
|   | Evaluation Assets | Assets           |         |
| <u>Historical cost</u>                  |                   |                  |         |
| Balance as at January 1, 2012           | 10.81             | 49.04            | 59.85   |
| Increase                                | 39.52             | 13.55            | 53.07   |
| Decrease                                | (7.89)            | -                | (7.89)  |
| Balance as at September 30, 2012        | 42.44             | 62.59            | 105.03  |
| <u>Accumulated amortization</u>         |                   |                  |         |
| Balance as at January 1, 2012           | -                 | (18.20)          | (18.20) |
| Amortization for the period             | -                 | (1.23)           | (1.23)  |
| Balance as at September 30, 2012        | -                 | (19.43)          | (19.43) |
| Net Book Value as at December 31, 2011  | 10.81             | 30.84            | 41.65   |
| Net Book Value as at September 30, 2012 | 42.44             | 43.16            | 85.60   |

Unit: Million Baht

|   | The Company       |                  |          |
|---|-------------------|------------------|----------|
|   | Exploration and   | Other Intangible | Total    |
|   | Evaluation Assets | Assets           |          |
| <u>Historical cost</u>                  |                   |                  |          |
| Balance as at January 1, 2012           | 342.59            | 1,554.08         | 1,896.67 |
| Increase                                | 1,231.44          | 420.92           | 1,652.36 |
| Decrease                                | (249.75)          | -                | (249.75) |
| Currency translation differences*       | (15.77)           | (45.56)          | (61.33)  |
| Balance as at September 30, 2012        | 1,308.51          | 1,929.44         | 3,237.95 |
| <u>Accumulated amortization</u>         |                   |                  |          |
| Balance as at January 1, 2012           | -                 | (576.73)         | (576.73) |
| Amortization for the period             | -                 | (38.56)          | (38.56)  |
| Currency translation differences*       | -                 | 16.15            | 16.15    |
| Balance as at September 30, 2012        | -                 | (599.14)         | (599.14) |
| Net Book Value as at December 31, 2011  | 342.59            | 977.35           | 1,319.94 |
| Net Book Value as at September 30, 2012 | 1,308.51          | 1,330.30         | 2,638.81 |

\* Net foreign exchange rate differences in translating financial statements.

## 16. Income Tax Expenses and Deferred Income Taxes

## 16.1 Income Tax Expenses

Income tax expenses for the three-month periods ended September 30, 2012 and 2011 are as follows:

|   | Unit: Million US Dollar |                | Unit: Million Baht |                   |
|---|-------------------------|----------------|--------------------|-------------------|
|   | Consolidated            |                | Consolidated       |                   |
|   | 2012                    | 2011           | 2012               | 2011              |
| <b>Petroleum income tax</b>                     |                         |                |                    |                   |
| Current tax expenses                            | 237.31                  | 199.74         | 7,439.84           | 6,019.48          |
| Deferred tax expenses                           | 27.03                   | 22.15          | 837.88             | 673.16            |
|   | 264.34                  | 221.89         | 8,277.72           | 6,692.64          |
| Tax effect of currency translation on tax base  | (43.24)                 | 31.80          | (1,340.22)         | 960.87            |
| <b>Total</b>                                    | <b>221.10</b>           | <b>253.69</b>  | <b>6,937.50</b>    | <b>7,653.51</b>   |
| <b>Income tax under Revenue Code</b>            |                         |                |                    |                   |
| Current tax expenses                            | 1.38                    | 13.19          | 44.90              | 398.90            |
| Deferred tax expenses                           | 1.89                    | (3.22)         | 58.57              | (96.89)           |
|   | 3.27                    | 9.97           | 103.47             | 302.01            |
| Tax effect of currency translation on tax base  | (6.51)                  | 4.57           | (201.64)           | 138.56            |
| <b>Total</b>                                    | <b>(3.24)</b>           | <b>14.54</b>   | <b>(98.17)</b>     | <b>440.57</b>     |
| <b>Income tax in foreign countries</b>          |                         |                |                    |                   |
| Current tax expenses                            | 87.70                   | 49.40          | 2,751.85           | 1,491.93          |
| Deferred tax expenses                           | (16.60)                 | (9.96)         | (512.84)           | (302.83)          |
| <b>Total</b>                                    | <b>71.10</b>            | <b>39.44</b>   | <b>2,239.01</b>    | <b>1,189.10</b>   |
| <b>Petroleum resource rent tax in Australia</b> |                         |                |                    |                   |
| Deferred tax expenses                           | 7.51                    | (67.57)        | 228.82             | (2,037.37)        |
| <b>Total</b>                                    | <b>7.51</b>             | <b>(67.57)</b> | <b>228.82</b>      | <b>(2,037.37)</b> |
| <b>Total income tax expenses</b>                | <b>296.47</b>           | <b>240.10</b>  | <b>9,307.16</b>    | <b>7,245.81</b>   |

Income tax expenses for the nine-month periods ended September 30, 2012 and 2011 are as follows:

|   | Unit: Million US Dollar |                | Unit: Million Baht |                   |
|---|-------------------------|----------------|--------------------|-------------------|
|   | Consolidated            |                | Consolidated       |                   |
|   | 2012                    | 2011           | 2012               | 2011              |
| <b>Petroleum income tax</b>                     |                         |                |                    |                   |
| Current tax expenses                            | 722.79                  | 689.05         | 22,551.92          | 20,900.78         |
| Deferred tax expenses                           | 74.23                   | 14.10          | 2,303.43           | 428.50            |
|   | 797.02                  | 703.15         | 24,855.35          | 21,329.28         |
| Tax effect of currency translation on tax base  | (26.68)                 | 82.25          | (774.40)           | 2,495.47          |
| <b>Total</b>                                    | <b>770.34</b>           | <b>785.40</b>  | <b>24,080.95</b>   | <b>23,824.75</b>  |
| <b>Income tax under Revenue Code</b>            |                         |                |                    |                   |
| Current tax expenses                            | 1.62                    | 35.11          | 48.24              | 1,065.39          |
| Deferred tax expenses                           | 7.70                    | (17.45)        | 234.91             | (529.62)          |
|   | 9.32                    | 17.66          | 283.15             | 535.77            |
| Tax effect of currency translation on tax base  | (4.17)                  | 8.86           | (123.51)           | 269.11            |
| <b>Total</b>                                    | <b>5.15</b>             | <b>26.52</b>   | <b>159.64</b>      | <b>804.88</b>     |
| <b>Income tax in foreign countries</b>          |                         |                |                    |                   |
| Current tax expenses                            | 218.07                  | 127.76         | 6,808.82           | 3,873.00          |
| Deferred tax expenses                           | (125.25)                | (29.95)        | (3,973.43)         | (907.88)          |
| <b>Total</b>                                    | <b>92.82</b>            | <b>97.81</b>   | <b>2,835.39</b>    | <b>2,965.12</b>   |
| <b>Petroleum resource rent tax in Australia</b> |                         |                |                    |                   |
| Deferred tax expenses                           | 107.42                  | (81.46)        | 3,433.93           | (2,459.11)        |
| <b>Total</b>                                    | <b>107.42</b>           | <b>(81.46)</b> | <b>3,433.93</b>    | <b>(2,459.11)</b> |
| <b>Total income tax expenses</b>                | <b>975.73</b>           | <b>828.27</b>  | <b>30,509.91</b>   | <b>25,135.64</b>  |

The Group recognized deferred income taxes using the liability method when there are temporary differences between the carrying amount of an asset and liability in the financial statement and its tax base. Therefore, the Group recognized gain or loss on deferred income taxes resulting from movements in the Thai Baht, which is the currency used for calculating income tax expenses of the companies incorporated in Thailand when those companies have US Dollar as the functional currency. Such gain or loss on deferred income taxes are presented as "Tax Effect of currency translation on tax base".

## (TRANSLATION)

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Income tax expenses for the three-month periods ended September 30, 2012 and 2011 are as follows:

|  | Unit: Million US Dollar |        | Unit: Million Baht |          |
|--|-------------------------|--------|--------------------|----------|
|  | The Company             |        | The Company        |          |
|  | 2012                    | 2011   | 2012               | 2011     |
| <b>Petroleum income tax</b>                    |                         |        |                    |          |
| Current tax expenses                           | 163.58                  | 118.84 | 5,125.33           | 3,584.08 |
| Deferred tax expenses                          | 26.47                   | 21.35  | 820.69             | 648.54   |
|  | 190.05                  | 140.19 | 5,946.02           | 4,232.62 |
| Tax effect of currency translation on tax base | (37.16)                 | 26.76  | (1,151.99)         | 809.78   |
| <b>Total</b>                                   | 152.89                  | 166.95 | 4,794.03           | 5,042.40 |
| <b>Income tax under Revenue Code</b>           |                         |        |                    |          |
| Current tax expenses                           | (6.01)                  | 12.10  | (185.85)           | 365.93   |
| Deferred tax expenses                          | 2.25                    | (2.80) | 69.66              | (84.08)  |
|  | (3.76)                  | 9.30   | (116.19)           | 281.85   |
| Tax effect of currency translation on tax base | (0.09)                  | -      | (2.82)             | 0.01     |
| <b>Total</b>                                   | (3.85)                  | 9.30   | (119.01)           | 281.86   |
| <b>Total income tax expenses</b>               | 149.04                  | 176.25 | 4,675.02           | 5,324.26 |

## (TRANSLATION)

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Income tax expenses for the nine-month periods ended September 30, 2012 and 2011 are as follows:

|  | Unit: Million US Dollar |         | Unit: Million Baht |           |
|--|-------------------------|---------|--------------------|-----------|
|  | The Company             |         | The Company        |           |
|  | 2012                    | 2011    | 2012               | 2011      |
| <b>Petroleum income tax</b>                    |                         |         |                    |           |
| Current tax expenses                           | 464.89                  | 449.09  | 14,506.15          | 13,630.01 |
| Deferred tax expenses                          | 75.44                   | 10.09   | 2,337.73           | 306.09    |
|  | 540.33                  | 459.18  | 16,843.88          | 13,936.10 |
| Tax effect of currency translation on tax base | (23.21)                 | 63.48   | (673.41)           | 1,926.70  |
| <b>Total</b>                                   | 517.12                  | 522.66  | 16,170.47          | 15,862.80 |
| <b>Income tax under Revenue Code</b>           |                         |         |                    |           |
| Current tax expenses                           | (7.00)                  | 32.80   | (221.12)           | 995.64    |
| Deferred tax expenses                          | 9.06                    | (16.24) | 277.64             | (492.81)  |
|  | 2.06                    | 16.56   | 56.52              | 502.83    |
| Tax effect of currency translation on tax base | 0.07                    | 0.03    | 2.15               | 1.11      |
| <b>Total</b>                                   | 2.13                    | 16.59   | 58.67              | 503.94    |
| <b>Total income tax expenses</b>               | 519.25                  | 539.25  | 16,229.14          | 16,366.74 |



Income tax rates for the Group are as follows:

|  | <u>Tax Rate (%)</u>  |
|--|--|
| Petroleum income tax on petroleum businesses in Thailand |  |
| pursuant to Petroleum Income Tax Act, B.E. 2514 and 2532 | 50   |
| Income tax under Revenue Code                            | 15 - 30 (for 2011),<br>20 - 30 (for 2012),<br>20 - 23 (for 2013)                             |
| Corporate income tax in the Union of Myanmar             | 30   |
| Corporate income tax in the Republic of Vietnam          | 50   |
| Corporate income tax in Australia                        | 30   |
| Petroleum resource rent tax in Australia                 | 40   |
| Corporate income tax in the Sultanate of Oman            | 55   |
| Corporate income tax in Canada                           | 26.5 (for 2011),<br>25 (commencing 2012)   |
| Corporate income tax in Netherland                       | 25   |
| Corporate income tax in the Republic of Kenya            | 30   |
| Corporate income tax in the Republic of Mozambique       | 24% (for the first eight years after<br>commencing)<br>32% (from year nine after commencing) |

The Royal Gazette has issued the Royal Decree (No. 530) 2011 to reduce of the corporate income tax rate of 30% to 23% for the accounting period beginning on or after January 1, 2012 and to 20% for the two following accounting periods beginning on or after January 1, 2013.

Subsequently, the Federation of Accounting Professions (FAP) has published the announcement to clarify the tax rate used in deferred tax calculation for deferred tax assets and liabilities under the Royal Decree for the future tax benefit for the year 2012 of 23% and 2013 onward of 20%.

## 16.2 Deferred Income Taxes

Deferred income taxes are as follows:

|  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|-------------------------|----------------------|-----------------------|----------------------|
|  | Consolidated            |                      | Consolidated          |                      |
|  | September<br>30, 2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Deferred income tax assets                     |                         |                      |                       |                      |
| Petroleum income tax                           | 16.84                   | 19.68                | 519.12                | 623.63               |
| Income tax under Revenue Code                  | 21.03                   | 23.21                | 648.40                | 735.42               |
| Corporate income tax in foreign countries      | 252.54                  | 117.42               | 7,785.36              | 3,721.20             |
| Petroleum resource rent tax in Australia       | 115.12                  | 336.43               | 3,548.95              | 10,662.11            |
|  | 405.53                  | 496.74               | 12,501.83             | 15,742.36            |
| Tax effect of currency translation on tax base | 19.46                   | 13.86                | 600.05                | 439.27               |
| Total  | 424.99                  | 510.60               | 13,101.88             | 16,181.63            |
| Deferred income tax liabilities                |                         |                      |                       |                      |
| Petroleum income tax                           | (471.95)                | (400.56)             | (14,549.70)           | (12,694.38)          |
| Income tax under Revenue Code                  | -                       | -                    | -                     | -                    |
| Corporate income tax in foreign countries      | (1,199.28)              | (648.53)             | (36,972.51)           | (20,552.31)          |
|  | (1,671.23)              | (1,049.09)           | (51,522.21)           | (33,246.69)          |
| Tax effect of currency translation on tax base | 155.66                  | 130.42               | 4,798.93              | 4,133.06             |
| Total  | (1,515.57)              | (918.67)             | (46,723.28)           | (29,113.63)          |
| Deferred income tax, net                       | (1,090.58)              | (408.07)             | (33,621.40)           | (12,932.00)          |

## (TRANSLATION)

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|  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|-------------------------|----------------------|-----------------------|----------------------|
|  | The Company             |                      | The Company           |                      |
|  | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Deferred income tax assets                     |                         |                      |                       |                      |
| Income tax under Revenue Code                  | 17.56                   | 21.13                | 541.46                | 669.71               |
| Tax effect of currency translation on tax base | 0.08                    | 0.15                 | 2.52                  | 4.83                 |
| Total  | 17.64                   | 21.28                | 543.98                | 674.54               |
| Deferred income tax liabilities                |                         |                      |                       |                      |
| Petroleum income tax                           | (383.44)                | (308.01)             | (11,821.19)           | (9,761.24)           |
| Tax effect of currency translation on tax base | 148.76                  | 125.55               | 4,586.18              | 3,978.87             |
| Total  | (234.68)                | (182.46)             | (7,235.01)            | (5,782.37)           |
| Deferred income tax, net                       | (217.04)                | (161.18)             | (6,691.03)            | (5,107.83)           |

Deferred income taxes presented by categories are as follows:

|  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|-------------------------|----------------------|-----------------------|----------------------|
|  | Consolidated            |                      | Consolidated          |                      |
|  | September<br>30, 2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Deferred income tax assets   |                         |                      |                       |                      |
| Amortization of decommissioning costs<br>and currency translation difference<br>from decommissioning costs | 85.92                   | 111.67               | 2,648.83              | 3,538.98             |
| Provision for employee benefits  | 2.78                    | 1.86                 | 85.57                 | 59.05                |
| Depreciation   | (13.72)                 | (13.54)              | (422.98)              | (428.98)             |
| Petroleum resource rent tax in Australia   | 115.12                  | 235.51               | 3,548.95              | 7,463.48             |
| Loss carried forward   | 340.92                  | 293.01               | 10,510.02             | 9,285.89             |
| Unrealized foreign exchange  | (23.30)                 | (38.26)              | (718.38)              | (1,212.53)           |
| Revaluation in value of oil and gas<br>properties according to Australian law                              | (85.25)                 | (63.39)              | (2,628.14)            | (2,009.01)           |
| Financial derivative instruments   | 17.72                   | 21.03                | 546.44                | 666.35               |
| Others   | (34.66)                 | (51.15)              | (1,068.48)            | (1,620.87)           |
|  | 405.53                  | 496.74               | 12,501.83             | 15,742.36            |
| Tax effect of currency translation on tax base   | 19.46                   | 13.86                | 600.05                | 439.27               |
| Total  | 424.99                  | 510.60               | 13,101.88             | 16,181.63            |

## (TRANSLATION)

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|   | Unit: Million US Dollar |              | Unit: Million Baht |              |
|---|-------------------------|--------------|--------------------|--------------|
|   | Consolidated            |              | Consolidated       |              |
|   | September 30,           | December 31, | September 30,      | December 31, |
|   | 2012                    | 2011         | 2012               | 2011         |
| Deferred income tax liabilities   |                         |              |                    |              |
| Amortization of decommissioning costs<br>and currency translation differences<br>from decommissioning costs | 146.40                  | 133.17       | 4,513.35           | 4,220.44     |
| Provision for employee benefits   | 33.62                   | 28.56        | 1,036.51           | 905.11       |
| Provision for impairment loss   | 6.39                    | 6.39         | 197.09             | 202.61       |
| Depreciation  | (1,929.75)              | (1,259.30)   | (59,492.06)        | (39,908.86)  |
| Loss carried forward  | 43.87                   | 27.65        | 1,352.37           | 876.31       |
| Others  | 28.24                   | 14.44        | 870.53             | 457.70       |
|   | (1,671.23)              | (1,049.09)   | (51,522.21)        | (33,246.69)  |
| Tax effect of currency translation on tax base  | 155.66                  | 130.42       | 4,798.93           | 4,133.06     |
| Total   | (1,515.57)              | (918.67)     | (46,723.28)        | (29,113.63)  |

|  | Unit: Million US Dollar |              | Unit: Million Baht |              |
|--|-------------------------|--------------|--------------------|--------------|
|  | The Company             |              | The Company        |              |
|  | September 30,           | December 31, | September 30,      | December 31, |
|  | 2012                    | 2011         | 2012               | 2011         |
| Deferred income tax assets                     |                         |              |                    |              |
| Financial derivative instruments               | 17.72                   | 21.03        | 546.44             | 666.35       |
| Others   | (0.16)                  | 0.10         | (4.98)             | 3.36         |
|  | 17.56                   | 21.13        | 541.46             | 669.71       |
| Tax effect of currency translation on tax base | 0.08                    | 0.15         | 2.52               | 4.83         |
| Total  | 17.64                   | 21.28        | 543.98             | 674.54       |

## (TRANSLATION)

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|   | Unit: Million US Dollar |              | Unit: Million Baht |              |
|---|-------------------------|--------------|--------------------|--------------|
|   | The Company             |              | The Company        |              |
|   | September 30,           | December 31, | September 30,      | December 31, |
|   | 2012                    | 2011         | 2012               | 2011         |
| Deferred income tax liabilities   |                         |              |                    |              |
| Amortization of decommissioning costs<br>and currency translation differences<br>from decommissioning costs | 106.89                  | 98.55        | 3,295.15           | 3,123.16     |
| Provision for employee benefits   | 33.35                   | 28.24        | 1,028.18           | 895.03       |
| Depreciation  | (523.68)                | (434.80)     | (16,144.52)        | (13,779.43)  |
|   | (383.44)                | (308.01)     | (11,821.19)        | (9,761.24)   |
| Tax effect of currency translation on tax   | 148.76                  | 125.55       | 4,586.18           | 3,978.87     |
| Total   | (234.68)                | (182.46)     | (7,235.01)         | (5,782.37)   |

In addition to the corporate income tax, there is Petroleum resource rent tax imposed in Australia (PRRT) which is calculated at the rate of 40% using the specific method. The Group recorded the current tax and the deferred tax arising from PRRT in the current period by applying the same accounting policies with respect to valuation and disclosure as for the corporate income tax.

## 17. Financial Derivatives

Financial derivatives as at September 30, 2012 and December 31, 2011 comprised:

|   | Unit : Million US Dollar |              | Unit : Million Baht |              |
|---|--------------------------|--------------|---------------------|--------------|
|   | Consolidated             |              | Consolidated        |              |
|   | September 30,            | December 31, | September 30,       | December 31, |
|   | 2012                     | 2011         | 2012                | 2011         |
| <b>Financial derivative assets</b>                    |                          |              |                     |              |
| <u>Financial derivative assets - Current</u>          |                          |              |                     |              |
| Forward foreign exchange                              | 1.53                     | -            | 47.02               | -            |
| Total financial derivative assets - Current           | 1.53                     | -            | 47.02               | -            |
| <u>Financial derivative assets - Non current</u>      |                          |              |                     |              |
| Interest rate swap                                    | 5.38                     | 6.15         | 165.90              | 194.97       |
| Total financial derivative assets – Non current       | 5.38                     | 6.15         | 165.90              | 194.97       |
| <b>Financial derivative liabilities</b>               |                          |              |                     |              |
| <u>Financial derivative liabilities - Current</u>     |                          |              |                     |              |
| Oil price hedge on petroleum product                  | (19.31)                  | (0.77)       | (595.51)            | (24.40)      |
| Cross currency and interest rate swap                 | (2.97)                   | (45.65)      | (91.63)             | (1,446.67)   |
| Forward foreign exchange                              | (0.27)                   | -            | (8.20)              | -            |
| Total financial derivative liabilities - Current      | (22.55)                  | (46.42)      | (695.34)            | (1,471.07)   |
| <u>Financial derivative liabilities - Non current</u> |                          |              |                     |              |
| Cross currency and interest rate swap                 | (51.07)                  | (46.83)      | (1,574.34)          | (1,484.15)   |
| Interest rate swap                                    | (2.89)                   | -            | (89.23)             | -            |
| Total financial derivative liabilities – Non current  | (53.96)                  | (46.83)      | (1,663.57)          | (1,484.15)   |

During the period, PTTEP Offshore Investment Company Limited (PTTEPO) entered into a derivative on oil price hedged for the Group's petroleum products using the Brent crude oil price as a reference. As at September 30, 2012, PTTEPO had outstanding derivative on oil price hedging agreements for the period between October 2012 to December 2012 of 4.35 million barrels.

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|   | Unit : Million US Dollar |              | Unit : Million Baht |              |
|---|--------------------------|--------------|---------------------|--------------|
|   | The Company              |              | The Company         |              |
|   | September 30,            | December 31, | September 30,       | December 31, |
|   | 2012                     | 2011         | 2012                | 2011         |
| <b>Financial derivative assets</b>                    |                          |              |                     |              |
| <u>Financial derivative assets - Current</u>          |                          |              |                     |              |
| Forward foreign exchange                              | 0.05                     | -            | 1.43                | -            |
| Total financial derivative assets - Current           | 0.05                     | -            | 1.43                | -            |
| <u>Financial derivative assets - Non current</u>      |                          |              |                     |              |
| Interest rate swap                                    | 5.38                     | 6.15         | 165.90              | 194.97       |
| Total financial derivative assets – Non current       | 5.38                     | 6.15         | 165.90              | 194.97       |
| <b>Financial derivative liabilities</b>               |                          |              |                     |              |
| <u>Financial derivative liabilities - Current</u>     |                          |              |                     |              |
| Cross currency and interest rate swap                 | (2.97)                   | (45.65)      | (91.63)             | (1,446.67)   |
| Total financial derivative liabilities - Current      | (2.97)                   | (45.65)      | (91.63)             | (1,446.67)   |
| <u>Financial derivative liabilities - Non current</u> |                          |              |                     |              |
| Cross currency and interest rate swap                 | (50.41)                  | (46.83)      | (1,554.08)          | (1,484.15)   |
| Interest rate swap                                    | (0.46)                   | -            | (14.16)             | -            |
| Total financial derivative liabilities – Non current  | (50.87)                  | (46.83)      | (1,568.24)          | (1,484.15)   |

Fair value of financial derivatives as at September 30, 2012 and December 31, 2011 presented by fair value measurement are as follows:

|   | Unit : Million US Dollar |         |         |         | Unit : Million Baht |            |         |            |
|---|--------------------------|---------|---------|---------|---------------------|------------|---------|------------|
|   | Consolidated             |         |         |         | Consolidated        |            |         |            |
|   | September 30, 2012       |         |         |         | September 30, 2012  |            |         |            |
|   | Level1                   | Level 2 | Level 3 | Total   | Level1              | Level 2    | Level 3 | Total      |
| <b>Financial derivative assets</b>      |                          |         |         |         |                     |            |         |            |
| Interest rate swap                      | -                        | 5.38    | -       | 5.38    | -                   | 165.90     | -       | 165.90     |
| Forward foreign exchange                | -                        | 1.53    | -       | 1.53    | -                   | 47.02      | -       | 47.02      |
| <b>Financial derivative liabilities</b> |                          |         |         |         |                     |            |         |            |
| Oil price hedge on petroleum product    | -                        | (19.31) | -       | (19.31) | -                   | (595.51)   | -       | (595.51)   |
| Cross currency and interest rate swap   | -                        | (54.04) | -       | (54.04) | -                   | (1,665.97) | -       | (1,665.97) |
| Interest rate swap                      | -                        | (2.89)  | -       | (2.89)  | -                   | (89.23)    | -       | (89.23)    |



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Unit : Million US Dollar

Unit : Million Baht

|   | Consolidated      |         |         |         | Consolidated      |            |         |            |
|---|-------------------|---------|---------|---------|-------------------|------------|---------|------------|
|   | December 31, 2011 |         |         |         | December 31, 2011 |            |         |            |
|   | Level1            | Level 2 | Level 3 | Total   | Level1            | Level 2    | Level 3 | Total      |
| <b>Financial derivative assets</b>      |                   |         |         |         |                   |            |         |            |
| Interest rate swap                      | -                 | 6.15    | -       | 6.15    | -                 | 194.97     | -       | 194.97     |
| <b>Financial derivative liabilities</b> |                   |         |         |         |                   |            |         |            |
| Cross currency and interest rate swap   | -                 | (92.48) | -       | (92.48) | -                 | (2,930.82) | -       | (2,930.82) |
| Oil price hedge on petroleum product    | -                 | (0.77)  | -       | (0.77)  | -                 | (24.40)    | -       | (24.40)    |

Unit : Million US Dollar

Unit : Million Baht

|   | The Company        |         |         |         | The Company        |            |         |            |
|---|--------------------|---------|---------|---------|--------------------|------------|---------|------------|
|   | September 30, 2012 |         |         |         | September 30, 2012 |            |         |            |
|   | Level1             | Level 2 | Level 3 | Total   | Level1             | Level 2    | Level 3 | Total      |
| <b>Financial derivative assets</b>      |                    |         |         |         |                    |            |         |            |
| Forward foreign exchange                | -                  | 0.05    | -       | 0.05    | -                  | 1.43       | -       | 1.43       |
| Interest rate swap                      | -                  | 5.38    | -       | 5.38    | -                  | 165.90     | -       | 165.90     |
| <b>Financial derivative liabilities</b> |                    |         |         |         |                    |            |         |            |
| Cross currency and interest rate swap   | -                  | (53.58) | -       | (53.58) | -                  | (1,645.71) | -       | (1,645.71) |
| Interest rate swap                      | -                  | (0.46)  | -       | (0.46)  | -                  | (14.16)    | -       | (14.16)    |

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Unit : Million US Dollar

Unit : Million Baht

|   | The Company       |         |         |         | The Company       |            |         |            |
|---|-------------------|---------|---------|---------|-------------------|------------|---------|------------|
|   | December 31, 2011 |         |         |         | December 31, 2011 |            |         |            |
|   | Level1            | Level 2 | Level 3 | Total   | Level1            | Level 2    | Level 3 | Total      |
| <b>Financial derivative assets</b>      |                   |         |         |         |                   |            |         |            |
| Interest rate swap                      | -                 | 6.15    | -       | 6.15    | -                 | 194.97     | -       | 194.97     |
| <b>Financial derivative liabilities</b> |                   |         |         |         |                   |            |         |            |
| Cross currency and interest rate swap   | -                 | (92.48) | -       | (92.48) | -                 | (2,930.82) | -       | (2,930.82) |

Level 1: Fair value based on quoted prices in an active market for identical assets and liabilities.

Level 2: Fair value based on inputs other than quoted prices included with Level 1 that are observable for the assets and liabilities either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Fair value based on internal valuation model or that are not based on observable market data (that is, unobservable inputs).

## 18. Loans and Bonds

Loans and bonds are as followed:

|  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|-------------------------|----------------------|-----------------------|----------------------|
|  | Consolidated            |                      | Consolidated          |                      |
|  | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| <u>Current Liabilities</u>                     |                         |                      |                       |                      |
| Short-term loans                               |                         |                      |                       |                      |
| - Short-term loans from financial institutions | 1,827.04                | 315.55               | 56,325.36             | 10,000.00            |
| Total short-term loans                         | 1,827.04                | 315.55               | 56,325.36             | 10,000.00            |
| Current portion of bonds                       | 162.69                  | 687.77               | 5,015.69              | 21,796.32            |
| Total current liabilities                      | 1,989.73                | 1,003.32             | 61,341.05             | 31,796.32            |
| <u>Non-current Liabilities</u>                 |                         |                      |                       |                      |
| Bonds  | 2,512.83                | 2,251.99             | 77,467.47             | 71,368.16            |
| Long-term loans from financial institutions    | 1,098.65                | 617.86               | 33,870.09             | 19,580.74            |
| Total non-current liabilities                  | 3,611.48                | 2,869.85             | 111,337.56            | 90,948.90            |

  

|  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|-------------------------|----------------------|-----------------------|----------------------|
|  | The Company             |                      | The Company           |                      |
|  | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| <u>Current Liabilities</u>                     |                         |                      |                       |                      |
| Short-term loans                               |                         |                      |                       |                      |
| - Short-term loans from financial institutions | 290.67                  | 315.55               | 8,961.00              | 10,000.00            |
| Total short-term loans                         | 290.67                  | 315.55               | 8,961.00              | 10,000.00            |
| Current portion of bonds                       | 162.69                  | 687.77               | 5,015.69              | 21,796.32            |
| Total current liabilities                      | 453.36                  | 1,003.32             | 13,976.69             | 31,796.32            |
| <u>Non-current Liabilities</u>                 |                         |                      |                       |                      |
| Bonds  | 622.48                  | 858.84               | 19,190.44             | 27,217.78            |
| Long-term loans from financial institutions    | 50.00                   | 50.00                | 1,541.44              | 1,584.56             |
| Total non-current liabilities                  | 672.48                  | 908.84               | 20,731.88             | 28,802.34            |

Movements in the loans and bonds for the nine-month period ended September 30, 2012 are as follows:

|                                  | Unit: Million US Dollar | Unit: Million Baht |
|----------------------------------|-------------------------|--------------------|
|                                  | Consolidated            | Consolidated       |
| Balance as at January 1, 2012    | 3,873.17                | 122,745.22         |
| Loan draw down                   | 3,930.63                | 122,705.30         |
| Bond issuing                     | 500.00                  | 15,608.85          |
| Repayment of loans               | (1,658.94)              | (51,788.13)        |
| Repayment of bonds               | (779.22)                | (24,325.61)        |
| Deferred financing cost          | (14.74)                 | (459.95)           |
| Currency translation differences | (249.69)                | (11,807.07)        |
| Balance as at September 30, 2012 | 5,601.21                | 172,678.61         |

|                                  | Unit: Million US Dollar | Unit: Million Baht |
|----------------------------------|-------------------------|--------------------|
|                                  | The Company             | The Company        |
| Balance as at January 1, 2012    | 1,912.16                | 60,598.66          |
| Loan draw down                   | 1,949.74                | 60,866.55          |
| Repayment of loans               | (1,658.94)              | (51,788.13)        |
| Repayment of bonds               | (779.22)                | (24,325.61)        |
| Deferred financing cost          | (0.95)                  | (29.71)            |
| Currency translation differences | (296.95)                | (10,613.19)        |
| Balance as at September 30, 2012 | 1,125.84                | 34,708.57          |

#### Short-term loans from financial institutions

In February 2012, the Company signed ten-year unsecured loan agreements with financial institution with a total balance of Baht 20,000 million counting from the date of first withdrawal with the floating interest at fixed deposit plus 1.10% (THB FIX + 1.10). As at September 30, 2012, the Company has short-term loans balanced for Baht 6,000 million.

On 23 May 2012, PTTEP Offshore Investment Company Limited (PTTEPO) signed a facility agreement for an amount of GBP 950 million with financial institutions. The facility is fully guaranteed by PTTEP and has a one-year tenor with the floating interest at GBP LIBOR plus interest rate between 0.85% to 1.8555% (GBP + 0.85 to 1.8555) based on the duration of the loan. The proceeds from the facility were used for the acquisition of Cove Energy Plc. As at September 30, 2012, the Company has short-term loans balanced for GBP 950 million.

On September 27, 2012, the Company withdrew short-term loan from the uncommitted loan facilities which the Company signed with two financial institutions of Baht 1,500 million for each financial institution, totaled to Baht 3,000 million with a fixed interest rate of 3.15% per annum.

#### Bills of Exchange

The Company launched the "PTTEP Short-term Financing Program" which involved the Company's inaugural issuance of Bills of Exchange (B/Es). The B/Es are to be issued monthly on a revolving basis to institutional and high net-worth investors, with a total revolving credit up to Baht 50,000 million. As at September 30, 2012, the Company has no outstanding Bills of Exchange.

#### Long-term loans from financial institutions

In March 2012, PTTEP Canada International Finance Limited (PTTEP CIF) had entered into five-year unsecured loan agreement in the amount of CAD 300 million with the floating interest rate of CDOR + 1.7% per annum with a financial institution. These loans are fully guaranteed by PTTEP. PTTEP CIF fully utilized these loans in May 2012.

In April 2012, PTTEP CIF had entered into five-year unsecured loan agreement in the amount of CAD 75 million with the floating interest rate of CDOR + 1.9% per annum with a financial institution. These loans are fully guaranteed by PTTEP. PTTEP CIF fully utilized these loans in May 2012.

In August 2012, PTTEP CIF had entered into seven-year unsecured loan agreement in the amount of CAD 100 million with the floating interest rate of CDOR + 1.9% per annum with a financial institution. This loan is fully guaranteed by PTTEP. PTTEP CIF fully utilized this loan in September 2012.

#### Bonds

On June 12, 2012, PTTEP CIF has issued the 30 year unsecured and unsubordinated debentures with a fixed interest of 6.35% per annum in the amount of US Dollar 500 million. This debenture is fully guaranteed by PTTEP.

Bonds

The carrying value of unsecured and unsubordinated bonds as at September 30, 2012 and December 31, 2011 comprised:

|   | Interest rates<br>(% per annum)  | Effective interest rates<br>(% per annum) | Maturity date  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|---|--|---|----------------|-------------------------|----------------------|-----------------------|----------------------|
|   |  |   |                | Consolidated            |                      | Consolidated          |                      |
|   |  |   |                | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Maturity date within 1 year                 |  |   |                |                         |                      |                       |                      |
| - Bonds Baht 18,300 million <sup>1</sup>    | 3.25   | 3.293                                     | May 29, 2012   | -                       | 577.34               | -                     | 18,296.76            |
| - Bonds Baht 3,500 million <sup>2</sup>     | 3.91   | 3.91                                      | June 15, 2012  | -                       | 110.43               | -                     | 3,499.56             |
| - Bonds Baht 5,000 million <sup>3</sup>     | Year 1-2 : 3.00<br>Year 3-4 : 4.00 or<br>6-M THB FIX + 1.25 <sup>4</sup> | 3.517                                     | May 29, 2013   | 162.69                  | 158.82               | 5,015.69              | 5,033.15             |
| Maturity date between 1-3 years             |  |   |                |                         |                      |                       |                      |
| - Bonds Baht 11,700 million <sup>5</sup>    | 4.00   | 4.027                                     | May 29, 2014   | 379.35                  | 368.96               | 11,694.88             | 11,692.65            |
| Maturity date between 3-5 years             |  |   |                |                         |                      |                       |                      |
| - Bonds USD 500 million <sup>6</sup>        | 4.152  | 4.366                                     | July 19, 2015  | 497.20                  | 496.50               | 15,328.01             | 15,734.43            |
| - Bonds USD 200 million                     | 4.152  | 4.326                                     | August 4, 2015 | 199.04                  | 198.66               | 6,136.21              | 6,295.81             |
| Maturity date over 5 years                  |  |   |                |                         |                      |                       |                      |
| - Bonds Baht 2,500 million <sup>7</sup>     | 3.30   | 3.30                                      | March 27, 2018 | 81.09                   | 78.88                | 2,500.00              | 2,500.00             |
| - Bonds Baht 5,000 million <sup>8</sup>     | 4.80   | 4.816                                     | May 29, 2019   | 162.04                  | 157.62               | 4,995.56              | 4,995.13             |
| - Bonds Baht 3,000 million NC5 <sup>9</sup> | 5.13   | 5.13                                      | June 15, 2022  | -                       | 94.56                | -                     | 2,996.85             |
| - Bonds USD 700 million <sup>6</sup>        | 5.692  | 5.732                                     | April 5, 2021  | 698.12                  | 697.99               | 21,522.08             | 22,120.14            |
| - Bonds USD 500 million                     | 6.350  | 6.41                                      | June 12, 2042  | 495.99                  | -                    | 15,290.73             | -                    |
| Total Carrying Value                        |  |   |                | 2,675.52                | 2,939.76             | 82,483.16             | 93,164.48            |

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|   | Interest rates<br>(% per annum)  | Effective interest rates<br>(% per annum) | Maturity date  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|---|--|---|----------------|-------------------------|----------------------|-----------------------|----------------------|
|   |  |   |                | The Company             |                      | The Company           |                      |
|   |  |   |                | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Maturity date within 1 year                 |  |   |                |                         |                      |                       |                      |
| - Bonds Baht 18,300 million <sup>1</sup>    | 3.25   | 3.293                                     | May 29, 2012   | -                       | 577.34               | -                     | 18,296.76            |
| - Bonds Baht 3,500 million <sup>2</sup>     | 3.91   | 3.91                                      | June 15, 2012  | -                       | 110.43               | -                     | 3,499.56             |
| - Bonds Baht 5,000 million <sup>3</sup>     | Year 1-2 : 3.00<br>Year 3-4 : 4.00 or<br>6-M THB FIX + 1.25 <sup>4</sup> | 3.517                                     | May 29, 2013   | 162.69                  | 158.82               | 5,015.69              | 5,033.15             |
| Maturity date between 1-3 years             |  |   |                |                         |                      |                       |                      |
| - Bonds Baht 11,700 million <sup>5</sup>    | 4.00   | 4.027                                     | May 29, 2014   | 379.35                  | 368.96               | 11,694.88             | 11,692.65            |
| Maturity date over 5 years                  |  |   |                |                         |                      |                       |                      |
| - Bonds Baht 2,500 million <sup>7</sup>     | 3.30   | 3.30                                      | March 27, 2018 | 81.09                   | 78.88                | 2,500.00              | 2,500.00             |
| - Bonds Baht 5,000 million <sup>8</sup>     | 4.80   | 4.816                                     | May 29, 2019   | 162.04                  | 157.62               | 4,995.56              | 4,995.13             |
| - Bonds Baht 3,000 million NC5 <sup>9</sup> | 5.13   | 5.13                                      | June 15, 2022  | -                       | 94.56                | -                     | 2,996.85             |
| Total Carrying Value                        |  |   |                | 785.17                  | 1,546.61             | 24,206.13             | 49,014.10            |

<sup>1</sup> In March 2011, the Company entered into a Cross Currency Swap transaction with a bank to swap Baht for US Dollar 603.36 million at the exchange rate of Baht 30.33 per US Dollar. Under this agreement, the average interest rate was charged at the rate of 1.452% per annum.

<sup>2</sup> In April 2011, the Company entered into a Cross Currency Swap transaction with a bank to swap Baht for US Dollar 115.78 million at the exchange rate of Baht 30.23 per US Dollar. Under this agreement, the average interest rate was charged at the rate of 1.73% per annum.

<sup>3</sup> In May 2011, the Company entered into a Cross Currency Swap transaction with a bank to swap Baht for US Dollar 165.89 million at the exchange rate of Baht 30.14 per US Dollar.

<sup>4</sup> Minimum and maximum repayments are 3.25% and 6.00% per annum respectively, with Interests for the 3<sup>rd</sup> year and 4<sup>th</sup> year at 4% per annum

<sup>5</sup> In April 2011, the Company entered into a Cross Currency Swap transaction with a bank to swap Baht for US Dollar 389.50 million at the exchange rate of Baht 30.039 per US Dollar. Under this agreement, the average interest rate was charged at the rate of 2.668% per annum.

<sup>6</sup> The Company has Optional Redemption rights. The redemption price is the sum of the bond par value, accrued interest, interest payable up to the day before the maturity date and Applicable Premium whereby the Applicable Premium is the higher of the following:

(1) 1 % per annum of the bond par value or

(2) Present value that is higher than the bond par value. Present value is the bond par value and the interest receivable if the bond is redeemed on the maturity date minus accrued interest and interest payable to the date of early redemption discounted using Treasury Rate as at the early redemption date plus 0.35% per annum.

<sup>7</sup> On September 27, 2005, the Company entered into a Cross Currency Swap transaction with a bank to swap Baht for US Dollar 60.82 million. Under this agreement, interest was charged at the rate of 3.85% per annum. On May 2, 2007, the Company swapped the US Dollar with the same bank for Baht 2,500 million. Under this agreement, the interest rate was reduced to 3.30% per annum until the expiration date. In May 2011, the Company swapped Baht 2,500 million for US Dollar 82.92 million at the exchange rate of 30.15 per US Dollar. Under this agreement, interest rate was charged at the rate of 3.30% per annum.

<sup>8</sup> In June 2011, the Company entered into a Cross Currency Swap transaction with a bank to swap Baht for US Dollar 161.81 million at the exchange rate of Baht 30.90 per US Dollar. Under this agreement, the average interest rate was charged at the rate of 4.93% per annum.

<sup>9</sup> NC5 (Non Call 5 years): the Company can redeem these bonds in the 5<sup>th</sup> year or in 2012. On June 15, 2012, the Company exercised its rights to early redeem these bonds in full amounts.



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Long-term loans from financial institutions

As at September 30, 2012 and December 31, 2011 comprised:

|  |                                 |  |                    | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|---------------------------------|--|--------------------|-------------------------|----------------------|-----------------------|----------------------|
|  |                                 |  |                    | Consolidated            |                      | Consolidated          |                      |
|  | Interest rates<br>(% per annum) | Effective<br>interest rates<br>(% per annum) | Maturity date      | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Maturity date between 3-5 years            |                                 |  |                    |                         |                      |                       |                      |
| - Loan US Dollar 50 million <sup>1</sup>   | Libor+1.30                      | 1.97   | December 9, 2015   | 50.00                   | 50.00                | 1,541.44              | 1,584.56             |
| - Loan US Dollar 500 million <sup>2</sup>  | Libor+0.985                     | 1.98   | November 24, 2015  | 496.24                  | 493.81               | 15,298.50             | 15,649.50            |
| - Loan US Dollar 75 million                | Libor+0.985                     | 1.98   | December 1, 2015   | 74.42                   | 74.05                | 2,294.28              | 2,346.68             |
| - Loan CAD Dollar 300 million              | CDOR + 1.7                      | 3.39   | May 11, 2017       | 300.99                  | -                    | 9,279.16              | -                    |
| - Loan CAD Dollar 75 million               | CDOR + 1.9                      | 3.28   | May 11, 2017       | 76.27                   | -                    | 2,351.31              | -                    |
| Maturity date over 5 years                 |                                 |  |                    |                         |                      |                       |                      |
| - Loan CAD Dollar 100 million <sup>3</sup> | CDOR + 2.10                     | 3.61   | September 19, 2019 | 100.73                  | -                    | 3,105.40              | -                    |
|  |                                 |  |                    | <u>1,098.65</u>         | <u>617.86</u>        | <u>33,870.09</u>      | <u>19,580.74</u>     |

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|  |                                 |  |                  | Unit: Million US Dollar |                      | Unit: Million Baht    |                      |
|--|---------------------------------|--|------------------|-------------------------|----------------------|-----------------------|----------------------|
|  |                                 |  |                  | The Company             |                      | The Company           |                      |
|  | Interest rates<br>(% per annum) | Effective<br>interest rates<br>(% per annum) | Maturity date    | September 30,<br>2012   | December 31,<br>2011 | September 30,<br>2012 | December 31,<br>2011 |
| Maturity date between 3-5 years          |                                 |  |                  |                         |                      |                       |                      |
| - Loan US Dollar 50 million <sup>1</sup> | Libor+1.30                      | 1.97   | December 9, 2015 | 50.00                   | 50.00                | 1,541.44              | 1,584.56             |
|  |                                 |  |                  | 50.00                   | 50.00                | 1,541.44              | 1,584.56             |

<sup>1</sup> In April 2012, the Company swapped the interest rate on Loan amounting to US Dollar 50 million to average interest rate of 2.25% per annum

<sup>2</sup> In May 2012, the Company swapped the interest rate on Loan amounting to US Dollar 250 million to average interest rate of 1.86% per annum.

<sup>3</sup> Amortised loan with the repayment schedule of 4 installments will start from Year 5.5.

## 19. Provision for Employee Benefits

The reconciliation details for the present value of the defined benefit obligation plans and liabilities recognized in the statement of financial position as at September 30, 2012 are as follows:

|  | Unit: Million<br>US Dollar<br>Consolidated | Unit: Million<br>Baht<br>Consolidated |
|--|--|---------------------------------------|
| Present value of the defined benefit obligation plans as at January 1, 2012    | 69.27                                      | 2,195.40                              |
| Current service cost   | 4.67                                       | 145.29                                |
| Interest cost  | 2.38                                       | 73.99                                 |
| Benefits paid  | (1.59)                                     | (49.45)                               |
| Loss on foreign exchange   | 2.01                                       | 0.68                                  |
| Present value of the defined benefit obligation plans as at September 30, 2012 | 76.74                                      | 2,365.91                              |
| Unrecognized transitional liabilities  | (1.52)                                     | (46.82)                               |
| Unrealized actuarial loss  | (0.80)                                     | (24.86)                               |
| Net liabilities recognized in the statement of financial position              | 74.42                                      | 2,294.23                              |

  

|  | Unit: Million<br>US Dollar<br>The Company | Unit: Million<br>Baht<br>The Company |
|--|---|--------------------------------------|
| Present value of the defined benefit obligation plans as at January 1, 2012    | 60.63                                     | 1,921.35                             |
| Current service cost   | 3.44                                      | 107.23                               |
| Interest cost  | 2.09                                      | 65.00                                |
| Benefits paid  | (1.30)                                    | (40.59)                              |
| Loss on foreign exchange   | 1.75                                      | 0.65                                 |
| Present value of the defined benefit obligation plans as at September 30, 2012 | 66.61                                     | 2,053.64                             |
| Unrecognized transitional liabilities  | (1.45)                                    | (44.67)                              |
| Unrealized actuarial gain  | 1.54                                      | 47.39                                |
| Net liabilities recognized in the statement of financial position              | 66.70                                     | 2,056.36                             |

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Expenses recognized in the statements of income for the nine-month periods ended September 30, 2012 and 2011 are as follows:

|   | Unit: Million US Dollar |       | Unit: Million Baht |        |
|---|-------------------------|-------|--------------------|--------|
|   | Consolidated            |       | Consolidated       |        |
|   | 2012                    | 2011  | 2012               | 2011   |
| Current service cost                                  | 4.67                    | 4.64  | 145.29             | 141.22 |
| Interest cost   | 2.38                    | 2.16  | 73.99              | 65.61  |
| Transitional liabilities recognized during the period | 4.50                    | 4.56  | 139.97             | 138.86 |
| Actuarial loss recognized during the period           | 0.11                    | 0.14  | 3.48               | 4.21   |
| Expenses recognized in the statements of income       | 11.66                   | 11.50 | 362.73             | 349.90 |

  

|   | Unit: Million US Dollar |      | Unit: Million Baht |        |
|---|-------------------------|------|--------------------|--------|
|   | The Company             |      | The Company        |        |
|   | 2012                    | 2011 | 2012               | 2011   |
| Current service cost                                  | 3.44                    | 3.40 | 107.23             | 103.38 |
| Interest cost   | 2.09                    | 1.92 | 65.00              | 58.43  |
| Transitional liabilities recognized during the period | 4.30                    | 4.35 | 133.52             | 132.43 |
| Expenses recorded in the statements of income         | 9.83                    | 9.67 | 305.75             | 294.24 |

**Major Actuarial Assumptions**The Group's financial assumptions

|   | % per annum |
|---|-------------|
| Discount rate                           | 4.6         |
| Inflation rate                          | 2.0         |
| Credit interest rate on provident funds | 4.1         |

The Group's demographic assumptions

- Mortality assumption: The mortality rate is from the Thailand Mortality Ordinary 1997 (TMO97) issued by the Office of the Insurance Commission. The TMO97 contains the results of the most recent mortality investigation of policyholders of life insurance companies in Thailand. It is reasonable to assume that these rates would reflect of the mortality rate of the working population in Thailand.
- Turnover rate assumption:

| Age-related scale | % per annum |
|-------------------|-------------|
| Prior to age 30   | 2.5 - 16.0  |
| Age 30-39         | 1.5 - 8.0   |
| Age 40 thereafter | 0.0 - 4.0   |

The turnover rate above reflects the rate at which employees voluntarily resign from service. It does not include death, disability, and early retirement. The calculation for the employee benefits is based on these assumptions.

**20. Share capital**

The Company's registered capital consists of 3,322 million ordinary shares at Baht 1 per share, or a total of Baht 3,322 million. During the year 2011, the Company registered the change in its issued and fully paid-up capital to 3,319.98 million ordinary shares at Baht 1 per share, or a total of Baht 3,319.98 million. The details of the change in the issued and fully paid-up ordinary shares are as follows:

Unit: Million Shares

Ordinary shares issued and fully paid-up

|  |                 |
|--|-----------------|
| Balance as at January 1, 2012                      | 3,319.98        |
| Share capital issued and paid-up during the period | -               |
| Balance as at September 30, 2012                   | <u>3,319.98</u> |

Ordinary shares issued and fully paid-up

|  |                 |
|--|-----------------|
| Balance as at January 1, 2011                      | 3,317.45        |
| Share capital issued and paid-up during the period | 2.53            |
| Balance as at September 30, 2011                   | <u>3,319.98</u> |

**21. Subordinated Capital Debentures**

On June 15, 2012, the Company issued 5 million units of subordinated capital debentures with a face value of Baht 1,000 each totaling to Baht 5,000 million. These subordinated capital debentures are perpetual long-term, unsecured, inconvertible and no final maturity date. The principle payment will be paid upon liquidation or early redemption by the Company, subject to certain restrictions under the agreement. These subordinated capital debentures bear a step-up fixed interest based on the life of these debentures starting from 5.85 to 7.85 percent per annum. The interest is paid on a quarterly basis. However, the Company can defer the interest payment at its sole discretion. All deferred interest will be accumulated, but not bear any interests. If the Company deferred the interest payment, the Company shall not declare or make any dividend payment, make any interest payment or distribution of any sort of any instrument or security issued by the Company which ranks pari passu or junior to this subordinated capital debentures. In addition, the Company shall not redeem, reduce, cancel, buy-back or acquire for any consideration on any instrument or security issued by the Company which rank pari passu or junior to this subordinated capital debentures. These subordinated capital debentures are recognized as a part of shareholder equity.

**22. Gain (loss) on Foreign Currency Translation**

Gain (loss) on foreign currency translation for the nine-month periods ended September 30, 2012 and 2011 comprised:

|  | Unit: Million US Dollar |                 | Unit: Million Baht |                   |
|--|-------------------------|-----------------|--------------------|-------------------|
|  | Consolidated            |                 | Consolidated       |                   |
|  | 2012                    | 2011            | 2012               | 2011              |
| Realized gain (loss) on foreign currency translation   | (80.40)                 | 18.50           | (2,529.87)         | 550.68            |
| Unrealized gain (loss) on foreign currency translation | 58.28                   | (133.17)        | 1,858.38           | (4,029.04)        |
| Total  | <u>(22.12)</u>          | <u>(114.67)</u> | <u>(671.49)</u>    | <u>(3,478.36)</u> |

  

|  | Unit: Million US Dollar |                | Unit: Million Baht |                 |
|--|-------------------------|----------------|--------------------|-----------------|
|  | The Company             |                | The Company        |                 |
|  | 2012                    | 2011           | 2012               | 2011            |
| Realized gain (loss) on foreign currency translation   | (52.52)                 | 9.76           | (1,647.64)         | 290.72          |
| Unrealized gain (loss) on foreign currency translation | 56.04                   | (28.45)        | 1,757.55           | (866.55)        |
| Total  | <u>3.52</u>             | <u>(18.69)</u> | <u>109.91</u>      | <u>(575.83)</u> |

**23. Petroleum Royalties and Remuneration**

Petroleum royalties and remuneration for the nine-month periods ended September 30, 2012 and 2011 comprised:

|                               | Unit: Million US Dollar |               | Unit: Million Baht |                  |
|-------------------------------|-------------------------|---------------|--------------------|------------------|
|                               | Consolidated            |               | Consolidated       |                  |
|                               | 2012                    | 2011          | 2012               | 2011             |
| Petroleum royalties           | 560.56                  | 471.96        | 17,500.65          | 14,299.47        |
| Special remuneration benefits | 13.50                   | 5.87          | 421.47             | 178.02           |
| Total                         | <u>574.06</u>           | <u>477.83</u> | <u>17,922.12</u>   | <u>14,477.49</u> |

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|                               | Unit: Million US Dollar |        | Unit: Million Baht |          |
|-------------------------------|-------------------------|--------|--------------------|----------|
|                               | The Company             |        | The Company        |          |
|                               | 2012                    | 2011   | 2012               | 2011     |
| Petroleum royalties           | 309.25                  | 286.95 | 9,654.81           | 8,697.38 |
| Special remuneration benefits | -                       | -      | -                  | -        |
| Total                         | 309.25                  | 286.95 | 9,654.81           | 8,697.38 |

## 24. Earnings per Share

Basic earnings per share for the nine-month periods ended September 30, 2012 and 2011 are calculated as follows:

|  | Unit: Million US Dollar |          | Unit: Million Baht |           |
|--|-------------------------|----------|--------------------|-----------|
|  | Consolidated            |          | Consolidated       |           |
|  | 2012                    | 2011     | 2012               | 2011      |
| Net income attributable to owners of the parent (unit: million)    | 1,397.00                | 979.11   | 43,547.58          | 29,598.44 |
| <u>Less:</u> Interest expenses for subordinated capital debentures |                         |          |                    |           |
| (unit: million)  | (2.38)                  | -        | (73.75)            | -         |
| Net income used to determine basic earnings per share              | 1,394.62                | 979.11   | 43,473.83          | 29,598.44 |
| Weighted average number of ordinary shares                         |                         |          |                    |           |
| in issue during the period (million shares)                        | 3,319.99                | 3,318.77 | 3,319.99           | 3,318.77  |
| Basic earnings per share   | 0.42                    | 0.30     | 13.09              | 8.92      |



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|  | Unit: Million US Dollar |          | Unit: Million Baht |           |
|--|-------------------------|----------|--------------------|-----------|
|  | The Company             |          | The Company        |           |
|  | 2012                    | 2011     | 2012               | 2011      |
| Net income attributable to owners of the parent (unit: million)    | 1,122.37                | 724.93   | 34,895.74          | 21,937.61 |
| <u>Less:</u> Interest expenses for subordinated capital debentures |                         |          |                    |           |
| (unit: million)  | (2.38)                  | -        | (73.75)            | -         |
| Net income used to determine basic earnings per share              | 1,119.99                | 724.93   | 34,821.99          | 21,937.61 |
| Weighted average number of ordinary shares                         |                         |          |                    |           |
| in issue during the period (million shares)                        | 3,319.99                | 3,318.77 | 3,319.99           | 3,318.77  |
| Basic earnings per share   | 0.34                    | 0.22     | 10.49              | 6.61      |

Diluted earnings per share is calculated based on the weighted average number of ordinary shares in issue during the period adjusted with dilutive potential ordinary shares assuming that all dilutive potential ordinary shares are converted into ordinary shares. The Company has dilutive potential ordinary shares as a result from the warrants provided to employees in which the number of dilutive potential ordinary shares is calculated based on face value of the warrants (calculated from the weighted average price of the ordinary outstanding shares during the period). This calculation serves to determine the unpurchased shares to be added to the outside ordinary shares to compute the dilution; no adjustment is made to the net income.

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Diluted earnings per share for the nine-month periods ended September 30, 2012 and 2011 are calculated as follows:

|   | Unit: Million US Dollar |          | Unit: Million Baht |           |
|---|-------------------------|----------|--------------------|-----------|
|   | Consolidated            |          | Consolidated       |           |
|   | 2012                    | 2011     | 2012               | 2011      |
| Net income attributable to owners of the parent (unit: million)                               | 1,397.00                | 979.11   | 43,547.58          | 29,598.44 |
| <u>Less:</u> Interest expenses for subordinated capital debentures<br>(unit: million)         | (2.38)                  | -        | (73.75)            | -         |
| Net income used to determine diluted earnings per share (unit: million)                       | 1,394.62                | 979.11   | 43,473.83          | 29,598.44 |
| Weighted average number of ordinary shares  |                         |          |                    |           |
| in issue during the period (million shares)   | 3,319.99                | 3,318.77 | 3,319.99           | 3,318.77  |
| Adjustments for share options (million shares)  | -                       | -        | -                  | -         |
| Weighted average number of ordinary shares for<br>diluted earnings per share (million shares) | 3,319.99                | 3,318.77 | 3,319.99           | 3,318.77  |
| Diluted earnings per share  | 0.42                    | 0.30     | 13.09              | 8.92      |

|   | Unit: Million US Dollar |          | Unit: Million Baht |           |
|---|-------------------------|----------|--------------------|-----------|
|   | The Company             |          | The Company        |           |
|   | 2012                    | 2011     | 2012               | 2011      |
| Net income attributable to owners of the parent (unit: million)                               | 1,122.37                | 724.93   | 34,895.74          | 21,937.61 |
| <u>Less:</u> Interest expenses for subordinated capital debentures<br>(unit: million)         | (2.38)                  | -        | (73.75)            | -         |
| Net income used to determine diluted earnings per share (unit: million)                       | 1,119.99                | 724.93   | 34,821.99          | 21,937.61 |
| Weighted average number of ordinary shares  |                         |          |                    |           |
| in issue during the period (million shares)   | 3,319.99                | 3,318.77 | 3,319.99           | 3,318.77  |
| Adjustments for share options (million shares)  | -                       | -        | -                  | -         |
| Weighted average number of ordinary shares for<br>diluted earnings per share (million shares) | 3,319.99                | 3,318.77 | 3,319.99           | 3,318.77  |
| Diluted earnings per share  | 0.34                    | 0.22     | 10.49              | 6.61      |

## 25. Segment Information

## Primary reporting - business segments

Unit: Million US Dollar

|   | Consolidated financial information for the nine-month period ended September 30, 2012 |                       |           |               |         |             |                 |         |                           |                        |
|---|---|-----------------------|-----------|---------------|---------|-------------|-----------------|---------|---------------------------|------------------------|
|   | Exploration and production  |                       |           |               |         |             | Pipeline        | Others  | Inter-company elimination | Group's total business |
|   | Thailand  | Other South East Asia | Australia | North America | Africa  | Middle East | South East Asia |         |                           |                        |
| Revenues - Third parties                    | 318.73  | 459.77                | -         | 180.24        | -       | 11.34       | 113.55          | -       | -                         | 1,083.63               |
| - Related parties                           | 3,479.34  | 321.41                | -         | -             | -       | 76.52       | 120.88          | -       | (120.88)                  | 3,877.27               |
| Other revenues - Third parties              | 23.47   | -                     | 61.26     | 3.28          | -       | -           | 0.59            | 18.17   | (9.94)                    | 96.83                  |
| Total Revenues                              | 3,821.54  | 781.18                | 61.26     | 183.52        | -       | 87.86       | 235.02          | 18.17   | (130.82)                  | 5,057.73               |
| Operating expenses                          | 261.46  | 168.82                | 3.50      | 150.27        | -       | 20.72       | 5.89            | 1.14    | (124.27)                  | 487.53                 |
| Administrative expenses                     | 64.18   | 24.02                 | 15.06     | 16.46         | 8.45    | 4.65        | 1.79            | 5.63    | (1.71)                    | 138.53                 |
| Exploration expenses                        |   |                       |           |               |         |             |                 |         |                           |                        |
| - Amortization of dry holes and projects    | 21.11   | 10.79                 | 1.70      | -             | 12.18   | 20.96       | -               | -       | -                         | 66.74                  |
| - Geological and geophysical                | 13.89   | 23.52                 | 23.99     | 10.52         | 5.10    | 0.59        | -               | -       | -                         | 77.61                  |
| Depreciation, depletion and amortization    | 771.14  | 109.83                | 56.34     | 31.89         | 0.10    | 31.69       | 5.45            | 1.51    | -                         | 1,007.95               |
| Petroleum royalties and remuneration        | 489.25  | 79.78                 | -         | 5.03          | -       | -           | -               | -       | -                         | 574.06                 |
| Loss on financial derivatives               | -   | -                     | -         | -             | -       | -           | -               | 26.23   | -                         | 26.23                  |
| (Gain) loss on foreign exchange             | 2.67  | 1.12                  | (3.66)    | (0.06)        | 0.40    | -           | (0.06)          | (1.02)  | -                         | (0.61)                 |
| Impairment loss on assets                   | -   | -                     | 109.17    | -             | -       | -           | -               | -       | -                         | 109.17                 |
| Share of gain from associates               | -   | -                     | (1.38)    | -             | -       | -           | -               | (2.78)  | -                         | (4.16)                 |
| Total Expenses                              | 1,623.70  | 417.88                | 204.72    | 214.11        | 26.23   | 78.61       | 13.07           | 30.71   | (125.98)                  | 2,483.05               |
| Segment result                              | 2,197.84  | 363.30                | (143.46)  | (30.59)       | (26.23) | 9.25        | 221.95          | (12.54) | (4.84)                    | 2,574.68               |
| Depreciation - general                      |   |                       |           |               |         |             |                 |         |                           | (6.80)                 |
| Administrative expenses - general           |   |                       |           |               |         |             |                 |         |                           | (64.42)                |
| Operating profit                            |   |                       |           |               |         |             |                 |         |                           | 2,503.46               |
| Other income, net                           |   |                       |           |               |         |             |                 |         |                           | 12.63                  |
| Finance costs - Interest income             |   |                       |           |               |         |             |                 |         |                           | 10.24                  |
| - Interest expenses and other finance costs |   |                       |           |               |         |             |                 |         |                           | (127.53)               |
| Loss on foreign exchange                    |   |                       |           |               |         |             |                 |         |                           | (22.73)                |
| Management's remuneration                   |   |                       |           |               |         |             |                 |         |                           | (3.34)                 |
| Income before tax                           |   |                       |           |               |         |             |                 |         |                           | 2,372.73               |
| Tax - Project                               | (830.52)  | (134.49)              | (26.46)   | 18.79         | -       | (12.49)     | (61.79)         | (2.57)  |                           | (1,049.53)             |
| - the Group                                 |   |                       |           |               |         |             |                 |         |                           | 73.80                  |
| Net Profit (Loss)                           | 1,367.32  | 228.81                | (169.92)  | (11.80)       | (26.23) | (3.24)      | 160.16          | (15.11) |                           | 1,397.00               |

(TRANSLATION)

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Unit: Million US Dollar

|                                 | Consolidated financial information for the nine-month period ended September 30, 2012 |                       |           |               |          |             |                 |        |                           |                        |
|---------------------------------|---|-----------------------|-----------|---------------|----------|-------------|-----------------|--------|---------------------------|------------------------|
|                                 | Exploration and production  |                       |           |               |          |             | Pipeline        | Others | Inter-company elimination | Group's total business |
|                                 | Thailand  | Other South East Asia | Australia | North America | Africa   | Middle East | South East Asia |        |                           |                        |
| <b>Assets</b>                   |   |                       |           |               |          |             |                 |        |                           |                        |
| Segment assets                  | 5,497.16  | 1,450.71              | 2,883.78  | 2,927.96      | 2,878.96 | 145.19      | 220.73          | 111.82 |                           | 16,116.31              |
| Investments under equity method | -   | -                     | 3.82      | -             | -        | -           | -               | 26.88  |                           | 30.70                  |
| Unallocated assets              |   |                       |           |               |          |             |                 |        |                           | 1,111.55               |
| <b>Total assets</b>             |   |                       |           |               |          |             |                 |        |                           | <b>17,258.56</b>       |
| <b>Liabilities</b>              |   |                       |           |               |          |             |                 |        |                           |                        |
| Segment liabilities             | 2,506.95  | 290.31                | 336.55    | 670.54        | 658.74   | 77.94       | 39.09           | 16.56  |                           | 4,596.68               |
| Unallocated liabilities         |   |                       |           |               |          |             |                 |        |                           | 5,378.63               |
| <b>Total liabilities</b>        |   |                       |           |               |          |             |                 |        |                           | <b>9,975.31</b>        |
| <b>Capital Expenditures</b>     | 866.20  | 329.25                | 502.24    | 122.63        | 2,663.34 | 44.10       | 117.66          | 17.10  |                           | 4,662.52               |

## (TRANSLATION)

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Unit: Million Baht

|   | Consolidated financial statements for the nine-month period ended September 30, 2012 |                       |            |               |          |             |                 |          |                           |                        |
|---|--|-----------------------|------------|---------------|----------|-------------|-----------------|----------|---------------------------|------------------------|
|   | Exploration and production   |                       |            |               |          |             | Pipeline        | Others   | Inter-company elimination | Group's total business |
|   | Thailand   | Other South East Asia | Australia  | North America | Africa   | Middle East | South East Asia |          |                           |                        |
| Revenues - Third parties                    | 9,948.59   | 14,357.68             | -          | 5,625.56      | -        | 353.89      | 3,545.89        | -        | -                         | 33,831.61              |
| - Related parties                           | 108,613.82   | 10,046.42             | -          | -             | -        | 2,387.81    | 3,777.06        | -        | (3,777.06)                | 121,048.05             |
| Other revenues - Third parties              | 730.45   | -                     | 1,907.19   | 102.14        | -        | -           | 18.48           | 567.45   | (310.39)                  | 33,015.32              |
| Total Revenues                              | 119,292.86   | 24,404.10             | 1,907.19   | 5,727.70      | -        | 2,741.70    | 7,341.43        | 567.45   | (4,087.45)                | 157,894.98             |
| Operating expenses                          | 8,151.19   | 5,274.45              | 109.12     | 4,687.29      | -        | 648.45      | 183.92          | 35.84    | (33,882.94)               | 15,207.32              |
| Administrative expenses                     | 2,001.06   | 750.42                | 470.15     | 514.36        | 263.23   | 145.28      | 55.88           | 175.35   | (53.57)                   | 4,322.16               |
| Exploration expenses                        |  |                       |            |               |          |             |                 |          |                           |                        |
| - Amortization of dry holes and projects    | 656.76   | 335.66                | 52.48      | -             | 382.07   | 662.24      | -               | -        | -                         | 2,089.21               |
| - Geological and geophysical                | 435.34   | 734.07                | 755.74     | 332.35        | 158.65   | 18.51       | -               | -        | -                         | 2,434.66               |
| Depreciation, depletion and amortization    | 24,087.19  | 3,434.08              | 1,734.07   | 996.90        | 3.18     | 989.19      | 169.99          | 47.33    | -                         | 31,461.93              |
| Petroleum royalties and remuneration        | 15,272.88  | 2,492.16              | -          | 157.08        | -        | -           | -               | -        | -                         | 17,922.12              |
| Loss on financial derivatives               | -  | -                     | -          | -             | -        | -           | -               | 813.33   | -                         | 813.33                 |
| (Gain) loss on foreign exchange             | 87.67  | 35.03                 | (112.74)   | (1.88)        | 12.68    | -           | (1.94)          | (31.93)  | -                         | (13.11)                |
| Impairment loss on assets                   | -  | -                     | 3,455.13   | -             | -        | -           | -               | -        | -                         | 3,455.13               |
| Share of gain from associates               | -  | -                     | (42.88)    | -             | -        | -           | -               | (86.48)  | -                         | (129.36)               |
| Total Expenses                              | 50,692.09  | 13,055.87             | 6,421.07   | 6,686.10      | 819.81   | 2,463.67    | 407.85          | 953.44   | (3,936.51)                | 77,563.39              |
| Segment result                              | 68,600.77  | 11,348.23             | (4,513.88) | (958.40)      | (819.81) | 278.03      | 6,933.58        | (385.99) | (150.94)                  | 80,331.59              |
| Depreciation - general                      |  |                       |            |               |          |             |                 |          |                           | (211.99)               |
| Administrative expenses - general           |  |                       |            |               |          |             |                 |          |                           | (2,006.92)             |
| Operating profit                            |  |                       |            |               |          |             |                 |          |                           | 78,112.68              |
| Other income, net                           |  |                       |            |               |          |             |                 |          |                           | 400.80                 |
| Finance costs - Interest income             |  |                       |            |               |          |             |                 |          |                           | 320.75                 |
| - Interest expenses and other finance costs |  |                       |            |               |          |             |                 |          |                           | (3,988.00)             |
| Loss on foreign exchange                    |  |                       |            |               |          |             |                 |          |                           | (684.60)               |
| Management's remuneration                   |  |                       |            |               |          |             |                 |          |                           | (104.14)               |
| Income before tax                           |  |                       |            |               |          |             |                 |          |                           | 74,057.49              |
| Tax - Project                               | (25,936.37)  | (4,205.23)            | (845.67)   | 591.11        | -        | (393.80)    | (1,924.17)      | (80.57)  |                           | (32,794.70)            |
| - the Group                                 |  |                       |            |               |          |             |                 |          |                           | 2,284.79               |
| Net Profit (Loss)                           | 42,664.40  | 7,143.00              | (5,359.55) | (367.29)      | (819.81) | (115.77)    | 5,009.41        | (466.56) |                           | 43,547.58              |

(TRANSLATION)

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Unit: Million Baht

|                                 | Consolidated financial information for the nine-month period ended September 30, 2012 |                       |           |               |           |             |                 |          |                           |                        |
|---------------------------------|---|-----------------------|-----------|---------------|-----------|-------------|-----------------|----------|---------------------------|------------------------|
|                                 | Exploration and production  |                       |           |               |           |             | Pipeline        | Others   | Inter-company elimination | Group's total business |
|                                 | Thailand  | Other South East Asia | Australia | North America | Africa    | Middle East | South East Asia |          |                           |                        |
| <b>Assets</b>                   |   |                       |           |               |           |             |                 |          |                           |                        |
| Segment assets                  | 169,470.97  | 44,723.83             | 88,903.43 | 90,265.37     | 88,755.24 | 4,476.04    | 6,804.95        | 3,447.16 |                           | 496,846.99             |
| Investments under equity method | -   | -                     | 117.77    | -             | -         | -           | -               | 828.55   |                           | 946.32                 |
| Unallocated assets              |   |                       |           |               |           |             |                 |          |                           | 34,267.30              |
| <b>Total assets</b>             |   |                       |           |               |           |             |                 |          |                           | <b>532,060.61</b>      |
| <b>Liabilities</b>              |   |                       |           |               |           |             |                 |          |                           |                        |
| Segment liabilities             | 77,286.40   | 8,949.94              | 10,375.26 | 20,671.77     | 20,308.25 | 2,402.74    | 1,205.04        | 510.56   |                           | 141,709.96             |
| Unallocated liabilities         |   |                       |           |               |           |             |                 |          |                           | 165,816.81             |
| <b>Total Liabilities</b>        |   |                       |           |               |           |             |                 |          |                           | <b>307,526.77</b>      |
| <b>Capital Expenditures</b>     | 26,987.93   | 10,260.33             | 15,659.12 | 4,989.47      | 83,926.14 | 1,376.76    | 3,734.99        | 531.35   |                           | 147,466.09             |

## (TRANSLATION)

86

Unit: Million US Dollar

|   | Consolidated financial information for the nine-month period ended September 30, 2011 |                       |           |               |         |             |                 |        |                           |                        |
|---|---|-----------------------|-----------|---------------|---------|-------------|-----------------|--------|---------------------------|------------------------|
|   | Exploration and production  |                       |           |               |         |             | Pipeline        | Others | Inter-company elimination | Group's total business |
|   | Thailand  | Other South East Asia | Australia | North America | Africa  | Middle East | South East Asia |        |                           |                        |
| Revenues - Third parties                    | 299.13  | 126.17                | -         | 87.41         | -       | 12.10       | 93.04           | -      | -                         | 617.85                 |
| - Related parties                           | 3,168.01  | 257.67                | -         | -             | -       | 48.57       | 96.96           | -      | (96.96)                   | 3,474.25               |
| Other revenues - Third parties              | 13.24   | -                     | 25.93     | 0.04          | -       | -           | 0.58            | 19.98  | (10.90)                   | 48.87                  |
| Total Revenues                              | 3,480.38  | 383.84                | 25.93     | 87.45         | -       | 60.67       | 190.58          | 19.98  | (107.86)                  | 4,140.97               |
| Operating expenses                          | 307.80  | 118.61                | 9.70      | 89.50         | -       | 12.06       | 6.35            | 2.37   | (100.55)                  | 445.84                 |
| Administrative expenses                     | 61.23   | 13.41                 | 10.45     | 8.95          | 6.80    | 3.54        | 4.49            | 6.32   | (1.95)                    | 113.24                 |
| Exploration expenses                        |   |                       |           |               |         |             |                 |        |                           |                        |
| - Amortization of dry holes and projects    | 21.66   | 75.96                 | 15.55     | -             | 1.04    | 4.23        | -               | -      | -                         | 118.44                 |
| - Geological and geophysical                | 7.52  | 18.56                 | 4.09      | 33.01         | 6.68    | 1.52        | -               | -      | -                         | 71.38                  |
| Depreciation, depletion and amortization    | 686.49  | 46.58                 | 53.93     | 21.68         | 3.66    | 24.41       | 5.39            | 1.40   | -                         | 843.54                 |
| Petroleum royalties and remuneration        | 429.78  | 45.82                 | -         | 2.23          | -       | -           | -               | -      | -                         | 477.83                 |
| Loss on Montara incident                    | -   | -                     | 2.66      | -             | -       | -           | -               | -      | -                         | 2.66                   |
| Loss on financial derivatives               | -   | -                     | -         | -             | -       | -           | -               | 7.43   | -                         | 7.43                   |
| (Gain) loss on foreign exchange             | 6.52  | (0.32)                | (0.58)    | (0.04)        | -       | -           | -               | 1.35   | -                         | 6.93                   |
| Share of (gain) loss from associates        | -   | -                     | (0.11)    | -             | -       | -           | -               | (1.09) | -                         | (1.20)                 |
| Total Expenses                              | 1,521.00  | 318.62                | 95.69     | 155.33        | 18.18   | 45.76       | 16.23           | 17.78  | (102.50)                  | 2,086.09               |
| Segment result                              | 1,959.38  | 65.22                 | (69.76)   | (67.88)       | (18.18) | 14.91       | 174.35          | 2.20   | (5.36)                    | 2,054.88               |
| Depreciation - general                      |   |                       |           |               |         |             |                 |        |                           | (6.21)                 |
| Administrative expenses - general           |   |                       |           |               |         |             |                 |        |                           | (55.10)                |
| Operating profit                            |   |                       |           |               |         |             |                 |        |                           | 1,993.57               |
| Other income, net                           |   |                       |           |               |         |             |                 |        |                           | 2.28                   |
| Finance costs - Interest income             |   |                       |           |               |         |             |                 |        |                           | 10.07                  |
| - Interest expenses and other finance costs |   |                       |           |               |         |             |                 |        |                           | (88.39)                |
| Loss on foreign exchange                    |   |                       |           |               |         |             |                 |        |                           | (107.74)               |
| Management's remuneration                   |   |                       |           |               |         |             |                 |        |                           | (2.41)                 |
| Income before tax                           |   |                       |           |               |         |             |                 |        |                           | 1,807.38               |
| Tax - Project                               | (802.68)  | (63.55)               | 78.95     | 16.92         | -       | (9.62)      | (52.88)         | (2.85) |                           | (835.71)               |
| - the Group                                 |   |                       |           |               |         |             |                 |        |                           | 7.44                   |
| Net Profit (Loss)                           | 1,156.70  | 1.67                  | 9.19      | (50.96)       | (18.18) | 5.29        | 121.47          | (0.65) |                           | 979.11                 |

(TRANSLATION)

87

Unit: Million US Dollar

|                                 | Consolidated financial information for the nine-month period ended September 30, 2011 |                       |               |                 |              |              |                 |              |                           |                        |
|---------------------------------|---|-----------------------|---------------|-----------------|--------------|--------------|-----------------|--------------|---------------------------|------------------------|
|                                 | Exploration and production  |                       |               |                 |              |              | Pipeline        | Others       | Inter-company elimination | Group's total business |
|                                 | Thailand  | Other South East Asia | Australia     | North America   | Africa       | Middle East  | South East Asia |              |                           |                        |
| <b>Assets</b>                   |   |                       |               |                 |              |              |                 |              |                           |                        |
| Segment assets                  | 4,996.30  | 1,124.30              | 2,405.38      | 2,580.77        | 153.55       | 141.74       | 271.91          | 85.11        |                           | 11,759.06              |
| Investments under equity method | -   | -                     | 2.79          | -               | -            | -            | -               | 22.91        |                           | 25.70                  |
| Unallocated assets              |   |                       |               |                 |              |              |                 |              |                           | 1,540.19               |
| <b>Total assets</b>             |   |                       |               |                 |              |              |                 |              |                           | <b>13,324.95</b>       |
| <b>Liabilities</b>              |   |                       |               |                 |              |              |                 |              |                           |                        |
| Segment liabilities             | 2,320.50  | 231.84                | 391.29        | 632.37          | 37.91        | 68.01        | 124.38          | 16.56        |                           | 3,822.86               |
| Unallocated liabilities         |   |                       |               |                 |              |              |                 |              |                           | 3,659.71               |
| <b>Total liabilities</b>        |   |                       |               |                 |              |              |                 |              |                           | <b>7,482.57</b>        |
| <b>Capital Expenditures</b>     | <b>823.03</b>   | <b>344.62</b>         | <b>283.63</b> | <b>2,933.77</b> | <b>26.72</b> | <b>10.91</b> | <b>0.41</b>     | <b>16.92</b> |                           | <b>4,440.01</b>        |



## (TRANSLATION)

88

Unit: Million Baht

|   | Consolidated financial information for the nine-month period ended September 30, 2011 |                       |            |               |          |             |                 |         |                           |                        |
|---|---|-----------------------|------------|---------------|----------|-------------|-----------------|---------|---------------------------|------------------------|
|   | Exploration and production  |                       |            |               |          |             | Pipeline        | Others  | Inter-company elimination | Group's total business |
|   | Thailand  | Other South East Asia | Australia  | North America | Africa   | Middle East | South East Asia |         |                           |                        |
| Revenues - Third parties                    | 9,064.25  | 3,825.03              | -          | 2,642.06      | -        | 366.51      | 2,818.13        | -       | -                         | 18,715.98              |
| - Related parties                           | 95,999.03   | 7,805.56              | -          | -             | -        | 1,473.07    | 2,937.43        | -       | (2,937.43)                | 105,277.66             |
| Other revenues - Third parties              | 399.44  | 0.03                  | 789.86     | 1.21          | -        | -           | 17.73           | 589.03  | (313.89)                  | 1,483.41               |
| Total Revenues                              | 105,462.72  | 11,630.62             | 789.86     | 2,643.27      | -        | 1,839.58    | 5,773.29        | 589.03  | (3,251.32)                | 125,477.05             |
| Operating expenses                          | 9,308.78  | 3,593.18              | 294.83     | 2,706.68      | -        | 366.00      | 192.73          | 71.81   | (3,030.20)                | 13,503.81              |
| Administrative expenses                     | 1,857.54  | 407.23                | 316.99     | 270.46        | 206.16   | 106.63      | 136.22          | 191.52  | (58.94)                   | 3,433.81               |
| Exploration expenses                        |   |                       |            |               |          |             |                 |         |                           |                        |
| - Amortization of dry holes and projects    | 657.47  | 2,311.73              | 473.00     | -             | 31.69    | 128.49      | -               | -       | -                         | 3,602.38               |
| - Geological and geophysical                | 228.33  | 565.56                | 124.48     | 1,002.15      | 202.08   | 45.67       | -               | -       | -                         | 2,168.27               |
| Depreciation, depletion and amortization    | 20,807.20   | 1,411.47              | 1,639.32   | 650.34        | 111.78   | 740.05      | 163.37          | 42.58   | -                         | 25,566.11              |
| Petroleum royalties and remuneration        | 13,022.12   | 1,387.98              | -          | 67.39         | -        | -           | -               | -       | -                         | 14,477.49              |
| Loss from Montara incident                  | -   | -                     | 81.33      | -             | -        | -           | -               | -       | -                         | 81.33                  |
| Loss on financial derivatives               | -   | -                     | -          | -             | -        | -           | -               | 226.99  | -                         | 226.99                 |
| (Gain) loss on foreign exchange             | 212.04  | (10.01)               | (18.87)    | (1.08)        | (0.04)   | -           | 0.02            | 41.13   | -                         | 223.19                 |
| Share of (gain) loss from associates        | -   | -                     | (3.49)     | -             | -        | -           | -               | (33.19) | -                         | (36.68)                |
| Total Expenses                              | 46,093.48   | 9,667.14              | 2,907.59   | 4,695.94      | 551.67   | 1,386.84    | 492.34          | 540.84  | (3,089.14)                | 63,246.70              |
| Segment result                              | 59,369.24   | 1,963.48              | (2,117.73) | (2,052.67)    | (551.67) | 452.74      | 5,280.95        | 48.19   | (162.18)                  | 62,230.35              |
| Depreciation - general                      |   |                       |            |               |          |             |                 |         |                           | (188.23)               |
| Administrative expenses - general           |   |                       |            |               |          |             |                 |         |                           | (1,675.56)             |
| Operating profit                            |   |                       |            |               |          |             |                 |         |                           | 60,366.56              |
| Other income, net                           |   |                       |            |               |          |             |                 |         |                           | 69.69                  |
| Finance costs - Interest income             |   |                       |            |               |          |             |                 |         |                           | 305.04                 |
| - Interest expenses and other finance costs |   |                       |            |               |          |             |                 |         |                           | (2,678.79)             |
| Loss on foreign exchange                    |   |                       |            |               |          |             |                 |         |                           | (3,255.17)             |
| Management's remuneration                   |   |                       |            |               |          |             |                 |         |                           | (73.25)                |
| Income before tax                           |   |                       |            |               |          |             |                 |         |                           | 54,734.08              |
| Tax - Project                               | (24,342.65)   | (1,925.33)            | 2,383.47   | 511.87        | -        | (291.21)    | (1,602.23)      | (86.04) |                           | (25,352.12)            |
| - the Group                                 |   |                       |            |               |          |             |                 |         |                           | 216.48                 |
| Net Profit (Loss)                           | 35,026.59   | 38.15                 | 265.74     | (1,540.80)    | (551.67) | 161.53      | 3,678.72        | (37.85) |                           | 29,598.44              |

## (TRANSLATION)

89

Unit: Million Baht

|                                 | Consolidated financial information for the nine-month period ended September 30, 2011 |                       |                 |                  |               |               |                 |               |                           |                        |
|---------------------------------|---|-----------------------|-----------------|------------------|---------------|---------------|-----------------|---------------|---------------------------|------------------------|
|                                 | Exploration and production  |                       |                 |                  |               |               | Pipeline        | Others        | Inter-company elimination | Group's total business |
|                                 | Thailand  | Other South East Asia | Australia       | North America    | Africa        | Middle East   | South East Asia |               |                           |                        |
| <b>Assets</b>                   |   |                       |                 |                  |               |               |                 |               |                           |                        |
| Segment assets                  | 155,721.82  | 35,041.36             | 74,969.41       | 80,436.06        | 4,785.63      | 4,417.69      | 8,474.76        | 2,652.55      |                           | 366,499.28             |
| Investments under equity method | -   | -                     | 86.91           | -                | -             | -             | -               | 714.06        |                           | 800.97                 |
| Unallocated assets              |   |                       |                 |                  |               |               |                 |               |                           | 48,003.73              |
| <b>Total assets</b>             |   |                       |                 |                  |               |               |                 |               |                           | <b>415,303.98</b>      |
| <b>Liabilities</b>              |   |                       |                 |                  |               |               |                 |               |                           |                        |
| Segment liabilities             | 72,323.85   | 7,225.97              | 12,195.50       | 19,709.39        | 1,181.55      | 2,119.60      | 3,876.64        | 516.21        |                           | 119,148.71             |
| Unallocated liabilities         |   |                       |                 |                  |               |               |                 |               |                           | 114,063.69             |
| <b>Total liabilities</b>        |   |                       |                 |                  |               |               |                 |               |                           | <b>233,212.40</b>      |
| <b>Capital Expenditures</b>     | <b>25,045.52</b>  | <b>10,486.52</b>      | <b>8,619.61</b> | <b>86,921.71</b> | <b>882.99</b> | <b>331.95</b> | <b>12.35</b>    | <b>515.42</b> |                           | <b>132,762.07</b>      |

During the period, the Company had acquired Cove Energy Plc. as per details disclosed in Note 5 to the interim financial information. As a result of this acquisition, business operation in Africa becomes primary business segment. The company had adjusted the comparative segment information for the interim financial information as of September 30, 2010 to conform with changes in presentation in the current period.

The Group is organized into the following business segments:

- Exploration and production: The Group operates in oil and gas exploration and production both domestically and overseas, either as an operator or as a joint venture partner with international oil and gas companies. Most domestic projects are located in the Gulf of Thailand. Overseas projects are located in Southeast Asia, Australia, North America, Africa, the Middle East and others. As at the financial statement date, the Group had 20 projects in the production phase and 24 projects in the development and exploration phases.
- Overseas pipelines: The Group has investments with its joint venture partners to operate pipelines to transport natural gas from the exploration and production projects where the Group has working interests i.e., the Yadana and Yetagun projects.
- Others: The Group's other operations consist mainly of investments in projects strategically connected to the energy business; this does not constitute a separately reportable segment.

#### Secondary reporting – geographical segments

The Group's two main business segments are managed on a worldwide basis. They are operated in five main geographical areas:

Unit: Million US Dollar

#### Consolidated financial statements for the nine-month period ended September 30, 2012

|                           | Thailand | Other Southeast<br>Asia | Australia | North<br>America | Africa   | Middle East | Group's<br>total business |
|---------------------------|----------|-------------------------|-----------|------------------|----------|-------------|---------------------------|
| Revenues - Third parties  | 318.73   | 573.32                  | -         | 180.24           | -        | 11.34       | 1,083.63                  |
| - Related parties         | 3,479.34 | 321.41                  | -         | -                | -        | 76.52       | 3,877.27                  |
| Segment assets            | 5,608.98 | 1,671.44                | 2,883.78  | 2,927.96         | 2,878.96 | 145.19      | 16,116.31                 |
| Investments under equity  | 26.88    | -                       | 3.82      | -                | -        | -           | 30.70                     |
| Capital expenditures      | 883.30   | 446.91                  | 502.24    | 122.63           | 2,663.34 | 44.10       | 4,662.52                  |
| Consolidated total assets | 6,747.41 | 1,671.44                | 2,887.60  | 2,927.96         | 2,878.96 | 145.19      | 17,258.56                 |

Unit: Million Baht

#### Consolidated financial statements for the nine-month period ended September 30, 2012

|                           | Thailand   | Other Southeast<br>Asia | Australia | North<br>America | Africa    | Middle East | Group's<br>total business |
|---------------------------|------------|-------------------------|-----------|------------------|-----------|-------------|---------------------------|
| Revenues - Third parties  | 9,948.59   | 17,903.57               | -         | 5,625.56         | -         | 353.89      | 33,831.61                 |
| - Related parties         | 108,613.82 | 10,046.42               | -         | -                | -         | 2,387.81    | 121,048.05                |
| Segment assets            | 172,918.13 | 51,528.78               | 88,903.43 | 90,265.37        | 88,755.24 | 4,476.04    | 496,846.99                |
| Investments under equity  | 828.55     | -                       | 117.77    | -                | -         | -           | 946.32                    |
| Capital expenditures      | 27,519.28  | 13,995.32               | 15,659.12 | 4,989.47         | 83,926.14 | 1,376.76    | 147,466.09                |
| Consolidated total assets | 208,013.98 | 51,528.78               | 89,021.20 | 90,265.37        | 88,755.24 | 4,476.04    | 532,060.61                |

Unit: Million US Dollar

## Consolidated financial statements for the nine-month period ended September 30, 2011

|                           | Thailand | Other<br>Southeast<br>Asia | Australia | North<br>America | Africa | Middle East | Group's<br>total business |
|---------------------------|----------|----------------------------|-----------|------------------|--------|-------------|---------------------------|
| Revenues - Third parties  | 299.13   | 219.21                     | -         | 87.41            | -      | 12.10       | 617.85                    |
| - Related parties         | 3,168.01 | 257.67                     | -         | -                | -      | 48.57       | 3,474.25                  |
| Segment assets            | 5,081.41 | 1,396.21                   | 2,405.38  | 2,580.77         | 153.55 | 141.74      | 11,759.06                 |
| Investments under equity  | 22.91    | -                          | 2.79      | -                | -      | -           | 25.70                     |
| Capital expenditures      | 839.95   | 345.03                     | 283.63    | 2,933.77         | 26.72  | 10.91       | 4,440.01                  |
| Consolidated total assets | 6,644.51 | 1,396.21                   | 2,408.17  | 2,580.77         | 153.55 | 141.74      | 13,324.95                 |

Unit: Million Baht

## Consolidated financial statements for the nine-month period ended September 30, 2011

|                                 | Thailand   | Other<br>Southeast<br>Asia | Australia | North<br>America | Africa   | Middle East | Group's<br>total business |
|---------------------------------|------------|----------------------------|-----------|------------------|----------|-------------|---------------------------|
| Revenues - Third parties        | 9,064.25   | 6,643.16                   | -         | 2,642.06         | -        | 366.51      | 18,715.98                 |
| - Related parties               | 95,999.03  | 7,805.56                   | -         | -                | -        | 1,473.07    | 105,277.66                |
| Segment assets                  | 158,374.37 | 43,516.12                  | 74,969.41 | 80,436.06        | 4,785.63 | 4,417.69    | 366,499.28                |
| Investments under equity method | 714.06     | -                          | 86.91     | -                | -        | -           | 800.97                    |
| Capital expenditures            | 25,560.94  | 10,498.87                  | 8,619.61  | 86,921.71        | 828.99   | 331.95      | 132,762.07                |
| Consolidated total assets       | 207,092.16 | 43,516.12                  | 75,056.32 | 80,436.06        | 4,785.63 | 4,417.69    | 415,303.98                |

## 26. Dividends

On March 28, 2012, the annual general meeting of the shareholders approved payment of a dividend for the year 2011 of Baht 5.40 per share. The Company made interim dividend payment for the first half-year operations of 2011 at the rate of Baht 2.61 per share on August 29, 2011 and for the second half-year operations of 2011 at the rate of Baht 2.79 per share on April 10, 2012.

On July 23, 2012, the Board of Directors' meeting approved payment of an interim dividend for the first half - year operations of 2012 at the rate of Baht 2.80 per share. The Company made an interim dividend payment on August 22, 2012.

## 27. Commitments and Contingent Liabilities

- Commitment under operating leases – the Group as a lessee

The future minimum lease payments for the non-cancellable operating leases as at September 30, 2012 and December 31, 2011 are as follows:

|                     | Unit: Million US Dollar |              | Unit: Million Baht |              |
|---------------------|-------------------------|--------------|--------------------|--------------|
|                     | Consolidated            |              | Consolidated       |              |
|                     | September 30,           | December 31, | September 30,      | December 31, |
|                     | 2012                    | 2011         | 2012               | 2011         |
| Within 1 year       | 72.66                   | 73.16        | 2,239.14           | 2,318.42     |
| Between 1 - 5 years | 111.73                  | 129.57       | 3,444.90           | 4,106.54     |
| Over 5 years        | 67.83                   | 74.75        | 2,090.96           | 2,368.87     |
| Total               | 252.22                  | 277.48       | 7,775.00           | 8,793.83     |

|                     | Unit: Million US Dollar |              | Unit: Million Baht |              |
|---------------------|-------------------------|--------------|--------------------|--------------|
|                     | The Company             |              | The Company        |              |
|                     | September 30,           | December 31, | September 30,      | December 31, |
|                     | 2012                    | 2011         | 2012               | 2011         |
| Within 1 year       | 56.06                   | 47.28        | 1,727.81           | 1,498.26     |
| Between 1 - 5 years | 33.62                   | 51.45        | 1,036.79           | 1,630.46     |
| Over 5 years        | 0.33                    | 0.29         | 10.05              | 9.23         |
| Total               | 90.01                   | 99.02        | 2,774.65           | 3,137.95     |

- Commitment from loans agreements

- The Company has a subordinated loan agreement with Energy Complex Company Limited (EnCo), with the loan limit of Baht 1,250 million. The agreement shall continue for 13 years and 6 months effective from April 2, 2009. The total value of loans provided by the Company as at September 30, 2012 was US Dollar 18.81 million (Baht 580 million).

- Commitment from loan and bond guarantee of subsidiaries.

- The Company has commitment from unsecured and unsubordinated bond guarantee for PTTEP Australia International Finance Pty Ltd (PTTEP AIF) with US Dollar 700 million credit facilities.

- The Company has commitment from loan guarantee for PTTEP Offshore Investment Company Limited (PTTEPO) with US Dollar 575 million and GBP 950 million credit facilities.
- The Company has commitment from unsecured and unsubordinated bond guarantee for, and loan to PTTEP Canada International Finance Limited (PTTEP CIF) with US Dollar 1,200 million and CA Dollar 475 million credit facilities, respectively.

■ Obligation under Gas Sale Agreement

According to Gas Sales Agreement of MTJDA B-17 Project, if the sellers fail to deliver the quantity of natural gas notified by the buyer on the date agreed upon, the buyer has the right to take the deficient quantity of natural gas (Shortfall) at a price equal to 75% of the current price applicable at the time the Shortfall occurred. PTT, the buyer, has nominated quantities of natural gas since late December 2009 but PTTEPI and joint venture partner, the seller, could not deliver the natural gas nominated by PTT. However, MTJDA-B17 Project started up its commercial production on February 5, 2010. PTTEPI and the joint venture partner may have an obligation for the Shortfall that occurred since late December 2009 to February 5, 2010 by selling the deficient amount of gas at the 75% discounted price as per GSA with the approximate total cost for PTTEPI of US Dollar 3.56 million (Baht 109.61 million). Currently, negotiation between the buyer (PTT) and the sellers are in process.

In addition, on September 30, 2012 PTTEPI may have an obligation for the Shortfall of as per GSA mentioned above due to a problem with the production equipment which resulted in the temporary stop of its operation with the approximate total cost for PTTEP of US Dollar 1.50 million (Baht 46.38 million). Currently, negotiation between the buyer (PTT) and the sellers are in process.

■ Contingent liabilities

- On August 26, 2010, PTTEP Australasia Pty Ltd (PTTEP AA) received a letter claiming for compensation relating to the incident of oil and natural gas leak in Montara area under PTTEP Australasia project from the Government of Indonesia. Subsequently on September 1, 2010, PTTEP AA submitted the letter rejecting the claim for the compensation because the evidence provided by the Government of Indonesia is considered unproven and unsubstantiated and it did not have a prove verifiable scientific evidence to support the claim. Currently, the Company is in discussion with the Government of Indonesia to agree on the Memorandum of Understanding. The discussion is on-going and the conclusion regarding to this matter has not been finalized.

- As at September 30, 2012, the Company had contingent liabilities in the form of letters of guarantee amounting to US Dollar 33.51 million (Baht 1,033.03 million) for the Company's financial statements and US Dollar 51.71 million (Baht 1,594.06 million) for the consolidated financial statements.
- Significant litigation

Cove Energy Plc. (Cove), a subsidiary of the Company has been claimed by The Tanzanian Revenue Authority (TRA) for the additional Value Added Tax (VAT), including interest based on the Farm-in agreement made in 2009. The TRA has requested for the additional payment of VAT including interest total to US Dollar 0.51 million (Baht 15.69 million). Cove is currently negotiated with the TRA. However, in order for Cove to proceed for the negotiation, the TRA has requested Cove to pay the one-third of the assessed amount total to US Dollar 0.17 million (Baht 5.23 million) upfront in which Cove has paid in June 2012.

The Company has already recognized the remaining amount of assessed claim, plus interest total to US Dollar 0.34 million (Baht 10.46 million) in the interim consolidated financial information as at September 30, 2012.

## 28. Significant Events during the Period

- On December 29, 2011, PTT Exploration and Production Public Company Limited (PTTEP) and other joint venture partners in the Arthit project which comprise of Chevron Thailand Exploration and Production, Ltd. (Chevron) and Moeco Thailand Co., Ltd. (MOECO), have re-entered into the North Arthit Participation Agreement. The participation interest under the agreement for PTTEP, Chevron, and MOECO are 80%, 16%, and 4%, respectively. The natural gas reserve from the Arthit – North Arthit project will be produced on the Arthit's production rig, the same as the normal production of the Arthit project. The North Arthit Participation Agreement was effective in January 2012 and PTTEP had received the payment for re-entering for participation rights in February 2012.
- On January 5, 2012, PTTEP International Limited (PTTEPI) entered into a Joint Operating Agreement in the Zawtika project with Myanmar Oil and Gas Enterprise (MOGE). Under the Production Sharing Contract, MOGE will hold 20% of participation interest in the Zawtika project and with a supplementary arrangement between PTTEPI and MOGE, MOGE has rights to invest in the project after the development project has been approved by paying the actual expenditures of the participation interest. However, PTTEPI will maintain 80% of participation interest and will be operator of this project. The agreement was retroactively effective from August 15, 2011.

- On January 5, 2012, PTTEP Offshore Investment Limited (PTTEPO) with Myanmar Oil and Gas Enterprise (MOGE) has entered into Shareholders Agreement with Andaman Transportation Limited (ATL) to invest in Myanmar Zawtika gas transportation project. The MOGE's investment is under 'the Agreement Establishing the Rights and Obligations of the Andaman Transportation Limited', which stated that, if MOGE exercised its rights to invest 20% of participation interest under the Production Sharing Contract, MOGE will have rights to invest in the common stock of ATL at the same proportion. As a result of entering into this agreement, the proportion of shareholders' interest of PTTEPO in ATL has been changed to 80% and MOGE has held another 20% shareholders interest effective on the date that both parties signed the agreement. The proportion change in the investment resulted in the change of ATL from a subsidiary to a jointly controlled entity. MOGE had paid for the actual participation interest totaling to US Dollar 6.22 million and paid for an increase in capital of its shareholders interest of US Dollar 12,500.
- On January 18, 2012, PTTEP International Limited (PTTEPI) which holds the concession block G9/48, had fulfilled its phase 2 exploration obligation under concession and had notified to the Department of Mineral Fuels to terminate and relinquish this concession block. The notification will be effective upon the approval from the Department of Mineral Fuels.
- On February 1, 2012, PTTEP International Limited (PTTEPI) had terminated and relinquished the exploration block M7 in the Union of Myanmar after fulfillment of the exploration work commitment.
- On September 29, 2011, PTTEP Australasia Pty Limited withdrew the entire 20% of participation interest from the concession WA378P of the PTTEP Australasia Project in Australia. The withdrawal was officially approved by the government of Australia on March 7, 2012.
- On March 27, 2012, PTTEP Australasia Pty Limited withdrew the 35% of participation interest from the concession block ACP32P of the PTTEP Australasia Project in Australia. The withdrawal was officially approved by the government of Australia on August 8, 2012.
- On April 10, 2012, PTTEP Rommana Company Limited and joint venture had terminated their 30% joint interest from the Rommana concession block in Arab Republic of Egypt. The termination was officially approved by the government of Arab Republic of Egypt on April 11, 2012.
- On June 6, 2012, PTTEP South Asia Limited (PTTEP SA) together with Win Precious Resources Pte. Ltd (WPR) have been selected to operate exploration blocks PSC-G and EP-2 in the Myanmar Onshore Blocks in the Republic of the Union of Myanmar with the participating interests of 90% and 10% respectively.
- On July 20, 2012, the Board of Directors of the Company passed a resolution to approve the following transactions;



- A decrease in the Company's authorized share capital from Baht 3,322,000,000 to Baht 3,319,985,400 by cancelling the Company's unissued ordinary share of 2,014,600 shares at the par value of Baht 1.00 per share. The total reduction of authorized share capital is Baht 2,014,600.
- An increase in the Company's authorized share capital from Baht 3,319,985,400 to Baht 3,969,985,400 by issuing ordinary shares of 650,000,000 shares at the par value of Baht 1.00 per share. The offering price will be derived from a price discovery process in which demand indications are collected from institutional investors both domestic and international (Book Building process) and the offering price will be the same for all groups of investor. The allocations of these new registered ordinary shares are as follows;
  1. Allocation of new ordinary shares of up to 403,395,000 shares at the price derived from the Book Building process to PTT Public Company Limited to enable PTT Public Company Limited to maintain its existing shareholding ratio in the Company at approximately 65.29% of the Company's total issued shares after the proposed Offering (but prior to the allocation of newly issued ordinary shares to the over-allotment agent) or not less than 64.75% of the total issued shares where the over-allotment agent exercises its rights to purchase all of newly issued shares of the Company
  2. Allocation of new ordinary shares of up to 214,443,000 shares and 32,162,000 shares to retail investors and the Overallotment Agent, respectively.

The capital decrease, capital increase and the allocation of new ordinary shares above were subject to the approval by the Company's extraordinary shareholders' meeting No. 1/2012 scheduled for August 24, 2012. However, on August 23, 2012, the Board of Directors had cancelled the this extraordinary shareholders' meeting because the Boards had received comments from some shareholders asking for additional time to study the details of the proposed capital increased prior to the approval.

- On September 20, 2012, PTTEP Australia Timor Sea Pty Ltd has been officially approved by the Australian government for the transfer of 50% participating interests in the concession block APC 17 under the PTTEP Australasia project from the existing joint venture partner, resulting in the Company holding a 100% participation interest in the concession block.
- On September 3, 2012, PTTEP International Limited (PTTEPI), which is an operator and a sole owner of shares in concession block M11, entered into the Farmout Agreement with Total E&P Myanmar (Total) and JX Nippon Oil&Gas Exploration (Myanmar) Limited (JX Myanmar) in which,

PTTEPI transferred the 40% and 15% participation interest to Total and JX Myanmar, respectively. However, PTTEPI maintain itself as an operator and hold the participation interest of 45%. The agreement will be effective upon the approval from the government of the Republic of the Union of Myanmar.

- On September 27, 2012, the Board of Directors of the Company passed a resolution to approve the capital decrease, the capital increase, and the allocation of new ordinary shares as follows;

- Decrease of registered capital

A decrease in the Company's authorized share capital from Baht 3,322,000,000 to Baht 3,319,985,400 by cancelling the Company's unissued ordinary share of 2,014,600 shares at the par value of Baht 1.00 per share. The total reduction of authorized share capital is Baht 2,014,600. This capital decrease is subject to the approval by the Company's extraordinary shareholders' meeting scheduled for October 29, 2012.

- Increase of registered capital and allocation of new ordinary shares

An increase in the Company's authorized share capital from Baht 3,319,985,400 to Baht 3,969,985,400 by issuing ordinary shares of 650,000,000 shares at the par value of Baht 1.00 per share. The Company will sell the share through the preferential public offering to all eligible existing shareholders as per following details;

- 1) Allocation of new ordinary shares of up to 650,000,000 shares at the par value of Baht 1.00 per share to all eligible existing shareholders on a pro-rata basis based on its shareholding prior to the allocation.
- 2) If there are shares remaining from 1) above, the remaining shares will be allocated to shareholders who over subscribe of their entitlement on a pro-rata basis for at least one more round.

In the event there are remaining shares from allocation to eligible existing shareholders, the Company may offer such shares to limited institutional investors, excluding PTT. This capital increase is subject to the approval by the Company's extraordinary shareholders' meeting scheduled for October 29, 2012.

## 29. Events after the Reporting Period

- The Audit Committee of the Company authorized for the issue of these interim financial statements on October 24, 2012.
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