

**THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD OF THREE – MONTH ENDED MARCH 31, 2008

AND

REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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

I have reviewed the consolidated balance sheet of The Bangchak Petroleum Public Company Limited and its subsidiary as of March 31, 2008, and the related consolidated statements of changes in shareholders' equity, income and cash flows for the three – month period ended March 31, 2008 and 2007. I have also reviewed the separate 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. My responsibility is to report on these financial statements based on my review.

I conducted my review in accordance with the standards on auditing applicable to review engagements. These standards require that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company 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, I do not express an opinion.

Based on my review, nothing has come to my attention that caused me to believe that the accompanying financial statements are not presented fairly, in all material respects, in conformity with generally accepted accounting principles.

The consolidated and separate balance sheets as of December 31, 2007 presented herein for comparison have been derived from such financial statements, which I have audited and reported in accordance with generally accepted auditing standards and expressed an unqualified opinion in my report dated February 15, 2008. I have not performed any other audit procedures subsequent to such report date.

(NATSARAK SAROCHANUNJEEN)

Certified Public Account

Registration No. 4563

A.M.T.& ASSOCIATES

Bangkok, Thailand

May 8, 2008

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED

AND ITS SUBSIDIARIES

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD OF THREE - MONTH ENDED MARCH 31, 2008 AND 2007

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

B A H T

	Notes	Consolidated Financial Statement		Separate Financial Statement	
		As of 31 ST	As of 31 ST	As of 31 ST	As of 31 ST
		March	December	March	December
		2008	2007	2008	2007
		(Unaudited/ but Reviwed)	(Audited)	(Unaudited/ but Reviwed)	(Audited)
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalents	4	2,839,908,432	6,450,064,228	2,490,107,436	6,088,212,621
Short term investment	5	485,818,309	288,022,000	328,011,049	241,011,000
Trade accounts receivable - net					
Related parties	3.1	667,391,112	115,613,497	1,251,333,630	712,652,661
Other parties	6	4,712,799,658	5,286,555,533	4,693,062,346	5,268,273,637
Inventories - net	7	14,385,774,255	11,029,353,333	14,128,122,021	10,744,400,323
Other current assets					
Material and Supplies - net	8	319,570,116	336,332,480	319,570,116	336,332,480
Oil Fund Subsidies Receivable		153,334,153	196,690,719	153,334,153	196,690,719
Others	9	527,528,648	165,052,010	506,299,613	151,199,980
Total Current Assets		<u>24,092,124,683</u>	<u>23,867,683,800</u>	<u>23,869,840,364</u>	<u>23,738,773,421</u>
NON-CURRENT ASSETS					
Investments in subsidiary	1.3,3.2	-	-	49,752,375	490,000
Other long-term investments	10	12,347,633	12,343,357	11,447,633	11,443,357
Tariff prepayment - net	11	7,676,370	9,761,310	7,676,370	9,761,310
Property, plant and equipment - net	12	20,138,357,430	18,412,290,880	20,131,695,923	18,407,213,305
Leasehold right	13	1,154,684,040	1,168,013,702	1,154,684,040	1,168,013,702
Intangible assets - net	14	97,151,584	99,295,653	95,797,512	97,843,589
Investment in service station - net	15	326,052,053	338,026,060	326,052,053	338,026,060
Other non-current assets					
Deferred income tax assets	16	135,227,142	131,028,038	135,227,142	131,028,038
Others	17	915,212,500	948,321,359	911,957,754	945,556,846
Total Non-Current Assets		<u>22,786,708,752</u>	<u>21,119,080,359</u>	<u>22,824,290,802</u>	<u>21,109,376,207</u>
TOTAL ASSETS		<u><u>46,878,833,435</u></u>	<u><u>44,986,764,159</u></u>	<u><u>46,694,131,166</u></u>	<u><u>44,848,149,628</u></u>

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

		B A H T			
		Consolidated Financial Statement		Separate Financial Statement	
		As of 31 ST	As of 31 ST	As of 31 ST	As of 31 ST
		March	December	March	December
Notes		2008	2007	2008	2007
		(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	18	1,290,000,000	880,000,000	1,290,000,000
	Trade accounts payable				
	Related parties	3.3	9,339,950,266	8,175,198,958	9,342,250,141
	Other parties		881,377,048	836,418,041	836,146,214
	Current portion of long-term loans	19	722,500,000	722,500,000	722,500,000
	Other current liabilities				
	Accrued excise tax and oil stabilization fund		175,122,062	293,807,011	175,122,062
	Accrued corporate income tax		1,024,545,668	667,823,953	1,011,687,098
	Accrued expenses		256,161,294	472,108,469	234,841,564
	Liabilities on hedging contracts		441,839,527	929,062,981	441,839,527
	Others	20	524,174,756	465,437,815	512,323,741
	Total Current Liabilities		14,655,670,621	13,442,357,228	14,566,710,347
NON-CURRENT LIABILITIES					
	Long-term loans	19	9,353,770,172	9,438,770,172	9,353,770,172
	Other non-current liabilities				
	Liabilities on long-term lease	13	414,481,760	460,703,710	414,481,760
	Liabilities on service stations leasehold right		6,980,994	7,923,844	6,980,994
	Reserve for pension fund		362,182,366	347,715,363	362,182,366
	Deferred income tax liabilities	16	22,081,747	22,899,589	22,081,747
	Others		39,266,581	41,725,139	26,704,396
	Total Non-Current Liabilities		10,198,763,620	10,319,737,817	10,186,201,435
	Total Liabilities		24,854,434,241	23,762,095,045	24,752,911,782

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

		B A H T			
		Consolidated Financial Statement		Separate Financial Statement	
		As of 31 ST	As of 31 ST	As of 31 ST	As of 31 ST
		March	December	March	December
Notes		2008	2007	2008	2007
		(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 1,119,132,050 shares in 2008 and	1,119,132,050	-	1,119,132,050	-
	Common share 1,119,132,050 shares in 2007	-	1,119,132,050	-	1,119,132,050
Capital Surplus					
	Premium on share capital	7,505,333,450	7,505,333,450	7,505,333,450	7,505,333,450
	Capital surplus on registered and paid-up share reduction	189,617,759	189,617,759	189,617,759	189,617,759
	Surplus on fixed assets revaluation	5,190,051,487	5,289,307,563	5,190,051,487	5,289,307,563
	Premium on share capital of subsidiary of the Company	18,621,225	-	-	-
Retained earning (deficit)					
	Appropriated – legal reserve	153,164,346	153,164,346	153,164,346	153,164,346
	Unappropriated	7,820,416,879	6,967,603,946	7,783,920,292	6,942,512,418
	Total Equity of Parent Company's Shareholders	21,996,337,196	21,224,159,114	21,941,219,384	21,199,067,586
	Minority interests	28,061,998	510,000	-	-
	Total Shareholders' Equity	22,024,399,194	21,224,669,114	21,941,219,384	21,199,067,586
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		46,878,833,435	44,986,764,159	46,694,131,166	44,848,149,628

The accompanying notes to interim 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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED FINANCIAL STATEMENT

FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2008 AND 2007

Note	BAHT								Total
	Issued and paid - up share capital	Premium on Share capital	Capital surplus on registered and paid-up share reduction	Surplus on fixed assets revaluation	Premium on share capital of subsidiary of the	Retained earning (Deficit)		Minority interests	
						Appropriated legal reserve	Unappropriated		
Beginning balance as at January 1, 2007	1,119,096,351	7,504,729,149	189,617,759	4,283,181,275	-	153,164,346	5,398,384,611	510,000	18,648,683,491
Adjustment from changing in accounting policy:									
- Investment in subsidiary	-	-	-	-	-	-	(4,289,114)	-	(4,289,114)
Beginning balance after adjustment	1,119,096,351	7,504,729,149	189,617,759	4,283,181,275	-	153,164,346	5,394,095,497	510,000	18,644,394,377
Issued and Paid-up share capital	15,000	-	-	-	-	-	-	-	15,000
Premium on share capital	-	255,000	-	-	-	-	-	-	255,000
Transaction not recognised in the income statement									
- Depreciation on the fixed assets revaluation	-	-	-	(54,918,878)	-	-	-	-	(54,918,878)
Net profit (loss)	-	-	-	-	-	-	(41,903,036)	-	(41,903,036)
Ending balance as at March 31, 2007	1,119,111,351	7,504,984,149	189,617,759	4,228,262,397	-	153,164,346	5,352,192,461	510,000	18,547,842,463
Beginning balance as at January 1, 2008	1,119,132,050	7,505,333,450	189,617,759	5,289,307,563	-	153,164,346	6,967,603,946	510,000	21,224,669,114
Minority interests	-	-	-	-	-	-	-	29,093,150	29,093,150
Premium on share capital of subsidiary of the Company	-	-	-	-	18,621,225	-	-	-	18,621,225
Transaction not recognised in the income statement									
- Depreciation on the fixed assets revaluation	-	-	-	(99,256,076)	-	-	-	-	(99,256,076)
Net profit (loss)	-	-	-	-	-	-	852,812,933	(1,541,152)	851,271,781
Ending balance as at March 31, 2008	1,119,132,050	7,505,333,450	189,617,759	5,190,051,487	18,621,225	153,164,346	7,820,416,879	28,061,998	22,024,399,194

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY****SEPARATE FINANCIAL STATEMENT****FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2008 AND 2007**

	BAHT						Total
	Issued 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	
Note							
Beginning balance as at January 1, 2007	1,119,096,351	7,504,729,149	189,617,759	4,283,181,275	153,164,346	5,441,467,438	18,691,256,318
Adjustment from changing in accounting policy:							
- Investment in subsidiary	-	-	-	-	-	490,000	490,000
Beginning balance after adjustment	1,119,096,351	7,504,729,149	189,617,759	4,283,181,275	153,164,346	5,441,957,438	18,691,746,318
Issued and Paid-up share capital	15,000	-	-	-	-	-	15,000
Premium on share capital	-	255,000	-	-	-	-	255,000
Transaction not recognised in the income statement							
- Depreciation on the fixed assets revaluation	-	-	-	(54,918,878)	-	-	(54,918,878)
Net profit (loss)	-	-	-	-	-	(53,917,504)	(53,917,504)
Ending balance as at March 31, 2007	1,119,111,351	7,504,984,149	189,617,759	4,228,262,397	153,164,346	5,388,039,934	18,583,179,936
Beginning balance as at January 1, 2008	1,119,132,050	7,505,333,450	189,617,759	5,289,307,563	153,164,346	6,942,512,418	21,199,067,586
Transaction not recognised in the income statement							-
- Depreciation on the fixed assets revaluation	-	-	-	(99,256,076)	-	-	(99,256,076)
Net profit (loss)	-	-	-	-	-	841,407,874	841,407,874
Ending balance as at March 31, 2008	1,119,132,050	7,505,333,450	189,617,759	5,190,051,487	153,164,346	7,783,920,292	21,941,219,384

The accompanying notes to interim 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, 2008 AND 2007**

		B A H T			
		Consolidated Financial Statement		Separate Financial Statement	
Notes		2008	2007	2008	2007
Sales and services	24	29,819,392,088	19,985,280,735	29,564,011,856	19,789,513,619
Cost of sales and services		(28,238,823,472)	(19,549,182,720)	(28,101,706,032)	(19,459,137,172)
Gross Margin		1,580,568,616	436,098,015	1,462,305,824	330,376,447
Selling and administrative expenses		(616,792,661)	(520,429,846)	(510,107,593)	(424,536,382)
Income from Sales		963,775,955	(84,331,831)	952,198,231	(94,159,935)
Interest income		27,329,431	65,432,169	24,156,146	63,752,529
Gain(Loss) from foreign exchange	25	285,394,326	(23,455,610)	285,394,326	(23,455,610)
Gain from crude oil and product oil price hedging contract	28.3	56,797,713	71,424,864	56,797,713	71,424,864
Reversal of loss from Inventory write - down		-	54,510,520	-	54,510,520
Gain from assets disposal		1,026,968	1,086,209	1,026,968	1,086,209
Loss adjustment from impairment of assets		-	40,532	-	40,532
Other income		26,530,412	26,785,357	26,340,567	26,278,633
Directors' remuneration		(10,040,000)	(2,776,285)	(10,040,000)	(2,776,285)
Income before Interests and Taxes		1,350,814,805	108,715,925	1,335,873,951	96,701,457
Interest expenses	26	(138,509,729)	(176,203,778)	(138,509,729)	(176,203,778)
Income taxes	16	(361,033,295)	25,584,817	(355,956,348)	25,584,817
Net income (loss) for the period		851,271,781	(41,903,036)	841,407,874	(53,917,504)
Attributable to :					
Equity holders of the parent		852,812,933	(41,903,036)	841,407,874	(53,917,504)
Minority interest		(1,541,152)	-	-	-
		851,271,781	(41,903,036)	841,407,874	(53,917,504)
BASIC EARNINGS PER SHARE	27				
Earnings per share (Baht)		0.76	(0.04)	0.75	(0.05)
Number of weighted average shares (shares)		1,119,132,050	1,119,110,184	1,119,132,050	1,119,110,184
DILUTED EARNINGS PER SHARE	27				
Earnings per share (Baht)		0.66	0.04	0.65	(0.05)
Number of weighted average shares (shares)		1,313,124,957	1,313,103,790	1,313,124,957	1,313,103,790

The accompanying notes to interim 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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**STATEMENTS OF CASH FLOWS****FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2008 AND 2007**

	B A H T				
	Consolidated Financial Statement		Separate Financial Statement		
	2008	2007	2008	2007	
	<u>Note</u>				
CASH FLOWS FROM OPERATING ACTIVITIES :					
Net profit (loss)		852,812,933	(41,903,036)	841,407,874	(53,917,504)
Adjustments to reconcile net profit to net cash provided by (used in) Operating Activities					
Depreciation		159,896,128	159,969,081	159,265,061	159,287,924
Bad debt and doubtful debts		1,589,516	(831,314)	1,630,478	(400,974)
Amortization		47,570,034	49,682,480	47,467,123	49,468,834
Loss (gain) from foreign exchange	25	(145,117,697)	20,043,672	(145,117,697)	20,043,672
Loss (Gain) from assets impairment		-	(40,532)	-	(40,532)
Deferred income tax	16	(5,016,946)	(13,929,322)	(5,016,946)	(13,929,322)
Loss (gain) from fixed assets disposal		(1,026,968)	(1,086,209)	(1,026,968)	(1,086,209)
Reserve for pension fund		14,467,003	5,734,929	14,467,003	5,734,929
Deferred revenue		(396,427)	(304,875)	(396,427)	(304,875)
Minority interests		(1,541,152)	-	-	-
Interest expenses		138,509,729	176,203,778	138,509,729	176,203,778
Income tax		361,033,295	(25,584,817)	355,956,348	(25,584,817)
Operating gain before changes in operating assets and liabilities		<u>1,422,779,448</u>	<u>327,953,835</u>	<u>1,407,145,578</u>	<u>315,474,904</u>
Operating assets (increase), decrease					
Trade accounts receivable		82,839,650	(410,524,578)	97,391,713	(434,477,641)
Inventories		(3,356,420,922)	(305,115,218)	(3,383,721,698)	(301,801,424)
Other current assets		(302,318,271)	(171,361,926)	(294,982,229)	(175,139,005)
Operating liabilities increase, (decrease)					
Trade accounts payable		1,197,454,495	2,468,997,332	1,206,177,406	2,471,224,502
Other current liabilities		(704,006,966)	(331,565,186)	(697,640,830)	(333,195,735)
Other non - current liabilities		(2,066,404)	(1,884,940)	(2,026,857)	(1,462,540)
Cash Provided by Operating Activities		<u>(1,661,738,970)</u>	<u>1,576,499,319</u>	<u>(1,667,656,917)</u>	<u>1,540,623,061</u>
Interest payment		(165,807,772)	(189,294,763)	(165,807,772)	(189,294,763)
Income tax payment		(5,280,777)	(3,383,729)	(4,572,928)	(2,854,345)
Net Cash Provided by (Used in) Operating Activities		<u>(1,832,827,518)</u>	<u>1,383,820,827</u>	<u>(1,838,037,617)</u>	<u>1,348,473,953</u>

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**STATEMENTS OF CASH FLOWS****FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2008 AND 2007**

B A H T

	Note	Consolidated Financial Statement		Separate Financial Statement	
		2008	2007	2008	2007
CASH FLOWS FROM INVESTING ACTIVITIES :					
Decrease(increase) in temporary investments		(197,796,309)	215,932,911	(87,000,049)	215,933,033
Decrease(increase) in long-term investments		2,084,940	1,540,013	2,084,940	1,540,013
Proceeds from Liquidation of a subsidiary		-	-	(49,262,375)	-
Acquisition in property, plant and equipments		(1,938,627,841)	(116,075,303)	(1,936,412,840)	(115,894,358)
Proceeds from sales of property, plant and equipment		2,035,545	3,410,849	2,035,545	3,410,849
Decrease(increase) in Leasehold right		(9,490,764)	(5,740,191)	(9,490,764)	(5,740,191)
Decrease(increase) in intangible assets		(3,886,355)	(411,763)	(3,886,355)	(411,763)
Decrease(increase) in other non - current assets		(4,361,869)	(45,941,045)	(3,135,670)	(45,413,816)
Net Cash Provide by (Used in) Investing Activities		(2,150,042,653)	52,715,471	(2,085,067,568)	53,423,767
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase(decrease) in bank overdrafts and short-term loans from financial institutions		410,000,000	(1,200,000,000)	410,000,000	(1,200,000,000)
Payment of long - term loans		(85,000,000)	(85,000,000)	(85,000,000)	(85,000,000)
Issued and Paid-up share capital		-	15,000	-	15,000
Premium on share capital		-	255,000	-	255,000
Issuance of subsidiary's share capital		21,112,625	-	-	-
Premium on share capital of subsidiary		26,601,750	-	-	-
Net Cash Provided by (Used in) Financing Activities		372,714,375	(1,284,730,000)	325,000,000	(1,284,730,000)
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS - NET		(3,610,155,796)	151,806,298	(3,598,105,185)	117,167,720
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		6,450,064,228	2,705,239,667	6,088,212,621	2,599,184,005
CASH AND CASH EQUIVALENTS, END OF PERIOD	4	2,839,908,432	2,857,045,965	2,490,107,436	2,716,351,725

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2008

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, 2008 and 2007, the company employed 870 and 826 employees respectively and the employees related expenses were Baht 179.97 million and Baht 135.37 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, 2008 and 2007, the company employed 1,957 and 1,883 employees respectively and the employee related expenses were Baht 54.39 million and Baht 48.12 million respectively.

The Bangchak Biofuel Co., Ltd., a subsidiary company, was incorporated as a limited company under the Civil and Commercial Code on March 12, 2008. 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 producing and distributing of biodiesel. The subsidiary is in the planed process of construction of a biodiesel plant.

1.2 Basis for preparation and presentation of financial statements

The interim financial statements of the Company are prepared in accordance with the generally accepted accounting standards. 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, 2007

The Company's consolidated financial statements incorporate the financial statements of The Bangchak Petroleum Public Company Limited, The Bangchak Green Net Co., Ltd., and The Bangchak Biofuel Co., Ltd. in which the company holds 49% share and 70% share respectively. 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 Bangchak Green Line Co., Ltd.	Fuel transportation. (Company is in self liquidation process)	Indirect holding and joint directors	49.00%
- The Bangchak Biofuel Co., Ltd. **	Biodiesel	Holding and joint directors	70.00%
<u>Related companies</u> :			
- PTT Public Company Limited.	Petroleum business	Holding and joint directors	-
- Fuel Pipeline Transportation Ltd.	Fuel pipeline transportation	Holding and joint directors	11.41%
- Thai Oil Public Company Limited.	Oil refinery	Related company of PTT	-
- PTT Aromatics and Refining Public Company Limited *	Petrochemical and Refining	Related company of PTT	-
- Thai Lube Base Public Co., Ltd.	Lubrication base refinery	Related company of PTT	-

Name	Type of business	Relationship	Share holding (%)
- IRPC Public Company Limited.	Petrochemical	Related company of PTT	-
- IRPC Oil Company Limited.	Refined Petroleum business	Related company of PTT	-
- NPC Safety and Environmental Service Co., Ltd. *	Safety and Environmental business	Related company of PTT	-

The Bangchak Green Net Co., Ltd. did not include The Bangchak Green Line Co., Ltd. in its consolidated financial statements as The Bangchak Green Line Co., Ltd. has been in the process of self-liquidation and the investment in The Bangchak Green Line Co., Ltd. was written-off.

* The trading transactions have been initialized during quarter 4/2007.

** Relationship has been established since March 12, 2008.

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, 2007 and with the following accounting policy changes. .

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, 2008 and December 31, 2007 are as follows:

3.1 Trade accounts receivable – related parties

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	March 31, 2008	December 31, 2007	March 31, 2008	December 31, 2007
Subsidiaries				
- The Bangchak Green Net Co., Ltd.	-	-	583.94	597.04
Related Companies				
- PTT Public Company Limited.	667.07	115.29	667.07	115.29
- The Related Companies of PTT	-	-	-	-
- Fuel Pipeline Transportation Ltd.	0.32	0.32	0.32	0.32
Total Accounts receivable - Related parties net	<u>667.39</u>	<u>115.61</u>	<u>1,251.33</u>	<u>712.65</u>

3.2 Investments in subsidiary

Name	Type of Business	Authorized Share capital (Million Baht)	Holding %	Million Baht		
				Separate Financial Statement		
				March 31, 2008		
				Investments		
				Cost Method	Net Book Value	Dividend
Subsidiary :						
The Bangchak Green Net Co., Ltd.	Holding and joint directors	1	49.00%	0.49	40.27	-
The Bangchak Biofuel Co., Ltd.	Holding and joint directors	281.50	70.00%	49.26	64.29	-
Total				<u>49.75</u>		
Million Baht						
Separate Financial Statement						
December 31, 2007						
				Investments		
				Cost Method	Net Book Value	Dividend
Subsidiary :						
The Bangchak Green Net Co., Ltd.	Holding and joint directors	1	49.00%	0.49	27.84	-

3.3 Trade accounts payable – related parties

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	March 31, 2008	December 31, 2007	March 31, 2008	December 31, 2007
<u>Subsidiaries</u>				
- The Bangchak Green Net Co., Ltd.	-	-	2.30	2.01
<u>Related Companies</u>				
- PTT Public Company Limited.	8,091.02	6,319.29	8,091.02	6,319.29
- The Related Companies of PTT	1,238.49	1,846.71	1,238.49	1,846.71
- Fuel Pipeline Transportation Ltd.	10.44	9.20	10.44	9.20
Total Account Payable - related parties	<u>9,339.95</u>	<u>8,175.20</u>	<u>9,342.25</u>	<u>8,177.21</u>

3.4 Transaction with related parties

Transaction with related parties for the three-month period ended March 31, 2008 and 2007 are as follows:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Revenue from sales of oil	1,903.92	857.41	6,251.67	3,546.71
Revenue from operating right	-	-	20.93	18.73
Other Revenue	9.68	8.99	11.57	9.42
Cost of pipeline transportation	25.74	20.42	25.74	20.42
Crude and Product purchase	27,000.92	15,540.95	27,000.92	15,540.95
Terminal service	7.68	10.08	7.68	10.08

Transfer pricing with the related parties does not differ from unrelated parties.

4. CASH AND CASH EQUIVALENTS

As at March 31, 2008 and December 31, 2007 Cash and cash equivalents consisted of:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Cash and deposits at Banks *	2,839.91	6,450.06	2,490.11	6,088.21
Fixed deposit (maturity dates not longer than 3 months) *	-	-	-	-
Total	<u>2,839.91</u>	<u>6,450.06</u>	<u>2,490.11</u>	<u>6,088.21</u>

* Included Banks deposits for PQI project as at March 31, 2008 and December 31, 2007 amounting to Baht 1,169.92 million and 2,918.16 million.

The Company entered into an agreement with financial institutions to pledge banks deposits as security for the credit facilities obtained from those financial institutions, as referred in Notes 19.1.

5. SHORT TERM INVESTMENT

As at March 31, 2008 and December 31, 2007, trade account receivables consisted of:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Fixed deposit	485.82	288.02	328.01	241.01
Fixed deposit for investment in PQI Project **	-	-	-	-
Total	485.82	288.02	328.01	241.01

** The above investment is the excess fund of the funding proceeds for Product Quality Improvement Project (PQI) by issuing common stocks and convertible debentures.

6. TRADE ACCOUNTS RECEIVABLE – OTHER PARTIES - NET

As at March 31, 2008 and December 31, 2007, Trade accounts receivable consist of:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Trade accounts receivable - other parties	4,804.24	5,378.62	4,781.63	5,357.31
<u>Less</u> : Allowance for doubtful accounts	<u>(91.44)</u>	<u>(92.06)</u>	<u>(88.57)</u>	<u>(89.04)</u>
Trade accounts receivable - other parties - net	4,712.80	5,286.56	4,693.06	5,268.27

As at March 31, 2008 and December 31, 2007, the overdue trade accounts receivable are classified by aging as follows:

	Million Baht	
	2008	2007
Over 3 months to 6 months	0.20	36.86
Over 6 months to 12 months	36.34	0.41
Over 12 months	52.21	55.42
Total	88.75	92.69

7. INVENTORIES - NET

As at March 31, 2008 and December 31, 2007, Inventories consist of :

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Crude oil	9,414.16	6,783.24	9,414.16	6,783.24
Finished oil product	4,927.76	4,196.74	4,713.96	3,961.16
Consumer product	45.36	51.01	-	-
<u>Less</u> : Allowance for devaluation	<u>(1.51)</u>	<u>(1.64)</u>	<u>-</u>	<u>-</u>
Inventories – net	14,385.77	11,029.35	14,128.12	10,744.40

Inventories as at March 31, 2008 and December 31, 2007, are included petroleum legal reserve of 312.41 million liters approximated value Baht 6,050.25 Million and 331.09 million liters approximated value Baht 6,135.06 Million respectively.

The Company entered into an agreement with financial institutions to pledge legal reserved inventories as security for the credit facilities obtained from those financial institutions, as referred in Notes 19.1.

8. MATERIAL AND SUPPLIES - NET

As at March 31, 2008 and December 31, 2007, Material and supplies consist of:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Material and supplies	329.90	346.66	329.90	346.66
<u>Less</u> : Allowance for obsolescence	(10.33)	(10.33)	(10.33)	(10.33)
Material and supplies - net	<u>319.57</u>	<u>336.33</u>	<u>319.57</u>	<u>336.33</u>

9. OTHER CURRENT ASSETS – OTHERS

As at March 31, 2008 and December 31, 2007, Other current assets consist of:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Accounts receivable -Hedging contract	51.13	18.31	51.13	18.31
Value added tax	400.44	69.04	400.44	69.04
Other	<u>75.96</u>	<u>77.70</u>	<u>54.73</u>	<u>63.85</u>
Total	<u>527.53</u>	<u>165.05</u>	<u>506.30</u>	<u>151.20</u>

10. OTHER LONG-TERM INVESTMENTS

As at March 31, 2008 and December 31, 2007, Other long-term investments consist of :

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
<u>Investment in capital paper</u>				
- Fuel Pipeline Transportation Ltd.	181.75	181.75	181.75	181.75
<u>Less</u> Allowance for impairment	(181.75)	(181.75)	(181.75)	(181.75)
- MFC Energy Fund	<u>8.49</u>	<u>8.49</u>	<u>8.49</u>	<u>8.49</u>
Investment in capital paper – net	<u>8.49</u>	<u>8.49</u>	<u>8.49</u>	<u>8.49</u>
<u>Investment in commercial paper</u>				
- The Express way Authority of Thailand's bond	0.90	0.90	-	-
- The Government bond	3.00	3.00	3.00	3.00
<u>Less</u> Discount on investments	(0.04)	(0.05)	(0.04)	(0.05)
Total Investment in commercial paper	<u>3.86</u>	<u>3.85</u>	<u>2.96</u>	<u>2.95</u>
Total other long-term investments	<u>12.35</u>	<u>12.34</u>	<u>11.45</u>	<u>11.44</u>

On October 25, 2005, the Company invested in The Government's bond, B.E. 2547 no.4 with 5 years duration, amounting to Baht 2,917,337.43. The total 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, 2006. The discounted amount of Baht 82,662.57 on the stated value, will be amortized by straight-line method spreading over the duration period. During the three-month period ended March 31, 2008, the Company amortized the discount to be income amounting to Baht 4,275.66.

On August 3, 2007, the Company invested in MFC Energy Fund, a redeemable special open-end mutual fund established for institutional investors, for a total committed purchase amount of Baht 200 million at a unit price of Baht 10. Payment for the investment has been called at Baht 8.4 million with the balance to be paid by installments. Return on the investment will be allocated by the fund within 15 working days after the fund manager receives the return on investment except that the investment committee decides that the proceeds are to be reinvested.

11 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 parts 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 shall be established as a receivable in a suspense account which will be written-off if FPT fulfill the agreement, without default, over a three-year consecutive period.

The financial statements as at March 31, 2008 show an outstanding prepaid tariff amounting Baht 137.20 million which the Company has provided an allowance for doubtful debt of Baht 129.52 million. The balance is Baht 7.68 million. The difference in the interest rates, which is pending in the suspense account, has been written-off as follows ;

	<u>Million Baht</u>
In 2004, it wrote-off the interest receivable set-up for the year 2001	21.38
In 2005, it wrote-off the interest receivable set-up for the year 2002	10.67
In 2006, it wrote-off the interest receivable set-up for the year 2003	9.40
In 2007, it wrote-off the interest receivable set-up for the year 2004	<u>8.06</u>
Total	<u>49.51</u>

The Company will consider the write-off of the interest receivable, pending in the suspense account during January 1, 2005 to March 31, 2008 amounting Baht 28.29 million, annually. The allowance for doubtful debt for the interest receivable has been fully provided.

12 PROPERTY, PLANT AND EQUIPMENT - NET

	Million Baht							
	Consolidated Financial Statement							
			Machinery, equipment refinery plants and terminal	Marketing and office equipment	Platinum Catalyst	Vehicles	Construction work in progress	Total
	Land	Buildings						
Cost / Revaluation								
At January 1, 2008	1,368.64	527.71	24,592.52	3,742.29	273.10	127.90	5,182.97	35,815.13
Additions	-	-	-	-	-	-	2,005.49	2,005.49
Borrowing Cost	-	-	-	-	-	-	19.98	19.98
Disposals	(134.17)	-	(0.08)	(4.67)	-	-	(41.36)	(180.28)
Reclassification	134.17	-	44.11	17.95	-	1.87	(61.71)	136.39
At March 31, 2008	1,368.64	527.71	24,636.55	3,755.57	273.10	129.77	7,105.37	37,796.71
Accumulated depreciation :								
At January 1, 2008	-	(344.89)	(14,244.09)	(2,078.82)	-	(100.51)	-	(16,768.31)
Additions	-	(4.16)	(195.27)	(56.11)	-	(3.61)	-	(259.15)
Disposals	-	-	0.01	3.63	-	-	-	3.64
Reclassification	-	-	-	-	-	-	-	-
At March 31, 2008	-	(349.05)	(14,439.35)	(2,131.30)	-	(104.12)	-	(17,023.82)
Allowance for impairment								
At January 1, 2008	(568.50)	-	(0.56)	(65.47)	-	-	-	(634.53)
Reversal of loss on impairment of assets	-	-	-	-	-	-	-	-
At March 31, 2008	(568.50)	-	(0.56)	(65.47)	-	-	-	(634.53)
Property, plant and equipment - net								
At January 1, 2008	800.14	182.82	10,347.87	1,598.00	273.10	27.39	5,182.97	18,412.29
At March 31, 2008	800.14	178.66	10,196.64	1,558.80	273.10	25.65	7,105.37	20,138.36
Depreciation included in income statements for the :								
Year ended December 31, 2007								642.13
Three-month period ended March 31, 2008								159.90
Property, plant and equipment are classified by cost and revaluation								
Cost								
At December 31, 2007	1,368.64	527.71	13,390.18	3,742.29	134.58	127.90	5,182.97	24,474.27
Add (Less) : Reclassification	-	-	44.02	13.28	-	1.87	1,922.40	1,981.57
Less : Accumulated depreciation	-	(349.05)	(8,288.53)	(2,131.30)	-	(104.12)	-	(10,873.00)
Less : Allowance for impairment	(568.50)	-	(0.56)	(65.47)	-	-	-	(634.53)
At March 31, 2008	800.14	178.66	5,145.11	1,558.80	134.58	25.65	7,105.37	14,948.31
Revaluation								
At December 31, 2007	-	-	11,202.34	-	138.52	-	-	11,340.86
Add(Less) : Changing in appraisal surplus	-	-	-	-	-	-	-	-
Less : Accumulated depreciation	-	-	(6,150.81)	-	-	-	-	(6,150.81)
At March 31, 2008	-	-	5,051.53	-	138.52	-	-	5,190.05
Property, plant and equipment - net								
At March 31, 2008	800.14	178.66	10,196.64	1,558.80	273.10	25.65	7,105.37	20,138.36

	Million Baht							
	Separate Financial Statement							
			Machinery, equipment refinery plants and terminal	Marketing and office equipment	Platinum Catalyst	Vehicles	Construction work in progress	Total
	Land	Buildings						
Cost / Revaluation								
At January 1, 2008	1,368.64	527.71	24,592.52	3,702.23	273.10	122.84	5,182.97	35,770.01
Additions	-	-	-	-	-	-	2,005.49	2,005.49
Borrowing Cost	-	-	-	-	-	-	19.98	19.98
Disposals	(134.17)	-	(0.08)	(4.67)	-	-	(41.36)	(180.28)
Reclassification	134.17	-	44.11	17.60	-	-	(61.71)	134.17
At March 31, 2008	1,368.64	527.71	24,636.55	3,715.16	273.10	122.84	7,105.37	37,749.37
Accumulated depreciation :								
At January 1, 2008	-	(344.89)	(14,244.09)	(2,042.31)	-	(96.97)	-	(16,728.26)
Additions	-	(4.16)	(195.27)	(55.72)	-	(3.37)	-	(258.52)
Disposals	-	-	0.01	3.63	-	-	-	3.64
Reclassification	-	-	-	-	-	-	-	-
At March 31, 2008	-	(349.05)	(14,439.35)	(2,094.40)	-	(100.34)	-	(16,983.14)
Allowance for impairment								
At January 1, 2008	(568.50)	-	(0.56)	(65.47)	-	-	-	(634.53)
Reversal of loss on impairment of assets	-	-	-	-	-	-	-	-
At March 31, 2008	(568.50)	-	(0.56)	(65.47)	-	-	-	(634.53)
Property, plant and equipment - net								
At January 1, 2008	800.14	182.82	10,347.87	1,594.45	273.10	25.87	5,182.97	18,407.22
At March 31, 2008	800.14	178.66	10,196.64	1,555.29	273.10	22.50	7,105.37	20,131.70
Depreciation included in income statements for the :								
Year ended December 31, 2007								639.43
Three-month period ended March 31, 2008								159.27
Property, plant and equipment are classified by cost and revaluation								
Cost								
At December 31, 2007	1,368.64	527.71	13,390.18	3,702.23	134.58	122.84	5,182.97	24,429.15
Add (Less) : Reclassification	-	-	44.02	12.93	-	-	1,922.40	1,979.35
Less : Accumulated depreciation	-	(349.05)	(8,288.53)	(2,094.40)	-	(100.34)	-	(10,832.32)
Less : Allowance for impairment	(568.50)	-	(0.56)	(65.47)	-	-	-	(634.53)
At March 31, 2008	800.14	178.66	5,145.11	1,555.29	134.58	22.50	7,105.37	14,941.65
Revaluation								
At December 31, 2007	-	-	11,202.34	-	138.52	-	-	11,340.86
Add(Less) : Changing in appraisal surplus	-	-	-	-	-	-	-	-
Less : Accumulated depreciation	-	-	(6,150.81)	-	-	-	-	(6,150.81)
At March 31, 2008	-	-	5,051.53	-	138.52	-	-	5,190.05
Property, plant and equipment - net								
At March 31, 2008	800.14	178.66	10,196.64	1,555.29	273.10	22.50	7,105.37	20,131.70

The Company has mortgaged its land, buildings and machinery which the net book value as at March 31, 2008 and December 31, 2007 were Baht 17,532.34 million and Baht 15,948.02 million respectively as collateral with financial institutions for the credit facilities extended to the Company by the financial institutions as mentioned in Note 19.1

Construction in progress is the investment in PQI project which is partially financed by an issuance of new common shares to PTT. The Company has entered into a long term business cooperation agreement with PTT as referred in Notes 28.3.4.

13. LEASEHOLD RIGHT

As at March 31, 2008 and December 31, 2007, Leasehold right consist of:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Cost	2,135.56	2,131.30	2,135.56	2,131.30
Accumulated amortization	(968.24)	(950.65)	(968.24)	(950.65)
Total	1,167.32	1,180.65	1,167.32	1,180.65
Less : Allowance for impairment	(12.64)	(12.64)	(12.64)	(12.64)
Leasehold right – net	1,154.68	1,168.01	1,154.68	1,168.01

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 as follows ;

Payment of fee per annum	Million Baht
The year 2007 – 2009	45.97
The year 2010 - 2012	61.29
The year 2013 - 2015	76.62

The amounts of Baht 505.66 million and Baht 45.97 million are recorded as liability, against the long-term leasehold right and other current liability. 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. As at March 31, 2008 and December 31, 2007, the balances outstanding in the Long-term leasehold right are Baht 414.48 million and Baht 460.70 million respectively.

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, as referred to in Notes19.1.

14. INTANGIBLE ASSETS – NET

Intangible assets comprise of the right to use and the cost of development of computer software.

As at March 31, 2008 and December 31, 2007, Intangible assets consist of:

	Million Baht	
	Consolidated Financial Statement	Separate Financial Statement
<u>Cost :</u>		
At January 1, 2007	123.42	121.35
Additions	23.35	23.35
Disposals	(8.63)	(8.63)
At December 31, 2007	138.14	136.07
Additions	3.89	3.89
Disposals	(2.08)	(2.08)
At March 31, 2008	139.95	137.88
<u>Accumulated amortization :</u>		
At January 1, 2007	(23.62)	(23.51)
Additions	(22.72)	(22.21)
Disposals	7.49	7.49
At December 31, 2007	(38.85)	(38.23)
Additions	(6.03)	(5.93)
Disposals	2.08	2.08
At March 31, 2008	(42.80)	(42.08)
<u>Intangible assets – net :</u>		
At December 31, 2007	99.29	97.84
At March 31, 2008	97.15	95.80

15. 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, 2008 and December 31, 2007, the balances outstanding in the investment in service stations account are Baht 326.05 million and Baht 338.03 million respectively. The Company amortized the investment in service stations to expense amounting Baht 11.88 million in this accounting period.

16. INCOME TAX AND DEFERRED INCOME TAX

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

	<u>Tax rates</u>
- The Company	30
- Subsidiaries	15 – 30

Deferred income tax as at March 31, 2008 and December 31, 2007 are as follows:

	Million Baht	
	<u>Consolidated Financial Statement</u>	<u>Separate Financial Statement</u>
Deferred income tax assets		
As at December 31, 2007	131.03	131.03
Income tax expenses	4.20	4.20
As at March 31, 2008	<u>135.23</u>	<u>135.23</u>
Deferred income tax liabilities		
As at December 31, 2007	22.90	22.90
Income tax expenses	(0.82)	(0.82)
As at March 31, 2008	<u>22.08</u>	<u>22.08</u>

Deferred income tax is the timing differences between taxable profit and accounting profit which arise from the allowance for doubtful accounts, pension fund reserve, unutilized taxable losses carried-forward and accumulated depreciation of equipment.

In 2007, the Company has written off the deferred income tax assets amounting Baht 102 million from the utilization of tax privilege in 2006 for the investment in PQI project 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." The Company is awaiting the result of the consideration of the Revenue Department of the examination of the Company's application for 2006 corporate income tax refund as disclosed in note 28.4.

17. OTHER NON-CURRENT ASSETS - OTHERS

As at March 31, 2008 and December 31, 2007, other non-current assets consist of:

	Million Baht			
	<u>Consolidated Financial Statement</u>		<u>Separate Financial Statement</u>	
	2008	2007	2008	2007
17.1 Fixed deposit for staff welfare	210.98	210.42	210.98	210.42
17.2 Deposit for crude and product oil price hedging contract	389.54	410.89	389.54	410.89
17.3 Deferred expenses for the issuance of debentures and long-term loans	90.07	94.20	90.07	94.20
17.4 Deposit for Customs duty	158.25	162.87	158.25	162.87
17.5 Other	66.37	69.94	63.12	67.18
Total	<u>915.21</u>	<u>948.32</u>	<u>911.96</u>	<u>945.56</u>

17.1 Fixed deposit for staff welfare

As at March 31, 2008 and December 31, 2007, the Company has fixed deposit fund in a bank of Baht 210.98 million and Baht 210.42 million respectively with interest rates of 1.0-1.25 %.The deposit is maintained to allow employees obtain credit facilities from the mentioned bank.

17.2 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.

17.3 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 a Baht 12,500 million credit line. The Company paid fees for the issuance of convertible debentures, expenses for the loans and other expenses in the amount of Baht 157.13 million. On May, 2006, The Company issued Baht 585.60 million of convertible into common stock, subordinated registered debentures. The Company paid fees for into the issuance of convertible debentures, expense for the loans and other expense in the amount of Baht 2.63 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, 2008, the amortization of expenses on the loan and the issuance of the convertible debentures was Baht 4.13 million.

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

As at March 31, 2008 and December 31, 2007, Bank overdrafts and Short-term loans from financial institutions consist of :

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Bank overdrafts	-	-	-	-
Short-term loans from financial institutions	1,290.00	880.00	1,290.00	880.00
Total	1,290.00	880.00	1,290.00	880.00

Short-term loans from financial institutions are part of the credit facilities covered by collateral as describe in Note 19.1. As at March 31, 2008, the Company has the short-term loan of Baht 1,290 million bared the interest rates at 3.5-6.875 % per annum. As at December 31, 2007, the Company has the short-term loan of Baht 880 million bared the interest rates at 5.875 % per annum

19. LONG-TERM LOANS

As at March 31, 2008 and December 31, 2007, Long-term loans consist of:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
19.1 Loans from bank	7,314.72	7,399.72	7,314.72	7,399.72
19.2 Convertible debentures	2,761.55	2,761.55	2,761.55	2,761.55
Total	10,076.27	10,161.27	10,076.27	10,161.27
Less : current portion of long-term loans	(722.50)	(722.50)	(722.50)	(722.50)
Long-term loans	9,353.77	9,438.77	9,353.77	9,438.77

19.1 Loans from bank

19.1.1 The Company has entered a loan agreement with Krung Thai Bank Public Company Limited for working capital, 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.

In April 2006, the Company has amended the loan agreement with Krung Thai Bank Public Company Limited which the bank extended an additional credit line of Baht 2,000 million short-term loans to the Company. With the new credit line, the short-term loan credit line and the total credit line with the bank have been increased to Baht 6,000 million and Baht 14,500 million respectively.

The loan agreement secured by the mortgaged of land, buildings and machinery and the pledge of fixed deposits, fixed assets and the conditional assignment of rights over banks deposit, legal reserved Inventoried and leasehold right. The loan agreement contains certain covenants and restrictions pertaining to, restrictions on capital expenditure, dividend payment, obligations over the Company's assets and not using the loans for other than the approved purposes, the maintenance of a certain debt to equity ratio and debt service coverage ratio.

19.1.2 The Company has entered a loan agreement with 3 Financial Institutions for the Product Quality Improvement Project (PQI), for Baht 8,800 million credit line which are divided into Baht 8,400 million about 9-year long-term loans and Baht 400 million about 6-year long-term loans for VAT.

The loan agreement secured by the same Company's asset and contains certain covenants and restrictions as referred in Notes 19.1.1

19.2 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 common stock, subjected to subsequent adjustment of price according to the terms of the exercise of conversion right in the Debentures. 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.

On May 16, 2006, the Company issued 58,560 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 per one common stock, subjected to subsequent adjustment of price according to the terms of the exercise of conversion right in the Debentures. The issuance of the convertible debentures offered to PTT Public Co., Ltd. is part of the financing for Product Quality Improvement Project (PQI).

As of March 31, 2008, the convertible debentures holders exercised the right by redeem 182,405 units of convertible debentures, the balance on convertible debentures was 276,155 units.

20. OTHER CURRENT LIABILITIES - OTHERS

As at March 31, 2008 and December 31, 2007, Other current liabilities - others consist of:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Other accounts payable	113.51	143.27	105.85	136.62
Deposit & Retention	264.73	185.10	264.73	185.10
Current portion of long-term debt	60.97	61.96	60.97	61.96
Others	84.96	75.11	80.77	72.57
Total	<u>524.17</u>	<u>465.44</u>	<u>512.32</u>	<u>456.25</u>

21. ISSUED AND PAID – UP SHARE CAPITAL

On May 16, 2006, the Company issued 428,092,940 units of ordinary shares, Par Value of Baht 1.00 per share, Offered price of Baht 14 per share, and have already paid up in full amount of Baht 5,993,301,160. As at March 31, 2008, the issue and paid-up share capital is amounting to Baht 1,119,132,050.

22. 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.

23. WARRANTS

23.1 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 exercisable on a quarterly basis at one warrant per one ordinary share, at the price of Baht 5 per share. The conditions are as follows.

23.1.1 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.

23.1.2 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.

23.1.3 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.

23.2 On May 15, 2006, the Company issued 69,092,486 units of no offering price warrants for the purchase of Ordinary Shares to the Company's existing shareholders whose names are in the share register book as at the closing date of the share register book, which is on April 20, 2006. The allocation ratio of the existing shares to the new warrants is 10 existing shares for 1 unit of warrant, Term of Warrants 5 years, exercised price Baht 18.00 per share, exercised ratio 1 warrant : 1 ordinary share (the exercised price and exercised ratio may be changed in accordance with the conditions for adjustment of rights)The warrant holders are able to exercise the warrants on the last business day of March, June, September, and December throughout the term of the warrants. The first exercise date shall be September 30, 2006, and the last exercise date shall be at the end of term of warrants, which is on May 14, 2011.

As of March 31, 2008, the warrants (BCP-W1) holders exercised the right by redeem 60,000 warrants, the balance of the warrants (BCP-W1) was 69,032,486 warrants.

24. SALES

Sales revenue for the three-month period ended March 31, 2008 and 2007 are as follows:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Sales revenue from fuel products	29,805.92	19,973.42	29,529.61	19,758.92
Income from investment charge	13.47	11.86	34.40	30.59
Total	29,819.39	19,985.28	29,564.01	19,789.51

25. GAIN (LOSS) FROM FOREIGN EXCHANGE

Gain (loss) from foreign exchange for the three-month period ended March 31, 2008 and 2007 are as follows:

	Million Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007
Realized gain (loss) from foreign exchange fluctuations	140.27	(3.41)	140.27	(3.41)
Unrealized gain(loss) from foreign exchange fluctuations	145.12	(20.04)	145.12	(20.04)
Total	285.39	(23.45)	285.39	(23.45)

26. INTEREST EXPENSE

The total interest for this period is Baht 158.49 million, of which Baht 19.98 million is recorded as cost of work in progress and Baht 138.51 million as expense.

27. EARNINGS PER SHARE

The calculation of basic earnings per share and diluted earnings per share in the consolidated financial statements and the separate financial statements for the three-month period ended March 31, 2008 and 2007 are as follows:

	Million Baht							
	Basic Earnings per Share				Diluted Earnings per Share			
	Consolidated Financial Statement		Separate Financial Statement		Consolidated Financial Statement		Separate Financial Statement	
	2008	2007	2008	2007	2008	2007	2008	2007
Net income attributable to ordinary shareholders	852.81	(41.90)	841.41	(53.92)	852.81	(41.90)	841.41	(53.92)
Adjustment of net income	-	-	-	-	11.39	20.82	11.39	20.82
Net income for the calculation of earning per share	852.81	(41.90)	841.41	(53.92)	864.20	(21.08)	852.80	(33.10)
Weighted average number of ordinary shares for the calculation of earnings per share (million shares)	1,119.13	1,119.11	1,119.13	1,119.11	1,313.12	1,313.10	1,313.12	1,313.10
Earnings per share (Baht/ share)	0.76	(0.04)	0.75	(0.05)	0.66	(0.04)	0.65	(0.05)

28. CONTINGENT LIABILITIES AND COMMITMENTS**28.1 Liabilities on guarantees**

As at March 31, 2008, the Company's total liabilities in the form of bank guarantees is amounted to Baht 415.06 million. These guarantees are mainly to cover land lease agreement, electricity usage and the telecommunication contract with the Telephone Organization of Thailand.

28.2 Allegation

As at March 31, 2008, the Company has allegation as follows:

- 28.2.1 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.
- 28.2.2 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 biodiesel. Now is being appealed with the court of first instance. The Company's Legal Office has its opinion that the Company will win the case.
- 28.2.3 An international crude oil carrier hired by the Company has claimed to the Company for a damage caused by a crude oil lighter hired by the Company for amount of Baht 17 million. Presently, the dispute is under the consideration of an arbitrator. The Company's Legal Office has its opinion that the Company will win the dispute.

28.3 Commitments

As at March 31, 2008, the Company has commitments as follows:

- 28.3.1 The Company has entered into 3.47 million barrels oil price hedging contracts with foreign oil traders for oil price of period from April 2008 to December 2008.
- 28.3.2 The Company has foreign currency buying forward contracts cover the period to June 2009 amounting to USD. 56.50 million equivalent to Baht 1,805.92 million and selling forward contracts cover the period to December 2008 amounting to USD. 312.31 million equivalent to Baht 10,053.75 million. The Company has a foreign currency buying and selling forward contract with conditions that the Company buy or sell the currency at the specific rates for the amounts not exceeding USD. 23 million in 2008, USD. 69 million in 2009 and USD. 52 million in 2010 respectively.
- 28.3.3 The Company applies the financial instrument to manage the risk for PQI Project as follows:
- 28.3.3.1 Buying forward contracts cover the period to September 2008 amounting to USD. 114.18 million which is equivalent to Baht 4,140.31 million.
- 28.3.3.2 Buying Interest Rate Swap contracts amounting to Baht 8,242 million.

28.3.4 The Company has entered into subscription agreements with PTT as follows:

- 28.3.4.1 Feedstock Supply Agreement, to enhance the Company's feedstock supply, which PTT will supply crude oil and other feedstocks for the refinery. The agreement has been effective since May 16, 2006 and shall be in effect for an initial period of twelve years after PQI's commercial operation date (COD).
- 28.3.4.2 Product Offtake Agreement, to accommodate the additional production outputs from the PQI project. PTT will purchase 30% of refined petroleum products (not include aviation fuel and fuel oil) from the refinery. This agreement shall be in effect for an initial period of twelve years after PQI's commercial operation date (COD).
- 28.3.4.3 The Company has signed a Head of Agreement of "Cogeneration Project" with PTT which PTT 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. The Company has signed an agreement to sell and purchase of electricity and steam with PTT on February 25, 2008. It is anticipated that the completion of the construction of the power plant and the commencement of its commercial operation will be around mid of 2009.

28.3.5 The Company has obligations to pay rental charges of lease agreements for the periods as follows:

	<u>Million Baht</u>
Not exceed 1 year	61.10
Greater than 1 year but not exceed 5 years	250.24
Greater than 5 years	<u>295.72</u>
Total	<u>607.06</u>

28.4 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" which the Company has paid its 2006 corporate income tax about Baht 40 million less than the case that the Company chose not to utilize the tax privilege. The Revenue Department is examining the Company's application for 2006 corporate income tax refund. The Company believes that the utilization of such tax privilege is fully in accordance with the announcement mentioned above.

29. DISCLOSURE FOR FINANCIAL INSTRUMENTS

29.1 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.

29.2 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 has applied financial instruments to manage the risk by entering into Interest Rate Swap contracts.

29.3 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.

29.4 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 and applies systematic credit

control procedures on its credit sales approval process, it does not anticipate any material problem in collecting its debts. The concentration of credit risk with respect to trade receivable in 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.

29.5 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.

30. FINANCIAL INFORMATION BY SEGMENT OF BUSINESS

The statements of income of the Company segmented by types of business for the three-month period ended March 31, 2008 are as follows:

	Million Baht			
	Refinery	Marketing	Elimination	Total
Sales	29,046.13	20,346.88	(19,829.00)	29,564.01
Cost of sales	(27,960.76)	(19,969.94)	19,829.00	(28,101.70)
Gross margin	1,085.37	376.94	-	1,462.31
Selling and administrative expenses	(117.46)	(290.78)	-	(408.24)
Other incomes (expenses)	398.55	15.49	-	414.04
Depreciation and Amortization	(6.46)	(105.45)	-	(111.91)
EBIT	1,360.00	(3.80)	-	1,356.20
Gain (loss) from foreign exchange fluctuations of others				(44.48)
Interest-net				(114.35)
Income Tax				(355.96)
Net Profit				841.41
EBITDA	1,457.15	101.65	-	1,558.80

The statements of income of the Company segmented by type of business for the three-month period ended March 31, 2007 are as follows:

	Million Baht			
	Refinery	Marketing	Elimination	Total
Sales	19,242.52	14,868.89	(14,321.90)	19,789.51
Cost of sales	(19,317.87)	(14,463.17)	14,321.90	(19,459.14)
Gross margin	(75.35)	405.72	-	330.37
Selling and administrative expenses	(84.30)	(227.97)	-	(312.27)
Other incomes (expenses)	156.07	13.62	-	169.69
Depreciation and Amortization	(4.96)	(110.08)	-	(115.04)
EBIT	(8.54)	81.29	-	72.75
Gain (loss) from impairment				0.04
Gain (loss) from foreign exchange fluctuations of others				(39.84)
Interest-net				(112.45)
Income Tax				25.58
Net Profit				(53.92)
EBITDA	85.93	191.37	-	277.30

31. SUBSEQUENT EVENTS AFTER THE BALANCE SHEET DATE

At the Company's ordinary shareholders' meeting held on April 25, 2008, the shareholders unanimously approved the distribution of cash dividends for the year ended December 31, 2007 at Baht 0.30 per share for 1,119,132,050 ordinary shares, amounting to Baht 335,739,615 to be paid in May, 2008.

32. ACCOUNT RECLASSIFICATION

The Company has reclassified certain items in the financial statements for the year ended December 31, 2007 to comply with the financial statements for the three-month period ended March 31, 2008.

33. THE APPROVAL FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements have been approved by the designated management to issue on May 8, 2008.

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