

**The Bangchak Petroleum Public Company Limited
and its Subsidiaries**

Interim financial statements
and
Independent auditor's report on review of interim financial
information

For the three-month and six-month periods ended
30 June 2012

Independent Auditor’s Report on Review of Interim Financial Information

To the Board of Directors of The Bangchak Petroleum Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of The Bangchak Petroleum Public Company Limited and its subsidiaries, and of The Bangchak Petroleum Public Company Limited, respectively, as at 30 June 2012; the consolidated and separate statements of income, comprehensive income for the three-month and six-month periods ended 30 June 2012; the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2012; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

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

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”.

The comparative consolidated and separate statements of financial position as at 31 December 2011

The financial statements of The Bangchak Petroleum Public Company Limited and its subsidiaries, and of The Bangchak Petroleum Public Company Limited for the year ended 31 December 2011 were audited by another auditor who expressed an unqualified opinion on those financial statements in his report dated 14 February 2012. The consolidated and separate statements of financial position as at 31 December 2011, which is included in the accompanying interim financial information for comparative purposes, is a component of those financial statements.

The comparative interim financial information for the three-month and the six-month periods ended 30 June 2011

The comparative consolidated and separate statements of income, comprehensive income for the three-month and the six-month periods ended 30 June 2011; the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2011 of The Bangchak Petroleum Public Company Limited and its subsidiaries, and of The Bangchak Petroleum Public Company Limited were reviewed by another auditor whose report dated 5 August 2011 stated that nothing had come to his attention that caused him to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

(Winid Silamongkol)
Certified Public Accountant
Registration No. 3378

KPMG Phoomchai Audit Ltd.
Bangkok
30 July 2012

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of financial position

As at 30 June 2012 and 31 December 2011

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 June 2012 (Unaudited)	31 December 2011	30 June 2012 (Unaudited)	31 December 2011
<i>(Baht)</i>					
Current assets					
Cash and cash equivalents		4,994,687,654	4,020,710,649	3,750,755,816	3,411,905,210
Current investments	5	11,539,291	9,823,677	-	-
Trade accounts receivable	4,6	4,952,889,473	8,072,323,737	5,553,658,147	8,667,971,626
Inventories	7	19,453,443,881	16,658,225,735	19,010,158,626	16,145,098,338
Refundable income tax		598,276,104	326,867,644	598,276,104	326,867,644
Oil fuel fund subsidies receivable		748,290,180	926,778,096	748,290,180	926,778,096
Other current assets	4,8	2,038,209,396	1,279,729,291	2,013,722,199	1,251,418,327
Total current assets		32,797,335,979	31,294,458,829	31,674,861,072	30,730,039,241
Non-current assets					
Investments in subsidiaries	4,9	-	-	810,039,500	347,539,500
Investments in associate	4,10	738,139,996	745,479,405	763,229,520	763,229,520
Other long-term investments	5	286,732,442	284,645,072	286,732,442	284,645,072
Tariff prepayment	4	12,004,200	12,004,200	12,004,200	12,004,200
Investment Properties		288,062,000	288,062,000	288,062,000	288,062,000
Property, plant and equipment	11	27,728,865,869	26,959,261,135	26,747,694,478	26,061,624,313
Leasehold right		996,821,086	937,382,932	996,821,086	937,382,932
Intangible assets		109,766,604	101,135,053	109,226,729	100,549,357
Investment in service stations		164,968,617	180,351,084	164,968,617	180,351,084
Deferred tax assets	12	185,785,278	179,072,560	185,785,278	179,072,560
Other non-current assets	4,13	618,271,099	621,639,658	613,694,029	616,489,423
Total non-current assets		31,129,417,191	30,309,033,099	30,978,257,879	29,770,949,961
Total assets		63,926,753,170	61,603,491,928	62,653,118,951	60,500,989,202

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of financial position

As at 30 June 2012 and 31 December 2011

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		30 June 2012 (Unaudited)	31 December 2011	30 June 2012 (Unaudited)	31 December 2011
<i>(Baht)</i>					
Current liabilities					
Short-term loans from financial institutions	15	-	2,000,000,000	-	2,000,000,000
Trade accounts payable	4	9,397,790,520	8,758,505,369	9,233,810,127	8,616,865,414
Other accounts payable to related parties	4	342,791,473	427,170,577	342,791,473	428,554,077
Current portion of long-term loans from financial institutions	15	780,848,044	551,363,070	670,076,923	450,000,000
Excise tax and oil fuel fund payable		248,566,776	296,841,676	248,566,776	296,841,676
Income tax payable		438,490,094	148,141	432,107,088	-
Liabilities on hedging contracts		479,873,678	604,919,384	479,873,678	604,919,384
Other current liabilities	4,14	1,841,123,049	1,902,504,770	1,741,228,509	1,839,404,908
Total current liabilities		13,529,483,634	14,541,452,987	13,148,454,574	14,236,585,459
Non-current liabilities					
Long-term loans from financial institutions	15	15,564,472,303	16,030,166,740	15,126,923,077	15,572,000,000
Debentures	16	2,994,663,262	-	2,994,663,262	-
Deferred tax liabilities	12	106,208,091	6,869,877	106,208,091	6,869,877
Liabilities on long-term lease		196,799,481	237,846,592	196,799,481	237,846,592
Employee benefit obligations	17	884,651,818	839,950,328	873,945,517	830,969,026
Other non-current liabilities	4	66,558,990	67,764,855	40,510,488	45,059,480
Total non-current liabilities		19,813,353,945	17,182,598,392	19,339,049,916	16,692,744,975
Total liabilities		33,342,837,579	31,724,051,379	32,487,504,490	30,929,330,434

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of financial position

As at 30 June 2012 and 31 December 2011

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		30 June 2012 (Unaudited)	31 December 2011	30 June 2012 (Unaudited)	31 December 2011
<i>(Baht)</i>					
Equity					
Share capital	18				
Authorised share capital		<u>1,531,643,461</u>	<u>1,531,643,461</u>	<u>1,531,643,461</u>	<u>1,531,643,461</u>
Issued and paid-up share capital		1,376,923,157	1,376,923,157	1,376,923,157	1,376,923,157
Additional paid-in capital					
Premium on ordinary shares		11,157,460,051	11,157,460,051	11,157,460,051	11,157,460,051
Premium on shares in subsidiary of the Company		18,621,225	18,621,225	-	-
Capital surplus on registered and paid-up share reduction		189,617,759	189,617,759	189,617,759	189,617,759
Retained earnings					
Appropriated					
Legal reserve		153,164,346	153,164,346	153,164,346	153,164,346
Unappropriated		<u>17,510,104,197</u>	<u>16,833,294,392</u>	<u>17,288,449,148</u>	<u>16,694,493,455</u>
Total equity attributable to owners of the Company		<u>30,405,890,735</u>	<u>29,729,080,930</u>	<u>30,165,614,461</u>	<u>29,571,658,768</u>
Non-controlling interests		<u>178,024,856</u>	<u>150,359,619</u>	-	-
Total equity		<u>30,583,915,591</u>	<u>29,879,440,549</u>	<u>30,165,614,461</u>	<u>29,571,658,768</u>
Total liabilities and equity		<u>63,926,753,170</u>	<u>61,603,491,928</u>	<u>62,653,118,951</u>	<u>60,500,989,202</u>

(Signed) Pichai Chunchavajira
(Pichai Chunchavajira)
Chairman

(Signed) Anusorn Sangnimnuan
(Anusorn Sangnimnuan)
President

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of income

For the three-month periods ended 30 June 2012 and 2011 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2012	2011	2012	2011
		(Baht)			
Revenue from sale of goods and rendering of services	4	40,361,630,901	42,906,196,697	39,619,619,191	42,441,941,741
Cost of sale of goods and rendering of services	4	<u>(39,316,165,866)</u>	<u>(38,967,249,591)</u>	<u>(38,798,681,878)</u>	<u>(38,661,973,352)</u>
Gross Profit		1,045,465,035	3,938,947,106	820,937,313	3,779,968,389
Investment income		22,297,982	13,581,322	17,705,820	8,642,580
Other income	4	117,847,968	970,997,369	120,034,451	977,141,628
Selling expenses	4	(660,377,685)	(592,911,876)	(502,441,620)	(452,085,945)
Administrative expenses	4	(241,292,259)	(211,312,710)	(228,851,739)	(205,725,367)
Reversal of allowance for loss (loss) from inventory write - down	7	(1,064,607,236)	28,306,954	(1,061,045,272)	-
Gain (loss) from crude and product oil price hedging contract	4	387,797,053	(277,498,020)	387,797,053	(277,498,020)
Loss from foreign currencies forward contract	4	(353,597,469)	(417,903,092)	(353,597,469)	(417,903,092)
Gain on foreign exchange		18,789,847	153,055,514	18,789,847	153,033,090
Reversal of allowance for loss from impairment of assets		95,812,391	669,073	95,812,391	669,073
Share of profit (loss) of associates	10	<u>(8,939,615)</u>	<u>1,536,973</u>	<u>-</u>	<u>-</u>
Profit (loss) before finance costs and income tax expense		(640,803,988)	3,607,468,613	(684,859,225)	3,566,242,336
Finance costs		<u>(204,419,907)</u>	<u>(190,808,927)</u>	<u>(196,580,239)</u>	<u>(181,964,609)</u>
Profit (loss) before income tax expense		(845,223,895)	3,416,659,686	(881,439,464)	3,384,277,727
Reversal of (income tax expense)		476,039,313	(388,858,697)	474,886,666	(385,697,804)
Profit (loss) for the period		<u>(369,184,582)</u>	<u>3,027,800,989</u>	<u>(406,552,798)</u>	<u>2,998,579,923</u>
Profit (loss) attributable to:					
Owners of the Company		(384,632,061)	3,021,220,175	(406,552,798)	2,998,579,923
Non-controlling interests		<u>15,447,479</u>	<u>6,580,814</u>	<u>-</u>	<u>-</u>
Profit (loss) for the period		<u>(369,184,582)</u>	<u>3,027,800,989</u>	<u>(406,552,798)</u>	<u>2,998,579,923</u>
Earnings (loss) per share					
Basic earnings (loss) per share (in Baht)	21	<u>(0.28)</u>	<u>2.33</u>	<u>(0.30)</u>	<u>2.31</u>
Diluted earnings (loss) per share (in Baht)	21	<u>(0.28)</u>	<u>2.25</u>	<u>(0.30)</u>	<u>2.24</u>

(Signed) Pichai Chunhavajira
(Pichai Chunhavajira)
Chairman

(Signed) Anusorn Sangnimnuan
(Anusorn Sangnimnuan)
President

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Statements of comprehensive income
For the three-month periods ended 30 June 2012 and 2011 (Unaudited)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
<i>Note</i>	2012	2011	2012	2011
			<i>(Baht)</i>	
Profit (loss) for the period	<u>(369,184,582)</u>	<u>3,027,800,989</u>	<u>(406,552,798)</u>	<u>2,998,579,923</u>
Other comprehensive income (loss) for the period, net of income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the period	<u>(369,184,582)</u>	<u>3,027,800,989</u>	<u>(406,552,798)</u>	<u>2,998,579,923</u>
Total comprehensive income (loss) attributable to:				
Owners of the Company	(384,632,061)	3,021,220,175	(406,552,798)	2,998,579,923
Non-controlling interests	<u>15,447,479</u>	<u>6,580,814</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the period	<u>(369,184,582)</u>	<u>3,027,800,989</u>	<u>(406,552,798)</u>	<u>2,998,579,923</u>

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of income

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2012	2011	2012	2011
<i>(Baht)</i>					
Revenue from sale of goods and rendering of services	4	87,971,707,560	78,665,354,371	86,559,631,892	77,824,053,681
Cost of sale of goods and rendering of services	4	(83,597,076,340)	(71,387,369,081)	(82,661,670,323)	(70,993,701,933)
Gross Profit		4,374,631,220	7,277,985,290	3,897,961,569	6,830,351,748
Investment income		52,282,454	23,925,564	43,565,346	102,673,240
Other income	4	166,674,458	1,029,262,287	174,117,430	1,037,526,904
Selling expenses	4	(1,261,435,609)	(1,136,066,048)	(953,695,784)	(863,987,107)
Administrative expenses	4	(474,752,039)	(550,218,126)	(450,817,518)	(536,756,427)
Loss from inventory write - down	7	(1,064,607,236)	(11,518,036)	(1,061,045,272)	-
Gain (loss) from crude and product oil price hedging contract	4	502,283,374	(861,255,431)	502,283,374	(861,255,431)
Gain (loss) from foreign currencies forward contract		113,290,038	(487,878,628)	113,290,038	(487,878,628)
Gain on foreign exchange		250,801,633	184,781,693	250,801,633	184,734,581
Reversal of allowance for loss from impairment of assets		99,909,638	241,431,759	99,909,638	241,431,759
Share of profit (loss) of associate	10	(7,339,409)	1,536,973	-	-
Profit before finance costs and income tax expense		2,751,738,522	5,711,987,297	2,616,370,454	5,646,840,639
Finance costs		(395,669,963)	(400,894,847)	(380,114,033)	(384,006,812)
Profit before income tax expense		2,356,068,559	5,311,092,450	2,236,256,421	5,262,833,827
Income tax expense	20	(274,713,300)	(837,723,174)	(265,420,511)	(827,172,903)
Profit for the period		2,081,355,259	4,473,369,276	1,970,835,910	4,435,660,924
Profit attributable to:					
Owners of the Company		2,053,690,022	4,445,342,705	1,970,835,910	4,435,660,924
Non-controlling interests		27,665,237	28,026,571	-	-
Profit for the period		2,081,355,259	4,473,369,276	1,970,835,910	4,435,660,924
Earnings per share					
Basic earnings per share <i>(in Baht)</i>	21	1.49	3.50	1.43	3.49
Diluted earnings per share <i>(in Baht)</i>	21	1.49	3.35	1.43	3.35

(Signed) Pichai Chunhavajira
(Pichai Chunhavajira)
Chairman

(Signed) Anusorn Sangnimnuan
(Anusorn Sangnimnuan)
President

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Statements of comprehensive income
For the six-month periods ended 30 June 2012 and 2011 (Unaudited)

	Consolidated		Separate	
	<i>Note</i>	financial statements	financial statements	financial statements
	2012	2011	2012	2011
			<i>(Baht)</i>	
Profit for the period	<u>2,081,355,259</u>	<u>4,473,369,276</u>	<u>1,970,835,910</u>	<u>4,435,660,924</u>
Other comprehensive income for the period, net of income tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>2,081,355,259</u>	<u>4,473,369,276</u>	<u>1,970,835,910</u>	<u>4,435,660,924</u>
Total comprehensive income attributable to:				
Owners of the Company	2,053,690,022	4,445,342,705	1,970,835,910	4,435,660,924
Non-controlling interests	<u>27,665,237</u>	<u>28,026,571</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>2,081,355,259</u>	<u>4,473,369,276</u>	<u>1,970,835,910</u>	<u>4,435,660,924</u>

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of changes in equity

For the six-month periods ended 30 June 2012 and 2011 (Unaudited)

Consolidated financial statements

	Note	Share premium		Capital surplus on registered and paid-up share reduction	Retained earnings		Equity attributable to owners of the Company	Non-controlling interests	Total equity	
		Issued and paid-up share capital	Share premium		Share premium on subsidiary of the Company	Legal reserve				Unappropriated
						(Baht)				
Balance at 1 January 2011		1,176,822,958	8,272,622,542	18,621,225	189,617,759	153,164,346	12,805,338,933	22,616,187,763	164,060,860	22,780,248,623
Transactions with owners, recorded directly in equity										
<i>Contributions by and distributions to owners of the Company</i>										
Issue of ordinary shares	18	192,899,501	2,789,068,207	-	-	-	-	2,981,967,708	-	2,981,967,708
Dividends to owners of the Company	22	-	-	-	-	-	(687,228,646)	(687,228,646)	(35,968,668)	(723,197,314)
Total contributions by and distributions to owners of the Company		192,899,501	2,789,068,207	-	-	-	(687,228,646)	2,294,739,062	(35,968,668)	2,258,770,394
Comprehensive income for the period										
Profit or loss		-	-	-	-	-	4,445,342,705	4,445,342,705	28,026,571	4,473,369,276
Other comprehensive income		-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	4,445,342,705	4,445,342,705	28,026,571	4,473,369,276
Balance at 30 June 2011		1,369,722,459	11,061,690,749	18,621,225	189,617,759	153,164,346	16,563,452,992	29,356,269,530	156,118,763	29,512,388,293
Balance at 1 January 2012		1,376,923,157	11,157,460,051	18,621,225	189,617,759	153,164,346	16,833,294,392	29,729,080,930	150,359,619	29,879,440,549
Transactions with owners, recorded directly in equity										
<i>Contributions by and distributions to owners of the Company</i>										
Dividends to owners of the Company	22	-	-	-	-	-	(1,376,880,217)	(1,376,880,217)	-	(1,376,880,217)
Total contributions by and distributions to owners of the Company		-	-	-	-	-	(1,376,880,217)	(1,376,880,217)	-	(1,376,880,217)
Comprehensive income for the period										
Profit or loss		-	-	-	-	-	2,053,690,022	2,053,690,022	27,665,237	2,081,355,259
Other comprehensive income		-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	2,053,690,022	2,053,690,022	27,665,237	2,081,355,259
Balance at 30 June 2012		1,376,923,157	11,157,460,051	18,621,225	189,617,759	153,164,346	17,510,104,197	30,405,890,735	178,024,856	30,583,915,591

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of changes in equity

For the six-month periods ended 30 June 2012 and 2011 (Unaudited)

Separate financial statements

	Note	Issued and paid-up share capital	Share premium	Capital surplus on registered and paid-up share reduction	Retained earnings		Total equity
					Legal reserve	Unappropriated	
Balance at 1 January 2011		1,176,822,958	8,272,622,542	189,617,759	153,164,346	12,634,110,560	22,426,338,165
<i>(Baht)</i>							
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Issue of ordinary shares	18	192,899,501	2,789,068,207	-	-	-	2,981,967,708
Dividends to owners of the Company	22	-	-	-	-	(687,228,646)	(687,228,646)
Total contributions by and distributions to owners of the Company		192,899,501	2,789,068,207	-	-	(687,228,646)	2,294,739,062
Comprehensive income for the period							
Profit or loss		-	-	-	-	4,435,660,924	4,435,660,924
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	4,435,660,924	4,435,660,924
Balance at 30 June 2011		1,369,722,459	11,061,690,749	189,617,759	153,164,346	16,382,542,838	29,156,738,151
Balance at 1 January 2012		1,376,923,157	11,157,460,051	189,617,759	153,164,346	16,694,493,455	29,571,658,768
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Dividends to owners of the Company	22	-	-	-	-	(1,376,880,217)	(1,376,880,217)
Total contributions by and distributions to owners of the Company		-	-	-	-	(1,376,880,217)	(1,376,880,217)
Comprehensive income for the period							
Profit or loss		-	-	-	-	1,970,835,910	1,970,835,910
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	1,970,835,910	1,970,835,910
Balance at 30 June 2012		1,376,923,157	11,157,460,051	189,617,759	153,164,346	17,288,449,148	30,165,614,461

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of cash flows

For the six-month periods ended 30 June 2012 and 2011 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
	<i>(Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	2,081,355,259	4,473,369,276	1,970,835,910	4,435,660,924
<i>Adjustments for</i>				
Depreciation	1,035,019,696	872,904,168	1,007,321,387	847,373,701
Amortisation	74,783,378	102,953,392	74,706,552	102,628,505
(Reversal of) bad and doubtful debts expense	525,527	(2,046,210)	101,130	(2,218,176)
Unrealised loss on foreign exchange	508,345,822	441,613,873	508,345,822	441,613,873
Loss from inventory write - down	1,064,607,236	11,518,036	1,061,045,272	-
Reversal of allowance for impairment of assets	(99,909,638)	(241,431,759)	(99,909,638)	(241,431,759)
(Gain) Loss on disposal of property, plant and equipment	(25,920)	127,492,107	(92,491)	127,489,129
Investment income	(52,282,454)	(23,925,564)	(43,565,346)	(102,673,240)
Provision for employee benefit	52,470,341	48,457,720	50,745,344	46,916,936
Deferred revenue	(592,553)	(720,386)	(592,553)	(720,386)
Share of (profit) loss of associate, net of income tax expense	7,339,409	(1,536,973)	-	-
Finance costs	395,669,963	400,894,847	380,114,033	384,006,812
Income tax expense	274,713,300	837,723,174	265,420,511	827,172,903
	<u>5,342,019,366</u>	<u>7,047,265,701</u>	<u>5,174,475,933</u>	<u>6,865,819,222</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	3,122,456,903	(1,049,485,174)	3,117,207,539	(1,030,975,757)
Inventories	(3,867,944,196)	(5,841,484,008)	(3,926,105,560)	(5,862,057,171)
Other current assets	(840,665,515)	(2,949,712,093)	(848,712,540)	(2,986,866,209)
Other non-current assets	(6,735,540)	(119,732,502)	(7,146,895)	(120,387,673)
Trade accounts payable	643,054,386	(1,621,885,985)	616,944,712	(1,582,843,759)
Other current liabilities	(623,485,941)	(1,759,501,017)	(660,266,536)	(1,648,752,394)
Employee benefit obligations	(7,768,852)	(16,243,954)	(7,768,852)	(16,243,954)
Other non-current liabilities	(20,990,762)	(69,054,004)	(23,137,655)	(70,040,994)
Cash generated from (used in) operating activities	3,739,939,849	(6,379,833,036)	3,435,490,146	(6,452,348,689)
Income tax paid	(15,154,250)	(623,222,300)	(12,096,326)	(620,594,623)
Net cash from (used in) operating activities	<u>3,724,785,599</u>	<u>(7,003,055,336)</u>	<u>3,423,393,820</u>	<u>(7,072,943,312)</u>
<i>Cash flows from investing activities</i>				
Interest received	52,098,524	25,500,389	43,329,653	20,543,864
Increase in current investments	(1,715,614)	(45,925)	-	-
Decrease in long-term investments	17,173	4,092,283	17,173	4,092,283
Net cash outflow from purchase of shares in associate	-	(763,229,520)	-	(763,229,520)
Net cash outflow from issue of subsidiary's share capital	-	-	(462,500,000)	(150,000,000)
Dividend received	-	-	-	83,926,183
Purchase of property, plant and equipment	(1,698,542,443)	(2,350,706,767)	(1,589,401,462)	(2,323,212,611)
Sale of property, plant and equipment	7,443,907	758,643	7,443,907	403,160
Increase in leasehold right	(107,428,027)	(20,400,000)	(107,428,027)	(20,400,000)
Purchase of intangible assets	(17,702,580)	(5,077,000)	(17,569,000)	(4,991,000)
Net cash used in investing activities	<u>(1,765,829,060)</u>	<u>(3,109,107,897)</u>	<u>(2,126,107,756)</u>	<u>(3,152,867,641)</u>

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of cash flows

For the six-month periods ended 30 June 2012 and 2011 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
	<i>(Baht)</i>			
<i>Cash flows from financing activities</i>				
Finance costs paid	(366,436,375)	(351,689,483)	(351,101,762)	(334,886,035)
Increase (decrease) in short-term loans from financial institutions	(2,000,000,000)	5,860,000,000	(2,000,000,000)	5,900,000,000
Proceeds from long - term loans	37,636,575	2,317,750,000	-	2,280,000,000
Proceeds from Debentures	2,994,546,521	-	2,994,546,521	-
Repayment of long - term loans	(273,846,038)	(4,330,142,799)	(225,000,000)	(4,296,453,491)
Dividend paid	(1,376,880,217)	(723,197,314)	(1,376,880,217)	(687,228,646)
Proceeds from exercise of share option	-	1,148,367,708	-	1,148,367,708
Net cash from (used in) financing activities	<u>(984,979,534)</u>	<u>3,921,088,112</u>	<u>(958,435,458)</u>	<u>4,009,799,536</u>
Net decrease in cash and cash equivalents	973,977,005	(6,191,075,121)	338,850,606	(6,216,011,417)
Cash and cash equivalents at 1 January	<u>4,020,710,649</u>	<u>9,109,013,095</u>	<u>3,411,905,210</u>	<u>8,503,955,407</u>
Cash and cash equivalents at 30 June	<u>4,994,687,654</u>	<u>2,917,937,974</u>	<u>3,750,755,816</u>	<u>2,287,943,990</u>

Non-cash transaction

During 2011, the Company issued 129.10 million common shares at Baht 1 per share, totalling Baht 129.10 million to the holders of convertible debentures at Baht 14.30 and 14.00 conversion price resulting in increase in premium on common stock of Baht 1,704.50 million.

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

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The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the directors on 30 July 2012.

1 General information

The Bangchak Petroleum Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office as follows:

Head office : 555/1, Energy Complex Building A, Floor 10th, Vibhavadi Rangsit Road, Chatuchak, Bangkok.

Refinery plant : 210 Moo 1, Soi Sukhumvit 64, Sukhumvit Road, Bangchak, Phakanong, Bangkok.

The Company was listed on the Stock Exchange of Thailand on 23 April 1993.

The Company is a company in the PTT Public Company Limited (“PTT”) group of companies. PTT is incorporated in Thailand and is the major shareholder of the Company, holding 27.22 % of the Company’s issued and paid-up share capital as of 30 June 2012.

The principal businesses of the Company are operating an oil refinery and marketing the finished products through its service stations under its company’s brand. The Company’s oil market includes consumers in various sectors, such as transportation, aviation, shipping, construction, industrial and agriculture. The sale of oil is also made through the major and the minor oil traders. The Company’s other businesses are production and distribution of electricity from solar cell.

Details of the Company’s subsidiaries as at 30 June 2012 and 31 December 2011 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2012	31 December 2011
<i>Direct subsidiaries</i>				
The Bangchak Green Net Co., Ltd.	Manage BCP service stations and consumer goods retailer	Thailand	49.00	49.00
The Bangchak Biofuel Co., Ltd.	Production and distribution of biodiesel	Thailand	70.00	70.00
The Bangchak Solar Energy Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	100.00

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

2 Basis of preparation of the interim financial statements

(a) *Statement of compliance*

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2009) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2011. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2011.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2011.

(b) *Presentation currency*

The interim financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest million unless otherwise stated.

(c) *Use of estimates and judgements*

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2011.

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

3 Impact of severe flooding in Thailand

Part of the Company's operations is a solar power plant operation in Ayutthaya which was affected by the unusual and severe flooding in Thailand. As a result, the 8 megawatt solar power plant project ceased its operations on 16 October 2011 and resumed its operations in April 2012. As at 30 June 2012, the insurers had finalized their assessment of the actual damage suffered and the Company recovered all damages from the insurance settlement. These financial statements include related adjustments in the current period by reversing an allowance for impairment losses amounting to Baht 97.77 Million and recognized the claims from the business interruption and flood protection related expenses of Baht 73.65 million. The 30 megawatt solar power plant project is under construction and the contractor has insurance on these assets.

4 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
PTT Public Company Limited	Thailand	Major shareholder, some common directors
Fuel Pipeline Transportation Ltd.	Thailand	Shareholding, representative from the Company as director
PTT ICT Solutions Co., Ltd.	Thailand	Major shareholder as the Company's shareholder
PTT International Trading Pte. Ltd.	Singapore	Major shareholder as the Company's shareholder
PTT International Trading DMCC	Dubi	Major shareholder as the Company's shareholder
PTT Global Chemical Plc.	Thailand	Major shareholder as the Company's shareholder
IRPC Plc.	Thailand	Major shareholder as the Company's shareholder
Thai Oil Plc.	Thailand	Major shareholder as the Company's shareholder
Energy Complex Co., Ltd.	Thailand	Major shareholder as the Company's shareholder
Star Petroleum Refining Co.,Ltd.	Thailand	Major shareholder as the Company's shareholder
Ubon Bio Ethanol Co., Ltd.	Thailand	Associate, Shareholding 21.28 %
NPC Safety and Environmental Service Co., Ltd.	Thailand	Related Company of Major Shareholder
Thai Lube Base Plc.	Thailand	Related Company of Major Shareholder
IRPC Oil Company., Ltd.	Thailand	Related Company of Major Shareholder
PTTEP Siam Co., Ltd.	Thailand	Related Company of Major Shareholder
Ubon Agricultural Energy Co., Ltd	Thailand	Subsidiary of the Company's associate, representative from the Company as director

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
Thaioil Energy Services Co., Ltd Key management personnel	Thailand Thailand	Related Company of Major Shareholder Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of goods	Market price/ Contractually agreed prices
Rendering of service	Contractually agreed prices
Purchase of goods/raw materials	Market price/ Contractually agreed prices
Receiving of services	Contractually agreed prices
Technical assistance fee	Contractually agreed prices
Royalty expense	Contractually agreed prices

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

Significant transactions for the three-month and six-month periods ended 30 June 2012 and 2011 with related parties were as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Major Shareholder				
Sales of goods	3,601.01	6,247.54	3,493.11	6,176.94
Purchases of raw materials	25,843.04	33,167.06	25,843.04	33,167.06
Other income	27.55	32.59	27.55	32.59
Service expense	74.54	55.79	74.54	55.79
Other expense	0.09	0.40	0.09	0.40
Subsidiaries				
Sales of goods	-	-	6,260.68	5,504.99
Purchases of goods	-	-	898.43	448.96
Other income	-	-	4.80	5.11
Interest expenses	-	-	0.18	0.18
Other expenses	-	-	4.44	3.08
Associate				
Sales of goods	2.90	0.34	2.90	0.34
Other income	0.38	-	0.38	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	19.16	15.27	19.16	15.27
Post-employment benefits and other long-term benefits	1.67	1.02	1.67	1.02
Total key management personnel compensation	20.83	16.29	20.83	16.29
Other related parties				
Sales of goods	2.09	7.87	2.09	7.87
Purchases of raw materials and products	4,845.32	1,659.90	4,845.32	1,659.90
Other income	7.68	7.41	7.68	7.41
Pipeline transportation expenses	45.31	40.62	45.31	40.62
Other expenses	6.14	5.77	6.14	5.77

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Major Shareholder				
Sales of goods	9,659.47	9,899.84	9,445.78	9,829.24
Purchases of raw materials	65,200.46	55,208.90	65,200.46	55,208.90
Other income	59.91	61.20	59.91	61.20
Service expense	138.29	110.67	138.29	110.67
Interest expense	-	1.44	-	1.44
Other expense	0.67	0.56	0.67	0.56
Subsidiaries				
Sales of goods	-	-	12,339.33	10,664.45
Purchases of goods	-	-	1,829.58	1,039.09
Other income	-	-	10.91	10.18
Dividend income	-	-	-	83.93
Interest expenses	-	-	0.37	0.36
Other expenses	-	-	13.90	9.15
Associate				
Sales of goods	6.76	0.34	6.76	0.34
Other income	0.74	-	0.74	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	55.85	48.58	55.85	48.58
Post-employment benefits and other long-term benefits	3.15	2.03	3.15	2.03
Total key management personnel compensation	59.00	50.61	59.00	50.61
Other related parties				
Sales of goods	124.20	7.87	124.20	7.87
Purchases of raw materials and products	6,288.75	7,302.74	6,288.75	7,302.74
Other income	14.98	8.84	14.98	8.84
Pipeline transportation expenses	95.88	72.21	95.88	72.21
Other expenses	29.23	10.98	29.23	10.98

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

Balances as at 30 June 2012 and 31 December 2011 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Trade accounts receivable from related parties				
Major Shareholder				
PTT Public Company Limited	409.80	1,665.43	380.07	1,595.75
Subsidiaries				
The Bangchak Green Net Co., Ltd.	-	-	696.22	689.75
The Bangchak Biofuel Co., Ltd.	-	-	7.40	11.37
Associate				
Ubon Agricultural Energy Co., Ltd	1.85	2.30	1.85	2.30
Other related parties				
Thai Oil Plc.	-	0.48	-	0.48
PTT International Trading Pte. Ltd.	-	37.28	-	37.28
PTT International Trading DMCC	-	120.55	-	120.55
PTT Global Chemical Plc.	-	0.41	-	0.41
Star Petroleum Refining Co.,Ltd.	-	11.56	-	11.56
Fuel Pipeline Transportation Ltd.	2.07	0.98	2.07	0.98
	<u>413.72</u>	<u>1,838.99</u>	<u>1,087.61</u>	<u>2,470.43</u>
Less allowance for doubtful accounts	-	-	-	-
Net	<u>413.72</u>	<u>1,838.99</u>	<u>1,087.61</u>	<u>2,470.43</u>
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Bad and doubtful debts expense for the three-month period ended 30 June	-	-	-	-
six-month period ended 30 June	-	-	-	-

Trade accounts payable to related parties

Major Shareholder				
PTT Public Company Limited	6,172.37	7,698.21	6,172.37	7,698.21
Subsidiaries				
The Bangchak Green Net Co., Ltd.	-	-	2.70	9.45
The Bangchak Biofuel Co., Ltd.	-	-	148.46	87.62
The Bankchak Solar Energy Co., Ltd.	-	-	0.89	-
Other related parties				
Thai Oil Public Co., Ltd.	1,795.19	181.83	1,795.19	181.83
IRPC Plc.	346.79	-	346.79	-
IRPC Oil Plc.	1.65	-	1.65	-
Thai Lube Base Public Co., Ltd.	4.87	1.95	4.87	1.95
Total	<u>8,320.87</u>	<u>7,881.99</u>	<u>8,472.92</u>	<u>7,979.06</u>

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Other accounts payable to related parties				
Major Shareholder				
PTT Public Company Limited	329.54	411.20	329.54	411.20
Subsidiary				
The Bangchak Solar Energy Co., Ltd.	-	-	-	1.38
Other related parties				
Fuel Pipeline Transportation Ltd.	13.18	15.90	13.18	15.90
Energy complex company Ltd.	0.06	0.06	0.06	0.06
PTT ICT Solutions Co., Ltd.	0.01	0.01	0.01	0.01
Total	342.79	427.17	342.79	428.55
Investment in subsidiaries				
The Bangchak Green Net Co., Ltd.	-	-	0.49	0.49
The Bangchak Biofuel Co., Ltd.	-	-	197.05	197.05
The Bangchak Solar Energy Co., Ltd.	-	-	612.50	150.00
Total	-	-	810.04	347.54
Investment in associate				
Ubon Bio Ethanol Co., Ltd.	738.14	745.48	763.23	763.23
Other current assets - net				
Major Shareholder				
PTT Public Company Limited	138.76	129.06	138.76	129.06
Associate				
Ubon Bio Ethanol Co., Ltd.	0.27	0.13	0.27	0.13
Total	139.03	129.19	139.03	129.19
Tariff prepayment				
Other related party				
Fuel Pipeline Transportation Ltd.	99.35	99.35	99.35	99.35
Less allowance for doubtful accounts	(87.35)	(87.35)	(87.35)	(87.35)
Net	12.00	12.00	12.00	12.00
Other non-current assets				
Other related party				
Energy Complex Company Limited	4.51	4.51	4.51	4.51
Other current liabilities				
Subsidiary				
The Bangchak Green Net Co., Ltd.	-	-	27.59	27.23
Other non-current liabilities				
Other related party				
Fuel Pipeline Transportation Ltd.	5.11	5.35	5.11	5.35

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2012 (Unaudited)

Significant agreements with related parties

Fuel Pipeline Transportation Agreement

In 1997, the Company entered into a fuel pipeline transportation agreement with a related company. The related company will provide transportation service of fuel products to Don-muang and Suvarnabhumi International Airport and transportation service for petroleum products to fuel depot at Bang-pa-in. The agreement has no specific expiry date and can be terminated by either party by giving at least 60 days written notice for termination to the other party.

Feedstock Supply Agreement

In 2006, the Company entered into Feedstock Supply Agreement, to enhance the Company's feedstock supply, whereby the major shareholder will supply crude oil and other feedstocks for the refinery process commencing from 16 May 2006 and shall be in effect for a period of twelve years after PQI's commercial operation date.

Crude Oil Supply and Oil-Products Sales and Purchase Agreement

In 2006, the Company entered into Sale and Purchase Agreement with the major shareholder, to accommodate the additional Gasoline production outputs from the PQI project after commercial operation date. The major shareholder will purchase minimum level of 30% of refined petroleum products (not include aviation fuel and fuel oil) from the refinery. This agreement shall be in effect for a period of twelve years after PQI's commercial operation date.

Since 2007, the Company has entered into five oil products purchase agreements with related companies. The related companies will provide oil products at quantities and prices as stipulated in the agreement. The agreement has no specified expiry date and can be terminated by either party by giving at least 90 days written notice for termination to the other party.

Bio-diesel Sales and Purchase Agreement

In 2008, the Company entered into a Bio-diesel Sales and Purchase Agreement with a subsidiary for a period of seven years starting from the commencement of the Bio-diesel Plant's commercial operations. The Company will purchase bio-diesel oil at yearly average volumes not less than 60% of maximum bio-diesel production capacity at the market prices as stipulated in the agreement.

Gas Sales and Purchase Agreement

In 2008, the Company entered into Gas Sales and Purchase Agreement with the major shareholder for the refinery process for a period of ten years commencing on the first date of Gas delivery by the major shareholder and the Company receive this gas with the service fee as stipulated in the agreement.

Service Station Operating Right Agreement

In 2010, the Company entered into Service Station Operating Right Agreement which include the right to operate within service station with a subsidiary for a period of three years. The subsidiary agreed to pay the fee at agreed prices as stipulated in the agreement. For mutual interest under the agreement, the subsidiary agreed to purchase the finish oil products at contractually agreed prices.

The Bangchak Petroleum Public Company Limited and its Subsidiaries
Notes to the interim financial statements
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Store Operation Right Agreement

In 2010, the Company entered into Store Operation Right Agreement with a subsidiary for a period of three years to operate many retail stores within service stations under the Company's brand. The subsidiary agreed to pay the fee under agreed prices as stipulated in the agreement.

Cogeneration Purchase and Sale Agreement

On 25 February 2008, the Company entered into Cogeneration Project Agreement with the major shareholder under which the major shareholder invests in the construction of a cogeneration power plant to generate 19.7 MW of electricity and 90 metric tons per hour of steam to sell to the Company. Commercial operation has started since June 2010 at the selling price as stipulated in the agreement.

Petroleum and Gas Tank Storage Service Agreement

The Company entered into Petroleum and Gas Tank Storage Service Agreement with the major shareholder for a period of 15 years from 1 January 2009 to 31 December 2023 with the service fee as stipulated in the agreement.

Office Rental and Service Agreement

On 15 December 2009, the Company entered into office rental and service agreement with a related company for a period of 3 years commencing from 1 January 2010 to 31 December 2012 and with a renewable option for another period of 3 years. Office rental fees and conditions are as stipulated in the agreement.

Establishment and Management Service Agreement for NGV Service Station

The Company entered into establishment and management service agreement for NGV service station with the major shareholder. The major shareholder has the right to utilise the lands and/or lands with building. The Company will receive the fee for land utilisation and management fee for service station as stipulated in the agreements. Establishment agreements shall be in effect for a period of 8 - 23 years which will be expired between 2016 - 2031. Management service agreement for service station shall be effect for 1 year which will be annually reviewed.

Management Service Agreement for Electricity Generation from Solar Cell

The Company entered into management service agreement with a subsidiary for managing and producing electricity from solar cell and green energy learning center. The Company agreed to pay the fee on monthly basis with fees and conditions as stipulated in the agreement. The agreement will expire in July 2012.

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5 Investments

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Current investments				
Short-term deposits at financial institutions	11.54	9.82	-	-
	11.54	9.82	-	-
Other long-term investments				
Non-marketable equity securities				
Fuel Pipeline Transportation Ltd.	181.75	181.75	181.75	181.75
Less Allowance for impairment	(181.75)	(181.75)	(181.75)	(181.75)
ASEAN Potash Mining Public Company Limited	173.24	173.24	173.24	173.24
MFC Energy Fund	126.22	126.22	126.22	126.22
Less Allowance for impairment	(15.80)	(17.90)	(15.80)	(17.90)
Non-marketable equity securities - net	283.66	281.56	283.66	281.56
Debt securities held to maturity				
Government bonds	3.00	3.00	3.00	3.00
Add Premium on investments	0.07	0.09	0.07	0.09
Debt securities held to maturity - net	3.07	3.09	3.07	3.09
Other long-term investments	286.73	284.65	286.73	284.65
Total	298.27	294.47	286.73	284.65

6 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
		<i>(in million Baht)</i>			
Related parties	4	413.72	1,838.99	1,087.61	2,470.43
Other parties		4,586.96	6,286.14	4,513.50	6,247.96
		5,000.68	8,125.13	5,601.11	8,718.39
Less allowance for doubtful accounts		(47.79)	(52.81)	(47.45)	(50.42)
Net		4,952.89	8,072.32	5,553.66	8,667.97
		2012	2011	2012	2011
		<i>(in million Baht)</i>			
(Reversal of) bad and doubtful debts expense for the three-month period ended 30 June		(0.15)	(0.41)	(0.01)	0.02
(Reversal of) bad and doubtful debts expense for the six-month period ended 30 June		(1.95)	(0.47)	0.10	(0.04)

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Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	413.72	1,838.99	1,087.61	2,470.43
Less allowance for doubtful accounts	-	-	-	-
Net	413.72	1,838.99	1,087.61	2,470.43
Other parties				
Within credit terms	4,488.41	6,169.90	4,417.32	6,137.64
Overdue:				
Less than 3 months	49.39	62.52	47.17	58.91
3-6 months	1.48	1.58	1.47	1.45
6-12 months	0.71	0.03	0.71	0.03
Over 12 months	46.97	52.11	46.83	49.93
	4,586.96	6,286.14	4,513.50	6,247.96
Less allowance for doubtful accounts	(47.79)	(52.81)	(47.45)	(50.42)
Net	4,539.17	6,233.33	4,466.05	6,197.54
Total	4,952.89	8,072.32	5,553.66	8,667.97

The normal credit term granted by the Group ranges from 19 days to 60 days.

7 Inventories

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Crude oil	13,125.22	10,113.46	13,058.41	10,011.41
Finished oil products	6,883.72	6,066.21	6,560.18	5,713.11
Materials and supplies	557.84	524.56	550.31	518.28
Consumer products	49.86	52.54	-	-
	20,616.64	16,756.77	20,168.90	16,242.80
Less: allowance for obsolete and slow moving	(98.59)	(98.54)	(97.70)	(97.70)
Less: allowance for decline in value	(1,064.61)	-	(1,061.04)	-
Net	19,453.44	16,658.23	19,010.16	16,145.10

As at 30 June 2012 and 31 December 2011, the Company's inventories included petroleum legal reserve of 451.10 million litres with an approximate value of Baht 10,310.89 million and 464.64 million litres with an approximate value of Baht 10,251.36 million, respectively.

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8 Other current assets

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Receivable from oil hedging contracts	216.38	141.83	216.38	141.83
Value added tax receivable	1,373.34	822.35	1,370.00	822.35
Prepayment of corporate income tax	56.52	56.46	50.50	50.50
Prepayment of utilities expense - net	138.76	129.06	138.76	129.06
Others	253.21	130.03	238.08	107.68
Total	<u>2,038.21</u>	<u>1,279.73</u>	<u>2,013.72</u>	<u>1,251.42</u>

Prepayment of utilities expense - net is for steam and electricity which the Company has provided allowance for quantity which is not expected to be utilized in accordance with the contract's terms and is under negotiation with contractor.

9 Investments in subsidiaries

<i>Six-month period ended 30 June</i>	Separate financial statements	
	2012	2011
	<i>(in million Baht)</i>	
At 1 January	347.54	197.54
Acquisitions	462.50	150.00
At 30 June	<u>810.04</u>	<u>347.54</u>

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Investments in subsidiaries as at 30 June 2012 and 31 December 2011, and dividend income from those investments for the six-month periods ended 30 June 2012 and 2011 were as follows:

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		Cost – net of impairment		Dividend income for six months ended	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	30 June 2011
	(%)						<i>(in million Baht)</i>					
<i>Subsidiaries</i>												
The Bangchak Green Net Co., Ltd.	49.00	49.00	1.00	1.00	0.49	0.49	-	-	0.49	0.49	-	-
The Bangchak Biofuel Co., Ltd	70.00	70.00	281.50	281.50	197.05	197.05	-	-	197.05	197.05	-	83.93
The Bangchak Solar Energy Co., Ltd.	100.00	100.00	612.50	150.00	612.50	150.00	-	-	612.50	150.00	-	-
Total					810.04	347.54	-	-	810.04	347.54	-	83.93

Increase of investment in subsidiary

At the Annual General Meeting of The Shareholders of the Bangchak Solar Energy Co., Ltd, held on 30 April 2012, the shareholders approved the increase of registered share capital from Baht 150 million (divided into 1.5 million shares at par value of Bath 100) to Baht 2,000 million (divided into 20 million shares at par value of Baht 100) of which such company called up 25% of new registered share capital of Baht 25 per share, totalling Baht 462.5 million

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10 Investments in equity-accounted investees

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
<i>Six-month period ended 30 June</i>				
	<i>(in million Baht)</i>			
Associate				
At 1 January	745.48	-	763.23	-
Acquisition	-	763.23	-	763.23
Share of net profit (loss) of equity- accounted associate	(7.34)	1.54	-	-
At 30 June	<u>738.14</u>	<u>764.77</u>	<u>763.23</u>	<u>763.23</u>

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Investments in equity-accounted investees as at 30 June 2012 and 31 December 2011, and dividend income for the six-month periods ended 30 June 2012 and 2011 were as follows:

	Consolidated financial statements													
	Ownership interest		Paid-up capital		Cost		Equity		Impairment		Equity – net of impairment		Dividend income for six-month periods ended	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	30 June 2011
	(<i>%</i>)													
Associate														
Ubon Bio Ethanol Co., Ltd.	21.28	21.28	2,740.00	2,740.00	<u>763.23</u>	<u>763.23</u>	<u>738.14</u>	<u>745.48</u>	-	-	<u>738.14</u>	<u>745.48</u>	-	-
Total					<u>763.23</u>	<u>763.23</u>	<u>738.14</u>	<u>745.48</u>	<u>-</u>	<u>-</u>	<u>738.14</u>	<u>745.48</u>	<u>-</u>	<u>-</u>

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Separate financial statements

	Ownership interest		Paid-up capital		Cost		Impairment		Cost – net of impairment		Dividend income for the six-month periods ended	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	(<i>%</i>)						<i>(in million Baht)</i>					
Associate												
Ubon Bio Ethanol Co., Ltd.	21.28	21.28	2,740.00	2,740.00	763.23	763.23	-	-	763.23	763.23	-	-
Total					763.23	763.23	-	-	763.23	763.23	-	-

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11 Property, plant and equipment

(a) The Group

	Consolidated financial statements								
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments <i>(in million Baht)</i>	Platinum Catalyst	Vehicles	Construction work in progress	Total
<i>Cost</i>									
At 1 January 2011	914.07	787.46	30,235.89	-	4,058.14	312.56	169.80	940.41	37,418.33
Additions	82.77	1.06	1.44	-	4.59	-	2.47	5,173.19	5,265.52
Transfers	0.08	44.09	2,375.63	743.71	165.60	-	17.41	(3,344.56)	1.96
Disposals	-	(22.66)	(317.83)	-	(155.75)	(69.76)	(8.08)	-	(574.08)
At 31 December 2011 and 1 January 2012	996.92	809.95	32,295.13	743.71	4,072.58	242.80	181.60	2,769.04	42,111.73
Additions	3.47	-	8.54	-	0.92	-	4.13	1,699.37	1,716.43
Transfers	2.48	13.87	185.91	-	82.24	-	6.44	(291.93)	(0.99)
Disposals	-	(0.03)	(46.40)	-	(35.77)	-	-	-	(82.20)
At 30 June 2012	1,002.87	823.79	32,443.18	743.71	4,119.97	242.80	192.17	4,176.48	43,744.97
<i>Depreciation and impairment losses</i>									
At 1 January 2011	(255.60)	(410.31)	(10,355.12)	-	(2,726.45)	-	(104.93)	-	(13,852.41)
Depreciation charge for the year	-	(31.58)	(1,571.79)	(12.40)	(268.63)	-	(18.39)	-	(1,902.79)
(Loss) Reversal of impairment losses	241.54	-	(16.00)	(97.77)	28.34	-	-	-	156.11
Disposals	-	19.34	289.13	-	130.41	-	7.74	-	446.62
At 31 December 2011 and 1 January 2012	(14.06)	(422.55)	(11,653.78)	(110.17)	(2,836.33)	-	(115.58)	-	(15,152.47)
Depreciation charge for the period	-	(16.00)	(857.65)	(15.32)	(135.03)	-	(10.94)	-	(1,034.94)
Reversal of impairment losses	-	-	-	97.77	-	-	-	-	97.77
Disposals	-	0.01	40.02	-	33.51	-	-	-	73.54
At 30 June 2012	(14.06)	(438.54)	(12,471.41)	(27.72)	(2,937.85)	-	(126.52)	-	(16,016.10)

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	Consolidated financial statements								
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments <i>(in million Baht)</i>	Platinum Catalyst	Vehicles	Construction work in progress	Total
<i>Net book value</i>									
At 1 January 2011	658.47	377.15	19,880.77	-	1,331.69	312.56	64.87	940.41	23,565.92
At 31 December 2011 and 1 January 2012	982.86	387.40	20,641.35	633.54	1,236.25	242.80	66.02	2,769.04	26,959.26
At 30 June 2012	988.81	385.25	19,971.77	715.99	1,182.12	242.80	65.65	4,176.48	27,728.87

As at 30 June 2012, a subsidiary has mortgaged its land, buildings and machinery as collateral with financial institutions for credit facilities totaling Baht 799.85 million (*31 December 2011: Baht 760.55 million*).

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(b) The Company

	Separate financial statements								Total
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments <i>(in million Baht)</i>	Platinum Catalyst	Vehicles	Construction work in progress	
Cost									
At 1 January 2011	868.19	569.82	29,658.04	-	4,019.42	312.57	155.99	920.15	36,504.18
Additions	-	-	-	-	-	-	-	5,145.39	5,145.39
Transfers	0.08	44.06	2,356.24	743.71	165.60	-	17.41	(3,325.14)	1.96
Disposals	-	(22.66)	(317.83)	-	(152.88)	(69.76)	(7.37)	-	(570.50)
At 31 December 2011 and 1 January 2012	868.27	591.22	31,696.45	743.71	4,032.14	242.81	166.03	2,740.40	41,081.03
Additions	-	-	8.22	-	-	-	-	1,597.00	1,605.22
Transfers	2.48	3.82	133.48	-	82.24	-	6.44	(229.42)	(0.96)
Disposals	-	-	(46.35)	-	(31.75)	-	-	-	(78.10)
At 30 June 2012	870.75	595.04	31,791.80	743.71	4,082.63	242.81	172.47	4,107.98	42,607.19
Depreciation and impairment losses									
At 1 January 2011	(255.60)	(398.18)	(10,317.50)	-	(2,697.40)	-	(99.99)	-	(13,768.67)
Depreciation charge for the year	-	(20.65)	(1,536.23)	(12.40)	(265.16)	-	(15.83)	-	(1,850.27)
(Loss) Reversal of impairment losses	241.54	-	(16.00)	(97.77)	28.34	-	-	-	156.11
Disposals	-	19.34	289.13	-	127.58	-	7.37	-	443.42
At 31 December 2011 and 1 January 2012	(14.06)	(399.49)	(11,580.60)	(110.17)	(2,806.64)	-	(108.45)	-	(15,019.41)
Depreciation charge for the period	-	(10.51)	(839.01)	(15.32)	(133.12)	-	(9.38)	-	(1,007.34)
Reversal of impairment losses	-	-	-	97.77	-	-	-	-	97.77
Disposals	-	-	39.98	-	29.50	-	-	-	69.48
At 30 June 2012	(14.06)	(410.00)	(12,379.63)	(27.72)	(2,910.26)	-	(117.83)	-	(15,859.50)

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	Separate financial statements								
	Land	buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments <i>(in million Baht)</i>	Platinum catalyst	Vehicles	Construction work in progress	Total
<i>Net book value</i>									
At 1 January 2011	<u>612.59</u>	<u>171.64</u>	<u>19,340.54</u>	<u>-</u>	<u>1,322.02</u>	<u>312.57</u>	<u>56.00</u>	<u>920.15</u>	<u>22,735.51</u>
At 31 December 2011 and 1 January 2012	<u>854.21</u>	<u>191.73</u>	<u>20,115.85</u>	<u>633.54</u>	<u>1,225.50</u>	<u>242.81</u>	<u>57.58</u>	<u>2,740.40</u>	<u>26,061.62</u>
At 30 June 2012	<u>856.69</u>	<u>185.04</u>	<u>19,412.17</u>	<u>715.99</u>	<u>1,172.37</u>	<u>242.81</u>	<u>54.64</u>	<u>4,107.98</u>	<u>26,747.69</u>

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12 Deferred tax

Deferred tax assets and liabilities as at 30 June 2012 and 31 December 2011 were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Deferred tax assets	185.79	179.07	185.79	179.07
Deferred tax liabilities	(106.21)	(6.87)	(106.21)	(6.87)
Net	79.58	172.20	79.58	172.20

Movements in total deferred tax assets and liabilities for the six-month period ended 30 June 2012 and 2011 were as follows:

	Consolidated and Separate financial statements		
	At 1 January 2012	(Charged) / credited to Statement of income (Note 20) <i>(in million Baht)</i>	At 30 June 2012
<i>Deferred tax assets</i>			
Employee benefit obligations	168.99	7.31	176.30
Others	10.08	(0.59)	9.49
Total	179.07	6.72	185.79
<i>Deferred tax liability</i>			
Property, plant and equipment	(6.87)	1.25	(5.62)
Inventories	-	(100.59)	(100.59)
Total	(6.87)	(99.34)	(106.21)
Net	172.20	(92.62)	79.58

	Consolidated and Separate financial statements		
	At 1 January 2011	(Charged) / credited to Statement of income (Note 20) <i>(in million Baht)</i>	At 30 June 2011
<i>Deferred tax assets</i>			
Employee benefit obligations	221.35	13.70	235.05
Others	21.19	(0.01)	21.18
Total	242.54	13.69	256.23
<i>Deferred tax liability</i>			
Property, plant and equipment	(13.09)	1.64	(11.45)
Total	(13.09)	1.64	(11.45)
Net	229.45	15.33	244.78

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13 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Fixed deposit for staff welfare	377.46	376.71	377.46	376.71
Deferred expenses for the issuance of long-term loans	163.38	172.34	159.43	167.86
Others	77.43	72.59	76.80	71.92
Total	618.27	621.64	613.69	616.49

14 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Accrued expenses	368.38	709.27	277.97	652.49
Other accounts payable	607.08	430.84	594.60	412.05
Retention	415.13	373.23	441.70	399.33
Current portion of non-current liabilities	104.70	82.00	101.90	80.03
Value added tax payable	13.62	10.66	-	-
Others	332.21	296.50	325.06	295.50
Total	1,841.12	1,902.50	1,741.23	1,839.40

15 Loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Current				
Short-term loans from financial institutions				
secured	-	-	-	-
unsecured	-	2,000.00	-	2,000.00
	-	2,000.00	-	2,000.00
Current portion of long-term loans from financial institutions				
secured	110.77	101.36	-	-
unsecured	670.08	450.00	670.08	450.00
	780.85	551.36	670.08	450.00
Total Current	780.85	2,551.36	670.08	2,450.00

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	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Non-current				
Long-term loans from financial institutions				
secured	437.55	458.17	-	-
unsecured	15,126.92	15,572.00	15,126.92	15,572.00
Total Non-current	15,564.47	16,030.17	15,126.92	15,572.00
Total	16,345.32	18,581.53	15,797.00	18,022.00

Movement in the long-term loans from financial institutions for the six-month periods ended 30 June 2012 and 2011:

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
At 1 January	16,581.53	17,640.74	16,022.00	17,091.45
Increase	37.64	2,317.75	-	2,280.00
Decrease	(273.85)	(4,330.15)	(225.00)	(4,296.45)
At 30 June	16,345.32	15,628.34	15,797.00	15,075.00

On 4 and 24 January 2011, the Company repaid a long-term loan totalling Baht 4,141.45 million from the total long-term loan outstanding of Baht 13,141.45 million. Subsequently on 26 January 2011, the Company entered into a debt refinancing agreement with a consortium of four local financial institutions for a long-term loan totalling Baht 9,000 million bearing interest at a rate referenced to THBFIX of 6 months plus margin. The Company is required to comply with certain conditions under the debt refinancing agreement and maintain certain financial ratios as specified in the agreement.

16 Debentures

As at 30 April 2012, the Company issued 7- years term debentures with a value totaling Baht 2,000 million, bearing interest at the rate of 4.92 % per annum and maturing on 30 April 2019. And, 10 - years term debentures with a value totaling Baht 1,000 million, bearing interest at the rate of 5.35 % per annum and maturing on 30 April 2022. Both debentures totaling Baht 3,000 million are named-registered, unsubordinated, unsecured and no bond holder representative with a face value of Baht 1,000 each with interest payment dates on 30 June and 30 December.

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The detail of debentures as at 30 June 2012 and 31 December 2011 were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Debentures	3,000.00	-	3,000.00	-
Less: Unamortized deferred expenses on debentures	(5.34)	-	(5.34)	-
Total	<u>2,994.66</u>	<u>-</u>	<u>2,994.66</u>	<u>-</u>

In connection with the terms of the rights and responsibilities of the debentures issuer, the company, as the issuer, has to comply with certain restrictions and conditions as stipulated therein, such as maintaining certain financial ratios etc.

17 Employee benefit obligations

Movement in the present value of the defined benefit obligations:

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
<i>Six-month period ended 30 June</i>				
Defined benefit obligations at 1 January	839.95	759.50	830.97	752.84
Benefits paid by the plan	(7.77)	(16.25)	(7.77)	(16.25)
Current service costs and interest	52.47	48.46	50.75	46.92
Defined benefit obligations at 30 June	<u>884.65</u>	<u>791.71</u>	<u>873.95</u>	<u>783.51</u>

18 Share capital

	Par value per share <i>(in Baht)</i>	2012		2011	
		Number	Baht	Number	Baht
		<i>(million shares / million Baht)</i>			
<i>Authorised</i>					
At 1 January					
ordinary shares	1	<u>1,531.64</u>	<u>1,531.64</u>	<u>1,531.64</u>	<u>1,531.64</u>
At 30 June					
ordinary shares	1	<u>1,531.64</u>	<u>1,531.64</u>	<u>1,531.64</u>	<u>1,531.64</u>
<i>Issued and paid-up</i>					
At 1 January					
ordinary shares	1	1,376.92	1,376.92	1,176.82	1,176.82
Issue of new shares	1	<u>-</u>	<u>-</u>	<u>192.90</u>	<u>192.90</u>
At 30 June					
ordinary shares	1	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,369.72</u>	<u>1,369.72</u>

During January to June 2011, the Company increased new ordinary share capital by 192.90 million shares with a par value of Baht 1 each, totalling Baht 192.90 million. The details were as follows:

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Date	Number of shares (million shares)	Description
5 January 2011	72.73	Supporting the conversion of convertible debentures
1 April 2011	14.54	Supporting the conversion of convertible debentures
4 April 2011	0.70	Supporting the exercise of warrants
24 May 2011	63.10	Supporting the exercise of warrants
21 June 2011	41.83	Supporting the conversion of convertible debentures
	<u>192.90</u>	

19 Segment information

Segment information is presented in respect of the Group's business. The primary format, business segments is based on the Group's management and internal reporting structure.

Business segments

The Group comprises the following main business segments:

<i>Segment 1</i>	Refinery
<i>Segment 2</i>	Marketing
<i>Segment 3</i>	Production of electricity from solar cell

Profit (loss) results, based on consolidated business segments for the six-month periods ended 30 June 2012 and 2011 were as follows:

	Refinery	Marketing	2012 Production of electricity from solar cell (in million Baht)	Eliminations	Total
Sales	84,355.48	68,862.04	40.01	(65,285.82)	87,971.71
Cost of sales	<u>(82,398.14)</u>	<u>(66,469.26)</u>	<u>(15.50)</u>	<u>65,285.82</u>	<u>(83,597.08)</u>
Gross profit	1,957.34	2,392.78	24.51	-	4,374.63
Investment income	38.30	13.41	0.57	-	52.28
Other income	33.76	60.58	72.33	-	166.67
Selling and administrative expenses	(340.53)	(1,388.07)	(7.58)	-	(1,736.18)
Loss from inventory write-down	(1,061.05)	(3.56)	-	-	(1,064.61)
Gain on crude and product oil price hedging contract	502.28	-	-	-	502.28
Gain on foreign currency forward contract	113.29	-	-	-	113.29
Gain on foreign exchange	250.80	-	-	-	250.80
Reversal of allowance for loss from impairment of assets	1.83	0.31	97.77	-	99.91
Share of loss of associate	<u>(7.33)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7.33)</u>
Profit before finance costs and income tax expense	<u>1,488.69</u>	<u>1,075.45</u>	<u>187.60</u>	<u>-</u>	<u>2,751.74</u>
Finance costs					(395.67)
Income tax expense					<u>(274.71)</u>
Profit for the period					<u>2,081.36</u>

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	2011			
	Refinery	Marketing	Eliminations	Total
	<i>(in million Baht)</i>			
Sales	75,884.67	57,380.03	(54,599.35)	78,665.35
Cost of sales	<u>(70,371.50)</u>	<u>(55,615.22)</u>	<u>54,599.35</u>	<u>(71,387.37)</u>
Gross profit	5,513.17	1,764.81	-	7,277.98
Investment income	16.71	7.21	-	23.92
Other income	969.36	59.90	-	1,029.26
Selling and administrative expenses	(421.46)	(1,264.82)	-	(1,686.28)
Loss from inventory write - down	(9.84)	(1.68)	-	(11.52)
Loss from crude and product oil price hedging contract	(861.25)	-	-	(861.25)
Loss from foreign currencies forward contract	(487.83)	-	-	(487.83)
Gain on foreign exchange	184.73	-	-	184.73
Reversal of allowance for loss from impairment of assets	210.04	31.39	-	241.43
Share of profit of associate	<u>1.54</u>	<u>-</u>	<u>-</u>	<u>1.54</u>
Profit before finance costs and income tax expense	<u>5,115.17</u>	<u>596.81</u>	<u>-</u>	5,711.98
Finance costs				(400.89)
Income tax				(837.72)
Profit for the period				<u>4,473.37</u>

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20 Income tax expense

<i>Six-month period ended 30 June</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
		<i>(in million Baht)</i>			
Current tax expense					
Current year		453.50	774.68	444.21	764.13
Under (Over) in prior years		<u>(271.41)</u>	<u>78.37</u>	<u>(271.41)</u>	<u>78.37</u>
		<u>182.09</u>	<u>853.05</u>	<u>172.80</u>	<u>842.50</u>
Deferred tax expense					
Movements in temporary differences	12	<u>92.62</u>	<u>(15.33)</u>	<u>92.62</u>	<u>(15.33)</u>
		<u>92.62</u>	<u>(15.33)</u>	<u>92.62</u>	<u>(15.33)</u>
Total		<u>274.71</u>	<u>837.72</u>	<u>265.42</u>	<u>827.17</u>

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period. The Group's consolidated effective tax rate for the six-months ended 30 June 2012 was 11.62% (30 June 2011: 15.77%). This change in effective tax rate were caused mainly from profit exemption derived from promoted activities and reduction in the corporate income tax rate for 2012 and subsequent years pursuant to the Cabinet announcement on 11 October 2011.

21 Earnings (loss) per share

Basic earnings (loss) per share

The calculation of basic earnings (loss) per share for the three-month and six-month periods ended 30 June 2012 and 2011 were based on the profit for the periods attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the periods as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht / million shares)</i>			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(384.63)</u>	<u>3,021.22</u>	<u>(406.55)</u>	<u>2,988.58</u>
Number of ordinary shares outstanding at 1 January	1,376.92	1,176.82	1,376.92	1,176.82
Effect of shares issued during the period	<u>-</u>	<u>118.90</u>	<u>-</u>	<u>118.90</u>
Weighted average number of ordinary shares outstanding	<u>1,376.92</u>	<u>1,295.72</u>	<u>1,376.92</u>	<u>1,295.72</u>
Earnings (loss) per share (basic) (in Baht)	<u>(0.28)</u>	<u>2.33</u>	<u>(0.30)</u>	<u>2.31</u>

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<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>2,053.69</u>	<u>4,445.34</u>	<u>1,970.84</u>	<u>4,435.66</u>
Number of ordinary shares outstanding at 1 January	1,376.92	1,176.82	1,376.92	1,176.82
Effect of shares issued during the period	-	94.33	-	94.33
Weighted average number of ordinary shares outstanding	<u>1,376.92</u>	<u>1,271.15</u>	<u>1,376.92</u>	<u>1,271.15</u>
Earnings per share (basic) (in Baht)	<u>1.49</u>	<u>3.50</u>	<u>1.43</u>	<u>3.49</u>

Diluted earnings (loss) per share

The calculation of diluted earnings (loss) per share for the three-month and six-month periods 30 June 2012 and 2011 were based on the profit for the periods attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the periods after adjusting for the effects of all dilutive potential ordinary shares as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht / million shares)</i>			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	(384.63)	3,021.22	(406.55)	2,998.58
After-tax effect of interest on convertible debentures	-	0.69	-	0.69
Profit (loss) attributable to ordinary shareholders of the Company (diluted)	<u>(384.63)</u>	<u>3,021.91</u>	<u>(406.55)</u>	<u>2,999.27</u>
Weighted average number of ordinary shares outstanding (basic)	1,376.92	1,295.72	1,376.92	1,295.72
Effect of conversion of convertible Debentures	-	44.43	-	44.43
Weighted average number of ordinary shares outstanding (diluted)	<u>1,376.92</u>	<u>1,340.15</u>	<u>1,376.92</u>	<u>1,340.15</u>
Earnings (loss) per share (diluted) (in Baht)	<u>(0.28)</u>	<u>2.25</u>	<u>(0.30)</u>	<u>2.24</u>

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<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	2,053.69	4,445.34	1,970.84	4,435.66
After-tax effect of interest on convertible debentures	-	4.59	-	4.59
Profit attributable to ordinary shareholders of the Company (diluted)	<u>2,053.69</u>	<u>4,449.93</u>	<u>1,970.84</u>	<u>4,440.25</u>
Weighted average number of ordinary shares outstanding (basic)	1,376.92	1,271.15	1,376.92	1,271.15
Effect of conversion of convertible Debentures	-	55.56	-	55.56
Weighted average number of ordinary shares outstanding (diluted)	<u>1,376.92</u>	<u>1,326.71</u>	<u>1,376.92</u>	<u>1,326.71</u>
Earnings per share (diluted) (in Baht)	<u>1.49</u>	<u>3.35</u>	<u>1.43</u>	<u>3.35</u>

22 Dividend

At the annual general meeting of the Shareholders, held on 3 April 2012, the shareholders approved the appropriation of annual dividend at the rate of Baht 1.65 per share, totalling Baht 2,271.85 million, of which Baht 0.65 per share, totalling Baht 894.97 million was paid as an interim dividend on 21 September 2011. The remaining dividend was paid for the second half year of 2011 at Baht 1.00 per share totalling Baht 1,376.88 million to the shareholders on 19 April 2012.

At the annual general meeting of the shareholders of the Company held on 5 April 2011, the shareholders approved the appropriation of annual dividend from retained earnings as of 31 December 2010 at Baht 1.05 per share, amounting to Baht 1,272.12 million. The Company had paid interim dividend of the first half year of 2010 at Baht 0.50 per share, amounting to Baht 584.89 million on 21 September 2010. The remaining dividend was paid for the second half year of 2010 at Baht 0.55 per share, amounting to 687.23 million to shareholders on 19 April 2011.

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23 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
	<i>(in million Baht)</i>			
Capital commitments				
Construction projects	2,627.58	1,527.79	833.23	1,476.94
Total	2,627.58	1,527.79	833.23	1,476.94
Non-cancellable operating lease commitments				
Within one year	401.71	461.57	401.71	461.57
After one year but within five years	1,593.29	1,768.55	1,593.29	1,768.55
After five years	2,396.43	2,934.09	2,396.43	2,934.09
Total	4,391.43	5,164.21	4,391.43	5,164.21
Other commitments				
Bank guarantees	679.99	77.52	679.99	77.52
Total	679.99	77.52	679.99	77.52

The Company entered into 8.50 million barrels oil price hedging contracts with foreign oil traders for the periods between July 2012 and December 2013.

The Company entered into foreign currency buying forward contracts cover the period to August 2012 amounting to USD 208.07 million equivalents to Baht 6,607.87 million and selling forward contracts cover the period to December 2012 amounting to USD 672.09 million equivalents to Baht 21,111.72 million.

The Company entered into an interest rate swap contract for the following loan agreements by swap from float rate to fixed rate as stipulated in the agreements. The details are as follows:

Loan agreement facility <i>(in million Baht)</i>	Due date
3,000	30 June 2013
1,000	30 June 2014
1,500	30 June 2015
7,000	30 December 2015
1,500	30 June 2016

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24 Contingent liabilities and contingent assets

The Company (the fifth defendant) was accused with the Ministry of Finance (the first defendant) for alleged land right transgression and demanding Baht 1,055 million in compensation. The land in question is located at the pier of the Refinery that the Company lodged against the Ministry of Finance. On 3 June 2009, the Appeal court upheld the civil court verdict to dismiss the case. This was being re-appealed with the Supreme Court and currently under petition to Supreme Court.

The Company has utilized the tax privilege on the allowance for corporate income tax calculation for its 2006 tax payment which was in accordance with the announcement of the Director General of the Revenue Department regarding the corporate income tax (No. 156) “Criteria, procedures and conditions for the exemption of corporate income tax for the companies that registered its shares in the Stock Exchange of Thailand according to the Securities and Exchange Acts for payments of investment or extension, modification, addition or improvement of assets but not the repair of assets according to Section 65 Tri (5) of the Revenue Codes” and change in inventory costing method from first in first out to weighted average cost which was approved by The Revenue Department. The Revenue Department has examined and assessed the additional income tax payment totalling Baht 50 million that had previously been submitted by the Company and filed for appeal. Subsequently on 20 July 2011, the Revenue Department issued its verdict ruling to dismiss the return of the tax payment. Currently, the Company is appealing the decision and has submitted a petition to the Central Tax Court to revoke the Revenue Department’s ruling.

25 Events after the reporting period

On 4 July 2012, within the Bangchak refinery complex, Sukhumvit 64, kerosene stripper was ignited in the Crude Distillation Unit 3 which has a capacity of 80,000 barrels per day. The Company is in the process of assessing of damages and losses. However, The Company has insurance coverage for property damages and business interruption.