

REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Shareholders and Board of Directors of the Bangchak Petroleum Public Company Limited

We have reviewed the consolidated balance sheet of the Bangchak Petroleum Public Company Limited and its subsidiary as of March 31, 2006, and the related consolidated statements of changes in shareholders' equity, income and cash flows for the three – month period ended March 31, 2006 and 2005. We have also reviewed the financial statements for the same periods of the Bangchak Petroleum Public Company Limited. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to report on these financial statements based on our review.

We conducted our reviews in accordance with the Standard on Auditing applicable to review engagements. This standard requires that we plan and perform the reviews to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Company's and its subsidiary's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards, and accordingly, we do not express an opinion.

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The consolidated and the company's balance sheets as of December 31, 2005, presented herein for comparison, have been derived from such financial statements, which we have audited and reported, in accordance with generally accepted auditing standards and expressed an unqualified opinion in our report dated February 10, 2006. We have not performed any other audit procedures subsequent to such report date.

(KESREE NARONGDEJ)
Certified Public Account
Registration No. 76

A.M.T. & ASSOCIATES
Bangkok, Thailand
May 9, 2006

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

B A H T

	Notes	CONSOLIDATED		THE COMPANY ONLY	
		As of 31 ST	As of 31 ST	As of 31 ST	As of 31 ST
		March	December	March	December
		2006	2005	2006	2005
		(Unaudited/ but Reviewed)	(Audited)	(Unaudited/ but Reviewed)	(Audited)
SETS					
CURRENT ASSETS					
Cash and cash equivalents	4	3,283,747,301	1,753,014,138	3,096,668,895	1,560,773,205
Trade accounts receivable - net					
Related parties	3.1	-	-	421,789,257	396,445,954
Other parties	5	3,235,295,969	3,620,567,252	3,204,333,184	3,602,306,606
Inventories - net	6	9,761,255,134	10,939,192,885	9,484,867,410	10,671,207,593
Other current assets					
Material and Supplies - net	7	328,555,729	327,785,886	328,555,729	327,785,886
Oil Fund Subsidies Receivable		153,827,469	433,002,973	153,827,469	433,002,973
Others		266,227,509	524,159,047	260,818,139	506,585,345
Total Current Assets		17,028,909,111	17,597,722,181	16,950,860,083	17,498,107,562
NON-CURRENT ASSETS					
Investments for using the equity method	1.3,3.2	4,388,414	4,388,414	-	13,655,219
Other long-term investments	8	3,824,464	3,820,188	2,924,463	2,920,188
Tariff prepayment - net	9	22,010,332	24,071,580	22,010,332	24,071,580
Property, plant and equipment - net	10	13,724,067,931	13,898,444,836	13,717,150,998	13,893,227,213
Intangible assets - net	11	1,383,072,897	1,402,770,290	1,383,072,897	1,402,770,290
Investment in service station - net	12	472,350,432	484,642,740	472,350,432	484,642,740
Other non-current assets					
Deferred income tax assets	13	103,471,703	102,856,153	103,471,703	102,856,153
Others	14	653,833,433	744,736,485	650,717,124	741,984,903
Total Non-Current Assets		16,367,019,606	16,665,730,686	16,351,697,949	16,666,128,286
TOTAL ASSETS		33,395,928,717	34,263,452,867	33,302,558,032	34,164,235,848

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

B A H T

	Notes	CONSOLIDATED		THE COMPANY ONLY	
		As of 31 ST	As of 31 ST	As of 31 ST	As of 31 ST
		March	December	March	December
		2006	2005	2006	2005
		(Unaudited/ but Reviewed)	(Audited)	(Unaudited/ but Reviewed)	(Audited)
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from					
financial institutions	15,16.1	1,500,000,000	2,000,000,000	1,500,000,000	2,000,000,000
Trade accounts payable					
Related parties	3.3	7,392,246	7,113,576	8,394,346	10,083,218
Other parties		4,724,668,148	5,533,805,113	4,662,886,398	5,468,003,138
Current portion of long-term loans	16	340,000,000	318,750,000	340,000,000	318,750,000
Other current liabilities					
Accrued excise tax and oil stabilization fund		228,632,245	297,262,676	228,632,245	297,262,676
Accrued corporate income tax		495,966,072	253,694,256	491,566,515	249,294,699
Accrued expenses		260,998,008	446,515,234	244,485,819	430,895,663
Others		370,125,835	441,849,702	366,954,067	438,281,559
Total Current Liabilities		<u>7,927,782,554</u>	<u>9,298,990,557</u>	<u>7,842,919,390</u>	<u>9,212,570,953</u>
NON-CURRENT LIABILITIES					
Long-term loans	16	11,075,960,000	11,160,960,000	11,075,960,000	11,160,960,000
Other non-current liabilities					
Liabilities on long-term lease	11	551,631,820	551,631,820	551,631,820	551,631,820
Liabilities on service stations leasehold right		22,754,775	29,551,575	22,754,775	29,551,575
Reserve for pension fund		259,754,272	257,577,704	259,754,272	257,577,704
Deferred income tax liabilities	13	28,624,487	29,442,329	28,624,487	29,442,329
Others		60,704,676	65,024,807	48,668,859	52,737,392
Total Non-Current Liabilities		<u>11,999,430,030</u>	<u>12,094,188,235</u>	<u>11,987,394,213</u>	<u>12,081,900,820</u>
Total Liabilities		<u>19,927,212,584</u>	<u>21,393,178,792</u>	<u>19,830,313,603</u>	<u>21,294,471,773</u>

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

B A H T

	B A H T			
	CONSOLIDATED		THE COMPANY ONLY	
	As of 31 ST	As of 31 ST	As of 31 ST	As of 31 ST
	March	December	March	December
<u>Notes</u>	2006	2005	2006	2005
	(Unaudited/ but Reviewed)	(Audited)	(Unaudited/ but Reviewed)	(Audited)
SHAREHOLDERS' EQUITY				
Share Capital - Par Value Baht 1.00 per share				
Authorized share capital				
Common share 1,531,643,461 shares	1,531,643,461	1,531,643,461	1,531,643,461	1,531,643,461
Issued and paid - up share capital				
Common share 687,481,908 shares	687,481,908	687,481,908	687,481,908	687,481,908
Capital Surplus				
Premium on share capital	1,951,157,333	1,951,157,333	1,951,157,333	1,951,157,333
Capital surplus on registered and paid-up share reduction	17 189,617,759	189,617,759	189,617,759	189,617,759
Surplus on fixed assets revaluation	4,447,424,807	4,502,376,960	4,447,424,807	4,502,376,960
Retained earning (deficit)				
Appropriated – legal reserve	153,164,346	153,164,346	153,164,346	153,164,346
Unappropriated	6,039,359,980	5,385,965,769	6,043,398,276	5,385,965,769
Total Equity of Parent Company's Shareholders	13,468,206,133	12,869,764,075	13,472,244,429	12,869,764,075
Minority interests	510,000	510,000	-	-
Total Shareholders' Equity	13,468,716,133	12,870,274,075	13,472,244,429	12,869,764,075
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	33,395,928,717	34,263,452,867	33,302,558,032	34,164,235,848

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

(Signed) *General Tawat Ked-Unkoon*

(General Tawat Ked-Unkoon)

Chairman

(Signed) *Anusorn Sangnimnuan*

(Anusorn Sangnimnuan)

President

(Unaudited /
but Reviewed)

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2006 AND 2005

<u>Note</u>	BAHT						Minority interests	Total
	Issue and paid - up share capital	Premium on Share capital	Capital surplus on registered and paid-up share reduction	Surplus on fixed assets revaluation	Retained earning (Deficit)			
					Appropriated legal reserve	Unappropriated		
Beginning balance as at January 1, 2005	660,559,535	1,593,089,706	189,617,759	4,724,586,227	86,714,346	2,525,696,777	540,997	9,780,805,347
Transaction not recognised in the income statement								
- Depreciation on the fixed assets revaluation	-	-	-	(55,675,927)	-	-	-	(55,675,927)
Dividend payment for preferred stock	-	-	-	-	-	-	(81,600)	(81,600)
Net profit (loss)	-	-	-	-	-	438,013,864	80,293	438,094,157
Ending balance as at March 31, 2005	<u>660,559,535</u>	<u>1,593,089,706</u>	<u>189,617,759</u>	<u>4,668,910,300</u>	<u>86,714,346</u>	<u>2,963,710,641</u>	<u>539,690</u>	<u>10,163,141,977</u>
Beginning balance as at January 1, 2006	687,481,908	1,951,157,333	189,617,759	4,502,376,960	153,164,346	5,385,965,769	510,000	12,870,274,075
Transaction not recognised in the income statement								
- Depreciation on the fixed assets revaluation	-	-	-	(54,952,153)	-	-	-	(54,952,153)
Net profit (loss)	-	-	-	-	-	653,394,211	-	653,394,211
Ending balance as at March 31, 2006	<u>687,481,908</u>	<u>1,951,157,333</u>	<u>189,617,759</u>	<u>4,447,424,807</u>	<u>153,164,346</u>	<u>6,039,359,980</u>	<u>510,000</u>	<u>13,468,716,133</u>

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

(Unaudited /
but Reviewed)

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
THE COMPANY ONLY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2006 AND 2005

	BAHT						
	Issue and paid - up share capital	Premium on Share capital	Capital surplus on registered and paid-up share reduction	Surplus on fixed assets revaluation	Retained earning (Deficit)		Total
					Appropriated legal reserve	Unappropriated	
Beginning balance as at January 1, 2005	660,559,535	1,593,089,706	189,617,759	4,724,586,227	86,714,346	2,525,882,895	9,780,450,468
Transaction not recognised in the income statement							
- Depreciation on the fixed assets revaluation	-	-	-	(55,675,927)	-	-	(55,675,927)
Net profit (loss)	-	-	-	-	-	437,827,746	437,827,746
Ending balance as at March 31, 2005	<u>660,559,535</u>	<u>1,593,089,706</u>	<u>189,617,759</u>	<u>4,668,910,300</u>	<u>86,714,346</u>	<u>2,963,710,641</u>	<u>10,162,602,287</u>
Beginning balance as at January 1, 2006	687,481,908	1,951,157,333	189,617,759	4,502,376,960	153,164,346	5,385,965,769	12,869,764,075
Transaction not recognised in the income statement							
- Depreciation on the fixed assets revaluation	-	-	-	(54,952,153)	-	-	(54,952,153)
Net profit (loss)	-	-	-	-	-	657,432,507	657,432,507
Ending balance as at March 31, 2006	<u>687,481,908</u>	<u>1,951,157,333</u>	<u>189,617,759</u>	<u>4,447,424,807</u>	<u>153,164,346</u>	<u>6,043,398,276</u>	<u>13,472,244,429</u>

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2006 AND 2005

	Notes	B A H T			
		CONSOLIDATED		THE COMPANY ONLY	
		2006	2005	2006	2005
REVENUES					
Sales	19	26,048,131,651	18,018,119,425	25,859,565,791	17,811,147,519
Other incomes					
Interest income		9,308,414	5,860,795	9,199,314	5,854,251
Gain from foreign exchange	20	76,508,760	4,814,723	76,508,760	4,814,723
Gain from crude oil and product oil price hedging contract	24.3	540,860,069	7,102,039	540,860,069	7,102,039
Gain from assets disposal		7,811,014		7,811,014	
Loss adjustment from impairment of assets		93,718	-	93,718	-
Others		22,723,277	19,600,607	15,656,559	11,527,811
Share of gains from investments for using the equity method		-	-	-	26,647,511
Total Revenues		26,705,436,903	18,055,497,589	26,509,695,225	17,867,093,854
EXPENSES					
Cost of sales		25,090,236,836	16,926,718,685	24,984,131,811	16,824,476,995
Selling and administrative expenses		478,261,335	458,942,497	371,611,977	373,777,490
Other expenses					
Depreciation		74,433,801	74,507,681	73,767,991	73,787,054
Directors' remuneration		9,821,250	749,000	9,806,250	739,000
Other		-	1,092,306	-	1,092,306
Share of losses from investment for using the equity method		-	-	13,655,218	-
Total Expenses		25,652,753,222	17,462,010,169	25,452,973,247	17,273,872,845
PROFIT (LOSS) BEFORE INTEREST EXPENSE AND INCOME TAX		1,052,683,681	593,487,420	1,056,721,978	593,221,009
Interest expenses	21	(158,434,448)	(160,033,476)	(158,434,448)	(160,033,476)
Income tax		(240,855,022)	4,640,213	(240,855,023)	4,640,213
PROFIT (LOSS) AFTER INCOME TAX		653,394,211	438,094,157	657,432,507	437,827,746
MINORITY INTERESTS		-	(80,293)	-	-
NET PROFIT (LOSS)		653,394,211	438,013,864	657,432,507	437,827,746
BASIC EARNING PER SHARE					
Earning per share (Baht)	22	0.95	0.66	0.96	0.66
Number of weighted average shares (shares)		687,481,908	660,559,535	687,481,908	660,559,535
DILUTED EARNING PER SHARE					
Earning per share (Baht)	22	0.79	0.54	0.80	0.54
Number of weighted average shares (shares)		843,143,446	843,143,451	843,143,446	843,143,451

The accompanying notes are an integral part of these statements.

(Signed) General Tawat Ked-Unkoon
(General Tawat Ked-Unkoon)
Chairman(Signed) Anusorn Sangnimnuan
(Anusorn Sangnimnuan)
President

(Unaudited /
but Reviewed)

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2006 AND 2005

		B A H T			
		CONSOLIDATED		THE COMPANY ONLY	
Note		2006	2005	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES :					
	Net profit (loss)	653,394,211	438,013,864	657,432,507	437,827,746
	Adjustments to reconcile net profit to net cash provided by (used in) Operating Activities:				
	Depreciation	169,089,447	147,726,905	168,423,637	147,006,278
	Bad debt and doubtful debts	2,809,700	6,836,230	2,438,178	6,580,629
	Amortization	44,641,274	42,537,508	44,641,274	42,537,508
	Loss (gain) from foreign exchange	20 (17,971,153)	31,123,430	(17,971,153)	31,123,430
	Loss (Gain) from assets impairment	(93,718)	-	(93,718)	-
	Deferred income tax	13 (1,433,392)	(4,640,213)	(1,433,392)	(4,640,213)
	Loss (gain) from fixed assets disposal	(7,550,065)	1,092,306	(7,550,065)	1,092,306
	Reserve for pension fund	2,176,568	8,082,676	2,176,568	8,082,676
	Deferred revenue	305,153	(822,553)	305,153	(822,553)
	Loss (gain) from investments for using the equity method	-	-	13,655,218	(26,647,511)
	Minority interests	-	80,293	-	-
	Operating gain before changes in operating assets and liabilities:	845,368,025	670,030,446	862,024,207	642,140,296
	Operating assets (increase), decrease				
	Trade accounts receivable	463,387,162	(188,436,133)	442,065,738	(314,938,903)
	Inventories	1,177,937,751	(1,401,468,556)	1,186,340,183	(1,362,988,940)
	Other current assets	514,742,561	2,139,708	511,630,011	(3,476,983)
	Operating liabilities increase, (decrease)				
	Trade accounts payable	(808,486,265)	509,643,742	(806,433,581)	513,446,569
	Other current liabilities:	(123,034,201)	(249,923,582)	(123,530,442)	(243,285,444)
	Other non - current liabilities:	(4,629,558)	(2,378,859)	(4,377,962)	(2,479,490)
	Net Cash Provided by (Used in) Operating Activities:	2,065,285,475	(660,393,234)	2,067,718,154	(771,582,895)

(Unaudited /
but Reviewed)

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2006 AND 2005

		B A H T			
		CONSOLIDATED		THE COMPANY ONLY	
Note		2006	2005	2006	2005
CASH FLOWS FROM INVESTING ACTIVITIES :					
	Decrease(increase) in long-term investments	2,061,248	2,037,555	2,061,248	2,037,555
	Acquisition in property, plant and equipment:	(49,799,918)	(66,459,383)	(47,434,798)	(66,001,612)
	Proceeds from sales of property, plant and equipment	7,685,288	63,312	7,685,288	63,312
	Decrease(increase) in intangible asset:	(4,771,783)	(257,643)	(4,771,783)	(257,643)
	Decrease(increase) in other non - current assets	74,022,853	12,286,050	74,387,581	13,215,017
	Net Cash Provide by (Used in) Investing Activities	29,197,688	(52,330,109)	31,927,536	(50,943,371)
CASH FLOWS FROM FINANCING ACTIVITIES					
	Increase(decrease) in bank overdrafts and short-term loans from:				
	financial institutions	(500,000,000)	1,021,884,624	(500,000,000)	1,021,884,624
	Proceeds from long - term loans	-	700,000,000	-	700,000,000
	Payment of long - term loans	(63,750,000)	(1,165,000,000)	(63,750,000)	(1,165,000,000)
	Dividend payment for preferred stock	-	(81,600)	-	-
	Net Cash Provided by (Used in) Financing Activities	(563,750,000)	556,803,024	(563,750,000)	556,884,624
	INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS - NET	1,530,733,163	(155,920,319)	1,535,895,690	(265,641,642)
	CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,753,014,138	2,212,561,232	1,560,773,205	1,894,499,857
	CASH AND CASH EQUIVALENTS, END OF PERIOD	4 3,283,747,301	2,056,640,913	3,096,668,895	1,628,858,215
Cash paid during the periods for					
	Interest expenses	164,533,755	203,044,923	164,533,755	203,044,217
	Income tax	2,683,085	16,572,126	2,311,191	16,572,126

The accompanying notes are an integral part of these statements

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD EDNED MARCH 31, 2006

1. GENERAL INFORMATION

1.1 General matter

The company was incorporated as a limited company under the Civil and Commercial Code on November 8, 1984, and changed its status to a Public Company Limited under the Public Company Limited Act on April 23, 1993. The address of the head office is 210 Moo 1, Soi Sukhumvit 64, Sukhumvit Road, Bangchak, Phakanong, Bangkok. The company operates in Thailand and the main business is 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. As at March 31, 2006 and 2005, the company employed 759 and 750 employees respectively and the employees related expenses were Baht 124.66 million and Baht 165.83 million respectively.

The Bangchak Green Net Co., Ltd., a subsidiary company, was incorporated as a limited company under the Civil and Commercial Code on July 13, 1993. Its head office address is 210 Moo 1, Soi Sukhumvit 64, Sukhumvit Road, Bangchak, Phakanong, Bangkok. The company operates in Thailand with its main business being the running of the Bangchak service stations and the consumer goods retail shops under the Lemon Green and the Bi-Chak brand. It also provides other services to accommodate future expansion in the retail business. As at March 31, 2006 and 2005, the company employed 1,984 and 834 employees respectively and the employees related expenses were Baht 49.84 million and Baht 44.67 million respectively.

1.2 Basis for preparation and presentation of interim financial statements

The interim financial statements of the company are prepared in accordance with the generally accepted accounting standards and presented in brief in accordance with the Department of Business Development announcement on September 14, 2001. The interim financial statements provide additional information from the annual financial statements that were last reported. The interim financial statements should therefore be used in conjunction with the financial statements for the year ended December 31, 2005.

The company's consolidated financial statements incorporate the financial statements of The Bangchak Petroleum Public Company Limited and The Bangchak Green Net Co., Ltd., in which the company holds 49% share. For the purpose of the consolidation, all significant intercompany transactions and all intercompany account balances have been eliminated.

1.3 Related parties

Enterprises that directly, or indirectly through one or more intermediaries control, or are under common control of the company are as follows:

Name	Type of business	Relationship	Share holding (%)
<u>Subsidiaries :</u>			
- The Bangchak Green Net Co., Ltd.	Manage BCP service station and consumer goods retailer	Holding and joint directors	49.00%
- The Retail Net Co., Ltd.	Manage BCP service station	Indirect holding and joint directors	48.66%
- The Bangchak Green Line Co., Ltd.	Fuel transportation. (Company is in self liquidation process)	Indirect holding and joint directors	49.00%
<u>Related company :</u>			
- Fuel Pipeline Transportation Ltd.	Fuel pipeline transportation	Holding and joint directors	11.41%

The Bangchak Green Net Co., Ltd. did not include The Bangchak Green Line Co., Ltd. in its consolidated financial statements as that company was in the process of self-liquidation.

1.4 Others

The financial statements of above associated companies are prepared in accordance with generally accepted accounting standards for non-public company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the fiscal year ended December 31, 2005.

3. RELATED PARTY TRANSACTION

The Company had certain accounting transactions with its subsidiary and related companies which were considered normal business practice. The transactions were based on the general market price and in cases where market price was not available, the contract price was used.

Balance of assets, liabilities, account and trading transactions with subsidiary and related companies as at March 31, 2006 are as follow:

3.1 Trade accounts receivable – related parties

	Million Baht			
	Consolidated		The Company Only	
	March 31,2006	December 31,2005	March 31,2006	December 31,2005
<u>Subsidiaries</u>				
- The Bangchak Green Net Co., Ltd.	-	-	421.79	396.45
- The Retail Net Co., Ltd.	-	-	-	-
<u>Related Company</u>				
- Fuel Pipeline Transportation Ltd.	-	-	-	-
Total Accounts receivable - Related parties net	-	-	421.79	396.45

3.2 Investments for using the equity method

Name	Type of Business	Authorized Share capital (Million Baht)	Holding %	Million Baht		
				Consolidated		
				March 31, 2006		
				Investments		
				Cost Method	Equity Method	Dividend
Subsidiary The Bangchak Green Net Co., Ltd.	Holding and joint directors	1	49.00%	0.49	-	-

Name	Type of Business	Authorized Share capital (Million Baht)	Holding %	Million Baht		
				Consolidated		
				December 31, 2005		
				Investments		
				Cost Method	Equity Method	Dividend
Subsidiary : The Bangchak Green Net Co., Ltd.	Holding and joint directors	1	49.00%	0.49	13.66	-

3.3 Trade accounts payable – related parties

	Million Baht			
	Consolidated		The Company Only	
	March 31, 2005	December 31, 2004	March 31, 2005	December 31, 2004
<u>Subsidiaries</u>				
- The Bangchak Green Net Co.,Ltd.	-	-	1.00	2.97
- The Retail Net Co.,Ltd.	-	-	-	-
<u>Associated Companies</u>				
- Fuel Pipeline Transportation Ltd.	7.39	7.11	7.39	7.11
Total Account Payable - related parties	7.39	7.11	8.39	10.08

3.4 Transaction with related parties

Transaction with related parties for the three-month period ended March 31, 2006 and 2005 are as follow:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Revenue from sales of oil	-	-	2,821.71	1,820.26
Revenue from operating right	-	-	19.21	15.41
Revenue from sale promotion items	-	-	2.87	-
Cost of pipeline transportation	20.37	18.60	20.37	18.60

Transfer pricing with the related parties is not differed from unrelated parties.

4. CASH AND CASH EQUIVALENTS

As at March 31, 2006 and December 31, 2005 Cash and cash equivalents consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Cash and deposits at Banks	3,263.75	1,735.01	3,096.67	1,560.77
Fixed deposit (maturity dates not longer than 3 months)	20.00	-	-	-
Total	<u>3,283.75</u>	<u>1,735.01</u>	<u>3,096.67</u>	<u>1,560.77</u>

5. TRADE ACCOUNT RECEIVABLES – OTHER PARTIES - NET

As at March 31, 2006 and December 31, 2005 , trade account receivables consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Trade accounts receivable - other parties	3,324.24	3,709.71	3,289.48	3,687.59
<u>Less</u> Allowance for doubtful accounts	<u>(88.94)</u>	<u>(89.14)</u>	<u>(85.15)</u>	<u>(85.28)</u>
Trade accounts receivable - other parties - net	<u>3,235.30</u>	<u>3,620.57</u>	<u>3,204.33</u>	<u>3,602.31</u>

As at March 31, 2006 and December 31, 2005, the overdue trade accounts receivable are classified by aging as follows:

	Million Baht	
	2006	2005
Over than 3 months to 6 months	6.02	1.90
Over than 6 months to 12 months	2.44	2.83
Over than 12 months	82.96	83.53
Total	<u>91.32</u>	<u>88.26</u>

6. INVENTORIES - NET

As at March 31, 2006 and December 31, 2005, Inventories consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Crude oil	5,863.04	6,966.49	5,863.04	6,966.49
Finished oil product	3,856.97	3,949.02	3,650.36	3,745.64
Consumer product	72.73	66.97	-	-
<u>Less</u> Allowance for devaluation	<u>(31.48)</u>	<u>(43.29)</u>	<u>(28.53)</u>	<u>(40.92)</u>
Inventories – net	<u>9,761.26</u>	<u>10,939.19</u>	<u>9,484.87</u>	<u>10,671.21</u>

Inventories as at March 31, 2006 and December 31, 2005 are included petroleum legal reserve of 366.65 million liters approximated value Baht 5,894.51 Million and 342.81 million liters approximated value Baht 5,237.15 Million respectively.

7. MATERIAL AND SUPPLIES - NET

As at March 31, 2006 and December 31, 2005, Material and supplies consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Material and supplies	353.00	352.32	353.00	352.32
<u>Less</u> Allowance for obsolescence	<u>(24.44)</u>	<u>(24.53)</u>	<u>(24.44)</u>	<u>(24.53)</u>
Material and supplies – net	<u>328.56</u>	<u>327.79</u>	<u>325.56</u>	<u>327.79</u>

8. OTHER LONG-TERM INVESTMENTS

As at March 31, 2006 and December 31, 2005, Other long-term investments consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
<u>Investment in capital paper</u>				
- Fuel Pipeline Transportation Ltd.	181.75	181.75	181.75	181.75
<u>Less</u> Allowance for impairment	<u>(181.75)</u>	<u>(181.75)</u>	<u>(181.75)</u>	<u>(181.75)</u>
Investment in capital paper – net	-	-	-	-
<u>Investment in commercial paper</u>				
- The Express way Authority of Thailand's bond	0.90	0.90	-	-
<u>Add</u> Premium on investments	-	-	-	-
- The Government bond	3.00	3.00	3.00	3.00
<u>Less</u> Discount on investments	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>
Total Investment in commercial paper	3.82	3.82	2.92	2.92
Total other long-term investments	<u>3.82</u>	<u>3.82</u>	<u>2.92</u>	<u>2.92</u>

On October 25, 2005, the Company invested in The Government's bond, B.E. 2547 no.4 which 5 years duration, amounting to Baht 2,917,337.43. The totaling 3,000 units bond, which face value Baht 1,000 per unit and stated interest rate at 4.25% per annum payable twice per year in February and August, was registered on August 13, 2005. The discounted amount of Baht 82,662.57 on the stated value, will be amortized by straight-line method spread over the duration period. During this three months, the Company amortized the discount to be income amounting to Baht 4,275.66

9. TARIFF PREPAYMENT - NET

The Company has provided financial support to the Fuel Pipeline Transportation Ltd. (FPT) in the form of advance payment of fuel transportation fee (Tariff Prepayment) as per the written agreement dated June 14, 1996. Subsequently, the Company, together with the other FPT creditors agreed on March 3, 1999 to restructure the FPT loan. Prior to the loan restructure, the amount owed to the Company as Tariff Prepayment was Baht 245.80 million, of this, Baht 48.75 million was converted to capital stock (preferred stock) on April 30, 1999, leaving the balance of loan as Baht 197.05 million. The loan shall be repaid in accordance with FPT's cash flow while the interest on the tariff prepayment and the custody fee (difference in interest rate MLR-2%) will be paid on a monthly basis. It turned out that FPT was able to repay some part of the loan and due to financial difficulties it could not comply with the agreed terms. Hence, an amendment to the original agreement was made on March 28, 2002. Under the revised agreement, the remaining loan principle of Baht 187.29 million will be repaid on a monthly basis over a total number 153 periods, with the first payment made on April 30, 2002. The interest rate will be based on MLR with relaxation of 1% per annum starting from March 29, 2002. The difference in the interest rates shall be established as a receivable in a suspense account.

The financial statements as at March 31, 2006 shows an outstanding prepaid tariff balance of Baht 151.53 million and the Company has set up allowance for doubtful debt of Baht 129.52 million, the remaining amount is Baht 22.01 million. The difference in the interest rates as calculated in accordance with the loan restructuring agreement, which is pending in the suspense account, shall be written-off if FPT makes full settlement of both the loan principle and the interest, without default, over a three-year period. These terms are specified in the amendment of the loan restructuring agreement. The Company will consider the write-off of interest receivable on an annual basis. For the year 2004, the Company write-off the interest receivable, calculated up to December 31, 2001, in the amount of Baht 21.38 million. And in 2005, it wrote-off the interest receivable set-up from January 1, 2002 to December 31, 2002 of Baht 10.67 Million. As for the interest from January 1, 2003 to March 31, 2006 of Baht 27.43 million, the Company will consider the write-off on an annual basis and the Company has set up an allowance for doubtful debt of the whole amount

10. PROPERTY, PLANT AND EQUIPMENT - NET

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
<u>Cost</u>				
Leasehold right	2,140.68	2,140.68	2,140.68	2,140.55
License and development costs of computer software	140.63	135.86	140.63	135.86
	<u>2,281.31</u>	<u>2,276.54</u>	<u>2,281.31</u>	<u>2,276.54</u>
<u>Accumulated amortization</u>				
Leasehold right	(813.90)	(790.77)	(813.90)	(790.77)
License and development costs of computer software	(72.85)	(71.51)	(72.85)	(71.51)
	<u>(886.75)</u>	<u>(862.28)</u>	<u>(886.75)</u>	<u>(862.28)</u>
Total	1,394.56	1,414.26	1,394.56	1,414.26
<u>Less</u> : Allowance for impairment	(11.49)	(11.49)	(11.49)	(11.49)
Intangible assets – net	<u>1,383.07</u>	<u>1,402.77</u>	<u>1,383.07</u>	<u>1,402.77</u>

On February 27, 2004, The Treasury Department permitted the Company to pay, by installments, the leasehold fee of Baht 551.63 million covering the extension of the lease agreement of state-owned land on which the company's refinery and the head office are located. The initial lease agreement, which expires on April 1, 2015, will be extended by 18 years under the new lease agreement, which will expire on March 31, 2033. The installment payments of the mentioned fee will be on an annual basis, commencing from the year 2007 - 2009 at about Baht 45.97 million per annum, 2010 - 2012 at about Baht 61.29 million per annum and 2013 - 2015 at about Baht 76.62 million per annum. The amounts are recorded as liability, against the long-term leasehold right.

In addition, The Treasury Department also permitted the Company to utilize the mentioned leasehold right to pledge as security against loan and to place the building structures, including machinery on the leased land as collateral for credit facilities from financial institutions. The agreement to this effect is in the process of being signed. The Company has extended the length of the net book value of the leasehold right to March 31, 2033, so as to correspond with terms of the new lease agreement.

12. INVESTMENT IN SERVICE STATIONS

The investment in service stations is for business expansion and the approach taken by the company varies. For example, the Company invests and grants franchise to others to operate or enter into, a joint venture agreement, or with investment made by the operator and the Company providing support. As at March 31, 2006 and December 31, 2005, the balances outstanding in the investment in service station account are Baht 472.35 million and Baht 484.64 million respectively. The amortization expense of Baht 13.06 million on total investment balance was recorded in this accounting period,

13. INCOME TAX AND DEFERRED INCOME TAX

The Company paid income tax on rates under the Revenue Code as follows:

	Tax rates
- The Company	30
Net income for the portion not exceeding Baht 300 million for the accounting period of five years from 2002 to 2006	25
- Subsidiaries	15 – 30

Deferred income tax as at March 31, 2006 and December 31, 2005 are as follows:

	Million Baht	
	Consolidated	The Company Only
Deferred income tax assets		
As at December 31, 2005	102.86	102.86
Income tax expenses	0.61	0.61
As at March 31, 2006	<u>103.47</u>	<u>103.47</u>
Deferred income tax liabilities		
As at December 31, 2005	29.44	29.44
Income tax expenses	(0.82)	(0.82)
As at March 31, 2006	<u>28.62</u>	<u>28.62</u>

Deferred income tax assets mainly comprised allowance for doubtful accounts and pension fund reserve, and deferred income tax liabilities mainly comprised accumulated depreciation of equipment.

14. OTHER NON-CURRENT ASSETS – OTHERS

As at March 31, 2006 and December 31, 2005, other non-current assets consisted of:

Million Baht

	Consolidated		The Company Only	
	2006	2005	2006	2005
14.1 Fixed deposit for staff welfare	185.27	177.22	185.27	177.22
14.2 Deposit for crude and product oil price hedging contract	246.33	338.39	246.33	338.39
14.3 Deferred expenses for the issuance of debentures and long-term loans	87.33	90.62	87.33	90.62
14.4 Other	134.90	138.51	131.79	135.75
Total	653.83	744.74	650.72	741.98

14.1 Fixed deposit for staff welfare

As at March 31, 2006 and December 31, 2005, the Company had a fixed deposit fund in a bank of Baht 185.27 million and Baht 177.22 million respectively with interest of 0 - 1 % per annum. The deposit is maintained to allow employees obtain credit facilities from the mentioned bank.

14.2 Deposit for crude and product oil price hedging contract

The Company made forward contracts with several overseas traders with different amounts of deposit to protect against risk from the fluctuation of crude and product oil prices. Some traders request the Company to pledge initial deposit as per the initial agreement or even more afterwards in cases where the market price deviates in the direction which the Company loses and has to settle the balance. The traders preserve the right to request the Company to transfer deposit in the similar amount that the Company has to settle in each day. The traders commit to pay interest in the agreed rate for the deposit. Vice versa, in case that the market price deviates in the direction which the Company gains, the Company preserves the right to request the traders to transfer partial or all of the deposits to the Company.

14.3 Deferred expenses for the issuance of debentures and long-term loans

In January 2004, the Company issued Baht 4,000 million convertible debentures and in February 2004, the Company entered a loan contract with Krung Thai Bank Public Company Limited for Baht 12,500 million credit line. The Company paid fees for into the issuance of convertible debentures, expenses for the loans and other expenses in the amount of Baht 114.63 million. This was recorded as deferred expenses for the issuance of debentures and long-term loans and amortized using the straight line accounting method based on the loan life and weighted with the debt balance.

For the three month period ended March 31, 2006, the total amortized expenses on loans and issuance of the convertible debentures was Baht 3.29 million.

15. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at March 31, 2006 and December 31, 2005 bank overdrafts and short-term loans from financial institutions consisted of :

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Bank overdrafts	-	-	-	-
Short-term loans from financial institutions	1,500.00	2,000.00	1,500.00	2,000.00
Total	1,500.00	2,000.00	1,500.00	2,000.00

Short-term loans from financial institutions are part of the credit facilities covered by collateral, with interest rate as at March 31, 2006 and December 31, 2005 of 5.50% and 4.925% per annum respectively, as describe in Note 16.1.

16. LONG-TERM LOANS

As at March 31, 2006 and December 31, 2005 long-term loans consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Loans from bank	8,245.00	8,308.75	8,245.00	8,308.75
Debentures	800.00	800.00	800.00	800.00
Convertible debentures	2,225.96	2,225.96	2,225.96	2,225.96
Promissory notes	145.00	145.00	145.00	145.00
Total	11,415.96	11,479.71	11,415.96	11,479.71
Less : current portion of long-term loans	(340.00)	(318.75)	(340.00)	(318.75)
Less : portion of early redemption of Debentures	-	-	-	-
Long-term loans	11,075.96	11,160.96	11,075.96	11,160.96

16.1 Loans from bank

The Company has entered a loan contract with Krung Thai Bank Public Company Limited by pledging the Company's assets as collateral for Baht 12,500 million credit line which are divided into Baht 8,500 million 10-year long-term loans and Baht 4,000 million 10-year working capital short-term loans. As at March 31, 2006 the Company has obtained long-term loans of Baht 8,245

million and working capital short-term loans of Baht 1,500 million which presented under bank overdrafts and short-term loans from financial institutions.

16.2 Debentures

As at March 31, 2006, The Company had 800,000 units of unsecured, unsubordinated registered debentures with the holders' names, B.E. 2545 no.25 amounting to Baht 800 million. The interest rate is 6.25% per annum, which will be paid twice annually in June 02 and December 02 of each year, with maturity on Dec 02, 2007.

16.3 Convertible debentures

On January 29, 2004, the Company issued 400,000 units of unsecured, convertible into common stock, subordinated registered debentures with holders' names. The instruments have a face value of Baht 10,000 per unit, with a 10-year maturing period and with interest of 3% per annum. The convertible value of the debenture is Baht 14.30 per one common stock. The issuance of the convertible debentures form part of the financial restructuring plan, approved by the cabinet on July 8, 2003; in which offerings are made to investing institution in the form of depository receipt against benefits derived from the convertible debentures. The issuance of the depository receipt is made by the Siam DR Co., Ltd.(which is 99% owned by The Stock Exchange of Thailand) on the basis of one depository receipt for one convertible debenture. The Ministry of Finance guarantees the investment and offers to buy back the depository receipts at the initial offered price of Baht 10,000 per unit; as specified under the term, of the depository receipts.

The holders of the depository receipts can exchange them for convertible debentures and convert the debentures into common stock. Such conversion, however, must be done on every 30th day of March, June, September and December of each year. The first conversion commences on June 30, 2004 and ends on September 30, 2013. This is in accordance with the terms and conditions relating to depository receipts and also the convertible debentures. The depository receipt holders exercised the right by redeem 177,404 units of depository receipts. As at March 31, 2006 the balance of deposit receipts remaining were 222,596 units

16.4 Promissory note

Transferable and unsecured promissory note of baht 145 million will be matured in the year 2007 with interest rate of 6.25% per annum.

17. CAPITAL SURPLUS ON REGISTERED AND PAID-UP SHARE REDUCTION

On July 6, 2004, the Company has registered with the Ministry of Commerce, the reduction in the Company's registered share capital from Baht 1,032,761,220 to Baht 843,143,461 and the paid up share capital from Baht 753,040,940 to Baht 563,423,181. These changes were due to the reduction of 189,617,759 shares held by the Siam DR Co., Ltd. so as to be consistent with the number of "Depository Receipts of BCP's Ordinary Shares (DR)" which were issued and offered by the Siam DR Co., Ltd. The Company received consent from the Siam DR Co., Ltd. for reducing the mentioned number of shares without capital payback .The Company also received approval to transfer the proceeds from the said share reduction of Baht 189,617,759 to the account, Capital Surplus on Registered and Paid-Up Share Reduction.

18. WARRANTS

On August 25, 2004, the company allotted, free of charge, 24 million units of warrants for the purchase of Ordinary Shares by the Company 's director, management and employees and The Bangchak Green Net Co., Ltd. (ESOP) and people to whom buying rights have been transferred.

The warrant has a 5-year duration and is excisable on a quarterly basis at one warrant per one ordinary share, at the price of Baht 5 per share. The conditions are as follows.

- 18.1 45% of the total allotted warrants is exercisable on the first year duration when the closing price of the Depository Receipts of BCP's Ordinary Shares (DRs), or the closing price of the Ordinary Shares, in case there are no DRs, is at Baht 21 or higher, over a continuous period of 5 days.
- 18.2 25% of the total allotted warrants is exercisable on the second year duration when the closing price of the Depository Receipts of BCP's Ordinary Shares (DRs), or the closing price of the Ordinary Shares, in case there are no DRs, is at Baht 23 or higher, over a continuous period of 5 days.
- 18.3 30% of the total allotted warrants is exercisable on the third year duration when the closing price of the Depository Receipts of BCP's Ordinary Shares(DRs), or the closing price of the Ordinary Shares, in case there are no DRs, is at Baht 25 or higher, over a continuous period of 5 days.

19. SALES

Sale revenue for the three months ended March 31, 2006 and 2005 are as follows:

Million Baht	
Consolidated	The Company Only

	2006	2005	2006	2005
Sales revenue from fuel products	26,028.92	18,007.71	25,828.91	17,785.33
Income from investment charge	19.21	10.41	30.66	25.82
Total	<u>26,048.13</u>	<u>18,018.12</u>	<u>25,859.57</u>	<u>17,811.15</u>

20. GAIN (LOSS) FROM FOREIGN EXCHANGE

Gain (loss) from foreign exchange for the three months ended March 31, 2006 and 2005 are as follows:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Realized gain (loss) from foreign exchange fluctuations	58.54	35.93	58.54	35.93
Unrealized gain(loss) from foreign exchange fluctuations	17.97	(31.12)	17.97	(31.12)
Total	<u>76.51</u>	<u>4.81</u>	<u>76.51</u>	<u>4.81</u>

21. INTEREST EXPENSE

The total interest for this period is Baht 163.19 million, of which Baht 4.76 million is recorded as cost of work in progress and Baht 158.43 million as expense.

22. RECONCILIATION OF DILUTED EARNINGS PER SHARE

	For the three months ended March 31, 2006					
	Consolidated			The Company Only		
	Net Profit (Loss)	Weighted Average Number of Ordinary Shares	Earning (Loss) Per Share	Net Profit (Loss)	Weighted Average Number of Ordinary Shares	Earning (Loss) Per Share
	Million Baht	Million Shares	Baht	Million Baht	Million Shares	Baht
Basic earning per share						
Net profit (loss)	653.39	687.48	0.95	657.43	687.48	0.96
Effect of dilutive potential ordinary shares	16.21	155.66		16.21	155.66	
Diluted earning per share						
Net earnings of ordinary shareholders assuming the conversion of convertible debenture to ordinary shares	<u>669.60</u>	<u>843.14</u>	<u>0.79</u>	<u>673.64</u>	<u>843.14</u>	<u>0.80</u>

	For the three months ended March 31, 2005					
	Consolidated			The Company Only		
	Net Profit (Loss)	Weighted Average Number of Ordinary Shares	Earning (Loss) Per Share	Net Profit (Loss)	Weighted Average Number of Ordinary Shares	Earning (Loss) Per Share
	Million Baht	Million Shares	Baht	Million Baht	Million Shares	Baht
Basic earning per share						
Net profit (loss)	438.01	660.56	0.66	437.83	660.56	0.66
Effect of dilutive potential ordinary shares	19.12	182.58		19.12	182.58	
Diluted earning per share						
Net earnings of ordinary shareholders assuming the conversion of convertible debenture to ordinary shares	<u>457.13</u>	<u>843.14</u>	<u>0.54</u>	<u>456.95</u>	<u>843.14</u>	<u>0.54</u>

23. CONTINGENT LIABILITIES AND COMMITMENTS**23.1 Liabilities on guarantees**

As at March 31, 2006, the Company's total liabilities in the form of bank guarantees amounted to Baht 255.15 million. These guarantees are mainly to cover refunding of VAT, land leasing agreement, electricity usage and the telecommunication contract with the Telephone Organization of Thailand.

23.2 Allegation

As at March 31, 2006, The Company had allegation as follows:

- 23.2.1 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. The civil court dismissed on April 30, 2003 and now is being appealed with the appeal court
- 23.2.2 The Company was accused in accompany with the government, PTT and other private sectors, called upon to pay 210 million Baht in compensation for an infringement of the petty patentee's rights as the Patent Act in case of producing and selling Bio-diesel. Now is being appealed with the court of first instance. However, The Company's Legal Office believe that it will final win.

23.3 Commitments

As at March 31, 2006, The Company had commitments as follows:

- 23.3.1 The Company had entered into 5.25 million barrels oil price hedging contracts with foreign oil traders for price period from April 2006 to March 2007.
- 23.3.2 The Company has foreign currency buying forward contracts cover the period to June 2006 amounting to US\$ 1.14 million equivalent to Baht 44.66 million and selling forward contracts cover the period to December 2006 amounting to US\$ 14.25 million equivalent to Baht 587.93 million.

24. DISCLOSURE FOR FINANCIAL INSTRUMENTS

24.1 Risk from foreign exchange rate

The Company faces the risk in foreign exchange rate as the Company's cost of goods and revenue are tied to US Dollar. The essentially major costs are crude and oil products imported from overseas in US Dollar. The selling price in Thai Baht is derived from the oil product prices in Singapore market in US Dollar multiplied by the exchange rate of US Dollar against Thai Baht on the selling date. To safeguard against risk from the fluctuation of foreign exchange, the Company applies the financial instrument to manage the risk by entering into forward contracts on foreign exchange.

24.2 Risk from interest rate

The interest rate risk depends on the fluctuation of the interest rate in the financial market, which could impact on the Company's operations and its cash flows. However, management believes that the risk is insignificant in the current financial market because the Company's outstanding debt is small compared with its annual income and net cash flow.

24.3 Risk from product oil price in the global market

Over 90% of the Company's cost is related to oil. The price of crude oil and finished oil products will fluctuate in accordance with the buying and selling price in the global market. The price of crude oil against each purchase is based on the average benchmark price in the month of delivery. Purchases of finished oil products are based on the Singapore market price at the time of delivery. From the time of crude transfers to the sale of finished products to customers takes two to three months. As such, there is the risk arising from price fluctuation due to the timing difference. There is also the risk in the inventory value at the end of the accounting period being lower than the beginning period. In order to safeguard against such risks, the Company has established a risk management committee to monitor oil purchases, to assess situations and the trend in prices. The committee establishes policies related to oil purchases, inventory level and also the instruments for managing risks in the market. The Company also enters into hedging contracts with oil traders to minimize the risk from price fluctuation.

For the three month period ended March 31, 2006 the company realized Baht 7.10 million from the difference in the world's oil market price being lower than the hedging contact price.

24.4 Risk from credit term

Credit risk refers to the risk that trade accounts receivable may default in its obligations resulting in a financial loss to the Company. However, since the Company currently sells its products to creditworthy customers, it does not anticipate any material problem in collecting its debts. The concentration of credit risk with respect to trade receivable is limited as company debtors are spread over different type of businesses.

The carrying amount of accounts receivables recorded as shown in the balance sheets, net of a portion of allowance for doubtful debts, represents the maximum exposure to credit risk.

24.5 Fair value

The management believes that the fair value of the Company's financial assets and liabilities does not materially differ from their carrying value.

25. FINANCIAL INFORMATION BY SEGMENT OF BUSINESS

The statement of income of the Company segmented by type of business for the three month period ended March 31, 2006 are as follows:

	Million Baht			
	Refinery	Marketing	Elimination	Total
Sales	25,307.66	16,369.43	(15,817.52)	25,859.57
Cost of sales	(24,879.70)	(15,921.95)	15,817.52	(24,984.13)
Gross margin	427.96	447.48	-	875.44
Selling and administrative expenses	(60.73)	(285.75)	-	(346.48)
Other incomes (expenses)	674.04	16.44	-	690.48
Depreciation and Amortization	(1.31)	(107.40)	-	(108.71)
EBIT	1,039.96	70.77	-	1,110.73
Gain (loss) from impairment				0.09
Gain (loss) from foreign exchange fluctuations of others				(49.64)
Share of gain (loss) from investments for using equity method				(13.66)
Interest-net				(149.23)
Income Tax				(240.86)
Net Profit				657.43
EBITDA	1,141.27	178.16	-	1,319.43

The statement of income of the Company segmented by type of business for the three month period ended March 31, 2005 are as follows:

	Million Baht			
	Refinery	Marketing	Elimination	Total
Sales	17,597.81	11,700.53	(11,487.19)	17,811.15
Cost of sales	(16,743.05)	(11,568.62)	11,487.19	(16,824.48)
Gross margin	854.76	131.91	-	986.67
Selling and administrative expenses	(77.27)	(263.25)	-	(340.52)
Other incomes (expenses)	19.98	5.40	-	25.38
Depreciation and Amortization	(3.19)	(104.59)	-	(107.78)
EBIT	794.28	(230.53)	-	563.75
Gain (loss) from foreign exchange fluctuations of others				(3.03)
Share of gain (loss) from investments for using equity method				26.65
Interest-net				(154.18)
Income Tax				4.64
Net Profit				437.83
EBITDA	875.98	(125.94)	-	750.04

26. SUBSEQUENT EVENTS AFTER THE BALANCE SHEET DATE

At the ordinary shareholder's meeting held on April 18, 2006, the shareholders approved distribution of cash dividends for the year ended December 31, 2005 at Baht 0.30 per share, totaling Baht 206,244,572 and the appropriation of Baht 66,450,000 or 10% of authorized share capital as legal reserve.

On April 5, 2006, the Company has registered Baht 3,496,503 paid up share to increase the paid up shares capital from Baht 687,481,908 to Baht 690,978,411 with the Ministry of Commerce. This derived from 1 depository receipts holder who, on March 30, 2006, redeemed 5,000 depository receipts with face value of Baht 10,000 each and converted to 3,496,503 ordinary shares at Baht 14.30 per unit convertible price. After the execution of the convertible right, the balance of deposit receipts is remain 217,596 units.

According to extraordinary shareholder's meeting held on October 11, 2005, the shareholder approved to allot newly issued shares not exceeding 85,500,000 ordinary shares for the reservation of an exercise of the company's warrants as be approved to the existing shareholders whose name appears in the register book at the closing date, at the ratio of existing 10 shares: 1 unit of warrant. The Board of Director's meeting which held on March 31, 2006 approved to offer free warrant and the company set the closure date of the book of the company on April 20, 2006

27. ACCOUNT RECLASSIFICATION

The Company has reclassified certain items in the financial statements for the year ended December 31, 2005 by showing Job order for service station good image improvement, initially shown as "The Investment in service station" to that of "Other Non-Current Assets" in the Balance Sheet. The changes do not affect the net profit or the shareholders equity as previously reported.

28. DISCLOSURE THE APPROVED DATE OF THE FINANCIAL STATEMENT FOR ISSUE

The financial statement for the three month period ended March 31, 2006 had been approved for issue by authorized management on May 9, 2006

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