

The background of the page is a grayscale image of Thai text, which is heavily blurred. In the center, there is a solid orange rectangle. The text 'Financial Report 2013' is written in white, sans-serif font inside this rectangle.

Financial Report  
2013

PTT Public Company Limited

# Report of Board of Directors' Responsibilities for the Financial Reporting

## To Shareholders,

The Board of Directors is responsible for the separate and consolidated financial statements of PTT Public Company Limited and its subsidiaries. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles. The financial statements are prepared under appropriate accounting policies and applied consistently by using careful judgment and the best estimation. Important information is adequately and transparently disclosed in the notes to financial statements for the benefits to company's shareholders and investors.

The Board of Directors provides good corporate governance and maintains the risk management system and internal controls to ensure that accounting records are accurate, reliable, timely and adequate to protect the company's assets as well as to prevent fraud and significant irregular operations.

The Board of Directors has appointed an Audit Committee comprising independent directors to be responsible for reviewing the reliability and correctness of financial reports as well as evaluating the effectiveness of internal control system and internal audit. The audit committee's comments on these issues are presented in the audit committee report included in this annual report.

The Board of Directors considers that the internal control system and the internal audit of the company provide credibility and reliability to the separate and consolidated financial statements of PTT Public Company Limited and its subsidiaries for the year ended December 31, 2013. The Board of Directors also believes that the financial position, financial results and cash flows, audited by the independent auditors (The Office of Auditor General of Thailand), are fairly presented in all material respects with generally accepted principles. The auditors' opinion is presented in the auditors' report as part of this annual report.



(Mr. Parnpree Bahiddha-Nukara)  
Chairman of the Board



(Mr. Pailin Chuchottaworn)  
President & Chief Executive Officer

# Auditor's Report



## To: The Shareholders of PTT Public Company Limited

The Office of the Auditor General of Thailand has audited the accompanying consolidated and separate financial statements of PTT Public Company Limited and its subsidiaries and of PTT Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2013, and the related consolidated and separate statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

The Office of the Auditor General of Thailand's responsibility is to express an opinion on these consolidated and separate financial statements based on audit by The Office of the Auditor General of Thailand. The Office of the Auditor General of Thailand conducted the audit in accordance with Thai Standards on Auditing. Those standards require that The Office of the Auditor General of Thailand comply with ethical requirements and plans and performs the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated and separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated and separate financial statements.

The Office of the Auditor General of Thailand believes that the audit evidence The Office of the Auditor General of Thailand has obtained is sufficient and appropriate to provide a basis for The Office of the Auditor General of Thailand's audit opinion.

## Opinion

In The Office of the Auditor General of Thailand's opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of PTT Public Company Limited and its subsidiaries and of PTT Public Company Limited, respectively, as at December 31, 2013, and the consolidated and separate financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

# Statements of Financial Position

PTT Public Company Limited and Its Subsidiaries  
As at December 31, 2013

Unit: Baht

| Consolidated financial statements   |            |                          |                          |                          |
|-------------------------------------|------------|--------------------------|--------------------------|--------------------------|
|                                     | Notes      | December 31, 2013        | December 31, 2012        | January 1, 2012          |
|                                     |            |                          | (Restated)               | (Restated)               |
| <b>Assets</b>                       |            |                          |                          |                          |
| <b>Current assets</b>               |            |                          |                          |                          |
| Cash and cash equivalents           | 4          | 157,683,491,128          | 136,924,059,497          | 116,140,748,664          |
| Current investments                 | 5          | 2,686,762,234            | 6,409,130,942            | 10,965,327,187           |
| Trade accounts receivable           | 6          | 277,590,157,759          | 243,302,768,200          | 171,363,389,790          |
| Other accounts receivable           | 7          | 33,408,288,440           | 35,518,711,526           | 32,607,433,541           |
| Short-term loans                    | 8.1        | 64,872,611               | 96,963,625               | 5,006,179,535            |
| Inventories                         | 10         | 28,798,420,700           | 28,485,002,827           | 26,000,290,599           |
| Materials and supplies              | 11         | 15,373,990,913           | 13,759,453,958           | 13,154,729,808           |
| Other current assets                |            | 7,537,674,673            | 7,649,853,611            | 5,892,890,334            |
| <b>Total current assets</b>         |            | <b>523,143,658,458</b>   | <b>472,145,944,186</b>   | <b>381,130,989,458</b>   |
| <b>Non-current assets</b>           |            |                          |                          |                          |
| Available-for-sale investments      | 13         | 12,599,437,150           | 12,972,329,762           | 11,680,416,176           |
| Investments in associates           | 12.3, 12.5 | 246,077,891,770          | 235,824,954,838          | 229,186,804,347          |
| Other long-term investments         | 14         | 2,200,487,645            | 2,015,962,592            | 1,749,852,705            |
| Long-term other accounts receivable | 9.3        | 4,113,667,765            | -                        | -                        |
| Long-term loans                     | 8.2        | 12,068,887               | 106,876,899              | 145,763,221              |
| Investment properties               | 15         | 6,271,885,813            | 8,091,476,115            | 8,345,289,339            |
| Property, plant and equipment       | 16         | 740,648,759,853          | 650,560,972,746          | 598,919,837,641          |
| Intangible assets                   | 17         | 124,897,891,717          | 116,869,960,206          | 52,613,548,903           |
| Mining properties                   | 18         | 35,219,196,833           | 35,232,829,214           | 33,179,840,150           |
| Goodwill                            | 19         | 51,851,230,849           | 46,501,137,197           | 28,432,570,328           |
| Deferred tax assets                 | 20         | 14,380,538,092           | 14,501,162,925           | 19,318,398,602           |
| Advance payments for gas purchases  | 21         | 4,690,553,961            | 5,688,535,719            | 7,346,227,917            |
| Other non-current assets            | 22         | 35,614,304,802           | 28,998,888,782           | 28,697,386,801           |
| <b>Total non-current assets</b>     |            | <b>1,278,577,915,137</b> | <b>1,157,365,086,995</b> | <b>1,019,615,936,130</b> |
| <b>Total assets</b>                 |            | <b>1,801,721,573,595</b> | <b>1,629,511,031,181</b> | <b>1,400,746,925,588</b> |

The accompanying notes are an integral part of these financial statements.

# Statements of Financial Position

PTT Public Company Limited and Its Subsidiaries  
As at December 31, 2013

Unit: Baht

| Consolidated financial statements                                |       |                        |                        |                        |
|--|-------|------------------------|------------------------|------------------------|
|  | Notes | December 31, 2013      | December 31, 2012      | January 1, 2012        |
|  |       |                        | (Restated)             | (Restated)             |
| <b>Liabilities and Equity</b>                                    |       |                        |                        |                        |
| <b>Current liabilities</b>                                       |       |                        |                        |                        |
| Bank overdrafts and short-term loans from financial institutions | 23    | 14,336,398,239         | 17,838,765,801         | 15,520,544,127         |
| Trade accounts payable   |       | 271,145,292,628        | 254,703,607,179        | 195,843,431,422        |
| Other accounts payable   |       | 32,662,151,824         | 32,534,053,787         | 35,907,756,579         |
| Current portion of long-term loans                               | 25    | 45,943,600,614         | 39,830,539,437         | 54,975,607,834         |
| Income tax payable   |       | 32,842,896,686         | 29,350,407,478         | 26,355,835,574         |
| Short-term provision for decommissioning costs                   | 27    | 379,117,509            | 635,885,605            | 2,312,666,525          |
| Other current liabilities  | 24    | 9,098,323,274          | 5,997,304,893          | 4,599,110,120          |
| <b>Total current liabilities</b>                                 |       | <b>406,407,780,774</b> | <b>380,890,564,180</b> | <b>335,514,952,181</b> |
| <b>Non-current liabilities</b>                                   |       |                        |                        |                        |
| Other long-term accounts payable                                 | 9.6   | 617,568,562            | 638,934,980            | 671,712,624            |
| Long-term loans  | 25    | 422,563,231,772        | 397,513,614,087        | 337,321,934,491        |
| Deferred tax liabilities   | 20    | 66,891,140,591         | 60,020,894,095         | 42,936,685,814         |
| Employee benefit obligations                                     | 26    | 6,234,514,712          | 5,821,286,587          | 5,499,998,524          |
| Long-term provision for decommissioning costs                    | 27    | 39,494,733,902         | 33,126,533,149         | 22,628,852,001         |
| Deposits on LPG cylinders  |       | 8,098,457,278          | 7,270,500,508          | 6,567,504,468          |
| Other non-current liabilities                                    | 28    | 28,235,938,946         | 14,332,621,408         | 6,981,535,136          |
| <b>Total non-current liabilities</b>                             |       | <b>572,135,585,763</b> | <b>518,724,384,814</b> | <b>422,608,223,058</b> |
| <b>Total liabilities</b>   |       | <b>978,543,366,537</b> | <b>899,614,948,994</b> | <b>758,123,175,239</b> |

The accompanying notes are an integral part of these financial statements.

# Statements of Financial Position

PTT Public Company Limited and Its Subsidiaries  
As at December 31, 2013

Unit: Baht

| Consolidated financial statements                          |       |                          |                          |                          |
|--|-------|--------------------------|--------------------------|--------------------------|
|  | Notes | December 31, 2013        | December 31, 2012        | January 1, 2012          |
|  |       |                          | (Restated)               | (Restated)               |
| <b>Liabilities and Equity (Continued)</b>                  |       |                          |                          |                          |
| <b>Equity</b>  |       |                          |                          |                          |
| Share capital  |       |                          |                          |                          |
| Authorized share capital                                   |       |                          |                          |                          |
|  | 29.1  | 28,572,457,250           | 28,572,457,250           | 28,572,457,250           |
| Issued and paid-up share capital                           |       |                          |                          |                          |
|  | 29.2  | 28,562,996,250           | 28,562,996,250           | 28,562,996,250           |
|  | 29.2  | 29,211,131,966           | 29,211,131,966           | 29,211,131,966           |
| Retained earnings  |       |                          |                          |                          |
| Appropriated   |       |                          |                          |                          |
|  | 30.1  | 2,857,245,725            | 2,857,245,725            | 2,857,245,725            |
|  | 30.2  | 1,056,666,504            | 1,075,397,000            | 1,034,861,938            |
|  |       | 630,373,765,260          | 572,851,045,126          | 502,640,394,558          |
| Unappropriated   |       |                          |                          |                          |
|  |       | (9,415,146,275)          | (30,637,639,547)         | (9,633,144,102)          |
| Total equity attributable to equity holders of the Company |       |                          |                          |                          |
|  |       | 682,646,659,430          | 603,920,176,520          | 554,673,486,335          |
| Non-controlling interests                                  |       |                          |                          |                          |
|  |       | 140,531,547,628          | 125,975,905,667          | 87,950,264,014           |
| <b>Total equity</b>  |       |                          |                          |                          |
|  |       | <b>823,178,207,058</b>   | <b>729,896,082,187</b>   | <b>642,623,750,349</b>   |
| <b>Total liabilities and equity</b>                        |       |                          |                          |                          |
|  |       | <b>1,801,721,573,595</b> | <b>1,629,511,031,181</b> | <b>1,400,746,925,588</b> |

(Pailin Chuchottaworn)  
President & Chief Executive Officer

(Surong Bulakul)  
Chief Financial Officer

# Statements of Financial Position

PTT Public Company Limited and Its Subsidiaries  
As at December 31, 2013

Unit: Baht

|  | Notes | Separate financial statements |                        |
|--|-------|-------------------------------|------------------------|
|  |       | December 31, 2013             | December 31, 2012      |
| <b>Assets</b>                              |       |                               |                        |
| <b>Current assets</b>                      |       |                               |                        |
| Cash and cash equivalents                  | 4     | 63,926,767,557                | 47,641,480,500         |
| Current investments                        | 5     | 1,613,158,851                 | 5,239,140,831          |
| Trade accounts receivable                  | 6     | 240,640,978,101               | 228,369,994,840        |
| Other accounts receivable                  | 7     | 20,270,430,530                | 20,988,783,109         |
| Short-term loans                           | 8.1   | 9,730,690,842                 | 2,121,224,194          |
| Inventories                                | 10    | 19,405,613,343                | 18,091,026,442         |
| Materials and supplies                     | 11    | 3,845,488,604                 | 3,734,419,855          |
| Other current assets                       |       | 3,894,247,325                 | 4,053,049,693          |
| <b>Total current assets</b>                |       | <b>363,327,375,153</b>        | <b>330,239,119,464</b> |
| <b>Non-current assets</b>                  |       |                               |                        |
| Available-for-sale investments             | 13    | 12,504,918,852                | 12,871,441,684         |
| Investments in associates                  | 12.4  | 118,666,343,885               | 120,462,724,472        |
| Investments in subsidiaries                | 12.4  | 134,502,572,069               | 134,612,831,551        |
| Investments in jointly controlled entities | 12.4  | 24,169,267,327                | 22,739,274,827         |
| Other long-term investments                | 14    | 1,106,140,216                 | 1,106,117,996          |
| Long-term other accounts receivable        | 9.3   | 4,158,294,116                 | -                      |
| Long-term loans                            | 8.2   | 74,249,009,198                | 74,284,940,618         |
| Investment properties                      | 15    | 3,745,133,652                 | 5,046,690,955          |
| Property, plant and equipment              | 16    | 239,521,852,589               | 228,705,170,547        |
| Intangible assets                          | 17    | 14,069,086,619                | 14,656,073,704         |
| Deferred tax assets                        | 20    | 944,466,012                   | 1,591,255,653          |
| Advance payments for gas purchases         | 21    | 5,634,007,285                 | 6,780,111,748          |
| Other non-current assets                   | 22    | 27,179,361,109                | 21,885,369,920         |
| <b>Total non-current assets</b>            |       | <b>660,450,452,929</b>        | <b>644,742,003,675</b> |
| <b>Total assets</b>                        |       | <b>1,023,777,828,082</b>      | <b>974,981,123,139</b> |

The accompanying notes are an integral part of these financial statements.

# Statements of Financial Position

PTT Public Company Limited and Its Subsidiaries  
As at December 31, 2013

Unit: Baht

|  | Notes | Separate financial statements |                        |
|--|-------|-------------------------------|------------------------|
|  |       | December 31, 2013             | December 31, 2012      |
| <b>Liabilities and Equity</b>                                    |       |                               |                        |
| <b>Current liabilities</b>                                       |       |                               |                        |
| Bank overdrafts and short-term loans from financial institutions | 23    | -                             | 4,992,779,477          |
| Trade accounts payable   |       | 238,305,966,242               | 235,471,152,565        |
| Other accounts payable   |       | 21,558,253,960                | 20,343,923,675         |
| Current portion of long-term loans                               | 25    | 28,373,369,274                | 29,227,238,162         |
| Short-term loans   | 9.5   | 2,270,467,897                 | 1,552,126,783          |
| Other current liabilities  | 24    | 5,483,062,272                 | 4,251,487,609          |
| <b>Total current liabilities</b>                                 |       | <b>295,991,119,645</b>        | <b>295,838,708,271</b> |
| <b>Non-current liabilities</b>                                   |       |                               |                        |
| Other long-term accounts payable                                 | 9.6   | 629,608,235                   | 651,714,143            |
| Long-term loans  | 25    | 279,427,890,916               | 259,471,779,499        |
| Deferred tax liabilities   | 20    | 4,210,072,933                 | 4,848,698,653          |
| Employee benefit obligations                                     | 26    | 2,424,619,788                 | 2,375,240,909          |
| Deposits on LPG cylinders  |       | 8,098,457,278                 | 7,270,500,508          |
| Other non-current liabilities                                    | 28    | 9,155,864,046                 | 7,245,666,733          |
| <b>Total non-current liabilities</b>                             |       | <b>303,946,513,196</b>        | <b>281,863,600,445</b> |
| <b>Total liabilities</b>   |       | <b>599,937,632,841</b>        | <b>577,702,308,716</b> |

The accompanying notes are an integral part of these financial statements.



# Statements of Financial Position

PTT Public Company Limited and Its Subsidiaries  
As at December 31, 2013

Unit: Baht

|   | Notes | Separate financial statements |                        |
|---|-------|-------------------------------|------------------------|
|   |       | December 31, 2013             | December 31, 2012      |
| <b>Liabilities and Equity (Continued)</b>     |       |                               |                        |
| <b>Equity</b>                                 |       |                               |                        |
| Share capital                                 |       |                               |                        |
| Authorized share capital                      |       |                               |                        |
| 2,857,245,725 ordinary shares of Baht 10 each | 29.1  | 28,572,457,250                | 28,572,457,250         |
| Issued and paid-up share capital              |       |                               |                        |
| 2,856,299,625 ordinary shares of Baht 10 each | 29.2  | 28,562,996,250                | 28,562,996,250         |
| Premium on ordinary shares                    | 29.2  | 29,211,131,966                | 29,211,131,966         |
| Retained earnings                             |       |                               |                        |
| Appropriated                                  |       |                               |                        |
| Legal reserve                                 | 30.1  | 2,857,245,725                 | 2,857,245,725          |
| Reserve for self-insurance fund               | 30.2  | 1,056,666,504                 | 1,075,397,000          |
| Unappropriated                                |       | 357,867,941,447               | 330,987,598,930        |
| Other components of equity                    |       | 4,284,213,349                 | 4,584,444,552          |
| <b>Total equity</b>                           |       | <b>423,840,195,241</b>        | <b>397,278,814,423</b> |
| <b>Total liabilities and equity</b>           |       | <b>1,023,777,828,082</b>      | <b>974,981,123,139</b> |

(Pailin Chuchottaworn)  
President & Chief Executive Officer

(Surong Bulakul)  
Chief Financial Officer

# Statements of Income

PTT Public Company Limited and Its Subsidiaries  
For the Year Ended December 31, 2013

Unit: Baht

|   | Notes | Consolidated financial statements |                        | Separate financial statements |                        |
|---|-------|-----------------------------------|------------------------|-------------------------------|------------------------|
|   |       | 2013                              | 2012<br>(Restated)     | 2013                          | 2012                   |
| Sales and service income                                  | 32    | 2,842,688,000,237                 | 2,793,833,064,402      | 2,508,425,146,140             | 2,553,500,963,463      |
| Cost of sales and services                                | 34    | 2,618,297,972,960                 | 2,561,134,786,437      | 2,448,277,037,529             | 2,486,053,951,930      |
| <b>Gross margin</b>                                       |       | <b>224,390,027,277</b>            | <b>232,698,277,965</b> | <b>60,148,108,611</b>         | <b>67,447,011,533</b>  |
| Other income  | 33    | 13,834,843,831                    | 17,178,957,043         | 47,767,453,722                | 43,069,889,381         |
| Gain on foreign exchange rates                            |       | 304,371,833                       | 7,434,063,776          | 4,258,288,055                 | 10,647,543,359         |
| <b>Income before expenses</b>                             |       | <b>238,529,242,941</b>            | <b>257,311,298,784</b> | <b>112,173,850,388</b>        | <b>121,164,444,273</b> |
| Selling expenses  | 34    | 10,300,117,153                    | 9,836,174,202          | 8,983,147,086                 | 8,608,202,057          |
| Administrative expenses                                   | 34    | 38,731,410,121                    | 38,475,249,820         | 25,143,950,674                | 21,797,578,365         |
| Executive remunerations                                   | 9.10  | 842,123,523                       | 736,061,829            | 183,289,631                   | 143,173,165            |
| Petroleum exploration expenses                            |       | 5,351,260,290                     | 6,629,826,119          | -                             | -                      |
| Petroleum royalties and remuneration                      | 35    | 27,122,006,656                    | 26,392,710,685         | -                             | -                      |
| Other expenses  | 34    | 49,410,628                        | 10,434,293,165         | -                             | -                      |
| <b>Operating income</b>                                   |       | <b>156,132,914,570</b>            | <b>164,806,982,964</b> | <b>77,863,462,997</b>         | <b>90,615,490,686</b>  |
| Share of income from investments<br>in associates         | 12.5  | 27,078,766,507                    | 27,014,792,967         | -                             | -                      |
| <b>Income before finance costs<br/>&amp; income taxes</b> |       | <b>183,211,681,077</b>            | <b>191,821,775,931</b> | <b>77,863,462,997</b>         | <b>90,615,490,686</b>  |
| Finance costs   | 36    | 20,394,347,909                    | 19,746,849,664         | 13,011,114,837                | 12,402,014,028         |
| <b>Income before income taxes</b>                         |       | <b>162,817,333,168</b>            | <b>172,074,926,267</b> | <b>64,852,348,160</b>         | <b>78,213,476,658</b>  |
| Income taxes  | 20    | 47,692,136,129                    | 46,516,384,313         | 864,107,551                   | 3,516,449,476          |
| <b>Income for the years</b>                               |       | <b>115,125,197,039</b>            | <b>125,558,541,954</b> | <b>63,988,240,609</b>         | <b>74,697,027,182</b>  |
| <b>Attributable to:</b>                                   |       |                                   |                        |                               |                        |
| Equity holders of the Company                             |       | 94,652,272,096                    | 104,608,404,642        | 63,988,240,609                | 74,697,027,182         |
| Non-controlling interests                                 |       | 20,472,924,943                    | 20,950,137,312         | -                             | -                      |
|   |       | <b>115,125,197,039</b>            | <b>125,558,541,954</b> | <b>63,988,240,609</b>         | <b>74,697,027,182</b>  |
| Basic earnings per share                                  | 31    | 33.07                             | 36.59                  | 22.40                         | 26.15                  |
| Diluted earnings per share                                | 31    | 33.07                             | 36.58                  | 22.40                         | 26.15                  |

The accompanying notes are an integral part of these financial statements.

# Statements of Comprehensive Income

PTT Public Company Limited and Its Subsidiaries  
For the Year Ended December 31, 2013

Unit: Baht

|   | Consolidated financial statements |                        | Separate financial statements |                       |
|---|-----------------------------------|------------------------|-------------------------------|-----------------------|
|   | 2013                              | 2012<br>(Restated)     | 2013                          | 2012                  |
| Income for the years  | 115,125,197,039                   | 125,558,541,954        | 63,988,240,609                | 74,697,027,182        |
| Other comprehensive income (loss):  |                                   |                        |                               |                       |
| Unrealized gain (loss) on<br>available-for-sale investments                         | (337,249,184)                     | 1,340,441,012          | (375,289,003)                 | 1,449,930,785         |
| Income taxes related to unrealized gain<br>(loss) on available-for-sale investments | 75,085,536                        | (289,986,157)          | 75,057,800                    | (289,986,157)         |
| Currency translation differences  | 22,909,053,071                    | (6,833,305,847)        | -                             | -                     |
| Share of other comprehensive<br>income (loss) of associates                         | 1,920,133,961                     | (587,352,784)          | -                             | -                     |
| Other comprehensive income (loss),<br>net of taxes                                  | 24,567,023,384                    | (6,370,203,776)        | (300,231,203)                 | 1,159,944,628         |
| <b>Total comprehensive income for the years</b>                                     | <b>139,692,220,423</b>            | <b>119,188,338,178</b> | <b>63,688,009,406</b>         | <b>75,856,971,810</b> |
| Attributable to:  |                                   |                        |                               |                       |
| Equity holders of the Company   | 111,412,479,267                   | 99,892,459,969         | 63,688,009,406                | 75,856,971,810        |
| Non-controlling interests   | 28,279,741,156                    | 19,295,878,209         | -                             | -                     |
|   | <b>139,692,220,423</b>            | <b>119,188,338,178</b> | <b>63,688,009,406</b>         | <b>75,856,971,810</b> |

The accompanying notes are an integral part of these financial statements.

# Statements of Changes in Equity

PTT Public Company Limited and Its Subsidiaries  
For the Year Ended December 31, 2013

Unit: Baht

| Notes  | Consolidated Financial Statements                          |                          |                      |                                 |                            |                                |                                  |  |  |                                  |  | Unit: Baht             |                           |
|--|--|--------------------------|----------------------|---------------------------------|----------------------------|--------------------------------|----------------------------------|--|--|----------------------------------|--|------------------------|---------------------------|
|  | Total equity attributable to equity holders of the Company |                          |                      |                                 |                            |                                |                                  |  |  |                                  |  |                        |                           |
|  | Retained earnings  |                          |                      |                                 | Other components of equity |                                |                                  |  |  |                                  |  |                        |                           |
|  | Issued and paid-up share capital                           | Premium on share capital | Legal reserve        | Reserve for self-insurance fund | Unappropriated             | Available-for-sale investments | Currency translation differences | Share of other comprehensive gain (loss) of associates | Surplus (Deficit) in the ownership interests in subsidiaries | Total other components of equity | Total equity attributable to equity holders of the Company |                        | Non-controlling interests |
|  | 28,562,996,250   | 29,211,131,966           | 2,857,245,725        | 1,034,861,938                   | 501,216,512,809            | 3,402,684,603                  | 9,456,058,755                    | 9,433,502,186  | (10,499,765,224)   | (7,119,637,190)                  | 555,763,111,498  | 87,950,264,014         | 643,713,375,512           |
| Effect of the changes in accounting policies                                 | -  | -                        | -                    | -                               | 1,423,881,749              | -                              | (98,095,592)                     | (2,415,411,320)  | -  | (2,513,506,912)                  | (1,089,625,163)  | -                      | (1,089,625,163)           |
| <b>Balance after adjustment</b>  | <b>28,562,996,250</b>                                      | <b>29,211,131,966</b>    | <b>2,857,245,725</b> | <b>1,034,861,938</b>            | <b>502,640,394,558</b>     | <b>3,402,684,603</b>           | <b>(9,354,154,347)</b>           | <b>7,016,090,866</b>                                   | <b>(10,499,765,224)</b>                                      | <b>(9,633,144,102)</b>           | <b>554,673,486,335</b>                                     | <b>87,950,264,014</b>  | <b>642,623,750,349</b>    |
| Changes in equity for the year   |  |                          |                      |                                 |                            |                                |                                  |  |  |                                  |  |                        |                           |
| Reserve for self-insurance fund  | -  | -                        | -                    | 40,535,062                      | (40,535,062)               | -                              | -                                | -  | -  | -                                | -  | -                      | -                         |
| Increase in share capital of subsidiary                                      | -  | -                        | -                    | -                               | -                          | -                              | -                                | -  | -  | -                                | -  | 32,040,909,963         | 32,040,909,963            |
| Costs associated with issuing share capital of subsidiary                    | -  | -                        | -                    | -                               | -                          | -                              | -                                | -  | (423,936,298)  | (423,936,298)                    | (423,936,298)  | (225,412,276)          | (649,348,574)             |
| Increase in subordinated capital debentures                                  | -  | -                        | -                    | -                               | -                          | -                              | -                                | -  | -  | -                                | -  | 4,981,947,515          | 4,981,947,515             |
| Interests for subordinated capital debentures                                | -  | -                        | -                    | (95,723,856)                    | (95,723,856)               | -                              | -                                | -  | -  | -                                | (95,723,856)   | (50,897,581)           | (146,621,437)             |
| Dividends paid   | -  | -                        | -                    | (34,261,495,156)                | (34,261,495,156)           | -                              | -                                | -  | -  | -                                | (34,261,495,156)   | -                      | (34,261,495,156)          |
| Dividends paid of subsidiaries   | -  | -                        | -                    | -                               | -                          | -                              | -                                | -  | -  | -                                | -  | (8,232,165,797)        | (8,232,165,797)           |
| Surplus (Deficit) from the change in the ownership interests in subsidiaries | -  | -                        | -                    | -                               | -                          | -                              | -                                | -  | (15,864,614,474)   | (15,864,614,474)                 | (15,864,614,474)   | (9,784,618,380)        | (25,649,232,854)          |
| Total comprehensive income (loss) for the year                               | -  | -                        | -                    | 1,051,487,392                   | (5,104,608,404,642)        | 1,051,487,392                  | (5,180,079,281)                  | (687,352,784)  | -  | (4,715,944,673)                  | 99,892,459,969   | 19,295,876,209         | 119,188,338,178           |
| <b>Balance as at December 31, 2012</b>                                       | <b>28,562,996,250</b>                                      | <b>29,211,131,966</b>    | <b>2,857,245,725</b> | <b>1,075,397,000</b>            | <b>572,851,045,126</b>     | <b>4,454,171,995</b>           | <b>(14,734,233,628)</b>          | <b>6,430,738,082</b>                                   | <b>(26,788,315,996)</b>                                      | <b>(30,637,639,547)</b>          | <b>603,920,176,520</b>                                     | <b>125,975,905,667</b> | <b>729,896,082,187</b>    |
| <b>Balance as at January 1, 2013</b>   | <b>28,562,996,250</b>                                      | <b>29,211,131,966</b>    | <b>2,857,245,725</b> | <b>1,075,397,000</b>            | <b>571,484,571,681</b>     | <b>4,454,171,995</b>           | <b>(14,481,846,384)</b>          | <b>9,312,794,225</b>                                   | <b>(26,788,315,996)</b>                                      | <b>(27,503,196,160)</b>          | <b>605,688,146,462</b>                                     | <b>125,975,905,667</b> | <b>731,664,052,129</b>    |
| Effect of the changes in accounting policies                                 | -  | -                        | -                    | -                               | 1,366,473,445              | -                              | (252,387,244)                    | (2,882,056,143)  | -  | (3,134,443,387)                  | (1,767,969,942)  | -                      | (1,767,969,942)           |
| <b>Balance after adjustment</b>  | <b>28,562,996,250</b>                                      | <b>29,211,131,966</b>    | <b>2,857,245,725</b> | <b>1,075,397,000</b>            | <b>572,851,045,126</b>     | <b>4,454,171,995</b>           | <b>(14,734,233,628)</b>          | <b>6,430,738,082</b>                                   | <b>(26,788,315,996)</b>                                      | <b>(30,637,639,547)</b>          | <b>603,920,176,520</b>                                     | <b>125,975,905,667</b> | <b>729,896,082,187</b>    |
| Changes in equity for the year   |  |                          |                      |                                 |                            |                                |                                  |  |  |                                  |  |                        |                           |
| Reserve for self-insurance fund  | -  | -                        | -                    | (18,730,496)                    | 18,730,496                 | -                              | -                                | -  | -  | -                                | -  | -                      | -                         |
| Interests for subordinated capital debentures                                | -  | -                        | -                    | -                               | (190,495,106)              | -                              | -                                | -  | -  | -                                | (190,495,106)  | (101,288,651)          | (291,783,757)             |
| Dividends paid   | -  | -                        | -                    | -                               | (37,126,628,588)           | -                              | -                                | -  | -  | -                                | (37,126,628,588)   | -                      | (37,126,628,588)          |
| Dividends paid of subsidiaries   | -  | -                        | -                    | -                               | -                          | -                              | -                                | -  | -  | -                                | -  | (8,994,484,703)        | (8,994,484,703)           |
| Surplus (Deficit) from the change in the ownership interests in subsidiaries | -  | -                        | -                    | -                               | -                          | -                              | -                                | -  | 4,631,127,337  | 4,631,127,337                    | 4,631,127,337  | (4,628,325,841)        | 2,801,496                 |
| Investment disposal of associates  | -  | -                        | -                    | -                               | 168,841,236                | -                              | -                                | (168,841,236)  | -  | (168,841,236)                    | -  | -                      | -                         |
| Total comprehensive income (loss) for the year                               | -  | -                        | -                    | 94,652,272,096                  | (94,652,272,096)           | (266,344,107)                  | 15,106,417,317                   | 1,920,133,961  | -  | 16,760,207,171                   | 111,412,479,267  | 28,279,741,156         | 139,692,220,423           |
| <b>Balance as at December 31, 2013</b>                                       | <b>28,562,996,250</b>                                      | <b>29,211,131,966</b>    | <b>2,857,245,725</b> | <b>1,056,666,504</b>            | <b>630,373,765,260</b>     | <b>4,187,827,888</b>           | <b>(372,183,689)</b>             | <b>8,182,030,807</b>                                   | <b>(22,157,488,659)</b>                                      | <b>(9,415,146,275)</b>           | <b>682,646,659,430</b>                                     | <b>140,531,547,628</b> | <b>823,178,207,058</b>    |

The accompanying notes are an integral part of these financial statements.

# Statements of Changes in Equity

PTT Public Company Limited and Its Subsidiaries  
For the Year Ended December 31, 2013

Unit: Baht

|  | Notes | Separate Financial Statements                              |                          |                                 |                                |                  |                            |                                   | Total equity     |
|--|-------|--|--------------------------|---------------------------------|--------------------------------|------------------|----------------------------|-----------------------------------|------------------|
|  |       | Total equity attributable to equity holders of the company |                          |                                 |                                |                  |                            |                                   |                  |
|  |       | Issued and paid-up share capital                           | Premium on share capital | Legal reserve                   | Retained earnings              | Unappropriated   | Other components of equity | Other comprehensive income (loss) |                  |
|  |       |  |                          | Reserve for self-insurance fund | Available-for-sale investments |                  |                            |                                   |                  |
| Balance as at January 1, 2012                  |       | 28,562,996,250   | 29,211,131,966           | 2,857,245,725                   | 1,034,861,938                  | 290,592,601,966  | 3,424,499,924              |                                   | 355,683,337,769  |
| Changes in equity for the year                 |       | -  | -                        | -                               | 40,535,062                     | (40,535,062)     | -                          | -                                 | -                |
| Reserve for self-insurance fund                | 30.2  | -  | -                        | -                               | -                              | (34,261,495,156) | -                          | -                                 | (34,261,495,156) |
| Dividend paid                                  |       | -  | -                        | -                               | -                              | 74,697,027,182   | 1,159,944,628              | -                                 | 75,856,971,810   |
| Total comprehensive income for the year        |       | -  | -                        | -                               | -                              | 330,987,598,930  | 4,584,444,552              | -                                 | 397,278,814,423  |
| Balance as at December 31, 2012                |       | 28,562,996,250   | 29,211,131,966           | 2,857,245,725                   | 1,075,397,000                  | 330,987,598,930  | 4,584,444,552              |                                   | 397,278,814,423  |
| Balance as at January 1, 2013                  |       | 28,562,996,250   | 29,211,131,966           | 2,857,245,725                   | 1,075,397,000                  | 330,987,598,930  | 4,584,444,552              |                                   | 397,278,814,423  |
| Changes in equity for the year                 |       | -  | -                        | -                               | (18,730,496)                   | 18,730,496       | -                          | -                                 | -                |
| Reserve for self-insurance fund                | 30.2  | -  | -                        | -                               | -                              | (37,126,628,588) | -                          | -                                 | (37,126,628,588) |
| Dividend paid                                  | 40    | -  | -                        | -                               | -                              | 63,988,240,609   | (300,231,203)              | -                                 | 63,688,009,406   |
| Total comprehensive income (loss) for the year |       | -  | -                        | -                               | -                              | 357,867,941,447  | 4,284,213,349              | -                                 | 423,840,195,241  |
| Balance as at December 31, 2013                |       | 28,562,996,250   | 29,211,131,966           | 2,857,245,725                   | 1,056,666,504                  | 357,867,941,447  | 4,284,213,349              |                                   | 423,840,195,241  |

The accompanying notes are an integral part of these financial statements.

# Statements of Cash Flows

PTT Public Company Limited and Its Subsidiaries  
For the Year Ended December 31, 2013

Unit: Baht

|   | Consolidated financial statements |                    | Separate financial statements |                  |
|---|-----------------------------------|--------------------|-------------------------------|------------------|
|   | 2013                              | 2012<br>(Restated) | 2013                          | 2012             |
| <b>Cash flows from operating activities</b>   |                                   |                    |                               |                  |
| Income attributable to the equity holders of the Company                            | 94,652,272,096                    | 104,608,404,642    | 63,988,240,609                | 74,697,027,182   |
| Adjustment of net income to net cash provided by (used in) operating activities:    |                                   |                    |                               |                  |
| Depreciation and amortization   | 76,314,556,951                    | 65,054,893,163     | 14,615,343,595                | 13,905,144,688   |
| (Reversal of) Loss on impairment of assets  | (81,360,512)                      | 10,385,781,857     | (130,771,140)                 | (48,511,308)     |
| (Gain) Loss on disposal of assets   | 261,884,387                       | 148,249,612        | (16,481,527)                  | 55,533,141       |
| Gain on disposal of investments   | (399,341,112)                     | -                  | (1,749,903,330)               | -                |
| Share of net income from investments in associates                                  | (27,078,766,507)                  | (27,014,792,967)   | -                             | -                |
| Income attributable to non-controlling interests                                    | 20,472,924,943                    | 20,950,137,312     | -                             | -                |
| Provision for employee benefit obligations  | 757,269,907                       | 629,323,653        | 246,978,664                   | 239,226,789      |
| Unrealized (gain) loss on exchange rates  | 6,321,625,537                     | 636,525,375        | 4,843,864,414                 | (2,406,831,059)  |
| (Reversal of) Doubtful accounts   | (8,308,794)                       | 466,479,267        | (8,909,531)                   | (88,968,115)     |
| Amortization of exploration costs   | 2,227,119,087                     | 2,945,387,459      | -                             | -                |
| (Reversal of) Allowance for loss on decline in value of inventories                 | 29,910,156                        | 205,798,371        | (940,073)                     | 181,795,000      |
| (Reversal of) Allowance for obsolete materials and supplies                         | (10,258,276)                      | 3,400,844          | 29,938                        | (8,639,427)      |
| Dividends income  | (405,988,444)                     | (375,948,431)      | (33,786,174,601)              | (29,844,650,570) |
| Income taxes  | 47,692,136,129                    | 46,516,384,313     | 864,107,551                   | 3,516,449,476    |
| Interest income   | (2,547,831,044)                   | (2,887,682,866)    | (4,193,134,485)               | (5,075,113,911)  |
| Interest expenses   | 18,295,295,890                    | 18,552,206,306     | 12,335,239,792                | 11,772,984,972   |
| Others  | 248,091,337                       | 103,140,682        | (75,944,231)                  | 107,435,821      |
| Income from operating activities before changes in operating assets and liabilities | 236,741,231,731                   | 240,927,688,592    | 56,931,545,645                | 67,002,882,679   |

The accompanying notes are an integral part of these financial statements.

# Statements of Cash Flows

PTT Public Company Limited and Its Subsidiaries  
For the Year Ended December 31, 2013

Unit: Baht

|   | Consolidated financial statements |                    | Separate financial statements |                  |
|---|-----------------------------------|--------------------|-------------------------------|------------------|
|   | 2013                              | 2012<br>(Restated) | 2013                          | 2012             |
| Changes in operating assets<br>(increase) decrease      |                                   |                    |                               |                  |
| Trade accounts receivable                               | (33,261,647,663)                  | (72,531,367,341)   | (13,708,867,948)              | (71,844,326,963) |
| Other accounts receivable<br>and short-term loans       | 4,221,692,460                     | 531,553,628        | 3,753,668,456                 | (1,221,042,208)  |
| Inventories   | 1,474,380,736                     | (2,762,890,154)    | (1,315,943,553)               | 586,918,369      |
| Materials and supplies                                  | (1,219,555,045)                   | (1,521,315,859)    | (265,827,664)                 | (242,231,566)    |
| Other current assets                                    | 2,004,574,061                     | (560,374,000)      | 498,852,369                   | (925,542,568)    |
| Advance payments for gas purchases                      | 997,981,758                       | 1,657,692,198      | 1,146,104,463                 | 1,715,461,558    |
| Other non-current assets                                | (7,292,175,834)                   | (659,637,397)      | (5,585,203,796)               | (1,288,705,522)  |
| Changes in operating liabilities<br>increase (decrease) |                                   |                    |                               |                  |
| Trade accounts payable                                  | 4,169,800,875                     | 56,004,766,248     | 934,811,630                   | 74,273,410,849   |
| Other accounts payable                                  | (821,060,832)                     | (4,966,632,047)    | (1,013,465,479)               | (5,257,195,168)  |
| Other current liabilities                               | 2,137,827,485                     | (2,671,388,975)    | 1,031,576,793                 | (1,825,589,127)  |
| Deposits on LPG cylinders                               | 827,956,770                       | 702,996,040        | 827,956,770                   | 702,996,040      |
| Other long-term accounts payable                        | (186,838,687)                     | 48,308,590         | -                             | -                |
| Other non-current liabilities                           | 1,355,157,203                     | 1,587,106,012      | 1,633,118,614                 | 1,946,218,853    |
|   | (25,591,906,713)                  | (25,141,183,057)   | (12,063,219,345)              | (3,379,627,453)  |
| Cash received from operating activities                 | 211,149,325,018                   | 215,786,505,535    | 44,868,326,300                | 63,623,255,226   |
| Income tax paid   | (45,822,479,912)                  | (40,782,461,897)   | (2,276,377,369)               | (3,725,187,858)  |
| Net cash provided by operating activities               | 165,326,845,106                   | 175,004,043,638    | 42,591,948,931                | 59,898,067,368   |

The accompanying notes are an integral part of these financial statements.

# Statements of Cash Flows

PTT Public Company Limited and Its Subsidiaries  
For the Year Ended December 31, 2013

Unit: Baht

|  | Consolidated financial statements |                          | Separate financial statements |                         |
|--|-----------------------------------|--------------------------|-------------------------------|-------------------------|
|  | 2013                              | 2012<br>(Restated)       | 2013                          | 2012                    |
| <b>Cash flows from investing activities</b>                                    |                                   |                          |                               |                         |
| Payment of property, plant and equipment                                       | (110,494,729,908)                 | (114,763,067,055)        | (22,717,611,120)              | (20,256,848,524)        |
| Payment of intangible assets   | (1,406,510,937)                   | (1,960,827,440)          | (234,799,411)                 | (161,772,784)           |
| Payment of mining properties development                                       | (2,624,107,373)                   | (112,759,944)            | -                             | -                       |
| Payment of long-term rental contracts on land and building                     | (25,252,498)                      | (54,964,413)             | (25,252,498)                  | (54,964,413)            |
| Payment of investments in subsidiaries   | (225,717,154)                     | (85,995,375,468)         | (205,960,518)                 | (61,334,650,038)        |
| Payment of investments in jointly controlled entities                          | (7,919,398,556)                   | -                        | (2,113,202,560)               | -                       |
| Payment of investments in associates   | (2,905,730,094)                   | (496,127,345)            | (1,952,264,424)               | (250,250,000)           |
| Payment of other long-term investments   | (184,502,834)                     | (266,109,886)            | -                             | -                       |
| Payment of available-for-sale investments                                      | (20,010,525)                      | -                        | (10,000,000)                  | -                       |
| Payment of short-term loans  | -                                 | -                        | (4,999,849,800)               | (1,223,819,600)         |
| Payment of long-term loans   | (11,288,407)                      | (54,500,600)             | (24,297,431,155)              | (50,570,089,877)        |
| Proceeds from disposals of property, plant and equipment and intangible assets | 78,950,254                        | 242,424,915              | 50,760,157                    | 14,133,153              |
| Proceeds from disposals of long-term investments                               | 6,788,958,722                     | -                        | 6,554,988,293                 | -                       |
| Proceeds from short-term loans   | 44,391,416                        | 4,823,819,000            | -                             | 4,825,725,880           |
| Proceeds from long-term loans  | 1,260,037,261                     | 115,976,818              | 25,429,911,506                | 27,409,248,729          |
| Proceeds from cancellation of leasehold in gas stations                        | 14,802,624                        | 26,186,232               | 14,802,624                    | 26,186,232              |
| Decrease in current investments  | 3,778,515,572                     | 4,654,838,638            | 3,606,245,809                 | 4,519,401,076           |
| Interest received  | 2,708,585,710                     | 4,845,988,735            | 4,094,635,297                 | 5,328,898,524           |
| Dividends received   | 15,779,348,003                    | 10,911,912,732           | 33,785,823,882                | 26,000,025,304          |
| <b>Net cash provided by (used in) investing activities</b>                     | <b>(95,363,658,724)</b>           | <b>(178,082,585,081)</b> | <b>16,980,796,082</b>         | <b>(65,728,776,338)</b> |

The accompanying notes are an integral part of these financial statements.



# Statements of Cash Flows

PTT Public Company Limited and Its Subsidiaries  
For the Year Ended December 31, 2013

Unit: Baht

|   | Notes | Consolidated financial statements |                    | Separate financial statements |                  |
|---|-------|-----------------------------------|--------------------|-------------------------------|------------------|
|   |       | 2013                              | 2012<br>(Restated) | 2013                          | 2012             |
| <b>Cash flows from financing activities</b>   |       |                                   |                    |                               |                  |
| Proceeds from issuing ordinary shares   |       | 93,333,332                        | 32,694,120,671     | -                             | -                |
| Proceeds from premium on share capital  |       | 186,666,640                       | -                  | -                             | -                |
| Proceeds from issuing subordinated capital debentures                                   |       | -                                 | 4,718,810,526      | -                             | -                |
| Proceeds from short-term loans  |       | 29,680,863,915                    | 65,962,044,543     | 21,993,341,114                | 4,960,924,228    |
| Proceeds from long-term loans   |       | 56,508,379,793                    | 109,593,300,657    | 41,134,584,000                | 78,612,333,781   |
| Repayment of short-term loans   |       | (36,205,951,135)                  | (64,636,409,525)   | (26,275,000,000)              | (4,542,176,800)  |
| Repayment of long-term loans  |       | (40,409,598,206)                  | (57,508,453,711)   | (29,415,820,968)              | (30,307,597,682) |
| Repayment of finance lease instalments  |       | (110,420,500)                     | (274,161,194)      | (63,459,247)                  | (192,871,858)    |
| Increase (decrease) in bank overdrafts and short-term loans from financial institutions |       | 923,100,000                       | (266,848,956)      | -                             | -                |
| Interest paid   |       | (20,089,081,801)                  | (20,248,776,389)   | (13,471,790,198)              | (12,166,139,100) |
| Dividends paid  |       | (46,367,648,294)                  | (42,308,435,353)   | (37,116,245,463)              | (34,261,495,156) |
| Net cash provided by (used in) financing activities                                     |       | (55,790,356,256)                  | 27,725,191,269     | (43,214,390,762)              | 2,102,977,413    |
| Effects of exchange rates on cash and cash equivalents                                  |       | 3,538,338,880                     | (1,354,111,608)    | (73,067,194)                  | 28,599,766       |
| Currency translation differences  |       | 3,048,262,625                     | (2,509,227,385)    | -                             | -                |
| Net increase (decrease) in cash and cash equivalents                                    |       | 20,759,431,631                    | 20,783,310,833     | 16,285,287,057                | (3,699,131,791)  |
| Cash and cash equivalents at the beginning of the periods                               |       | 136,924,059,497                   | 116,140,748,664    | 47,641,480,500                | 51,340,612,291   |
| Cash and cash equivalents at the end of periods   | 4     | 157,683,491,128                   | 136,924,059,497    | 63,926,767,557                | 47,641,480,500   |

The accompanying notes are an integral part of these financial statements.

# Notes to Financial Statements

PTT Public Company Limited and Its Subsidiaries  
For the Year Ended December 31, 2013

## 1. General Information

PTT Public Company Limited (“the Company”) is incorporated as a public limited company in Thailand, and is listed on the Stock Exchange of Thailand. The address of its incorporated and registered office is as follows:

The Head Office of the Company is located at 555 Vibhavadi-Rangsit Road, Chatuchak, Bangkok, Thailand.

The Company’s principal activity is the operation of its petroleum business. The Company has invested in subsidiaries, jointly controlled entities and associates (“the Group”), which are engaged in upstream petroleum, natural gas, downstream petroleum, coal and other related businesses as described in Note 37 Operating Segments.

As at December 31, 2013, the Group was operating in 30 countries (as at December 31, 2012: 29 countries).

## 2. Basis of Financial Statements Preparation

The consolidated and the separate financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act, B.E. 2543. These are Thai Financial Reporting Standards under the Accounting Profession Act, B.E. 2547, including interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP), and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act, B.E. 2535.

The Company has presented the financial statements in compliance with the notification of the Department of Business Development “Definition of the abbreviated components required in the financial statements, B.E. 2554”, dated September 28, B.E. 2554, under the third paragraph of section 11 of the Accounting Act, B.E. 2543.

The consolidated and the separate financial statements have been prepared based on the assumption that users of the financial statements have an understanding of Thai generally accepted accounting principles and practices, which may differ from generally accepted accounting principles adopted in other countries.

The consolidated and the separate financial statements have been prepared under the historical cost convention with the exception of certain amounts, which are accounted for using the fair value method as disclosed in Note 3.3 Significant Accounting Policies.

The significant transactions arising among the Company, subsidiaries and jointly controlled entities are eliminated in the consolidated financial statements.

The consolidated and the separate financial statements are prepared and presented in Thai Baht and are rounded in the notes to financial statements to the nearest million unless otherwise stated.

This English translation of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

### 3. Accounting Policies

#### 3.1 Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations, effective for accounting periods on or after the current periods as follows:

##### Effective for accounting periods on or after January 1, 2013

- |  |   |
|--|---|
| • Thai Accounting Standard No. 12                | Income Taxes  |
| • Thai Accounting Standard No. 20                | Accounting for Government Grants and Disclosure of Government Assistance      |
| • Thai Accounting Standard No. 21 (revised 2009) | The Effects of Changes in Foreign Exchange Rates                              |
| • Thai Financial Reporting Standard No. 8        | Operating Segments  |
| • Thai Standing Interpretation No. 10            | Government Assistance - No Specific Relation to Operating Activities          |
| • Thai Standing Interpretation No. 21            | Income Taxes - Recovery of Revalued Non-Depreciable Assets                    |
| • Thai Standing Interpretation No. 25            | Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders |
| • Accounting Treatment Guidance                  | Transfer of Financial Assets  |

### 3.1 Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations, effective for accounting periods on or after the current periods as follows: (Continued)

Thai Accounting Standards, Thai Financial Reporting Standard, Thai Standing Interpretations and Accounting Treatment Guidance as mentioned above have no material impact on the consolidated and the separate financial statements, except for the changes of functional currency of the domestic jointly controlled entity and associate as detail in Note 3.2.

#### Effective for accounting periods on or after January 1, 2014

- Thai Accounting Standard No. 1 (revised 2012) Presentation of Financial Statements
- Thai Accounting Standard No. 7 (revised 2012) Statement of Cash Flows
- Thai Accounting Standard No. 12 (revised 2012) Income Taxes
- Thai Accounting Standard No. 17 (revised 2012) Leases
- Thai Accounting Standard No. 18 (revised 2012) Revenue
- Thai Accounting Standard No. 19 (revised 2012) Employee Benefits
- Thai Accounting Standard No. 21 (revised 2012) The Effects of Changes in Foreign Exchange Rates
- Thai Accounting Standard No. 24 (revised 2012) Related Party Disclosures
- Thai Accounting Standard No. 28 (revised 2012) Investments in Associates
- Thai Accounting Standard No. 31 (revised 2012) Interests in Joint Ventures
- Thai Accounting Standard No. 34 (revised 2012) Interim Financial Reporting
- Thai Accounting Standard No. 36 (revised 2012) Impairment of Assets
- Thai Accounting Standard No. 38 (revised 2012) Intangible Assets
- Thai Financial Reporting Standard No. 2 (revised 2012) Share-based Payment
- Thai Financial Reporting Standard No. 3 (revised 2012) Business Combinations
- Thai Financial Reporting Standard No. 5 (revised 2012) Non-current Assets Held for Sale and Discontinued Operations
- Thai Financial Reporting Standard No. 8 (revised 2012) Operating Segments
- Thai Standing Interpretation No. 15 Operating Leases - Incentives
- Thai Standing Interpretation No. 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease
- Thai Standing Interpretation No. 29 Service Concession Arrangements: Disclosures
- Thai Standing Interpretation No. 32 Intangible Assets - Web Site Costs

- Thai Financial Reporting Interpretation No. 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities
- Thai Financial Reporting Interpretation No. 4 Determining Whether an Arrangement Contains a Lease
- Thai Financial Reporting Interpretation No. 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- Thai Financial Reporting Interpretation No. 7 Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
- Thai Financial Reporting Interpretation No. 10 Interim Financial Reporting and Impairment
- Thai Financial Reporting Interpretation No. 12 Service Concession Arrangements
- Thai Financial Reporting Interpretation No. 13 Customer Loyalty Programmes
- Thai Financial Reporting Interpretation No. 17 Distributions of Non-cash Assets to Owners
- Thai Financial Reporting Interpretation No. 18 Transfers of Assets from Customers

**Effective for accounting periods on or after January 1, 2016**

- Thai Financial Reporting Standard No. 4 Insurance Contracts

The management of the Group has assessed and determined the potential impact of adopting Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations, which are effective for accounting periods beginning on or after January 1, 2014 and 2016, as aforementioned and concluded that they will have no material impact on the consolidated and the separate financial statements.

### 3.2 Changes in Functional Currency of Domestic Jointly Controlled Entity and Associate

Since January 1, 2013, Trans Thai-Malaysia (Thailand) Co., Ltd. (TTM(T)) and Star Petroleum Refining Public Company Limited (SPRC), a jointly controlled entity and an associate of the Company, respectively, have changed their functional currency from Baht to USD, based on the main denomination of their operating income and expense transactions. The change above is considered as a change in accounting policy. TTM(T) and SPRC, therefore, restated their financial statements. The Company prepared its consolidated financial statements by using the Baht translated version of TTM(T)'s and SPRC's financial statements. Details of the impacts on the consolidated financial statements are as follows:

### 3.2 Changes in Functional Currency of Domestic Jointly Controlled Entity and Associate (Continued)

Unit: Million Baht

|   | Consolidated<br>financial statements |
|---|--------------------------------------|
|   | Decrease                             |
| <b>Statement of financial position as at January 1, 2012</b>                          |                                      |
| • Total assets  | 1,099.15                             |
| • Total liabilities   | 9.52                                 |
| • Total equity  | 1,089.63                             |
| <b>Statement of financial position as at December 31, 2012</b>                        |                                      |
| • Total assets  | 1,808.91                             |
| • Total liabilities   | 40.94                                |
| • Total equity  | 1,767.97                             |
| <b>Statements of income/comprehensive income for the year ended December 31, 2012</b> |                                      |
| • Total income  | 76.25                                |
| • Cost of sales and total expenses  | 199.50                               |
| • Gain on foreign exchange rates  | 180.66                               |
| • Income for the year   | 57.41                                |
| • Other comprehensive income for the year, net of taxes                               | 620.94                               |
| • Total comprehensive income for the year   | 678.35                               |

### 3.3 Significant Accounting Policies

#### 3.3.1 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments which have original maturities within three months. Bank overdrafts and short-term loans from financial institutions are included in current liabilities in the statements of financial position.

#### 3.3.2 Trade Accounts and Other Accounts Receivable

Trade accounts and other accounts receivable are carried at net realizable value. Doubtful accounts receivable are estimated based on expected non-collectible amounts estimating from the amount of outstanding receivables at the statement of financial position date, the receivables' repayment history and their current financial status. Also, they are estimated at percentages based on the aging of outstanding receivables at the statement of financial position date. Allowance for doubtful debt is recorded as administrative expenses in the statements of income.

### 3.3.3 Inventories

Inventories are stated at the lower of the cost of acquisition or net realizable value. Cost is determined using the weighted average cost method. The cost of inventory comprises total purchasing costs, payments related to purchasing, discounts, quantity discounts, and taxes as well as contributions to or compensation from several funds. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and related selling expenses. When net realizable value of inventories is lower than cost of acquisition, it is presented under cost of goods sold in the statement of income. An allowance for impairment will be recognized for slow-moving, obsolete or defective inventories.

### 3.3.4 Materials and Supplies

Materials and supplies are stated at cost determined by using the weighted average cost method, less allowance for obsolete, defective or unserviceable items.

### 3.3.5 Investments in subsidiaries

Subsidiaries are those companies controlled by the parent company. Control exists when the parent company has the power, directly or indirectly, to govern the financial and operating policies of the subsidiaries so as to obtain benefits from their activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The purchase method of accounting is used to account for business combinations. The cost of a business combination is measured as the fair value of any consideration transferred, the recognized amount of any non-controlling interest in the acquiree, and the fair value of the existing equity interest as of the purchasing date (if the business combination is achieved in stages).

- For each business combination, the Group measures the recognized amount of any non-controlling interest in the acquiree at either the fair value or the non-controlling interest's proportionate share of the net of identifiable assets of the acquiree.
- In the case of a business combination achieved in stages, the Group measures the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree and recognized in the statement of income.
- Costs related to the acquisition, other than those associated with the registration and issue of debt and equity securities, are recognized as expenses in the statement of income.

The Group measures the identifiable assets and liabilities acquired at fair value as of the acquisition date.

Any changes in the equity interest in subsidiaries of the Group while control is retained are recorded under others related to changes in the ownership interests in subsidiaries in equity.

Upon the disposal of investments, the difference between the net disposal proceeds and the carrying amount of the investments is recorded in profit or loss.

Investments in subsidiaries have been presented in the separate financial statements under the cost method.

A list of subsidiaries of the Group is set out in Note 12.1 and 12.2.

### 3.3.6 Investments in Associates

Associates are those companies in which the Group has significant influence, but not control, over the financial and operating policies.

The Group uses the purchase method to record the acquisition of associates. Costs which are higher than the acquisition-date fair value of identifiable assets and liabilities of the acquirer's equity interest in associates are recorded as goodwill and included in the investment in associates.

The consolidated financial statements include the share of the total recognized gains and losses from associates on an equity accounting basis, from the date that significant influence commences until the date that significant influence ceases. Unrealized gains or losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates unless the transactions provide evidence of impairment of the transferred assets.

The Group records share of gains or losses from associates in proportion to the Group's equity interest in those gains and losses. Any dividends received from associates are deducted from the book value of the investments.

When the Group's share of losses in associates equals or exceeds its interest in the associates, the Group does not recognize further losses, unless the Group has incurred collateral or constructive obligations or made payments on behalf of the associates.

Upon the disposal of investments, the difference between the net disposal proceeds and the carrying amount of the investments is recorded in profit or loss.

Investments in associates have been presented in the separate financial statements under the cost method and in the consolidated financial statements under the equity method.

A list of associates of the Group is set out in Note 12.1 and 12.2.



### 3.3.7 Investments in Jointly Controlled Entities

Established by contractual agreement, jointly controlled entities are those entities over which the Group has joint control. Jointly controlled entities are accounted for by proportionate consolidation in the consolidated financial statements. Under this method, the Group includes its share of the jointly controlled entities' revenues, expenses, assets, liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements, from the date that joint control commences until the date that joint control ceases.

The Group recognizes the portion of gains or losses on sales of assets by the Group to the jointly controlled entities that is attributable to other ventures. The Group does not recognize its share of gains or losses from the jointly controlled entities that results from the purchase of assets by the Group from the jointly controlled entities until it sells the assets to an independent party. However, when a loss on the transaction evidences a reduction in the net realizable value of current assets or an impairment loss, the loss is recognized immediately.

Upon the disposal of investments, the difference between the net disposal proceeds and the carrying amount of the investments is recorded in profit or loss.

The Group's interests in jointly controlled entities are presented in the separate financial statements under the cost method.

A list of jointly controlled entities of the Group is set out in Note 12.1 and 12.2.

### 3.3.8 Other Investments

Investments other than investments in subsidiaries, associates, and jointly controlled entities are classified as available-for-sale investments, and general investments.

Investments in equity securities and mutual funds that are marketable securities are classified as available-for-sale investments and carried at fair value in the statements of financial position. Any changes in value are recognized as gains (losses) from fair value measurement of available-for-sale investments in the statement of other comprehensive income and accumulated amounts are recognized as available-for-sale investments in equity.

Investments in non-marketable securities, which are classified as general investments, are carried at cost in the statement of financial position net of accumulated impairment losses if the value of the investments decreases substantially. Impairment testing is performed when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment losses are recognized in the statements of income immediately.

Upon the disposal of investments, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statements of income. When disposing of part of the Group's particular investment in debt or equity securities, the carrying amount of the part disposed is determined by reference to the weighted average carrying amount of the total holding of the investment.

### 3.3.9 Related Parties

Related parties of the Company are those enterprises or individuals that control or are controlled by the Company, or are under common control with the Company, including holding companies, subsidiaries, and fellow Group subsidiaries, as well as those that have equity interests in the Company that result in significant influence or joint control over the Company. In addition, related parties include associates, jointly controlled entities, the management and directors of the Company, and entities which the management or directors of the Company, directly or indirectly, control, jointly control, or significantly influence.

In considering each possible related party relationship, attention is directed more to the substance of the relationship than to the legal form.

### 3.3.10 Foreign Currency Translation

The consolidated financial statements and the separate financial statements have been presented in Thai Baht, which is the Company's functional currency. Transactions of each company included in the consolidated financial statements are recorded in their own functional currency.

Foreign currency transactions are translated into Thai Baht at the exchange rates prevailing at the transaction date. Monetary assets and liabilities at the statements of financial position date denominated in foreign currencies are translated into Thai Baht at the exchange rate prevailing at that date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of income.

Assets and liabilities of integrated foreign operations are translated into Thai Baht using the closing rate at the statements of financial position date. Revenues and expenses are translated into Thai Baht using the average rate during the period. Differences arising from currency translation are included in the statement of other comprehensive income and accumulated differences are presented in other components of equity under equity.

Upon the disposal of self-sustaining foreign entities, accumulated currency translation differences under shareholders' equity are recognized as gains or losses on disposal.

### 3.3.11 Borrowing Costs

Borrowing costs comprise interest and other costs associated with the borrowings. Borrowing costs incurred on qualifying assets included in property, plant and equipment are capitalized as a cost of the qualifying property until substantially all the activities necessary to prepare the property for its intended use are completed. When funds are specifically borrowed for the construction or the production of property, plant and equipment, the amount of borrowing costs capitalized is determined from the actual borrowing costs during the year less any income on the temporary investment of those borrowings. When funds are borrowed for general purpose, the Group multiplies the capitalization rate by the capital expenditure in allocating borrowing costs to costs of assets.

All other borrowing costs are expensed in the period they incurred.

### 3.3.12 Property, Plant and Equipment

Property, plant and equipment are initially recognized at cost less accumulated depreciation and allowance for impairment. The costs comprise any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. These include decommission costs, delivery and restoration costs, and any obligation associated with either its acquisition or a consequence of having used the items.

Repair and maintenance costs are recognized as expenses in the statements of income during the financial period in which they are incurred. The costs of significant asset improvements, major turnarounds and inspections are included in the carrying amount of the asset. In case of replacement, the Group writes off carrying value of replaced items.

The Group depreciates each significant component of property, plant and equipment separately.

The Group estimates the residual value of the property, plant and equipment based on current assessment of the future economic benefits. The Group reviews the residual value, the useful lives and depreciation methods of assets at least once a year.

### 3.3.12 Property, Plant and Equipment (Continued)

Depreciation is accounted for as expenses in the statements of income and is calculated using the straight-line method over the estimated useful lives of the assets, which are as follows:

|                                     |              |
|-------------------------------------|--------------|
| Buildings and building improvements | 5 - 30 years |
| Machinery and equipment             | 5 - 40 years |
| Other assets                        | 5 - 10 years |

Land and construction in progress are not depreciated.

Gains or losses on disposal of property, plant and equipment are determined by comparing the proceeds from sales with the carrying amounts on the disposal dates, and are included in operating income or loss.

#### Oil and Gas Exploration and Production properties

The petroleum exploration and production business accounts for its oil and gas exploration and production properties in accordance with the successful efforts method for which the accounting policies are as follows:

##### Cost of Properties

The cost of properties comprises the total acquisition costs of concession rights or a portion thereof proportionate to the Company's interest in the properties including decommissioning costs.

Exploratory drilling costs are capitalized and are classified as assets of the projects if the exploratory wells have found proved reserves to be commercially produced. Otherwise, such drilling costs are expensed in the statements of income.

Exploratory costs, comprising geological and geophysical costs as well as area reservation fees during the exploration stage, are charged as expenses when incurred in the statement of income.

Development costs, whether relating to successful or unsuccessful development wells, are capitalized and classified as assets.

### Depreciation

The capitalized acquisition costs of concession rights are depleted and amortized using the unit of production method based on estimated proved reserves. Depreciation, depletion and amortization of exploratory wells, development costs, equipment and the operating costs of support equipment as well as decommissioning costs, except unsuccessful projects, are calculated using the unit of production method based on estimated proved reserves or proved developed reserves. Changes in reserve estimates are recognized prospectively.

Proved reserves and proved developed reserves are calculated by the Group's own engineers and based on information from the jointly controlled entities.

### **Carried Cost under Petroleum Sharing Contracts**

The petroleum exploration and production business records the carried costs under petroleum sharing contracts using the following accounting policies.

Under some Petroleum Sharing Contracts in which the government has a participating interest require the contractor parties excluding the government to fund the costs of all exploration operations until determination of the first development area (carried cost). The carried costs are funded by the contractor parties at the proportion agreed among the parties. When the project commences production, the carried costs will be fully recouped without interest among the contractor parties under the agreed procedures, in the form of petroleum product sharing. The Group records the carried costs according to the type of petroleum operations, under the successful efforts method. Most of them are recorded as oil and gas properties in the statements of financial position while exploration expenses are recorded in the statements of income as detailed in Note 16.

### **3.3.13 Investment Properties**

Investment properties are initially recognized at cost, including expenses directly associated with the asset acquisition, less accumulated depreciation and allowance for impairment.

The Group has selected the cost model for accounting for its investment properties. This model is in accordance with that described in the accounting policy for property, plant and equipment.

Depreciation is accounted for as expenses in the statements of income and is calculated using the straight-line method over the estimated useful lives of the assets, which range from 5 to 30 years. Land and construction in progress are not depreciated.

### 3.3.14 Intangible assets

Intangible assets are initially recognized at cost less accumulated amortization and allowance for impairment. Amortization is accounted for as expenses in the statements of income.

The Group records the initial costs of intangible assets from business combination at the acquisition-date fair value of the assets. Intangible assets from other sources are initially recognized at their costs.

Intangible assets include computer software licenses, asset rights such as gas transmission pipelines, resource exploration and valuation assets, and other intangible assets, such as other operating rights, patents, and customer contracts.

Exploration and evaluation assets are intangible assets that are recognized at cost in a petroleum exploration and production business. If exploratory projects have found sufficient reserves to be commercially produced, assets under those projects will be transferred to assets under proved reserve project. Subsequently, their values are evaluated based on the method stated in Note 3.3.12 Property, Plant and Equipment. Otherwise, assets under those projects will be fully expensed in the statements of income.

Intangible assets are amortized and recorded as expenses in the statements of income using the straight-line method over the contract periods which range from 5 to 40 years, except customer contracts which are amortized based on estimated sales volume.

The Group reviews the residual value and useful lives of intangible assets at least once a year.

### 3.3.15 Mining Properties

The coal business applies the following accounting policy for coal exploration and production properties including coal mining property rights and deferred mining exploration and development expenditures.

#### Coal Mining Property Rights

Coal mining property rights comprise the total acquisition costs of concession rights in coal mining including both coal mining exploration and development expenditures.

### Deferred Mining Exploration and Development Expenditures

Exploration expenditures relating to areas of interest are recorded at cost as deferred exploration expenditures, which comprise net direct costs, such as licenses, geological and geophysical exploration expenditures, excluding general overheads and administrative expenditures not directly attributable to a particular area of interest, where:

- a) Such costs are expected to be recovered when the areas are successfully developed and mining operations commence, or from the sales of the areas of interest.
- b) Exploration activities in the areas of interest have not reached the stage which permits a reasonable assessment of the existence of commercial recoverable reserves, and active operations in the areas of interest are continuing.

The recoverable amount of exploration expenditures is thus dependent upon a successful development and receivable economic benefits. When the economic benefits are expected to be minimal or non-existent, deferred exploration expenditures are written off as expenses in the statements of income immediately.

Development expenditures and costs of area development prior to commencement of operations are capitalized as deferred mining costs so long as they meet the above criteria and it is highly probable that they can create future economic benefits.

### Amortization

Amortization of coal mining property rights is calculated using the units of production method over the production amount.

The amortization of deferred mining exploration and development expenditures commences when commercial coal production activities commence, using the units of production method.

The volume of proportional production and the useful lives of coal mining concessions are estimated and reviewed by the Group.

### 3.3.16 Goodwill

The Group records the initial value of goodwill at cost, representing the excess of the acquisition costs over the fair value of the net assets acquired. Where the fair value of the net assets exceeds the cost of acquisition at the acquisition date, the difference is recognized as a gain in the statements of income immediately.

The Group recognizes goodwill at cost less accumulated impairment losses. The Group will carry out a test for impairment of goodwill at least once a year or when there are factors indicating that an investment might be impaired.

To test for impairment, the Group allocates goodwill from business combinations to each cash-generating unit (or group of cash-generating units) that is expected to benefit from the synergies of the combination. The Group evaluates the recoverable amount of each cash-generating unit (or group of cash-generating units) and if it is lower than the carrying amount of the unit, the Group recognizes impairment losses in the statements of income. Allowance for impairment of goodwill will not be reversed.

### 3.3.17 Finance Leases - Where the Group is the lessee

Leases of property, plant and equipment, where the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are capitalized at the lower of the estimated net present value of the underlying minimum lease payments or fair value. Each minimum lease payment is allocated between liabilities and finance charges in order to achieve a constant interest rate on the remaining balance of the liabilities. The finance leases' liabilities less finance charges are presented as long-term loans. Interest expenses are charged to the statements of income over the lease period. Depreciation is charged over the shorter of the assets estimated useful life or the lease period.

### 3.3.18 Operating Leases - Where the Group is the lessee

Leases of property, plant and equipment where the lessor assumes a significant portion of the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are charged to the statements of income using the straight-line method over the period of the lease.

The costs incurred upon termination of the operating lease agreements prior their maturity, such as penalty paid to the lessor for such termination, are recognized as expenses in the period in which the termination takes place.

### 3.3.19 Advance Payments for Gas Purchased under Take-or-Pay Agreements

The Company has entered into gas purchase agreements with natural gas producers, under which the Company is required to take delivery of natural gas at annual minimum quantities. During each contract year, if the Company cannot accept natural gas according to the minimum quantities under the agreements, it is required to pay for the volume of natural gas which it cannot actually take (Take-or-Pay). After the end of each contract year, the Company and the natural gas producers have to agree on and accept the volume of gas that should be taken into the calculation of Take-or-Pay for that contract year, which is subject to the basis and conditions in the agreements. Under the agreements, the Company can take certain volumes of prepaid gas (Make-up) in subsequent years after taking delivery of natural gas at the minimum quantities for that given contract year. The Company recognizes its obligations under the agreements as advance payments for gas purchased.



### 3.3.20 Impairment of Assets

The Group performs the following tests for impairment of assets:

- Assessment of goodwill is performed annually or when there is an indication that an asset may be impaired.
- Impairment of property, land and equipment or intangible assets will be made whenever there is an indication that an asset may be impaired.

The Group recognizes an impairment loss when the recoverable amount of an asset is lower than its carrying amount, which is the higher of the asset's fair value less cost to sell and its value in use. The Group determines value in use by estimating the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. The calculation reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

The Group recognizes an impairment loss in the statement of income.

### 3.3.21 Provision for Decommissioning Costs

The Group records a provision for decommissioning costs whenever it is highly probable that an obligation will arise as a result of a past event and the amount of the obligation can be reliably estimated.

The Group recognizes a provision for decommissioning costs based on an estimate of the eventual costs that relate to the removal of the production facilities. These costs are included as part of the cost of the oil and gas properties and are amortized based on proved reserves using the unit of production method. The estimates of decommissioning costs are determined based on reviews and estimates by the Group's engineers and management's judgment.

### 3.3.22 Employee Benefit Obligations

Employee benefit obligations of the Group are measured and recognized as follows:

1. Short-term employee benefits are recognized in the statement of income as expenses when incurred.
2. Post-employment benefits - defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses when incurred.

3. Post-employment benefits - defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method, in order to determine present value of the obligation, current service cost and past service cost. These are recognized as a liability in the statements of financial position and expenses in the statement of income. Actuarial gains and losses arising from post-employment benefits are recognized immediately as expense in the statement of income.

4. Other long-term employment benefits

The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method, in order to determine present value of the obligation, current service cost and past service cost. These are recognized as a liability in the statements of financial position and expenses in the statement of income. Actuarial gains and losses arising from post-employment benefits are recognized immediately as expense in the statement of income.

5. Termination benefits are recognized as a liability or an expense when, and only when, the Company is demonstrably committed to either:

- terminate the employment of an employee or a group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

### 3.3.23 Income tax

#### Current tax

The Group is taxed on its non-promoted businesses pursuant to the Revenue Code of Thailand, the Petroleum Income Tax Act, B.E. 2514 and Amendment, B.E. 2532 and other applicable laws and regulations of other countries in which the Group has invested.

Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted at the statements of financial position date in the taxable period, and any adjustment to tax payable in respect of previous years.

#### Deferred tax

Deferred tax is recognized in the statements of financial position using the liability method for temporary differences between the carrying amounts of tax bases of assets and liabilities and the carrying amounts in the financial statements. The principal temporary differences arise from the allowance for doubtful accounts, employee benefit obligations, brought forward accumulated deficit of subsidiaries, and available-for-sale investments, as well as differences between the fair value of acquired assets and liabilities and their tax bases.

Deferred tax is measured using the tax rates enacted at the statements of financial position date.

Deferred tax assets are recognized to the extent that it is highly probable that the future taxable profits of the Group will be available against which the temporary differences can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

Deferred tax assets and liabilities are offset when there is the legal right to settle on a net basis and the deferred tax balances relate to the same taxation authority.

#### 3.3.24 Revenue Recognition

The Group recognizes revenue from sales upon the delivery of products or when the significant risks and rewards of ownership are transferred to the customers. Revenue from services is recognized over the period in which the services are rendered. These revenues are net of trade discounts.

Other revenue is recognized on the following basis:

- Interest income - time proportion basis using the effective yields of interest bearing assets
- Royalty income - accrual basis in accordance with the substance of the relevant agreements
- Dividend income - when the right to receive the dividend is established.

Revenue from sources other than those mentioned above is recognized using the accrual basis.

### 3.3.25 Government Grants

Government grants, including non-monetary grants, are recognized where there is reasonable assurance that the recipient will comply with all attached conditions and that the grant will be received. The Group recognizes the grants as income on a systematic basis over the periods for which the costs that the government grants are compensating. In adopting this standard, the Group recognizes the grants as a part of income in the statement of income instead of netting costs of sales.

### 3.3.26 Earnings per share

Basic earnings per share is calculated by dividing the net income attributable to ordinary shareholders by the weighted average number of ordinary shares held by third parties in issue during the year.

In calculating diluted earnings per share, the Company assumes that all potential dilutive ordinary shares issued to its managements and employees will be converted. As a result, net income of the Group recognized in the financial statements of the Company is adjusted to reflect the dilution of its shareholding that would be caused by such conversion. The calculation of the weighted average number of ordinary shares is based on market price (average price of the Company's ordinary shares during the period) and the exercise price of the warrants in order to determine the number of ordinary shares held by third parties in the diluted earnings per share calculation.

### 3.3.27 Share-based payments

The Group recognizes equity-settled share-based payments at fair value of warrants at the grant date and expenses them over the vesting period of warrants, while presenting equity from share-based payments in shareholders' equity. Measurement of the fair value of share-based payments requires the use of judgment and the selection of suitable assumptions regarding items such as the vesting period of the warrants, fluctuation in share price and dividend rate, etc.

### 3.3.28 Financial Instruments

Financial assets in the statements of financial position include cash and cash equivalents, current investments, trade accounts receivable, other accounts receivable, short-term loans, available-for-sale investments, other long-term investments, and long-term loans. Financial liabilities in the statements of financial position include bank overdrafts and short-term loans from financial institutions, trade accounts payable, other accounts payable, short-term loans and long-term loans. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Group uses financial instruments to reduce its risk exposure associated with fluctuations in foreign currency exchange rates, interest rates as well as oil and gas market prices. These instruments primarily comprise:

#### **Forward Foreign Exchange Contracts**

Forward foreign exchange contracts protect the Group from fluctuations in exchange rates by establishing the rates at which foreign currency assets will be realized or foreign currency liabilities will be settled. Forward foreign exchange contracts are recognized in the financial statements on inception. The premium or discount on the establishment of each agreement is amortized over the contract period.

#### **Cross-currency and Interest Rate Swap Contracts**

Cross-currency and interest rate swap contracts protect the Group from fluctuations in exchange rates and interest rates. Foreign currency financial assets and liabilities as at the statements of financial position date are protected by cross-currency contracts and are translated to Thai Baht using the rates determined in the contracts. Gains or losses on early termination of such contracts or on early-repayment of the borrowings before maturity are taken to the statements of income.

#### **Futures Oil Contracts**

The Company has entered into futures contracts to hedge risks arising from fluctuations in oil prices in accordance with its oil purchase and sale agreements by determining future oil prices. Gains or losses arising from these contracts are recorded in the statements of income at the maturity of the futures contracts.

The risk management policy is described in Note 38 Disclosure of Financial Instruments.

### 3.3.29 Use of Estimates and Significant Assumptions

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions used in the preparation of financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant assumptions and the sources of contingent estimates that might impact on the carrying amounts of assets and liabilities presented in the financial statements are as follows:

#### Provisions

The Group recognizes a provision in the statements of financial position if, as a result of a past event, the Group has a present obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Group records provisions for decommissioning costs when it is highly probable that a commitment will arise as a result of past circumstances and the amount can be estimated reliably. The Group recognizes the provisions for decommissioning costs based on estimated amount of decommissioning of completed construction that is ready for its intended use. These costs are included as part of oil and gas exploration and production properties and are amortized using the units of production method based on estimated proved reserves. The provision for decommissioning costs is determined based on reviews and estimates by the Group's engineers together with the management's judgment.

Provisions for decommissioning costs depend on various current circumstances such as laws and regulations, technological changes and market prices. Therefore, the actual result is likely to be different from estimations and assumptions.

## Income Tax

The Group is responsible for the payment of tax in various countries. When income tax payable is estimated, the Group uses significant judgment due to the numerous transactions and calculations arising from its operations.

The Group recognizes income tax payable based on estimated incremental tax payments. The difference between the actual tax paid and the estimate will affect income tax and deferred tax in the period in which payment occurs.

A deferred tax asset will be recognized when it is highly probable that the Group will have sufficient net income against which to utilize the temporary difference. Assumptions related to future taxable income are uncertain and may change affecting the recognition of deferred tax assets.

## Estimation of Petroleum Reserves

Petroleum reserves are of fundamental importance when assessing investments in various exploration projects and petroleum production businesses, including impairment testing. Changes in proved reserves will affect the present value based on net cash inflows and depreciation expenses which are calculated using the unit of production method.

The proved reserves are the volume of commercial petroleum production as of a certain date with a high probability of achievement under current economic conditions and production methods, as well as government's rules and regulations. The proved reserves will be checked and assessed annually by the Group's geologists and reservoir engineers.

## Exploration Costs

The petroleum exploration and production businesses capitalize drilling costs as assets. When they are over 12 months old, they are amortized as expenses in the statements of income except where there is (1) a discovery of proved reserves, or (2) a discovery of commercially adequate reserves whilst having future exploration and assessment plans. The decision to amortize drilling petroleum costs recorded as assets over 12 months should be made using the assumptions under current circumstances. In case those assumptions change in subsequent accounting periods, the petroleum drilling costs that are capitalized as assets will be written off as expenses in that accounting period.

### 3.3.29 Use of Estimates and Significant Assumptions (Continued)

#### Impairment of Assets

The Group considers recording an allowance for impairment of assets when an event or a circumstance indicates that the carrying amount of an asset is higher than its net realizable value, which is the higher of the anticipated discounted cash flows from the continuing use of the asset or the amount obtainable from the sale of the asset less any costs of disposal. As a result, the carrying amount of an asset is written down immediately to its net realizable value. The decrease is recorded in the statements of income. Thus, the loss on impairment of assets excluding goodwill recognized in the prior period will be reversed if the estimation for indicated net realizable value changes.

The Group's estimate of the expected amount of future petroleum production (exploration and production business) is a key factor in impairment tests. The Group believes these to be the most reasonable indicators for estimating future cash flows because future petroleum production comprises proved reserves, including expected proved reserves.

The estimation of discounted future cash flows depends on various factors such as the expected amount of future production, future selling prices, demand and supply in the market, risks and gross margins. The discounted rates used in the calculation of present value of future cash flows depend on the cost of capital of the asset unit.

### 3.3.30 Capital Risk Management

The capital management objective of the Group is to create returns for shareholders and other stakeholders whilst maintaining a reasonable capital structure to decrease the cost of capital.

### 3.3.31 Segment Information

The segment information is reported by business segments and based on the internal management reports that are received and regularly reviewed by the Chief Operating Decision Maker (CODM) for allocating resources to the segment and assessing its performance.



## 4. Cash and Cash Equivalents

Cash and cash equivalents as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                                  | Consolidated financial statements |                   | Separate financial statements |                  |
|----------------------------------|-----------------------------------|-------------------|-------------------------------|------------------|
|                                  | 2013                              | 2012              | 2013                          | 2012             |
| Cash on hand                     | 4,741.83                          | 390.94            | 320.98                        | 338.01           |
| Deposits held at call with banks | 124,089.08                        | 92,687.16         | 60,103.26                     | 36,022.21        |
| Fixed deposits                   | 26,946.49                         | 6,190.94          | 3,502.53                      | 1,366.87         |
| Treasury bills                   | 1,423.70                          | 26,680.63         | -                             | -                |
| Promissory notes                 | 482.39                            | 1,060.00          | -                             | -                |
| Bank of Thailand bonds           | -                                 | 9,914.39          | -                             | 9,914.39         |
| <b>Total</b>                     | <b>157,683.49</b>                 | <b>136,924.06</b> | <b>63,926.77</b>              | <b>47,641.48</b> |

Cash and cash equivalents as at December 31, 2013 bear the interest at rates ranging from 0.03% to 4.57% per annum (December 31, 2012: interest rates range from 0.10% to 6.75% per annum).

## 5. Current Investments

Current investments as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                     | Consolidated financial statements |                 | Separate financial statements |                 |
|---------------------|-----------------------------------|-----------------|-------------------------------|-----------------|
|                     | 2013                              | 2012            | 2013                          | 2012            |
| Fixed deposits      | 2,292.88                          | 6,160.37        | 1,613.16                      | 5,219.40        |
| Bonds               | 388.25                            | 229.02          | -                             | -               |
| General investments | 5.63                              | 19.74           | -                             | 19.74           |
| <b>Total</b>        | <b>2,686.76</b>                   | <b>6,409.13</b> | <b>1,613.16</b>               | <b>5,239.14</b> |

Current investments as at December 31, 2013 bear interest at rates ranging from 0.30% to 3.50% per annum (December 31, 2012: interest rates range from 0.37% to 3.80% per annum).

## 6. Trade Accounts Receivable

Trade accounts receivable as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|  | Consolidated financial statements |            | Separate financial statements |            |
|--|-----------------------------------|------------|-------------------------------|------------|
|  | 2013                              | 2012       | 2013                          | 2012       |
| Trade accounts receivable - others                     | 187,649.84                        | 162,373.07 | 120,453.55                    | 128,764.50 |
| Notes receivable                                       | 489.98                            | 624.07     | 489.98                        | 624.07     |
|  | 188,139.82                        | 162,997.14 | 120,943.53                    | 129,388.57 |
| <u>Less</u> Allowance for doubtful accounts            | (1,743.86)                        | (1,780.01) | (606.78)                      | (634.56)   |
| Trade accounts receivable - others                     | 186,395.96                        | 161,217.13 | 120,336.75                    | 128,754.01 |
| Trade accounts receivable - related parties            | 91,496.08                         | 82,408.90  | 120,606.11                    | 99,939.24  |
| <u>Less</u> Allowance for doubtful accounts            | (301.88)                          | (323.26)   | (301.88)                      | (323.26)   |
| Trade accounts receivable - related parties (Note 9.1) | 91,194.20                         | 82,085.64  | 120,304.23                    | 99,615.98  |
| Total  | 277,590.16                        | 243,302.77 | 240,640.98                    | 228,369.99 |

Aging analysis is as follows:

Unit: Million Baht

|   | Consolidated financial statements |            | Separate financial statements |            |
|---|-----------------------------------|------------|-------------------------------|------------|
|   | 2013                              | 2012       | 2013                          | 2012       |
| Within credit terms                         | 264,140.72                        | 232,313.72 | 218,097.63                    | 217,044.90 |
| Overdue                                     |                                   |            |                               |            |
| - Within 3 months                           | 10,055.55                         | 6,704.86   | 16,405.46                     | 4,439.94   |
| - Over 3 - 6 months                         | 895.46                            | 1,767.90   | 861.96                        | 1,786.99   |
| - Over 6 - 12 months                        | 322.81                            | 2,167.80   | 229.37                        | 2,177.45   |
| - Over 12 months                            | 4,221.36                          | 2,451.76   | 5,955.22                      | 3,878.53   |
|   | 279,635.90                        | 245,406.04 | 241,549.64                    | 229,327.81 |
| <u>Less</u> Allowance for doubtful accounts | (2,045.74)                        | (2,103.27) | (908.66)                      | (957.82)   |
| Total                                       | 277,590.16                        | 243,302.77 | 240,640.98                    | 228,369.99 |

Trade accounts receivable as at December 31, 2013 include receivables from government agencies and state enterprises in the consolidated financial statements amounting to Baht 28,604.71 million (December 31, 2012: Baht 20,282.25 million), and in the separate financial statements amounting to Baht 28,363.91 million (December 31, 2012: Baht 20,046.44 million).

## 7. Other Accounts Receivable

Other accounts receivable as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|   | Consolidated financial statements |           | Separate financial statements |           |
|---|-----------------------------------|-----------|-------------------------------|-----------|
|   | 2013                              | 2012      | 2013                          | 2012      |
| Other accounts receivable                                 | 13,383.35                         | 12,025.38 | 5,649.81                      | 3,378.17  |
| <u>Less</u> Allowance for doubtful accounts               | (286.90)                          | (287.79)  | (284.05)                      | (283.92)  |
| Other accounts receivable                                 | 13,096.45                         | 11,737.59 | 5,365.76                      | 3,094.25  |
| Refund receivable from the Oil<br>Stabilization Fund      | 13,301.40                         | 11,953.71 | 13,301.40                     | 11,953.71 |
| Advances  | 3,060.59                          | 4,382.68  | 296.94                        | 502.02    |
| Accrued interest income and others                        | 3,003.42                          | 2,441.32  | 189.50                        | 209.52    |
| Other accounts receivable - others                        | 32,461.86                         | 30,515.30 | 19,153.60                     | 15,759.50 |
| Other accounts receivable - related<br>parties (Note 9.2) | 946.43                            | 5,003.41  | 1,116.83                      | 5,229.28  |
| Total   | 33,408.29                         | 35,518.71 | 20,270.43                     | 20,988.78 |

The refund receivable from the Oil Stabilization Fund represents compensation for local manufactured oil and cooking gas, import oil and cooking gas, and subsidies from the Oil Stabilization Fund for export oil or oil sold to outbound transportation barges, including compensation for Natural Gas for Vehicles (NGV) prices. The compensation and refund rates are determined by the Committee of Energy Policy Administration.

## 8. Loans

### 8.1 Short-term loans as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|  | Consolidated financial statements |       | Separate financial statements |          |
|--|-----------------------------------|-------|-------------------------------|----------|
|  | 2013                              | 2012  | 2013                          | 2012     |
| Short-term loans - others                        | 64.87                             | 96.96 | 52.36                         | 96.77    |
| Short-term loans - related parties<br>(Note 9.2) | -                                 | -     | 9,678.33                      | 2,024.45 |
| Total  | 64.87                             | 96.96 | 9,730.69                      | 2,121.22 |

Short-term loans - others of the Company are loans provided to transport operators to use as working capital for NGV installation, conversion or modification, including purchases of new natural gas vehicles under the Krungthep Fha Sai project which aims to support the use of NGV as alternative source of energy. The loan interest rate as at December 31, 2013 is 0.50% per annum (as at December 31, 2012: 0.5% per annum).

### 8.2 Long-term loans as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|   | Consolidated financial statements |        | Separate financial statements |           |
|---|-----------------------------------|--------|-------------------------------|-----------|
|   | 2013                              | 2012   | 2013                          | 2012      |
| Long-term loans - others                        | -                                 | 106.88 | 0.01                          | 52.38     |
| Long-term loans - related parties<br>(Note 9.3) | 12.07                             | -      | 74,249.00                     | 74,232.56 |
| Total   | 12.07                             | 106.88 | 74,249.01                     | 74,284.94 |

Long-term loans - others of the Company are loans under the Krungthep Fha Sai project of which details are disclosed in Note 8.1.

## 9. Related Party Transactions

The followings are significant transactions carried out with related parties:

### 9.1 Trade accounts receivable - related parties as at December 31, 2013 and 2012

Unit: Million Baht

|   | Consolidated financial statements |                  | Separate financial statements |                  |
|---|-----------------------------------|------------------|-------------------------------|------------------|
|   | 2013                              | 2012             | 2013                          | 2012             |
| Subsidiaries  | -                                 | -                | 38,826.54                     | 15,285.95        |
| Jointly controlled entities                                 | -                                 | -                | 3,361.84                      | 2,824.18         |
| Associates  | 85,966.59                         | 72,717.33        | 73,148.24                     | 72,352.84        |
| Other related parties                                       | 5,529.49                          | 9,691.57         | 5,269.49                      | 9,476.27         |
| <b>Total</b>  | <b>91,496.08</b>                  | <b>82,408.90</b> | <b>120,606.11</b>             | <b>99,939.24</b> |
| <u>Less</u> Allowance for doubtful accounts                 | (301.88)                          | (323.26)         | (301.88)                      | (323.26)         |
| <b>Trade accounts receivable - related parties (Note 6)</b> | <b>91,194.20</b>                  | <b>82,085.64</b> | <b>120,304.23</b>             | <b>99,615.98</b> |

Aging analysis is as follows:

Unit: Million Baht

|  | Consolidated financial statements |                  | Separate financial statements |                  |
|--|-----------------------------------|------------------|-------------------------------|------------------|
|  | 2013                              | 2012             | 2013                          | 2012             |
| Within credit terms                                | 90,463.66                         | 81,588.90        | 108,295.88                    | 96,179.75        |
| Overdue  |                                   |                  |                               |                  |
| - Within 3 months                                  | 280.66                            | 178.94           | 8,493.43                      | 133.75           |
| - Over 3 - 6 months                                | 24.16                             | 191.66           | 6.54                          | 245.70           |
| - Over 6 - 12 months                               | 49.26                             | 153.09           | 44.12                         | 201.99           |
| - Over 12 months                                   | 678.34                            | 296.31           | 3,766.14                      | 3,178.05         |
| <b>Total</b>                                       | <b>91,496.08</b>                  | <b>82,408.90</b> | <b>120,606.11</b>             | <b>99,939.24</b> |
| <u>Less</u> Allowance for doubtful accounts        | (301.88)                          | (323.26)         | (301.88)                      | (323.26)         |
| <b>Trade accounts receivable - related parties</b> | <b>91,194.20</b>                  | <b>82,085.64</b> | <b>120,304.23</b>             | <b>99,615.98</b> |

## 9.2 Other accounts receivable, advances and short-term loans - related parties as at December 31, 2013 and 2012

Unit: Million Baht

|  | Consolidated financial statements |          | Separate financial statements |          |
|--|-----------------------------------|----------|-------------------------------|----------|
|  | 2013                              | 2012     | 2013                          | 2012     |
| <b>Other accounts receivable</b>               |                                   |          |                               |          |
| Subsidiaries                                   | -                                 | -        | 415.65                        | 235.85   |
| Jointly controlled entities                    | -                                 | -        | 22.09                         | 40.30    |
| Associates*                                    | 333.96                            | 4,433.68 | 222.46                        | 4,430.95 |
| Other related parties                          | 81.63                             | 79.15    | 32.73                         | 43.63    |
|  | 415.59                            | 4,512.83 | 692.93                        | 4,750.73 |
| <u>Less</u> Allowance for doubtful<br>accounts | (16.09)                           | (16.09)  | (16.09)                       | (16.09)  |
| Total  | 399.50                            | 4,496.74 | 676.84                        | 4,734.64 |
| <b>Advances</b>                                |                                   |          |                               |          |
| Subsidiaries                                   | -                                 | -        | 0.28                          | 61.01    |
| Associates                                     | 0.44                              | 0.78     | -                             | -        |
| Other related parties                          | 546.49                            | 505.89   | 439.71                        | 433.63   |
| Total  | 546.93                            | 506.67   | 439.99                        | 494.64   |
| Total other accounts receivable<br>(Note 7)    | 946.43                            | 5,003.41 | 1,116.83                      | 5,229.28 |
| <b>Short-term loans</b>                        |                                   |          |                               |          |
| Subsidiaries (Note 8.1)                        | -                                 | -        | 9,678.33                      | 2,024.45 |

\* The Company has recorded accrued dividends from an associate amounting to Baht 4,113.67 million which were declared on May 29, 2012. The dividend payment will be made when the associate lists its shares on the Stock Exchange of Thailand (SET) or the associate is able to borrow from a bank for loan repayment, depending on which event occurs first. As at December 31, 2013, the Company recognized this accrued dividends in long-term other accounts receivable - related parties (Note 9.3).

Movements in short-term loans - related parties are as follows:

Unit: Million Baht

|  | Consolidated financial statements |            | Separate financial statements |            |
|--|-----------------------------------|------------|-------------------------------|------------|
|  | 2013                              | 2012       | 2013                          | 2012       |
| Balance as at January 1                            | -                                 | 4,823.82   | 2,024.45                      | 5,420.99   |
| - Payment for loans granted                        | -                                 | -          | 4,999.85                      | 1,223.82   |
| - Receipt from loans granted                       | -                                 | (4,823.82) | (60.00)                       | (4,825.73) |
| - Gain (Loss) on exchange rate                     | -                                 | -          | 328.03                        | (5.63)     |
| - Current portion of long-term loans<br>(Note 9.3) | -                                 | -          | 2,386.00                      | 211.00     |
| Balance as at December 31                          | -                                 | -          | 9,678.33                      | 2,024.45   |

Short-term loans to related parties are unsecured and the interest rates as at December 31, 2013 range from 1.50% to 5.31% per annum (December 31, 2012: the interest rates range from 3.05% to 6.13% per annum).

### 9.3 Other long-term accounts receivable and long-term loans - related parties as at December 31, 2013 and 2012

Unit: Million Baht

|  | Consolidated financial statements |      | Separate financial statements |           |
|--|-----------------------------------|------|-------------------------------|-----------|
|  | 2013                              | 2012 | 2013                          | 2012      |
| <b>Other long-term accounts receivable</b> |                                   |      |                               |           |
| Jointly controlled entities                | -                                 | -    | 44.62                         | -         |
| Associates (Note 9.2)                      | 4,113.67                          | -    | 4,113.67                      | -         |
| Total                                      | 4,113.67                          | -    | 4,158.29                      | -         |
| <b>Long-term loans</b>                     |                                   |      |                               |           |
| Subsidiaries                               | -                                 | -    | 71,714.63                     | 73,197.57 |
| Jointly controlled entities                | -                                 | -    | 2,534.37                      | 1,034.99  |
| Associates                                 | 12.07                             | -    | -                             | -         |
| Total (Note 8.2)                           | 12.07                             | -    | 74,249.00                     | 74,232.56 |

### 9.3 Other long-term accounts receivable and long-term loans - related parties as at December 31, 2013 and 2012 (Continued)

Movements in long-term loans - related parties are as follows:

Unit: Million Baht

|                                      | Consolidated financial statements |        | Separate financial statements |             |
|--------------------------------------|-----------------------------------|--------|-------------------------------|-------------|
|                                      | 2013                              | 2012   | 2013                          | 2012        |
| Balance as at January 1              | -                                 | 5.82   | 74,232.56                     | 52,697.71   |
| - Payment for loans granted          | 11.66                             | -      | 24,297.43                     | 50,570.09   |
| - Receipt from loans granted         | -                                 | (5.71) | (25,273.13)                   | (27,298.98) |
| - Gain (Loss) on exchange rate       | -                                 | (0.11) | 3,378.14                      | (1,525.26)  |
| - Currency translation differences   | 0.41                              | -      | -                             | -           |
| - Current portion of long-term loans | -                                 | -      | (2,386.00)                    | (211.00)    |
| Balance as at December 31            | 12.07                             | -      | 74,249.00                     | 74,232.56   |

Long-term loans to related parties are unsecured and the interest rates as at December 31, 2013 range from 1.73% to 5.31% per annum (December 31, 2012: the interest rates range from 2.53% to 5.36% per annum).

### 9.4 Trade accounts payable - related parties as at December 31, 2013 and 2012

Unit: Million Baht

|                             | Consolidated financial statements |           | Separate financial statements |           |
|-----------------------------|-----------------------------------|-----------|-------------------------------|-----------|
|                             | 2013                              | 2012      | 2013                          | 2012      |
| Subsidiaries                | -                                 | -         | 27,360.04                     | 24,746.64 |
| Jointly controlled entities | -                                 | -         | 6,973.75                      | 5,409.98  |
| Associates                  | 56,704.78                         | 49,906.39 | 40,116.35                     | 46,836.01 |
| Other related parties       | 1,885.91                          | 5,402.79  | 1,207.19                      | 387.87    |
| Total                       | 58,590.69                         | 55,309.18 | 75,657.33                     | 77,380.50 |



### 9.5 Other accounts payable and short-term loans - related parties as at December 31, 2013 and 2012

Unit: Million Baht

|                               | Consolidated financial statements |                 | Separate financial statements |                 |
|-------------------------------|-----------------------------------|-----------------|-------------------------------|-----------------|
|                               | 2013                              | 2012            | 2013                          | 2012            |
| <b>Other accounts payable</b> |                                   |                 |                               |                 |
| Subsidiaries                  | -                                 | -               | 1,459.96                      | 1,388.00        |
| Jointly controlled entities   | -                                 | -               | 31.93                         | 4.41            |
| Associates                    | 1,487.13                          | 1,200.82        | 1,106.02                      | 805.06          |
| Other related parties         | 55.22                             | 59.49           | 48.90                         | 50.30           |
| <b>Total</b>                  | <b>1,542.35</b>                   | <b>1,260.31</b> | <b>2,646.81</b>               | <b>2,247.77</b> |
| <b>Short-term loans*</b>      |                                   |                 |                               |                 |
| Subsidiaries                  | -                                 | -               | 2,270.47                      | 1,552.13        |

\* The Company's liquidity management policies within the Group include the use of the cash pooling method. Inter-company loans were used for short-term financial management of cash surpluses or deficits of each affiliate. Interests on these were calculated by using market interest rates.

### 9.6 Other long-term accounts payable - related parties as at December 31, 2013 and 2012

Unit: Million Baht

|                             | Consolidated financial statements |               | Separate financial statements |               |
|-----------------------------|-----------------------------------|---------------|-------------------------------|---------------|
|                             | 2013                              | 2012          | 2013                          | 2012          |
| Subsidiaries                | -                                 | -             | 0.34                          | 0.35          |
| Jointly controlled entities | -                                 | -             | 11.70                         | 12.43         |
| Associates                  | 26.67                             | 16.23         | 26.67                         | 16.23         |
| Other related parties       | 590.90                            | 622.70        | 590.90                        | 622.70        |
| <b>Total</b>                | <b>617.57</b>                     | <b>638.93</b> | <b>629.61</b>                 | <b>651.71</b> |

## 9.7 Revenue and expense transactions carried out with related parties

For the years ended December 31, 2013 and 2012

Unit: Million Baht

|                             | Consolidated financial statements |            | Separate financial statements |            |
|-----------------------------|-----------------------------------|------------|-------------------------------|------------|
|                             | 2013                              | 2012       | 2013                          | 2012       |
| <b>Revenues</b>             |                                   |            |                               |            |
| <u>Sales</u>                |                                   |            |                               |            |
| Subsidiaries                | -                                 | -          | 231,660.62                    | 154,708.72 |
| Jointly controlled entities | -                                 | -          | 12,209.41                     | 9,983.99   |
| Associates                  | 946,525.66                        | 931,934.69 | 869,027.67                    | 929,732.25 |
| Other related parties       | 40,134.16                         | 59,568.72  | 39,488.08                     | 57,538.67  |
| <u>Interest income</u>      |                                   |            |                               |            |
| Subsidiaries                | -                                 | -          | 2,752.59                      | 2,866.21   |
| Jointly controlled entities | -                                 | -          | 37.46                         | 12.39      |
| Associates                  | 0.02                              | 170.36     | 0.02                          | 170.36     |
| <u>Dividend income</u>      |                                   |            |                               |            |
| Subsidiaries                | -                                 | -          | 16,383.56                     | 12,902.97  |
| Jointly controlled entities | -                                 | -          | 1,779.40                      | 2,009.50   |
| Associates                  | -                                 | -          | 15,217.22                     | 14,556.23  |
| Other related parties       | 334.16                            | 304.12     | 334.16                        | 304.12     |
| <u>Other income</u>         |                                   |            |                               |            |
| Subsidiaries                | -                                 | -          | 693.05                        | 2,134.30   |
| Jointly controlled entities | -                                 | -          | 336.90                        | 72.03      |
| Associates                  | 2,859.60                          | 3,483.80   | 2,189.94                      | 3,016.49   |
| Other related parties       | 1,474.69                          | 102.75     | 1,473.35                      | 95.20      |

For the years ended December 31, 2013 and 2012

Unit: Million Baht

|                             | Consolidated financial statements |            | Separate financial statements |            |
|-----------------------------|-----------------------------------|------------|-------------------------------|------------|
|                             | 2013                              | 2012       | 2013                          | 2012       |
| <b>Expenses</b>             |                                   |            |                               |            |
| <u>Purchases</u>            |                                   |            |                               |            |
| Subsidiaries                | -                                 | -          | 200,423.43                    | 202,994.51 |
| Jointly controlled entities | -                                 | -          | 39,804.41                     | 34,761.92  |
| Associates                  | 644,979.35                        | 642,117.45 | 525,809.89                    | 622,477.10 |
| Other related parties       | 39,816.98                         | 57,139.11  | 9,214.60                      | 6,548.04   |
| <u>Interest expenses</u>    |                                   |            |                               |            |
| Subsidiaries                | -                                 | -          | 55.69                         | 112.53     |
| <u>Other expenses</u>       |                                   |            |                               |            |
| Subsidiaries                | -                                 | -          | 2,711.94                      | 3,194.52   |
| Jointly controlled entities | -                                 | -          | -                             | 0.75       |
| Associates                  | 1,501.23                          | 1,769.35   | 1,398.90                      | 1,679.42   |
| Other related parties       | 970.54                            | 996.81     | 831.79                        | 969.65     |

The aforementioned related party transactions exclude transactions carried out with government agencies and state enterprises.

Stipulation prices between the Company and its related parties are based on normal prices for the same types of business transactions carried out with non-related parties. Goods purchased from subsidiaries are charged at the normal prices determined by the subsidiaries with reference to global market prices.

## 9.8 Details of commitments to subsidiaries, jointly controlled entities, associates and other related parties are stated in Note 46.1.

- 9.9 Crude oil and refined product purchase and sale transactions carried out with related parties without physical delivery, with the objective of maintaining crude oil and refined product reserves, were reversed in the financial statements.

For the years ended December 31, 2013 and 2012

Unit: Million Baht

|                       | Consolidated financial statements |          | Separate financial statements |          |
|-----------------------|-----------------------------------|----------|-------------------------------|----------|
|                       | 2013                              | 2012     | 2013                          | 2012     |
| <u>Sales</u>          |                                   |          |                               |          |
| Subsidiaries          | -                                 | -        | 686.93                        | -        |
| Associates            | 5,517.96                          | 7,134.37 | 5,517.96                      | 7,134.37 |
| Other related parties | 896.15                            | 987.51   | 896.15                        | 987.51   |
| <u>Purchases</u>      |                                   |          |                               |          |
| Subsidiaries          | -                                 | -        | 686.93                        | -        |
| Associates            | 5,517.96                          | 7,134.37 | 5,517.96                      | 7,134.37 |
| Other related parties | 896.15                            | 987.51   | 896.15                        | 987.51   |

#### 9.10 Executive remunerations

For the years ended December 31, 2013 and 2012, details of remunerations are as follows:

Unit: Million Baht

|   | Consolidated financial statements |               | Separate financial statements |               |
|---|-----------------------------------|---------------|-------------------------------|---------------|
|   | 2013                              | 2012          | 2013                          | 2012          |
| <u>Directors remuneration</u>                             |                                   |               |                               |               |
| Meeting remuneration and bonuses                          | 174.90                            | 133.34        | 61.45                         | 41.44         |
| <u>Managements remuneration</u>                           |                                   |               |                               |               |
| Salaries, bonuses, and other short-term employee benefits | 666.70                            | 599.10        | 119.14                        | 98.97         |
| Post-employment benefits                                  | 0.52                              | 3.62          | 2.70                          | 2.76          |
| <b>Total</b>  | <b>842.12</b>                     | <b>736.06</b> | <b>183.29</b>                 | <b>143.17</b> |

Managements are those persons who have authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

## 10. Inventories

Inventories as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|   | Consolidated financial statements |           | Separate financial statements |           |
|---|-----------------------------------|-----------|-------------------------------|-----------|
|   | 2013                              | 2012      | 2013                          | 2012      |
| Oil products  | 21,000.82                         | 20,469.00 | 15,262.38                     | 13,243.41 |
| Gas products  | 3,887.25                          | 4,707.16  | 3,885.37                      | 4,704.14  |
| Petrochemical products  | 2,132.07                          | 1,782.78  | -                             | -         |
| Others  | 2,282.33                          | 2,024.80  | 749.14                        | 635.70    |
|   | 29,302.47                         | 28,983.74 | 19,896.89                     | 18,583.25 |
| <u>Less</u> Allowance for decline in value<br>of inventories and obsolescence | (504.05)                          | (498.74)  | (491.28)                      | (492.22)  |
| Total   | 28,798.42                         | 28,485.00 | 19,405.61                     | 18,091.03 |

In 2013, the Group wrote down inventories to their net realizable values, and recorded decreases of Baht 503.59 million in the consolidated financial statements (2012: Baht 232.84 million) and Baht 490.82 million in the separate financial statements (2012: Baht 226.32 million). The Group reversed the previous allowance for decline in value of inventories recorded in the consolidated financial statements, amounting to Baht 232.84 million (2012: Baht 75.99 million) and in the separate financial statements, amounting to Baht 226.32 million (2012: Baht 75.99 million). In addition, the Group recognized allowance for obsolescence of inventories amounting to Baht 0.46 million in the consolidated and the separate financial statements (2012: Baht 265.90 million).

The above inventories exclude legal reserves, which are presented as other non-current assets, as disclosed in Note 22.

## 11. Materials and Supplies

Materials and supplies as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|  | Consolidated financial statements |           | Separate financial statements |          |
|--|-----------------------------------|-----------|-------------------------------|----------|
|  | 2013                              | 2012      | 2013                          | 2012     |
| Spare parts, equipment and others      | 15,434.60                         | 13,842.39 | 3,850.64                      | 3,739.54 |
| <u>Less</u> Allowance for obsolescence | (60.61)                           | (82.94)   | (5.15)                        | (5.12)   |
| Total                                  | 15,373.99                         | 13,759.45 | 3,845.49                      | 3,734.42 |

## 12. Investments in Subsidiaries, Jointly Controlled Entities and Associates

### 12.1 Details of subsidiaries, jointly controlled entities and associates of the Company

| Company   | Country of Incorporation | Business   | Shareholding (%) |        |
|---|--------------------------|--|------------------|--------|
|   |                          |  | 2013             | 2012   |
| <b>Subsidiaries:</b>                                    |                          |  |                  |        |
| PTT Exploration and Production Public Co., Ltd. (PTTEP) | Thailand                 | Petroleum exploration and production                   | 65.29            | 65.29  |
| PTT (Cambodia) Limited (PTTCL)                          | Cambodia                 | Oil marketing  | 100.00           | 100.00 |
| Subic Bay Energy Co., Ltd. (SBECL)                      | Cayman Islands           | Oil marketing  | 100.00           | 100.00 |
| PTT International Trading Pte. Ltd. (PTTT)              | Singapore                | International oil trading                              | 100.00           | 100.00 |
| PTT Natural Gas Distribution Co., Ltd. (PTTNGD)         | Thailand                 | Natural gas  | 58.00            | 58.00  |
| PTT LNG Co., Ltd. (PTTLNG)                              | Thailand                 | Natural gas  | 100.00           | 100.00 |
| PTT Polymer Marketing Co., Ltd. (PTTPM)                 | Thailand                 | Petrochemicals marketing                               | 50.00            | 50.00  |
| Energy Complex Co., Ltd. (EnCo)                         | Thailand                 | Real estate development for rent                       | 50.00            | 50.00  |
| PTT Polymer Logistics Co., Ltd. (PTTPL)                 | Thailand                 | Logistics services                                     | 100.00           | 100.00 |
| PTT Retail Business Co., Ltd. (PTTRB)                   | Thailand                 | Management services and oil marketing                  | 100.00           | 100.00 |
| Combined Heat and Power Producing Co., Ltd. (CHPP)*     | Thailand                 | Generation and supply of electricity and chilled water | -                | 100.00 |
| PTT International Co., Ltd. (PTTI)                      | Thailand                 | International investment                               | 100.00           | 100.00 |

\* CHPP was sold to GPSC on December 24, 2013.

| Company   | Country of Incorporation | Business   | Shareholding (%) |        |
|---|--------------------------|--|------------------|--------|
|   |                          |  | 2013             | 2012   |
| <b>Subsidiaries: (Continued)</b>  |                          |  |                  |        |
| PTT Green Energy Pte. Ltd. (PTTGE)  | Singapore                | Investment in palm oil                                     | 100.00           | 100.00 |
| Business Services Alliance Co., Ltd. (BSA)<br>(The Company held 100% ordinary shares giving the Company power, directly or indirectly, to govern the financial and operating policies. As a result, BSA is a subsidiary of the Company) | Thailand                 | Management services  | 25.00            | 25.00  |
| PTT Tank Terminal Co., Ltd. (PTT TANK)  | Thailand                 | Terminal and warehouse                                     | 100.00           | 100.00 |
| Thai Lube Blending Co., Ltd. (TLBC)<br>(The Company and PTTRB held 48.95% and 51.05%, respectively. As a result, TLBC is a subsidiary of the Company)   | Thailand                 | Blending and bottling of lube oil                          | 48.95            | 48.95  |
| PTT PMMA Co., Ltd. (PTTPMMA)  | Thailand                 | Manufacturing and distribution of Poly Methyl Methacrylate | 100.00           | -      |
| PTT Oil Myanmar Co., Ltd. (PTTOM)   | Myanmar                  | Oil marketing  | 100.00           | -      |
| PTT Regional Treasury Center Pte. Ltd. (PTTRTC)   | Singapore                | Treasury services  | 100.00           | -      |
| <b>Jointly controlled entities:</b>   |                          |  |                  |        |
| Trans Thai-Malaysia (Thailand) Co., Ltd. (TTM(T))   | Thailand                 | Natural gas  | 50.00            | 50.00  |
| Trans Thai-Malaysia (Malaysia) Sdn. Bhd. (TTM(M))   | Malaysia                 | Natural gas  | 50.00            | 50.00  |
| District Cooling System and Power Plant Co., Ltd. (DCAP)  | Thailand                 | Generation and supply of electricity and chilled water     | 35.00            | 35.00  |

## 12.1 Details of subsidiaries, jointly controlled entities and associates of the Company (Continued)

| Company   | Country of Incorporation | Business                    | Shareholding (%) |       |
|---|--------------------------|-----------------------------|------------------|-------|
|   |                          |                             | 2013             | 2012  |
| <b>Jointly controlled entities: (Continued)</b> |                          |                             |                  |       |
| PTT Asahi Chemicals Co., Ltd. (PTTAC)           | Thailand                 | Petrochemicals              | 48.50            | 48.50 |
| HMC Polymers Co., Ltd. (HMC)                    | Thailand                 | Petrochemicals              | 41.44            | 41.44 |
| PTT MCC Biochem Co., Ltd. (PTTMCC)              | Thailand                 | Petrochemicals              | 50.00            | 50.00 |
| Thai Solar Renewable Co., Ltd. (TSR)*           | Thailand                 | Solar power plant           | -                | -     |
| <b>Associates</b>                               |                          |                             |                  |       |
| Thai Oil Public Co., Ltd. (TOP)                 | Thailand                 | Refining                    | 49.10            | 49.10 |
| Star Petroleum Refining Public Co., Ltd. (SPRC) | Thailand                 | Refining                    | 36.00            | 36.00 |
| Bangchak Petroleum Public Co., Ltd. (BCP)       | Thailand                 | Refining                    | 27.22            | 27.22 |
| Thai Petroleum Pipeline Co., Ltd. (THAPPLINE)   | Thailand                 | Oil transmission pipelines  | 36.44            | 33.19 |
| Petro Asia (Thailand) Co., Ltd. (PA (Thailand)) | Thailand                 | Oil marketing               | 35.00            | 35.00 |
| Vietnam LPG Co., Ltd. (VLPG)                    | Vietnam                  | Bottling and sale of LPG    | 45.00            | 45.00 |
| KELOIL-PTT LPG Sdn. Bhd. (KPL)                  | Malaysia                 | Bottling and sale of LPG    | 40.00            | 40.00 |
| IRPC Public Co., Ltd. (IRPC)                    | Thailand                 | Petrochemicals and refining | 38.51            | 38.51 |
| Independent Power (Thailand) Co., Ltd. (IPT)**  | Thailand                 | Electricity generation      | -                | 20.00 |

\* During the year 2013, the company invested in TSR on March 31, 2013 and TSR was sold to GPSC on December 24, 2013.

\*\* GPSC was founded on January 10, 2013 through the amalgamation of IPT and PTTUT.



| Company   | Country of Incorporation | Business   | Shareholding (%) |       |
|---|--------------------------|--|------------------|-------|
|   |                          |  | 2013             | 2012  |
| <u>Associates: (Continued)</u>                      |                          |  |                  |       |
| Thai Oil Power Co., Ltd. (TP)                       | Thailand                 | Generation and supply of electricity                                 | 26.00            | 26.00 |
| PTT Phenol Co., Ltd. (PPCL)*                        | Thailand                 | Petrochemicals   | -                | 40.00 |
| PTT Utility Co., Ltd. (PTTUT)**                     | Thailand                 | Generation and supply of electricity, steam and water for industries | -                | 40.00 |
| PTT ICT Solutions Co., Ltd. (PTTICT)                | Thailand                 | Communication and technology services                                | 20.00            | 20.00 |
| PTT Maintenance & Engineering Co., Ltd. (PTTME)     | Thailand                 | Factory maintenance and engineering services                         | 40.00            | 40.00 |
| B.Grimm BIP Power Co., Ltd. (B.Grimm BIP)***        | Thailand                 | Generation and supply of electricity                                 | -                | 23.00 |
| Nava Nakorn Electricity Generating Co., Ltd. (NNEG) | Thailand                 | Generation and supply of electricity                                 | 30.00            | 30.00 |
| PTT Energy Solutions Co., Ltd. (PTTES)              | Thailand                 | Technical and operational services                                   | 40.00            | 40.00 |
| Bangpa-in Cogeneration Limited (BIC)****            | Thailand                 | Generation and supply of electricity and steam                       | -                | 25.00 |
| PTT Global Chemical Public Co., Ltd. (PTTGC)        | Thailand                 | Petrochemicals and refining  | 48.89            | 48.89 |
| Global Power Synergy Co., Ltd. (GPSC)**             | Thailand                 | Generation and supply of electricity, steam and water for industries | 30.10            | -     |

\* PPCL was sold to PTTGC on May 2, 2013.

\*\* GPSC was founded on January 10, 2013 through the amalgamation of IPT and PTTUT.

\*\*\* B.Grimm BIP was sold to B.Grimm Power on October 31, 2013.

\*\*\*\* BIC was sold to GPSC on December 24, 2013.

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities

| Company  | Country of Incorporation | Business  | Held by | Shareholding (%) |        |
|--|--------------------------|-----------|---------|------------------|--------|
|  |                          |           |         | 2013             | 2012   |
| PTTEP International Limited (PTTEPI)               | Thailand                 | Petroleum | PTTEP   | 100.00           | 100.00 |
| PTTEP Offshore Investment Company Limited (PTTEPO) | Cayman                   | Petroleum | PTTEP   | 75.00            | 75.00  |
|  | Islands                  |           | PTTEPI  | 25.00            | 25.00  |
| PTTEP Southwest Vietnam Company Limited (PTTEP SV) | Cayman                   | Petroleum | PTTEPO  | 100.00           | 100.00 |
|  | Islands                  |           |         |                  |        |
| PTTEP Kim Long Vietnam Company Limited (PTTEP KV)  | Cayman                   | Petroleum | PTTEPO  | 100.00           | 100.00 |
|  | Islands                  |           |         |                  |        |
| PTTEP Hoang - Long Company Limited (PTTEP HL)      | Cayman                   | Petroleum | PTTEPO  | 100.00           | 100.00 |
|  | Islands                  |           |         |                  |        |
| PTTEP Hoan - Vu Company Limited (PTTEP HV)         | Cayman                   | Petroleum | PTTEPO  | 100.00           | 100.00 |
|  | Islands                  |           |         |                  |        |
| PTTEP Oman Company Limited (PTTEP OM)              | Cayman                   | Petroleum | PTTEPO  | 100.00           | 100.00 |
|  | Islands                  |           |         |                  |        |
| PTTEP Algeria Company Limited (PTTEP AG)           | Cayman                   | Petroleum | PTTEPO  | 100.00           | 100.00 |
|  | Islands                  |           |         |                  |        |
| PTTEP (Thailand) Limited (PTTEPT)*                 | Thailand                 | Petroleum | PTTEPI  | -                | 100.00 |
| PTTEP Services Limited (PTTEP Services)            | Thailand                 | Service   | PTTEP   | 25.00            | 25.00  |
|  |                          | operation | PTTEPI  | 75.00            | 75.00  |
| PTTEP Siam Limited (PTTEPS)                        | Thailand                 | Petroleum | PTTEP   | 51.00            | 51.00  |
|  |                          |           | PTTEPO  | 49.00            | 49.00  |

\* PTTEPT registered its dissolution on December 24, 2010 and was liquidated on December 6, 2013.

| Company   | Country of Incorporation | Business  | Held by  | Shareholding (%) |        |
|---|--------------------------|-----------|----------|------------------|--------|
|   |                          |           |          | 2013             | 2012   |
| <b>Subsidiaries of PTTEP: (Continued)</b>   |                          |           |          |                  |        |
| PTTEP Iran Company Limited<br>(PTTEP IR)  | Cayman Islands           | Petroleum | PTTEP OM | 100.00           | 100.00 |
| PTTEP Bahrain Company Limited<br>(PTTEP BH)*  | Cayman Islands           | Petroleum | PTTEP OM | -                | 100.00 |
| PTTEP Holding Company Limited<br>(PTTEPH)   | Cayman Islands           | Petroleum | PTTEPO   | 100.00           | 100.00 |
| PTTEP Indonesia Company Limited<br>(PTTEP ID)   | Cayman Islands           | Petroleum | PTTEPH   | 100.00           | 100.00 |
| PTTEP Bengara I Company Limited<br>(PTTEPB)**   | Cayman Islands           | Petroleum | PTTEP ID | -                | 100.00 |
| PTTEP Andaman Limited<br>(PTTEPA)   | Thailand                 | Petroleum | PTTEPS   | 100.00           | 100.00 |
| PTTEP Africa Investment Limited<br>(PTTEP AI) (Former: PTTEP Egypt Company Limited<br>(PTTEP EG)) | Cayman Islands           | Petroleum | PTTEPH   | 100.00           | 100.00 |
| PTTEP Rommana Company Limited<br>(PTTEPR)   | Cayman Islands           | Petroleum | PTTEP AI | 100.00           | 100.00 |
| PTTEP Sidi Abd El Rahman Company Limited<br>(PTTEP SAER)**  | Cayman Islands           | Petroleum | PTTEP AI | -                | 100.00 |
| PTTEP Australia Pty Limited<br>(PTTEP AU)   | Australia                | Petroleum | PTTEPH   | 100.00           | 100.00 |
| PTTEP Bangladesh Limited<br>(PTTEP BD)*   | Cayman Islands           | Petroleum | PTTEPH   | -                | 100.00 |

\* On June 28, 2013, PTTEP BH and PTTEP BD registered its dissolution with the Government of the Cayman Islands.

\*\* On September 30, 2013, PTTEPB and PTTEP SAER registered their dissolution with the Government of the Cayman Islands.

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Company   | Country of Incorporation | Business                         | Held by  | Shareholding (%) |        |
|---|--------------------------|----------------------------------|----------|------------------|--------|
|   |                          |                                  |          | 2013             | 2012   |
| <b>Subsidiaries of PTTEP: (Continued)</b>                           |                          |                                  |          |                  |        |
| PTTEP South Asia Limited<br>(PTTEP SA)                              | Cayman<br>Islands        | Petroleum                        | PTTEPH   | 100.00           | 100.00 |
| PTTEP New Zealand Limited<br>(PTTEP NZ)                             | Cayman<br>Islands        | Petroleum                        | PTTEPH   | 100.00           | 100.00 |
| PTTEP Semai II Limited<br>(PTTEP SM)                                | Cayman<br>Islands        | Petroleum                        | PTTEP ID | 100.00           | 100.00 |
| PTTEP Australia Perth Pty Limited<br>(PTTEP AP)                     | Australia                | Petroleum                        | PTTEPH   | 100.00           | 100.00 |
| PTTEP International Holding<br>Company Limited (PTTEP IH)           | Cayman<br>Islands        | Petroleum                        | PTTEPH   | 100.00           | 100.00 |
| PTTEP Southwest Vietnam<br>Pipeline Company Limited<br>(PTTEP SVPC) | Cayman<br>Islands        | Gas<br>transmission<br>pipelines | PTTEPH   | 100.00           | 100.00 |
| PTTEP FLNG Holding<br>Company Limited (PTTEP FH)                    | Hong Kong                | Petroleum                        | PTTEP IH | 100.00           | 100.00 |
| JV Shore Base Limited<br>(JV Shore Base)                            | Cayman<br>Islands        | Petroleum                        | PTTEP IH | 100.00           | 100.00 |
| PTTEP Netherland Holding<br>Limited (PTTEP NL)                      | Cayman<br>Islands        | Petroleum                        | PTTEP IH | 100.00           | 100.00 |
| JV Marine Limited (JV Marine)                                       | Cayman<br>Islands        | Petroleum                        | PTTEP IH | 100.00           | 100.00 |

| Company   | Country of Incorporation | Business  | Held by  | Shareholding (%) |          |
|---|--------------------------|-----------|----------|------------------|----------|
|   |                          |           |          | 2013             | 2012     |
| <b>Subsidiaries of PTTEP: (Continued)</b>                 |                          |           |          |                  |          |
| PTTEP South Mandar Limited<br>(PTTEP SMD)                 | Cayman Islands           | Petroleum | PTTEP ID | 100.00           | 100.00   |
| PTTEP South Sageri Limited<br>(PTTEP SS)                  | Cayman Islands           | Petroleum | PTTEP ID | 100.00           | 100.00   |
| PTTEP Sadang Limited<br>(PTTEP SD)                        | Cayman Islands           | Petroleum | PTTEP ID | 100.00           | 100.00   |
| PTTEP Malunda Limited<br>(PTTEP ML)                       | Cayman Islands           | Petroleum | PTTEP ID | 100.00           | 100.00   |
| PTTEP Netherlands Coöperatie<br>U.A. (PTTEP NC)           | Netherlands              | Petroleum | PTTEP IH | 0.00005          | 0.00005  |
|   |                          |           | PTTEP NL | 99.99995         | 99.99995 |
| PTTEP Canada Limited<br>(PTTEP CA)                        | Canada                   | Petroleum | PTTEP NC | 100.00           | 100.00   |
| PTTEP Canada International<br>Finance Limited (PTTEP CIF) | Canada                   | Petroleum | PTTEP NC | 100.00           | 100.00   |
| PTTEP MEA Limited<br>(PTTEP MEA)                          | Cayman Islands           | Petroleum | PTTEP    | 100.00           | 100.00   |
| PTTEP HK Holding Limited<br>(PTTEP HK)                    | Hong Kong                | Petroleum | PTTEP    | 25.00            | -        |
|   |                          |           | PTTEPI   | 75.00            | -        |
| PTTEP Netherlands Holding<br>Coöperatie U.A. (PTTEP NH)   | Netherlands              | Petroleum | PTTEPI   | 25.00            | -        |
|   |                          |           | PTTEP HK | 75.00            | -        |
| PTTEP Brazil Investment B.V.<br>(PTTEP BI)                | Brazil                   | Petroleum | PTTEP NH | 100.00           | -        |

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Company  | Country of Incorporation | Business  | Held by  | Shareholding (%) |        |
|--|--------------------------|-----------|----------|------------------|--------|
|  |                          |           |          | 2013             | 2012   |
| <b>Subsidiaries of PTTEP: (Continued)</b>  |                          |           |          |                  |        |
| PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL) | Brazil                   | Petroleum | PTTEP BI | 99.999998        | -      |
|  |                          |           | PTTEP NH | 0.000002         | -      |
| PTTEP Australia Offshore Pty Limited (PTTEP AO)  | Australia                | Petroleum | PTTEP AU | 100.00           | 100.00 |
| PTTEP Australia Browse Basin Pty Limited (PTTEP AB)                                    | Australia                | Petroleum | PTTEP AP | 100.00           | 100.00 |
| PTTEP Australia International Finance Pty Limited (PTTEP AIF)                          | Australia                | Petroleum | PTTEP AP | 100.00           | 100.00 |
| PTTEP Australasia Pty Limited (PTTEP AA)   | Australia                | Petroleum | PTTEP AP | 100.00           | 100.00 |
| PTTEP Australia Timor Sea Pty Limited (PTTEP AT)                                       | Australia                | Petroleum | PTTEP AP | 100.00           | 100.00 |
| PTTEP Australasia (Finance) Pty Limited (PTTEP AAF)                                    | Australia                | Petroleum | PTTEP AP | 100.00           | 100.00 |
| PTTEP Australasia (Petroleum) Pty Limited (PTTEP AAP)                                  | Australia                | Petroleum | PTTEP AP | 100.00           | 100.00 |
| Tullian Pty Limited (PTTEP AAT)  | Australia                | Petroleum | PTTEP AP | 100.00           | 100.00 |
| PTTEP Australasia (Operations) Pty Limited (PTTEP AAO)                                 | Australia                | Petroleum | PTTEP AP | 100.00           | 100.00 |
| PTTEP Australasia (Ashmore Cartier) Pty Limited (PTTEP AAA)                            | Australia                | Petroleum | PTTEP AP | 100.00           | 100.00 |

| Company   | Country of Incorporation         | Business      | Held by  | Shareholding (%) |        |
|---|----------------------------------|---------------|----------|------------------|--------|
|   |                                  |               |          | 2013             | 2012   |
| <b>Subsidiaries of PTTEP: (Continued)</b>         |                                  |               |          |                  |        |
| PTTEP Australasia (Staff) Pty Limited (PTTEP AAS) | Australia                        | Petroleum     | PTTEP AP | 100.00           | 100.00 |
| Cove Energy Public Company Limited (Cove)         | England                          | Petroleum     | PTTEP AI | 100.00           | 100.00 |
| Cove Energy Mozambique Rovuma Onshore Limited     | Cyprus                           | Petroleum     | Cove     | 100.00           | 100.00 |
| Cove Energy East Africa Limited                   | Cyprus                           | Petroleum     | Cove     | 100.00           | 100.00 |
| Cove Energy Mozambique Rovuma Offshore Limited    | Cyprus                           | Petroleum     | Cove     | 100.00           | 100.00 |
| Cove Mozambique Terra Limitada                    | Mozambique                       | Petroleum     | Cove     | 100.00           | 100.00 |
| Cove Mozambique Energia Limitada                  | Mozambique                       | Petroleum     | Cove     | 100.00           | 100.00 |
| Cove Energy Kenya Limited                         | Kenya                            | Petroleum     | Cove     | 100.00           | 100.00 |
| <b>Subsidiary of PTTCL:</b>                       |                                  |               |          |                  |        |
| PTT (Lao) Co., Ltd. (PTT Lao)                     | Lao People's Democratic Republic | Oil marketing | PTTCL    | 100.00           | 100.00 |
| <b>Subsidiaries of SBECL:</b>                     |                                  |               |          |                  |        |
| PTT Philippines Trading Corporation (PTTTC)       | Philippines                      | Oil marketing | SBECL    | 100.00           | 100.00 |
| PTT Philippines Corporation (PTTPC)               | Philippines                      | Oil marketing | SBECL    | 100.00           | 100.00 |

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Company  | Country of Incorporation | Business  | Held by | Shareholding (%) |        |
|--|--------------------------|---|---------|------------------|--------|
|  |                          |   |         | 2013             | 2012   |
| <b>Subsidiary of PTTT:</b>                           |                          |   |         |                  |        |
| PTT International Trading DMCC (PTTT DMCC)           | United Arab Emirates     | International oil trading                           | PTTT    | 100.00           | 100.00 |
| <b>Subsidiary of PTTNGD:</b>                         |                          |   |         |                  |        |
| Amata Natural Gas Distribution Co., Ltd. (AMATA NGD) | Thailand                 | Natural gas   | PTTNGD  | 80.00            | 80.00  |
| <b>Subsidiary of PTTPM:</b>                          |                          |   |         |                  |        |
| Polymer Marketing DMCC Company Limited (PM DMCC)     | United Arab Emirates     | Petrochemicals marketing                            | PTTPM   | 100.00           | 100.00 |
| <b>Subsidiaries of PTTRB:</b>                        |                          |   |         |                  |        |
| PTT Retail Management Co., Ltd. (PTTRM)              | Thailand                 | Management of petrol stations and convenient stores | PTTRB   | 100.00           | 100.00 |
| PTT Retail Service Co., Ltd. (PTTRS)                 | Thailand                 | Employee management service                         | PTTRB   | 100.00           | 100.00 |
| Thai Lube Blending Co., Ltd. (TLBC)                  | Thailand                 | Blending and bottling of lube oil                   | PTTRB   | 51.05            | 51.05  |
|  |                          |   | PTT     | 48.95            | 48.95  |



| Company   | Country of Incorporation | Business                      | Held by          | Shareholding (%) |        |
|---|--------------------------|-------------------------------|------------------|------------------|--------|
|   |                          |                               |                  | 2013             | 2012   |
| <b>Subsidiaries of PTTI:</b>  |                          |                               |                  |                  |        |
| PTT Mining Limited (PTTML)  | Hong Kong                | Investment                    | PTTI             | 25.00            | 100.00 |
|   |                          | in other companies            | PTTIH            | 75.00            | -      |
| International Coal Holdings Pty Ltd (ICH)                             | Australia                | Investment in other companies | PTTML            | 100.00           | 100.00 |
| PTT Asia Pacific Mining Pty Ltd (PTTAPM)                              | Australia                | Investment in mining          | ICH              | 100.00           | 100.00 |
| Yannarie Solar Pty Ltd (YSP)  | Australia                | Salt mining                   | PTTAPM           | -                | 100.00 |
| Straits (Brunei) Pte Ltd (Straits (Brunei))                           | Singapore                | Investment                    | PTTAPM           | -                | 100.00 |
|   |                          | in other companies            | PTTML            | 100.00           | -      |
| Sakari Resources Ltd (SAR)  | Singapore                | Investment                    | PTTAPM           | -                | 45.88  |
|   |                          | in coal mining                | PTTML            | 94.58            | 47.75  |
| Red Island Minerals Limited (RIM)                                     | Australia                | Investment in other companies | PTTAPM           | 100.00           | 100.00 |
| Yoxford Holdings  | Mauritius                | Investment                    | RIM              | -                | 100.00 |
|   |                          | in other companies            | PTTML            | 100.00           | -      |
| Madagascar Consolidated Mining SA (MCM)                               | Madagascar               | Coal mining                   | Yoxford Holdings | 80.00            | 80.00  |
| Tiger Energy Trading Pte Ltd (TET)                                    | Singapore                | Coal mining marketing         | SAR              | 100.00           | 100.00 |
| SAR Resources (Australia) Pty Ltd (SARA)                              | Australia                | Human resource management     | SAR              | 100.00           | 100.00 |
| Sakari Energy Pte Ltd (SAEnergy) (Former: Straits Asia Resources Ltd) | Singapore                | Investment in other companies | SAR              | 100.00           | 100.00 |
| Reyka Wahana Digdjaya Pte Ltd (RWD)                                   | Singapore                | Investment in other companies | SAR              | 100.00           | 100.00 |

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Company                                      | Country of Incorporation | Business                                       | Held by    | Shareholding (%) |                |
|--|--------------------------|--|------------|------------------|----------------|
|  |                          |  |            | 2013             | 2012           |
| <b>Subsidiaries of PTTI: (Continued)</b>     |                          |  |            |                  |                |
| Sakari Energy Trading Pte Ltd (SET)          | Singapore                | Investment in other companies                  | SAR        | 100.00           | 100.00         |
| Sakari Marine & Infrastructure Pte Ltd (SMI) | Singapore                | Marine Engineering                             | SAR        | 100.00           | 100.00         |
| PT Straits Consultancy Services (SCS)        | Indonesia                | Management services                            | SAR<br>SMI | 99.00<br>1.00    | 99.00<br>1.00  |
| PT Bahari Perdana Persada (BPPD)             | Indonesia                | Investment in other companies                  | SAR        | 100.00           | 100.00         |
| PT Bahari Putra Perdana (BPPN)               | Indonesia                | Investment in other companies                  | BPPD       | 100.00           | 100.00         |
| PT Reyka Wahana Digdjaya (RWD)               | Indonesia                | Investment in other companies                  | BPPN       | 100.00           | 100.00         |
| PT Bahari Cakrawala Sebuk (BCS)              | Indonesia                | Coal mining                                    | SAR<br>RWD | 80.00<br>20.00   | 80.00<br>20.00 |
| PT Bumi Borneo Metalindo (BBM)               | Indonesia                | Investment in other companies                  | BCS        | 100.00           | 100.00         |
| PT Citra Pertiwi Nusantara (CPN)             | Indonesia                | Coal transport equipments and delivery service | BBM        | 100.00           | 100.00         |
| PT Kuda Perdana Pertewi (KPP)                | Indonesia                | Coal mining                                    | BCS        | 100.00           | 100.00         |
| PT Bumiborneo Pertiwi Nusantara (BPN)        | Indonesia                | Investment in other companies                  | BCS        | 100.00           | 100.00         |
| PT Karbon Mahakam (KM)                       | Indonesia                | Coal mining                                    | BPN        | 100.00           | 100.00         |

| Company  | Country of Incorporation | Business                      | Held by   | Shareholding (%) |               |
|--|--------------------------|-------------------------------|-----------|------------------|---------------|
|  |                          |                               |           | 2013             | 2012          |
| <b>Subsidiaries of PTTI: (Continued)</b>         |                          |                               |           |                  |               |
| PT Metalindo Bumi Raya (MBR)                     | Indonesia                | Coal mining                   | BPN       | 100.00           | 100.00        |
| PT Borneo Citrapertiwi Nusantara (BCN)           | Indonesia                | Investment in other companies | BCS       | 100.00           | 100.00        |
| PT Separi Energy (SE)                            | Indonesia                | Investment in other companies | BCN       | 100.00           | 100.00        |
| PT Jembayan Muarabara (JMB)                      | Indonesia                | Coal mining                   | SE        | 100.00           | 100.00        |
| PT Kemilau Rindang Abadi (KRA)                   | Indonesia                | Coal mining                   | SE        | 100.00           | 100.00        |
| PT Arzara Baraindo Energitama (ABE)              | Indonesia                | Coal mining                   | SE        | 100.00           | 100.00        |
| PT Cakrawala Abadi Jaya (CAJ)                    | Indonesia                | Investment in other companies | BCN       | 100.00           | 100.00        |
| PT Sakti Utama Luas (SUL)                        | Indonesia                | Investment in other companies | BCN       | 100.00           | 100.00        |
| Tri Tunggal Lestari Bersama (TTLB)               | Indonesia                | Infrastructure                | BCN<br>SE | 99.00<br>1.00    | 99.00<br>1.00 |
| PT Makassar Prima Coal (MPC)                     | Indonesia                | Coal mining                   | SUL       | 70.00            | 70.00         |
| PTT International Holding Limited (PTTIH)        | Hong Kong                | Investment in other companies | PTTI      | 100.00           | 100.00        |
| PTT International Investment Limited (PTTII)     | Hong Kong                | Investment in other companies | PTTIH     | 100.00           | 100.00        |
| PTT International (Singapore) (PTT Inter (Sing)) | Singapore                | Investment in other companies | PTTII     | 100.00           | 100.00        |
| Natee Synergy Co., Ltd. (NSC)*                   | Thailand                 | Investment in other companies | PTTI      | -                | 100.00        |

\* PTTI sold NSC, together with XPCL, to GPSC on December 25, 2013.

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Company   | Country of Incorporation | Business                            | Held by         | Shareholding (%) |        |
|---|--------------------------|-------------------------------------|-----------------|------------------|--------|
|   |                          |                                     |                 | 2013             | 2012   |
| <b>Subsidiaries of PTTGE: (Continued)</b>                         |                          |                                     |                 |                  |        |
| Sabran Brothers Pte. Ltd.<br>(Sabran)                             | Singapore                | Investment<br>in other<br>companies | PTTGE           | 100.00           | 100.00 |
| Kalimantan Thai Palm Pte. Ltd.<br>(KTP)                           | Singapore                | Investment<br>in other<br>companies | Sabran          | 100.00           | 100.00 |
| PT Az-Zhara Plantation<br>(PT. Az-Zhara)                          | Indonesia                | Palm oil                            | Sabran          | 95.00            | 95.00  |
| PTT Green Energy (Hong Kong)<br>Limited (PTTGE HK)                | Hong Kong                | Financing                           | Sabran          | 100.00           | 100.00 |
| PTT Green Energy (Netherlands)<br>Coöperatief U.A<br>(PTTGE COOP) | Netherlands              | Investment<br>in other<br>companies | Sabran          | 100.00           | 100.00 |
| PT Mitra Aneka Rezeki (PT. MAR)                                   | Indonesia                | Palm oil                            | KTP             | 95.00            | 95.00  |
| PT Taringin Perkasa (PT. TP)                                      | Indonesia                | Palm oil                            | PT.<br>Az-Zhara | 95.00            | 95.00  |
| PT Sawit Mandiri Sampuraga<br>(PT. SMS)                           | Indonesia                | Palm oil                            | PT.<br>Az-Zhara | 95.00            | 95.00  |
| PT Sawit Mandiri Sejahtera Kobar<br>(PT. SMSK)                    | Indonesia                | Palm oil                            | PT.<br>Az-Zhara | 95.00            | 95.00  |
| PT Mirza Pratama Putra<br>(PT. MPP)                               | Indonesia                | Palm oil                            | PT.<br>Az-Zhara | 95.00            | 95.00  |
| PT Landen Roslia Mandiri<br>(PT. LRM)                             | Indonesia                | Palm oil                            | PT.<br>Az-Zhara | 95.00            | 95.00  |
| PT Lamandau Sawit Lestari<br>(PT. LSL)                            | Indonesia                | Palm oil                            | PT.<br>Az-Zhara | 95.00            | 95.00  |

| Company   | Country of Incorporation | Business                                  | Held by    | Shareholding (%) |        |
|---|--------------------------|---|------------|------------------|--------|
|   |                          |   |            | 2013             | 2012   |
| <b>Subsidiaries of PTTGE: (Continued)</b>               |                          |   |            |                  |        |
| PTT Green Energy (Thailand) Co., Ltd. (PTTGE TH)        | Thailand                 | Management services                       | PTTGE BV   | 50.00            | 50.00  |
|   |                          |   | Sabran     | 25.00            | 25.00  |
|   |                          |   | PTTGE      | 25.00            | 25.00  |
| PTT Green Energy Services (Netherlands) B.V. (PTTGE BV) | Netherlands              | Financing                                 | PTTGE COOP | 100.00           | 100.00 |
| <b>Jointly Controlled Entities of PTTGE BV:</b>         |                          |   |            |                  |        |
| PT Kalpataru Sawit Plantation (PT. KSP)                 | Indonesia                | Palm oil                                  | PTTGE BV   | 75.00            | 75.00  |
| PT Kutai Sawit Plantation (PT. KtSP)                    | Indonesia                | Palm oil                                  | PTTGE BV   | 75.00            | 75.00  |
| PT Sawit Khatulistiwa Plantation (PT. SKP)              | Indonesia                | Palm oil                                  | PTTGE BV   | 75.00            | 75.00  |
| PT Kutai Inti Utama (PT. KIU)                           | Indonesia                | Palm oil                                  | PTTGE BV   | 75.00            | 75.00  |
| PT Kota Bangun Plantation (PT. KBP)                     | Indonesia                | Palm oil                                  | PTTGE BV   | 75.00            | 75.00  |
| PT Mahakam Sawit Plantation (PT. MSP)                   | Indonesia                | Palm oil                                  | PTTGE BV   | 75.00            | 75.00  |
| PT Malaya Sawit Khatulistiwa (PT. MSK)                  | Indonesia                | Palm oil                                  | PTTGE BV   | 75.00            | 75.00  |
| <b>Subsidiary of BSA:</b>                               |                          |   |            |                  |        |
| Sport Services Alliance Co., Ltd. (SSA)                 | Thailand                 | Management services for sport tournaments | BSA        | 100.00           | 100.00 |

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Company   | Country of Incorporation | Business                   | Held by          | Shareholding (%) |         |
|---|--------------------------|----------------------------|------------------|------------------|---------|
|   |                          |                            |                  | 2013             | 2012    |
| <b>Subsidiary of TTM(T):</b>                        |                          |                            |                  |                  |         |
| TTM Sukuk Berhad (TTMT SPV)                         | Malaysia                 | Financing                  | TTM(T)           | 100.00           | 100.00  |
| <b>Jointly Controlled Entities of PTTEP:</b>        |                          |                            |                  |                  |         |
| Carigali - PTTEPI Operating Company Sdn Bhd. (CPOC) | Malaysia                 | Petroleum                  | PTTEPI           | 50.00            | 50.00   |
| Moattama Gas Transportation Company (MGTC)          | Bermuda                  | Gas transmission pipelines | PTTEPO           | 25.50            | 25.50   |
| Taninthayi Pipeline Company LLC (TPC)               | Cayman Islands           | Gas transmission pipelines | PTTEPO           | 19.3178          | 19.3178 |
| Orange Energy Limited (Orange)                      | Thailand                 | Petroleum                  | PTTEPO           | 53.9496          | 53.9496 |
| B8/32 Partners Limited (B8/32 Partners)             | Thailand                 | Petroleum                  | PTTEPO           | 25.0009          | 25.0009 |
| Andaman Transportation Limited (ATL)                | Cayman Islands           | Gas transmission pipelines | PTTEPO           | 80.00            | 80.00   |
| PTT FLNG Limited (PTT FLNG)                         | Hong Kong                | Petroleum                  | PTTEP FH         | 50.00            | 50.00   |
|   |                          |                            | PTT Inter (Sing) | 50.00            | 50.00   |
| Erawan 2 FSO Bahamas Limited (Erawan2)              | Bahamas                  | FSO vessel rental          | JV Marine        | 13.11            | 13.11   |
| KKD Oil Sands Partnership (KOSP)                    | Canada                   | Petroleum                  | PTTEP CA         | 40.00            | 40.00   |
| Leismer Aerodrome Limited (LAL)                     | Canada                   | Services                   | PTTEP CA         | 32.00            | 32.00   |
| Groupement Bir Seba (GBRS)                          | Algeria                  | Petroleum                  | PTTEP AG         | 35.00            | 35.00   |
| NST Supply Base Company Limited (NST)               | Thailand                 | Petroleum                  | JV Shore Base    | 15.67            | 15.67   |
| Natuna 2 B.V. (Natuna 2)                            | Netherlands              | Petroleum                  | PTTEP NH         | 50.00            | -       |

| Company                                      | Country of Incorporation | Business                      | Held by          | Shareholding (%) |       |
|--|--------------------------|-------------------------------|------------------|------------------|-------|
|  |                          |                               |                  | 2013             | 2012  |
| <b>Jointly Controlled Entities of PTTI:</b>  |                          |                               |                  |                  |       |
| FEE (Bru) Pte Ltd (FEEBRU)                   | Singapore                | Coal mining                   | Straits (Brunei) | 35.00            | 35.00 |
| PTT FLNG Limited (PTT FLNG)                  | Hong Kong                | Petroleum                     | PTT Inter (Sing) | 50.00            | 50.00 |
|  |                          |                               | PTTEP FH         | 50.00            | 50.00 |
| Nam Lik1 Power Company Limited (NL1PC)       | Laos                     | Hydroelectric power plant     | PTTIH            | 40.00            | -     |
| <b>Jointly Controlled Entities of PTTGE:</b> |                          |                               |                  |                  |       |
| Chancellor Oil Pte. Ltd. (Chancellor)        | Singapore                | Investment in other companies | PTTGE            | 77.56            | 77.56 |
| <b>Subsidiaries of Chancellor:</b>           |                          |                               |                  |                  |       |
| PT First Borneo Plantations (PT. FBP)        | Indonesia                | Palm oil                      | Chancellor       | 95.00            | 95.00 |
| PT Borneo International Anugerah (PT. BIA)   | Indonesia                | Palm oil                      | PT. FBP          | 95.00            | 95.00 |
| PT Wahana Hamparan Hijau (PT. WHH)           | Indonesia                | Palm oil                      | PT. FBP          | 95.00            | 95.00 |
| PT Mitra Kapuas Agro (PT. MKA)               | Indonesia                | Palm oil                      | PT. FBP          | 95.00            | 95.00 |
| PT Berkah Sawit Abadi (PT. BSA)              | Indonesia                | Palm oil                      | PT. FBP          | 95.00            | 95.00 |
| PT Kapuas Bio Agro (PT. KBA)                 | Indonesia                | Palm oil                      | PT. FBP          | 95.00            | 95.00 |
| PT Khatulistiwa Agro Abadi (PT. KAA)         | Indonesia                | Palm oil                      | PT. FBP          | 95.00            | 95.00 |

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Project  | Country  | Operator  | Shareholding (%) |         |
|--|----------|---|------------------|---------|
|  |          |   | 2013             | 2012    |
| <b>Projects of PTT Exploration and Production Public Co., Ltd. (PTTEP)</b> |          |   |                  |         |
| Bongkot  | Thailand | PTT Exploration and Production Public Co., Ltd.   | 44.4445          | 44.4445 |
| Arthit   | Thailand | PTT Exploration and Production Public Co., Ltd.   | 80.00            | 80.00   |
| Contract 4   | Thailand | Chevron Thailand Exploration and Production, Ltd. | 45.00            | 45.00   |
| Sinphuhorm<br>(E 5 North)  | Thailand | Hess (Thailand) Ltd.                              | 20.00            | 20.00   |
| S 1  | Thailand | PTTEP Siam Limited                                | 25.00            | 25.00   |
| Contract 3   | Thailand | Chevron Thailand Exploration and Production, Ltd. | 5.00             | 5.00    |
| E 5  | Thailand | ExxonMobil Exploration and Production Khorat Inc. | 20.00            | 20.00   |
| Algeria Hassi<br>Bir Rekaiz  | Algeria  | PTT Exploration and Production Public Co., Ltd.   | 24.50            | 24.50   |



| Project   | Country             | Operator   | Shareholding (%) |           |
|---|---------------------|--|------------------|-----------|
|   |                     |  | 2013             | 2012      |
| <b>Projects of PTTEP International Limited (PTTEPI)</b> |                     |  |                  |           |
| Yadana  | Myanmar             | Total E&P Myanmar                                  | 25.50            | 25.50     |
| Yetagun   | Myanmar             | Petronas Carigali Myanmar (Hong Kong) Ltd.         | 19.31784         | 19.31784  |
| PTTEP 1   | Thailand            | PTTEP International Limited                        | 100.00           | 100.00    |
| G 4/43  | Thailand            | Chevron Offshore (Thailand) Ltd.                   | 21.375           | 21.375    |
| G 9/43  | Thailand - Cambodia | PTTEP International Limited                        | 100.00           | 100.00    |
| L 22/43   | Thailand            | PTTEP International Limited                        | 100.00           | 100.00    |
| L 53/43 & L54/43  | Thailand            | PTTEP International Limited                        | 100.00           | 100.00    |
| G 4/48  | Thailand            | Chevron Pattani, Ltd.                              | 5.00             | 5.00      |
| Bongkot (G 12/48)                                       | Thailand            | PTTEP International Limited                        | 44.4445          | 44.4445   |
| L 21 & 28/48  | Thailand            | PTTEP International Limited                        | 70.00            | 70.00     |
| A 4/48 , 5/48   | Thailand            | PTTEP International Limited                        | 100.00           | 100.00    |
| A 6/48  | Thailand            | PTTEP International Limited                        | -                | 100.00    |
| Contract 3<br>(G 6/50)                                  | Thailand            | Chevron Petroleum (Thailand), Ltd.                 | 5.00             | 5.00      |
| Contract 4<br>(G 7/50)                                  | Thailand            | Chevron Petroleum (Thailand), Ltd.                 | 45.00            | 45.00     |
| Arthit (G 8/50)   | Thailand            | PTTEP International Limited                        | 80.00            | 80.00     |
| Cambodia B  | Cambodia            | PTTEP International Limited                        | -                | 33.333334 |
| Zawtika   | Myanmar             | PTTEP International Limited                        | 80.00            | 80.00     |
| Myanmar M3  | Myanmar             | PTTEP International Limited                        | 80.00            | 100.00    |
| Myanmar M11   | Myanmar             | PTTEP International Limited                        | 45.00            | 45.00     |
| MT JDA - B17  | Thailand - Malaysia | Carigali-PTTEPI Operating Company Sendirian Berhad | 50.00            | 50.00     |

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Project  | Country   | Operator                           | Shareholding (%) |         |
|--|-----------|------------------------------------|------------------|---------|
|  |           |                                    | 2013             | 2012    |
| <b>Project of PTTEP Offshore Investment Co., Ltd. (PTTEPO)</b>     |           |                                    |                  |         |
| B8/32 & 9A*  | Thailand  | Chevron Offshore (Thailand) Ltd.   | 25.0010          | 25.0010 |
| <b>Project of PTTEP Southwest Vietnam Co., Ltd. (PTTEP SV)</b>     |           |                                    |                  |         |
| Vietnam 52/97  | Vietnam   | Chevron Vietnam (Block 52), Ltd.   | 7.00             | 7.00    |
| <b>Project of PTTEP Kim Long Vietnam Co., Ltd. (PTTEP KV)</b>      |           |                                    |                  |         |
| Vietnam B & 48/95  | Vietnam   | Chevron Vietnam (Block B), Ltd.    | 8.50             | 8.50    |
| <b>Project of PTTEP Hoang-Long Co., Ltd. (PTTEP HL)</b>            |           |                                    |                  |         |
| Vietnam 16-1   | Vietnam   | Hoang Long Joint Operating Company | 28.50            | 28.50   |
| <b>Project of PTTEP Hoan-Vu Co., Ltd. (PTTEP HV)</b>               |           |                                    |                  |         |
| Vietnam 9-2  | Vietnam   | Hoan-Vu Joint Operating Company    | 25.00            | 25.00   |
| <b>Project of PTTEP Oman Co., Ltd. (PTTEP OM)</b>                  |           |                                    |                  |         |
| Oman 44  | Oman      | PTTEP Oman Co., Ltd.               | 100.00           | 100.00  |
| <b>Project of PTTEP Algeria Co., Ltd. (PTTEP AG)</b>               |           |                                    |                  |         |
| Algeria 433a<br>& 416b   | Algeria   | Groupement Bir Seba                | 35.00            | 35.00   |
| <b>Projects of PTTEP Siam Limited (PTTEPS)</b>                     |           |                                    |                  |         |
| Sinphuhorm<br>(Block EU-1)   | Thailand  | Hess (Thailand) Ltd.               | 20.00            | 20.00   |
| B 6/27   | Thailand  | PTTEP Siam Limited                 | 60.00            | 60.00   |
| S 1  | Thailand  | PTTEP Siam Limited                 | 75.00            | 75.00   |
| <b>Projects of PTTEP Australia Offshore Pty Limited (PTTEP AO)</b> |           |                                    |                  |         |
| Australia<br>WA 423 P  | Australia | Murphy Australia Oil Pty Ltd.      | -                | 30.00   |

\* PTTEPO held shares in Orange Energy Limited and B8/32 Partners Limited which were concession holders in this project.

| Project   | Country     | Operator                   | Shareholding (%) |        |
|---|-------------|----------------------------|------------------|--------|
|   |             |                            | 2013             | 2012   |
| <b>Project of PTTEP Semai II Limited (PTTEP SM)</b>               |             |                            |                  |        |
| Indonesia Semai II  | Indonesia   | Murphy Semai Oil Co., Ltd. | 28.33            | 28.33  |
| <b>Project of PTTEP Sidi Abd El Rahman Co., Ltd. (PTTEP SAER)</b> |             |                            |                  |        |
| Sidi Abd El Rahman offshore*                                      | Egypt       | Edison International SPA   | -                | 30.00  |
| <b>Project of PTTEP South Asia Limited (PTTEP SA)</b>             |             |                            |                  |        |
| MyanmarPSC G & EP2  | Myanmar     | PTTEP South Asia Limited   | 90.00            | 90.00  |
| Myanmar MD-7 & MD-8   | Myanmar     | PTTEP South Asia Limited   | 100.00           | -      |
| <b>Project of PTTEP New Zealand Limited (PTTEP NZ)</b>            |             |                            |                  |        |
| New Zealand Great South   | New Zealand | Shell GSB Limited          | 18.00            | 18.00  |
| <b>Project of PTTEP South Mandar Limited (PTTEP SMD)</b>          |             |                            |                  |        |
| Indonesia South Mandar  | Indonesia   | PTTEP South Mandar Limited | 34.00            | 34.00  |
| <b>Project of PTTEP Malunda Limited (PTTEP ML)</b>                |             |                            |                  |        |
| Indonesia Malunda   | Indonesia   | PTTEP Malunda Ltd.         | 100.00           | 100.00 |
| <b>Project of PTTEP Sadang Limited (PTTEP SD)</b>                 |             |                            |                  |        |
| Indonesia Sadang  | Indonesia   | Talisman Sadang B.V.       | 30.00            | 30.00  |

\* On September 30, 2013, PTTEP SAER registered its dissolution with the Government of the Cayman Islands.

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Project   | Country    | Operator                            | Shareholding (%) |       |
|---|------------|-------------------------------------|------------------|-------|
|   |            |                                     | 2013             | 2012  |
| <b>Project of PTTEP South Sageri Limited (PTTEP SS)</b> |            |                                     |                  |       |
| Indonesia South Sageri                                  | Indonesia  | Talisman South Sageri B.V.          | 20.00            | 20.00 |
| <b>Project of PTTEP Canada Limited (PTTEP CA)</b>       |            |                                     |                  |       |
| Canada Oil Sands KKD                                    | Canada     | Statoil Canada Ltd                  | 40.00            | 40.00 |
| <b>Project of Cove Energy Limited (Cove)</b>            |            |                                     |                  |       |
| Mozambique Rovuma Offshore Area 1                       | Mozambique | Anadarko Mozambique Area 1 Limitada | 8.50             | 8.50  |
| Mozambique Rovuma Onshore                               | Mozambique | Anadarko Mozambique Area 1 Limitada | 10.00            | 10.00 |
| Kenya L 10 A  | Kenya      | BG Kenya Limited                    | 31.25            | 25.00 |
| Kenya L 10 B  | Kenya      | BG Kenya Limited                    | 15.00            | 15.00 |
| Kenya L 5, L 7, L 11 A, L 11 B & L 12                   | Kenya      | Anadarko Kenya Company              | 10.00            | 10.00 |
| <b>Project of Natuna 2 B.V. (Natuna 2)</b>              |            |                                     |                  |       |
| Natuna Sea A  | Indonesia  | Premier Oil Natuna Sea BV           | 11.50            | -     |

| Project | Country |
|---------|---------|
|---------|---------|

**Projects of PTTEP Australia Perth Pty Limited (PTTEP AP)**

|       |             |
|-------|-------------|
| PTTEP | Australia   |
|       | Australasia |

Details of operators and shareholding percentage in projects of PTTEP Australasia are as follows:

| Block  | Operator                                       | Shareholding (%) |         |
|--|--|------------------|---------|
|  |  | 2013             | 2012    |
| AC/L 7, AC/L 8, AC/RL 7,<br>AC/P 33, AC/P 34,<br>& AC/P 54   | PTTEP Australasia (Ashmore Cartier)<br>Pty Ltd | 100.00           | 100.00  |
| AC/L 1, AC/L 2 & AC/L 3  | PTTEP Australasia (Ashmore Cartier)<br>Pty Ltd | 89.6875          | 89.6875 |
| AC/RL 10   | PTTEP Australia Timor Sea Pty Ltd              | 90.00            | 90.00   |
| AC/RL 4 (Tenacious)  | PTTEP Australia Timor Sea Pty Ltd              | 100.00           | 100.00  |
| AC/RL 6 (Audacious),<br>AC/P 4, AC/RL 4<br>(exclude Tenacious),<br>AC/RL 5, AC/RL 6<br>(exclude Audacious) | PTTEP Australia Timor Sea Pty Ltd              | 50.00            | 50.00   |
| WA-396-P & WA-397-P  | Woodside Energy Limited                        | 20.00            | 20.00   |
| AC/P 17  | PTTEP Australia Timor Sea Pty Ltd              | -                | 100.00  |
| AC/P 40  | PTTEP Australasia (Ashmore Cartier)<br>Pty Ltd | -                | 100.00  |

## 12.2 Details of subsidiaries, jointly controlled entities and associates of the subsidiaries and jointly controlled entities (Continued)

| Company                                     | Country of Incorporation         | Business                              | Held by   | Shareholding (%) |       |
|---|----------------------------------|---------------------------------------|-----------|------------------|-------|
|   |                                  |                                       |           | 2013             | 2012  |
| <b>Associates of PTTEP:</b>                 |                                  |                                       |           |                  |       |
| Energy Complex Co., Ltd.<br>(EnCo)          | Thailand                         | Real estate development for rent      | PTTEP     | 50.00            | 50.00 |
| PTT ICT Solutions Co., Ltd.<br>(PTTICT)     | Thailand                         | Communication and technology services | PTTEP     | 20.00            | 20.00 |
| Associates of PTTEP AP Group*               | Australia                        | Services                              | PTTEP AAO | 50.00            | 50.00 |
| UAQ Petroleum Limited (UAQ)                 | Hong Kong                        | Petroleum                             | PTTEP FH  | 30.00            | -     |
| <b>Associate of SBECL:</b>                  |                                  |                                       |           |                  |       |
| FST Aviation Services Limited<br>(FST)      | Hong Kong                        | Aircraft refueling service            | PTTPC     | 25.00            | 25.00 |
| <b>Associates of PTTI:</b>                  |                                  |                                       |           |                  |       |
| East Mediterranean Gas Company S.A.E. (EMG) | Egypt                            | Natural gas transmission pipelines    | PTTI      | 25.00            | 25.00 |
| Xayaburi Power Company Limited (XPCL)**     | Lao People's Democratic Republic | Hydroelectric power plant             | NSC       | -                | 25.00 |

\* Associates of PTTEP AP Group consist of ShoreAir Pty Ltd and Troughton Island Pty Ltd

\*\* PTTI sold XPCL, together with NSC, to GPSC on December 25, 2013.

### 12.3 Investments in associates in the consolidated financial statements as at December 31, 2013 and 2012

Unit: Million Baht

| Company                   | Shareholding (%) |       | 2013        |               | 2012        |               | Dividends |          |
|---------------------------|------------------|-------|-------------|---------------|-------------|---------------|-----------|----------|
|                           | 2013             | 2012  | Cost method | Equity method | Cost method | Equity method | 2013      | 2012     |
| <u>Refining Business</u>  |                  |       |             |               |             |               |           |          |
| <u>Group</u>              |                  |       |             |               |             |               |           |          |
| 1. TOP                    | 49.10            | 49.10 | 11,380.83   | 44,817.08     | 11,380.83   | 43,084.82     | 3,004.94  | 2,504.12 |
| 2. SPRC                   | 36.00            | 36.00 | 14,770.48   | 19,000.41     | 14,770.48   | 17,974.17     | 1,606.24  | 6,057.67 |
| 3. BCP                    | 27.22            | 27.22 | 5,585.26    | 9,626.77      | 5,585.26    | 8,934.16      | 562.12    | 505.91   |
| 4. IRPC                   | 38.51            | 38.51 | 28,467.24   | 30,245.17     | 28,467.24   | 29,669.33     | 629.57    | 314.79   |
| <u>Oil Business Group</u> |                  |       |             |               |             |               |           |          |
| 5. THAPPLINE              | 36.44            | 33.19 | 2,719.47    | 2,827.39      | 2,682.35    | 2,193.36      | -         | -        |
| 6. PA (Thailand)          | 35.00            | 35.00 | 131.25      | -             | 131.25      | -             | -         | -        |
| 7. VLPG                   | 45.00            | 45.00 | 87.35       | 86.53         | 87.35       | 95.18         | 20.25     | 33.75    |
| 8. KPL                    | 40.00            | 40.00 | 21.49       | -             | 21.49       | -             | -         | -        |
| 9. FST                    | 25.00            | 25.00 | 0.86        | 1.61          | 0.87        | 1.55          | -         | -        |
| <u>Petrochemicals</u>     |                  |       |             |               |             |               |           |          |
| <u>Business Group</u>     |                  |       |             |               |             |               |           |          |
| 10. PPCL                  | -                | 40.00 | -           | -             | 3,340.48    | 4,982.48      | 252.00    | -        |
| 11. PTME                  | 40.00            | 40.00 | 66.40       | 191.71        | 66.40       | 196.40        | 9.40      | 28.40    |
| 12. PTTGC                 | 48.89            | 48.89 | 49,562.99   | 125,304.25    | 49,562.99   | 116,881.10    | 9,112.30  | 5,037.51 |
| 13. PTES                  | 40.00            | 40.00 | 62.50       | 74.78         | 62.50       | 66.73         | -         | -        |

### 12.3 Investments in associates in the consolidated financial statements as at December 31, 2013 and 2012 (Continued)

Unit: Million Baht

| Company                                     | Shareholding (%) |       | 2013              |                   | 2012              |                   | Dividends        |                  |
|---|------------------|-------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
|   | 2013             | 2012  | Cost method       | Equity method     | Cost method       | Equity method     | 2013             | 2012             |
| <u>Natural Gas</u>                          |                  |       |                   |                   |                   |                   |                  |                  |
| <u>Business Group</u>                       |                  |       |                   |                   |                   |                   |                  |                  |
| 14. IPT                                     | -                | 20.00 | -                 | -                 | 400.19            | 1,739.29          | -                | -                |
| 15. TP                                      | 26.00            | 26.00 | 2,304.76          | 2,421.80          | 2,304.76          | 2,278.18          | 146.12           | 146.12           |
| 16. PTTUT                                   | -                | 40.00 | -                 | -                 | 2,743.60          | 3,067.10          | -                | 5.76             |
| 17. EMG                                     | 25.00            | 25.00 | 16,041.97         | 12,910.90         | 14,975.23         | 12,052.37         | -                | -                |
| 18. B.Grimm BIP                             | -                | 23.00 | -                 | -                 | 65.67             | 64.88             | -                | -                |
| 19. NNEG                                    | 30.00            | 30.00 | 120.60            | 104.91            | 72.60             | 65.28             | -                | -                |
| 20. XPCL                                    | -                | 25.00 | -                 | -                 | 423.68            | 443.56            | -                | -                |
| 21. BIC                                     | -                | 25.00 | -                 | -                 | 281.50            | 277.91            | -                | -                |
| 22. GPSC                                    | 30.10            | -     | 4,949.93          | 7,190.89          | -                 | -                 | -                | -                |
| <u>Petroleum Exploration and Production</u> |                  |       |                   |                   |                   |                   |                  |                  |
| <u>Business</u>                             |                  |       |                   |                   |                   |                   |                  |                  |
| 23. UAQ                                     | 30.00            | -     | 0.01              | 0.01              | -                 | -                 | -                | -                |
| <u>Other Business Group</u>                 |                  |       |                   |                   |                   |                   |                  |                  |
| 24. PTTICT                                  | 40.00            | 40.00 | 60.00             | 287.41            | 60.00             | 236.27            | 30.00            | -                |
| 25. ShoreAir                                | 50.00            | 50.00 | 15.28             | 182.82            | 14.70             | 105.83            | -                | -                |
|   |                  |       | 136,348.67        | 255,274.44        | 137,501.42        | 244,409.95        |                  |                  |
| <u>Less Allowance for impairment</u>        |                  |       | (12,480.36)       | (9,196.55)        | (11,660.61)       | (8,585.00)        |                  |                  |
| <b>Total</b>                                |                  |       | <b>123,868.31</b> | <b>246,077.89</b> | <b>125,840.81</b> | <b>235,824.95</b> | <b>15,372.94</b> | <b>14,634.03</b> |



12.4 Investments in subsidiaries, jointly controlled entities and associates in the separate financial statements as at December 31, 2013 and 2012

Unit: Million Baht

| Company                              | Shareholding (%) |        | Cost method |            | Dividends |           |
|--------------------------------------|------------------|--------|-------------|------------|-----------|-----------|
|                                      | 2013             | 2012   | 2013        | 2012       | 2013      | 2012      |
| <u>Subsidiaries:</u>                 |                  |        |             |            |           |           |
| 1. PTTEP                             | 65.29            | 65.29  | 71,390.42   | 71,390.42  | 15,551.16 | 12,116.33 |
| 2. PTTCL                             | 100.00           | 100.00 | 0.23        | 0.23       | -         | -         |
| 3. SBECL                             | 100.00           | 100.00 | 1,154.81    | 1,154.81   | -         | -         |
| 4. PTTT                              | 100.00           | 100.00 | 2.50        | 2.50       | -         | -         |
| 5. PTTNGD                            | 58.00            | 58.00  | 418.14      | 418.14     | 754.00    | 774.30    |
| 6. PTTLNG                            | 100.00           | 100.00 | 6,403.00    | 6,403.00   | -         | -         |
| 7. PTTPM                             | 50.00            | 50.00  | 20.00       | 20.00      | -         | -         |
| 8. EnCo                              | 50.00            | 50.00  | 900.00      | 900.00     | -         | -         |
| 9. PTTPL                             | 100.00           | 100.00 | 1,200.00    | 1,200.00   | -         | -         |
| 10. PTTTB                            | 100.00           | 100.00 | 5,100.00    | 5,100.00   | -         | -         |
| 11. CHPP                             | -                | 100.00 | -           | 316.22     | -         | -         |
| 12. PTTI                             | 100.00           | 100.00 | 33,316.00   | 33,316.00  | -         | -         |
| 13. PTTGE                            | 100.00           | 100.00 | 11,750.64   | 11,750.64  | -         | -         |
| 14. BSA                              | 25.00            | 25.00  | 0.50        | 0.50       | 6.27      | 1.42      |
| 15. PTT TANK                         | 100.00           | 100.00 | 2,500.37    | 2,500.37   | 60.23     | -         |
| 16. TLBC                             | 48.95            | 48.95  | 140.00      | 140.00     | 11.90     | 10.92     |
| 17. PTTMMA                           | 100.00           | -      | 165.00      | -          | -         | -         |
| 18. PTTOM                            | 100.00           | -      | 9.56        | -          | -         | -         |
| 19. PTTRTC                           | 100.00           | -      | 31.40       | -          | -         | -         |
| Total investments<br>in subsidiaries |                  |        | 134,502.57  | 134,612.83 | 16,383.56 | 12,902.97 |

## 12.4 Investments in subsidiaries, jointly controlled entities and associates in the separate financial statements as at December 31, 2013 and 2012 (Continued)

Unit: Million Baht

| Company  | Shareholding (%) |       | Cost method |           | Dividends |          |
|--|------------------|-------|-------------|-----------|-----------|----------|
|  | 2013             | 2012  | 2013        | 2012      | 2013      | 2012     |
| <i>Jointly Controlled Entities:</i>              |                  |       |             |           |           |          |
| <i>Natural Gas Business Group</i>                |                  |       |             |           |           |          |
| 20. TTM(T)                                       | 50.00            | 50.00 | 5,666.80    | 5,666.80  | 538.35    | 1,388.37 |
| 21. TTM(M)                                       | 50.00            | 50.00 | 1,001.31    | 281.32    | -         | -        |
| 22. DCAP   | 35.00            | 35.00 | 584.50      | 584.50    | -         | -        |
| <i>Petrochemicals Business Group</i>             |                  |       |             |           |           |          |
| 23. PTTAC  | 48.50            | 48.50 | 6,909.41    | 6,909.41  | -         | -        |
| 24. HMC  | 41.44            | 41.44 | 9,117.12    | 9,117.12  | 1,241.05  | 621.13   |
| 25. PTTMCC                                       | 50.00            | 50.00 | 890.13      | 180.12    | -         | -        |
| Total investments in jointly controlled entities |                  |       | 24,169.27   | 22,739.27 | 1,779.40  | 2,009.50 |
| <i>Associates:</i>                               |                  |       |             |           |           |          |
| <i>Refining Business Group</i>                   |                  |       |             |           |           |          |
| 26. TOP  | 49.10            | 49.10 | 11,380.83   | 11,380.83 | 3,004.94  | 2,504.12 |
| 27. SPRC   | 36.00            | 36.00 | 14,770.48   | 14,770.48 | 1,606.24  | 6,057.67 |
| 28. BCP  | 27.22            | 27.22 | 5,585.26    | 5,585.26  | 562.12    | 505.91   |
| 29. IRPC   | 38.51            | 38.51 | 28,467.24   | 28,467.24 | 629.57    | 314.79   |
| <i>Oil Business Group</i>                        |                  |       |             |           |           |          |
| 30. THAPPLINE                                    | 36.44            | 33.19 | 2,719.47    | 2,682.35  | -         | -        |
| 31. PA (Thailand)                                | 35.00            | 35.00 | 131.25      | 131.25    | -         | -        |
| 32. VLPG   | 45.00            | 45.00 | 87.35       | 87.35     | 20.25     | 33.75    |
| 33. KPL  | 40.00            | 40.00 | 21.49       | 21.49     | -         | -        |

Unit: Million Baht

| Company                              | Shareholding (%) |       | Cost method |            | Dividends |           |
|--------------------------------------|------------------|-------|-------------|------------|-----------|-----------|
|                                      | 2013             | 2012  | 2013        | 2012       | 2013      | 2012      |
| <i>Petrochemicals Business Group</i> |                  |       |             |            |           |           |
| 34. PPCL                             | -                | 40.00 | -           | 3,340.48   | 252.00    | -         |
| 35. PTTME                            | 40.00            | 40.00 | 66.40       | 66.40      | 9.40      | 28.40     |
| 36. PTTGC                            | 48.89            | 48.89 | 48,121.52   | 48,121.52  | 8,971.58  | 4,959.71  |
| 37. PTTES                            | 40.00            | 40.00 | 62.50       | 62.50      | -         | -         |
| <i>Natural Gas Business Group</i>    |                  |       |             |            |           |           |
| 38. IPT                              | -                | 20.00 | -           | 400.19     | -         | -         |
| 39. TP                               | 26.00            | 26.00 | 2,304.76    | 2,304.76   | 146.12    | 146.12    |
| 40. PTTUT                            | -                | 40.00 | -           | 2,743.60   | -         | 5.76      |
| 41. B.Grimm BIP                      | -                | 23.00 | -           | 65.67      | -         | -         |
| 42. NNEG                             | 30.00            | 30.00 | 120.60      | 72.60      | -         | -         |
| 43. BIC                              | -                | 25.00 | -           | 281.50     | -         | -         |
| 44. GPSC                             | 30.10            | -     | 4,949.93    | -          | -         | -         |
| <i>Other Business Group</i>          |                  |       |             |            |           |           |
| 45. PTTICT                           | 20.00            | 20.00 | 30.00       | 30.00      | 15.00     | -         |
| Investments in associates            |                  |       | 118,819.08  | 120,615.47 |           |           |
| Less Allowance for impairment        |                  |       | (152.74)    | (152.74)   |           |           |
| Total investments in associates      |                  |       | 118,666.34  | 120,462.73 | 15,217.22 | 14,556.23 |
| Total                                |                  |       | 277,338.18  | 277,814.83 | 33,380.18 | 29,468.70 |

## 12.5 Movements in investments in the consolidated and the separate financial statements

### 12.5.1 Movements in investments in associates under the equity method in the consolidated financial statements are as follows:

Unit: Million Baht

|  | 2013        | 2012        |
|--|-------------|-------------|
| Balance as at January 1                                    | 235,824.95  | 229,186.80  |
| - Share of income  | 27,078.77   | 27,014.79   |
| - Dividends received                                       | (15,372.94) | (14,634.03) |
| - Reclassification   | -           | (1,514.83)  |
| - Additional investments                                   | 2,910.93    | 413.74      |
| - Disposal of investments                                  | (6,438.69)  | -           |
| - Unrealized gain (loss) on available-for-sale investments | (86.95)     | 5.89        |
| - Currency translation differences                         | 2,070.73    | (640.84)    |
| - Surplus on shareholding change                           | (5.56)      | -           |
| - Surplus on amalgamation of associates                    | 75.26       | (17.93)     |
| - Impairment of investments                                | -           | (3,972.32)  |
| - Others   | 21.39       | (16.32)     |
| Balance as at December 31                                  | 246,077.89  | 235,824.95  |

### 12.5.2 Movements in investments in subsidiaries, jointly controlled entities and associates under the cost method in the separate financial statements are as follows:

Unit: Million Baht

|                           | 2013       | 2012       |
|---------------------------|------------|------------|
| Balance as at January 1   | 277,814.83 | 216,229.93 |
| - Additional investments  | 6,671.01   | 61,584.90  |
| - Disposal of investments | (7,147.66) | -          |
| Balance as at December 31 | 277,338.18 | 277,814.83 |

12.6 Shares of net assets and results of operations from jointly controlled entities, in proportion to the Company's shareholding, which are included in the consolidated financial statements as at December 31, 2013 and 2012, are as follows:

Statements of financial position:

As at December 31, 2013 and 2012

|                         | 2013       |          |          |            |            | 2012    |            |          |          |            |            |        |
|-------------------------|------------|----------|----------|------------|------------|---------|------------|----------|----------|------------|------------|--------|
|                         | TTM(T)     | TTM(M)   | DCAP     | PTTAC      | HMC        | PTTMCC  | TTM(T)     | TTM(M)   | DCAP     | PTTAC      | HMC        | PTTMCC |
| Current assets          | 3,173.65   | 206.15   | 250.85   | 1,998.98   | 4,635.20   | 381.22  | 2,745.31   | 162.24   | 195.91   | 2,090.88   | 4,748.20   | 136.85 |
| Non-current assets      | 10,042.79  | 1,317.10 | 1,174.20 | 12,625.60  | 12,443.02  | 511.76  | 9,693.35   | 595.40   | 1,281.95 | 13,004.90  | 12,545.21  | 27.60  |
| Current liabilities     | (1,341.25) | (116.26) | (196.66) | (3,118.88) | (2,289.67) | (69.16) | (1,248.90) | (98.94)  | (203.73) | (3,243.97) | (2,084.88) | (3.04) |
| Non-current liabilities | (6,949.39) | (283.39) | (680.16) | (6,722.81) | (3,998.59) | (0.20)  | (7,331.14) | (291.16) | (810.88) | (5,629.23) | (4,420.27) | (0.04) |
| Net assets              | 4,925.80   | 1,123.60 | 548.23   | 4,782.89   | 10,789.96  | 823.62  | 3,858.62   | 367.54   | 463.25   | 6,222.58   | 10,788.26  | 161.37 |

Unit: Million Baht

Statements of income:

For the years ended December 31, 2013 and 2012

|                            | 2013       |         |          |            |             | 2012    |         |            |          |            |             |         |
|----------------------------|------------|---------|----------|------------|-------------|---------|---------|------------|----------|------------|-------------|---------|
|                            | TTM(T)     | TTM(M)  | DCAP     | PTTAC      | HMC         | PTTMCC  | TSR     | TTM(T)     | TTM(M)   | DCAP       | PTTAC       | HMC     |
| Income*                    | 2,269.92   | 128.18  | 1,008.44 | 4,538.83   | 13,218.99   | 11.31   | 51.92   | 158.25     | 928.37   | 849.55     | 12,969.68   | 4.21    |
| Expenses                   | (1,335.89) | (88.06) | (923.45) | (5,978.83) | (11,917.55) | (59.05) | (59.69) | (1,441.44) | (881.40) | (1,186.57) | (11,174.97) | (18.80) |
| Income (loss) before taxes | 934.03     | 40.12   | 84.99    | (1,440.00) | 1,301.44    | (47.74) | (7.77)  | 890.92     | 66.37    | (337.02)   | 1,794.71    | (14.59) |
| Income taxes               | 338.42     | (30.19) | -        | 0.31       | (64.27)     | -       | 7.77    | -          | -        | 0.31       | (194.22)    | -       |
| Net income (loss)          | 1,272.45   | 9.93    | 84.99    | (1,439.69) | 1,237.17    | (47.74) | -       | 890.92     | 66.37    | (336.71)   | 1,600.49    | (14.59) |

Unit: Million Baht

\* Including gain (loss) on foreign exchange rate

## 12.7 Significant events during the year ended December 31, 2013

### PPCL

On April 26, 2013, at the Board of Directors Meeting No. 4/2013 of the Company, the Board passed a resolution to approve the sales of the Company's 40% shareholding in PPCL, totaling 37,008,000 shares for Baht 4,644,032,800 to PTT Global Chemical Public Company Limited (PTTGC). The Company received the full payment for these shares on May 2, 2013. The Company recognized a gain on disposal of PPCL in the consolidated financial statements and the separate financial statements amounting to Baht 22.75 million and Baht 1,303.55 million, respectively.

### IPT and PTTUT

On January 10, 2013, GPSC registered the amalgamation between IPT and PTTUT with the Ministry of Commerce. As a result, IPT and PTTUT are no longer legal entities. The Company swapped all ordinary shares that it held in IPT and PTTUT for the new ordinary shares issued by GPSC.

### GPSC

Global Power Synergy Company Limited (GPSC) was established as a result of the amalgamation between Independent Power (Thailand) Company Limited (IPT) and PTT Utility Company Limited (PTTUT) and registered with the Ministry of Commerce on January 10, 2013. The share swap rates applied for the shareholders of IPT and PTTUT for amalgamation purposes were as follow;

One share of IPT for 2.411560 shares of GPSC

One share of PTTUT for 0.635534 shares of GPSC

The amalgamation was completed on January 10, 2013. GPSC received all current business of IPT and PTTUT, including all assets, liabilities, rights, responsibilities, and obligations of those entities as well as any agreements entered into by IPT and PTTUT prior to the amalgamation. In this case, PTTUT was identified as the purchaser in the amalgamation. In the financial statements of GPSC, the book value of PTTUT and the identified net asset value of IPT are used as the basis for recording the transaction. The Company swapped all ordinary shares in IPT and PTTUT for new ordinary shares issued by GPSC at the rate stipulated above. As a result, the Company has a 30.10% shareholding in GPSC.

For the consolidated financial statements, the Company recognized the investment in GPSC, which is an associate, under the equity method and recognized a gain on dilution amounting to Baht 119.45 million in the statements of income. Moreover, the Company recognized the difference of Baht 244.04 million between the investment in GPSC under the equity method and the investments in IPT and PTTUT under the equity method, due to the increase in the net asset value of the acquiree (IPT) recorded upon measurement at fair value on the amalgamation date as surplus on amalgamation of associates under the caption of share of other comprehensive income (loss) of associates in the statements of comprehensive income.

For the separate financial statements, the Company recognized the investment in GPSC under the cost method at the combined book value of IPT amounting to Baht 400.19 million and PTTUT amounting to Baht 2,743.60 million on the amalgamation date.

On December 2, 2013, at the GPSC's Extraordinary General Meeting of the shareholders No. 1/2013, the shareholders passed a resolution to increase its authorized share capital by Baht 2,607 million, from Baht 8,630 million to Baht 11,237 million, by issuing 260.73 million additional shares with a par value of Baht 10 each. The Company already paid the full amount of Baht 1,806.14 million for these additional shares, in proportion to its shareholding.

#### **B.Grimm BIP**

On September 6, 2013, at the Board of Directors Meeting No. 8/2013 of the Company, the Board passed a resolution to approve the sales of the Company's 23% shareholding in B.Grimm BIP, totaling 656,650 shares to B.Grimm power Co., Ltd. for Baht 180 million. The Company received the full payment for the shares and recognized a gain on disposal of B.Grimm BIP in the consolidated financial statements and the separate financial statements amounting to Baht 117.76 million and Baht 114.34 million, respectively.

#### **NNEG**

On February 21, 2013, at the NNEG's Board of Directors Meeting No. 1/2013, the Board passed a resolution to increase its authorized share capital by Baht 60 million, from Baht 242 million to Baht 302 million, by issuing 6 million additional shares with a par value of Baht 10 each. Furthermore, NNEG called for the full payment of the additional authorized share capital. The Company already paid the full amount for Baht 48 million for these additional shares, in proportion to its shareholding.

## 12.7 Significant events during the year ended December 31, 2013 (Continued)

### PTTI (XPCL)

On June 27, 2011, at the XPCL's Extraordinary General Meeting of the shareholders No. 1/2011, the shareholders passed a resolution to increase authorized share capital by Baht 5,750 million, from Baht 1,000 million to Baht 6,750 million, by issuing 575 million additional shares with a par value of Baht 10 each.

During the year, XPCL called for additional authorized share capital on 12 occasions, totaling Baht 955.94 million. Natee Synergy Company Limited (NSC), a subsidiary of PTTI, paid the full amount of these shares to maintain its existing shareholding in XPCL at 25%.

### PTTI (NSC)

On October 14, 2013, at the PTTI's Board of Directors Meeting No. 11/2013, the Board passed a resolution to approve the sales of the PTTI's 100% shareholding in NSC (NSC holds 25% shareholding in XPCL) to Global Power Synergy Company Limited (GPSC) amounting to USD 15,860,293 or equivalent to Baht 517,486,465. PTTI recognized a gain on disposal of the investment in the consolidated financial statements amounting to USD 8,595,757 or equivalent to Baht 280,460,643 and the separate financial statements amounting to USD 6,566,236 or equivalent to Baht 234,718,854 (exchange rate at transfer date). PTTI received the full payment for shares.

On December 25, 2013, PTTI sold its investment in NSC, together with XPCL, to GPSC. The Company recognized a gain on disposal of the investment in the consolidated financial statements amounting to Baht 196.03 million.

### PTTI (PTTML)

On December 4, 2013, at the PTTI's Board of Directors Meeting No. 13/2013, the Board passed a resolution to approve the coal mining business shareholder restructuring, transferring assets and liabilities of PTT Asia Pacific Mining Pty Ltd (PTTAPM), Reds Island Minerals Ltd (RIM) and International Coal Holding Pty Ltd (ICH) to PTT Mining Limited (PTTML), a subsidiary of PTTI. The Board of directors also approved for deregistration of the three companies.

PTTAPM and RIM deregistration is expected to be completed in March 2014 and liquidation and deregistration of ICH are expected to be completed in March 2015.



### PTTI (SAR)

On January 14, 2013, Sakari Resources Limited (SAR), a subsidiary of PTT Mining Limited (PTTML), a subsidiary of PTTI, was granted approval for delisting from the Singapore Exchange.

On February 6, 2013, PTTML received valid acceptance for its tender offer from the minority shareholders of SAR for a total of 10,782,618 shares of SAR, approximately 0.95% shareholding, with a purchase value of USD 16,368,648, equivalent to Baht 487,087,689. As a result, PTTML increased its shareholding in SAR from 93.63% to 94.58%. SAR completed the process of delisting from the Singapore Exchange and its status has changed to a non-listed public company since February 15, 2013.

### PTTI (NL1PC)

On January 31, 2013, PTTI via PTT International Holding Limited (PTTIH) its wholly-owned subsidiary agreed to jointly invest in Nam Lik 1 Power Company Limited (NL1PC) for the development of Nam Lik 1 Power project in Lao People's Democratic Republic. The initial registered capital of NL1PC is USD 200,000 or equivalent to Baht 6,109,660 comprising 20,000 shares with a par value of USD 10 each. PTTIH holds 8,000 shares, equivalent to a 40% shareholding.

On February 20, 2013, NL1PC called for payment of the authorized share capital, amounting to USD 16,000 or equivalent to Baht 479,664. PTTIH made the share payment on February 22, 2013. In addition, on June 4, 2013, NL1PC called for the payment of the authorized share capital, amounting to USD 64,000 or equivalent to Baht 1,984,928. PTTIH made the share payment on June 12, 2013.

### BIC

During the year, BIC called for payment of additional share capital on three occasions, together amounting to Baht 61 million. The Company already paid the full amount.

On September 27, 2013, at the Board of Directors Meeting No. 9/2013 of the Company, the Board passed a resolution to approve the sales of the Company's 25% shareholding in BIC, totaling 34.25 million shares to GPSC for Baht 590 million. The Company received the full payment for the shares on December 24, 2013. The Company recognized a gain on disposal of BIC in the consolidated financial statements and the separate financial statements amounting to Baht 171.96 million and Baht 247.50 million, respectively.

## 12.7 Significant events during the year ended December 31, 2013 (Continued)

### PTTEP (PTTEP HK Holding)

On September 6, 2013, PTTEP, a subsidiary of the Company, and PTTEPI, a subsidiary of PTTEP, agreed to establish PTTEP HK Holding Limited incorporated in Hong Kong. PTTEP HK Holding has an initial registered capital of HKD 10,000, comprising 10,000 shares with a par value of HKD 1 each. PTTEP holds a 25% shareholding and PTTEPI holds the other 75% shareholding. Therefore, PTTEP HK Holding is a subsidiary of PTTEP.

### PTTEP (PTTEP NH and PTTEP BI)

On October 4, 2013, PTTEP established a subsidiary and a legal entity, of which details are as follows:

PTTEP Netherlands Holding Coöperatie U.A. (PTTEP NH) has a share capital of USD 50,000. PTTEP International Company Limited (PTTEPI) and PTTEP HK Holding Limited (PTTEP HK), subsidiaries of PTTEP, mutually invested with shareholding interests of 25% and 75%, respectively.

PTTEP Brazil Investment B.V. (PTTEP BI) has a registered share capital of USD 50,000 comprising 50,000 ordinary shares with a par value of USD 1 each. PTTEP NH holds all of its shares.

On November 30, 2013, PTTEP NH, a subsidiary of PTTEP, and Pertamina Hulu Energi Oil and Gas Co., Ltd., a subsidiary of Pertamina, jointly signed Share Purchase Agreements to acquire Natuna 2 B.V., a subsidiary of Hess Corporation which holds 23% interest in the Natuna Sea A Project located at the Gulf of Indonesia. PTTEP NH and Pertamina Hulu Energi Oil and Gas hold 50% and 50% interest in Natuna 2 B.V.

On December 6, 2013, PTTEP NH and Pertamina Hulu Energi Oil and Gas Co., Ltd. finished the acquisition process of Natuna 2 B.V.; consequently, Natuna 2 B.V. became a jointly controlled entity of PTTEP. As a result, PTTEP has an indirect 11.50% shareholding in the Natuna Sea A Project. Details are disclosed in Note 41 Business Acquisition.

### PTTEP (UAQ)

On January 7, 2013, PTTEP FLNG Holding Company Limited (PTTEP FH), a subsidiary of PTTEP, agreed to jointly invest in UAQ Petroleum Limited (UAQ) with Canemir Petroleum (UAQ) Corp. UAQ is registered in Hong Kong and has an initial registered capital of HKD 10,000 comprising 10,000 shares with a par value of HKD 1 each. PTTEP FH holds a 30% interest and Canemir Petroleum (UAQ) Corp. holds the other 70%. Therefore, UAQ is an associate of PTTEP.

### CHPP

On September 27, 2013, at the Board of Directors Meeting No. 9/2013 of the Company, the Board passed a resolution to approve the sales of the Company's 100% shareholding in CHPP, totaling 50 million shares to GPSC for Baht 210 million. The Company received the full payment for the shares on December 24, 2013. The Company recognized a loss on disposal of the investment in the consolidated financial statements and the separate financial statements amounting to Baht 196.03 million and Baht 106.22 million, respectively.

### PTTPMMA

On May 31, 2013, at the Board of Directors Meeting No. 5/2013 of the Company, the Board passed a resolution to approve the establishment of PTT PMMA Company Limited (PTTPMMA) to invest in the construction of a Poly Methyl Methacrylate (PMMA) plant including manufacturing and distribution. The Company holds a 100% shareholding of PTTPMMA, which has an initial registered capital of Baht 660 million, comprising 6.6 million shares with a par value of Baht 100 each. On June 19, 2013, PTTPMMA called for the first payment of authorized share capital, at Baht 25 per share, amounting to Baht 165 million. The Company made the share payment on June 28, 2013.

### PTTOM

On October 26, 2012, at the Board of Directors Meeting No. 10/2012 of the Company, the Board passed a resolution to approve the establishment of PTT Oil Myanmar Company Limited (PTTOM) to manage and operate oil business in the Republic of the Union of Myanmar. The Company holds a 100% shareholding of PTTOM, which was established on April 1, 2013.

PTTOM has an initial registered capital of USD 300,000 or equivalent to Baht 9.56 million comprising 300,000 shares with a par value of USD 1 each. The Company already paid full amount on September 3, 2013.

## 12.7 Significant events during the year ended December 31, 2013 (Continued)

### PTTRTC

On July 5, 2013, at the Board of Directors Meeting (Extra meeting) No. 2/2013 of the Company, the Board passed a resolution to approve the establishment of PTT Regional Treasury Center Pte. Ltd. (PTTRTC) in Singapore to centralize treasury operation of PTT group. The Company holds a 100% shareholding of PTTRTC, which was established on August 27, 2013.

On September 23, 2013, PTTRTC called for payment of authorized share capital, amounting to USD 1 million or equivalent to Baht 31.40 million. The Company already paid the full amount.

### TTM(M)

On May 31, 2013, at the Board of Directors Meeting No. 5/2013 of the Company, the Board passed a resolution to approve an investment in the EVA project of Trans Thai-Malaysia Sdn. Bhd. (TTM(M)). The Company increased its additional investment in TTM(M), amounting to USD 33.8 million or approximately Baht 1,014 million.

On June 3, 2013, at the TTM(M)'s Extraordinary General Meeting of the shareholders, the shareholders passed a resolution to increase its authorized share capital by MYR 21 million, from MYR 100 million to MYR 121 million, by issuing 21 million Redeemable Preference Shares (RPS) with a par value of MYR 10 each.

During the year, TTM(M) called for the first payment of share capital comprising 7.5 million shares with a par value of MYR 10 each, amounting to MYR 75 million or equivalent to Baht 719.99 million. The Company already paid the full amount.

### PTTMCC

On February 22, 2013, at the PTTMCC's Annual Shareholders Meeting, the shareholders passed a resolution to increase its authorized share capital by Baht 1,140 million, from Baht 360 million to Baht 1,500 million, by issuing 114 million additional shares with a par value of Baht 10 each. The Company paid totaling Baht 710.01 million for these additional shares in proportion to its shareholding.

## TSR

On December 21, 2012, at the Board of Directors Meeting No. 12/2012 of the Company, the Board passed a resolution to approve an investment in the solar power plant project of Thai Solar Renewable Company Limited (TSR). The Company holds a 40% shareholding of TSR with the investment amounting to Baht 1,450 million. On February 27, 2013, the Company signed the Shareholders Agreement and the Share Subscription Agreement with Thai Solar Energy Company Limited (TSE). On March 6, 2013, TSE called for the payment of Baht 130 for these shares and the Company made the share payment on March 15, 2013. As a result, its shareholding in TSR was 3 shares, or an interest of approximately 0.00001%.

On April 3, 2013, TSR called for the payment of its additional authorized share capital, comprising 20 million shares with a par value of Baht 10 each and a premium on the ordinary share at Baht 10 per share, amounting to Baht 400 million. The Company made the share payment and the premium payment on May 3, 2013. As a result, the Company held a 40% shareholding and TSR became a jointly controlled entity of the Company.

On November 27, 2013, TSR called for the second payment of its additional authorized share capital, comprising 1,333,333 shares with a par value of Baht 10 each and a premium on the ordinary share at Baht 200 per share, amounting to Baht 279.99 million. The Company made the share payment and the premium payment on November 29, 2013 to maintain its shareholding in TSR at 40%.

On September 27, 2013, at the Board of Directors Meeting No. 9/2013 of the Company, the Board passed a resolution to approve the sales of the Company's 40% shareholding in TSR, totaling 21.33 million shares to GPSC for Baht 927 million. The Company received the full payment for the shares on December 24, 2013. The Company recognized a gain on disposal of TSR in the consolidated financial statements and the separate financial statements amounting to Baht 170.39 million and Baht 243.79 million, respectively.

## THAPPLINE

On July 20, 2012, at the Board of Directors Meeting No. 7/2012 of the Company, the Board passed a resolution to approve an investment in THAPPLINE from BP oil (Thailand) Co., Ltd.

On October 22, 2013, the Company made an additional investment in THAPPLINE by acquiring a 3.25% interest to increase its shareholding in THAPPLINE from 33.19% to 36.44% for a total of 2,750,259 shares, totaling Baht 37.12 million. The Company already paid the full amount for the additional shares.

## 12.8 Additional information in respect of associates

12.8.1 Shares of net assets and results of operations from associates presented by business segments as at December 31, 2013 and 2012 are as follows:

## Statements of financial position:

As at December 31, 2013 and 2012

|                         | 2013       |          |                |             |          | 2012       |          |                |             |          |
|-------------------------|------------|----------|----------------|-------------|----------|------------|----------|----------------|-------------|----------|
|                         | Gas        | Oil      | Petrochemicals | Refinery    | Others   | Gas        | Oil      | Petrochemicals | Refinery    | Others   |
| Current assets          | 679.61     | 1,154.07 | 79,200.56      | 115,878.33  | 438.52   | 4,834.22   | 907.15   | 82,184.04      | 98,958.10   | 394.78   |
| Non-current assets      | 4,023.48   | 2,415.62 | 132,986.23     | 102,887.71  | 115.00   | 11,509.24  | 2,271.70 | 140,764.62     | 89,190.16   | 105.67   |
| Current liabilities     | (561.97)   | (458.50) | (41,198.67)    | (61,374.40) | (287.53) | (1,151.53) | (436.61) | (35,848.30)    | (43,280.78) | (265.23) |
| Non-current liabilities | (1,392.81) | (97.07)  | (50,586.60)    | (51,741.78) | (39.86)  | (4,939.33) | (554.82) | (65,663.94)    | (44,845.86) | (45.48)  |
| Net assets              | 2,748.31   | 3,014.12 | 120,401.52     | 105,649.86  | 226.13   | 10,252.60  | 2,187.42 | 121,436.42     | 100,021.62  | 189.74   |

Unit: Million Baht

## Statements of income:

For the years ended December 31, 2013 and 2012

|                     | 2013       |            |                |              |          | 2012        |            |                |              |          |
|---------------------|------------|------------|----------------|--------------|----------|-------------|------------|----------------|--------------|----------|
|                     | Gas        | Oil        | Petrochemicals | Refinery     | Others   | Gas         | Oil        | Petrochemicals | Refinery     | Others   |
| Income              | 2,121.70   | 2,206.82   | 276,920.23     | 462,834.33   | 492.73   | 12,094.98   | 2,201.59   | 287,176.96     | 475,467.57   | 637.14   |
| Expenses            | (1,816.79) | (1,513.11) | (259,285.65)   | (453,982.82) | (435.56) | (11,557.43) | (1,530.15) | (269,654.42)   | (464,988.86) | (571.29) |
| Income before taxes | 304.91     | 693.71     | 17,634.58      | 8,851.51     | 57.17    | 537.55      | 671.44     | 17,522.54      | 10,478.71    | 65.85    |
| Income taxes        | (16.68)    | (48.23)    | (965.44)       | (217.81)     | (11.33)  | 39.22       | (129.91)   | (684.42)       | (1,614.34)   | (15.50)  |
| Net income          | 288.23     | 645.48     | 16,669.14      | 8,633.70     | 45.84    | 576.77      | 541.53     | 16,838.12      | 8,864.37     | 50.35    |

Unit: Million Baht

12.8.2 The Company has not recognized its shares of losses from some associates for the year ended December 31, 2013 amounting to Baht 2.90 million (2012: Baht 3.25 million) because, as at December 31, 2013, the Company had an unrealized allowance for its share of losses from these associates amounting to Baht 78.58 million (December 31, 2012: Baht 75.51 million).

12.8.3 The fair value of investments in associates (only those with equity securities traded on the Stock Exchange of Thailand (SET)) was calculated based on current bid prices at the statement of financial position dates. Details are as follows:

Unit: Million Baht

| Company           | December 31, 2013 | December 31, 2012 |
|-------------------|-------------------|-------------------|
| <u>Associates</u> |                   |                   |
| BCP               | 10,399.27         | 11,898.27         |
| IRPC              | 25,655.20         | 32,423.14         |
| TOP               | 56,092.26         | 67,611.21         |
| PTTGC             | 173,590.11        | 154,302.32        |

12.8.4 Investments in subsidiaries, jointly controlled entities and associates where voting rights and ownership interests differ are as follows:

Unit: Percentage

| Company                          | Voting rights | Ownership |
|----------------------------------|---------------|-----------|
| <u>Subsidiary</u>                |               |           |
| BSA                              | 57.14         | 100.00    |
| <u>Jointly Controlled Entity</u> |               |           |
| HMC                              | 42.10         | 41.44     |
| <u>Associate</u>                 |               |           |
| THAPPLINE                        | 38.25         | 36.19     |

## 13. Available-for-sale Investments

### 13.1 Details of available-for-sale investments

| Company   | Country of Incorporation | Business                     | Shareholding (%) |       |
|---|--------------------------|------------------------------|------------------|-------|
|   |                          |                              | 2013             | 2012  |
| <b><u>Available-for-sale investments of the Company:</u></b>              |                          |                              |                  |       |
| <b><u>Investments in equity securities</u></b>                            |                          |                              |                  |       |
| Dhipaya Insurance Public Co., Ltd. (TIP)                                  | Thailand                 | Insurance                    | 13.33            | 13.33 |
| Bangkok Aviation Fuel Services Public Co., Ltd. (BAFS)                    | Thailand                 | Aircraft refuelling services | 7.06             | 7.06  |
| <b><u>Investments in mutual funds</u></b>                                 |                          |                              |                  |       |
| MFC Energy Fund   | Thailand                 | Mutual fund                  | 32.57            | 32.57 |
| Finansa Asset Management - Energy and Petrochemical Index Fund (FAM EPIF) | Thailand                 | Mutual fund                  |                  |       |
| Vayupak fund 1 (VAYU1)  | Thailand                 | Mutual fund                  |                  |       |



| Company   | Country of Incorporation | Business                | Share held by | Shareholding (%) |       |
|---|--------------------------|-------------------------|---------------|------------------|-------|
|   |                          |                         |               | 2013             | 2012  |
| <u>Available-for-sale investments of PTTEP:</u> |                          |                         |               |                  |       |
| <u>Investments in equity securities</u>         |                          |                         |               |                  |       |
| Wentworth Resources Limited (WRL)               | Canada                   | Oil and gas exploration | Cove          | 2.42             | 2.42  |
| <u>Available-for-sale investments of PTTL:</u>  |                          |                         |               |                  |       |
| <u>Investments in equity securities</u>         |                          |                         |               |                  |       |
| Xanadu Mines Ltd. (XML)                         | Mongolia                 | Mineral exploration     | SET           | 12.37            | 12.37 |

Investments in mutual funds

In December 2013, the Group invested in Vayupak fund 1 Class B after its conversion, with at least one year holding period. The investments in the consolidated financial statements and the separate financial statements were Baht 14.52 million and Baht 10 million, respectively. The Group classifies the investments as available-for-sale investments.

## 13.2 Details of available-for-sale investments as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

| Company  | Shareholding (%) |       | Consolidated<br>financial statements |           | Separate<br>financial statements |           | Dividends |        |
|--|------------------|-------|--------------------------------------|-----------|----------------------------------|-----------|-----------|--------|
|  | 2013             | 2012  | 2013                                 | 2012      | 2013                             | 2012      | 2013      | 2012   |
| <b>Investments in Equity</b>   |                  |       |                                      |           |                                  |           |           |        |
| <b>Securities</b>  |                  |       |                                      |           |                                  |           |           |        |
| TIP  | 13.33            | 13.33 | 312.00                               | 312.00    | 312.00                           | 312.00    | 20.00     | 10.00  |
| BAFS   | 7.06             | 7.06  | 24.00                                | 24.00     | 24.00                            | 24.00     | 29.16     | 24.12  |
| WRL  | 2.42             | 2.42  | 45.83                                | 41.95     | -                                | -         | -         | -      |
| XML  | 12.37            | 12.37 | 240.80                               | 224.79    | -                                | -         | -         | -      |
| Total investments<br>in equity securities  |                  |       | 622.63                               | 602.74    | 336.00                           | 336.00    |           |        |
| <b>Investments in Mutual<br/>Funds</b>   |                  |       |                                      |           |                                  |           |           |        |
| MFC Energy Fund  | 32.57            | 32.57 | 503.65                               | 504.89    | 503.65                           | 504.89    | -         | -      |
| FAM EPIF   |                  |       | 6,300.00                             | 6,300.00  | 6,300.00                         | 6,300.00  | 71.83     | 71.83  |
| VAYU1  |                  |       | 14.52                                | -         | 10.00                            | -         | -         | -      |
| Total investments<br>in mutual funds   |                  |       | 6,818.17                             | 6,804.89  | 6,813.65                         | 6,804.89  |           |        |
| Total available-for-sale<br>investments before<br>changes in value<br>of investments |                  |       | 7,440.80                             | 7,407.63  | 7,149.65                         | 7,140.89  |           |        |
| Allowance for changes<br>in value of<br>Investments                                  |                  |       | 5,197.42                             | 5,564.70  | 5,355.27                         | 5,730.55  |           |        |
| <u>Less</u> Allowance for<br>impairment<br>losses on<br>Investments                  |                  |       | (38.78)                              | -         | -                                | -         |           |        |
| Total  |                  |       | 12,599.44                            | 12,972.33 | 12,504.92                        | 12,871.44 | 120.99    | 105.95 |

13.3 Movements in available-for-sale investments are as follows:

Unit: Million Baht

|   | Consolidated financial statements |           | Separate financial statements |           |
|---|-----------------------------------|-----------|-------------------------------|-----------|
|   | 2013                              | 2012      | 2013                          | 2012      |
| Balance as at January 1                             | 12,972.33                         | 11,680.42 | 12,871.44                     | 11,421.51 |
| - Additional investments                            | 14.52                             | 42.05     | 10.00                         | -         |
| - Disposals   | (1.24)                            | -         | (1.24)                        | -         |
| - Allowance for changes<br>in value of investments  | (356.25)                          | 1,256.26  | (375.28)                      | 1,449.93  |
| - Allowance for impairment losses<br>on investments | (35.33)                           | -         | -                             | -         |
| - Currency translation differences                  | 5.41                              | (6.40)    | -                             | -         |
| Balance as at December 31                           | 12,599.44                         | 12,972.33 | 12,504.92                     | 12,871.44 |

## 14. Other Long-term Investments

### 14.1 Details of other long-term investments are as follows:

| Company   | Country of Incorporation | Business                     | Shareholding (%) |       |
|---|--------------------------|------------------------------|------------------|-------|
|   |                          |                              | 2013             | 2012  |
| <u>Other long-term investments of the Company:</u>                                  |                          |                              |                  |       |
| Petro Asia (Huizhou) Co., Ltd.<br>(PA (Huizhou))                                    | China                    | Oil marketing                | -                | 25.00 |
| Petro Asia (Maoming) Co., Ltd.<br>(PA (Maoming))                                    | China                    | Oil marketing                | 20.00            | 20.00 |
| Petro Asia (Sanshui) Co., Ltd.<br>(PA (Sanshui))                                    | China                    | Oil marketing                | 25.00            | 25.00 |
| Fuel Pipeline Transportation Co., Ltd.<br>(FPT)*                                    | Thailand                 | Oil transmission pipelines   | -                | -     |
| Intoplane Services Co., Ltd. (IPS)  | Thailand                 | Aircraft refuelling services | 16.67            | 16.67 |
| Ratchaburi Power Co., Ltd. (RPCL)   | Thailand                 | Electricity generation       | 15.00            | 15.00 |
| Colour Vision International Co., Ltd.<br>(Corpus)                                   | Thailand                 | Finished yarn production     | 0.48             | 0.48  |
| <u>Other long-term investments of subsidiaries and jointly controlled entities:</u> |                          |                              |                  |       |
| <u>Other long-term investments of PTTT:</u>   |                          |                              |                  |       |
| KIC Oil Terminals Sdn Bhd (KOT)   | Malaysia                 | Logistics services           | 10.00            | 10.00 |
| Kadriah Integrated Facilities Sdn Bhd (KIF)   | Malaysia                 | Logistics services           | 10.00            | 10.00 |
| Kadriah I Ltd (K I)   | Malaysia                 | Logistics services           | 10.00            | 10.00 |
| Kadriah II Sdn Bhd (K II)   | Malaysia                 | Logistics services           | 10.00            | 10.00 |
| <u>Other long-term investments of HMC:</u>  |                          |                              |                  |       |
| Rayong Olefins Co., Ltd. (ROC)  | Thailand                 | Petrochemicals               | 5.91             | 5.91  |
| Basell Advanced Polyolefins (Thailand) Co., Ltd. (BAPT)                             | Thailand                 | Petrochemicals               | 2.07             | 2.07  |

\* As at December 31, 2013, the Company holds 0.00024% of shareholding. (As at December 31, 2012, the Company holds 0.00016% of shareholding.)

14.2 Details of other long-term investments as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

| Company   | Shareholding (%) |       | Consolidated financial statements |          | Separate financial statements |          | Dividends |        |
|---|------------------|-------|-----------------------------------|----------|-------------------------------|----------|-----------|--------|
|   | 2013             | 2012  | 2013                              | 2012     | 2013                          | 2012     | 2013      | 2012   |
| <u>Other long-term investments</u>                  |                  |       |                                   |          |                               |          |           |        |
| 1. PA (Huizhou)                                     | -                | 25.00 | -                                 | 15.16    | -                             | 15.16    | -         | -      |
| 2. FPT*   | -                | -     | 0.02                              | -        | 0.02                          | -        | -         | -      |
| 3. IPS  | 16.67            | 16.67 | 0.02                              | 0.02     | 0.02                          | 0.02     | -         | -      |
| 4. RPCL   | 15.00            | 15.00 | 1,098.75                          | 1,098.75 | 1,098.75                      | 1,098.75 | 285.00    | 270.00 |
| 5. ROC  | 5.91             | 5.91  | 1,094.35                          | 909.84   | -                             | -        | -         | -      |
| 6. BAPT   | 2.07             | 2.07  | 18.19                             | 18.19    | -                             | -        | -         | -      |
| 7. PA (Maoming)                                     | 20.00            | 20.00 | 14.83                             | 14.83    | 14.83                         | 14.83    | -         | -      |
| 8. PA (Sanshui)                                     | 25.00            | 25.00 | 6.06                              | 6.06     | 6.06                          | 6.06     | -         | -      |
| 9. KOT  | 10.00            | 10.00 | 115.30                            | 107.63   | -                             | -        | -         | -      |
| 10. KIF   | 10.00            | 10.00 | 47.78                             | 44.60    | -                             | -        | -         | -      |
| 11. K I   | 10.00            | 10.00 | 240.16                            | 224.19   | -                             | -        | -         | -      |
| 12. K II  | 10.00            | 10.00 | 64.19                             | 59.93    | -                             | -        | -         | -      |
| 13. Corpus  | 0.48             | 0.48  | 0.60                              | 0.60     | 0.60                          | 0.60     | -         | -      |
| Total investments under the cost method             |                  |       | 2,700.25                          | 2,499.80 | 1,120.28                      | 1,135.42 |           |        |
| <u>Less</u> Allowance for impairment of investments |                  |       | (499.76)                          | (483.84) | (14.14)                       | (29.30)  |           |        |
| Total   |                  |       | 2,200.49                          | 2,015.96 | 1,106.14                      | 1,106.12 | 285.00    | 270.00 |

\* As at December 31, 2013, the Company holds 0.00024% of shareholding, totaling 66 shares, amounting to Baht 22,220.  
(As at December 31, 2012, the Company holds 0.00016% of shareholding, totaling 44 shares, amounting to Baht 220.)

## 14.3 Movements in other long-term investments are as follows:

Unit: Million Baht

|   | Consolidated financial statements |          | Separate financial statements |          |
|---|-----------------------------------|----------|-------------------------------|----------|
|   | 2013                              | 2012     | 2013                          | 2012     |
| Balance as at January 1                             | 2,015.96                          | 1,749.85 | 1,106.12                      | 1,106.12 |
| - Additional investments                            | 184.53                            | 266.11   | 0.02                          | -        |
| - Disposal investments                              | (15.16)                           | (44.00)  | (15.16)                       | (44.00)  |
| - Allowance for impairment losses<br>on investments | 15.16                             | 44.00    | 15.16                         | 44.00    |
| Balance as at December 31                           | 2,200.49                          | 2,015.96 | 1,106.14                      | 1,106.12 |

## 14.4 Significant events during the year ended December 31, 2013

## ROC

On May 14, 2013, HMC acquired 4,452,001 new issued ordinary shares of Baht 100 each in ROC, in proportion to its shareholding, totaling Baht 445 million. During the year, HMC paid totaling Baht 184.50 million, in proportion to its shareholding.

## FPT

On July 20, 2012, at the Board of Directors Meeting No. 7/2012 of the Company, the Board passed a resolution to approve the acquisition of shares in FPT from BP Asia Pacific Pte Limited.

On October 22, 2013, the Company made further investment in FPT by acquiring a additional 0.00008% interest to increase its shareholding in FPT from 0.00016% to 0.00024% for a total of 22 shares, totaling Baht 22,000. The Company already paid the full amount for these additional shares.

## PA (Huizhou)

On December 2013, The Company disposed its investment in PA (Huizhou) because, at the Board of Directors Meeting of PA (Huizhou) held on August 10, 1999, the Board passed a resolution to liquidate the company and, at the Board of Directors Meeting No. 4/2001, held on April 26, 2001, the Board passed a resolution to withdraw the investment in oil stations in China. After liquidation, the Company had a right to receive a deposit with the bank in China.

## 15. Investment Properties

Details of investment properties are as follows:

Unit: Million Baht

| Consolidated financial statements |          |                                     |                          |            |
|-----------------------------------|----------|-------------------------------------|--------------------------|------------|
|                                   | Land     | Buildings and building improvements | Construction in progress | Total      |
| <b>Cost</b>                       |          |                                     |                          |            |
| As at January 1, 2013             | 4,421.68 | 5,439.68                            | 1.11                     | 9,862.47   |
| - Additions                       | -        | 9.09                                | 45.87                    | 54.96      |
| - Reclassifications               | (827.42) | (1,850.45)                          | (46.98)                  | (2,724.85) |
| - Disposals                       | -        | (16.51)                             | -                        | (16.51)    |
| As at December 31, 2013           | 3,594.26 | 3,581.81                            | -                        | 7,176.07   |
| <b>Accumulated depreciation</b>   |          |                                     |                          |            |
| As at January 1, 2013             | -        | (1,770.99)                          | -                        | (1,770.99) |
| - Depreciation for the year       | -        | (217.46)                            | -                        | (217.46)   |
| - Reclassifications               | -        | 1,070.06                            | -                        | 1,070.06   |
| - Disposals                       | -        | 14.21                               | -                        | 14.21      |
| As at December 31, 2013           | -        | (904.18)                            | -                        | (904.18)   |
| <b>Net book value</b>             |          |                                     |                          |            |
| As at December 31, 2012           | 4,421.68 | 3,668.69                            | 1.11                     | 8,091.48   |
| As at December 31, 2013           | 3,594.26 | 2,677.63                            | -                        | 6,271.89   |

## 15. Investment Properties (Continued)

Unit: Million Baht

|                                 | Separate financial statements |                                     |                          |            |
|---------------------------------|-------------------------------|-------------------------------------|--------------------------|------------|
|                                 | Land                          | Buildings and building improvements | Construction in progress | Total      |
| <b>Cost</b>                     |                               |                                     |                          |            |
| As at January 1, 2013           | 4,421.68                      | 1,781.54                            | 1.11                     | 6,204.33   |
| - Additions                     | -                             | 2.11                                | 45.87                    | 47.98      |
| - Reclassifications             | (827.42)                      | (1,443.59)                          | (46.98)                  | (2,317.99) |
| - Disposals                     | -                             | (16.51)                             | -                        | (16.51)    |
| As at December 31, 2013         | 3,594.26                      | 323.55                              | -                        | 3,917.81   |
| <b>Accumulated depreciation</b> |                               |                                     |                          |            |
| As at January 1, 2013           | -                             | (1,157.64)                          | -                        | (1,157.64) |
| - Depreciation for the year     | -                             | (58.52)                             | -                        | (58.52)    |
| - Reclassifications             | -                             | 1,029.27                            | -                        | 1,029.27   |
| - Disposals                     | -                             | 14.21                               | -                        | 14.21      |
| As at December 31, 2013         | -                             | (172.68)                            | -                        | (172.68)   |
| <b>Net book value</b>           |                               |                                     |                          |            |
| As at January 1, 2012           | 4,421.68                      | 623.90                              | 1.11                     | 5,046.69   |
| As at January 1, 2013           | 3,594.26                      | 150.87                              | -                        | 3,745.13   |

The fair values of investment properties in the consolidated financial statements and the separate financial statements amounting to Baht 10,376.19 million (December 31, 2012: Baht 17,823.53 million) and amounting to Baht 6,260.81 million (December 31, 2012: Baht 13,241.72 million), respectively.



## 16. Property, Plant and Equipment

Details of property, plant and equipment are as follows:

Unit: Million Baht

| Consolidated financial statements         |           |                                     |                         |                        |              |                          |              |
|---|-----------|-------------------------------------|-------------------------|------------------------|--------------|--------------------------|--------------|
|   | Land      | Buildings and building improvements | Machinery and equipment | Oil and gas properties | Other assets | Construction in progress | Total        |
| <b>Cost</b>                               |           |                                     |                         |                        |              |                          |              |
| As at January 1, 2013                     | 6,707.97  | 45,854.79                           | 346,190.47              | 558,912.90             | 17,839.59    | 45,215.29                | 1,020,721.01 |
| - Business acquisition (Note 41)          | 24.66     | -                                   | 0.34                    | 11,272.66              | -            | 1,451.19                 | 12,748.85    |
| - Business disposal (Note 42)             | (126.70)  | (195.82)                            | (1,380.88)              | -                      | -            | (1,376.53)               | (3,079.93)   |
| - Additions                               | 208.59    | 738.03                              | 4,164.34                | 97,850.68              | 1,240.94     | 22,459.54                | 126,662.12   |
| - Borrowing costs                         | -         | -                                   | -                       | -                      | -            | 1,220.36                 | 1,220.36     |
| - Reclassifications                       | 4,614.93  | 5,561.59                            | 17,014.64               | 3,712.10               | (827.95)     | (24,513.73)              | 5,561.58     |
| - Disposals                               | -         | (114.01)                            | (3,871.30)              | (5,798.24)             | (149.97)     | (90.30)                  | (10,023.82)  |
| - Currency translation differences        | 64.08     | 229.68                              | 1,483.08                | 42,624.27              | (441.28)     | (40.09)                  | 43,919.74    |
| As at December 31, 2013                   | 11,493.53 | 52,074.26                           | 363,600.69              | 708,574.37             | 17,661.33    | 44,325.73                | 1,197,729.91 |
| <b>Accumulated depreciation</b>           |           |                                     |                         |                        |              |                          |              |
| As at January 1, 2013                     | -         | (16,153.93)                         | (117,714.16)            | (221,510.77)           | (8,027.91)   | -                        | (363,406.77) |
| - Business acquisition (Note 41)          | -         | -                                   | -                       | (2,495.75)             | -            | -                        | (2,495.75)   |
| - Business disposal (Note 42)             | -         | 33.21                               | 74.16                   | -                      | -            | -                        | 107.37       |
| - Depreciation for the year               | -         | (2,166.52)                          | (15,447.90)             | (49,750.70)            | (1,510.74)   | -                        | (68,875.86)  |
| - Reclassifications                       | -         | (1,062.06)                          | 30.57                   | -                      | 35.91        | -                        | (995.58)     |
| - Disposals                               | -         | 39.23                               | 3,548.34                | 1,437.30               | 68.56        | -                        | 5,093.43     |
| - Currency translation differences        | -         | 237.27                              | (952.45)                | (18,973.85)            | 89.54        | -                        | (19,599.49)  |
| As at December 31, 2013                   | -         | (19,072.80)                         | (130,461.44)            | (291,293.77)           | (9,344.64)   | -                        | (450,172.65) |
| <b>Allowance for impairment of assets</b> |           |                                     |                         |                        |              |                          |              |
| As at January 1, 2013                     | (78.42)   | (4.69)                              | (259.28)                | (6,410.88)             | -            | -                        | (6,753.27)   |
| - Reversal of impairment losses           | 55.29     | -                                   | 242.73                  | -                      | -            | -                        | 298.02       |
| - Currency translation differences        | -         | -                                   | 0.01                    | (453.26)               | -            | -                        | (453.25)     |
| As at December 31, 2013                   | (23.13)   | (4.69)                              | (16.54)                 | (6,864.14)             | -            | -                        | (6,908.50)   |
| <b>Net book value</b>                     |           |                                     |                         |                        |              |                          |              |
| As at December 31, 2012                   | 6,629.55  | 29,696.17                           | 228,217.03              | 330,991.25             | 9,811.68     | 45,215.29                | 650,560.97   |
| As at December 31, 2013                   | 11,470.40 | 32,996.77                           | 233,122.71              | 410,416.46             | 8,316.69     | 44,325.73                | 740,648.76   |

As at December 31, 2013, the Group had pledged assets amounting to Baht 9,956.28 million.

## 16. Property, Plant and Equipment (Continued)

Unit: Million Baht

|   | Separate financial statements |                                     |                         |              |                          | Total        |
|---|-------------------------------|-------------------------------------|-------------------------|--------------|--------------------------|--------------|
|   | Land                          | Buildings and building improvements | Machinery and equipment | Other assets | Construction in progress |              |
| <b>Cost</b>                               |                               |                                     |                         |              |                          |              |
| As at January 1, 2013                     | 3,983.47                      | 27,342.43                           | 276,399.36              | 10,369.78    | 29,472.83                | 347,567.87   |
| - Additions                               | 20.49                         | 230.08                              | 1,659.76                | 463.46       | 19,385.33                | 21,759.12    |
| - Borrowing costs                         | -                             | -                                   | -                       | -            | 1,219.25                 | 1,219.25     |
| - Reclassifications                       | 2,469.01                      | 3,737.01                            | 5,100.05                | 773.61       | (9,903.44)               | 2,176.24     |
| - Disposals                               | -                             | (28.12)                             | (3,490.67)              | (72.36)      | (76.89)                  | (3,668.04)   |
| As at December 31, 2013                   | 6,472.97                      | 31,281.40                           | 279,668.50              | 11,534.49    | 40,097.08                | 369,054.44   |
| <b>Accumulated depreciation</b>           |                               |                                     |                         |              |                          |              |
| As at January 1, 2013                     | -                             | (11,372.90)                         | (100,644.85)            | (6,502.68)   | -                        | (118,520.43) |
| - Depreciation for the year               | -                             | (1,133.84)                          | (11,111.56)             | (1,012.04)   | -                        | (13,257.44)  |
| - Reclassifications                       | -                             | (1,030.27)                          | 1.88                    | (2.49)       | -                        | (1,030.88)   |
| - Disposals                               | -                             | 25.87                               | 3,258.31                | 36.23        | -                        | 3,320.41     |
| As at December 31, 2013                   | -                             | (13,511.14)                         | (108,496.22)            | (7,480.98)   | -                        | (129,488.34) |
| <b>Allowance for impairment of assets</b> |                               |                                     |                         |              |                          |              |
| As at January 1, 2013                     | (78.42)                       | (4.70)                              | (259.15)                | -            | -                        | (342.27)     |
| - Reversal of impairment losses           | 55.29                         | -                                   | 242.73                  | -            | -                        | 298.02       |
| As at December 31, 2013                   | (23.13)                       | (4.70)                              | (16.42)                 | -            | -                        | (44.25)      |
| <b>Net book value</b>                     |                               |                                     |                         |              |                          |              |
| As at December 31, 2012                   | 3,905.05                      | 15,964.83                           | 175,495.36              | 3,867.10     | 29,472.83                | 228,705.17   |
| As at December 31, 2013                   | 6,449.84                      | 17,765.56                           | 171,155.86              | 4,053.51     | 40,097.08                | 239,521.85   |

Borrowing costs amounting to Baht 1,220.36 million in the consolidated financial statements (December 31, 2012: Baht 838.62 million) and amounting to Baht 1,219.25 million in the separate financial statements (December 31, 2012: Baht 759.24 million) were capitalized as part of costs of property, plant and equipment. The Group used capitalization rates 2.00% to 3.89% (December 31, 2012: 1.70% to 4.80 %).

As at December 31, 2013 and 2012, other assets include vehicles acquired under finance leases. Details are as follows:

Unit: Million Baht

|                               | Consolidated financial statements |          | Separate financial statements |          |
|-------------------------------|-----------------------------------|----------|-------------------------------|----------|
|                               | 2013                              | 2012     | 2013                          | 2012     |
| Cost                          | 1,173.58                          | 1,125.79 | 947.34                        | 867.93   |
| Less Accumulated depreciation | (489.03)                          | (346.91) | (400.26)                      | (263.06) |
| Net book value                | 684.55                            | 778.88   | 547.08                        | 604.87   |

As at December 31, 2013, PTTEP had the following carried cost to be reimbursed from the foreign government for various projects. These are presented as oil and gas properties, exploration and evaluation assets and other non-current assets in the statements of financial position and as petroleum exploration expenses in the statements of income. Details are as follows:

Unit: Million Baht

| Projects                          | Carried cost to be reimbursed from the government |                                 |                          |  |
|-----------------------------------|---|---------------------------------|--------------------------|--|
|                                   | Oil and gas properties                            | Exploration & Evaluation Assets | Other non-current assets | Petroleum exploration expenses (Accumulated from the year 2002 to December 31, 2013) |
| Vietnam 52/97                     | -   | -                               | 33.11                    | -  |
| Vietnam B and 48/95               | -   | -                               | 34.65                    | -  |
| Vietnam 16-1                      | 847.25  | -                               | -                        | 1,268.59   |
| Vietnam 9-2                       | 1,088.66  | -                               | -                        | 791.82   |
| Algeria 433A and 416B             | 249.32  | -                               | -                        | 428.92   |
| Algeria Hassi Bir Rekaiz          | 4.12  | 1,335.94                        | -                        | 308.10   |
| Myanmar PSC-G & EP-2              | -   | 14.56                           | -                        | 89.79  |
| Mozambique Rovuma Offshore Area 1 | 19.07   | 1,206.25                        | -                        | 360.96   |
| Mozambique Rovuma Onshore         | -   | 6.16                            | -                        | 19.20  |

As at December 31, 2013, The Vietnam 16-1 and the Vietnam 9-2 projects received the full reimbursement of the carried cost from the reimbursement based on its participating interests.

## 17. Intangible Assets

Details of intangible assets are as follows:

Unit: Million Baht

| Consolidated financial statements         |                   |              |                                 |                         |             |
|---|-------------------|--------------|---------------------------------|-------------------------|-------------|
|   | Computer software | Right of use | Exploration & Evaluation assets | Other Intangible assets | Total       |
| <b>Cost</b>                               |                   |              |                                 |                         |             |
| As at January 1, 2013                     | 6,364.26          | 18,763.90    | 97,427.18                       | 3,883.79                | 126,439.13  |
| - Business acquisition (Note 41)          | 0.01              | -            | 943.94                          | -                       | 943.95      |
| - Business disposal (Note 42)             | (2.13)            | -            | -                               | -                       | (2.13)      |
| - Additions                               | 1,840.14          | 91.75        | 6,552.81                        | 197.83                  | 8,682.53    |
| - Reclassifications                       | 241.59            | 29.81        | (3,879.35)                      | 92.84                   | (3,515.11)  |
| - Disposals                               | (5.31)            | (17.36)      | (3,684.89)                      | (3.31)                  | (3,710.87)  |
| - Currency translation differences        | 268.19            | 73.74        | 6,730.42                        | 73.75                   | 7,146.10    |
| As at December 31, 2013                   | 8,706.75          | 18,941.84    | 104,090.11                      | 4,244.90                | 135,983.60  |
| <b>Accumulated amortization</b>           |                   |              |                                 |                         |             |
| As at January 1, 2013                     | (1,999.60)        | (6,074.78)   | -                               | (1,315.34)              | (9,389.72)  |
| - Business disposal (Note 42)             | 1.69              | -            | -                               | -                       | 1.69        |
| - Amortization for the year               | (783.13)          | (517.38)     | -                               | (226.07)                | (1,526.58)  |
| - Reclassifications                       | (0.39)            | -            | -                               | -                       | (0.39)      |
| - Disposals                               | 3.94              | 14.78        | -                               | -                       | 18.72       |
| - Currency translation differences        | (62.26)           | 1.10         | -                               | (38.57)                 | (99.73)     |
| As at December 31, 2013                   | (2,839.75)        | (6,576.28)   | -                               | (1,579.98)              | (10,996.01) |
| <b>Allowance for impairment of assets</b> |                   |              |                                 |                         |             |
| As at January 1, 2013                     | -                 | -            | (105.77)                        | (73.68)                 | (179.45)    |
| - Impairment losses                       | -                 | -            | -                               | (10.02)                 | (10.02)     |
| - Reversal of impairment losses           | -                 | -            | 109.13                          | -                       | 109.13      |
| - Currency translation differences        | -                 | -            | (3.36)                          | (6.00)                  | (9.36)      |
| As at December 31, 2013                   | -                 | -            | -                               | (89.70)                 | (89.70)     |
| <b>Net book value</b>                     |                   |              |                                 |                         |             |
| As at December 31, 2012                   | 4,364.66          | 12,689.12    | 97,321.41                       | 2,494.77                | 116,869.96  |
| As at December 31, 2013                   | 5,867.00          | 12,365.56    | 104,090.11                      | 2,575.22                | 124,897.89  |

Unit: Million Baht

| Separate financial statements   |                   |              |                         |            |
|---------------------------------|-------------------|--------------|-------------------------|------------|
|                                 | Computer software | Right of use | Other Intangible assets | Total      |
| <b>Cost</b>                     |                   |              |                         |            |
| As at January 1, 2013           | 3,135.85          | 18,340.45    | 51.55                   | 21,527.85  |
| - Additions                     | 139.19            | 0.52         | -                       | 139.71     |
| - Reclassifications             | 225.58            | 14.27        | -                       | 239.85     |
| - Disposals                     | (2.19)            | -            | -                       | (2.19)     |
| As at December 31, 2013         | 3,498.43          | 18,355.24    | 51.55                   | 21,905.22  |
| <b>Accumulated amortization</b> |                   |              |                         |            |
| As at January 1, 2013           | (947.07)          | (5,873.16)   | (51.55)                 | (6,871.78) |
| - Amortization for the year     | (483.39)          | (482.41)     | -                       | (965.80)   |
| - Reclassifications             | 0.06              | -            | -                       | 0.06       |
| - Disposals                     | 1.39              | -            | -                       | 1.39       |
| As at December 31, 2013         | (1,429.01)        | (6,355.57)   | (51.55)                 | (7,836.13) |
| <b>Net book value</b>           |                   |              |                         |            |
| As at December 31, 2012         | 2,188.78          | 12,467.29    | -                       | 14,656.07  |
| As at December 31, 2013         | 2,069.42          | 11,999.67    | -                       | 14,069.09  |

## 18. Mining Properties

Movements of mining properties are as follows:

Unit: Million Baht

|   | Consolidated<br>financial<br>statement |
|---|--|
| <b>Cost</b>                               |  |
| As at January 1, 2013                     | 47,373.28                              |
| - Additions                               | 2,736.90                               |
| - Reclassifications                       | 722.30                                 |
| - Disposals                               | (41.11)                                |
| - Currency translation differences        | 3,670.85                               |
| As at December 31, 2013                   | 54,462.22                              |
| <b>Accumulated amortization</b>           |  |
| As at January 1, 2013                     | (12,060.23)                            |
| - Amortization for the year               | (5,875.18)                             |
| - Disposals                               | 0.80                                   |
| - Currency translation differences        | (1,222.61)                             |
| As at December 31, 2013                   | (19,157.22)                            |
| <b>Allowance for impairment of assets</b> |  |
| As at January 1, 2013                     | (80.22)                                |
| - Currency translation differences        | (5.58)                                 |
| As at December 31, 2013                   | (85.80)                                |
| <b>Net book value</b>                     |  |
| As at December 31, 2012                   | 35,232.83                              |
| As at December 31, 2013                   | 35,219.20                              |

## 19. Goodwill

Movements of goodwill are as follows:

Unit: Million Baht

|                                    | Consolidated financial statements |           |
|------------------------------------|-----------------------------------|-----------|
|                                    | 2013                              | 2012      |
| Net book value as at January 1     | 46,501.14                         | 28,432.57 |
| - Additions (Note 41)              | 4,135.82                          | 19,051.36 |
| - Business disposal                | (506.27)                          | -         |
| - Reclassifications                | (56.43)                           | -         |
| - Impairment losses                | -                                 | (231.51)  |
| - Currency translation differences | 1,776.97                          | (751.28)  |
| Net book value as at December 31   | 51,851.23                         | 46,501.14 |

## 20. Income Taxes and Deferred Taxes

Applicable tax rates for the Group are as follows:

|  | Tax rates (%) |
|--|---------------|
| Petroleum income tax on petroleum business in Thailand   |               |
| pursuant to the Petroleum Income Tax Act, B.E. 2514 and B.E. 2532                              | 50            |
| Income tax under the Revenue Code of the Company, subsidiaries and jointly controlled entities | 20            |
| Corporate income tax in foreign countries  | 5 - 55        |
| Corporate income tax from the Petroleum business in the Thai - Malaysia                        |               |
| co-development area under the Petroleum Income Tax Act (No. 5) B.E. 2541                       | 0 - 20        |
| Petroleum resource rent tax in Australia   | 40            |
| Petroleum resource rent tax in Indonesia   | 30            |

## 20.1 Deferred tax assets and deferred tax liabilities as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                          | Consolidated financial statements |             | Separate financial statements |            |
|--------------------------|-----------------------------------|-------------|-------------------------------|------------|
|                          | 2013                              | 2012        | 2013                          | 2012       |
| Deferred tax assets      | 14,380.54                         | 14,501.16   | 944.47                        | 1,591.26   |
| Deferred tax liabilities | (66,891.14)                       | (60,020.89) | (4,210.07)                    | (4,848.70) |
|                          | (52,510.60)                       | (45,519.73) | (3,265.60)                    | (3,257.44) |

## 20.2 Income tax expenses recognized in the consolidated and the separate statements of income for the years ended December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|   | Consolidated financial statements |            | Separate financial statements |          |
|---|-----------------------------------|------------|-------------------------------|----------|
|   | 2013                              | 2012       | 2013                          | 2012     |
| Income tax:   |                                   |            |                               |          |
| Current income tax  | 44,390.68                         | 45,549.51  | 828.70                        | 4,073.32 |
| Adjustments in respect of current income tax of previous year | 952.56                            | (1,219.13) | (47.81)                       | (370.83) |
|   | 45,343.24                         | 44,330.38  | 780.89                        | 3,702.49 |
| Deferred tax:   |                                   |            |                               |          |
| Change in temporary differences                               | (2,107.18)                        | 3,199.84   | 83.22                         | (186.04) |
| Tax effect of currency translation on tax base                | 4,456.08                          | (1,013.84) | -                             | -        |
|   | 2,348.90                          | 2,186.00   | 83.22                         | (186.04) |
| Total   | 47,692.14                         | 46,516.38  | 864.11                        | 3,516.45 |



20.3 Movements in deferred tax assets and deferred tax liabilities are as follows:

Unit: Million Baht

| Consolidated financial statements   |                          |                         |                         |                            |
|-------------------------------------|--------------------------|-------------------------|-------------------------|----------------------------|
|                                     | As at<br>January 1, 2013 | Statements of<br>income | Shareholders'<br>equity | As at<br>December 31, 2013 |
| Deferred tax assets:                |                          |                         |                         |                            |
| Trade and other accounts receivable | 125.83                   | (4.17)                  | -                       | 121.66                     |
| Inventories                         | 54.21                    | (51.26)                 | -                       | 2.95                       |
| Investments                         | 5.86                     | 0.61                    | 0.05                    | 6.52                       |
| Property, plant and equipment       | 46.34                    | (641.81)                | (873.99)                | (1,469.46)                 |
| Intangible assets                   | 141.25                   | 4.87                    | -                       | 146.12                     |
| Employee benefit obligations        | 544.91                   | 16.85                   | 9.56                    | 571.32                     |
| Cumulative loss carried forward     | 8,868.12                 | 14.08                   | 688.61                  | 9,570.81                   |
| Petroleum resource rent tax         |                          |                         |                         |                            |
| in Australia                        | 1,554.02                 | 36.38                   | 29.70                   | 1,620.10                   |
| Others                              | 3,160.62                 | 67.48                   | 582.42                  | 3,810.52                   |
|                                     | 14,501.16                | (556.97)                | 436.35                  | 14,380.54                  |
| Deferred tax liabilities:           |                          |                         |                         |                            |
| Property, plant and equipment       | 60,326.57                | 3,301.95                | 7,322.23                | 70,950.75                  |
| Other accounts receivable           | 2,385.28                 | 316.63                  | 139.69                  | 2,841.60                   |
| Available-for-sale investments      | 1,146.11                 | -                       | (75.06)                 | 1,071.05                   |
| Loans                               | 920.23                   | (738.13)                | -                       | 182.10                     |
| Tax effect of currency translation  |                          |                         |                         |                            |
| on tax base                         | (4,855.05)               | 3,565.70                | (122.35)                | (1,411.70)                 |
| Others                              | 97.75                    | (4,654.22)              | (2,186.19)              | (6,742.66)                 |
|                                     | 60,020.89                | 1,791.93                | 5,078.32                | 66,891.14                  |

## 20.3 Movements in deferred tax assets and deferred tax liabilities are as follows: (Continued)

Unit: Million Baht

| Consolidated financial statements   |                          |                         |                         |                            |
|-------------------------------------|--------------------------|-------------------------|-------------------------|----------------------------|
|                                     | As at<br>January 1, 2012 | Statements of<br>income | Shareholders'<br>equity | As at<br>December 31, 2012 |
| Deferred tax assets:                |                          |                         |                         |                            |
| Trade and other accounts receivable | 106.71                   | 19.12                   | -                       | 125.83                     |
| Inventories                         | 49.64                    | 4.57                    | -                       | 54.21                      |
| Investments                         | 5.86                     | -                       | -                       | 5.86                       |
| Property, plant and equipment       | 393.81                   | (358.66)                | 11.19                   | 46.34                      |
| Intangible assets                   | 139.81                   | 1.44                    | -                       | 141.25                     |
| Employee benefit obligations        | 607.23                   | (59.52)                 | (2.80)                  | 544.91                     |
| Cumulative loss carried forward     | 9,285.89                 | (72.92)                 | (344.85)                | 8,868.12                   |
| Petroleum resource rent tax         |                          |                         |                         |                            |
| in Australia                        | 7,463.48                 | (3,755.20)              | (2,154.26)              | 1,554.02                   |
| Others                              | 1,265.97                 | 2,031.17                | (136.52)                | 3,160.62                   |
|                                     | 19,318.40                | (2,190.00)              | (2,627.24)              | 14,501.16                  |
| Deferred tax liabilities:           |                          |                         |                         |                            |
| Property, plant and equipment       | 39,908.86                | 3,519.74                | 16,897.97               | 60,326.57                  |
| Other accounts receivable           | 2,533.99                 | (141.83)                | (6.88)                  | 2,385.28                   |
| Available-for-sale investments      | 856.13                   | -                       | 289.98                  | 1,146.11                   |
| Loans                               | 1,147.97                 | (227.74)                | -                       | 920.23                     |
| Tax effect of currency translation  |                          |                         |                         |                            |
| on tax base                         | (4,133.06)               | (819.18)                | 97.19                   | (4,855.05)                 |
| Others                              | 2,622.80                 | (2,334.99)              | (190.06)                | 97.75                      |
|                                     | 42,936.69                | (4.00)                  | 17,088.20               | 60,020.89                  |

Unit: Million Baht

| Separate financial statements       |                          |                         |                         |                            |
|-------------------------------------|--------------------------|-------------------------|-------------------------|----------------------------|
|                                     | As at<br>January 1, 2013 | Statements of<br>income | Shareholders'<br>equity | As at<br>December 31, 2013 |
| Deferred tax assets:                |                          |                         |                         |                            |
| Trade and other accounts receivable | 125.83                   | (4.43)                  | -                       | 121.40                     |
| Inventories                         | 54.21                    | (53.09)                 | -                       | 1.12                       |
| Investments                         | 5.86                     | (3.03)                  | -                       | 2.83                       |
| Property, plant and equipment       | 537.32                   | (598.00)                | -                       | (60.68)                    |
| Intangible assets                   | 141.25                   | 4.87                    | -                       | 146.12                     |
| Employee benefit obligations        | 475.05                   | 9.87                    | -                       | 484.92                     |
| Others                              | 251.74                   | (2.98)                  | -                       | 248.76                     |
|                                     | 1,591.26                 | (646.79)                | -                       | 944.47                     |
| Deferred tax liabilities:           |                          |                         |                         |                            |
| Other accounts receivable           | 2,390.75                 | 269.53                  | -                       | 2,660.28                   |
| Available-for-sale investments      | 1,146.11                 | -                       | (75.06)                 | 1,071.05                   |
| Loans                               | 920.23                   | (738.13)                | -                       | 182.10                     |
| Others                              | 391.61                   | (94.97)                 | -                       | 296.64                     |
|                                     | 4,848.70                 | (563.57)                | (75.06)                 | 4,210.07                   |

## 20.3 Movements in deferred tax assets and deferred tax liabilities are as follows: (Continued)

Unit: Million Baht

|                                     | Separate financial statements |                         |                         |                            |
|-------------------------------------|-------------------------------|-------------------------|-------------------------|----------------------------|
|                                     | As at<br>January 1, 2012      | Statements of<br>income | Shareholders'<br>equity | As at<br>December 31, 2012 |
| Deferred tax assets:                |                               |                         |                         |                            |
| Trade and other accounts receivable | 106.71                        | 19.12                   | -                       | 125.83                     |
| Inventories                         | 49.64                         | 4.57                    | -                       | 54.21                      |
| Investments                         | 5.86                          | -                       | -                       | 5.86                       |
| Property, plant and equipment       | 756.36                        | (219.04)                | -                       | 537.32                     |
| Intangible assets                   | 139.81                        | 1.44                    | -                       | 141.25                     |
| Employee benefit obligations        | 482.67                        | (7.62)                  | -                       | 475.05                     |
| Others                              | 266.74                        | (15.00)                 | -                       | 251.74                     |
|                                     | 1,807.79                      | (216.53)                | -                       | 1,591.26                   |
| Deferred tax liabilities:           |                               |                         |                         |                            |
| Other accounts receivable           | 2,533.99                      | (143.24)                | -                       | 2,390.75                   |
| Available-for-sale investments      | 856.13                        | -                       | 289.98                  | 1,146.11                   |
| Loans                               | 1,147.97                      | (227.74)                | -                       | 920.23                     |
| Others                              | 423.20                        | (31.59)                 | -                       | 391.61                     |
|                                     | 4,961.29                      | (402.57)                | 289.98                  | 4,848.70                   |

## 21. Advance Payments for Gas Purchases

Movements of advance payments for gas purchases are as follows:

Unit: Million Baht

|                           | Consolidated financial statements |            | Separate financial statements |            |
|---------------------------|-----------------------------------|------------|-------------------------------|------------|
|                           | 2013                              | 2012       | 2013                          | 2012       |
| Balance as at January 1   | 5,688.54                          | 7,346.23   | 6,780.11                      | 8,495.57   |
| - Make-up right           | (997.99)                          | (1,657.69) | (1,146.10)                    | (1,715.46) |
| Balance as at December 31 | 4,690.55                          | 5,688.54   | 5,634.01                      | 6,780.11   |

The Company made advance payments for committed gas purchases according to the established minimum volumes in the Gas Sales Agreements (Take-or-Pay). The Company has the right to take certain volumes of prepaid gas (Make-up right) in subsequent years, with no maturity period.

As at December 31, 2013, advance payments for gas purchases comprised the balance of advance payments made for gas purchases from the Yadana gas fields in Republic of the Union of Myanmar, irrespective of take-up in 2000.

## 22. Other Non-current Assets

Other non-current assets as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                                   | Consolidated financial statements |           | Separate financial statements |           |
|-----------------------------------|-----------------------------------|-----------|-------------------------------|-----------|
|                                   | 2013                              | 2012      | 2013                          | 2012      |
| Retention and refundable deposits | 697.90                            | 705.23    | 49.50                         | 43.85     |
| Advances                          | 7,992.53                          | 8,322.98  | 3,565.52                      | 3,852.71  |
| Inventories - legal reserves      | 23,374.88                         | 17,936.44 | 23,374.88                     | 17,936.44 |
| Deferred compensation             | 717.09                            | 723.25    | -                             | -         |
| Others                            | 2,831.90                          | 1,310.99  | 189.46                        | 52.37     |
| Total                             | 35,614.30                         | 28,998.89 | 27,179.36                     | 21,885.37 |

## 22. Other Non-current Assets (Continued)

The Fuel Oil Trading Act B.E. 2543 (2000) categorizes the Company as an oil trader under section 7 of this Act. To protect against and resolve fuel oil shortages, this Act prescribes that oil traders under section 7 must reserve fuel oil according to the categories and volumes determined by the Director General of the Department of Energy Business. In accordance with the Notice of the Department of Energy Business B.E. 2556 (2013), the Company currently sets aside reserves at 6% of the planned trading volume (up from the former rate of 5%) as reported to the Director General of the Department of Energy Business, the Ministry of Energy.

In 2013 and 2012, the legal reserved inventories of the Group are written down to the lower of net realizable value or costs.

## 23. Bank Overdrafts and Short-term Loans from Financial Institutions

As at December 31, 2013, the bank overdrafts and short-term loans from financial institutions bear interest at rates ranging from 0.68% to 3.65% per annum (December 31, 2012: interest at rates range from 0.95% to 6.45% per annum).

## 24. Other Current Liabilities

Other current liabilities as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|   | Consolidated financial statements |                 | Separate financial statements |                 |
|---|-----------------------------------|-----------------|-------------------------------|-----------------|
|   | 2013                              | 2012            | 2013                          | 2012            |
| Undue output VAT  | 5,115.74                          | 5,045.90        | 4,924.06                      | 4,054.52        |
| Retention   | 14.48                             | 6.39            | -                             | -               |
| Provision for remuneration for<br>the renewal of petroleum production | 1,202.41                          | 328.62          | -                             | -               |
| Others  | 2,765.69                          | 616.39          | 559.00                        | 196.97          |
| <b>Total</b>  | <b>9,098.32</b>                   | <b>5,997.30</b> | <b>5,483.06</b>               | <b>4,251.49</b> |

## 25. Long-term Loans

Details of long-term loans as at December 31, 2013 and 2012 are as follows:

Current portion of long-term loans

Unit: Million Baht

|                                  | Consolidated financial statements |                  | Separate financial statements |                  |
|----------------------------------|-----------------------------------|------------------|-------------------------------|------------------|
|                                  | 2013                              | 2012             | 2013                          | 2012             |
| Loans - Baht currency            | 3,770.11                          | 3,195.18         | 2,500.00                      | 2,000.00         |
| Loans - Baht currency - EPPO     | 116.76                            | 191.59           | 116.76                        | 191.59           |
| Loans - foreign currencies       | 4,552.18                          | 6,654.56         | -                             | 2,308.31         |
| Debentures - Baht currency       | 14,645.00                         | 29,559.71        | 2,946.20                      | 24,550.00        |
| Debentures - foreign currencies  | 22,550.75                         | -                | 22,550.75                     | -                |
| Liabilities under finance leases | 308.80                            | 229.50           | 259.66                        | 177.34           |
| <b>Total</b>                     | <b>45,943.60</b>                  | <b>39,830.54</b> | <b>28,373.37</b>              | <b>29,227.24</b> |

Long-term loans

Unit: Million Baht

|                                  | Consolidated financial statements |                   | Separate financial statements |                   |
|----------------------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
|                                  | 2013                              | 2012              | 2013                          | 2012              |
| Loans - Baht currency            | 25,433.05                         | 29,203.17         | 19,000.00                     | 21,500.00         |
| Loans - Baht currency - EPPO     | 28.32                             | 105.82            | 28.32                         | 105.82            |
| Loans - foreign currencies       | 75,394.58                         | 67,630.24         | 27,364.12                     | 17,466.33         |
| Debentures - Baht currency       | 164,304.64                        | 158,945.52        | 156,808.00                    | 139,754.20        |
| Debentures - foreign currencies  | 157,167.46                        | 141,184.06        | 76,057.30                     | 80,294.32         |
| Liabilities under finance leases | 235.18                            | 444.80            | 170.15                        | 351.11            |
| <b>Total</b>                     | <b>422,563.23</b>                 | <b>397,513.61</b> | <b>279,427.89</b>             | <b>259,471.78</b> |

As at December 31, 2013, Baht 6,000.00 million of the Company's loans are secured by the Ministry of Finance (December 31, 2012: Baht 7,000.00 million).

## 25. Long-term Loans (Continued)

Long-term loans, including the current portion, outstanding as at December 31, 2013 and 2012 can be classified by types of interest rate as follows:

Unit: Million Baht

|                        | Consolidated financial statements |            | Separate financial statements |            |
|------------------------|-----------------------------------|------------|-------------------------------|------------|
|                        | 2013                              | 2012       | 2013                          | 2012       |
| Floating interest rate | 82,876.82                         | 38,481.11  | 56,287.81                     | 17,655.50  |
| Fixed interest rate    | 385,630.01                        | 398,863.04 | 251,513.45                    | 271,043.52 |
| Total                  | 468,506.83                        | 437,344.15 | 307,801.26                    | 288,699.02 |

Interest rates charged on long-term loans as at December 31, 2013 and 2012 are as follows:

|                                  | Consolidated financial statements |               | Separate financial statements |               |
|----------------------------------|-----------------------------------|---------------|-------------------------------|---------------|
|                                  | 2013                              | 2012          | 2013                          | 2012          |
| PTT bonds                        | 5.07% - 7.83%                     | 5.07% - 7.83% | 5.07% - 7.83%                 | 5.07% - 7.83% |
| Loans - Baht currency            | 2.52% - 4.71%                     | 3.04% - 5.22% | 2.52% - 4.36%                 | 3.04% - 4.36% |
| Loans - Baht currency - EPPO     | 0.50%                             | 0.50%         | 0.50%                         | 0.50%         |
| Loans - Foreign currencies       |                                   |               |                               |               |
| - US dollar                      | 1.23% - 6.05%                     | 1.59% - 6.05% | 1.59% - 2.99%                 | 1.59% - 3.09% |
| - Yen                            | 4.45%                             | 4.45%         | 4.45%                         | 4.45%         |
| - Canada dollar                  | 2.98% - 3.38%                     | 3.00% - 3.40% | -                             | -             |
| Debentures - Baht currency       | 3.20% - 7.40%                     | 3.20% - 7.40% | 3.20% - 7.40%                 | 3.20% - 7.40% |
| Debentures - Foreign currencies  | 1.07% - 6.35%                     | 1.38% - 6.35% | 1.07% - 5.88%                 | 1.38% - 5.88% |
| Liabilities under finance leases | 3.33% - 5.90%                     | 3.33% - 6.25% | 3.33% - 4.80%                 | 3.33% - 5.10% |



## 25.1 Loans

Movements of loans in Baht currency and foreign currencies for the year ended December 31, 2013 are as follows:

Unit: Million

| Consolidated financial statements  |            |          |           |        |                                |
|------------------------------------|------------|----------|-----------|--------|--------------------------------|
|                                    | Currency   |          |           |        | Total<br>in Baht<br>equivalent |
|                                    | Baht       | USD      | JPY       | CAD    |                                |
| Balance as at January 1, 2013      | 32,695.76  | 1,689.22 | 23,000.00 | 475.00 | 106,980.56                     |
| - Business acquisition (Note 41)   | 1,572.19   | 62.00    | -         | -      | 3,574.40                       |
| - Additions                        | 389.39     | 310.00   | -         | -      | 9,523.97                       |
| - Repayments                       | (3,349.05) | (280.41) | -         | -      | (12,368.97)                    |
| - Business disposal (Note 42)      | (1,961.58) | -        | -         | -      | (1,961.58)                     |
| - Loss on exchange rates           | -          | -        | -         | -      | 3,232.01                       |
| - Currency translation differences | -          | -        | -         | -      | 313.08                         |
| - Others                           | 1.53       | -        | -         | -      | 1.53                           |
| Balance as at December 31, 2013    | 29,348.24  | 1,780.81 | 23,000.00 | 475.00 | 109,295.00                     |
| - Current portion                  | (3,886.87) | (139.08) | -         | -      | (8,439.05)                     |
| Long-term loans                    | 25,461.37  | 1,641.73 | 23,000.00 | 475.00 | 100,855.95                     |

## 25.1 Loans (Continued)

Unit: Million

|                                 | Separate financial statements |         |           | Total<br>in Baht<br>equivalent |
|---------------------------------|-------------------------------|---------|-----------|--------------------------------|
|                                 | Currency                      |         |           |                                |
|                                 | Baht                          | USD     | JPY       |                                |
| Balance as at January 1, 2013   | 23,797.41                     | 375.00  | 23,000.00 | 43,572.05                      |
| - Additions                     | -                             | 310.00  | -         | 9,134.58                       |
| - Repayments                    | (2,152.33)                    | (75.00) | -         | (4,865.81)                     |
| - Loss on exchange rates        | -                             | -       | -         | 1,168.38                       |
| Balance as at December 31, 2013 | 21,645.08                     | 610.00  | 23,000.00 | 49,009.20                      |
| - Current portion               | (2,616.76)                    | -       | -         | (2,616.76)                     |
| Long-term loans                 | 19,028.32                     | 610.00  | 23,000.00 | 46,392.44                      |

## Loans - Baht currency

On December 26, 2012, a jointly controlled entity entered into loan agreements with a financial institution, granting facilities totaling Baht 5,650 million. The loan has a maturity of 12 years after agreement date with monthly interest payment and bears an interest rate of MLR minus a fixed rate of 1.75% to 1.90% per annum. As at December 23, 2013, the jointly controlled entity has the loan less deferred charge amounting to Baht 4,903.95 million. The Company recognized the loan amounting to Baht 1,961.58 million according to its percentage of the investment. (Note 41)

On December 24, 2013, the Company disposed its investment in the jointly controlled entity. As a result, the Company derecognized the loan in the consolidated financial statement. (Note 42)

## Loans - foreign currency

On October 31, 2012, the Company entered into a loan agreement with three financial institutions amounting to USD 310 million. The loan has a maturity of 5 years with semi-annual interest payment and bears an interest rate of LIBOR plus a fixed rate of 1.78% per annum. On March 27, 2013, the Company drew down the full amount of this loan.

**Loans - Baht currency**

As at December 31, 2013, the Company has entered into a contract to hedge its financial risks arising from the fluctuation of interest rates on some Baht currency long-term loans. The details are as follows:

| Date       | Currency | Principal (unit: million) | Interest rate (% per annum) in accordance with loan agreements | Interest payment | Principal repayment   | Hedging instruments  | Interest rate (% per annum) in accordance with hedging contracts | Terms of hedging instruments  |
|------------|----------|---------------------------|--|------------------|---|--|--|---|
| 28/04/2009 | Baht     | 5,000                     | Floating rate of 6M THBFIX + a fixed rate                      | Semi-annual      | Repayable in semi-annual installments with the last payment due on March 30, 2019 | - In 2010, the Company entered into an Interest Rate Swap contract (IRS), effective for interest payments from June 30, 2010 until the principal maturity date.<br>- In 2012, the party of an interest rate swap exercised its right to change the interest rate from a floating rate of 6M THBFIX + a fixed rate to a fixed interest rate of 4.355% per annum | Fixed rate at 4.355% per annum                                   | -   |
| 29/06/2009 | Baht     | 7,000                     | Floating rate of 6M THBFIX + a fixed rate                      | Semi-annual      | Repayable in semi-annual installments with the last payment due on March 30, 2019 | In 2012, the Company entered into an Interest Rate Swap contract, effective for interest payments from November 9, 2012 until the principal maturity date.   | Floating rate of 6M THBFIX + a fixed rate                        | The interest rate swap contract granted the contracted parties a one-time right on December 30, 2013, to change from a floating rate of 6M THBFIX + a fixed rate to a fixed rate of 3.95% per annum. On December 30, 2013, the contracted parties did not exercise the right. |

## 25.1 Loans (Continued)

## Loans - Foreign currencies

As at December 31, 2013, the Company has entered into contracts to hedge its financial risks arising from the fluctuation of interest rates and foreign exchange rates on some foreign currency long-term loans. The details are as follows:

| Date       | Currency | Principal (unit: million) | Interest rate (% per annum) in accordance with loan agreements | Interest payment | Principal repayment       | Hedging instruments  | Interest rate (% per annum) in accordance with hedging contracts | Terms of hedging instruments   |
|------------|----------|---------------------------|--|------------------|---------------------------|--|--|--|
| 05/04/2006 | JPY      | 23,000                    | 4.45 on USD principal  | Semi-annual      | Maturity on April 7, 2036 | In 2008, the Company entered into a participating swap (P-SWAP) contract for JPY long-term loans to hedge USD : JPY exchange rates risks. The contract is in the form of call options to purchase JPY 23,000 million. According to the terms of the contract, in the current market situation, the Company has the right to purchase such JPY in an amount equivalent to USD 196.94 million. The premium on the contract is approximately 1.38% per annum. | Fixed rate of Approximately 1.38% on USD principal (premium)     | The equivalent amount in USD to purchase JPY depends on the range of exchange rates between USD and JPY. |

| Date       | Currency | Principal<br>(unit:<br>million) | Interest rate<br>(% per annum)<br>in accordance with<br>loan agreements | Interest<br>payment | Principal<br>repayment      | Hedging instruments   | Interest rate<br>(% per annum)<br>in accordance with<br>hedging contracts | Terms of<br>hedging<br>instruments |
|------------|----------|---------------------------------|---|---------------------|-----------------------------|---|---|------------------------------------|
| 25/05/2010 | USD      | 300                             | LIBOR + a fixed<br>rate on USD<br>principal                             | Semi-annual         | Maturity on<br>May 25, 2015 | <ul style="list-style-type: none"> <li>- In 2010, the Company entered into an interest rate swap contract.</li> <li>- In 2011, the parties of some interest rate swap contract, amounting to USD 100 million, exercised their rights to change the interest rate from a floating rate of LIBOR + a fixed rate to a fixed interest rate at 2.756% per annum, which is effective for interest rate from November 25, 2011 until the principal maturity date.</li> <li>- In 2012, the Company restructured its risk management for a part of the loans amounting to USD 50 million.</li> </ul> | Fixed rate ranging from 1.585 - 2.989% on the USD principal               | -                                  |

## 25.2 Debentures

Details of debentures as at December 31, 2013 and 2012 are as follows:

Unit: Million

| Consolidated financial statements   |             |          |             |          |
|-------------------------------------|-------------|----------|-------------|----------|
|                                     | 2013        |          | 2012        |          |
|                                     | Baht        | USD      | Baht        | USD      |
| Unsecured unsubordinated debentures |             |          |             |          |
| - USD currency                      | 176,714.22  | 5,373.01 | 138,224.49  | 4,500.05 |
| - Baht currency                     | 178,949.64  | -        | 188,505.23  | -        |
| Secured unsubordinated debentures   |             |          |             |          |
| - USD currency                      | 3,003.99    | 91.55    | 2,959.57    | 96.62    |
| Total                               | 358,667.85  | 5,464.56 | 329,689.29  | 4,596.67 |
| Current portion                     | (37,195.75) | (684.41) | (29,559.71) | -        |
| Long-term debentures                | 321,472.10  | 4,780.15 | 300,129.58  | 4,596.67 |

Unit: Million

| Separate financial statements       |             |          |             |          |
|-------------------------------------|-------------|----------|-------------|----------|
|                                     | 2013        |          | 2012        |          |
|                                     | Baht        | USD      | Baht        | USD      |
| Unsecured unsubordinated debentures |             |          |             |          |
| - USD currency                      | 98,608.05   | 2,992.72 | 80,294.32   | 2,608.86 |
| - Baht currency                     | 159,754.20  | -        | 164,304.20  | -        |
| Total                               | 258,362.25  | 2,992.72 | 244,598.52  | 2,608.86 |
| Current portion                     | (25,496.95) | (684.41) | (24,550.00) | -        |
| Long-term debentures                | 232,865.30  | 2,308.31 | 220,048.52  | 2,608.86 |

### Debentures - Baht currency

On September 13, 2013, the Company issued and offered unsecured unsubordinated debentures No. 1/2013 amounting to Baht 10,000 million to institutional investors and/or high net worth investors, the details of the debentures are as follows:

| Condition                         | Details                                    |
|-----------------------------------|--|
| Offering price (million Baht)     | 10,000.00                                  |
| Tenor (years)                     | 10 years                                   |
| Fixed interest rate (% per annum) | 5.12                                       |
| Interest instalments              | One time interest payment on maturity date |
| Issue date                        | September 13, 2013                         |
| Maturity date                     | September 13, 2013                         |

On November 27, 2013, the Company issued and offered unsecured unsubordinated debentures No. 2/2013 amounting to Baht 22,000 million to general investors, the details of the debentures are as follows:

| Condition                         | Details  |
|-----------------------------------|--|
| Offering price (million Baht)     | 22,000.00  |
| Tenor (years)                     | 6 years 11 months 19 days                              |
| Fixed interest rate (% per annum) | 4.75   |
| Interest instalments              | Semi-annual interest payment on May 15 and November 15 |
| Issue date                        | November 27, 2013                                      |
| Maturity date                     | November 15, 2020                                      |

### Debentures - foreign currency

On September 16, 2013, PTTEP issued and offered unsecured unsubordinated debentures amounting to USD 500 million with a tenor of 5 years and a fixed interest rate of 3.707% per annum to foreign institutional investors.

## 25.2 Debentures (Continued)

As at December 31, 2013, the Company has entered into cross-currency swap contracts to hedge its financial risks arising from the fluctuation of foreign currency exchange rates and interest rates on Baht currency and some foreign currency debentures. The details are as follows:

| Date       | Currencies | Principal (unit: million) | Interest rate (% per annum) in accordance with loan agreements | Interest payment | Principal repayment           | Hedging instruments   | Interest rate (% per annum) in accordance with hedging contracts   | Terms of hedging instruments   |
|------------|------------|---------------------------|--|------------------|-------------------------------|---|--|--|
| 22/06/2007 | JPY        | 36,000                    | 2.71 on JPY principal  | Semi-annual      | Maturity on June 29, 2017     | In 2007, the Company entered into a cross currency swap contract (CCS) for USD obligations of USD 290.51 million. | Floating rate at LIBOR + a fixed rate or fixed rate at 5.5% on USD principal depending on LIBOR and the fixed rates ranging from 4.98 - 5.37% of USD principal | The parties have a one-time right in some cross currency swap contracts to change from a fixed interest rate to a floating interest rate LIBOR + a fixed rate per annum. |
| 14/12/2007 | Baht       | 3,053.80                  | Year 1 - 3: 5.00<br>Year 4 - 7: 5.95 on Baht principal         | Semi-annual      | Maturity on December 14, 2014 | In 2008, the Company entered into a cross currency swap contract for USD obligations of USD 90 million.           | Fixed rate ranging from 4.74 - 4.75% on USD principal  | -  |



| Date       | Currencies | Principal (unit: million) | Interest rate (% per annum) in accordance with loan agreements | Interest payment | Principal repayment           | Hedging instruments   | Interest rate (% per annum) in accordance with hedging contracts | Terms of hedging instruments |
|------------|------------|---------------------------|--|------------------|-------------------------------|---|--|------------------------------|
| 25/02/2010 | Baht       | 2,636                     | 4.10 on Baht principal   | Semi-annual      | Maturity on December 14, 2014 | In 2010, the Company entered into a cross currency swap contract for USD obligations of USD 97.45 million.  | Fixed rate of LIBOR + a fixed rate on USD principal              | -                            |
| 25/02/2010 | Baht       | 4,000                     | 4.50 on Baht principal   | Semi-annual      | Maturity on February 25, 2022 | In 2010, the Company entered into a cross-currency swap contract for USD obligations of USD 120.55 million. | Floating rate of LIBOR + a fixed rate on USD principal           | -                            |

## 25.2 Debentures (Continued)

| Date       | Currencies | Principal (unit: million) | Interest rate (% per annum) in accordance with loan agreements      | Interest payment | Principal repayment           | Hedging instruments  | Interest rate (% per annum) in accordance with hedging contracts                                 | Terms of hedging instruments |
|------------|------------|---------------------------|---|------------------|-------------------------------|--|--|------------------------------|
| 29/11/2010 | Baht       | 6,000                     | 3.2 on Baht principal   | Semi-annual      | Maturity on December 14, 2014 | - In 2011, the Company entered into a cross-currency swap contract for USD obligations of USD 99 million.<br>- In 2013, the Company entered into a cross-currency swap contract for USD obligations of USD 96 million.   | Fixed rate of 1.375% on USD principal and floating rate of LIBOR + a fixed rate on USD principal | -                            |
| 29/11/2010 | Baht       | 3,000                     | Year 1 - 4: 3.20<br>Year 5 - 6: 4.20<br>Remaining on Baht principal | Semi-annual      | Maturity on December 14, 2014 | - In 2011, the Company entered into a cross-currency swap contract for USD obligations of USD 99 million.<br>- In 2012, the Company restructured this cross-currency swap contract to extend the expiry date. This contract now expires on the loan maturity date. | Fixed rate from Year 3 - 4: 1.375<br>Year 5 - 6: 2.64<br>Remaining Year: 3.44 on USD principal   | -                            |

| Date       | Currencies | Principal (unit: million) | Interest rate (% per annum) in accordance with loan agreements                    | Interest payment | Principal repayment           | Hedging instruments   | Interest rate (% per annum) in accordance with hedging contracts | Terms of hedging instruments |
|------------|------------|---------------------------|---|------------------|-------------------------------|---|--|------------------------------|
| 27/01/2012 | Baht       | 9,000                     | Year 1 - 4: 4.00<br>Year 5 - 6: 4.40<br>Remaining<br>Year: 5.50 on Baht principal | Semi-annual      | Maturity on November 15, 2018 | - In 2013, the Company entered into a cross-currency swap contract for USD obligations of USD 285 million. This cross-currency swap contract expired on November 15, 2018.                    | Floating rate of LIBOR + a fixed rate on USD principal           | -                            |
| 25/10/2012 | USD        | 500                       | 3.375 on USD principal  | Semi-annual      | Maturity on October 25, 2022  | - In 2013, the Company entered into an interest rate swap contract to change a fixed interest rate to a floating interest rate. This interest rate swap contract expired on October 25, 2018. | Floating rate of LIBOR + a fixed rate on USD principal           | -                            |

### 25.3 Liabilities under finance leases

Details of liabilities under finance leases as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|  | Consolidated financial statements |         | Separate financial statements |         |
|--|-----------------------------------|---------|-------------------------------|---------|
|  | 2013                              | 2012    | 2013                          | 2012    |
| Liabilities under finance leases                     |                                   |         |                               |         |
| - Within 1 year                                      | 326.21                            | 256.75  | 272.10                        | 195.77  |
| - Over 1 year but not over 5 years                   | 241.20                            | 463.60  | 177.58                        | 363.83  |
| Future finance charges                               | (23.43)                           | (46.05) | (19.87)                       | (31.15) |
| Present value of liabilities<br>under finance leases | 543.98                            | 674.30  | 429.81                        | 528.45  |
| Present value of liabilities<br>under finance leases |                                   |         |                               |         |
| - Current liabilities                                | 308.80                            | 229.50  | 259.66                        | 177.34  |
| - Non-current liabilities                            | 235.18                            | 444.80  | 170.15                        | 351.11  |
| Total  | 543.98                            | 674.30  | 429.81                        | 528.45  |

25.4 Maturities of long-term loans as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

| Consolidated financial statements |                           |   |                              |                                |                                   |   |            |
|-----------------------------------|---------------------------|---|------------------------------|--------------------------------|-----------------------------------|---|------------|
| 2013                              |                           |   |                              |                                |                                   |   |            |
|                                   | Baht<br>Currency<br>Loans | Baht<br>Currency<br>Loans<br>From<br>EPP0 | Foreign<br>Currency<br>Loans | Baht<br>Currency<br>Debentures | Foreign<br>Currency<br>Debentures | Liabilities<br>Under<br>Finance<br>leases | Total      |
| Within 1 year                     | 3,770.11                  | 116.76                                    | 4,552.18                     | 14,645.00                      | 22,550.75                         | 308.80                                    | 45,943.60  |
| 1 - 2 years                       | 3,744.83                  | 27.48                                     | 15,974.58                    | 22,140.53                      | 23,149.93                         | 124.21                                    | 65,161.56  |
| 2 - 5 years                       | 17,931.90                 | 0.84                                      | 45,247.81                    | 45,619.47                      | 41,955.40                         | 110.97                                    | 150,866.39 |
| Over 5 years                      | 3,756.32                  | -   | 14,172.19                    | 96,544.64                      | 92,062.13                         | -   | 206,535.28 |
| Total                             | 29,203.16                 | 145.08                                    | 79,946.76                    | 178,949.64                     | 179,718.21                        | 543.98                                    | 468,506.83 |

Unit: Million Baht

| Consolidated financial statements |                           |   |                              |                                |                                   |   |            |
|-----------------------------------|---------------------------|---|------------------------------|--------------------------------|-----------------------------------|---|------------|
| 2012                              |                           |   |                              |                                |                                   |   |            |
|                                   | Baht<br>Currency<br>Loans | Baht<br>Currency<br>Loans<br>From<br>EPP0 | Foreign<br>Currency<br>Loans | Baht<br>Currency<br>Debentures | Foreign<br>Currency<br>Debentures | Liabilities<br>Under<br>Finance<br>leases | Total      |
| Within 1 year                     | 3,195.18                  | 191.59                                    | 6,654.56                     | 29,559.71                      | -                                 | 229.50                                    | 39,830.54  |
| 1 - 2 years                       | 3,770.11                  | 96.64                                     | 4,254.33                     | 17,641.82                      | 18,099.73                         | 302.73                                    | 44,165.36  |
| 2 - 5 years                       | 15,427.47                 | 9.18                                      | 46,611.58                    | 55,710.53                      | 36,531.52                         | 142.07                                    | 154,432.35 |
| Over 5 years                      | 10,005.59                 | -   | 16,764.33                    | 85,593.17                      | 86,552.81                         | -   | 198,915.90 |
| Total                             | 32,398.35                 | 297.41                                    | 74,284.80                    | 188,505.23                     | 141,184.06                        | 674.30                                    | 437,344.15 |

## 25.4 Maturities of long-term loans as at December 31, 2013 and 2012 are as follows: (Continued)

Unit: Million Baht

| Separate financial statements |                           |   |                              |                                |                                   |   |            |
|-------------------------------|---------------------------|---|------------------------------|--------------------------------|-----------------------------------|---|------------|
| 2013                          |                           |   |                              |                                |                                   |   |            |
|                               | Baht<br>Currency<br>Loans | Baht<br>Currency<br>Loans<br>From<br>EPPO | Foreign<br>Currency<br>Loans | Baht<br>Currency<br>Debentures | Foreign<br>Currency<br>Debentures | Liabilities<br>Under<br>Finance<br>leases | Total      |
| Within 1 year                 | 2,500.00                  | 116.76                                    | -                            | 2,946.20                       | 22,550.75                         | 259.66                                    | 28,373.37  |
| 1 - 2 years                   | 2,500.00                  | 27.48                                     | 9,884.82                     | 22,140.53                      | -                                 | 94.35                                     | 34,647.18  |
| 2 - 5 years                   | 14,300.00                 | 0.84                                      | 10,214.31                    | 43,119.47                      | 24,878.22                         | 75.80                                     | 92,588.64  |
| Over 5 years                  | 2,200.00                  | -   | 7,264.99                     | 91,548.00                      | 51,179.08                         | -   | 152,192.07 |
| Total                         | 21,500.00                 | 145.08                                    | 27,364.12                    | 159,754.20                     | 98,608.05                         | 429.81                                    | 307,801.26 |

Unit: Million Baht

| Separate financial statements |                           |   |                              |                                |                                   |   |            |
|-------------------------------|---------------------------|---|------------------------------|--------------------------------|-----------------------------------|---|------------|
| 2012                          |                           |   |                              |                                |                                   |   |            |
|                               | Baht<br>Currency<br>Loans | Baht<br>Currency<br>Loans<br>From<br>EPPO | Foreign<br>Currency<br>Loans | Baht<br>Currency<br>Debentures | Foreign<br>Currency<br>Debentures | Liabilities<br>Under<br>Finance<br>leases | Total      |
| Within 1 year                 | 2,000.00                  | 191.59                                    | 2,308.31                     | 24,550.00                      | -                                 | 177.34                                    | 29,227.24  |
| 1 - 2 years                   | 2,500.00                  | 96.64                                     | -                            | 5,946.20                       | 18,099.73                         | 244.77                                    | 26,887.34  |
| 2 - 5 years                   | 12,000.00                 | 9.18                                      | 9,233.25                     | 55,710.53                      | 14,453.83                         | 106.34                                    | 91,513.13  |
| Over 5 years                  | 7,000.00                  | -   | 8,233.08                     | 78,097.47                      | 47,740.76                         | -   | 141,071.31 |
| Total                         | 23,500.00                 | 297.41                                    | 19,774.64                    | 164,304.20                     | 80,294.32                         | 528.45                                    | 288,699.02 |

## 26. Employee Benefit Obligations

Movements in the present value of the employee benefit obligations are as follows:

Unit: Million Baht

|                                  | Consolidated financial statements |          | Separate financial statements |          |
|----------------------------------|-----------------------------------|----------|-------------------------------|----------|
|                                  | 2013                              | 2012     | 2013                          | 2012     |
| As at January 1                  | 5,821.29                          | 5,500.00 | 2,375.24                      | 2,387.40 |
| Current service costs            | 546.78                            | 418.04   | 148.75                        | 143.98   |
| Interest on obligations          | 220.38                            | 216.72   | 98.23                         | 95.25    |
| Actuarial gain                   | (9.89)                            | (5.44)   | -                             | -        |
| Currency translation differences | (37.25)                           | (5.01)   | -                             | -        |
| Actual payment                   | (305.85)                          | (303.02) | (197.60)                      | (251.39) |
| Business disposal (Note 42)      | (0.95)                            | -        | -                             | -        |
| As at December 31                | 6,234.51                          | 5,821.29 | 2,424.62                      | 2,375.24 |

Expenses recognized in the statements of income for the years ended December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                         | Consolidated financial statements |        | Separate financial statements |        |
|-------------------------|-----------------------------------|--------|-------------------------------|--------|
|                         | 2013                              | 2012   | 2013                          | 2012   |
| Current service costs   | 546.78                            | 418.04 | 148.75                        | 143.98 |
| Interest on obligations | 220.38                            | 216.72 | 98.23                         | 95.25  |
| Actuarial gain          | (9.89)                            | (5.44) | -                             | -      |
| Tota                    | 757.27                            | 629.32 | 246.98                        | 239.23 |

## 26. Employee Benefit Obligations (Continued)

Unit: Million Baht

|                            | Consolidated financial statements |               | Separate financial statements |               |
|----------------------------|-----------------------------------|---------------|-------------------------------|---------------|
|                            | 2013                              | 2012          | 2013                          | 2012          |
| Cost of sales and services | 76.81                             | 84.58         | 31.85                         | 33.04         |
| Selling expenses           | 23.57                             | 25.26         | 21.24                         | 22.06         |
| Administrative expenses    | 656.37                            | 515.86        | 191.19                        | 181.37        |
| Management remuneration    | 0.52                              | 3.62          | 2.70                          | 2.76          |
| <b>Total</b>               | <b>757.27</b>                     | <b>629.32</b> | <b>246.98</b>                 | <b>239.23</b> |

**Principal actuarial assumptions**

- Financial assumptions of the Group

|                | <u>Annual percentage (%)</u> |
|----------------|------------------------------|
| Discount rate  | 3.60 - 6.10                  |
| Inflation rate | 2.00 - 4.10                  |

- Demographic assumptions of the Group

Assumptions regarding mortality rates are based on the published statistics of mortality tables B.E. 2551 (2008) (TMO08) issued by the Office of Insurance Commission.



## 27. Provision for Decommissioning Costs

Movements in the provision for decommissioning costs are as follows:

Unit: Million Baht

|                                      | Consolidated financial statement |
|--------------------------------------|----------------------------------|
| As at January 1, 2013                | 33,762.42                        |
| - Additions                          | 6,646.79                         |
| - Currency translation differences   | 2,552.24                         |
| - Use during the year                | (283.10)                         |
| - Reversal of non-occurred provision | (2,804.50)                       |
| As at December 31, 2013              | 39,873.85                        |
| - Current portion                    | (379.12)                         |
| - Long-term portion                  | 39,494.73                        |

## 28. Other Non-current Liabilities

Other non-current liabilities as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|  | Consolidated financial statements |           | Separate financial statements |          |
|--|-----------------------------------|-----------|-------------------------------|----------|
|  | 2013                              | 2012      | 2013                          | 2012     |
| Provision for remuneration for the renewal of petroleum production | 17,406.65                         | 5,129.27  | -                             | -        |
| Retention  | 1,785.55                          | 1,475.08  | 1,309.80                      | 1,086.03 |
| Deferred revenue   | 628.90                            | 308.98    | 628.90                        | 308.98   |
| Other advances received  | -                                 | 194.86    | -                             | 194.87   |
| Long-term liability: Make-up                                       | 7,062.86                          | 5,655.79  | 7,062.86                      | 5,655.79 |
| Others   | 1,351.98                          | 1,568.64  | 154.30                        | -        |
| Total  | 28,235.94                         | 14,332.62 | 9,155.86                      | 7,245.67 |

Long-term liability (make-up) arises from the amount of the difference between the natural gas price for the committed gas volumes that the Company paid in advance and the natural gas price as at the date of taking the gas that exceeds the interest paid for the advance payment for untaken-up gas volume (Take-or-Pay). The Company has to distribute the difference to the parties who paid for the Take-or-Pay interest for the Yadana and Yetagun gas fields.

## 29. Share Capital

### 29.1 Share Capital - Authorized Shares

|                         | Par Value<br>(Baht per share) | The number of<br>authorized<br>shares (shares) | The value of<br>authorized<br>shares (Baht) |
|-------------------------|-------------------------------|--|---|
| As at December 31, 2012 | 10                            | 2,857,245,725                                  | 28,572,457,250                              |
| As at December 31, 2013 | 10                            | 2,857,245,725                                  | 28,572,457,250                              |

### 29.2 Share Capital - Issued and Paid-up Shares

|                         | Number of<br>issued and fully<br>paid-up shares<br>(shares) | Value of issued<br>and fully<br>paid-up shares<br>(Baht) | Premium on<br>share capital<br>(Baht) | Total<br>(Baht) |
|-------------------------|---|--|---------------------------------------|-----------------|
| As at December 31, 2012 | 2,856,299,625   | 28,562,996,250   | 29,211,131,966                        | 57,774,128,216  |
| As at December 31, 2013 | 2,856,299,625   | 28,562,996,250   | 29,211,131,966                        | 57,774,128,216  |

## 30. Reserves

### 30.1 Legal Reserve

Under the Public Limited Companies Act B.E. 2535 (1992), the Company is required to appropriate not less than 5% of its annual net income as legal reserve until the reserve fund reaches 10% of the authorized share capital. The reserve is non-distributable. The Company's reserve has already reached the 10% of its authorized share capital, stipulated in the Act.

### 30.2 Reserve for Self-insurance Fund

Movements of reserves for self-insurance fund are as follows:

Unit: Million Baht

|                               | Consolidated financial statements |          | Separate financial statements |          |
|-------------------------------|-----------------------------------|----------|-------------------------------|----------|
|                               | 2013                              | 2012     | 2013                          | 2012     |
| Balance as at January 1       | 1,075.40                          | 1,034.86 | 1,075.40                      | 1,034.86 |
| Appropriated during the years | (18.73)                           | 40.54    | (18.73)                       | 40.54    |
| Balance as at December 31     | 1,056.67                          | 1,075.40 | 1,056.67                      | 1,075.40 |

The self-insurance fund was set up to provide insurance coverage for the Company's business. The Company appropriates net income from operations and the interest income from the fund each year to the fund.

## 31. Earnings per Share

Basic earnings per share and diluted earnings per share for the years ended December 31, 2013 and 2012 are calculated as follows:

#### Consolidated financial statements

|  | Basic earnings per share |                 | Diluted earnings per share |                 |
|--|--------------------------|-----------------|----------------------------|-----------------|
|  | 2013                     | 2012            | 2013                       | 2012            |
| Income attributable to ordinary shareholders (Baht)  | 94,652,272,096           | 104,608,404,642 | 94,652,272,096             | 104,608,404,642 |
| Adjustment of income (Baht)  | (190,495,106)            | (95,723,856)    | (190,495,106)              | (113,530,093)   |
| Income for calculation of earnings per share (Baht)  | 94,461,776,990           | 104,512,680,786 | 94,461,776,990             | 104,494,874,549 |
| Number of weighted average of ordinary shares for calculation of earnings per share (shares) | 2,856,299,625            | 2,856,299,625   | 2,856,299,625              | 2,856,299,625   |
| Earnings per share (Baht/share)  | 33.07                    | 36.59           | 33.07                      | 36.58           |

## 31. Earnings per Share (Continued)

### Separate financial statements

|  | Basic earnings per share |                | Diluted earnings per share |                |
|--|--------------------------|----------------|----------------------------|----------------|
|  | 2013                     | 2012           | 2013                       | 2012           |
| Income attributable to ordinary shareholders (Baht)  | 63,988,240,609           | 74,697,027,182 | 63,988,240,609             | 74,697,027,182 |
| Number of weighted average of ordinary shares for calculation of earnings per share (shares) | 2,856,299,625            | 2,856,299,625  | 2,856,299,625              | 2,856,299,625  |
| Earnings per share (Baht/share)  | 22.40                    | 26.15          | 22.40                      | 26.15          |

## 32. Sales and Service Income

Details of sales and service income for the years ended December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                         | Consolidated financial statements |              | Separate financial statements |              |
|-------------------------|-----------------------------------|--------------|-------------------------------|--------------|
|                         | 2013                              | 2012         | 2013                          | 2012         |
| Oil products            | 2,069,440.36                      | 2,025,665.02 | 1,869,966.88                  | 1,917,296.72 |
| Gas products            | 589,495.21                        | 578,225.29   | 587,625.83                    | 573,495.13   |
| Petrochemicals products | 138,449.48                        | 141,633.28   | 46,579.53                     | 59,374.79    |
| Mining products         | 24,977.75                         | 28,738.50    | -                             | -            |
| Other products          | 540.68                            | 1,250.73     | -                             | -            |
| Utilities income        | 1,116.61                          | 970.99       | -                             | -            |
| Non-core businesses     | 8,881.35                          | 7,773.11     | 4,252.91                      | 3,334.32     |
| Services                | 9,786.56                          | 9,576.14     | -                             | -            |
| Total                   | 2,842,688.00                      | 2,793,833.06 | 2,508,425.15                  | 2,553,500.96 |

Sales and service income for the years ended December 31, 2013 and 2012 include sales to government agencies and state enterprises amounting to Baht 176,989.58 million and Baht 186,179.61 million in the consolidated financial statements, and Baht 175,547.16 million and Baht 184,786.32 million in the separate financial statements, respectively.

### 33. Other Income

Details of other income for the years ended December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|  | Consolidated financial statements |                  | Separate financial statements |                  |
|--|-----------------------------------|------------------|-------------------------------|------------------|
|  | 2013                              | 2012             | 2013                          | 2012             |
| Transportation income  | 3,848.10                          | 3,886.69         | 3,991.97                      | 4,013.00         |
| Dividend income  | 405.99                            | 375.95           | 33,786.17                     | 29,844.65        |
| Interest income  | 2,547.83                          | 2,887.68         | 4,193.13                      | 5,075.12         |
| Compensation for loan interest<br>on advance payments for<br>gas purchases | (7.09)                            | 170.12           | (7.09)                        | 170.12           |
| Gain on disposal of investments  | 455.60                            | -                | 1,806.17                      | -                |
| Others   | 6,584.41                          | 9,858.52         | 3,997.10                      | 3,967.00         |
| <b>Total</b>   | <b>13,834.84</b>                  | <b>17,178.96</b> | <b>47,767.45</b>              | <b>43,069.89</b> |

Compensation for loan interests on advance payments for gas purchases (Take-or-Pay) represents the compensation, which the Company received from the Electricity Generating Authority of Thailand (EGAT) and Independent Power Plants (IPP) in order to absorb the interests on loans. The Company obtains the loans to make advance payments for gas purchases.

## 34. Expenses by Nature

Details of expenses by nature for the years ended December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|  | Consolidated financial statements |              | Separate financial statements |              |
|--|-----------------------------------|--------------|-------------------------------|--------------|
|  | 2013                              | 2012         | 2013                          | 2012         |
| Changes in finished goods<br>and work in process | (808.28)                          | 489.18       | (931.84)                      | 89.85        |
| Goods purchased and raw<br>materials used        | 2,494,829.76                      | 2,447,361.72 | 2,420,005.52                  | 2,455,771.38 |
| Staff costs                                      | 18,331.73                         | 15,518.20    | 8,070.62                      | 7,513.52     |
| Outsourcing                                      | 7,833.30                          | 7,201.02     | 7,560.98                      | 6,091.62     |
| Transportation                                   | 10,201.55                         | 15,503.45    | 3,881.36                      | 6,071.74     |
| Depreciation and amortization                    | 76,314.56                         | 65,054.89    | 14,615.34                     | 13,905.14    |
| Repairment                                       | 7,666.74                          | 5,832.14     | 3,786.17                      | 2,942.80     |
| Utilities  | 16,828.11                         | 16,659.56    | 14,211.23                     | 13,904.91    |
| Loss on impairment of asset*                     | 14.08                             | 6,461.97     | -                             | -            |
| Loss on impairment of investment*                | 35.33                             | 3,972.32     | -                             | -            |

\* Other expenses in the statements of income

## 35. Petroleum Royalties and Remuneration

Details of petroleum royalties and remuneration for the years ended December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                               | Consolidated financial statements |           |
|-------------------------------|-----------------------------------|-----------|
|                               | 2013                              | 2012      |
| Petroleum royalties           | 27,103.33                         | 25,819.14 |
| Special remuneration benefits | 18.68                             | 573.57    |
| Total                         | 27,122.01                         | 26,392.71 |

## 36. Finance Costs

Details of finance costs for the years ended December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                                   | Consolidated financial statements |           | Separate financial statements |           |
|-----------------------------------|-----------------------------------|-----------|-------------------------------|-----------|
|                                   | 2013                              | 2012      | 2013                          | 2012      |
| Interest expenses:                |                                   |           |                               |           |
| Loans from financial institutions | 2,771.86                          | 3,285.05  | 1,337.19                      | 1,242.27  |
| Bonds and debentures              | 15,353.06                         | 14,191.92 | 10,977.20                     | 10,506.53 |
| Liabilities under finance leases  | 33.75                             | 33.30     | 20.85                         | 24.18     |
| Others                            | 136.63                            | 1,041.95  | -                             | -         |
| Other finance costs               | 2,099.05                          | 1,194.63  | 675.87                        | 629.03    |
| Total                             | 20,394.35                         | 19,746.85 | 13,011.11                     | 12,402.01 |

## 37. Operating Segments

These operating segments are based on internal management reports provided to the Chief Operating Decision Maker (CODM), who makes decisions related to the allocation of resources to the segments and assesses their performance.

For management purposes, the Group is organized into business units based on types of its products and services. The major segments of the Group are as follows:

### Upstream Petroleum and Natural Gas Business Group

1. Petroleum exploration and production business:

The Group conducts petroleum exploration and production business both domestically and overseas. The Group is the operator and jointly invests with leading petroleum exploration and production companies. Most domestic projects are located in the Gulf of Thailand. Overseas projects cover the Asia Pacific and Middle East regions.

2. Natural gas business:

The Group conducts natural gas business including procurement, natural gas pipeline transmission, distribution, and natural gas separation. Products from the natural gas separation plants are used as feedstock for the petrochemical industry and as fuel in the household, transportation and industry sectors.

## 37. Operating Segments (Continued)

### Downstream Petroleum Business Group

1. Oil business:

The Group conducts marketing of petroleum and lube oil in both domestic and overseas markets under an efficient operating system of procurement, storage, and distribution of products as well as the retail business at service stations.

2. International trading business:

The Group conducts international trading business including the import and export of petroleum and petrochemical products as well as other related products. The business also covers the management of possible risks arising from oil trading as well as from the procurement and distribution of petroleum and petrochemical products in international markets.

3. Petrochemical business:

The Group conducts petrochemical business including the production and distribution of the main petrochemical products and by-products in both domestic and overseas markets to serve the demands of industry and consumer groups.

4. Refining business:

The Group conducts refining business, involving the processing and distribution of finished oil products to serve both domestic and overseas customers. In addition, the Group conducts petrochemical business, which utilizes refinery products as raw materials.

### Coal Business Group

The Group conducts coal mining business, involving overseas exploration, production and distribution.

Other operations of the Group are included in other segments, none of which constitutes separately reportable segments



**Consolidated financial statements**

For the year ended December 31, 2013

Unit: Million Baht

|  | Upstream petroleum and natural gas   |             |            |                       | Downstream petroleum |          |           | Coal     | Others       | Elimination  | Total      |
|--|--------------------------------------|-------------|------------|-----------------------|----------------------|----------|-----------|----------|--------------|--------------|------------|
|  | Petroleum exploration and production | Natural gas | Oil        | International trading | Petrochemicals       | Refining | Refining  |          |              |              |            |
| Sales - others                                 | 43,247.48                            | 503,819.51  | 611,273.93 | 1,564,369.11          | 93,024.81            | -        | 24,977.75 | 1,975.41 | -            | 2,842,688.00 |            |
| - related parties                              | 181,725.21                           | 25,510.91   | 6,031.52   | 91,366.32             | 28.71                | -        | -         | 2,051.96 | (306,714.63) | -            |            |
| Net sales                                      | 224,972.69                           | 529,330.42  | 617,305.45 | 1,655,735.43          | 93,053.52            | -        | 24,977.75 | 4,027.37 | (306,714.63) | 2,842,688.00 |            |
| Gross margin (loss)*                           | 199,482.33                           | 58,706.20   | 24,806.28  | (1,123.36)            | 3,764.83             | -        | 8,883.34  | 932.38   | (1,380.41)   | 294,071.59   |            |
| EBITDA   | 161,272.57                           | 45,097.72   | 13,361.00  | (2,143.21)            | 2,041.08             | -        | 5,809.49  | 1,696.97 | 1,836.04     | 228,971.66   |            |
| Depreciation and amortization expenses         | 50,350.89                            | 13,921.96   | 2,644.40   | 12.57                 | 1,272.17             | -        | 6,400.69  | 1,714.23 | (2.35)       | 76,314.56    |            |
| EBIT   | 110,921.68                           | 31,175.76   | 10,716.60  | (2,155.78)            | 768.91               | -        | (591.20)  | (17.26)  | 1,838.39     | 152,657.10   |            |
| Share of income from investments in associates | -                                    | 724.32      | 608.15     | -                     | 16,959.41            | 8,648.64 | -         | 138.25   | -            | 27,078.77    |            |
| Interest income                                | -                                    | -           | -          | -                     | -                    | -        | -         | -        | -            | 2,547.83     |            |
| Other income-net                               | -                                    | -           | -          | -                     | -                    | -        | -         | -        | -            | 623.61       |            |
| Gain on exchange rate                          | -                                    | -           | -          | -                     | -                    | -        | -         | -        | -            | 304.37       |            |
| Finance costs                                  | -                                    | -           | -          | -                     | -                    | -        | -         | -        | -            | (20,394.35)  |            |
| EBT  | -                                    | -           | -          | -                     | -                    | -        | -         | -        | -            | 162,817.33   |            |
| Income taxes                                   | -                                    | -           | -          | -                     | -                    | -        | -         | -        | -            | (47,692.14)  |            |
| Income for the year                            | -                                    | -           | -          | -                     | -                    | -        | -         | -        | -            | 115,125.19   |            |
| <b>Attributable to:</b>                        |                                      |             |            |                       |                      |          |           |          |              |              |            |
| Equity holders of the Company                  |                                      |             |            |                       |                      |          |           |          |              |              | 94,652.27  |
| Non-controlling interests                      |                                      |             |            |                       |                      |          |           |          |              |              | 20,472.92  |
| Income for the year                            |                                      |             |            |                       |                      |          |           |          |              |              | 115,125.19 |

\* Gross margin (loss) excludes depreciation and amortization expenses in cost of sales.

## 37. Operating Segments (Continued)

## Consolidated financial statements

For the year ended December 31, 2013 (Continued)

Unit: Million Baht

|                           | Upstream petroleum and natural gas   |             |            |                       |                | Downstream petroleum |           |            | Coal        | Others       | Elimination | Total |
|---------------------------|--------------------------------------|-------------|------------|-----------------------|----------------|----------------------|-----------|------------|-------------|--------------|-------------|-------|
|                           | Petroleum exploration and production | Natural gas | Oil        | International trading | Petrochemicals | Refining             |           |            |             |              |             |       |
| Segment assets            | 665,634.90                           | 371,776.99  | 118,563.62 | 169,720.65            | 42,001.61      | -                    | 55,543.41 | 118,021.96 | -           | 1,541,263.14 |             |       |
| Inter-company assets      | 28,554.93                            | 2,980.23    | 904.45     | 4,833.85              | 543.08         | -                    | -         | 32,422.64  | (70,239.18) | -            |             |       |
| Investments in associates | 0.01                                 | 13,431.96   | 2,915.53   | -                     | 125,570.73     | 103,689.43           | -         | 470.23     | -           | 246,077.89   |             |       |
| Total segment assets      | 694,189.84                           | 388,189.18  | 122,383.60 | 174,554.50            | 168,115.42     | 103,689.43           | 55,543.41 | 150,914.83 | (70,239.18) | 1,787,341.03 |             |       |
| Non-allocated assets      |                                      |             |            |                       |                |                      |           |            |             | 14,380.54    |             |       |
| Total Assets              |                                      |             |            |                       |                |                      |           |            |             | 1,801,721.57 |             |       |
| Segment liabilities       | 265,833.68                           | 92,325.08   | 54,557.84  | 146,286.77            | 21,108.01      | -                    | 14,506.83 | 317,034.02 | -           | 911,652.23   |             |       |
| Inter-company liabilities | 1,403.27                             | 38,900.76   | 9,887.36   | 10,233.89             | 4,146.74       | -                    | -         | 5,667.16   | (70,239.18) | -            |             |       |
| Total segment liabilities | 267,236.95                           | 131,225.84  | 64,445.20  | 156,520.66            | 25,254.75      | -                    | 14,506.83 | 322,701.18 | (70,239.18) | 911,652.23   |             |       |
| Non-allocated liabilities |                                      |             |            |                       |                |                      |           |            |             | 66,891.14    |             |       |
| Total Liabilities         |                                      |             |            |                       |                |                      |           |            |             | 978,543.37   |             |       |
| Capital Expenditure       | 101,723.45                           | 16,666.78   | 5,823.91   | 130.54                | 1,200.57       | -                    | 2,491.27  | 3,662.12   | -           | 131,698.64   |             |       |

**Consolidated financial statements**

For the year ended December 31, 2012

Unit: Million Baht

|  | Upstream petroleum and natural gas   |             |            |                       | Downstream petroleum |          |          | Coal      | Others   | Elimination  | Total        |
|--|--------------------------------------|-------------|------------|-----------------------|----------------------|----------|----------|-----------|----------|--------------|--------------|
|  | Petroleum exploration and production | Natural gas | Oil        | International trading | Petrochemicals       | Refining | Refining |           |          |              |              |
| Sales - others                                 | 48,786.78                            | 484,696.50  | 602,009.55 | 1,543,684.64          | 83,382.35            | -        | -        | 28,738.50 | 2,534.74 | -            | 2,793,833.06 |
| - related parties                              | 163,749.91                           | 25,987.09   | 6,361.87   | 91,835.61             | 24.49                | -        | -        | -         | 1,813.04 | (289,772.01) | -            |
| Net sales                                      | 212,536.69                           | 510,683.59  | 608,371.42 | 1,635,520.25          | 83,406.84            | -        | -        | 28,738.50 | 4,347.78 | (289,772.01) | 2,793,833.06 |
| Gross margin (loss)*                           | 190,639.50                           | 64,679.67   | 25,567.53  | (2,990.45)            | 4,434.01             | -        | -        | 10,631.55 | 859.35   | (2,071.24)   | 291,749.92   |
| EBITDA   | 152,097.70                           | 52,267.05   | 15,929.27  | (3,845.84)            | 2,698.29             | -        | -        | 7,703.02  | 1,163.81 | (170.06)     | 227,843.24   |
| Depreciation and amortization expenses         | 42,691.79                            | 13,405.45   | 2,563.59   | 14.62                 | 803.00               | -        | -        | 4,105.42  | 1,473.38 | (2.35)       | 65,054.90    |
| EBIT   | 109,405.91                           | 38,861.60   | 13,365.68  | (3,860.46)            | 1,895.29             | -        | -        | 3,597.60  | (309.57) | (167.71)     | 162,788.34   |
| Share of income from investments in associates | -                                    | 435.33      | 543.52     | -                     | 17,121.37            | 8,788.12 | -        | -         | 126.45   | -            | 27,014.79    |
| Interest income                                | -                                    | -           | -          | -                     | -                    | -        | -        | -         | -        | -            | 2,887.69     |
| Other expense-net                              | -                                    | -           | -          | -                     | -                    | -        | -        | -         | -        | -            | (8,303.11)   |
| Gain on exchange rate                          | -                                    | -           | -          | -                     | -                    | -        | -        | -         | -        | -            | 7,434.06     |
| Finance costs                                  | -                                    | -           | -          | -                     | -                    | -        | -        | -         | -        | -            | (19,746.85)  |
| EBT  | -                                    | -           | -          | -                     | -                    | -        | -        | -         | -        | -            | 172,074.92   |
| Income taxes                                   | -                                    | -           | -          | -                     | -                    | -        | -        | -         | -        | -            | (46,516.38)  |
| Income for the year                            | -                                    | -           | -          | -                     | -                    | -        | -        | -         | -        | -            | 125,558.54   |
| <b>Attributable to:</b>                        |                                      |             |            |                       |                      |          |          |           |          |              |              |
| Equity holders of the Company                  |                                      |             |            |                       |                      |          |          |           |          |              | 104,608.40   |
| Non-controlling interests                      |                                      |             |            |                       |                      |          |          |           |          |              | 20,950.14    |
| Income for the year                            |                                      |             |            |                       |                      |          |          |           |          |              | 125,558.54   |

\* Gross margin (loss) excludes depreciation and amortization expenses in cost of sales.

## 37. Operating Segments (Continued)

## Consolidated financial statements

For the Year ended December 31, 2012 (Continued)

Unit: Million Baht

|                           | Upstream petroleum and natural gas   |             | Downstream petroleum |                       |                | Coal      | Others     | Elimination | Total        |
|---------------------------|--------------------------------------|-------------|----------------------|-----------------------|----------------|-----------|------------|-------------|--------------|
|                           | Petroleum exploration and production | Natural gas | Oil                  | International trading | Petrochemicals |           |            |             |              |
| Segment assets            | 562,201.57                           | 358,631.72  | 103,795.80           | 156,385.85            | 40,948.37      | 56,388.73 | 100,832.88 | -           | 1,379,184.92 |
| Inter-company assets      | 26,412.29                            | 2,655.76    | 1,233.81             | 5,945.69              | 281.49         | -         | 30,469.20  | (66,598.24) | -            |
| Investments in associates | -                                    | 11,403.55   | 2,290.09             | -                     | 122,126.72     | -         | 342.11     | -           | 235,824.95   |
| Total segment assets      | 588,613.86                           | 372,691.03  | 107,319.70           | 161,931.54            | 163,356.58     | 56,388.73 | 131,644.19 | (66,598.24) | 1,615,009.87 |
| Non-allocated assets      |                                      |             |                      |                       |                |           |            |             | 14,501.16    |
| Total Assets              |                                      |             |                      |                       |                |           |            |             | 1,629,511.03 |
| Segment liabilities       | 224,765.27                           | 89,636.65   | 47,084.09            | 135,500.55            | 21,524.89      | 14,837.04 | 306,245.57 | -           | 839,594.06   |
| Inter-company liabilities | 1,466.88                             | 38,110.78   | 11,539.24            | 9,866.08              | 2,262.78       | -         | 3,352.48   | (66,598.24) | -            |
| Total segment liabilities | 226,232.15                           | 127,747.43  | 58,623.33            | 145,366.63            | 23,787.67      | 14,837.04 | 309,598.05 | (66,598.24) | 839,594.06   |
| Non-allocated liabilities |                                      |             |                      |                       |                |           |            |             | 60,020.89    |
| Total Liabilities         |                                      |             |                      |                       |                |           |            |             | 899,614.95   |
| Capital Expenditure       | 96,745.28                            | 19,021.70   | 2,611.65             | 13.24                 | 935.99         | 4,094.50  | 4,917.39   | -           | 128,339.75   |

Pricing among business groups is based on normal market prices except for pricing among business groups within the Company, for which net market prices, after deducting management fees for petroleum terminals and operating fees, are applied.

EBITDA means Earnings before finance costs, income taxes, depreciation and amortization, including other expenses and income which are not relevant to the operations.

EBIT means Earnings before finance costs, income taxes, as well as other expenses and income which are not relevant to the operations.

## 38. Disclosure of Financial Instruments

The Company faces the principal financial risks associated with fluctuations in exchange rates, interest rates, and oil market prices. Certain portions of sales, purchases and borrowings are denominated in foreign currencies. The Company borrows at both fixed and floating interest rates to finance its operations. Accordingly, the Company's management has entered into derivative contracts to cover these risks. The financial instruments used for hedging risks are forward foreign exchange contracts, interest rate swap contracts, cross-currency and interest rate swap contracts and participating swap contracts. Risk exposure relating to oil market prices is managed by forward oil contracts.

The department responsible for managing exposure to exchange rate risks and fluctuations in oil market prices has to report details of the costs and market prices of all financial instruments to management, including outstanding forward foreign exchange contracts and forward oil contracts. The reported information principally covers risk exposure from:

- foreign exchange rates
- currencies
- currencies and interest rates
- interest rates
- fluctuations in oil market prices
- credit risks

### 38.1 Foreign Exchange Rate Risk

The Group has entered into forward foreign exchange contracts. The carrying amounts and exchange rates under the forward foreign exchange contracts as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|   | Consolidated financial statements |           | Separate financial statements |           |
|---|-----------------------------------|-----------|-------------------------------|-----------|
|   | 2013                              | 2012      | 2013                          | 2012      |
| Forward foreign exchange purchase contracts |                                   |           |                               |           |
| Baht 31.7941 - 32.8380 = 1 USD              | 31,108.69                         | -         | 31,108.69                     | -         |
| Baht 30.5700 - 30.8850 = 1 USD              | -                                 | 33,793.45 | -                             | 33,793.45 |
| Forward foreign exchange sale contracts     |                                   |           |                               |           |
| Baht 29.2653 - 33.1450 = 1 USD              | 31,941.90                         | -         | 28,344.56                     | -         |
| Baht 30.5200 - 32.0870 = 1 USD              | -                                 | 22,077.78 | -                             | 19,278.24 |

### 38.2 Currency Risk

The Company has entered into a cross-currency swap in the form of a participating swap amounting to JPY 23,000 million. The terms of such contract as at December 31, 2013 and 2012 detailed as follows:

Unit: Million Baht

|                                       | Consolidated financial statements |          | Separate financial statements |          |
|---------------------------------------|-----------------------------------|----------|-------------------------------|----------|
|                                       | 2013                              | 2012     | 2013                          | 2012     |
| JPY 23,000 million/USD 196.94 million | 6,489.16                          | 6,061.42 | 6,489.16                      | 6,061.42 |

This contract has a maturity later than five years.

### 38.3 Currency and Interest Rate Risk

The Group has entered into cross-currency and interest rate swap contracts. The terms of the outstanding cross-currency and interest rate swap contracts as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|  | Consolidated financial statements |           | Separate financial statements |           |
|--|-----------------------------------|-----------|-------------------------------|-----------|
|  | 2013                              | 2012      | 2013                          | 2012      |
| - JPY 36,000 million/<br>USD 290.51 million  | 9,572.13                          | 8,941.17  | 9,572.13                      | 8,941.17  |
| - Baht 3,053.80 million/<br>USD 90 million   | 2,965.45                          | 2,769.98  | 2,965.45                      | 2,769.98  |
| - Baht 2,636 million/<br>USD 79.45 million   | 2,617.68                          | 2,445.13  | 2,617.68                      | 2,445.13  |
| - Baht 4,000 million/<br>USD 120.55 million  | 3,972.20                          | 3,710.37  | 3,972.20                      | 3,710.37  |
| - Baht 3,000 million/<br>USD 98.81 million   | -                                 | 3,041.00  | -                             | 3,041.00  |
| - Baht 3,000 million/<br>USD 99.66 million   | 3,283.99                          | 3,067.53  | 3,283.99                      | 3,067.53  |
| - Baht 6,000 million/<br>USD 194.66 million  | 6,413.80                          | -         | 6,413.80                      | -         |
| - Baht 9,000 million/<br>USD 285.42 million  | 9,404.42                          | -         | 9,404.42                      | -         |
| - MYR 300 million/<br>USD 96.50 million      | -                                 | 2,973.67  | -                             | -         |
| - Baht 24,200 million/<br>USD 800.13 million | -                                 | 24,201.03 | -                             | -         |
| - Baht 11,700 million/<br>USD 389.50 million | 11,698.80                         | -         | -                             | -         |
| - Baht 2,500 million/<br>USD 82.92 million   | 2,500.00                          | -         | -                             | -         |
| - Baht 5,000 million/<br>USD 161.81 million  | 4,996.94                          | -         | -                             | -         |
| Total  | 57,425.41                         | 51,149.88 | 38,229.67                     | 23,975.18 |

### 38.3 Currency and Interest Rate Risk (Continued)

The following are the maturities of contracts:

Unit: Million Baht

|                                  | Consolidated financial statements |                  | Separate financial statements |                  |
|----------------------------------|-----------------------------------|------------------|-------------------------------|------------------|
|                                  | 2013                              | 2012             | 2013                          | 2012             |
| Due within 1 year                | 21,078.05                         | 5,009.72         | 9,379.25                      | -                |
| Over 1 year but not over 5 years | 27,378.22                         | 32,703.85        | 24,878.22                     | 20,264.81        |
| Over 5 years                     | 8,969.14                          | 13,436.31        | 3,972.20                      | 3,710.37         |
| <b>Total</b>                     | <b>57,425.41</b>                  | <b>51,149.88</b> | <b>38,229.67</b>              | <b>23,975.18</b> |

### 38.4 Interest Rate Risk

The Group has entered into interest rate swap contracts. The terms of the outstanding interest rate swap contracts as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|   | Consolidated financial statements |                  | Separate financial statements |                  |
|---|-----------------------------------|------------------|-------------------------------|------------------|
|   | 2013                              | 2012             | 2013                          | 2012             |
| Interest rate swap contracts to swap floating for fixed rate in USD currency*                 | 11,837.02                         | 24,828.42        | 9,884.82                      | 11,541.56        |
| Interest rate swap contracts to swap fixed for floating rate in USD currency                  | 16,393.65                         | -                | 16,421.00                     | -                |
| Interest rate swap contracts to swap floating for decreasing floating rate in Baht currency** | 7,000.00                          | 7,000.00         | 7,000.00                      | 7,000.00         |
| Interest rate swap contracts to swap floating for fixed rate in Baht currency***              | 5,000.00                          | 5,000.00         | 5,000.00                      | 5,000.00         |
| Interest rate swap contracts to swap fixed for decreasing fixed rate in Baht currency         | 2,500.00                          | 2,500.00         | -                             | -                |
| <b>Total</b>  | <b>42,730.67</b>                  | <b>39,328.42</b> | <b>38,305.82</b>              | <b>23,541.56</b> |

\* Some interest rate swap contracts granted the contract parties a one-time right to change the interest rate from a fixed rate to a floating rate.

\*\* The contracts granted the contract parties a one-time right to change the interest rate from a floating rate to a fixed rate. As at December, 30, 2013, the contract party chose not to exercise its right.

\*\*\* The contract party exercised the right to change the interest rate from a floating rate to a fixed rate in 2012.



The following are the maturity periods of contracts

Unit: Million Baht

|                                  | Consolidated financial statements |           | Separate financial statements |           |
|----------------------------------|-----------------------------------|-----------|-------------------------------|-----------|
|                                  | 2013                              | 2012      | 2013                          | 2012      |
| Due within 1 year                | 59.03                             | 4,902.62  | -                             | 2,308.31  |
| Over 1 year but not over 5 years | 24,909.64                         | 25,767.96 | 20,684.82                     | 15,233.25 |
| Over 5 years                     | 17,762.00                         | 8,657.84  | 17,621.00                     | 6,000.00  |
| Total                            | 42,730.67                         | 39,328.42 | 38,305.82                     | 23,541.56 |

### 38.5 Fluctuations in Oil Market Price Risk

The Group has entered into forward oil price contracts. As at December 31, 2013, the volume of the oil according to such contracts that will mature during January to June 2014 and January, 2015 is 12.28 million barrels in the consolidated financial statements and 6.24 million barrels in the separate financial statements (December 31, 2012: 10.32 million barrels in the consolidated financial statements and the separate financial statements).

### 38.6 Credit Risk

Credit risk arises when customers do not comply with the terms and conditions of credit agreements, causing financial losses to the Company. However, the Company has managed risk by adjusting its credit policies according to the current economic situation, focusing on developing financial instruments by cooperating with financial institutions to support credit facilities provided to customers, such as the Dealer Financing and Supply Chain Credit project, the trade credit insurance, and the Payment card and Fleet card project. The Company also reduces credit risk by determining procedures for risk prevention and mitigation, including credit rating for all trading partners of the Company.

### 38.7 Fair Value of Financial Instruments

Most financial assets and liabilities of the Group are classified as short-term. The fair values of financial assets and liabilities approximate their carrying values.

The Group calculates the fair values of fixed-interest-rate long-term loans and debentures using the discounted cash flow method based on the discount rates of contracts with similar borrowing conditions. The fair values of forward foreign exchange contracts, cross-currency and interest rate swap contracts, participating swap contracts, interest rate swap contracts and forward oil and gas price contracts are determined by the Group's contracted banks with reference to their quoted market prices as at December 31, 2013 and 2012 as follows:

Unit: Million Baht

| Consolidated financial statements               |                |            |                |            |
|---|----------------|------------|----------------|------------|
|   | 2013           |            | 2012           |            |
|   | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Long-term loans - Baht currency                 | 29,203.16      | 29,698.48  | 32,398.35      | 33,104.17  |
| Long-term loans - Foreign currencies            | 79,946.76      | 74,923.16  | 74,284.80      | 74,650.03  |
| Unsecured unsubordinated debentures             |                |            |                |            |
| - Baht currency                                 | 178,949.64     | 186,328.96 | 188,505.23     | 198,061.34 |
| Unsecured unsubordinated debentures             |                |            |                |            |
| - Foreign currencies                            | 176,714.22     | 174,491.69 | 138,224.49     | 150,062.77 |
| Secured unsubordinated debentures               |                |            |                |            |
| - Foreign currencies                            | 3,003.99       | 3,003.99   | 2,959.57       | 2,973.67   |
| Forward foreign exchange purchase contracts     | -              | 532.99     | -              | (30.89)    |
| Forward foreign exchange sale contracts         | -              | 2,923.17   | -              | 2,976.07   |
| Foreign exchange option contracts               | -              | 32.08      | -              | (21.41)    |
| Cross-currency and interest rate swap contracts | -              | 939.29     | -              | 4,114.34   |
| Interest rate swap contracts                    | -              | (487.38)   | -              | (994.63)   |
| Forward oil price contracts                     | -              | 546.98     | -              | (11.12)    |

Unit: Million Baht

|   | Separate financial statements |            |                |            |
|---|-------------------------------|------------|----------------|------------|
|   | 2013                          |            | 2012           |            |
|   | Carrying Value                | Fair Value | Carrying Value | Fair Value |
| Long-term loans - Baht currency                 | 21,500.00                     | 21,995.32  | 23,500.00      | 24,205.83  |
| Long-term loans - Foreign currencies            | 27,364.12                     | 28,156.77  | 19,774.64      | 21,160.70  |
| Unsecured unsubordinated debentures             |                               |            |                |            |
| - Baht currency                                 | 159,754.20                    | 166,894.86 | 164,304.20     | 173,410.56 |
| Unsecured unsubordinated debentures             |                               |            |                |            |
| - Foreign currencies                            | 98,608.06                     | 93,349.71  | 80,294.32      | 83,680.83  |
| Forward foreign exchange purchase contracts     | -                             | 532.99     | -              | (30.89)    |
| Forward foreign exchange sale contracts         | -                             | (761.40)   | -              | 183.34     |
| Foreign exchange option contracts               | -                             | 32.08      | -              | (21.41)    |
| Cross-currency and interest rate swap contracts | -                             | 939.29     | -              | 4,577.06   |
| Interest rate swap contracts                    | -                             | (457.21)   | -              | (340.86)   |
| Forward oil price contracts                     | -                             | 546.98     | -              | (11.12)    |

### 39. Subordinated Capital Debentures

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

## 40. Dividend Payment

On April 11, 2013, at the 2013 Annual Shareholders Meeting of the Company, the shareholders approved dividend payments for the year 2012 of Baht 13.00 per share, approximately amounting to Baht 37,131.77 million. On September 21, 2012, the Company paid an interim dividend for the operating results of the first half of 2012 at Baht 5.00 per share for 2,855,194,951 shares, amounting to Baht 14,275.97 million. The remaining dividends were paid as follows:

| Dividends         | For operating period                | Dividend payment rate (Baht/share) | Number of shares (shares) | Total dividend (million Baht) | Payment date   |
|-------------------|-------------------------------------|------------------------------------|---------------------------|-------------------------------|----------------|
| For the year 2012 | July 1, 2012 -<br>December 31, 2012 | 8.00                               | 2,855,859,678             | 22,846.88                     | April 30, 2013 |

On September 6, 2013, at the Board of Directors Meeting No. 8/2013 of the Company, the Board approved interim dividend payments for the first half of the year 2013 as follows:

| Dividends | For operating period               | Dividend payment rate (Baht/share) | Number of shares (shares) | Total dividend (million Baht) | Payment date    |
|-----------|------------------------------------|------------------------------------|---------------------------|-------------------------------|-----------------|
| Interim   | January 1, 2013 -<br>June 30, 2013 | 5.00                               | 2,855,950,233             | 14,279.75                     | October 4, 2013 |

## 41. Business Acquisition

The Company jointly invested in the solar power plant project of Thai Solar Renewable Company Limited (TSR) by holding 40% interest with total investment amounting to Baht 1,450 million. On February 27, 2013, the Company signed the Shareholder Agreement and the Share Subscription Agreement with Thai Solar Energy Company Limited (TSE).

On April 3, 2013, TSR called for a payment of its additional authorized share capital, comprising 20 million shares with a par value of Baht 10 each and a premium on an ordinary share at Baht 10 per share, amounting to Baht 400 million. The Company made the share payment on May 3, 2013. As a result, the Company holds a 40% shareholding and TSR became a jointly controlled entity of the Company.

Details of net assets acquired and goodwill are as follows:

|                                   | Unit: Million Baht |
|-----------------------------------|--------------------|
| Purchase consideration            | 400.00             |
| Fair value of net assets acquired | (53.73)            |
| Goodwill                          | 346.27             |

Purchase consideration is as follows:

|                              | Unit: Million Baht |
|------------------------------|--------------------|
| Cash paid                    | 400.00             |
| Total purchase consideration | 400.00             |

Assets and liabilities arising from the acquisition are as follows:

|   | Unit: Million Baht |
|---|--------------------|
| Cash and cash equivalents                   | 163.89             |
| Accounts receivable and other receivable    | 198.99             |
| Other current assets                        | 3.28               |
| Property, plant and equipment (Note 16)     | 1,476.19           |
| Intangible assets (Note 17)                 | 0.01               |
| Other non-current assets                    | 53.34              |
| Accounts payable and other accounts payable | (259.48)           |
| Loans (Note 25)                             | (1,572.19)         |
| Income tax payable                          | (10.15)            |
| Other current liabilities                   | (0.15)             |
| Fair value of net assets                    | 53.73              |
| <u>Add</u> Goodwill (Note 19)               | 346.27             |
| Total consideration transferred             | 400.00             |

Cash outflow on the business acquisition

|   | Unit: Million Baht |
|---|--------------------|
| Cash paid   | 400.00             |
| <u>Less</u> Cash and cash equivalent of the jointly controlled entity | (163.89)           |
| Cash outflow on the acquisition                                       | 236.11             |

On December 24, 2013, the Company disposed all investments in TSR to Global Power Synergy Co., Ltd. (GPSC) (Note 42).

## 41. Business Acquisition (Continued)

On November 30, 2013, PTTEP Netherlands Coöperatie U.A. (PTTEP NH), a subsidiary of PTTEP, and Pertamina Hulu Energi Oil and Gas Co., Ltd., a subsidiary of Pertamina, jointly signed Share Purchase Agreements to acquire Natuna 2 B.V., a subsidiary of Hess Corporation which holds 23% interest in the Natuna Sea A Project located at the Gulf of Indonesia. PTTEP NH and Pertamina Hulu Energi Oil and Gas hold 50% and 50% interest in Natuna 2 B.V.

On December 6, 2013, PTTEP NH and Pertamina Hulu Energi Oil and Gas Co., Ltd. finished the acquisition process of Natuna 2 B.V.; consequently, Natuna 2 B.V. becomes a jointly controlled entity of PTTEP. As a result, PTTEP has an indirect 11.50% shareholding in the Natuna Sea A Project.

Details of net assets acquired and goodwill are as follows:

|                                   | Unit: Million Baht |
|-----------------------------------|--------------------|
| Purchase consideration            | 8,590.57           |
| Fair value of net assets acquired | (4,961.02)         |
| Goodwill                          | 3,629.55           |

Assets and liabilities arising from the acquisition are as follows:

|  | Unit: Million Baht |
|--|--------------------|
| Cash and cash equivalents                | 809.56             |
| Accounts receivable and other receivable | 600.58             |
| Other current assets                     | 144.30             |
| Property, plant and equipment (Note 16)  | 8,776.91           |
| Intangible assets (Note 17)              | 943.94             |
| Other non-current assets                 | 62.08              |
| Accounts payable                         | (223.90)           |
| Short-term Loans                         | (2,002.21)         |
| Other current liabilities                | (363.14)           |
| Deferred tax liabilities                 | (2,360.89)         |
| Provision for Decommissioning Costs      | (1,160.82)         |
| Other non-current liabilities            | (265.39)           |
| Fair value of net assets                 | 4,961.02           |
| <u>Add</u> Goodwill (Note 19)            | 3,629.55           |
| Total consideration transferred          | 8,590.57           |
| <u>Less</u> Cash and cash equivalents    | (809.56)           |
| Cash outflow on the acquisition          | 7,781.01           |

The goodwill from the business acquisition of Baht 3,629.55 million resulted primarily from the recognition of deferred tax liabilities of Baht 2,141.91 million. These were derived from the differences between the fair values of net assets acquired assumed in a business combination and their tax bases, which have not been adjusted to reflect fair value. The remaining goodwill of Baht 1,487.64 million represents the future benefits that PTTEP expects to gain from acquiring the Project, conforming to PTTEP's strategy to increase productivity.

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

## 42. Business Disposal

In December, 2013, the Group disposed investments in subsidiaries, a jointly controlled entity and an associate totaling 5 companies (separate financial statements: 3 companies) to GPSC. The business disposal, are summarized as follows:

Unit: Million Baht

|   | Consolidated<br>financial statements | Separate<br>financial statements |
|---|--------------------------------------|----------------------------------|
| Net assets of subsidiaries  | 727.49                               | -                                |
| Net assets of jointly controlled entity                                 | 683.23                               | -                                |
| Investments in subsidiaries   | -                                    | 316.22                           |
| Investment in jointly controlled entity                                 | -                                    | 683.21                           |
| Investment in associate   | 343.98                               | 342.50                           |
| Total   | 1,754.70                             | 1,341.93                         |
| Selling prices of investment  | 2,244.49                             | 1,727.00                         |
| Gains on disposal   | 489.79                               | 385.07                           |
| <u>Less</u> the Group's interest in GPSC                                | (147.44)                             | -                                |
| Gain on investment disposal<br>(recognized in the financial statements) | 342.35                               | 385.07                           |

## 42. Business Disposal (Continued)

On December 24, 2013, the Company disposed a 100% interest in Combined Heat and Power Producing Co., Ltd. (CHPP) to Global Power Synergy Co., Ltd. (GPSC) for Baht 210 million. The Company recognized a loss on disposal of CHPP in the consolidated financial statements and the separate financial statements amounting to Baht 196.03 million and Baht 106.22 million, respectively (Note 12.7). The Company received full amount from GPSC.

Details of net assets on the disposal date are as follows:

|  | Unit: Million Baht |
|--|--------------------|
| Cash and cash equivalents                                    | 0.56               |
| Accounts receivable and other receivable                     | 28.60              |
| Short-term loans   | 185.98             |
| Other current assets   | 1.51               |
| Property, plant and equipment (Note 16)                      | 685.57             |
| Intangible assets (Note 17)                                  | 0.43               |
| Other accounts payable                                       | (398.23)           |
| Other current liabilities                                    | (9.55)             |
| Employee benefit obligations (Note 26)                       | (0.95)             |
| Other non-current liabilities                                | (3.46)             |
| Total net assets   | <u>490.46</u>      |
| <br>   |                    |
| Selling price of investment                                  | 210.00             |
| <u>Less</u> Cash and cash equivalents of disposed subsidiary | <u>(0.56)</u>      |
| Cash inflow from the disposal of subsidiary                  | <u>209.44</u>      |

On December 24, 2013, the Company disposed of 40% interest in Thai Solar Renewable Co., Ltd. (TSR) to Global Power Synergy Co., Ltd. (GPSC) for Baht 927 million. The Company recognized a gain on disposal of TSR in the consolidated financial statements and the separate financial statements amounting to Baht 170.39 million and Baht 243.79 million, respectively (Note 12.7). The Company received the full amount from GPSC.



Details of net assets on the disposal date are as follows:

|  | Unit: Million Baht |
|--|--------------------|
| Cash and cash equivalents                                  | 108.21             |
| Accounts receivable and other receivable                   | 92.93              |
| Other current assets                                       | 75.33              |
| Property, plant and equipment (Note 16)                    | 2,287.00           |
| Intangible assets (Note 17)                                | 0.01               |
| Goodwill at acquisition date (Note 41)                     | 346.27             |
| Goodwill from increase in share capital                    | 160.00             |
| Other non-current assets                                   | 0.72               |
| Accounts payable and other accounts payable                | (417.56)           |
| Loans (Note 25)  | (1,961.58)         |
| Other current liabilities                                  | (5.71)             |
| Other non-current liabilities                              | (2.29)             |
| Total net assets   | <u>683.23</u>      |
| <br>   |                    |
| Selling price of investment                                | 927.00             |
| <u>Less</u> Cash and cash equivalents                      | <u>(108.21)</u>    |
| Cash inflow from the disposal of jointly controlled entity | <u>818.79</u>      |

On December 25, 2013, PTTI disposed a 100% interest in Natee Synergy Co., Ltd. (NSC) (NSC holds 25% of XPCL) to Global Power Synergy Co., Ltd. (GPSC) for USD 15,860,293 or equivalent to Baht 517,486,465. PTTI recognized a gain on disposal of NSC in the consolidated financial statements amounting to USD 8,595,757 or equivalent to Baht 280,460,643 and the separate financial statements amounting to USD 6,566,236 or equivalent to 234,718,854 (exchange rate at transfer date) (Note 12.7). PTTI received the full amount from GPSC.

The Company recognized a gain on disposal of NSC in the consolidated financial statements amounting to Baht 196.03 million

## 42. Business Disposal (Continued)

Details of net assets on the disposal date are as follows:

|  | Unit: Million Baht |
|--|--------------------|
| Cash and cash equivalents                                    | 0.63               |
| Other current assets   | 0.53               |
| Investment in associates                                     | 1,441.05           |
| Other accounts payable                                       | (0.34)             |
| Short-term loans   | (1,204.84)         |
| Total net assets   | <u>237.03</u>      |
| <br>   |                    |
| Selling price of investment                                  | 517.49             |
| <u>Less</u> Cash and cash equivalents in disposed subsidiary | <u>(0.63)</u>      |
| Cash inflow from the disposal of subsidiary                  | <u>516.86</u>      |

## 43. Promotional Privileges

The Company has received promotional privileges for the following activities from the Board of Investment (BOI) under the Investment Act, B.E. 2520

- the Gas Separation Plant Unit 5 project
- the third gas offshore and onshore pipeline project
- the Sai Noi-South Bangkok Power Plant gas pipeline project
- the Songkhla Power Plant gas pipeline project
- the Ethane Separation Plant project
- the Gas Separation Plant Unit 6 project
- the gas distribution pipelines to the Rojana Industrial Park project
- the Power and Steam Production for Bangchak Refinery project
- the North Bangkok Power Plant gas pipeline project
- the Rayong-Kangkoi gas pipeline project
- the improvement of production efficiency in energy and environmental aspect project
- the Nakhon Ratchasima onshore gas pipeline project

The promotional privileges include:

- exemption from import duties on machinery approved by the BOI
- exemption from corporate income tax on net income from the promoted business for periods of three years and eight years starting from the date on which the income is first derived from such operations.

During the year 2013, the Company utilizes the privileges for the Ethane Separation Plant project, the Gas Separation Plant Unit 6 project and the Power and Steam Production for Bangchak Refinery project.

The sales from the promoted and non-promoted businesses for the years ended December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                         | Separate financial statements |              |
|-------------------------|-------------------------------|--------------|
|                         | 2013                          | 2012         |
| Promoted businesses     | 153,069.74                    | 144,982.16   |
| Non-promoted businesses | 2,355,355.41                  | 2,408,518.80 |
| Total                   | 2,508,425.15                  | 2,553,500.96 |

Some subsidiaries and jointly controlled entities received the following promotional privileges from the BOI under the Investment Act, B.E. 2520.

PTTPL received Category 7.7 promotional privileges for its international merchandise distribution centre with modern system. The promotional privileges include exemption from import duties on the machinery approved by the BOI and corporate income tax exemption on the net income from the promoted business for five years starting from the date on which income is first derived from such operations.

PTTLNG received Category 7.1 promotional privileges for its liquefied natural gas transfer business. The promotional privileges include exemption from import duties on the machinery approved by the BOI, exemption from corporate income tax on the net income from the promoted business for eight years starting from the date on which income is first derived from such operations, and exemption from 50% corporate income tax on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption.

## 43. Promotional Privileges (Continued)

HMC received promotional privileges for its business with respect to the production of chemicals from petroleum. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption on the net income from promoted business for eight years starting from the date on which the income is first derived from such operations, and 50% corporate income tax exemption on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption period.

TTM(T) received Category 7.1 promotional privileges for its public utility and basic services business, Category 7.2 privileges for its mass transit systems and transportation of bulk products and Category 7.7 privileges for its natural gas transmission pipeline business. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption on the net income from promoted business for eight years starting from the date on which the income is first derived from such operations.

DCAP received Category 7.1 promotional privileges for its public utility and basic services business. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption on the net income from promoted business for eight years starting from the date on which income is first derived from such operations.

PTTAC received promotional privileges for its Acrylonitrile, Ammonium Sulfure and Methyl Methacrylate production business. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption on the net income from the promoted business for eight years starting from the date on which income is first derived from such operations.

PTT TANK received Category 7.1 promotional privileges for its overseas logistics business. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption for the net income from the promoted business on up to 100% of its investment for eight years starting from the date on which income is first derived from such operations, and 50% corporate income tax exemption on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption period.

PTTPM received Category 7.8 promotional privileges for its international procurement business. The promotional privileges include exemption of import duty from machinery, material and supplies but exclude corporate income tax exemption.

PTTPMMA received Category 6.11 promotional privileges for its Polymethyl Methacrylate (PMMA) production business. The promotional privileges include exemption from various taxes and duties and corporate income tax exemption for the net income from the promoted business on up to 100% of its investment for eight years starting from the date on which income is first derived from such operations, and 50% corporate income tax exemption on the net income from the promoted business for five years starting from the expiry date of the corporate income tax exemption period.

As the Group has received promotional privileges from the BOI, it has to comply with all conditions and regulations as stipulated in the promotional certificates.

#### 44. Proceeding regarding the Central Administrative Court's Ordering Temporary Suspension of Projects in Map Ta Phut Area

On June 19, 2009, the Stop Global Warming Association and a group of individuals totaling 43 parties (the Petitioners) filed a complaint with the Central Administrative Court (the Court) as the black case No. 908/2552, against eight government agencies, together with a motion seeking the Court injunction to temporarily suspend all operations and activities of 76 industrial projects in the Map Ta Phut area in Rayong province.

On September 29, 2009, the Court ordered the temporary injunction by requiring the eight accused government agencies to issue the order to temporarily suspend all 76 projects pending the Court's judgment or order otherwise, except for those projects or activities which received the permits before the effective date of the Constitution of Kingdom of Thailand B.E. 2550 or which were not required to prepare the Environmental Impact Assessment (EIA) reports pursuant to the Ministerial Announcement of Ministry of Natural Resources and Environment dated June 16, 2009. 25 projects of the Group were under the suspension order, and three of those 25 projects belonged to the Company.

On October 16, 2009, the Group, as an interested person, submitted a motion to appeal the Court's order to the Supreme Administrative Court.

#### 44. Proceeding regarding the Central Administrative Court's Ordering Temporary Suspension of Projects in Map Ta Phut Area (Continued)

On December 2, 2009, the Supreme Administrative Court issued an order No. 592/2552 amending the Court's injunction by requiring the eight accused government agencies to order the temporary suspension of all projects or activities listed in the complaint except for 11 projects, which clearly, according to the Supreme Administrative Court, did not severely affect the community but were projects intended to mitigate pollution or only additional installation to the existing projects. Among those 11 projects, seven of them belonged to the Group, comprising one project of the Company and six projects of the other companies in the Group. Two projects of the Company were still under the Court's order to suspend.

On December 18, 2009, the public prosecutor submitted the answer rejecting all allegations in the complaint.

On September 2, 2010, the Court rendered a judgment revoking the permit of the projects listed in the complaint which, according to the law, were categorized as project that might severely affect the community and did not comply with the procedures set forth in Section 67 paragraph 2 of the Constitution. The revocation was effective as of the date of the judgment. One project of the Group is within the scope of the judgment.

On October 1, 2010, the 43 prosecutors appealed the Court's judgment to the Supreme Administrative Court. On December 7, 2010, the eight accused government agencies by the public prosecutors submitted a reply to the appeal. The appeal is currently under the consideration of the Supreme Administrative Court.

#### 45. Proceeding regarding the Offshore Natural Gas Pipeline Leakage Incident

The Company hired a pipeline construction contractor for the construction of offshore pipeline project situated in the Gulf of Thailand. On June 25, 2011, during the construction, the contractor committed wrongful act and breach of contract causing damage to the Company. Subsequently, the Company forwarded relevant evidence to the Office of the Attorney General to consider filing lawsuit with the court seeking damages from the contractor. On June 22, 2012, after considering the evidence, the public prosecutor assigned to the case submitted the complaint with the Civil Court. At present, the case is in the Civil Court's proceedings.

On March 27, 2013, the contractor filed a new lawsuit against the Company with the Civil Court asserted that they were not responsible for the Pipeline Leakage Incident and the Company was owed them the payment of the Pipeline Construction Project. Thus, the contractor requested the payments of the pipeline-repair costs and the outstanding payment of the Pipeline Construction Project. Subsequently on July 30, 2013, the Company, by the public prosecutor, submitted with the Civil Court the answer denying all assertions. At present, the case is in the Civil Court's proceedings.

## 46. Commitments and Contingent Liabilities

Significant changes in commitments and contingent liabilities are as follows:

46.1 Commitments to subsidiaries, jointly controlled entities, associates and other related companies are as follows:

46.1.1 The Group has provided loans to its subsidiaries and associates with credit limits totaling Baht 97,737.80 million. As at December 31, 2013, the Group made payments in respect of these loans totaling Baht 84,507.31 million. The remaining credit limits were Baht 13,230.49 million.

46.1.2 The Company has obligations under a commercial credit agreement with an overseas subsidiary and a jointly controlled entity that provide an extended credit term for purchases of raw materials under a credit limit of USD 150 million. As at December 31, 2013, the subsidiary and the jointly controlled entity have drawn down USD 117.50 million of the commercial credit. The remaining commercial credit line was USD 32.50 million or approximately Baht 1,070.86 million.

46.1.3 The Company entered into the Sponsor Support Agreements with three jointly controlled entities with credit limits equal to the sum of the loan obligations to financial institutions of the three jointly controlled entities. Under these agreements, as at December 31, 2013, the Company had commitments of USD 330.51 million or approximately Baht 10,890.11 million.

46.1.4 The Company had obligations under the Shareholder Agreements to pay for ordinary shares in proportion to its shareholding. As at December 31, 2013, the Company had remaining obligations amounting to Baht 3,249.26 million.

## 46.2 Commitments under operating leases - the Group as a lessee

The future minimum lease payments under uncancellable operating leases as at December 31, 2013 and 2012 are as follows:

Unit: Million Baht

|                                    | Consolidated financial statements |           | Separate financial statements |          |
|------------------------------------|-----------------------------------|-----------|-------------------------------|----------|
|                                    | 2013                              | 2012      | 2013                          | 2012     |
| - Within 1 year                    | 2,812.10                          | 3,310.17  | 131.02                        | 199.86   |
| - Over 1 year but not over 5 years | 3,265.29                          | 3,193.63  | 287.63                        | 325.96   |
| - Over 5 years                     | 4,500.68                          | 4,581.85  | 791.82                        | 759.39   |
| Total                              | 10,578.07                         | 11,085.65 | 1,210.47                      | 1,285.21 |

46.3 As at December 31, 2013, the Group had capital commitments of Baht 1,682.30 million in the consolidated financial statements. This amount included Baht 771.82 million relating to the Group's interest in the jointly controlled entities.

46.4 As at December 31, 2013, the Group had outstanding letters of credit of Baht 43,348.39 million in the consolidated financial statements and Baht 27,818.35 million in the separate financial statements.

46.5 As at December 31, 2013, the Group had contingent liabilities in the form of letter of guarantee amounting to Baht 1,033.30 million in the consolidated financial statements and Baht 111.29 million in the separate financial statements.

46.6 An associate entered into a contract to sell a product to the Company and the Company entered into a contract to resell the same product to a listed company. The term of the two contracts was 15 years, expiring on January 31, 2012. Before the expiration of the contract, the associate notified the Company that the contract would not be renewed. Consequently, without product to resell, the Company had to notify the listed company that the contract would also not be renewed. The Company's notice was served to the listed company in accordance with the terms and conditions set forth in the contract. On December 3, 2009, the listed company submitted claims with the Thai Arbitration Institute (the "Institute") requesting that the Company and the associate, as the seller and the supplier, respectively, comply with the contracts by continuing to sell the product to the listed company or be jointly liable to pay damages.

On February 10, 2010, the associate submitted motion to the Institute asking to dismiss the claims against it from the case list. The Institute issued an order to dismiss the claims relating to the associate.

The Company forwarded the case to the Office of the Attorney General to submit a defense to the Institute. On April 28, 2010, the public prosecutor submitted the defense with the Institute for the Company. Currently, the case is under the consideration of the Institute.



46.7 On May 26, 2010, the contractor for an on-shore natural gas pipeline construction project (the "Contractor") submitted claims to the Thai Arbitration Institute (the "Institute") seeking overdue payment and damages from the Company for the work performed in connection with the project. The Company, however, considered that the submission of the claims was incompliant with the dispute resolution procedure agreed upon under the contract. Therefore, the Company filed an opposition to the Contractor's claim submission with the Institute and reserved right to protest such contractually incompliant claim submission in the arbitration procedure. After the claim submission, the Central Bankruptcy Court ordered the Contractor be under an absolute receivership which rendered the official receiver to have sole power in any litigation pertaining to the Contractor's assets. Subsequently, the Contractor's official receiver has petitioned the Institute to substitute the Contractor in the dispute against the Company. In contention against the alleged claims, the Company submitted the defense together with counterclaims seeking damages from the Contractor. Currently, the arbitral tribunal has been appointed and the case is now under the consideration of the tribunal. Regarding the Contractor's bankruptcy case, the Company submitted, as a creditor, a motion for receiving a debt payment in accordance with the law.

On September 8, 2010, the Contractor by the its official receiver submitted the claims to the Institute seeking overdue payment and damages from the Company for the work performed in connection with another pipeline construction project. The Company, however, considered that the submission of the claims was incompliant with the dispute resolution procedure agreed upon under the contract. Therefore, the Company filed an opposition to the Contractor's claim submission with the Institute and reserved the right to protest such contractually incompliant claim submission in the arbitration procedure. In contention against the alleged claims, the Company submitted the defense together with counterclaims seeking damages from the Contractor. Currently, the arbitral tribunal has been appointed and the case is now under the consideration of the tribunal.

46.8 On September 22, 2011, six petitioners, led by the Thailand Watch Foundation filed, a lawsuit against the Company and the Ministry of Finance with the Central Administrative Court (the Court) alleging that the Company's privatization, the share distribution and the asset evaluation were in violation of law, and therefore, asked for the Court's judgment that the sale of the Company's shares be null and void and the shares be resold. The petitioners also asked that the shares in oil refinery plants owned by the Company be returned to state ownership or be sold to the public in order to cease the Company's monopoly in the oil refinery industry. In addition, the petitioners sought the Court's order of the confiscation of the Company's properties, which had been obtained by operation of public law or the force-sale of the Company's gas separation plants to discontinue the monopoly. In response, the Company rejected all allegations and the Company by the public prosecutor submitted the answer and additional answer with the Court. Currently, the case is under the consideration of the Court.

- 46.9 On August 26, 2010, PTTEP Australasia Pty Ltd (PTTEP AA) received a letter from the Government of Indonesia claiming for compensation in relation to the oil and gas leak incident in the Montara area under the PTTEP Australasia's project. Subsequently, on September 1, 2010, PTTEP AA submitted a letter rejecting the claim for compensation from the Indonesian Government because of no verifiable scientific evidence provided by the Indonesian Government to support the claim. Currently, the discussion with the Indonesian Government is on-going and the compensation regarding this matter has not been finalized.

## 47. Other Events

- 47.1 On July 27, 2013, leakage in the flexible hose was found at Single point Mooring near Map Ta Phut seaport while discharging crude oil from a vessel to the Refinery of PTT Global Chemical Public Co., Ltd. (PTTGC). The leakage resulted in oil spilling into the sea. Remediation efforts were carried out by PTTGC, government authorities and the private sectors to clean up the oil slick. Currently, the oil slick has been eliminated. PTTGC also has established several short, medium and long term rehabilitation plans to help the environment and assist the local communities affected. PTTGC recognized the related expenses in statement of income for the year ended December 31, 2013, amounting to Baht 1,059 million.

As at December 31, 2013, the Management of PTTGC and the insurance company are in the process of negotiating reimbursement claim covered by the insurance company. PTTGC's financial statements do not include the adjustment that might result from the insurance coverage.

- 47.2 On August 14, 2013, there was an accident incurring from the thunder storm and lightning strike on the Waste Heat Recovery Unit (WHRU) of Gas Separation Plant Unit 5 (GSP 5), resulting in its cease of operation. In October 2013, the Company conducted a stabilization test run, according to repair and maintenance plan. GSP 5 officially resumed its operation at 50% of its capacity. In addition, the Company has both property damage and business interruption insurance coverage. The Company and the insurance company are currently in the process of appraising the claim value.
- 47.3 According to the request of the State Railway of Thailand (SRT) for the rental fee on the renewal of the land lease contract, the contract between the Company and the State Railway of Thailand (SRT) related to the land on which PTT headquarter is located and which was expired in March 31, 2013 was actually the contract for granting right of superficies. The terms and conditions provided in the contract stated that SRT agreed to renew the contract for every 30 years without any rental fee and other compensation.

## 48. Events after the Reporting Period

- 48.1 On January 17, 2014, at the PTT Oil Myanmar Co., Ltd. (PTTOM)'s Extraordinary General Meeting of the shareholders, the shareholders passed a resolution to increase authorized share capital by USD 200,000, from USD 300,000 to USD 500,000, by issuing 200,000 additional shares with a par value of USD 1 each or equivalent to Baht 6,590,820. Furthermore, PTTOM called for the full amount of the additional authorized share capital. The Company made the share payment on February 3, 2014.
- 48.2 On September 27, 2013, at the Board of Directors Meeting No. 9/2013 of the Company, the Board passed a resolution to approve the sales of the Company's 30% shareholdings in Nava Nakorn Electricity Generating Co., Ltd. (NNEG), totaling 12.06 million shares, to Global Power Synergy Company Limited (GPSC) for Baht 144 million. The Company received the full amount of payment for the shares on February 7, 2014.
- 48.3 On January 31, 2014, at the Board of Directors Meeting No. 1/2014 of the Company, the Board passed a resolution to approve the sales of the Company's 45% shareholdings in Vietnam LPG Co., Ltd. (VLPG), totaling Baht 87.35 million, to PetroVietnam Southern Gas Joint Stock Company amounting to USD 3.85 million. The Company executed a Capital Transfer Agreement on February 12, 2014.
- 48.4 On February 7, 2014, at the PTT International Co., Ltd. (PTTI)'s Extraordinary General Meeting of the shareholders, the shareholders passed a resolution to rename PTT International Co., Ltd. (PTTI) to PTT Energy Resources Co., Ltd. (PTTER). PTTER was registered with Department of Business Development in order to rename on February 17, 2014.
- 48.5 On February 21, 2014, the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of the Company's shareholders for approval a dividend payment of Baht 13.00 per share for 2013. On October 4, 2013, the Company paid an interim dividend of Baht 5.00 per share as described in Note 40. Accordingly, the remaining dividend of Baht 8.00 per share or approximately Baht 22,850 million will be proposed for approval by the Annual General Meeting of the Company's shareholders for the year 2014.
- 48.6 The board of directors of the Company approved these financial statements for public issuance on February 21, 2014.

## Audit Fee of the Auditors

The Company, Subsidiaries and jointly entities paid for the audit fees to the auditor's companies for the last year accounting period amounting 113,254,749 (One hundred and thirteen million, two hundred and fifty-four thousand, seven hundred and forty-nine baht).