

GREEN SOCIETY

Annual Report 2012

The Bangchak Petroleum Public Company Limited







Bangchak
RENEWABLE ENERGY LEADER



**Her Royal Highness Princess Maha Chakri Sirindhorn
having graciously consented to preside over the celebration of
“Sunny Bangchak”**

On Tuesday, 4 September 2012
at Bangkrasan, Bangpa-In, Phra Nakhon Si Ayutthaya Province









GREEN SOCIETY

Driving Green Society Development



“ Every tangible project by Bangchak-past and current-and its investment in future alternative-energy businesses have arisen from its commitment to achieving Bangchak’s mission. ”

Today, driven by the Sufficiency Economy philosophy, we pursue leadership in establishing drivers of **Green Society**. Sufficiency Economy strives for sustained balance between business, society, and the environment for us Thais. To this end, we consume resources most effectively with a focus on green production while joining forces to restore nature, much like putting together contented people in a Bangchak-induced **Green Society**. We are confident that the achievement of a successful Green Society hinges not only on producers’ contribution, but also on the contribution of a network of people from all quarters.



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Vision

“Greenergy Excellence”

Creating an energy business that is environmentally friendly for sustainable development

Value Statement

B - Beyond Expectation

C - Continuing Development

P - Pursuing Sustainability

Mission

Stakeholder

- Shareholders / business partners / customers / creditors
- Society / Community / Environment
- Employees

Mission

- Conduct business to steadily grow its returns in a fair manner
- Promote a business culture that is responsible to the environment and society
- Grow employees into professionals

Business Culture

Develop sustainable business, while safeguarding environment and society

Employee Culture

To be virtuous, knowledgeable, and contributive to society





Message from the Chairman

It is out of recognition of our responsibility to all stakeholders that Bangchak Petroleum Plc conducts businesses. The year 2012 marked impressive success with steady growth, Baht 165,246 million in sales and service revenue, Baht 7,770 million in EBITDA, and Baht 4,273 million in net profit. The year was blemished, however, by an unfortunate incident in the middle of the year. The situation quickly returned to normal, thanks to the unity of all under the Bangchak umbrella and timely adjustment to the incident—which resulted in our overall achievement of goals.

Our policy is to strike a balance between value and worth, meaning a pursuit of appropriate profit levels as opposed to maximum profit, while remaining accountable to the environment and participating in the improvement of lives in Thai society. This attitude is consistent with our corporate culture from day one.

This year, our Solar power plant—one of our flagship renewable energy business ventures—began accrual of income, which has grown our income base and lowered risks associated with the refinery and marketing, our traditional core businesses. This new business bolstered investors' confidence, growing the Bangchak share value by leaps and bounds to end the year at Baht 31.75 per share, with a promising trend produced by strong business fundamentals and buoyed by external factors.

Bangchak's future direction will be continued adherence to a business approach that agrees with the 11th National Economic and Social Development Plan. The plan focuses on creating green society, environmental stewardship, and alleviation of natural catastrophes—which would wield more alarming consequences unless Thais earnestly join hands now. Incidentally, Bangchak's approach also agrees with the direction to which the global society has paid attention and created awareness by encouraging effective consumption of energy worldwide.

Apart from adherence to corporate governance in business, however, risk management is essential to our pursuit of goals while strengthening employees and raising their capability to brace for the economic and social changes accompanying the upcoming ASEAN Economic Community, filled with opportunities and threats, in two years' time.

Our steady business growth has brought to us investors' widespread acceptance from domestic and international investors alike. Contributing to this is our prestigious image of a social contributor. It is no surprise then for Bangchak to garner awards for management, corporate governance, and responsibility to the environment and society, presented by many leading agencies and entities from around the world in recognition of our highly visible endeavor.

Our steady, robust growth has been made possible by the unified support of public agencies, private entities, the public, business partners, customers, and employees. We need to keep up our good deeds to society and the nation in tandem with efficient business management.

(Signed) Pichai Chunhavajira

(Mr. Pichai Chunhavajira)
Chairman of the Board



Financial Highlights

	2012	2011	2010
Statement of Income (Million Baht)			
Sales and service income	165,246	158,610	136,369
Gross profit (loss)	7,163	10,626	6,350
EBITDA	7,770	8,902	6,165
Adjusted EBITDA ^{1/}	7,723	6,216	5,725
Foreign Exchange and Foreign Currencies Forward Contract Gain (loss)	1,092	531	912
Other items ^{2/}	295	12	146
Net profit (loss)	4,273	5,610	2,796
Balance Sheet (Million Baht)			
Total assets	70,853	61,597	58,413
Total liabilities	38,530	31,717	35,632
Shareholders' equity	32,323	29,879	22,780
Share capital			
- Registered share capital	1,532	1,532	1,532
- Issued & fully paid-up share capital	1,377	1,377	1,177
Financial ratios (%)			
Gross profit ratio	4.3	6.7	4.7
Net profit ratio	2.6	3.5	2.1
Return on total assets	6.5	9.4	5.0
Debt to Equity ratio	0.6	0.6	0.9
Operating outcomes per share (Baht)			
Net earnings per share	3.10	4.24	2.39
Book value per share	23.34	21.59	19.22

Notes : Data based on Consolidated Financial Statements

1/ Adjusted EBITDA - not including profit (loss) from oil inventory

2/ Other items is loss adjustment / (loss) from impairment of assets

Business Description

A leading Thai petroleum company that imports crude oil from the Middle East, the Far East and indigenous sources and refining it into products with a maximum crude-processing capacity of 120,000 barrels per day, Bangchak Petroleum Plc operates more than 1,000 service stations under the  trademark and has grown its businesses to new ones both related and unrelated to its current business) to add value and diversify its income-related risks.

For the most part, the Company's complex refinery produces high-value gasoline and diesel products. Gasoline, gasohol, and diesel supplied by Bangchak's refinery all meet the EURO IV quality specifications set by the public sector. In addition, the refinery is highly energy-efficient, thanks to the purchase of power and steam from a cogeneration power plant (an investment by PTT Plc) and to the use of clean-burning natural gas to power its processes in place of low-sulfur fuel oil. The Company also invested in a unit to produce improved gasoline, gasohol, and diesel to meet the EURO IV standards, whose enforcement began on January 1, 2012.



Clean Energy Business



Green Energy Business



Marketing Business



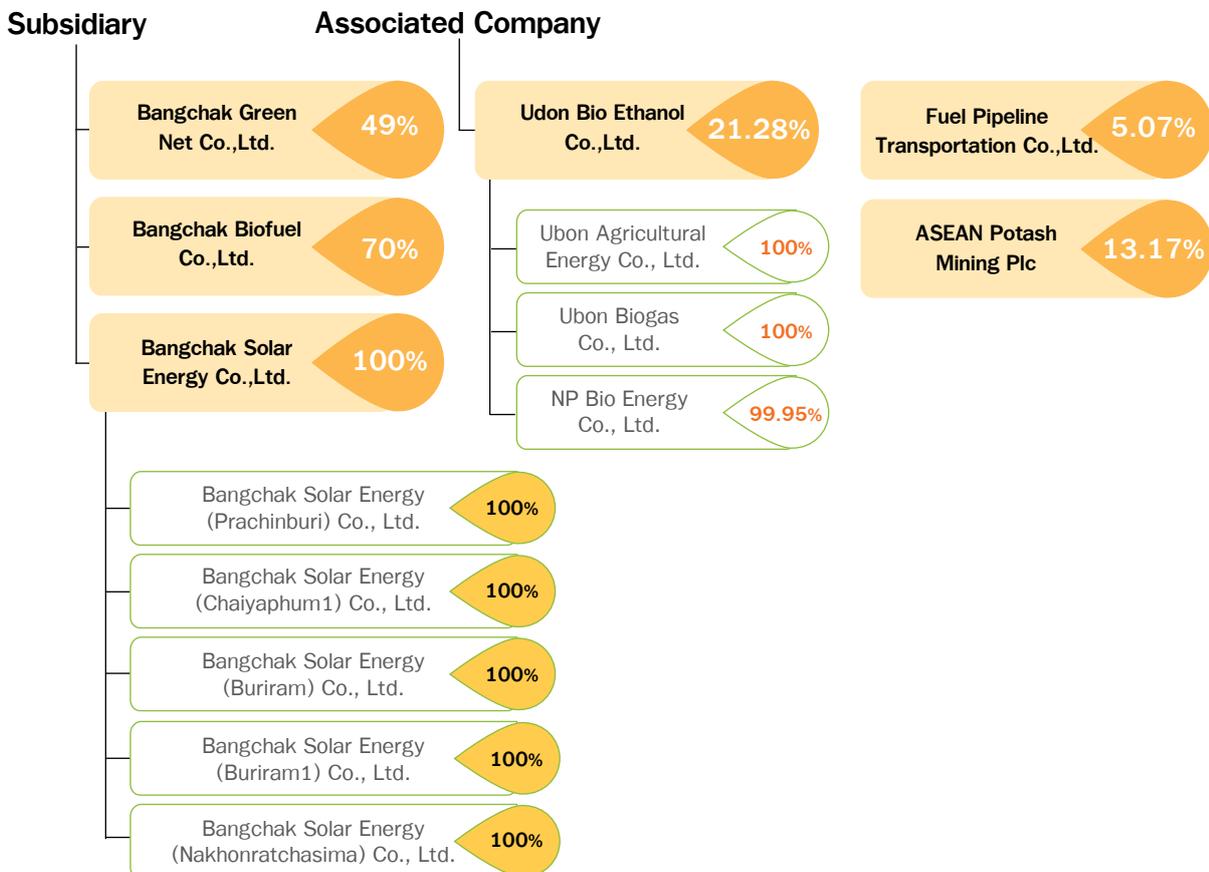
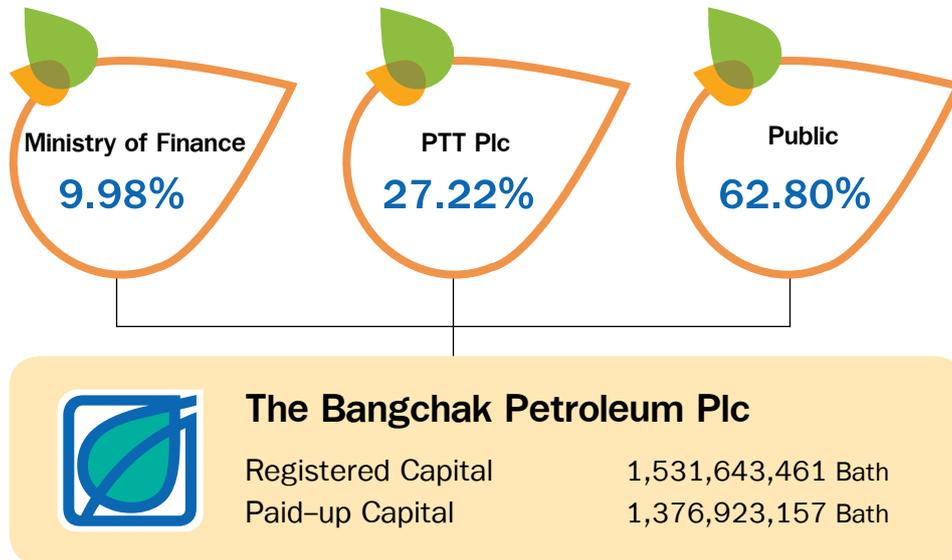
Refinery Business

Most refined products are sold directly to other oil traders via several transportation modes, such as pipeline, marine or roads while the rest is exported. More than 80% of the refined products are sold directly to consumers through the Company's own nationwide network of service stations. This retail network consisted of 489 standard service stations and 578 community service stations (as of 2012) with direct distribution to users in the transportation, aviation, shipping, construction, industrial and agricultural sectors. The Company also runs supplementary businesses at its service stations. Instances include sale of consumer products in Bai Chak and Lemon Green outlets, engine-oil changing/maintenance and car wash centers under the Green Series business group, also known as 'Green Auto Service', 'Green Serve', 'Green Wash', 'Green Wash the Premium', 'Green Wash Auto Care' and 'Green Tire'. The Company also runs Inthanin coffee shops, found at Bangchak service stations and now expanding to other key commercial areas, including Inthanin Premio at the CentralWorld shopping center, leading educational institutions and major office buildings. Today, 17 Bangchak service stations sell NGV as an option for consumers. In addition to fuel products, the Company produces and sells "Bangchak" lubricants oil and special lubricant products (transmission fluid, brake fluid and grease). Apart from sales to domestic markets through the network of Bangchak service stations, shops, factories and OEM (original equipment manufacturer) market, the Company exports its products under BCP LUBRICANT brand.

Recognizing the significance of alternative energy, which benefits national energy security and lowers trade imbalances resulting from fuel imports, the Company promoted alternative energy by blending ethanol with gasoline and biodiesel with diesel to obtain 91-octane and 95-octane gasohols together with E20 and E85, in addition to Super Power D. And to ensure continued support to this effort, the Company set up Bangchak Biofuel Co., Ltd., to centralize biodiesel production. The 360,000-litre/day plant, worth over Baht 1,000 million, is located next to Bang Pa-in Depot in Amphoe Bang Pa-in, Ayutthaya province, and runs primarily on crude palm oil. To lower risks from uncertain supply of crude palm oil, the Company initiated a project to turn deserted orange groves into oil palm plantations. At present, it has rented 1,200 rai of land in Nakhon Nayok province as an experiment site for the concept. It acquired common shares in Ubon Bio-Ethanol Co., Ltd. (UBE), located in Amphoe Na Yia, Ubon Ratchathani province. With a capacity of 400,000 litres per day, UBE exports ethanol to China. Another purpose of this move is to enhance the security of ethanol supply to accommodate the Company's expansion plan for E20 and E85 gasohol sales. In addition, Bangchak has expanded the scope of its business to solar power plant project (through Sunny Bangchak) and signed a power purchase agreement with Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA) for an 8 baht/unit adder under a 118-megawatt (MW) capacity.



Equity Chart of Bangchak Petroleum Plc and Other Companies



Bangchak Green Net Co., Ltd. (BGN)

The subsidiary was set up to manage service stations and inthanin coffee shops, and sell consumer products in Lemon Green and Bai Chak convenience stores to support the continued expansion of its retail business.

Bangchak Biofuel Co., Ltd. (BBF)

Located in Amphoe Bang Pa-in, Ayutthaya, the subsidiary was set up to develop and produce domestic alternative fuels, with a 360,000-liter/day biodiesel plant running mainly on crude palm oil. Its management philosophy is centered on environmental care. The design and construction of its wastewater treatment system yield high water quality that meets the standard of the Department of Industrial Works. In addition, the Company's artificial pond leverages natural re-treating of wastewater before recycling it to plants and processes. This closed system is an extremely effective consumption of water.

Bangchak Solar Energy Co., Ltd. (BSE)

The Company operates a solar power plant project, known by the name Sunny Bangchak. Bangchak operates the first phase in Amphoe Bang Pa-in, Ayutthaya, at a nameplate capacity of 44.5 MW, with a commercial sales date in April 2012. The plant will promote Bang Pa-in as a learning center and Thailand's first tourist attraction for integrated alternative energy. The Company also set up Bangchak Solar Energy Co., Ltd (BSE) to operate the second phase of solar power plant projects which is under construction, with a combined nameplate capacity of 50 megawatts, located at Amphoe Bang Pa-in, Ayutthaya and Amphoe Bamnet Narong (Tombon Banpet), Chaiyaphum. BSE also set up its subsidiaries to operate the projects in Amphoe Kabinburi, Prachinburi, Amphoe Bamnet Narong (Tombon Hua Talae), Chaiyaphum, Amphoe Prakonchai, Buriram, Amphoe Nong Ki, Buriram, and Amphoe Dankhunhot, Nakhonratchasima. The Company plans to invest more in such power generation to reach 118 megawatts

Ubon Bio Ethanol Co., Ltd. (UBE)

Ubon Bio Ethanol Co., Ltd. manufactures ethanol from fresh cassava roots and cassava chips, with a capacity of 400,000 liters per day or 132 million liters per year. UBE mainly exports its product to China. Moreover, UBE also has few subsidiaries which were set up to produce and process cassava, and own the power plant which use the water that comes out from the production processing.

Fuel Pipeline Transportation Co., Ltd. (FPT)

This company was set up to manage fuel transportation through a network of underground, multi-product pipelines starting from the Bangchak Refinery in parallel with the railway leading to the Chongnonsri and Don Muang depots, and finally to the Company's Bang Pa-in Depot and FPT. This route was extended near the Makkasan area to Suvarnabhumi Airport to transport aviation fuel by JP-One Asset Co., Ltd.

ASEAN Potash Mining Plc. (APMC)

This company was set up to explore for and produce potash around Amphoe Bamnet Narong, Chaiyaphum, for the manufacturing and the retailing of potassium chloride fertilizers. This project arose from collaboration among ASEAN member countries to capitalize on the natural resources of member countries.

Revenue Structure

In 2012, revenue from sale of goods and rendering of services from the consolidated financial statements of the Company and its subsidiaries totaled Baht 165,246 million, consisting of Baht 162,623 million from the Company and the following from its subsidiaries, Baht 26,152 million from BGN. (where the Company holds 49% equity), Baht 4,443 million from BBF (where the Company holds 70% equity) and Baht 4 million from BSE (where the Company holds 100% equity). Of this income, Baht 27,976 million was accounted for by connected transaction items, most of which came from selling refined products to Bangchak Green Net. Below is the revenue structure by product and service from all companies in 2010-2012.

Product/Service	Operated by	2012		2011		2010	
		Revenue (Baht Mill.)	%	Revenue (Baht Mill.)	%	Revenue (Baht Mill.)	%
Refined products ^{1/}	BCP and subsidiary	164,482	97.8	157,915	98.5	135,750	98.2
Consumer products	Subsidiary	764	0.5	695	0.4	619	0.4
Others ^{2/}	BCP and subsidiary	2,916	1.7	1,724	1.1	1,802	1.3
Total		168,162	100.0	160,334	100.0	138,171	100.0

Note:

^{1/} The proportions of earnings from sales of products in the domestic in 2012, 2011 and 2010 is 91.5%, 86.9% and 87.1% respectively.

^{2/} Other earnings, namely interest receivable, earnings from hedging gain, profit from exchange rates, loss adjustment from impairment assets, earnings from sales promotions, land lease, service station lease, equipment lease etc.



Performance Review 2012

In 2012, the Company and its subsidiaries earned Baht 165,246 million in sales and service revenues; with Baht 7,770 million in EBITDA (Baht 7,723 million in adjusted EBITDA); Baht 940 million in net financial cost; Baht 295 million loss in net reversal of allowance for loss from impairment of assets; Baht 346 million gain in foreign-exchange and other items; Baht 2,453 million in depreciation and amortization; and Baht 715 million in income taxes. Therefore, its net profits amounted to Baht 4,303 million, of which Baht 4,273 million was shareholders' portion and Baht 30 million was minor shareholders' portion to the minor shareholders.

Refining business

In the first quarter of the year, the Company operated a complex refinery using the advanced hydrocracking technology that raised its capacity to 101 thousand barrels a day, before lowering it to accommodate a 30-day annual plant turnaround from May 25 to June 23. Due to the ignition at Crude Distillation Unit 3 on July 4, the Company suspended work at the latter with a capacity of 80 thousand barrels a day for inspection and maintenance for about four months. Meanwhile, the Crude Distillation Unit 2, with a capacity of 40 thousand barrels a day, and the hydrocracking unit continued operating as usual. The Company had taken out insurance for both property damage and business disruption, including the period of Crude Distillation Unit 3 suspension. In view of the incident, the Company managed its crude oil and refined product stocks to meet the refining and distribution requirements so as not to affect customers, while feeding low-cost crude oil to the refinery for a higher refining margin to make up for the throughput shortfall. As a result, the year's average gross refining margin came to USD 8.34 per barrel, excluding gains/losses from crude oil hedging and oil stock. This value exceeded that of last year by USD 6.71 per barrel. For the year, the average net crude oil throughput was 73.7 thousand barrels a day, a drop from the previous year, which posted 85.7 thousand barrels a day.

Meanwhile, several economic factors affect the demand and supply of the global oil refining businesses, the high world oil price, and the uncertainty of the world economy. These make it possible for volatile oil price hikes. To enable its refining performance to meet goals while exercising environmental stewardship, the Company has taken the following key measures:

- Closely monitored the world oil price to manage refining-margin risks by leveraging financial tools to conduct hedging and manage refining-margin exchange rate risks by entering into forward purchases of exchange rate risks
- Maintained new crude oil supply from indigenous deposits, which had lower transport costs than imported crude oil. Indigenous crude oil yields low-sulfur fuel oil for exports and is thus more financially attractive than domestic consumption.
- Managed its crude inventory at low levels without affecting the refining business to lower risks arising from oil price volatility
- Constantly improve refining efficiency by investigating the Efficiency, Energy, and Environment: 3E+ Project to supplement product value by installing the catalytic reforming unit to replace

obsolete units with efficient “Technology Continuous”, improved energy consumption, and extension of maintenance periods. In addition, the Company constructed a cogeneration power plant to raise energy stability and heighten its safety and environmental stewardship in a bid to become a five-star refinery.

The Company values the stewardship of Safety Health Environmental and Energy (SHEE) by restructuring its management for these matters. A Safety, Health, and Environment group is now in place to promote SHEE work for efficiency and sustainable development, implement management systems under the Thailand Quality Award criteria, and prepare to implement the ISO 50001 energy management system in 2012. The Company has introduced strict all-around safety measures while hiring world-class experts on refining safety systems and equipment to upgrade its safety standards for the benefit of greater safety and environmental stewardship than under other refining standards.

To foster a sustainable SHEE culture, the Company encourages its employees to earnestly take part in assorted activities, meaning internally and community relations together with communities around the refinery and depots, to create trust and friendship among neighbors that should look after and support each other. This year, the Company highlighted community relations focusing on participation by giving opportunities to schools and communities to initiate projects to develop communities in a sustainable way, with the Company as their mentor, and promoted learning processes initiated by school personnel and community members so that they may implement the processes for sustainable benefits. In addition, the Company stressed community confidence in safety, organize emergency plan training and chemical knowledge training, improvement of emergency communication from the refinery to communities for greater clarity and applicability to each community’s living conditions, and giving community members opportunities to visit the refinery and educate them on the refinery’s safety systems.



Marketing business

Thanks to its commitment to renewable-energy leadership, the total sales revenue from all marketing channels rose 8% from last year, that is, from an average of 71.9 KBD in 2011 to 77.9 KBD in 2012 (or 378 million litres per month). The year saw the market share for E85 gasohol ranked first while maintaining the No. 2 share of all gasoline sales through service stations and the No. 3 share of all clear fuels through service stations. All Bangchak service stations nationwide had put their EURO IV gasoline, gasohol, and diesel on sale before the government's enforcement date of January 1, 2012. Its industrial market posted an 8% gain in turnover, thanks to expanded sales channels to the transport, food industry, and wholesale sectors. Still, the bullish domestic demand for refined products that has outpaced supply will keep the marketing business extremely competitive, the Company took assorted key measures to raise its sales and maintain its customer base:

- Raised the sales volume by expanding the number of service stations in areas with high potential. It launched the maiden flagship “green station” on Vibhavadi Rangsit Road, a sizeable station featuring modern looks and environmental friendliness complete with amenities and supplementary businesses. This service station was also garnered the First prize in the category of clean and pleasant service stations under the Clean and Pleasant Bangkok Project 2012, and clean toilets in compliance with the standard of Department of Health, Ministry of Public Health, in recognition of Bangchak's Vibhavadi Rangsit service station (Thailand's first green station), sponsored by Bangkok Metropolitan Administration. The prizes promoted and upgraded the environmental standards of buildings and public places. The Company plans to expand its flagship service stations to two “Green Stations”.
- Continually promoted and expanded sales of Gasohol E20, and Gasohol E85. The Company raised the number of service stations selling Gasohol E20 by 127, and selling Gasohol E85 by 21. To accommodate newer car models, service stations selling E20 and E85 nationwide currently number 581 and 51 respectively.
- Raised sales volumes while maintaining its alternative-energy customer base with its customer relationship management project featuring the Diesel Club card to maintain and grow its customer base while constantly doing the same for those in the alternative-energy group (via the Gasohol Club card).

Bangchak Service Stations

	As of year-end 2012	
	Stations	Increment
	581	+127
	51	+21

- Continued to stress the quality of service and the image of Bangchak service stations of cleanliness, modern looks, and responsiveness to more customers' needs. The year saw Bangchak service stations come in second in a Brand of Choice survey (fourth consecutive year) by outside research company. Due to the advancement and popularity of communication technologies, the Company has developed iPhone and an Android smartphone applications to inform users of immediate retail price movement of Bangchak's products and location of Bangchak service stations nationwide.

- Promoted and improved the image of supplementary businesses at service stations to grow income and embrace comprehensive services, including sales of consumer products at Baichak and Lemon Green outlets. This year, the Company in conjunction with Big C Supercenter Plc launched “Mini Big C” convenience stores at seven sizeable service stations, designed to ease customers’ needs, with a plan to expand these to other service stations nationwide. In addition, the Company has introduced a new car-care service called Green Series
- Continued to manage Inthanin coffee shops, among others. The latter are now found in educational institutions nationwide, office buildings, and department stores to make the name better known. The Company has also undertaken a project to promote well-behaved youths for society by showing recent, attractive short films about alternative energy, environmental stewardship, and energy conservation. Meant to stress living one’s life under the Sufficiency Economy and volunteering for public services, the films are screened at 12 Inthanin coffee shops in 12 educational institutions from 250 Inthanin coffee shops nationwide (as of December 2012).
- The Company has constantly stressed expansion of its lubricant market to the industrial sector and markets in neighboring countries, staged sales promotional activities, improved quality products further, and improved lubricant containers to ease application while being green. The total sales turnover of lubricants for the year grew a healthy 23% to about 2.9 million liters a month.

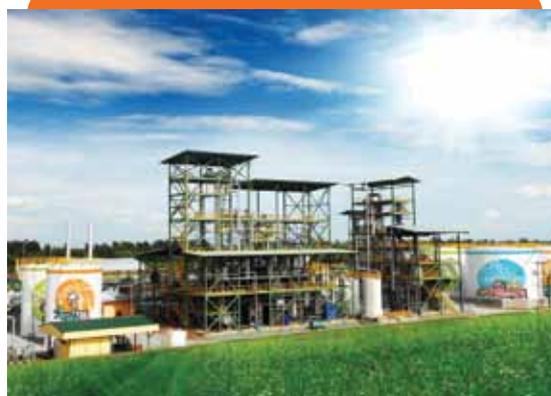
The Company has conducted fair marketing business in tandem with environmental stewardship and social services all along, including its cooperation with agricultural cooperatives in buying farmers’ products for giveaway items as sales promotional goods to create jobs and decentralize income to rural areas, thus supporting efforts to strengthen community economies. Besides the Bangchak Card Project, the Gasohol Club card is part of the Company’s environmental stewardship thanks to its data on carbon dioxide reduction each time users’ vehicles get a tank refill.



Renewable energy business

The Company is focusing on developing new businesses, both related to existing businesses and otherwise, to add value to its business and diversify risks to its revenue amid highly dynamic business circumstances and volatile oil prices. Its principle remains the driving of business that focuses on production and marketing with due regard for the environment and benefit to society for security and sustained growth. Here is how the Company has grown its alternative-energy investment.

Biodiesel production: Since 2009, the Company has invested in a biodiesel plant on its property in Bang Pa-in, known as Bangchak Biofuels Co., Ltd. Posting traditionally decent returns, the company was set up in support of the public policy on alternative-energy promotion while generating income for farmers. In 2012, Bangchak Biofuels underwent de-bottlenecking to raise its capacity from 300,000 to 360,000 liters a day to accommodate the rising biodiesel demand.



Solar power plant: Sunny Bangchak signed a power purchase agreement with the Electricity Generating Authority of Thailand and the Provincial Electricity Authority for 118 megawatts and will derive 8 baht/unit in adder fees. Bangchak Solar Energy Co., Ltd., was set up to manage and operate this enterprise, with the first phase operated in Bang Pa-in, Ayutthaya province. The first set of power generators of 8 megawatts was completed, with the commercial sales date beginning on April 2 this year; the second set of 30 megawatts, on July 16. BCP launched a public learning center for alternative energy through many exhibits and activities, including solar energy, wind energy, wave energy, and oil-bearing algae, in addition to the 4D “Greenergy the Adventure” film. The Company is constructing its second solar-cell power generation project, phase 2, in Amphoe Bang Pa-han, Ayutthaya, and in Amphoe Bamnet Narong, Chaiyaphum, with a combined nameplate capacity of 50 megawatts, set for completion in the first quarter of 2013. By 2015, the company plans to invest more in this solar power project to reach 118 MW.





Ethanol production: The Company acquired 583,000 common shares (or 21.28% of the total shares) in Ubon Bio Ethanol Co., Ltd., located in Amphoe Na Yia, Ubon Ratchathani, with a 400,000-liter/day capacity. Currently under commissioning for a process that accommodates more diverse raw materials, depending on their costs, the plant can run on fresh cassava, cassava chips, and molasses. Its commercial sales date is expected in the first quarter of 2013.

Organizational capability development

The Greenergy Excellence vision calls for the carving of a green energy business for the benefit of sustainable development. The Company recognizes that sustainable growth in turn calls for organizational capability development in tandem with regular business. To this end, it focuses on organizational development under the criterion of the Thailand Quality Award in all aspects: developing professional personnel, updating the IT systems to ease their application, raising business process efficiency to cope with all circumstances, converting the organization into one of learning and innovations, and managing a sound corporate image. By leaps and bounds, all these will drive the Company's business effectively toward its goals.

Efficient business processes and constant preparedness The Company's preparedness for change in circumstances potentially affecting its operations relies on the implementation of ERM (Enterprise Risk Management) across the organization. In place is education and brainstorming to identify, assess, and formulate risk management plans for risks facing goal achievement. In addition, the Company has modified its crisis management plans by implementing the Business Continuity Management (BCM) process under ISO 22301 to raise its business capability without disruption, and by additional revision of companywide business processes in pursuit of international-standard efficiency.

Modern, secure, and convenient IT system Recognizing the value of information and technology in providing ease and effectiveness to all business processes, the Company has targeted internationalizing of its various systems by actively driving new IT into implementation, including the Plant Information Management System (PIMS), refinery risk analysis system, TAS Interface at Bang Pa-in Depot, updating of the SAP accounting standard into Version 6.0, and round-the-clock, remote accessing from all facilities under the ISO 27001 information security system for networks and data centers, and so on.

Awards of 2012

The year 2012 saw continual recognition of the Bangchak Petroleum Plc, by the public as well as various entities, as a company with transparent corporate governance and management with efficiency, social responsibility, and environmental awareness.



SET AWARDS



THE BEST OF ASIA



Outstanding Entrepreneur Award

- **SET Awards of Honor, presented at the SET Awards 2012 event, organized by the Stock Exchange of Thailand (SET) and Finance and Banking Magazine:**

- Top Corporate Governance Report Award, in its seventh straight year. This award honors listed companies with outstanding reports on compliance with corporate governance
- Best Corporate Social Responsibilities Award, in its sixth straight year. This award honors listed companies with outstanding social responsibility practices.

In addition, the Company won an Outstanding Corporate Social Responsibility Award and Outstanding Investor Relations Award.

- **Recognition Awards 2012 “THE BEST OF ASIA”, organized by Corporate Governance Asia Magazine:**

- Asian Corporate Director Recognition Award 2012, this award honors Dr. Anusorn Sangnimnuan with his contributions in growing the business, social responsibility, environmental protection and also efforts in raising the standards of corporate governance practice in the country.

- Corporate Governance Asia Recognition Award 2012, this award is given in recognition to the Company’s continuing commitment to the development of Corporate Governance in the region.

- **Outstanding Entrepreneur Award** honors Dr. Anusorn Sangnimnuan with his contributions in growing the business, corporate governance, and social&environmental responsibility., presented at ASIA PACIFIC ENTREPRENEURSHIP AWARDS 2012 THAILAND” , organized by Enterprise Asia, a leading NGO for entrepreneurship development in Asia.

- **Gold Award**, presented at The Asset Asian Awards 2012, organized by The Asset Magazine. This award honors based on the magazine’s consideration of management, corporate governance, financial, social and environmental responsibility, and investor relations aspects.

- **Best Investor Relations Award** honors companies with outstanding investor relation, given by votes from the readers of magazine, investors, analyst etc, presented at 2nd Asian Excellence Recognition Awards 2012 event, organized by Corporate Governance Asia Magazine.
- **IP Champion 2012**, in recognition of successful creative entrepreneurs that effectively applied intellectual properties in commercial senses and were commercially outstanding, sponsored by the Department of Intellectual Property, Ministry of Commerce.
- **ICT Excellence Awards** (under the category of Thai software application) in recognition of entities with excellence in IT and communication management for the e-Legal System, presented at the Thailand ICT Excellence Awards 2011, sponsored by the Thailand Management Association and the National Electronics and Computer Technology Center.
- **The assessment outcome of a survey on corporate governance reports of listed companies of 2012**, given by Thai Institute of Directors (IOD), showed that the Company commanded 'excellent' ratings in over all categories.
- **An excellent score for its quality under the Annual General Meeting (AGM) for 2012** project, given by the Thai Investors Association.
- **First prize in the category of clean and pleasant service stations under the Clean and Pleasant Bangkok Project 2012, and clean toilets in compliance with the standard of Department of Health**, Ministry of Public Health, in recognition of Bangchak's Vibhavadi Rangsit service station (Thailand's first green station), sponsored by Bangkok Metropolitan Administration. The prizes promoted and upgraded the environmental standards of buildings and public places.
- **ISO/IEC 27001:2005** standard certification, under the category of information security management, presented by Bureau Veritas (Thailand) Co., Ltd.
- **The Certificate of Green Industry Level 4 (Green Culture)**, given by Ministry of Industry, which certified that the Company has a systematic environmental management, including the monitoring and continuing development.



Best Investor Relations



IP Champion 2012



ISO / IEC 27001 : 2005



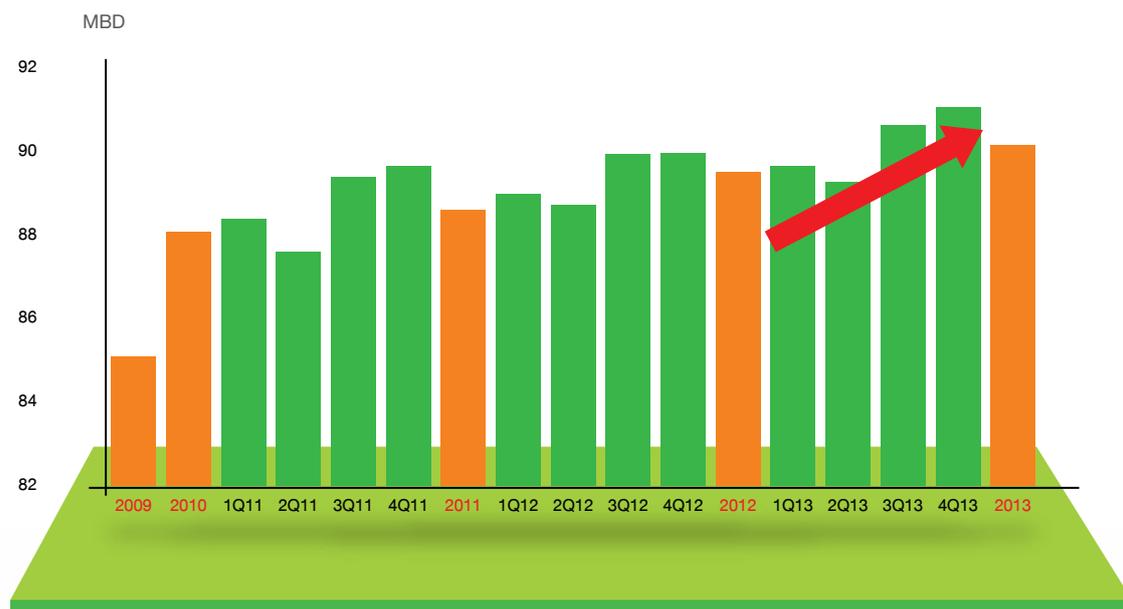
Certificate of Green Industry
Level 4



Business Overview and Competition Outlook

Based on the data collected by the International Monetary Fund (IMF), the world economy this year was still in a slowdown mode with growth of about 3.2% because of a few factors. First, the Euro's sovereign debt crisis has not eased very much despite the acceptance of fiscal assistance from the EU and IMF, not to mention additional fiscal assistance of the European Stability Mechanism (ESM) and the purchase of bonds facing liquidity crunches by European Central Bank (ECB). Both these measures required that public expense structures should be reformed, causing modest economic expansion. Meanwhile, the US was facing its own economic slowdown despite the support of QE3; investors remained concerned about the imminent "fiscal cliff", meaning the expiry of tax relief measures at the end of 2012 and the imminent public expenditure cuts in 2013. As a result, the global call on fuels rose by only 0.9 million barrels a day (1.0%) last year (with an average of 88.9 million barrels a day) to 89.8 million barrels a day, which is about the same magnitude of rise from 2010 to 2011.

World Oil Demand

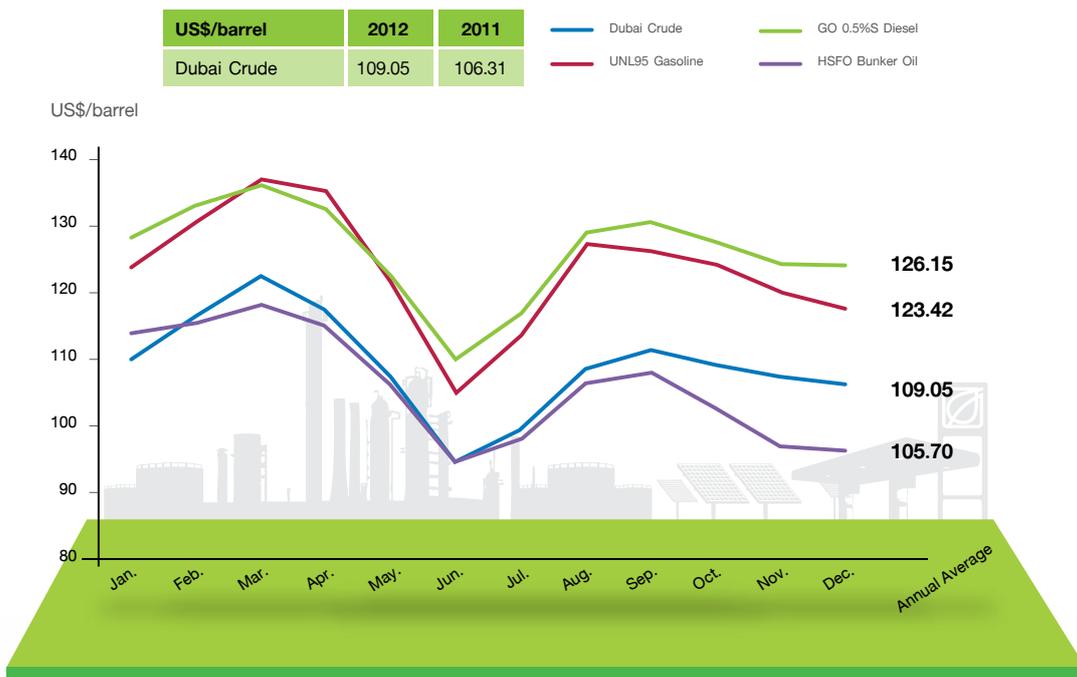


Source: International Energy Agency, January 2013 Release



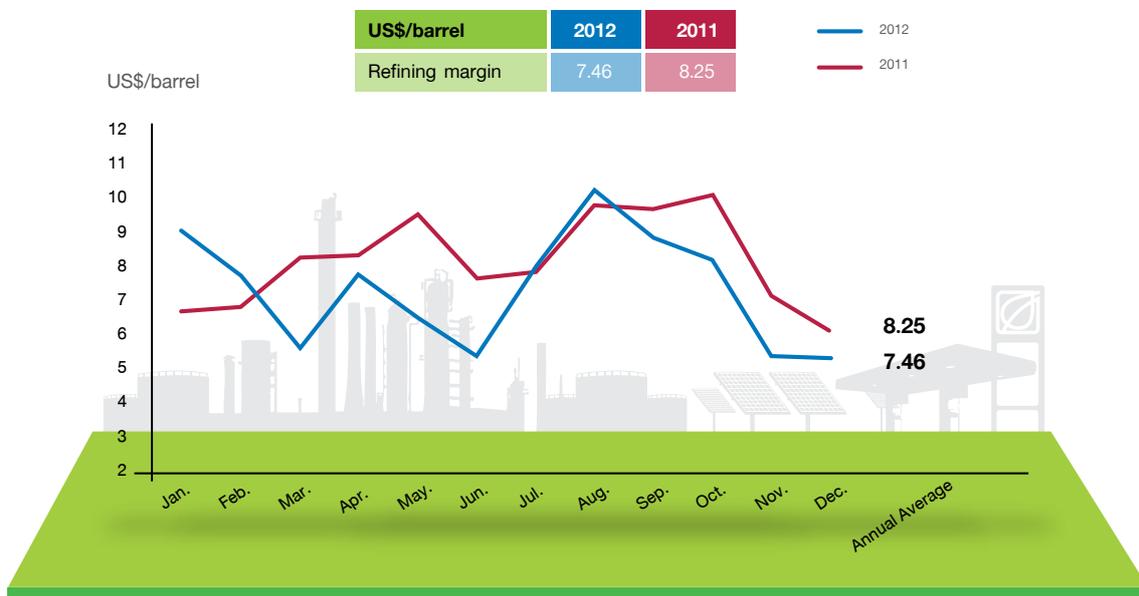
Meanwhile, the International Energy Agency has projected that fuel demand in 2013 is to escalate to 90.8 million barrels a day, a rise of only 1.1%, due to the lingering slowdown in the world economy, particularly in countries with high oil demand like the US, European countries, and China. This agrees with the IMF's economic growth projection as of January 2013 that 2013 would see world economic growth slow down to probably 3.5%.

2012 World Oil Price Movement



The Dubai oil price this year averaged US\$109.05 a barrel, a 2.69% rise over that of last year (US\$106.31). Throughout the year, the price kept fluctuating with economic factors, rising in the first quarter with growing tension between Iran and Western nations due to that country's nuclear weapon experiment project, which drove the price to a high of US\$124 a barrel. With positive signs emerging from negotiations between these countries, coupled with investors' massive sale of risked assets resulting from the Euro's lingering debt problems and the lethargic world economy, the oil price plummeted in the second quarter. In the third quarter, North Sea oil supply grew tight, triggering rises in oil prices, while the world economy faced good news (that is, additional fiscal assistance measures from European governments and ECB-consisting of ESM and measures to purchase bonds facing liquidity problems). The Dubai price of the fourth quarter therefore fluctuated between US\$105 and \$110 a barrel, buoyed by seasonally rising demand. Yet, investors remained worried about the impending world economic risks of 2013. Add to this the modest rise in world oil demand and the adequate rise in oil supply to meet the rise in demand. Still, the unrest in the Middle East is bound to continue, thus keeping oil prices in 2013 in fluctuation and elevated at US\$105-110 a barrel.

Dubai-based hydrocracking refining margin in Singapore, 2012 vs. 2011

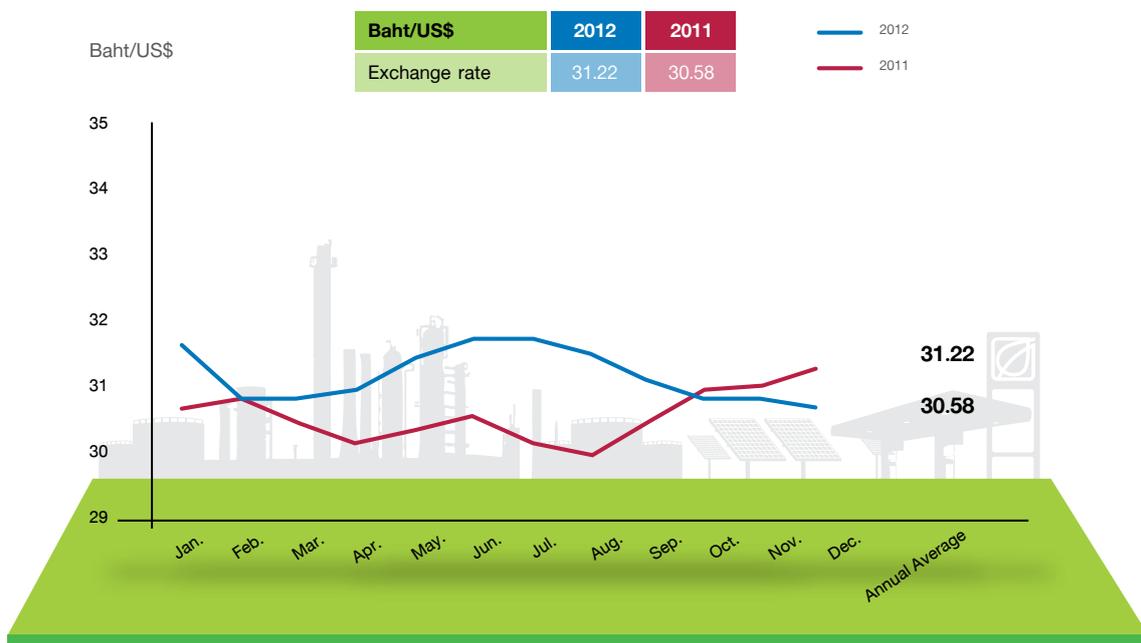


Source: Reuters

The spreads between oil and refined product prices narrowed in 2012 as a result of the world economic slowdown, growing supply from new refineries, and rising output-all these directly affected refining margins. The year saw the refining margins for Dubai at Singapore’s cracking refineries (DB-HC) average US\$7.46 a barrel, a drop of about US\$8.25 a barrel from last year. This average is projected in 2013 to level off, with a tendency to drop off a bit, aligning with the world economy and oil demand, including Asia’s refined product supply and demand.

The domestic economy this year picked up from last year by about 5.9%, with the industrial sector posting greater productivity in the wake of the Great Floods of late 2011. Meanwhile, the economic stimulus public policies, aimed at speeding up economic rehabilitation, also contributed by raising people’s income through wage hikes, as did tax policy implementation to get entrepreneurs back on their feet and attract foreign investment. Still, the Thai economy faced external pressure exerted by uncertainties in the world economy-specifically, the Euro’s debt problems and the ailing US economy-which kept Thailand’s export sector at bay. As a result, the average baht value for the year remained at 31.22 baht/US\$, a mild depreciation due to the still healthy Asian economy, which continued to draw investment from other regions. In short, the baht is now expected to appreciate.

Thai Baht Currency Movement with US Dollar, 2012 Vs. 2011



Based on domestic and external economic factors, the Bank of Thailand in January 18, 2013 projected that the Thai GDP growth for 2013 would drop to about 4.9% due to the stagnant export sector, the continuing Euro economic problems, and the US economy, which was facing a “fiscal cliff”. The manufacturing sector in Thailand, meanwhile, was expected to fully recover. In addition, foreign investment is likely to also gain ground thanks to greater confidence in flood-tackling measures and the public sector’s economic stimulus policies.

Domestic oil business

The domestic fuel demand posted a (5.4%) rise from last year's 845.8 thousand barrels a day (KBD) (134.5 million liters a day). In line with the government's economic stimulus policy, demand for gasoline, gasohol, and diesel all rose, particularly in view of the first-car policy. Besides, the government managed the Oil Fund to keep retail fuel prices shielded from world price rises. Note that the fourth quarter of 2011 saw unusually low oil demand because of the severe floods.

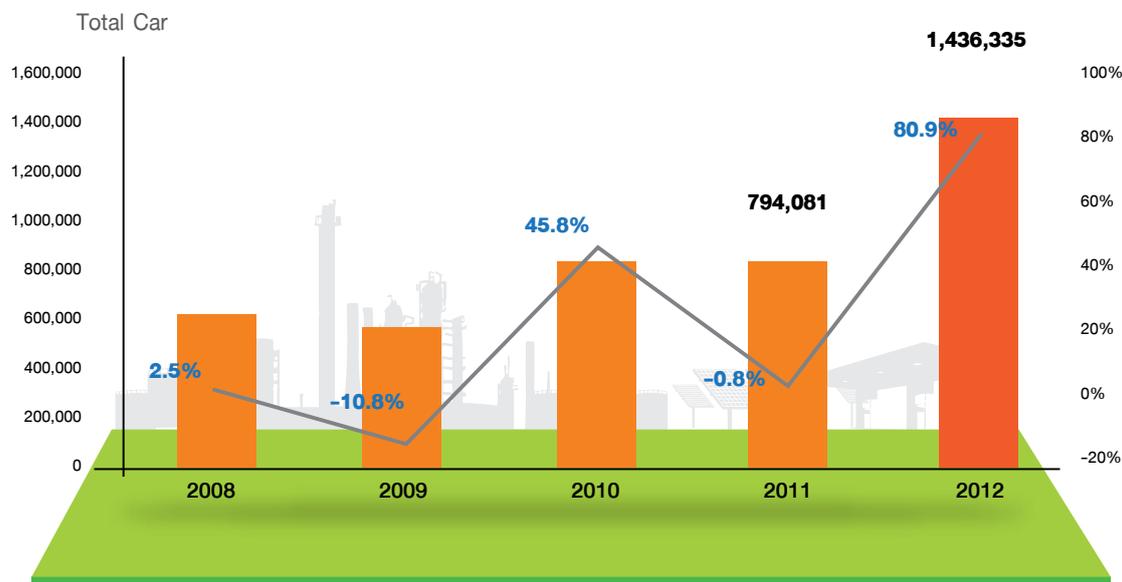
Domestic Refined Product Demand

Product	Demand Volume (million litres/day)		
	2012	2011	Difference
Regular Gasoline	8.9	8.6	+3.4%
Gasohol	12.2	11.5	+6.1%
Gasoline Group	21.1	20.1	+4.8%
Jet Fuel	13.9	13.9	0.0%
Diesel Group	56.2	52.6	+6.8%
Fuel Oil	6.5	6.7	-3.0%
LPG	36.8	34.3	+7.3%
Total	134.5	127.6	+5.4%
(KBD)	845.8	803.7	+5.4%

Source: Department of Energy Business

It is expected that domestic oil demand in 2013 will be rising, with a 2-3% rise among the gasoline group and 5-6% for diesel. The projected rise in the number of small passenger cars and vans, in line with the government's policy to stimulate public consumption through the first-car policy, will in effect hike total car sales by about 80.9%, with new cars hitting roads in 2013. In addition, the National Energy Policy Council decided to abolish the sale of 91-octane gasoline, effective January 1, 2013, which would in turn raise gasohol demand (like E20 and E85) sharply in line with the public sector policy to promote alternative energy consumption.

Total Car Sales, 2008–2012



Concerning domestic oil supply, based on the capacities of the seven domestic refineries (Thai Oil, IPRC, Esso, Star, PTT Global Chemical, Bangchak, and Rayong Purifier), their combined throughputs in 2012 averaged 979.1 KBD, a mere 4.9% rise over last year, since several refineries underwent maintenance turnarounds this year. The throughput of 2013 is expected to exceed that of 2012, since several refineries have planned to raise their own throughputs to keep up with the projected rise in oil demand.

Average Crude Run by Domestic Refineries

Refinery	Crude Run (thousand barrels/day, KBD)		
	2012	2011	Difference
Thai Oil	271.2	275.5	-1.6%
IRPC	174.9	157.9	+10.8%
Esso	142.3	110.2	+29.1%
Star	165.4	154.6	+7.0%
PTT Global Chemical	147.4	133.7	+10.2%
Bangchak	76.7	90.1	-14.9%
Rayong Purifier	1.2	11.5	-89.6%
Total	979.1	933.5	+4.9%
Total capacity	1,104	1,104	

Source: Department of Energy Business

Because of the fluctuating prices of world oil, traders have adjusted retail fuel prices accordingly while aligning with various public policies, thus raising the total marketing margins in Bangkok Metropolis (including dealers' margins and transport compensation) for 2012 to 1.63 baht a liter. This level of 1.50-1.80 baht a liter is considered suitable and will inspire oil traders to continually maintain or improve their standards for safety, environment, and services.

Bangkok Metro and Vicinity Gross Marketing Margin

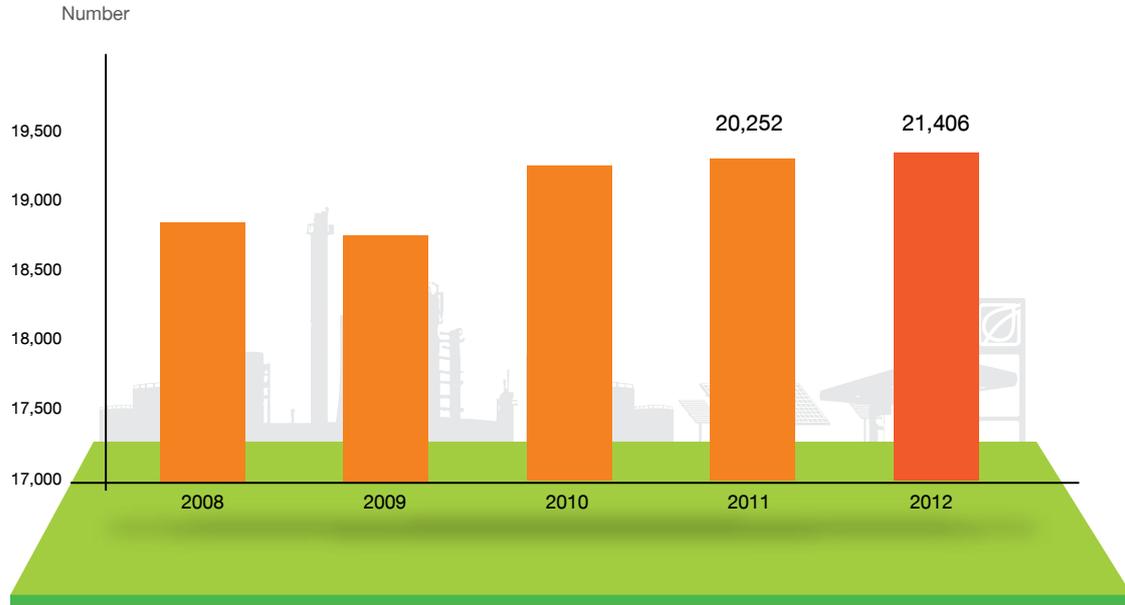


Note: Inclusive of Dealer Margin

Source: Energy Policy and Planning Office

Thanks to the public sector's economic stimulus policies, assistance measures on retail fuel prices, and higher service-station market competition, the total sales volume of refined products reported by service stations nationwide this year proved about 5.3% higher than last year, averaging 1,522 million liters a month. Jobbers, meanwhile, posted higher sales due to greater demand for fuels. The year saw stations come into service nationwide for a total of 21,065 as of September 2012. Most (9) of the service stations of Article 7 traders came from 259 LPG stations, with more and more selling alternative energy forms. At the end of Year 2012, the difference over 2011 came from 682 E20 stations and 30 E85 stations, raising the total number of E20 stations to 1,512 and that of E85 stations to 68. The government's policy of promoting alternative energy will stop the sale of 91-octane gasoline from 2013 onward while supporting the growth of stations selling E20 and E85 gasohol run by traders under the Alternative Energy Development Plan and accommodating more new cars. In addition, several domestic retail oil companies' policies are to expand their service stations to neighboring countries in response to the emerging ASEAN Economic Community in 2015.

Total Number of Service Stations, 2012



Source: Department of Energy Business

As for the lubricant market, handled by Article 7 traders, domestic sales rose by 6.5% to about 30.61 million liters a month. The automotive sector's market, the biggest lubricant consumers, accounted for about 60% of this total, with a healthy growth prospect rising in line with the government's domestic economic stimulus policies. Similarly, the call on lubricants in the manufacturing sector posted gains in the wake of the Great Floods.

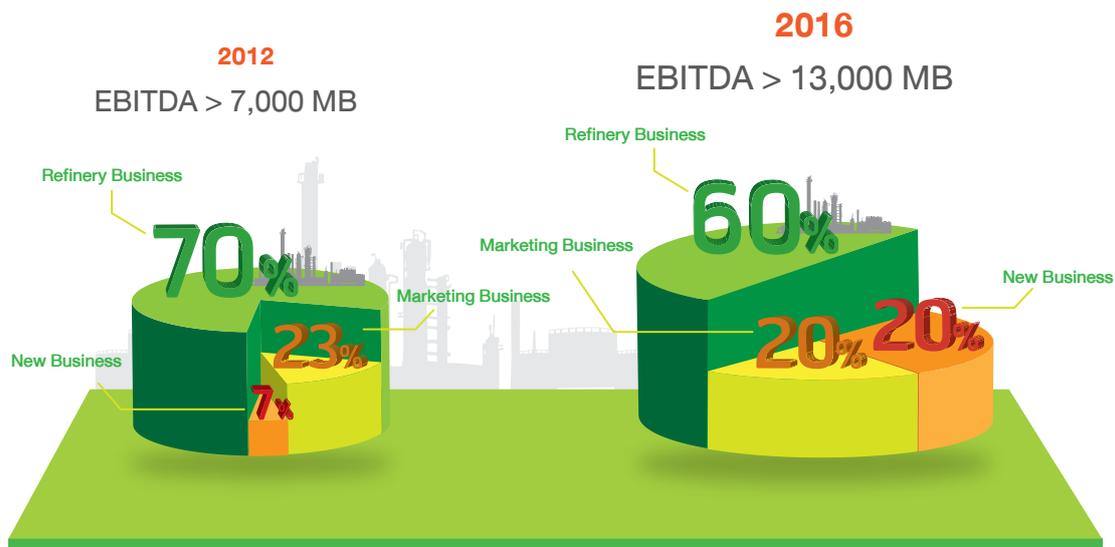




Organization Growth and Development

For the last 25 years since the start of its energy business in 1985, The Bangchak Petroleum Plc has always been committed to the corporate culture of “sustainable business development in harmony with the environment and society.” It will continue to do so with an aim to strike a balance between business values and those of the environment and society through the consistent application of a self-sufficient economy, good governance and social responsibility to its operations and goal achievement.

For sustainable business value creation, the Company will restructure its current revenue stream of 70% : 23% : 7% for refining, marketing and new businesses (the first phase of solar power plant projects and palm-oil biodiesel production), which is vulnerable to the volatility of oil prices and refining margins depending on the regional and world economies. Within 2016, the targeted revenue structure will be 60% : 20% : 20% for refining, marketing and new businesses. Emphasis on new business will be on clean energy and alternative energy with a steady income and low dependence on external factors, such as solar power plant, palm-oil biodiesel production including palm plantation and wind power. It will steadily add value to the business and diverse the risks of income sources in the future.



In addition, the Company has defined investment goals for current business development and new ventures, amounting to Baht 25 billion, with the so-called 3E+ Project dealing with the development of a catalytic reforming unit in place of the obsolete one with Technology Continuous, which is more energy efficient while extending maintenance periods further. Another is the construction of a Cogeneration Power Plant to add energy stability and consume natural gas, which is more environmentally friendly. Striving to raise its safety and environmental stewardship to become a five-star refinery, the Company participated in refinery benchmarking to apply outcomes to improve its management efficiency on a par with other complex refineries worldwide. Its investment plans were made to expand its sales volumes through the marketing business to 100 thousand barrels a day and modernize its marketing networks to embrace more locations with potential to accommodate greater outputs. As for new ventures, the Company continued to focus on investment in solar-cell power generation to reach 118 megawatts and grow its investment further in biofuels-including the ethanol business and the biodiesel business from crude palm oil to accommodate rising volumes of alternative-energy consumption-and continually venture into other promising businesses.

The Company has focused on organizational development, especially on its employees, who are well-trained under the new competency-based training system to be capable of coping with business changes. To support future business expansion, the Company is gearing up toward being a learning organization by encouraging and cultivating in its employees the love of learning, especially that of new businesses, through an interactive knowledge management system as well as setting up communities of practice for all to learn from and share their knowledge and experience. Furthermore, the Company is developing its human resource management and employee engagement programs to a higher level on a par with those of world's leading companies. Its employees are cultivated with virtues and public service, in keeping with its employee culture. Finally, having won the TQC (Thailand Quality Class) in 2010 and paved the way for being a company with management excellence, the Company has applied management principles in line with the Thailand Quality Award criteria to develop more efficient, transparent and internationally competitive businesses and processes.

The Company manages not only for steady and continuous business growth, but also for sustainability by balancing business values with social and environmental values. Social and environmental performance indicators are properly cascaded down to various operating units and groups. All operation plans must be linked to these indicators and must not conflict with social and environmental goals. The core strategies for social and environmental sustainability are as follows:

1. Open, Transparent and Verifiable

The Company adheres to an open, transparent and verifiable policy in its operations. Operational data are transparently disclosed under good corporate governance and The Stock Exchange of Thailand rules. Applying proactive environmental management, it discloses the actual data on quality of air and effluents around the refinery by posting such information at the entrance to the refinery and in surrounding communities.

2. Socially and Environmentally Friendly Business Models (In-process)

Aware that business operations that lack social and environmental activities are unsustainable, the Company is determined to do business in such a way that not only can it sustain continuous growth, but also simultaneously generate positive impacts on society and the environment. Such a model that the Company has been operating successfully is the cooperation of retail stations and agricultural cooperatives. The Company buys agricultural products from cooperatives in different communities and uses them for retail stations' sales promotion to create jobs and revenue in support of the economic and social development of the communities. In the future, the Company, in cooperation with the Ministry of Agriculture and Cooperatives, the Ministry of Energy and the Bank for Agriculture and Agricultural Cooperatives, will initiate a conversion of abandoned orange farms to palm plantations for orange farmers in Rangsit. The palm produce will be their new source of income and promote the use of alternative energy, which has been the Company initiative for more than a decade as in gasohol and biodiesel promotion. In all, this business model benefits the environment and provides higher income to support social development in agricultural communities.

3. Carbon Neutral Company

Aware that the refining business consumes a large amount of energy and emits considerable carbon dioxide, the Company has set a target to become a carbon neutral company. To illustrate, its carbon dioxide emission will be reduced by more than 50% of the business-as-usual within 2015 as a result of its continuous efforts on clean energy business development, be it a 118-megawatt solar power plant, palm oil biodiesel plants, tapioca-based ethanol production plants, diesel production from weeds, energy efficiency improvement or the use of clean fuels in the refinery.

Such balanced business management goals backed by determined and ethical staff-committed to the employee culture and values-will enable the Company to add value to business as well as society and the environment and become an organization of sustainable growth.





Internal Control

Below is a summary of opinions of the Board of Directors (“Board”) of Bangchak Petroleum Plc on the adequacy and suitability of the Company’s internal control system.

1. Control environment

The Company’s organizational environment and structure favor implementation of the internal control system. Its business goals are deliberated by the Board in a clear and measurable way for use as concrete guidelines for employees. Employee incentives or compensation has undergone a critical analysis for sensibility. A proper organizational structure favors efficient business execution by the management. Supporting assorted projects on alternative-energy promotion and CSR alike, which illustrate systematic social and environmental responsibility, the management also consistently values business integrity and ethics. In 2011, the Company revised its corporate governance policy by adding issues concerning anti-corruption in all forms, the number of listed companies where its own directors can serve as directors, the composition of the Nominating and Remuneration Committee and adding channels for whistle-blowing or complaint-filing. In addition, the company staged the annual CG Day under the theme “Bangchak Joins All Anti-corruption Moves, Commits Good Deeds in Honor of HM the King” to strengthen the promotion of its good corporate governance. To join others in achieving the turning point for this, it joined an anti-corruption network of associates in staging the “Bangchak joins all anti-corruption moves” by urging executives, employees and the public in a walking campaign to oppose corruption and underscore its intention. The company also puts in place whistle-blowing and complaint-filing measures for wrongdoing under laws, code of practice or behavior implying corrupt actions or malfeasance by its members and stakeholders, as well as for inaccurate financial reports or defective internal control system so that stakeholders may provide oversight.

2. Risk assessment

The Company has appointed the Enterprisewide Risk Management Committee (ERMC) to define policies, strategies and enterprisewide risk management goals; evolve such a management system for continual efficiency; support and actively encourage cooperation in risk management at all levels; and ensure suitable and efficient risk management. In 2011, the company took into consideration risks associated with new ventures (like the solar-cell power generation project, the joint-venture project in ethanol companies and the investment project in ASEAN Potash Mining Plc) to bolster confidence that such businesses are viable and achieve goals. It also evolved a risk management process by integrating the approaches under ISO 31000 and COSO ERM (which accounts for company-wide risk management) to achieve operating objectives and align with international standards. It continued to value the application of cost-benefit analytical tools in its selection of systematic and cost-effective risk management measures, and updated its risk management handbook to serve as guidelines for a common understanding among all.

Stringent and consistent is the Company’s valuing of a sound environmental and safety management system to its neighboring communities. In 2011, it appointed an Organizational Development Committee, charged with system preparation to handle risks and potential crises; defined strategies to keep the company running even during emergencies; appointed a task force to draft business continuity management procedures to make plans comprehensive, ring-fence crises and situations, and recall key business processes within recovery time objectives so as not to disrupt or harm its own businesses and those of customers and stakeholders. Every two months, the Enter-

prisewide Risk Management Committee monitors the outcomes of plan implementation of social and environmental activities at community and national levels.

3. Control activities

The Company's control activities rely on key performance indicators (KPIs) as a planning and control tool, with segregation of responsibilities for checks and balances. Authority, responsibility and approval of expenditure are defined in writing, along with preparation of documents that favor segmentation and identification of responsible parties should things go wrong. Custodianship and stewardship of Company properties to prevent losses or abuses have been instituted. the Company transactions with long-term obligations are properly monitored for contractual compliance. Measures are in place to prevent self-gains of Company opportunities or benefits. Subsidiaries are properly monitored. Procedures are in place to ensure that the Company observes the law and relevant regulations. In 2011, the Company isolated internal controls from internal audit by having it report to the Development and Promotion of Internal Controls Committee. Now in place is control self-assessment (CSA) at business levels, section levels, and work process levels throughout the company, as is an annual assessment of performance.

In addition, the business processes of Bangchak Biofuels Co., Ltd., and Bangchak Green Net Co., Ltd. (the Company's subsidiaries) were reviewed. The company's duly stringent measures are applied to work when it is engaged in transactions with the majority shareholder, directors and so on to prevent siphoning of benefits. These include approval procedures by parties with no vested interests, the need to disclose information about such transactions under the rule of the Securities and Exchange Commission and the disclosure of information about related parties or businesses required by accounting standards.

4. Information and communication

To ensure that essential company data, information and knowledge are complete for continuous use and are duly secure under ISO 27001's policy and guidelines for information security (ISMS), the Company has consistently developed its data and information system. Such policy and guidelines consist of

1. Security policy
2. Security guidelines
3. Information back-up plans
4. Emergency preparedness plans.

The IT Committee, represented by all businesses, devises a five-year IT Roadmap and is responsible for developing, formulating and reviewing plans in addition to overseeing and defining a corporate information policy for hardware and software.

In addition, the Company has developed an Executive Information System to track key data to accommodate senior management's decision-making.

5. Monitoring and assessment

The Company commands a performance tracking system by having a committee regularly compare performance results against goals, so that factors potentially impacting performance can lead to strategic plan adjustment and goal achievement. An internal audit unit, reporting to the Audit Committee, reviews compliance with the company's formulated internal control system.



Report of the Corporate Governance Committee

To the Shareholders

The Board of Directors appointed the Corporate Governance Committee, headed by Mr. Surin Chiravisit, with General Dapong Ratanasuwan, Mr. Thana Putarungsi, Mr. Sarakorn Kulatham, Mr. Pitipan Teparthimargorn and Dr. Anusorn Sangnimnuan serving as members. This year, with the resignation of Mr. Thana Putarungsi and Mr. Pitipan Teparthimargorn, their membership of this committee also ended. Subsequently, at its meeting No. 7/2012 and 12/2012, the Board appointed Mr. Suphon Tubtimcharoon as new member and General Dapong Ratanasuwan as chairman in place of Mr. Surin Chiravisit, respectively.

In 2012, the committee held a total of five meetings to monitor performance under the plan for developing good corporate governance practices. Below are the essences of the meetings:

1. Rights of Shareholders

- Publicized information concerning the Annual General Meeting of the Shareholders (AGM) on the Company website 34 days ahead of the meeting and mailed the documents to the shareholders 21 days ahead of the meeting.
- Added registration points at the AGM for faster processing.
- Allowed shareholders to post questions in advance, to be addressed at the AGM.

2. Equitable Treatment of Shareholders

- Allowed the shareholders to propose AGM agenda items and nominate directors between October 1 and December 31 of the previous year.
- Proposed all seven independent directors to whom the shareholders could assign proxies for the AGM.

3. Roles of stakeholders

- Staged the third offsite CG meeting for the committee to visit Ubon Bio Ethanol Co., Ltd. which is the Company's associated company to stress a compliance with the principles of CG.
- Monitored reports concerning whistle-blowing and complaints filed to the Internal Control Office. A total of 10 such reports were filed this year. However, fact-finding investigation has shown eight cases to contain no wrongdoing, whereas one case was found to contain grounds for further investigation, and the other is under investigation.

4. Disclosure of information and transparency

- Refined Bangchak Mobile Application for a new-look on iOS and Android mobile phones for searching nearby Bangchak service stations by fuel type and service station type. The application comes with a navigational system and can search for Bangchak outlets and service centers, as well as checking cumulative points of Bangchak Cardmembers.
- Was invited to present the Company data under a project on TCC Best Awards, sponsored by the Office of National Anti-Corruption Commission and the Thai Chamber of Commerce.

5. Responsibility of the committee

- Staged meetings among independent directors in June and September, and ones among non-executive directors in July and October.
- Organized a study tour on research in business innovation, including wind power business.

6. Corporate governance policy

- Revised the corporate governance policy (for the ninth revision) concerning the composition and appointment of the Board of Directors to align with the principles of the ASEAN CG Scorecard and the criteria for nominating current board.
- Asked all employees to respond to and take an annual test on a CG policy through the knowledge management system.
- Prepared and communicated a corporate governance policy for subsidiaries (Bangchak Green Net Co., Ltd., Bangchak Biofuel Co., Ltd., and Bangchak Solar Energy Co., Ltd.)

7. Publicity of corporate governance

Directors and the management were invited speakers on the policy and experience of corporate governance management:

- Joined a discussion on “ASEAN Standards and Cultivation of Good Governance”, hosted by King Prachadipok’s Institute
- Gave a talk on “CG Essentials” to the 13th class of the senior executives curriculum trainees, organized by the Capital Market Academy
- At Bangchak Refinery’s Conference Room, gave a talk and shared experiences on corporate governance matters with executives and officers of Hanoi Stock Exchange and listed companies in Vietnam
- Joined a Company Secretary Forum in a discussion on “The Future of the Company Secretary”, hosted by Thai Institute of Directors (Thai IOD)
- Joined the National Director Conference 2012 in a subgroup discussion on “Moving Corporate Governance Forward: Challenge for Thai Directors & Role of Stakeholders”, hosted by Thai IOD
- Joined a CS Networking seminar on “Role of Company Secretaries on Getting Ready for AEC”, hosted by the Thai Company Secretary Club and Thai Listed Companies Association (TLCA)
- Took part in and staged an exhibition on “Anti-corruption Day 2012: Joining Forces to Change Thailand”, organized by the Anti-corruption Organization Network
- Joined a seminar on “New Change in Board Responsibility Practices: A Step Forward to Value and Sustainability”, hosted by the Stock Exchange of Thailand, the State Enterprise Policy Office (Ministry of Finance), and TRIS Corporation Ltd.
- Joined a seminar on collective action of the Thai private sector opposing corruption on “First 100 Companies: Collective Power in Anti-corruption”, hosted by Thai IOD
- Joined the 1/2012 Company Secretary Workshop on “ASEAN CG Scorecard: How to Improve Thai Companies’ Perception among Worldwide Investors”, hosted by TLCA
- Participated in an exhibition at Thailand’s 3rd National Conference on Collective Action against Corruption under “The Responsibilities of Company Directors in Fighting Corruption” theme, hosted by Thai IOD

8. Public relations to promote the corporate governance culture

- Included good corporate governance training in the orientation training session for new directors.
- Included “BCP CG” in “Orientation & BCP Way” training sessions for 88 new employees
- Joined an executive discussion and an exhibition poster session, and presented an employee show on corporate governance at PTT Group CG Day 2012: Surfing the Global Wave, hosted by PTT Group

- Staged 2012 CG Day activities under the “CG Go ASEAN” theme. The activities consisted of an ASEAN CG Scorecard exhibition, a talk by Mr. Klanarong Chantik (a National Anti-Corruption Commissioner), and an employee show to stress CG guidelines in preparation for AEC and continuously oppose corruption within the organization.

As a result of its continuous valuing of corporate governance, this year the Company won the following corporate governance awards.

- SET Awards of Honor in Top Corporate Governance Report Award, in its seventh straight year. This award honors listed companies with outstanding reports on compliance with corporate governance, presented at the SET Awards 2012 event, organized by the Stock Exchange of Thailand (SET) and Finance and Banking Magazine:
- Recognition Awards 2012 “THE BEST OF ASIA”, organized by Corporate Governance Asia Magazine:
 - Asian Corporate Director Recognition Award 2012, this award honors Dr. Anusorn Sangnimnuan with his contributions in growing the business, social responsibility, environmental protection and also efforts in raising the standards of corporate governance practice in the country.
 - Corporate Governance Asia Recognition Award 2012, this award is given in recognition to the Company’s continuing commitment to the development of Corporate Governance in the region.
- Outstanding Entrepreneur Award honors Dr. Anusorn Sangnimnuan with his contributions in growing the business, corporate governance, and social&environmental responsibility., presented at ASIA PACIFIC ENTREPRENEURSHIP AWARDS 2012 THAILAND” , organized by Enterprise Asia, a leading NGO for entrepreneurship development in Asia.
- Gold Award, presented at The Asset Asian Awards 2012, organized by The Asset Magazine. This award honors based on the magazine’s consideration of management, corporate governance, financial, social and environmental responsibility, and investor relations aspects.
- The assessment outcome of a survey on corporate governance reports of listed companies of 2012, given by Thai Institute of Directors (IOD), showed that the Company commanded ‘excellent’ ratings in over all categories.
- An excellent score for its quality under the Annual General Meeting (AGM) for 2012 project, given by the Thai Investors Association.

(Signed) General Dapong Ratanasuwan

(General Dapong Ratanasuwan)
Chairman, Corporate Governance Committee
December 14, 2012

The Board of Directors is fully committed to conducting its business under the principles of good corporate governance to ensure that the Company performs its operations with efficiency, transparency and accountability toward all stakeholders. In 2012, the Company conformed to corporate governance principles in the following aspects:

1. Compliance with the Principles of Good Corporate Governance for Listed Companies 2006

The Stock Exchange of Thailand (SET) has instituted “The Principles of Good Corporate Governance for Listed Companies 2006 “ which consist of principles and best practices related to corporate governance for use by listed companies. The Company, throughout 2012, has continuously adopted such principles in executing its business, which can be divided into five areas as follows:

1.1 Rights of Shareholders

1) Policy

The Board has defined a policy on the rights of shareholders in the Corporate Governance Policy, section 6, with details as follows:

“1) The Board of Director safeguards the basic rights of all shareholders:

- The right to receive share certificates, the right to transfer shares and access to adequate and timely information in appropriate form for making decision that would affect the interests of the Company and oneself.
- The right to attend meetings and cast votes at the Annual General Meeting (AGM) to make important decisions about the Company’s significant policy, and on shareholders’ right that require the Board to obtain approval from the AGM.
- The right to appoint and remove Directors and to appoint an external auditor.
- The right to dividend.

2) The Shareholder receives meeting invitations containing the venue and time which are properly arranged, also agenda details and related appendices. In the agenda to pay dividend, the Company must disclose a comparison between payment amount and dividend policy, then delivers such invitation to the shareholders and the registrar no less than 14 days prior to the meeting, advertises the meeting appointment in the newspaper for three consecutive days no less than three days prior to the meeting date, as well as making the information available on the Company website at least 1 month before delivering the meeting invitation.

3) In the agenda to appoint a Director, the shareholder can vote for individual nominees. The shareholder’s vote is proportional to the number of the shares held.

4) According to the laws and the Company’s articles of association, the Shareholder can submit a request to the Board for an item to be added to the meeting agenda and may ask questions, ask for explanations and express their opinions in an appropriate manner.

5) The Chairman, Directors and related executives are responsible for attending the AGM to answer shareholders’ questions.

6) After the AGM, the shareholder can access information to find out the results of the ballots and matters considered.

2) 2012 Annual General Meeting of Shareholders

- The 2012 Annual General Meeting of Shareholders (AGM) was held on Tuesday, April 3, 2012, sooner than in the previous year to avoid overlapping with the AGMs of most listed companies.
- The meeting was held at Energy Complex, located near BTS Mo-Chit Station and MRT Chatuchak station, which is conveniently accessible.
- The Company applied the record date for the 2012 AGM to give shareholders more time to examine meeting notices and related information ahead of the meeting.
- Shareholders were informed of the meeting two months ahead of the meeting date, which is or and above the standard required by law, to allow shareholders time to plan his or her schedule.
- Meeting documents were disseminated 34 days before the meeting date via website and 21 days via mail.
- Opinions of the Board were included for every agenda item and an annual report was attached as well as a proxy form, with details of documents and supporting evidence needed, together with meeting documents.
- Contact numbers were provided for additional inquiries by shareholders.
- Allowed shareholders to post questions in advance, to be addressed at the AGM.
- Facilities were provided to shareholders on the date of the meeting as follows:
 - Ample parking spaces were reserved and free transport provided from BTS Mo-Chit Station and MRT Chatuchak station to the meeting venue.
 - Registration points were increased and the barcode system used in registration and ballot counting for efficiency and speed.
 - The Thailand Securities Depository Company Limited's (TSD's) AGM system was used in the registration and ballot counting for efficiency and transparency.
 - Stamp duties to affix to the proxy form were provided to proxies free of charge.
 - Stickers were provided to registered shareholders to ease their access to the meeting without re-verifying the document.
 - The President, before the meeting, informed shareholders of the voting and counting procedures for the resolution of each agenda.
- During the meeting, the shareholders were given equal opportunities to express their views and raising queries. Significant views and queries were recorded in the minutes of the meeting.
- Afterward, the minutes of the meeting were disseminated to the shareholders via the Company's website and SET's channel.

For the 2012 AGM, the Company invited Mr. Visith Uevirojnangkoorn, independent legal consultant, to serve as a referee to ensure that the meeting was conducted in a transparent ways and in compliance with the laws and the Company's Regulations for the following matters:

1. Verification process for documents and evidence of shareholders or proxy holders
2. Quorum of the meeting
3. Abstention of stakeholders

4. Vote casting and vote counting procedures in compliance with the Company's regulations / as informed by Chairman.

5. Monitoring of ballot collecting and verification of voting results and resolutions.

Because of its continual improvement, the Company has received an excellent score for its quality under the 2012 AGM project, given by the Thai Investors Association.

1.2 Equitable Treatment of Shareholders

1) Policy

The Board has defined its policy on equitable treatment of shareholders in its corporate governance, section 6, in addition to those defined by the law, with details as follows:

- "1) Shareholders have the right to cast as many votes as the shares they hold and have equal access to information and media about the Company.
- 2) Shareholders receive sufficient and fair information from the Company. The Company does not show favor to certain groups of shareholders by giving access to undisclosed information.
- 3) All shareholders receive equal treatment in the AGM.
- 4) Shareholders can add items to the meeting agenda or nominate Directors ahead of the meeting and in accordance with Company guidelines.
- 5) The shareholders can directly contact independent directors on matters concerning his/her rights via ico@bangchak.co.th

2) Equitable Treatment of Shareholders

- Allowed the shareholders to propose AGM agenda items and nominate directors between October 1 and December 31 of the previous year, with related rules and procedures disclosed on the Company's website, and posted a notice of the meeting via SET's media channels. The Company makes it a policy not to add any agenda items without prior notification, especially essential agenda items which need time for investigation before making decisions.
- Encouraged shareholders to use Proxy Form B with stipulated direction for voting and a list of seven independent directors, any of whom they can appoint as their proxy in the meeting.
- Used ballot papers on every agenda, especially the agenda on election of directors, in which shareholders can vote for each individual nominee. The vote is in proportion to the number of shares held. Ballot papers (to either approve, disapprove or abstain votes) were collected from all shareholders attending the meeting.
- Defined guidelines for employees in the good corporate governance statement, section 8, on safeguarding the Company's confidential information and restraining from using the Company's confidential information for their own gains.
- Stipulated the duties of directors and the management in the good corporate governance statement, section 4, in refraining from trading of Company shares at least a month before the disclosure of financial statements and three days after the disclosure, as well as in reporting to the Board on their shares held every month.
- Provided various communication channels in order that shareholders can have equal access to the information.

1.3 Role of Stakeholders

1) Policy

The Board has defined its policy on the roles of the Company towards stakeholders in its corporate governance policy, section 6, as follows:

- “1) The Board recognize and value the rights of stakeholders as defined by laws, human rights and fair labor treatment, locally and internationally, and promotes cooperation between the Company and its stakeholders in forging prosperity, creating jobs and creating a sustained, stable financial status for the business. The Board ensures that the stakeholders’ rights are protected and well-treated.
- 2) The Board takes into consideration the benefits derived and the stakeholders’ assistance in forging its competitiveness and profitability.
- 3) The Board has instituted measures for whistle-blowing and complaint-filing against violations of the law and the code of conduct, or behavior potentially classified as frauds or malfeasance of those inside the Company or of stakeholders, including inaccurate financial reports or deficient internal controls. The Board has also instituted protective measures for whistle-blowers for stakeholders’ greater stewardship of Company benefits...”

2) Role of Stakeholders

- Staged the third offsite CG meeting for the committee to visit Ubon Bio Ethanol Co., Ltd. which is the Company’s associated company to stress a compliance with the principles of CG.
- Monitored reports concerning whistle-blowing and complaints filed to the Internal Control Office. A total of 10 such reports were filed this year. However, fact-finding investigation has shown eight cases to contain no wrongdoing, whereas one case was found to contain grounds for further investigation, and the other is under investigation.

In corporate governance, there are various groups of stakeholder which the Company takes into consideration their rights over and above those stated by the law, as well as not taking actions which might violate the rights of stakeholders. This can be summarized below.

Employees

The Company recognizes that employees are the driving force, and encourages the training of employees to increase their competency. Moreover, the Company has arranged for the equal treatment of employees, and fair remuneration and benefits including medical care, the Company’s shuttle service and activities including the Employee Club House which has various activity clubs for the employee’s relaxation after their work. (Further details are included in the Sustainability Report 2012)

Customers and Society

The Company is dedicated to improving the quality of products and services for maximum customers’ satisfaction. The policy aims to deliver quality goods which meets or exceeds the cus-

customer's demands under fair conditions, and aims to give adequate, accurate and timely information about the products and services. The Company does not exaggerate or mislead the customer about the quality, quantity or other terms and conditions of the products or services. Company employees protect the customer's secrets and do not use them for personal gains.

Suppliers / Contractors

The Company has a policy which limits the practices in contract and procurement as well as the provision and sales of petroleum and petroleum-related products to ensure that business conduct with its suppliers/contractors is carried out in an appropriate and fair manner, and complies with corporate governance. Moreover, the Company has a "Manual for Appropriate Business Conduct" and "Guidelines for Bangchak Petroleum Station Representatives" to ensure that the Entrepreneur/ Representative of the Company conducts business with efficiency, corporate governance, and good business ethics. The policy treats suppliers/contractors fairly, and is based on the principle of fair compensation for both parties, honors contractual obligations and agreements, and seeks to notify suppliers/contractors as soon as possible in the case that one or more of the agreements cannot be fulfilled, in order to find a timely resolution.

Lenders

Bangchak treats lenders fairly, responsibly, and transparently and seeks to fulfill all its contractual and financial obligations. It does not engage in dishonest practices and does not conceal information which may cause losses for the lender. If the Company cannot fulfill one or more of its obligations, it seeks to notify the lender so that a resolution can be agreed upon together.

Competitors

The Company conducts business with ethics, transparency, and engages in fair competition with its competitors under the guidance of fair competition. It does not seek to find information about Competitors through dishonest or inappropriate means, for example, bribing a competitor's employees. The Company does not engage in slander or discrediting its competitors.

Shareholders

The Company is determined to follow the principles of corporate governance and is focused on creating a business which has financial stability and sustainability to maximize the value of shares for the benefit of the shareholders.

The Community around the Refinery, Society, and the Environment

The Company considers health and safety and the environment an integral part of the business, and has a written guideline on health, safety and the environment for the Directors, Executives, and employees to uphold. Under the mission to "Develop sustainable business, while safeguarding environment and Society".

The Company produces "Krob Krua Bai Mai" (Leaf Family) newsletter and "Rob Rua Bangchak" (Bangchak Neighbors) magazine for distribution every other month to allow the community to know

the goings-on of the Company as well as receiving interesting information, such as how to save energy, how to ensure safety in daily life, and health tips and how to protect the environment. This is another way for the Company to communicate with and take care of communities around its refinery.

Moreover, the Board has developed a mechanism for the stakeholders to be involved with the Company's business by making information available and transparent, as well as listening to various opinions on Open House days, receiving information through opinion boxes, Investor Relations, and the website. Various channels are available for tipping or making complaints against misconduct or unethical behavior in financial practices or internal control. There are mechanisms for protecting the whistleblower and appropriate mechanisms for action after information is received. This ensures that the stakeholders play an active part in protecting the Company's interest.

Methods of filing a complaint or inquiry

- E-Mail ico@bangchak.co.th
- Mail The Internal Control Office
The Bangchak Petroleum Plc
210 Sukhumvit 64, Bangchak, Phra Khanong, Bangkok 10260
Tel : 0-2335-4566 Fax : 0-2331-6530

1.4 Disclosure and Transparency

1) Policy

The Board has defined its policy on Disclosure and Transparency in its corporate governance policy, section 7, as follows:

“The Company is committed to the fair disclosure of information to the shareholders, financial institutions, securities companies, investors, those needing financial information, and the general public. It highly values communication practices that are open, complete, accurate, timely, and regular for past information and future value addition without bias against positive or negative information. The Company recognizes the need to maintain sensitive information for critical business information and operating strategies. This policy aligns with the SET and SEC criteria and terms for information disclosure...”

2) Disclosure and Transparency

- Developed the Bangchak Mobile Application on the iPhone (free download), which shows oil prices and Bangchak service stations and is GPRS-linked to show locations, together with an alert system for oil price changes.
- Was invited to present the Company data under a project on TCC Best Awards, sponsored by the Office of National Anti-Corruption Commission and the Thai Chamber of Commerce.
- The Company has an investor relations section to communicate with analysts, investors and other persons who might seek information on financial statements, corporate performance and status as well as any transactions which might affect the Company.
- Regularly disseminate the Company's important news via SET's media channel, information disclosure forms, annual report and the Company's website, in both Thai and English.

1.5 Responsibilities of the Board

1) Policy

The Board has defined its policy on the roles, duties and responsibilities of the Board in its corporate governance statement, section 2. (details as in “Management Structure”).

2) Responsibilities of the Board

- Staged meetings among independent directors in June and September, and ones among non-executive directors in July and October.
- Held a trip study on research in business innovation, including wind power business.
- Set up an evaluation form for the Board’s performance in three forms, namely individual evaluation (self-evaluation), individual evaluation and sub-committees evaluation.
- Took part in defining a vision, mission, strategy, business targets, and budget each year to maximize economic value to the Company business and shareholders’ security. The Board also approves essential strategies and policies, in particular, key performance indicators (KPIs) relating to financial and planning matters which the Board had earlier approved (indicators and targets) and monitor them from time to time.
- Ensured that the Company had efficient internal controls, internal audit, and risk management measures in place and regularly reported to the Board on its performance.
- Followed up on the management’s execution by assigning the management to report the Company’s performance and operations to the Board every month.

2. Corporate Governance Policy

The Board has had a written corporate governance policy since 2003 for its executives and employees to adhere to:

1. **Accountability** for all decisions made and actions taken
2. **Responsibility**, or being responsible for one’s duties
3. **Transparency** in regard to information disclosure and being open to scrutiny
4. **Equitable Treatment** to all concerned parties
5. **Vision to Create Long-Term Value**
6. **Ethics and virtue.**

The corporate governance policy, section 2, stipulates the roles, duties and responsibilities of the Board in reviewing the policy regularly. In 2012, the Board developed and provided support to the execution of good corporate governance as follows:

- Revised the corporate governance policy (for the ninth revision) concerning the composition and appointment of the Board of Directors to align with the principles of the ASEAN CG Scorecard and the criteria for nominating current board.
- Prepared and communicated a corporate governance policy for subsidiaries (Bangchak Green Net Co., Ltd., Bangchak Biofuel Co., Ltd., and Bangchak Solar Energy Co., Ltd.)
- Asked all employees to respond to and take a test on the 2012 policy through the knowledge management system.

The Company also launched public relations activities to promote the good corporate governance culture as follows:

- Included good corporate governance training in the orientation training session for new directors.
- Included “BCP CG” in “Orientation & BCP Way” training sessions for 88 new employees.
- Joined an executive discussion and an exhibition poster session, and presented an employee show on corporate governance at PTT Group CG Day 2012: Surfing the Global Wave, hosted by PTT Group
- Staged 2012 CG Day activities under the “CG Go ASEAN” theme. The activities consisted of an ASEAN CG Scorecard exhibition, a talk by Mr. Klanarong Chantik (a National Anti-Corruption Commissioner), and an employee show to stress CG guidelines in preparation for AEC and continuously oppose corruption within the organization.

Playing a role in disseminating good corporate governance principles to the public, directors and executives were invited to share their knowledge and experience on the Company’s good corporate governance on various occasions as follows:

- Joined a discussion on “ASEAN Standards and Cultivation of Good Governance”, hosted by King Prachadipok’s Institute
- Gave a talk on “CG Essentials” to the 13th class of the senior executives curriculum trainees, organized by the Capital Market Academy
- At Bangchak Refinery’s Conference Room, gave a talk and shared experiences on corporate governance matters with executives and officers of Hanoi Stock Exchange and listed companies in Vietnam
- Joined a Company Secretary Forum in a discussion on “The Future of the Company Secretary”, hosted by Thai Institute of Directors (Thai IOD)
- Joined the National Director Conference 2012 in a subgroup discussion on “Moving Corporate Governance Forward: Challenge for Thai Directors & Role of Stakeholders”, hosted by Thai IOD
- Joined a CS Networking seminar on “Role of Company Secretaries on Getting Ready for AEC”, hosted by the Thai Company Secretary Club and Thai Listed Companies Association (TLCA)
- Took part in and staged an exhibition on “Anti-corruption Day 2012: Joining Forces to Change Thailand”, organized by the Anti-corruption Organization Network
- Joined a seminar on “New Change in Board Responsibility Practices: A Step Forward to Value and Sustainability”, hosted by the Stock Exchange of Thailand, the State Enterprise Policy Office (Ministry of Finance), and TRIS Corporation Ltd.
- Joined a seminar on collective action of the Thai private sector opposing corruption on “First 100 Companies: Collective Power in Anti-corruption”, hosted by Thai IOD
- Joined the 1/2012 Company Secretary Workshop on “ASEAN CG Scorecard: How to Improve Thai Companies’ Perception among Worldwide Investors”, hosted by TLCA
- Participated in an exhibition at Thailand’s 3rd National Conference on Collective Action against Corruption under “The Responsibilities of Company Directors in Fighting Corruption” theme, hosted by Thai IOD

3. Conflicts of Interest

Under the corporate governance policy, section 8, the guidelines for directors, management and employees stipulated that they must refrain from any act posing potential conflicts of interest with the Company, i.e. any act potentially depriving the Company of its interests or its fair share of interests, including competing with the Company, incurring personal gains from private business dealing with the Company, abuse of Company information for personal gain and holding shares in the Company's business competitors.

The Company, in order to prevent potential conflicts of interest, has set the following forms:

- **Employees' personal information in addition to job information form**

To comply with the policy on good corporate governance, which forbids directors, management and employees to commit any act which might deprive the Company of its interests, the Company has prepared the above-mentioned form. All employees are to fill it out and deliver it to Internal Audit through their supervisors, to in turn audit any acts or activities that might be in conflict with the Company's business interests.

- **Report of directors and management's stake form**

The Securities and Exchange Act (No. 4) B.E. 2551 (2008) stipulates that directors and the management are to report to the Company his/her or connected persons' stakes connected with the business operations of the Company or its subsidiaries. The Company has therefore prepared the above-mentioned form for its directors and management to fill out and report any change to the Company. The Corporate Secretary will forward a copy of the form to the Chairman of the Audit Committee to ensure that the directors and management perform their duties with integrity.

- **Report on connected transactions form**

To ensure that transactions between the Company and any related parties or businesses are transparent and comply with SET's rules and regulations, the Company has defined a policy and guidelines on connected transactions and prepared the above-mentioned form for responsible employees to fill out and forward it to the Secretary to the Board with a copy to Internal Audit for acknowledgment.

4. Monitoring the Use of Inside Information

The Company has a policy detailing the accepted practices of director, executive and employees and forbidding the disclosure of important secret information to the public for personal or other gains, as well as policies on the buying and selling of Company shares as follows:

1. Directors and executives, as well as spouses and offspring, including connected persons, according to Article 258 of the Securities and Exchange Act of 1992 must notify and distribute information about shares held, as well as reporting any changes to SEC every time they buy, sell, transfer, or receive shares within three days of the change to comply with Article 59 or face punishment according to Clause 275 of the Securities and Exchange Act of 1992.
2. Notify the Directors and executives of the financial information which affects the price of shares. Avoid buying or selling Company shares one month prior to the disclosure of information and three days after disclosure, as well as not disclosing information to others before it is made available to the public.

Furthermore, in the Board Meeting, Directors and executives must report changes in shares held every month, and most notify the Company without delay if:

- They are stakeholders directly or indirectly from the contracts that the Company makes during the fiscal year.
- They hold shares or bonds in the Company and its subsidiaries.

The Company also has penalties against employees who use the Company's inside information for personal gains, ranging from a warning to termination of employment.

5. Remuneration for the External Auditor

5.1 Audit Fee

The Company and its subsidiaries have paid audit fees as follows:

- The Company's External Auditor (Mr. Charoen Phosamritlert or Mr. Nirun Lilamethawat or Mr. Winid Silamongkol) in the last year totaled 0 Baht
- The Audit Company (KPMG Phoomchai Audit Ltd.), persons and businesses related to the external auditor and the Audit Company in the last year totaled 2,953,572 Baht (Bangchak Petroleum Plc: 1,772,962 Baht, Bangchak Green Net Ltd.: 679,909 Baht, Bangchak Biofuel Ltd.: 261,586 Baht and Bangchak Solar Energy Ltd.: 239,115 Baht)

5.2 Other fees

- none -

6. Investor Relations

The Company realizes that its information, both financial and non-financial, affect the decision-making process for investors and stakeholders. Therefore the management values accurate and full disclosure in a regular and timely manner, in accordance with SEC and SET regulations. The Investor Relations department acts as a center for giving out important information to investors and ensuring that financial reports as well as important information which affects the value of the Company's shares, such as the financial statements, the business performance report, MD&A report and analysis for each quarter and year, are distributed in a timely and regular manner, and that complying with SEC regulations. This is for the benefit of investors both in Thailand and abroad. The Company produces a performance report and provides information to investors, shareholders and stakeholders directly and indirectly as follows:

- Directly: The Company keeps analysts, investors and employees updated regularly through analyst meetings, company road shows, E-newsletters, conference calls and attending conferences organized by various institutions, meeting with minor investors on SET's Opportunity Day, or company visits to other listed companies through the Federation of Thai Industries to allow potential investors, shareholders in listed companies, analysts and Federation of Thai Industries members to have access to the Company's management information and activities. Related parties can also make appointments to ask for information about business updates and can attend the company visit programs as well. Moreover, those who cannot attend analyst meetings can access the information through videotaped sessions, which are put on the website in Thai and English.

A Summary of Investor Relations Activities in 2012

Activity	Number (times)
Foreign Roadshow	4
Local Roadshow	3
Analyst Meetings	4
Opportunity Day (organized by the SET)	4
Company Visit	38
Conference Call	3
Answering Inquiries by E-mail/telephone	3-4/day
E-newsletter	4
Site Visit	4
Shareholder and Minor Investors Get-together	3

- Indirectly: The Company gives out both current and past information about the Company, financial statements, performance reports, as well as other reports submitted to SET on the Company's website www.bangchak.co.th, where interested parties can read and download this information. The Investor's Relations page contains information in Thai and English which is updated frequently.

Investors and related parties can make queries or ask for the Company's information at Ms. Supamol Eamaon, tel. 0-2140-8952, at the Website: www.bangchak.co.th, or e-mail address: ir@bangchak.co.th

Furthermore, the Company distributes information about public relations, business updates, business progress, and ongoing projects, as well as answering questions and allowing ready access for the media and the public, through e-mails, press releases, photo captions, press conferences, as well as Opportunity Day. Activities in 2012 can be summarized as follows:

Activity	Number (times)
Press Conference / other ceremonies involving the media	22
SMS news alert	82
Press Release	32
Photo Caption	44



Report of the Enterprise-wide Risk Management Committee

To the Shareholders

The Board of Directors of Bangchak Petroleum Plc highly values risk management practices to allow the Company to achieve its goals. To this end, it assigned the Enterprise-wide Risk Management Committee (ERMC) to ensure adequate risk management practices in place together with the most effective business execution. This year, ERMC, led by Mr. Krairit Nilkuha, held seven meetings to monitor performance and consult the management and its internal auditor team, and one meeting with the Audit Committee. Below are the essences of its own performance.

- Provided oversight on the management of the Company's key risks, encompassing risks concerning strategies, business operation, finance, and compliance. On the whole, the Company successfully achieved its goals. ERMC also revised and added to the fire risks at the Crude Distillation Unit 3 during the year. ERMC and the management jointly identified the causes to add suitable, more effective risk management measures. They also commissioned world-class experts to restore the units to operation as planned safely and to inspect operating and safety processes, in addition to providing engineering advice to ensure international standards. Additional safety equipment, processes, communication, and warning processes have been added for suitability and coverage of all refinery areas and surrounding communities. As a result, Bangchak was able to manage the impacts and damage resulting from the fire, and get back to normal operations in a short time.
- Provided oversight on new-business investment, including its solar-cell power generation project, joint-venture investment in an ethanol producer, and the investment project in ASEAN Potash Plc, to bolster investment confidence that the Company can operate these new businesses and have risk management practices in place to enable these projects to achieve their goals.
- Monitored its crisis management and emergency plans under the Business Continuity Management standards (BCM, ISO 22301) to ensure constant readiness of personnel and other resources for potential crises to prevent business disruption and damage caused by severe impacts on the Company, customers, and stakeholders. This year saw revisions made to crisis management plans for floods, fires, chemical spills, and earthquakes in addition to contingency plans for malfunctions in the refinery, oil depots, tank trucks, offices, and the IT system.

- Provided support to the development of risk management processes and internal controls by giving recommendations for scenario planning so as to analyze risk factors and devise various contingency plans, including the Euro's financial crisis, a protest at the Strait of Hormuz, and disruption in crude train transport. Recommendations also dealt with risk management to accommodate all stakeholders. ERMIC also deliberated a good approach for effective internal control processes. This year's focus was put on conflicts of interest and fraud risks, while all five aspects of internal control environment have been inspected and integrated under the ISO 31000 risk management approach.
- Continuously monitored the progress of social and environmental activities while recognizing its value to social and environmental management, at both community and national levels, by requiring the management to report its operation updates every two months. ERMIC focuses on fostering confidence among, due care for, and healthy family-like relations with those living around the refinery, oil depots, and its project areas. The Company also staged development activities and cultivation of environmental care and alternative-energy awareness among youths, as seen in the Thailand Go Green Project and the *Song Soem Panyachon Khon Dee* (Promotion of Intellectuals) Project, among others. In addition, the public was trained for various lurking disasters through the likes of a seminar entitled "Floods, Earthquakes, Droughts: Is Thailand Safe from Disasters?" and a booklet on dealing with floods. These instances illustrate the Company's commitment spelled out in its vision: Creating an energy business that is environmentally friendly for sustainable development (Greenery Excellence).

In summary, ERMIC has consistently valued risk management and internal controls to enable the company to execute its business under an effective risk management system, with excellence in management and proper internal controls consistent with its business. These, we are convinced, will enable Bangchak to fulfill its goals.

(Signed) Krairit Nilkuha

(Mr. Krairit Nilkuha)

Chairman, Enterprise-wide Risk Management Committee

December 14, 2012



Risk management

The Company implements its risk management system under the internationally accepted COSO Enterprise Risk Management (COSO ERM) and ISO 31000 standards to ensure goal achievement and preparedness for changing circumstances. It defines a risk management policy that requires compliance by all employees and all units by managing risks to acceptable levels. Its Enterprisewide Risk Management Committee (ERMC) manages the Company's risk management for high efficiency. The key risk factors for the Company's businesses are summarized below.

Risk factors

Strategic and financial risks

Committed to undertaking its energy businesses in an environmentally friendly way for sustainable development and alternative-energy leadership, the Company defines strategies that focus on maintaining competitiveness; on investment expansion to attain clean energy through the likes of solar-cell power generation, biodiesel plants, and ethanol plants; and on application of advanced, environmentally friendly technologies to refining processes to create clean energy products like 91-octane, 95-octane, E20, and E85 gasohol, and Super Power D.

Risks inevitably facing the Company's overall performance arise from the volatile oil price and the baht, currency exchange rates, uncertainty of output volumes as well as global and domestic energy demand, the public sector's policy, and investment choices for new businesses. To tackle such risks, the Company organizes executive seminars to define business strategies compatible with changing circumstances, conducts analyses of risk factors facing new-venture projects at each project stage, conducts risk management for prices and finance, and develops plans to accommodate change and uncertainties. Senior executives also monitor the Company's performance weekly and monthly to ensure goal achievement.

Besides, to accommodate its future growth, the Company has drawn up manpower plans and short-term & long-term competency development plans for its personnel.

Operating risks

Since its business could inflict damage on surrounding communities, the Company recognizes and highly values the safety of employees and society. Accounting for such risk are internal factors arising from operations and external factors caused by a third party or unforeseen hazards (including terrorism and natural disasters) facing communities, properties, and the environment, and leading to business disruptions. As a result, the Company constantly values environmental management and safety by focusing on operating strictly under the law, the TIS-OHSAS 18001 occupational health and safety management system, and the ISO 14001 environmental management system to bolster the confidence of those living around the refinery. Besides, the Company has set up a center to report the refinery's environmental quality parameters, complete with a communication system to alert communities around the refinery thoroughly. It also regularly and continually monitors, reviews, and conducts drills for crisis management plans and emergency plans to ensure preparedness on the part of personnel and resources in any circumstances under the ISO 22301 business continuity management standard.

Following the fire incident at the Crude Distillation Unit 3 on July 4, 2012, the Company hired internationally accepted experts, including Foster Wheeler, Dupont, and Toyo-Thai Corporation, to audit its operating and safety systems and provide engineering advice for the confidence of surpassing international standards. The Company also added enough equipment dealing with safety, operating systems, together with communication and warning systems for suitability and coverage of all refinery areas and surrounding communities.

In addition, the Company has entered into insurance to afford damages on the Company and other stakeholders under business interruption insurance, property damage insurance and third party liability insurance.

Risks from regulations on the environment, reputation, and engagement with communities and the environment

The Company strictly values compliance with the law and relevant regulations, evident in its leaders that set role models for transparency and social responsibility, as well as the awards presented to the Company all along. Apparently, legislative and regulation changes or the Company's own strategies for new-venture investments could require certain projects to undergo the approval process for environmental impact assessment (EIA) reports and secure community acceptance. Limitation and delays resulting from this process could pose risks affecting the Company's operation and costs.





Report of the Nomination and Remuneration Committee

To the Shareholders

At its meeting No. 6/2011, The Board of Directors of Bangchak Petroleum Plc. appointed the current Nomination and Remuneration Committee, with Prof. Dr. Chai-Anan Samudavanija as chairman, Mr. Wirat lam-Ua-Yut as member, and Mr. Nuttachat Charuchinda as member and secretary.

At its meeting No. 12/2012, the Board appointed the Nomination and Remuneration Committee headed by Prof. Dr. Chai-Anan Samudavanija, with Mr. Surin Chiravisit, Mr. Chaiwat Kovavisarach as member and Mr. Nuttachat Charuchinda as member and secretary.

The committee held thirteen meetings through 2012 to nominate those qualified to be directors, define directors' compensation, assess the President's performance and decide his compensation, and nominate the President in replacement of Mr. Anusorn Sangnimnuan, who was due to retire on December 31, 2012.

In nominating directors and senior management, the committee took into consideration personal qualifications, expertise, competence, experience and career profiles, leadership, vision, righteousness, ethics, attitude toward the Company, and the ability to devote enough time to the Company's business, apart from suitability and alignment with the composition and structure of the Board under the Company's prevailing business strategies, specifically in line with its goal to evolve new businesses and competent specialists. To foster confidence for shareholders, the nomination process is made transparent. The present Board is made up of fourteen members, six of whom are independent directors and seven non-management ones, with the President as its secretary. The profile of each director appears under 'The Board of Directors'.

In defining the compensation for the Board, president and senior management, the Company's guidance is compensation suited each person's role and responsibility, as well as competitive with listed companies in the Stock Exchange of Thailand of the same industry and comparable business size; compensation must attract quality directors or executives to achieve the goals and directions as defined by the Company. To foster confidence for shareholders, the remuneration process is also made transparent. Each director's compensation information appears under 'Management Structure'.

(Signed) Chai-Anan Samudavanija

(Prof. Dr. Chai-Anan Samudavanija)
Chairman, Nomination and Remuneration Committee
December 14, 2012



Capital Structure

Common shares

As of year-end 2012, the Company's registered capital amounted to Baht 1,531,643,461 of which Baht 1,376,923,157 was paid up. An equal number of common shares were issued at a par value of one Baht each.

Loans

As of year-end 2012, the Company incurred Baht 18,572 million in domestic loans from banks, which was in the form of long-term loans. Details of loans have been disclosed in the notes to the financial statements for the year ended December 31, 2012.

Shareholders

Top 10 Major Shareholders (as of September 12, 2012)	Number of Shares	Shareholding (%)
PTT Plc	374,748,571	27.22
Ministry of Finance	137,442,767	9.98
Thai NVDR Co., Ltd.	87,564,366	6.36
American International Assurance Company, Limited-Di-Life	46,938,769	3.41
Krungsri Dividend Stock LTF	26,917,400	1.95
Social Security Office (2 cases)	25,628,826	1.86
Somers (U.K.) Limited	25,449,800	1.85
Social Security Office (2 cases)	24,700,500	1.79
THE BANK OF NEW YORK (NOMINEES) LIMITED	21,168,079	1.54
HSBC (SINGAPORE) NOMINEES PTE LTD	17,054,500	1.24
Top 10 Total	787,613,578	57.20
Grand Total	1,376,923,157	100.00

- **Shareholders through Thai NVDR Co., Ltd.**

Major Shareholders (as of September 12, 2012)	Number of Shares	Shareholding (%)
1. CHASE NOMINEES LIMITED	35,693,700	40.76
2. THE BANK OF NEW YORK MELLON	10,323,300	11.79
3. BNY MELLON NOMINEES LIMITED	9,845,400	11.24
Major Shareholders Total	55,862,400	63.80
Grand Total	87,564,366	100.00

Note: The shareholders no. 1 and 3 who were nominee account. The company's investigation at Thailand Securities Depository Co., Ltd., found that the ultimate shareholders' name could not be disclosed.

Dividend policy

The Company has the policy to pay out dividend to the shareholders at the rate of not less than 30 percent of net profit of consolidated financial statements after deduction of allocation of legal reserve. However, this is subject to the economic situation, the Company's cash flow and investment plans of the Company and its subsidiaries according to the necessary, appropriation and other concerning as the Board of Directors' consideration.

Subsidiaries' dividend policies

- **Bangchak Green Net Co., Ltd.**

For a given fiscal year, the holders of preferred shares are entitled to annual dividends equivalent to the average daily interest rates for one-year fix deposits announced by Krungthai Bank Plc plus 3%. Dividends are paid in proportion to each paid-up share value when the dividends are paid out as stated in the resolution of the annual general meeting of shareholders (AGM). For a given year, if the company's profit is less than the dividends calculated for holders of preferred shares, all dividends are to be paid from such profit to holders of preferred shares only, and none is to be paid to holders of common shares. Any outstanding dividends for holders of preferred shares will be carried forward or accumulated to the following year along with those for the holders of common shares. For a given year, if the company's profit exceeds the dividends calculated for holders of preferred shares, the AGM will approve dividends for holders of common shares, case by case.

- **Bangchak Biofuel Co., Ltd.**

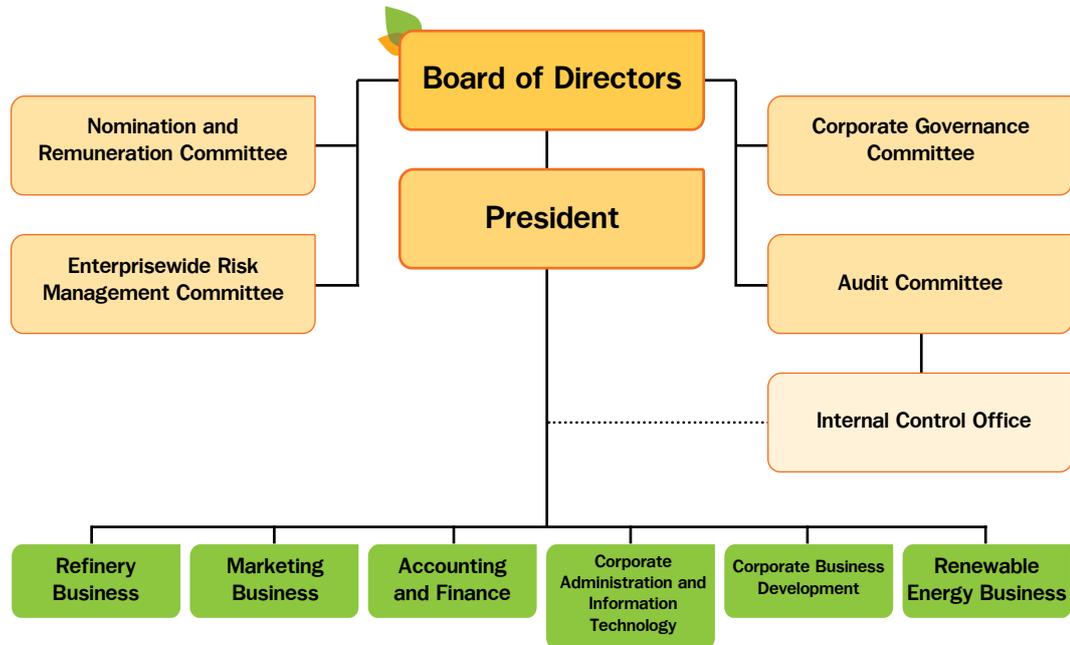
Dividend payment must have the approval of an AGM and will be made only when the company has allocated at least 5% of its net profit in a given year as provisional capital until the provisional capital reaches 10% of the registered capital. The Board may consider interim dividend payment to shareholders but not as long as it still has cumulative losses.

- **Bangchak Solar Energy Co., Ltd., Bangchak Solar Energy (Prachinburi) Co.,Ltd., Bangchak Solar Energy (Chaiyaphum1) Co.,Ltd., Bangchak Solar Energy (Buriram) Co.,Ltd., Bangchak Solar Energy (Buriram) Co.,Ltd. and Bangchak Solar Energy (Nakhonratchasima) Co.,Ltd.**

- None -

Management Structure

1. Management Structure



Note: The Audit Committee determines and evaluates the Internal Control Office's annual performance to ensure corporate governance and the independence of the Internal Control Office.

2. Board of Directors

According to the Company's regulations, the Board of Directors consists of at least five and no more than fourteen directors and at least half of the directors must reside in the Kingdom without sex discrimination. The directors must carry out their duties under the laws, objectives and regulations of the Company, as well as the resolutions of shareholders' meetings, safeguarding the Company's benefit and assign Company Executives to work on their behalf. For instance, the President has the authority to allocate the annual budget, pay for the Company's activities according to the contract or other commitments as approved by the authorized person, administration and procurement and sale of petroleum products.

At present, the Board of Directors consists of fourteen directors as follows :

Name	Position
1. Mr. Pichai Chunhavajira	Chairman
2. Prof. Dr. Chai-Anan Samudavanija	Vice Chairman (Independent Director)
3. Dr. Anusorn Tamajai	Independent Director
4. Mr. Surin Chiravisit	Independent Director
5. Mr. Issra Shoatburakarn	Independent Director
6. General Dapong Ratanasuwan	Independent Director
7. Mr. Suthep Wongvorazathe	Independent Director
8. Mr. Krairit Nilkuha	Director
9. Mr. Prasong Poontaneat	Director
10. Mr. Nuttachat Charuchinda	Director
11. Mr. Sarakorn Kulatham	Director
12. Mr. Suphon Tubtimcharoon	Director
13. Mr. Chaiwat Kovavisarach	Director
14. Dr. Anusorn Sangnimnuan	President and Secretary to the Board of Directors

Note: The names and number of the authorized directors who have authority to sign on behalf of the Company are: Mr. Pichai Chunhavajira jointly with Mr. Anusorn Sangnimnuan with affixation of the Company's seal or any one of these two directors signs jointly with Mr. Chai-Anan Samudavanija or Mr. Krairit Nilkuha or Mr. Nuttachat Charuchinda or Mr. Sarakorn Kulatham or Mr. Surin Chiravisit or Mr. Issra Shoatburakarn or General Dapong Ratanasuwan or Mr. Suphon Tubtimcharoon or Mr. Chaiwat Kovavisarach or Mr. Suthep Wongvorazathe, being two persons, with affixation of the Company's seal.

Independent Directors

The present Board of Directors consists of six Independent Directors, which is more than one third of all Directors. According to the Company's policy, the Chairman of the Board must not be the same person as the President. Additionally, the Chairman must not hold any position in the appointed Sub-committee (sometimes called Committee) in view of clear-cut responsibilities and duties. The Board of Directors gives consent of the definition and qualifications of Independent Directors, the regulations of which are more stringent than those of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), as committed to good governance as follows:

1. Hold no more than 0.5 % of the overall shares in the Company, subsidiaries, related company, or person(s) with potential conflicting interests.
2. Take no part in the administration, including not being an employee, personnel, permanent advisor, professional advisor to the Company such as an auditor, lawyer or authorized person of the Company or subsidiaries, or related company, or person(S) with potential conflicting interests and with no invested interest for no less than two years and can attend the Directors' meetings with independent opinions.
3. Have no business connection, no vested interest, whether directly or indirectly, financially or administratively, including not being a client, partner, supplier, trade or creditor/debtor of

the Company, subsidiaries, related company, or person(s) with potential conflicts of interest and thus lacking independence.

4. Are not close relatives of the Executives or major shareholders of the Company, subsidiaries, or related company, or person(s) with potential conflicting interests and not appointed as a representative to protect the interest of Directors and/or major shareholders

Directors from major shareholders are

1. Mr. Krairit Nilkuha	Ministry of Finance
2. Mr. Prasong Poontaneat	Ministry of Finance
3. Mr. Nuttachat Charuchinda	PTT Public Company Limited
4. Mr. Sarakorn Kulatham	PTT Public Company Limited
5. Mr. Suphon Tubtimcharoon	PTT Public Company Limited
6. Mr. Chaiwat Kovavisarach	PTT Public Company Limited

Appointment and dismissal of Directors

1. Shareholder's meetings elect Directors through majority voting with one shareholder holding one vote per share held and can elect Directors individually. The candidates with the most votes are to be appointed Directors up to the number open at the meeting. If more candidates receive equal votes than the number of Directors required, the Chairman of the meeting must cast a deciding vote.
2. In every Annual General Meeting (AGM), one-third of the Directors must retire. If this number is not a multiple of three, then the number nearest to one-third. The names of the Directors to retire during the first and second year after the Company was registered are to be drawn by lots if not agreed otherwise. For subsequent years, those with the longest terms must retire. The retired Directors can be re-elected.
3. Other than the completion of term, a Director may retire for to the following reasons:
 - death
 - resignation (effective from the date the Company receives the letter of resignation)
 - lack of qualifications according to Article 68 of the Public Company Limited Act 1992
 - decision of the shareholders' meeting to resign according to Article 76 of the Public Company Limited Act 1992
 - court order
4. In case a Director's position is vacant due to other reason than the completion of term, the Board of Directors is to elect a candidate with qualifications according to the Company's regulations in the next meeting except when the Director's term is to be completed in less than two months. At least, a three-quarter vote of the Directors present at the meeting is required. The elected Director holds the position until the completion of term of the Director they have replace

Terms of Directorship

Bangchak decided that directors can serve for maximum consecutive terms as follows:

"The appropriate term for directorship is no more than three consecutive terms (from 2008 onward) except for when a director is deemed suitable to hold the position for a longer period. The Board

will consider the independence and effectiveness of the director who is under consideration and defend their decision to the shareholders.”

Directors do not hold more than three consecutive terms, meaning that they cannot serve for more than nine years (three years in each term) to allow the Company to find other qualified Directors for the maximum benefit of the Company.

Roles, duties and responsibilities of the Board of Directors

1. Each newly elected Director must attend an orientation course on the Company’s business.
2. Carry out duties under laws, objectives and regulations of the Company as well as resolutions of shareholders’ meetings with honesty, protect the Company’s benefit and have accountability to the shareholders.
3. Define the Company’s policy and direction and monitor and supervise management so that they may work efficiently and effectively according to the Company’s policy and regulations under corporate governance practices so as to maximize economic value and shareholders’ wealth.
4. Follow-up on the Company’s activities at all times and act according to the laws and regulations pertaining to the Company’s contracts by assigning management to report the Company’s performance and important matters to the Board of Directors at its monthly meeting so that the Company’s business may run effectively.
5. Regularly and truthfully report to the shareholders on the Company’s situations, including the Company’s future trends, whether positively or negative, with sufficient rationale.
6. Ensure that the Company possesses an effective and reliable accounting system, financial report, internal controls and internal audit.
7. Regularly review the corporate governance policy.
8. Play an important role in risk management through appropriate and sufficient risk management guidelines and measures, with regular monitoring.
9. Ensure that management treats all stakeholders ethically and equally
10. Independent and external Directors are prepared to express their opinions freely formulating strategies, management, use of resources, appointment of Directors and business standard as well as to disagree with other Directors or the administration in conflicts that affect the equality of all shareholders.
11. If necessary, the Board of Directors may seek professional opinions from external advisers on Company performance at the expense of the Company.
12. Appoint a Company Secretary according to the Securities and Exchange Act to prepare and maintain documents and other matters as determined by the Capital Market Supervisory Board as well as to facilitate the Board’s and the Company’s business, such as meetings of the Board and shareholders, regularly provide the Directors and the Company with legal advice and remind them of the various regulations that they need to know and comply with, as well as ensuring that Directors and the Company disclose correct, complete and transparent information.

13. Provide a code of conduct, code of ethics as working guidelines within the Company.
14. Undertake no securities transactions at least one month before budget announcement and at least three days after budget announcement.
15. Report on one's own portfolio of securities, as well as those of their spouses and children not yet of legal age in the Company and subsidiaries to the monthly Board of Directors meeting and must report to the Company without delay in the following cases:
 - Have vested interests, whether direct or indirect, in any of the Company's contracts within the accounting year.
 - Hold shares or debentures in the Company or the subsidiary companies.
16. Attend at least one training course organized by Thai Institute of Directors Association (IOD), such as Director Accreditation Program (DAP) or Director Certification Program (DCP) or equivalent, to increase expertise at work.
17. The Directors who are not executives must annually evaluate the President.
18. The Directors who are not executives and Independent Directors may convene among themselves as necessary at least twice a year to discuss relevant management problems without the management's attendance, and report the findings of the meeting to the President.
19. Each Director cannot hold the position of Director in a listed company in SET in more than five companies.

Meetings of the Board of Directors

The Board of Directors set the 2012 timetable for its official meetings in advance. The Chairman and the President jointly consider the items to be included in the agenda. The meeting is set once every month on the last Tuesday of the month, with additional extraordinary meetings as appropriate. The Secretary to the Board of Directors Office ("SBO") will send out invitation letters with the agenda attached and complete meeting documents to each Director at least seven days in advance so that the Directors may have sufficient time to study and review the documents before the meeting and ask additional questions to the vice president of SBO. Each Director can submit items to the agenda by informing SBO.

In meetings, the Chairman allocates sufficient time for Directors to discuss important matters and supports the Directors' independent opinions. The minutes of meetings are undertaken in written form with complete information. The certified minutes are maintained, so that Directors and relevant persons can check, with a good filing system. Amendments cannot be made without the consent of the Board. Each meeting lasts approximately three hours.

In 2012, the Board convened in twelve general meetings, and additional meeting. Moreover, the Board organized a meeting/seminar on organizational strategies with the management to set up strategies and action plans for 2013 and a study tour on research in business innovation, including wind power business. The detail of each Director's meeting attendance is as follows:

Names	Meeting attendance/all meetings (Times)				Remark
	General meetings	Additional meetings	Seminar	Total	
1. Mr. Pichai Chunhavajira	8/8	-	1/1	9/9	Started on April 24, 2012
2. Prof. Dr. Chai-Anan Samudavanija	12/12	1/1	1/1	14/14	
3. Dr. Anusorn Tamajai	12/12	1/1	1/1	14/14	
4. Mr. Issra Shoatburakarn	12/12	1/1	1/1	14/14	
5. Mr. Surin Chiravisit	12/12	1/1	1/1	14/14	
6. General Dapong Ratanasuwan	12/12	0/1	1/1	13/14	
7. Mr. Suthep Wongvorazathe	2/2	-	-	2/2	Started on October 30, 2012
8. Mr. Krairit Nilkuha	12/12	1/1	1/1	14/14	
9. Mr. Prasong Poontaneat	8/8	-	1/1	9/9	Started on April 24, 2012
10. Mr. Nuttachat Charuchinda	12/12	1/1	1/1	14/14	
11. Mr. Sarakorn Kulatham	12/12	1/1	1/1	14/14	
12. Mr. Suphon Tubtimcharoon	8/8	-	1/1	9/9	Started on April 24, 2012
13. Mr. Chaiwat Kovavisarach	2/2	-	-	2/2	Started on October 30, 2012
14. Dr. Anusorn Sangnimnuan	12/12	1/1	1/1	14/14	
15. Ms. Supa Piyajitti	2/3	1/1	-	3/4	Resigned on April 4, 2012
16. Mr. Pitipan Tepartimargorn	3/3	0/1	-	3/4	Resigned on April 4, 2012
17. Mr. Thana Putarungsi	3/3	1/1	-	4/4	Resigned on April 23, 2012
18. Mr. Chumphon Thitayaruks	9/9	1/1	1/1	11/11	Resigned on October 8, 2012
19. Mr. Wirat Iam-Ua-Yut	9/9	1/1	1/1	11/11	Resigned on October 19, 2012

According to corporate governance practices, in 2012, the Board of Directors agreed on joint meetings for non-executive Directors. during the Board of Directors meetings No. 7/2012 on June 26, 2012 and 10/2012 on September 25, 2012, and Independent Directors. during the Board of Directors meetings No. 8/2012 on July 24, 2012 and 11/2012 on October 30, 2012, before the Board of Directors meeting, non-executive Directors and Independent Directors convened without the management's attendance to discuss general problems of the Company's management and corporate governance, then inform the President so that the management may take due action.

Moreover, the Board of Directors also evaluated the supporting performance of the Secretariat to improve and determine a direction to efficiently develop and maximize Board of Directors' meetings.

Evaluation of the Board of Directors

In view of corporate governance practices, the Board of Directors set up an evaluation form for the Board's performance at least once a year. In 2012, the Board conducted the evaluation in three forms, namely individual evaluation (self-evaluation), individual evaluation (cross-evaluation by group) by group of 3-4 directors (3-4:1) (The name of the evaluating Directors would not be revealed to the director being evaluated.) and group evaluation with reference to the evaluation form of SET and the Thai Institute of Directors Association (IOD) which was the same as in the previous year.

Additionally, the Board of Directors set an evaluation process for Members in Committees, such as the Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee and Enterprise-wide Risk Management Committee, as in the previous year, so that the Board of Directors and the Committees may use it as a framework to review duties, problems and obstacles and leverage the findings to analyze the work of Directors and improve and develop the work.

The evaluation results of the Board of Directors and the Sub-committees are as follows:

- Individual evaluation (self-evaluation) had the average score of 73.6 from 80, rated excellent.
- Individual evaluation (cross-evaluation by group) had the average score of 75.4 from 80, rated excellent.

Both type of evaluation had the same three categories, namely the Company's Strategies and direction, monitoring and evaluation of management performance and responsibilities of the Directions.

- Group evaluation had the average score of 154.9 from 160, rated excellent.
Group evaluation had eight categories, namely Structure and qualifications of the Board of Directors, Strategic implementation, Risk management and internal control, Elimination of conflicts of interest, Meetings of the Board of Directors, Self-development of the Directors, Nomination and Remuneration and Relationship with the management.
- The group evaluation of Sub-committees in 2012 was undertaken on the criteria of responsibilities and meetings; the evaluations of all Committees were as follows:
 - Audit Committee, the group evaluation had the average score of 78.5 from 80, rated excellent.
 - Nomination and Remuneration Committee, the group evaluation had the average score of 47 from 48, rated excellent.
 - Corporate Governance Committee, the group evaluation had the average score of 43.2 from 48, rated excellent.
 - Enterprise-wide Risk Management Committee, the group evaluation had the average score of 45.6 from 48, rated excellent.

Orientation for new Directors

The Company organized an orientation course for new Directors by presenting the new Directors with an overview of the Company's business, as follows:

- Operational framework (laws, cabinet decisions, regulations, rules)
- Information on the Company's business profile and activities
- The Company's important projects
- Organizational and business development
- Corporate governance policy
- Corporate social responsibility

Additionally, the Company organized Company visits for new Directors, including the refinery, terminal and service stations and provided the information files of the Board of Directors and the Executives in CD-ROM as a handbook/introduction of the Company to the new Directors as a guideline to oversee the Company's activities for the following topics:

- The Company's vision, mission, value statement and objectives
- Organizational and business development
- Profiles summaries of Directors and the Executives
- Qualifications and remuneration of Directors
- Roles, duties and responsibilities of Directors
- Management structure
- Information on the Company's establishment
- Corporate governance policy and risk management handbook
- The Company's memorandum of association, company affidavit, regulations and rules

Training of the Board of Directors

The Company promotes opportunities for the Board of Directors to pursue further study and training so as to increase knowledge and understanding of corporate governance principle, rules and regulations, as well as roles and duties of the Board of Directors so that they may work efficiently and ethically. In 2012, the Directors who attended the training courses / seminars organized by the IOD are as follows:

1. How to Develop a Risk Management Plan (DRP) : Mr. Surin Chiravisit
2. Successful Formulation and Execution of Strategy : Mr. Surin Chiravisit

At present, there are 6 and 8 out of 14 Directors had attended the Directors' courses (DAP and DCP respectively). The Company also applied all Directors for IOD membership to receive news and information, and every time the Company received documents announcing news on training courses and documents attached to the training courses concerning the Board of Directors, such information would be forwarded to the Directors for further study.

Summary of the Board of Directors' attendance of major training course as follows:

Names	Director Accreditation Program	Director Certification Program	Remark
1. Mr. Pichai Chunchavajira	2005	2008	Started on April 24, 2012
2. Prof. Dr. Chai-Anan Samudavanija	2010	-	
3. Dr. Anusorn Tamajai	2004	2003	
4. Mr. Issra Shoatburakarn	-	2010	
5. Mr. Surin Chiravisit	-	2010	
6. General Dapong Ratanasuwan	2011	-	
7. Mr. Suthep Wongvorazathe	2005	-	Started on October 30, 2012
8. Mr. Krairit Nilkuha	-	-	
9. Mr. Prasong Poontaneat	-	2006	Started on April 24, 2012
10. Mr. Nuttachat Charuchinda	-	2010	
11. Mr. Sarakorn Kulatham	-	-	
12. Mr. Suphon Tubtimcharoon	-	2005	Started on April 24, 2012
13. Mr. Chaiwat Kovavisarach	-	-	Started on October 30, 2012
14. Dr. Anusorn Sangnimnuan	2005	2005	
15. Ms. Supa Piyajitti	-	2010	Resigned on April 4, 2012
16. Mr. Pitipan Tepartimargorn	-	2010	Resigned on April 4, 2012
17. Mr. Thana Putarungsi	-	2009	Resigned on April 23, 2012
18. Mr. Chumphon Thitayaruks	-	-	Resigned on October 8, 2012
19. Mr. Wirat Iam-Ua-Yut	2006	-	Resigned on October 19, 2012

3. Committees

The Board of Directors elected Sub-committees (or Committees) to facilitate the Company's business undertaking, with four sub-committees as follows:

1. Audit Committee (AUDIT)

The present Audit Committee consists of three Directors, all of whom are Independent Directors and one of whom is specialist in accounting and finance or audit. Their responsibilities are assigned by the Board of Directors in written form in the Audit Commission charter. Their meetings are to be convened at least once per quarter. The names of the Audit Committee are:

Name	Position
1. Dr. Anusorn Tamajai	Chairman and Independent Director with expertise in accounting and finance
2. Mr. Issra Shoatburakarn	Member and Independent Director
3. Mr. Suthep Wongvorazathe	Member and Independent Director

** If necessary, the Audit Committee may seek advice from outside independent advisers, the expense paid by the Company*

Scopes, Duties and responsibilities of the Audit Committee

1. To ensure accuracy and adequacy of the Company's financial reporting according to the Accounting Principles governed by laws.
2. To ensure that the Company has suitable and efficient internal control system and internal audit and to assure the efficiency and adequacy of the risk management system.
3. To review the performance of the Company to ensure compliance with the securities and exchange law, regulations of the Exchange or laws relating to business of the Company.
4. To review a connected transaction or transaction that may lead to conflict of interest to ensure compliance with the laws and regulations of the Exchange
5. To inspect and consider with the management on the defects that have been found out and on the responses from the management.
6. To empower the auditing and investigating all related party under the authorization of the Audit Committee and also to authorize in hiring an expert so as to audit and investigate in compliance with the Company's regulations.
7. To prepare a report on monitoring activities of the Audit Committee and disclose it in an annual report of the Company, and have such report signed by Chairman of the Audit Committee.
8. To consider, select, nominate the person who is independent to be the Company's auditor, recommend remuneration of the Company's auditor and, at least once a year, attend the private meeting with an auditor without management.
9. To consider auditing scopes and plans of the external auditor and the internal control office so that they are contributory to each other and to reduce double operations as concerns financial auditing.
10. To approve Charter, audit work plans, budget, training plans and manpower of the Internal Control Office
11. To appoint, transfer, and undertake annual evaluation of the Vice President of Internal Control Office and review the independence of Internal Control Office.
12. To review the efficiency and effectiveness of internal control and risk management focusing on the issue of information technology.
13. In performing the duty of the Audit Committee, if there is transaction or act which could extremely affect the Company's financial status and the Company's performance, namely
 - 1) transaction which lead to conflict of interest
 - 2) dishonest, extremely unusual or remiss Internal Control system
 - 3) breaking the securities and exchange law, regulations of the exchange or laws relating to business of the Company,

The Audit Committee has to report the Company's Board of Directors so as to modify and revise within prescribed time. If the Audit Committee or executives does not modify and revise within prescribed time, the Audit Committee is able to report this transaction or act to the Securities and Exchange Commission or the Stock Exchange of Thailand.

14. To perform any other act assigned by the Board of Directors with approval of the Audit Committee.

Remuneration

Monthly remuneration was set at 10,000 Baht per person and a meeting allowance 15,000 Baht per meeting (only the Directors attending the meeting) and the Audit Committee Chairman would get an additional 25 percent.

2. Nomination and Remuneration Committee (NRC)

In compliance with the corporate governance principle of directors in a listed company on SET, the Board of Directors appoints the Nomination and Remuneration Committee to nominate and define criteria for transparent and fair remuneration to Directors and the senior executives in compliance with the charter of the Nomination and Remuneration Committee as follows:

Nomination policy for Directors

"To nominate Directors, the Company focuses on people with knowledge, capability, experience, sound career profile, leadership, vision, morality, ethics and good attitude toward the organization, who can dedicate adequate time for the Company's benefit. Moreover, consideration was also given for the appropriate qualifications in compliance with the structure of Directors and in line with the Company's business strategies through transparent procedures to bolster the confidence of shareholders".

Remuneration policy for Directors

"To provide remuneration for Directors, the Company will take into consideration the appropriateness of duties and responsibilities as assigned and compared with listed companies on SET with a similar industry and business size. The remuneration for the Directors is sufficient to induce the Directors to work with quality and meet the objectives and business direction as determined by the Company through transparent procedures, giving confidence to the shareholders".

Moreover, the Board of Directors sets the following procedures for the official and transparent nomination of Directors:

1. The Company gives minor shareholders opportunities to submit names of candidates as potential Directors to the Company.
2. The Nomination and Remuneration Committee reviews the structure of Directors in line with the Company's strategies.
3. Define new Directors' qualifications in terms of knowledge, competing and experience in compliance with the Company's objectives and strategies by using the Director Qualifications and Skill Matrix tool.
4. The Committee defines the qualifications needed for the replacement or additional appointment and submits the names of the qualified candidates to the Secretary of the Committee.
5. The Committee selects qualified candidates and submits their name to the Board of Directors for approval.
6. The Board agrees on the list of qualified candidates and submits their names to the AGM for approval.

The Nomination and Remuneration Committee hold at least three meetings a year. At present, there are four members with at least one member with expertise in personnel management as follows:

Name	Position
1. Prof. Dr. Chai-anan Samudavanija	Chairman and Independent Director
2. Mr. Surin Chiravisit	Member and Independent Director
3. Mr. Chaiwat Kovavisarach	Member and Non-executive Director
4. Mr. Nattachat Charuchinda	Member and Secretary, Non-executive Director

Scopes, duties and responsibilities of the Nomination and Remuneration Committee

1. Define qualifications needed for potential Directors and President.
2. Recommend qualified candidates for the positions of Directors and President to the Board of Directors.
3. Define criteria of remuneration for Directors and the President.
4. Submit the remuneration for Directors to the Board of Directors and then for the shareholders for approval.
5. Submit the remuneration for the President to the Board of Directors for approval.
6. Review and summarize the President's succession plan every year and report it to the Board of Directors.
7. Perform duties assigned by the Board.

Remuneration

The remuneration is set as a meeting allowance of 15,000 Baht per meeting (only the Directors who attended the meeting) and the Chairman would receive an additional 25 percent.

3. Enterprise-wide Risk Management Committee (ERMC)

The Enterprise-wide Risk Management Committee is responsible for the appropriate management of the Company as assigned by the Board of Directors in written form. The Committee has six members, with at least one member with expertise in risk management as follows:

Name	Position
1. Mr. Krairit Nilkuha	Chairman and Non-executive Director
2. Mr. Surin Chiravisit	Member and Independent Director
3. Mr. Nuttachat Charuchinda	Member and Non-executive Director
4. Mr. Prasong Poontaneat	Member and Non-executive Director
5. Mr. Chaiwat Kovavisarach	Member and Non-executive Director
6. Dr. Anusorn Sangnimnuan	Member and Secretary, Executive Director

Scopes, duties and responsibilities of the Enterprise-wide Risk Management Committee

1. Set policy, strategies and objectives of the enterprise-wide risk management.
2. Develop enterprise-wide risk management system in view of continuous efficiency.
3. Promote enterprise-wide risk management at all levels of the organization.
4. Ensure that the Company has appropriate and efficient risk management.
5. The Chairman of the Enterprise-wide Risk Management Committee reports the findings to the Board of Directors' next meeting.
6. Perform duties assigned by the Board.

Remuneration

The Members and the experts in risk management receive remuneration in the form of meeting allowances of 15,000 Baht per meeting (only Members who attended the meeting) and the Chairman receives an additional 25 percent.

4. Corporate Governance Committee (CGC)

The Corporate Governance Committee is responsible for ensuring that the whole organization has corporate governance in compliance with the guidelines and policy of corporate governance as set by the Board of Directors in written form, as well as continuously improving the principles of corporate governance in line with international standards. The present Committee consists of four members with at least one expert in corporate governance principles in line with international standards as follows:

Name	Position
1. General Dapong Ratanasuwan	Chairman and Independent Director
2. Mr. Sarakorn Kulatham	Member and Non-executive Director
3. Mr. Suphon Tubtimcharoon	Member and Non-executive Director
4. Dr. Anusorn Sangnimnuan	Member and Secretary, executive Director

Scopes, duties and responsibilities of Corporate Governance Committee

1. Recommend the implementation of corporate governance to the Board of Directors
2. Monitor the work of the Committee and the management in compliance with the principles of corporate governance.
3. Review the implementation of corporate governance by comparing it with international standards and recommend it to the Board of Directors for continual follow-ups.
4. Give the policy of corporate governance to the Company's corporate governance working team.
5. Perform duties assigned by the Board.

Remuneration

The Members are to receive a meeting allowance of 15,000 Baht per meeting (only Members who attended the meeting) and the Chairman receives an additional 25 percent.

The meetings of the Sub-committees

2012	Committees				Remark
	AUDIT	NRC	ERMC	CGC	
1. Mr. Pichai Chunhavajira ^{1/}	-	-	-	-	Started on April 24, 2012
2. Prof. Dr. Chai-Anan Samudavanija	-	13/13	-	-	
3. Dr. Anusorn Tamajai	12/12	-	-	-	
4. Mr. Issra Shoatburakarn	12/12	-	-	-	
5. Mr. Surin Chiravisit ^{2/}	-	1/1	7/7	4/4	
6. General Dapong Ratanasuwan ^{3/}	-	-	-	4/5	
7. Mr. Suthep Wongvorazathe ^{4/}	1/1	-	-	-	Started on October 30, 2012
8. Mr. Krairit Nilkuha ^{5/}	-	-	4/4	-	
9. Mr. Prasong Poontaneat	-	-	4/4	-	Started on April 24, 2012
10. Mr. Nuttachat Charuchinda	-	13/13	6/7	-	
11. Mr. Sarakorn Kulatham	-	-	-	5/5	
12. Mr. Suphon Tubtimcharoon	-	-	-	2/2	Started on April 24, 2012
13. Mr. Chaiwat Kovavisarach ^{6/}	-	1/1	1/1	-	Started on October 30, 2012
14. Dr. Anusorn Sangnimnuan	-	-	7/7	5/5	
15. Ms. Supa Piyajitti	-	-	3/3	-	Resigned on April 4, 2012
16. Mr. Pitipan Teparatimargorn	-	-	-	2/2	Resigned on April 4, 2012
17. Mr. Thana Putarungsi	-	-	3/3	2/2	Resigned on April 23, 2012
18. Mr. Chumphon Thitayaruks	-	-	5/5	-	Resigned on October 8, 2012
19. Mr. Wirat Iam-Ua-Yut	10/10	10/10	-	-	Resigned on October 19, 2012

Note: ^{1/} Chairman did not join any Committee as member.

^{2/} Appointed as Member of NRC on November 27, 2012

^{3/} Appointed as Chairman of CGC on November 27, 2012

^{4/} Appointed as Member of AUDIT on November 27, 2012

^{5/} Appointed as Chairman of ERMC on June 26, 2012

^{6/} Appointed as Member of NRC and ERMC on November 27, 2012

4. Company Secretary

The Board of Directors appoints Ms. Pakawadee Junrayapes, vice president of the secretary to the Board of Directors office, as the Company Secretary responsible for providing legal and regulatory advice that the Board of Directors and the Executives must know and oversee the Board of Directors' activities, as well as coordinate to ensure that the resolutions of the Board of Directors

and the shareholders are in compliance with the Company's corporate governance. Ms. Pakawadee Junrayapes has the profile summary as follows:

Ms. Pakawadee Junrayapes

Vice President, The Secretary to The Board of the Directors Office And Company Secretary, Corporate Administration and Information Technology

- Age 51
- Education / Training
 - Master of Law, Ramkhamhaeng University
 - Bachelor of Law, Thammasat University
 - Thai Barrister at law, The Institute of Legal Education Thai Bar Association Under The Royal Patronage
 - Certificate in Business Law, Thammasat University
 - Certificate in English for Specific Careers (Law), Sukhothai Thammathirat Open University
 - Executive Development Program (EDP), Ministry of Finance
 - Company Secretary Program (CSP), Thai Institute of Directors (IOD)
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
 - Successful Formulation and Execution of Strategy (SFE), Thai Institute of Directors (IOD)
- Experience

The Bangchak Petroleum Public Company Limited

April 2011-present: Vice President, The Secretary to The Board of the Directors Office, and Company Secretary

2009-April 2011: Senior Manager, The Secretary to The Board of the Directors Office, and Company Secretary

2007-2009 : Senior Manager, Legal Office

2004-2007 : Manager, Legal Office

2002-2004 : Manager, Litigation Division

2002-2002 : Manager, Legal Office
- Others

2006-2008 : Personal Specialist of National Legislative Assembly Member and Sub-Committee on Energy

The Company Secretary has the main duties and responsibilities as follows:

- Give preliminary advice to Directors on laws, and company rules and regulations and ensure correct and continuous compliance, as well as reporting on important changes to the Directors.
- Organize meetings of shareholders and the Board of Directors in compliance of the Company's laws and regulations.
- Prepare minutes of the meetings of the shareholders and the Board of Directors, as well as monitor the implementation of the resolutions of the shareholders and the Board of Directors.
- Ensure the disclosure of information and information technology report under responsibilities to the Company's monitoring office in compliance with the Company's rules and regulations.
- Communicate with general shareholders on their rights and the Company's news.
- Oversee the activities of the Board of Directors.

5. Executive Management

The Company's Executive Management (or Management) consists of ten persons, namely:

Name	Position
1. Dr. Anusorn Sangnimnuan	President
2. Mr.Vichien Usanachote	Senior Executive Vice President, Refinery Business
3. Mr. Wattana Opanon-amata	Senior Executive Vice President, Corporate Administration and Information and Technology
4. Mr. Yodphot Wongrukmit	Senior Executive Vice President, Marketing Business
5. Mr. Bundit Sapianchai	Acting Senior Executive Vice President, Corporate Business Development
6. Mr. Surachai Kositsareewong	Acting Senior Executive Vice President, Accounting and Finance
7. Mr. Kiatchai Maitriwong	Executive Vice President, Corporate Administration and Information Technology
8. Mr. Pongchai Chaichirawiwat	Executive Vice President, Renewable Energy Business
9. Mr. Somchai Tejavanija	Executive Vice President, Marketing Business
10.Mr. Chalermchai Udomranu	Executive Vice President, Refinery Business

The Board of Directors' regulations on scopes, duties and responsibilities of the Executive Management

The Board of Directors defines the roles, duties and responsibilities of the Executive Management as follows

1. Manage the Company's daily operations in compliance with the Company's policy, action plans, objectives, regulations and rules as set by the Board of Directors.
2. Manage operations according to the resolutions of the meetings of the Board of Directors with the allocated budget with sternness, honesty, protecting the best interest of the Company and the shareholders.
3. Regularly report performance and update on the work according to the resolutions and the Company's important performance to the meeting of the Board of Directors at least once a month.
4. Manage the Company' activities in compliance with corporate governance practices as set by the Board of Directors.
5. Refrain from running the business or participate in similar businesses in competition with the Company's business, whether for one's own interest for interest of others, with the exception that one's respective superior and the Internal Control Office have been informed and approves such activity.
6. If the President takes the position of Director in another company, the Board of Directors must approve it first. In the case of a senior executive, the President must approve it first.
7. All senior executives including the first four senior-most executives after the President, and all those who hold the equivalent position to the fourth senior-most executive, as well as the executive in accounting and finance at the same level as the vice president, must refrain from securities trading at least one month before the announcement of the Company's financial statements and at least three days after such announcement. They have to report the ownership of securities of their own, those of their spouse and their children not yet of

legal age, held in the Company and subsidiaries to the Board of Directors every month and must promptly report to the Company in the following cases:

- Direct and indirect vested interests with any contract concluded by the Company during the accounting year.
 - Possess shares or debentures of the Company and its subsidiary companies.
8. Must participate in courses related to the Company's business and daily operation at the Company's expense, to enhance knowledge and skills to perform duties. As for the Senior Executive Vice Presidents, the Board of Directors encourage them to participate in the Director Certification Program (DCP) organized by the Thai Institute of Directors Association (IOD) or equivalent to enhance understanding of the Director's roles and responsibilities that would lead to effective management of the Company.

Stipulations of the Board of Directors concerning the succession plan and improvement of Executives

The Board of Directors sets a policy to nominate the President and Vice Presidents with appropriate qualifications which any person whether external or internal the Company can apply. The rationale is to suit the Company's situations at that particular time and to prepare Company personnel to work in case the President or Senior Executives could not perform their duties or complete their term. It is also designed to reduce the risk or impact of the non-continuity in the Company's management. The succession plan is thus set. The qualified person is selected by the Nomination and Remuneration Committee, which sets a succession plan for the President and the Senior Executive Vice Presidents under the following procedures:

1. Determine an executive position that needs a succession plan, consisting of the President and Senior Executive Vice Presidents of all business departments.
2. The Nomination and Remuneration Committee determines the competency, experiences and the required level of each position.
3. The Nomination and Remuneration Committee selects qualified executives for the succession in each business department.
4. Assign the President to evaluate the performance and competency of the qualified executives against the required competency to set a plan to develop each person to reduce the competency gap.
5. Assign the Personnel and Management Committee to take charge of training and the development of the competency of qualified executives.
6. The President stipulates the rotation of duties of qualified executives and instructs the Senior Executive Vice Presidents and Executive Vice Presidents to attend the meetings of the Board of Directors to acquire better understanding, experience and readiness in general organizational management.
7. The President regularly reports the performance and the improvement, according to the individual development plan, of the qualified executive to the Nomination and Remuneration Committee.
8. The Nomination and Remuneration Committee annually reviews and summarizes the succession plans for the President and Senior Executive Vice Presidents and reports them to the Board of Directors.

Appointment of Executives

According to the Company's rules, the Board of Directors promotes executives at the level of department. The Board of Directors assigns the Nomination and Remuneration Committee to select executives at the level of Senior Executive Vice President before submitting their names to the Board of Directors.

Evaluation of the President

Non-executive Directors are to evaluate the performance of the President at least once every year. Each year, the Board of Directors evaluates the performance of the President in the form of KPIs against the KPIs stated in the objectives in the hiring contract and action plan that were submitted to the Board of Directors. The President must present his performance in various fields, such as management of the refinery business, marketing business and organizational development, as well as in terms of success, obstacles and capability to expand opportunities and business competition while responding to the government's assorted policies.

6. Remuneration of Directors

The Nomination and Remuneration Committee fairly and sensibly sets the remuneration for Directors in line with the responsibilities of Directors, the financial status, and against other companies listed on SET in a similar industry or business size, as well as comparing the average of listed companies from a survey of remuneration rates of registered Directors of IOD by setting the remuneration in the forms of meeting allowances and bonus. The Directors assigned as Members in various Committees receive additional compensation to reflect additional responsibilities. The Company has sought permission to pay Directors from the meeting of the shareholders as follows:

1. Annual remuneration and meeting allowance

The 2012 AGM on April 3, 2012 gave permission to pay Directors as follows:

The Board of Directors

- Monthly remuneration of 30,000 Baht/person
- Meeting allowances of 30,000 Baht/person per meeting
(only Directors who attended the meeting)

Committee Members

1. Audit Committee

- Monthly remuneration of 10,000 Baht/person
- Meeting allowances of 15,000 Baht/person per meeting
(only Members who attended the meeting)

2. Nomination and Remuneration Committee

- Monthly allowance –none-
- Meeting allowance of 15,000 Baht/person (only Members who attended the Meeting)

3. The remuneration of other Committees appointed by the Board of Directors is under the consideration of the Board of Directors on the basis of appropriateness and in line with the Members' duties and responsibilities.

The Chairmen of the Board of Directors and the Committees receive monthly remuneration and meeting allowances amounting to 25 percent higher than other Directors, and the Vice Chairmen receive monthly remuneration and meeting allowances amounting to 12.5 percent higher than other Directors do.

2. Bonuses for Directors

The bonus for each Director is set at 1 percent of net profit but altogether no more than 25,000,000 Baht/year for all Directors. However, the President and Vice Presidents receive 25 percent and 12.5 percent higher bonuses.

In 2012, the individual remuneration of Directors was as follows:

2012	Remuneration in Baht						
	BOARD	AUDIT	NRC	ERMC	CGC	BONUS	Net total
1. Mr. Pichai Chunhavajira ^{1/}	672,500	-	-	-	-	429,577	1,102,077
2. Prof. Dr. Chai-Anan Samudavanija	832,500	-	218,750	-	-	1,589,144	2,640,394
3. Dr. Anusorn Tamajai	740,000	337,500	-	-	-	1,412,573	2,490,073
4. Mr. Issra Shoatburakarn	740,000	270,000	-	-	-	1,412,573	2,422,573
5. Mr. Surin Chiravisit	740,000	-	15,000	100,000	56,250	1,412,573	2,323,823
6. General Dapong Ratanasuwan	720,000	-	-	-	53,750	1,048,787	1,822,537
7. Mr. Suthep Wongvorazathe ^{2/}	120,000	25,000	-	-	-	-	145,000
8. Mr. Krairit Nilkuha	805,000	-	-	75,000	-	1,765,716	2,645,716
9. Mr. Prasong Poontaneat ^{3/}	510,000	-	-	60,000	-	-	570,000
10. Mr. Nuttachat Charuchinda	740,000	-	175,000	85,000	-	1,412,573	2,412,573
11. Mr. Sarakorn Kulatham	740,000	-	-	-	60,000	1,412,573	2,212,573
12. Mr. Suphon Tubtimcharoon ^{3/}	540,000	-	-	-	30,000	-	570,000
13. Mr. Chaiwat Kovavisarach ^{2/}	120,000	-	15,000	15,000	-	-	150,000
14. Dr. Anusorn Sangnimnuan	800,000	-	-	100,000	60,000	1,412,573	2,372,573
TOTAL	8,820,000	632,500	423,750	435,000	260,000	13,308,662	23,879,912

Since the Independent Directors (No. 2-7) did not hold the positions of Directors in subsidiaries or equivalent, there was no remuneration for holding the position.

Note : 1/ Resigned and appointed as member on April 22, 2011 and April 24, 2012, respectively, then appointed as chairman on May 29, 2012

2/ Appointed as member on October 30, 2012

3/ Appointed as member on April 24, 2012

Directors who completed their terms and resigned during 2012

2012	Remuneration in Baht						
	BOARD	AUDIT	NRC	ERMC	CGC	BONUS	Net total
1. Ms. Supa Piyajitti ^{1/}	150,000	-	-	37,500	-	1,412,573	1,600,073
2. Mr. Pitipan Teparimargorn ^{1/}	150,000	-	-	-	20,000	832,063	1,002,063
3. Mr. Thana Putarungsi ^{2/}	170,000	-	-	40,000	20,000	1,412,573	1,642,573
4. Mr. Chumphon Thitayaruks ^{3/}	560,000	-	-	70,000	-	832,063	1,462,063
5. Mr. Wirat lam-Ua-Yut ^{4/}	560,000	220,000	130,000	-	-	1,412,573	2,322,573
TOTAL	1,590,000	220,000	130,000	147,500	40,000	5,901,845	8,029,345

Note: 1/ Resigned on April 4, 2012

2/ Resigned on April 23, 2012

3/ Resigned on October 8, 2012

4/ Resigned on October 19, 2012

Directors who completed their terms and resigned during 2011 (and received bonuses for 2011 performance, payable in 2012)

2012	Remuneration in Baht						
	BOARD	AUDIT	NRC	ERMC	CGC	BONUS	Net total
1. Mr. Sukrit Surabotsopon ^{1/}	-	-	-	-	-	421,837	421,837
2. Assoc.Prof. Pranom Kowinwipat ^{2/}	-	-	-	-	-	367,656	367,656
TOTAL	-	-	-	-	-	789,493	789,493

Note: 1/ Resigned on April 20, 2011

2/ Completed term on April 5, 2011

Comparison of Remuneration of Directors in 2011 and 2012

Remuneration	2011		2012	
	Directors	Baht	Directors	Baht
Meeting allowance	14	8,976,250	14	12,698,750
Bonus	14	20,000,000	14	20,000,000
TOTAL		28,976,250		32,698,750

Note: Bonuses for 2011 performance under the resolution of the 2011 AGM, held on April 5, 2011, and payable in 2012

7. Remuneration of Executives

The Company evaluates the performance of executives every year in the form of KPIs by comparing them with the objectives in the hiring contract and/or action plan presented to the President and/or the Board of Directors, which will be connected to the rate received according to the Board of Directors' regulations. As for the President, the evaluation will be undertaken every year as well by the non-executive Directors as detailed above.

The Nomination and Remuneration Committee sets remuneration which reflects the performance and remuneration according to the standard of various companies in the same industry and submit appropriate remuneration to the Board of Directors for further consideration and approval.

The President and the Senior Executives of the Company, totaling ten persons, received a total of Baht 87,975,550 in remuneration in 2012, detailed as follows:

Remuneration and Provident Fund of Senior Executives

Remuneration	2011		2012	
	Persons	Baht	Persons	Baht
Salary	9	46,123,530	10	54,789,579
Bonus and other	9	28,303,945	10	28,516,255
Provident fund	9	3,916,356	10	4,669,716

Note: Others consisted of

1. Retirement bonuses
2. Contribution to the Employee Joint Investment Program (October 1, 2009 – September 30, 2011)

Executives who served positions in the subsidiary and related companies

Name	Position in subsidiary companies								Position in related companies					
	BGN	BBF	BSE	BSE (Prachin-buri)	BSE (Chaiyaphum1)	BSE (Buriram)	BSE (Buriram1)	BSE (Nakhon-ratchasima)	UBE	UBG	UAE	NPE	FPT	APMC
1. Dr. Anusorn Sangnimnuan	-	chairman	chairman	chairman	chairman	chairman			chairman	-	-	-	-	-
2. Mr. Vichien Usanachote	-	-	-	-	-	-	-	-	member	-	-	-	member	-
3. Mr. Wattana Opanon-amata	-	member	-	-	-	-			-	-	-	-	member	-
4. Mr. Yodphot Wongrukmit	member	-	-	-	-	-			-	-	-	-	-	-
5. Mr. Bundit Sapianchai	-	-	member	-	-	-			-	-	-	-	-	member
6. Mr. Surachai Kositsareewong	member	member	member	-	-	-			-	-	-	-	member	-
7. Mr. Kiatchai Maitriwong	-	-	member	-	-	-			-	-	-	-	-	-
8. Mr. Pongchai Chaichirawiwat	member	Managing Director	member	member	member	member	member	member	-	member	member	member	-	-
9. Mr. Somchai Tejavaniya	-	-	-	-	-	-			-	-	-	-	-	-
10. Mr. Chalermchai Udomranu	-	-	-	-	-	-			-	-	-	-	-	-

<i>Note : BGN</i>	<i>Bangchak Green Net Co., Ltd.</i>
<i>BBF</i>	<i>Bangchak Biofuel Co., Ltd.</i>
<i>BSE</i>	<i>Bangchak Solar Energy (Prachinburi) Co., Ltd.</i>
<i>BSE (Prachinburi)</i>	<i>Bangchak Solar Energy (Chaiyaphum 1) Co., Ltd.</i>
<i>BSE (Chaiyaphum1)</i>	<i>Bangchak Solar Energy (Buriram) Co., Ltd.</i>
<i>BSE (Buriram)</i>	<i>Bangchak Solar Energy (Buriram 1) Co., Ltd.</i>
<i>BSE (Buriram 1)</i>	<i>Bangchak Solar Energy (Nakhonratchasima) Co., Ltd.</i>
<i>BSE (Nakhonratchasima)</i>	<i>Bangchak Solar Energy Co., Ltd.</i>
<i>UBE</i>	<i>Ubon Bio Ethanol Co., Ltd.</i>
<i>UBG</i>	<i>Ubon Bio Gas Co.,Ltd. (UBE's subsidiary)</i>
<i>UAE</i>	<i>Ubon Agricultural Energy Co.,Ltd. (UBE's subsidiary)</i>
<i>NPE</i>	<i>NP Bio Energy Co.,Ltd. (UBE's subsidiary)</i>
<i>FPT</i>	<i>Fuel Pipeline Transportation Co., Ltd.</i>
<i>APMC</i>	<i>ASEAN Potash Mining PLC.</i>

8. Personnel

On December 31, 2012, the Company had a total headcount of 1,027:

- Supporting Employee (Accounting and Finance, Administration and Information Technology, Internal Control Office): 202 persons
- Refinery Business Employee: 483 persons
- Marketing Business and Refinery Project Employee: 309 persons
- Corporate Business Development Employee: 14 persons
- Renewable Energy Business Employee: 18 persons

Remuneration of employee

Employee receive remuneration in the form of salary; shift, night shift, overtime, and upcountry pay; operation at the refinery; and discipline remuneration. Employees have the right to apply for membership of “Bangchak Public Company Limited Provident Fund” by choosing the accumulated at a rate of five percent or ten percent of the salary and the Company will pay the same rate to the Fund. In 2012, the Company paid remuneration to the personnel in the form of salary, shift, night shift, overtime, upcountry, refinery stand-by pay, discipline pay, special bonus and other welfare, with a total of 1,277 million Baht.

Significant changes in number employee for the past three years

For the past three years, the Company increased its employee from 994 (as of December 31, 2010) to 1,027 (as of December 31, 2012) to support the business expansion and increase efficiency in the operation of various units.

9. Human Resource Development Policy

Continuously, the Company has focused on personnel development to strengthen their capability and enable their work to correspond to its goals, policies, and directions and enable the Company to remain internationally competitive so as to accommodate the growth of the ASEAN Community.

Competency development is regarded as all employees’ own duties, responsibilities, and cooperation. Each year, a given employee undergoes assessment of his or her capability by means of the Competency Management principles, which identify competency gaps. What was special this year is that, besides the previously used 180-degree assessment, the Company modified assessment into 360-degree assessment at the senior-executive level for clearer and more efficient assessment, while preparing individual development plans for employees to fulfill their development.

Individual development embraces the Company-assigned and self-development tasks, consisting of on-the-job training, E-learning, project assignment, and functional development. Besides individual development, the Company features team development, under which cross-functional development projects are launched to draw the talents of employees from different professional lines by engaging them together on a given project to grow the market, expand new company projects, trigger competition, and lead to the Company’s innovations. Then there is technical quality control group

activity, Kaizen group activity, and-above all-the community of practitioners. These activities allow those with similar professions or interests to share knowledge as part of knowledge management, which will turn the Company into a lifelong learning organization and give all employees the attributes that fit the Company's six desirable attributes.

1. Ability for Adaptation and Initiation
2. Leadership
3. Teamwork Spirit
4. Organization Commitment
5. Personal Mastery
6. Social and "SHEE" Awareness

The Company has added functional competencies for employees without subordinates and executive competencies for executives and supervisors to serve as approaches for employee development to either perform or manage in their own jobs more efficiently.

The Company prepared functional competencies for subordinates, as detailed below:

1. Building Trust
2. Communication and Presentation
3. Customer Service Orientation
4. Persuasion and Influencing
5. Continuous Improvement
6. Decision Making
7. Managing Work
8. Quality Orientation
9. Sales Persuasion
10. Sales Negotiation
11. Business Orientation
12. Devising Sales Approaches and Solutions
13. Tenacity

Moreover, the Company prepared executive competencies for executives and supervisors, including:

1. Communication and Presentation
2. Building Partnership
3. Empowerment/Delegation
4. Facilitating Teams
5. Leading through Vision and Values
6. Building Organizational Talent
7. Business acumen
8. Customer Centric
9. Planning and Organizing
10. Facilitating Change
11. Driving for Results
12. Executive Disposition

This year, the Company constantly refined its training programs to accommodate its short-term and long-term business goals and directions, and to develop employees' knowhow, skills, and experience into specialized knowledge, technical knowledge, management knowledge, and emerging-business knowledge. Specifically, the Company has this year refined its core curriculums: Orientation and BCP Way, BCP Business Supply Chain Economics, and BCP Technical Development Program. The Company's training courses fell into six categories, namely:

1. Executive Development
2. Business Development
3. Company Policy
4. Competency Development
5. Successor & Talent
6. Technical Specialist Program

This last topic is part of the Company's training curriculum in which employees are encouraged to take part in seminars and study tours so that they may share knowledge and experience with those from other business entities for eventual application at the Company. This year, the average number of training hours is 11.76 man-days, and the training budget is Baht 14 million.

In developing skills and lifelong learning, the Company values knowledge management and has therefore set its goal of becoming a learning organization with lifelong learning, while striving to become an entity of innovation. To this end, the Company actively encourages employees to take part in learning and sharing within their divisions and the company, and then share their knowledge with external entities and parties. This way, knowledge and experience are shared, and networks are created. The ultimate goal is to apply such knowledge for development into best practices and produce innovations beneficial to business operation and refinement at the Company.



Board of Directors

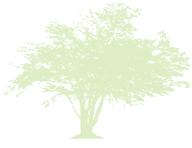


Prof. Dr. Chai-Anan Samudavanija
Vice Chairman (Independent Director)



Mr. Pichai Chunchavajira
Chairman





Dr. Anusorn Tamajai
Independent Director



Mr. Issra Shoatburakarn
Independent Director

Mr. Surin Chiravit
Independent Director





Board of Directors



General Dapong Ratanasuwan
Independent Director



Mr. Suthep Wongvorazathe
Independent Director



Mr. Krairit Nilkuha
Director



Mr. Nuttachat Charuchinda
Director



Mr. Prasong Poontaneat
Director





Board of Directors



Mr. Sarakorn Kulatham
Director



Mr. Suphon Tubtimcharoon
Director



O₂

Dr. Anusorn Sangnimnuan
President
and Secretary to Board of Directors



Mr. Chaiwat Kovavisarach
Director





Board of Directors

Mr. Pichai Chunhavajira Chairman

- **Age 63**

- **Education / Training**

- B.A. (Accounting), Thammasat University
- M.B.A. (Business Administration), Indiana University of Pennsylvania, USA
- Honorary Ph.D. (Accounting), Thammasat University
- Honorary Ph.D. (Financial Management), Mahasarakham University
- Public and Private Joint Program (Class 13), National Defence College
- Certified Auditor
- Director Accreditation Program (DAP 49/2006), Thai Institute of Directors (IOD)
- Director Certification Program (DCP 143/2011), Thai Institute of Directors (IOD)
- Capital Market Academy, Class 5

- **Experience**

- 2010 - 2012 : Chairman, Thaipublic Company Limited
- 2008 - 2012 : Chairman, Thaipublic Ethanol Company Limited
- 2009 - 2011 : Director, PTT Public Company Limited
: Director, IRPC Public Company Limited
- 2005 - 2011 : Director, Thai Airways International Public Company Limited
- 2000 - 2011 : Director, Thaipublic Power Company Limited
- 1998 - 2011 : Director, The Bangchak Petroleum Public Company Limited
- 2008 - 2009 : Chief Financial Officer, PTT Public Company Limited
- 2007 - 2009 : Director, PTT Aromatics and Refining Public Company Limited
- 2005 - 2009 : Director, PTT Chemical Public Company Limited
- 1999 - 2007 : Director, The Aromatics (Thailand) Public Company Limited
- 2000 - 2009 : Chairman, Thai Petroleum Pipeline Company Limited
- 1996 - 2009 : Director, Dhipaya Insurance Public Company Limited
- 2003 - 2008 : Director and Audit Committee member, Siam Commercial Bank Public Company Limited
- 2001 - 2007 : Senior Executive Vice President, Finance and Accounting, PTT Public Company Limited

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - Director, PTT Exploration and Production Public Company Limited
- Non-listed businesses
 - Director, Thai Lube Base Public Company Limited
 - Chairman, Top Maritime Service Company Limited
 - Chairman, ThaiOil Marine Company Limited
 - Chairman of the Board of Executive Directors, Small and Medium Enterprise Development Bank of Thailand
 - Chairman of the Management Accounting Committee, Federation of Accounting Professions Under The Royal Patronage of His Majesty The King

- Chairman of Thammasat Association Under The Royal Patronage of His Majesty The King
- Member of the University Council ,Assumption University
- Members of the University Council, Thammasat University
- President Committee of Investment , Social Security Office

Prof. Dr. Chai-Anan Samudavanija

Vice Chairman (Independent Director)

Chairman of the Nomination and Remuneration Committee

- **Age 68**

- **Education / Training**

- Doctorate degree, University of Wisconsin (Madison)
- Master's degree, University of Wisconsin (Madison)
- Bachelor's degree, Victoria University of Wellington, New Zealand
- Certificate, Social Planning, United Nations Asian Institute
- Honorary doctorate (development administration), National Institute of Development Administration
- Honorary doctorate, Edgewood University
- Honorary doctorate and outstanding alumnus, University of Wisconsin (Madison)
- Honorary degree, National Defence College
- Honorary doctorate, Chiang Mai University
- Director Certification Program (DCP), Thai Institute of Directors (IOD)
- Role of the Compensation Committee (RCC), Thai Institute of Directors (IOD)

- **Experience**

- 2006 - 2008 : Member, National Legislative Assembly
: Chairman, Standing Committee of Education and Sport
: Chairman, Office of the Basic Education Commission
: Director, College of Management, Mahidol University
- 2005 - 2009 : President, The Royal Institute
: Chairman, Electricity Generating Authority of Thailand
: Chairman, Electricity Generating Public Company Limited
: Chairman of Audit Committee, Krungthai Bank Public Company Limited
: Director, State Enterprise Policy Committee
: Executive Director, National Research Council
: Director, Office of the Public Sector Development Commission (OPDC)
- 2003 : Vice President, The Royal Institute
- 1998 - 2000 : Judge, Constitutional Court
- 1996 - June 2007 : Director, Vajiravudh College
- 1981 : Fellow of the Academy of Moral and Political Sciences, The Royal Institute

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - None -
- Non-listed businesses
 - Chairman, Institute of Public Policy Studies

Dr. Anusorn Tamajai

Independent Director

Chairman of Audit Committee

- **Age 46**

- **Education / Training**

- Ph.D.Econ. (International economics, finance and development), Fordham University New York, USA
- M.B.A., Southeastern University
- M.Econ, Fordham University New York, USA
- B.A. (Political Science) (Honours), Chulalongkorn University
- Director Certification Program (DCP), Thai Institute of Directors (IOD)
- Strategy and Policy Development, Thai Institute of Directors (IOD)
- Audit Committee Program (ACP), Thai Institute of Directors (IOD)
- Role of the Chairman Program (RCP), Thai Institute of Directors (IOD)
- Role of the Compensation Committee (RCC), Thai Institute of Directors (IOD)
- Financial Statement for Directors (FSC), Thai Institute of Directors (IOD)
- Monitoring the System of Internal Control and Risk Management (MIR), Thai Institute of Directors (IOD)
- Monitoring the Quality of Financial Reporting (MFR), Thai Institute of Directors (IOD)
- State-enterprise Leadership Development for Senior Managers (Class 2) King Prajadhipok's Institute
- How New Foreign Bribery Laws Affect Companies in Thailand, Thai Institute of Directors (IOD)

- **Experience**

- 2008 - April 2011 : Director and Chairman of Audit Committee, MCOT Public Company Limited
- 2008 - 2011 : Executive Director, The Telecommunications Universal Service Obligation (USO)
- 2008 - 2010 : Director and Chairman of Risk Management Committee, Bank for Agriculture and Agricultural Cooperatives
- 2005 - 2007 : Director, Center for the Promotion of National Strength on Moral Ethics and Values, Moral Center, Office of the Prime Minister
- 2005 - 2006 : Managing Director, BT Asset Management Company Limited
- 2002 - 2006 : Director, Family Know How Company Limited (a subsidiary of Stock Exchange of Thailand)
- 2002 - 2006 : Director and Chairman of Internal Audit Committee, Thailand Post Company Limited
- 2002 - 2005 : Senior Director, Research and Fund Management Office, Bankthai Public Company Limited
- 2000 : Vice President, Corporate Regulatory, Research and Public Affairs, Citibank

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - None -
- Non-listed businesses
 - Dean of Faculty of Economics / Director, Research Center for Economic and Business Reform, Rangsit University
 - Director, Pridi Banomyong Institute
 - Specialist and Director for supervision and execution of policies, Public Management Office, Ministry of Finance
 - Member, Sub-committee on Performance Evaluation of State-Owned Enterprises, Ministry of Finance
 - Director, Office of Academics (Economics) National Research of Thailand
 - Chairman of sub-committee, Education Management and Steps towards ASEAN Economic Community (AEC), Education Council
 - Director, office of the Start Up Fund, Office of the Higher Education Commission, Ministry of Education

Mr. Issra Shoatburakarn

Independent Director

- **Age 65**

- **Education / Training**

- B.Eng. (Industrial Engineering), Chulalongkorn University
- M.S. (Environment Engineering) Florida Institute of Technology, USA
- The National Defence Course, Class 46, National Defence College
- Senior Executive Program Batch#33, Office of the Civil Service Commission (OCSC)
- Director Certification Program (DCP 77/2006), Thai Institute of Directors (IOD)

- **Experience**

- 2007 - retirement : Deputy Permanent Secretary, Ministry of Industry
- 2004 - 2006 : Director General, Department of Industrial Works
- 2003 - 2004 : Secretary General, Office of the Cane and Sugar Board
- Director, Metropolitan Waterworks Authority (Thailand)
- Director, Industrial Estate Authority of Thailand
- Chairman, The General Environmental Conservation Public Company Limited
- Chief Executive, Bangpa-in Paper Mill Industry Co., Ltd.
- Chairman of Industrial Standards Committee

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - None -
- Non-listed businesses
 - Director, Ubon Bio Ethanol Company Limited

Mr. Surin Chiravisit

Independent Director

- **Age 65**

- **Education / Training**

- LL.B., Ramkhamhaeng University
- B.Ed., Srinakharinwirot University
- LL.M., Chulalongkorn University
- Investigation of the criminal case program, Batch#44, The Royal Thailand Police
- Senior Administrator Program, Batch#29, Ministry of Interior
- Senior Executive Program, Batch#21, Office of The Civil Service Commission
- The National Defence Course, Class 40, National Defence College
- Politics and Government in Democracy for Executives (Class 6), King Prajadhipok's Institute
- Director Certification Program (DCP), Thai Institute of Directors (IOD)
- How to Develop a Risk Management Plan (DRP), Thai Institute of Directors (IOD)
- Successful Formulation and Execution of Strategy (SFE), Thai Institute of Directors (IOD)

- **Experience**

- 2006 - retirement : Secretary General, Social Security Office
- 2005 : Deputy Permanent Secretary, Ministry of Labor, Office of the Permanent Secretary for Ministry of Labor
- 2004 : Director General, Department of Labor Protection and Welfare
- 2000 : Director General, Department of Skill Development

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - None -
- Non-listed businesses
 - None -

General Dapong Ratanasuwan

Independent Director

Chairman of the Corporate Governance Committee

- **Age 59**

- **Education / Training**

- Bachelor of Science, Chulachomklao Royal Military Academy, Class 23, Year 1975
- Infantry Major Course (Infantry School of New Zealand Army), Year 1982
- Command and General Staff College, Royal Thai Army, Class 63
- Army War College, Class 42

- Master Degree, Public Administration, Sri Pathum University, 2000
- Diploma, the National Defense Course, National Defense College, 2006
- Senior Executive Program, Batch#10, Capital Market Academy
- Director Accredited Program (DAP), Thai Institute of Directors (IOD)

- **Experience**

- 2011-Present : Deputy Army Commander-in-Chief
- 2010-2011 : Director, Industrial Estate Authority of Thailand
: Director, Defence Technology Institute (Public Organization)
- 2010 : Army Chief of Staff
: Secretary-General, The Internal Security Operations Command
- 2009 : Army Deputy Chief of Staff
- 2008 : Army Assistant Chief of Staff for Operations
- 2007 : Deputy Commanding General, 1st Army Area Command
- 2006 : Commanding General, 1st Infantry Division, King's Guard

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - None -
- Non-listed businesses
 - Deputy Army Commander-in-Chief

Mr. Suthep Wongvorazathe

Independent Director

- **Age 64**

- **Education / Training**

- Master of Business Administration, University of Wisconsin, U.S.A.
- Bachelor of Business Administration, University of Wisconsin, U.S.A.
- Director Accreditation Program (DAP48/2005), Thai Institute of Directors (IOD)

- **Experience**

- 2010 - 2011 : Chairman of the Executive Board, Export-Import Bank of Thailand
- 2009 - 2011 : Director, Board of Investment of Thailand
- 2008 - 2010 : Advisor, Committee on National Debt Solution
- 2007 - 2010 : Chairman and Chief Executive Officer, Pacific Assets Public Company Limited
- 2006 - 2007 : Vice Chairman, Bliss-Tel Public Company Limited
- 2001 - 2007 : Vice Chairman, The International Engineering Public Company Limited

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - Chairman, Khonburi Sugar Public Company Limited
 - Independent Director, Chumporn Palm Oil Industry Public Company Limited
- Non-listed businesses
 - Managing Director, SGE International Company Limited
 - Director, Asia Kangnam Company Limited

Mr. Krairit Nilkuha

Director

Chairman of the Enterprisewide Risk Management Committee

- **Age 61**

- **Education / Training**

- B-B.Sc. in Mechanics Engineering, Kasetsart University
- M.Sc. in Petroleum Engineering, New Mexico Institute of Mining and Technology, USA
- Diploma, the National Defense Course, Class 48 (2005), National Defence College
- Audit Committee Continuing and Development Program (ACP 24/2008), Thai Institute of Directors (IOD)
- Senior Executive Program, Batch#8, Capital Market Academy

- **Experience**

- 2009 - 2012 : Director General Department of Alternative Energy Development and Efficiency
- 2008 - 2009 : Deputy Permanent Secretary, Ministry of Energy
- 2005 - 2008 : Director - General, Department of Mineral Fuels
- 2005 - 2007 : Director, PTT Exploration and Production Public Company Limited
- 2003 - 2005 : Deputy Director - General, Department of Mineral Fuels
- 1998 - 2005 : Sub-Committee of the Petroleum Committee
- 1998 - 2005 : Secretary of the Petroleum Committee

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - Director, PTT Public Company Limited
- Non-listed businesses
 - Chairman, Technical Petroleum Training Institute Foundation

Mr. Prasong Poontaneat

Director

- **Age 53**
- **Education / Training**
 - Bachelor of Business Administration in Accounting, Rajamangala University of Technology
 - Bachelor of Laws, Sukhothai Thammathirat Open University
 - Master of Business Administration (Organization Management), Dhurakij Pundit University
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
- **Experience**
 - 2011-Present : Director General, State Enterprise Policy Office
 - 2010-2011 : Director General, Thailand Customs Department
 - 2009- 2010 : Inspector General, Ministry of Finance
 - 2008- 2009 : Deputy Director General, Revenue Department
- **Other directorship positions / other positions at present**
 - Subsidiaries/Related Company
 - None -
 - Other listed companies
 - None -
 - Non-listed businesses
 - Director General, State Enterprise Policy Office
 - Chairman, Export - Import Bank of Thailand
 - Vice Chairman, Financial Institutions Development Fund

Mr. Nuttachat Charuchinda

Director

- **Age 57**
- **Education / Training**
 - M.B.A., Thammasat University
 - B.S. (Engineering), Chiangmai University
 - Director Certification Program (DCP 129/2010), Thai Institute of Directors (IOD)
 - Break Through Program for Senior Executives (BPSE), IMD Institute, Switzerland
 - Leadership Program (Class 10), Capital Market Academy
 - The Joint State-Private Sector Course (Class 20), National Defence College,
 - Program for Global Leadership (PGL), Harvard Business School, U.S.A.
 - Oxford Energy Seminar, UK

- **Experience**

- 1 Oct.2011 - Present : Chief Operating Officer, Downstream Petroleum Business Group, PTT Plc.
- 1 Jan.2010 - 30 Sep.2011 : Senior Executive Vice President, Corporate Strategy, PTT Plc.
- 1 Jul.2009 - 31 Dec.2009 : Executive Vice President International Trading Business Unit, PTT Plc.
- 1 Nov.2005-30 Jun.2009 : Executive Vice President Natural Gas Vehicle, PTT Plc.
- 1 Oct.2004-31 Oct.2005 : Executive Vice President Supply and Logistics, PTT Plc.

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - Chief Operating Officer, Downstream Petroleum Business Group, PTT Plc.
 - Director, Thai Oil Plc.
 - Director, PTT Global Chemical Plc.
- Non-listed businesses
 - Director, Pension funds and pension officials
 - Director, National Power Supply Public Co., Ltd.
 - Chairman, Water Resource Management Committee : TBCSD

Mr. Sarakorn Kulatham

Director

- **Age 58**

- **Education / Training**

- B.Sc. (Sanitation), Chulalongkorn University
- M.S. (Civil Engineering), University of Missouri, USA
- Finance for Non Finance Executive (2007)
- PTT Group EVP Leadership Development Program Class 1 (2008)
- IMD – BPSE (2009)

- **Experience**

- Oct 2010-Present : Senior Executive Vice President, International Trading Unit, PTT Plc.
- 2010 - Oct 2010 : Executive Vice President, International Trading Unit, PTT Plc.
- 2009 - 2010 : Executive Vice President, PTT Plc. (working at Alliance Refining Co., Ltd.)
- 2007 - 2009 : Executive Vice President, PTT Plc. (working at Alliance Refining Co., Ltd.)
- 2004 - 2007 : Vice President, PTT Plc. (working at Alliance Refining Co., Ltd.)
- 2001 - 2004 : Vice President, Petroleum Products and LPG Trading Department, PTT Plc.

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - None -
- Other listed companies
 - Senior Executive Vice President, International Trading Unit, PTT Plc.
- Non-listed businesses
 - Director, Thaioil Marine Co., Ltd
 - Director, PTT International Trading Pte.Ltd.

Mr. Suphon Tubtimcharoon

Director

- **Age 61**
- **Education / Training**
 - BS.CE, Mapau Institute of Technology, Philippines
 - Diploma in Highway Engineering, KMITL
 - Certificate of Gas Engineering, Scholarship under Colombo Plan
 - Advanced Management Program (AMP), Harvard Business School
 - License for Professional Practice in Associate Civil Engineer
 - Director Certification Program (DCP) Class 61, Thai Institute of Directors (IOD)
 - Public Director Certification Program, Public Director Institute (PDI) (Class of 4th)
 - Senior Executives Program (Class 9), Capital Market Academy (CMA)
 - Security Management (Class 1), The National Defence College Association of Thailand
 - Senior Executives in Urban Management (Class 1), Urban Green Development Institute, Department of City Planning
- **Experience**
 - 2011-2012 : Director, Thairoil Energy Solutions Company Limited
 - 2009-2011 : Director, Thai Paraxylene Company Limited
 - : Executive Vice President, Petrochemical and Refining, PTT Plc.
 - 2006-2009 : President, IRPC A&L Company Limited
 - : Senior Executive Vice President, Organizational Planning, IRPC Plc.
 - : Acting Senior Executive Vice President, Corporate Human Resources & Administration, and Corporate Commercial & Marketing, IRPC Plc.
 - : Director, PTT Polymer Marketing Company Limited
 - : Executive Vice President, Petrochemical and Refining, PTT Plc.
- **Other directorship positions / other positions at present**
 - Subsidiaries/Related Company
 - None -
 - Other listed companies
 - None -
 - Non-listed businesses
 - Director, International Chamber of Commerce
 - Director, Thai Paraxylene Company Limited
 - Director, Independent Power (Thailand) Company Limited
 - Director, Thairoil Power Company Limited

Mr. Chaiwat Kovavisarach

Director

- **Age 46**
- **Education / Training**
 - M.Eng., Asian Institute of Technology (AIT)
 - M.B.A., Thammasat University
 - B.Eng. (Honor), King Mongkut's Institute of Technology Ladkrabang (KMITL)
 - Investment Banking, Kellogg Business School, Northwestern University
- **Experience**
 - 2002 - 2006 : Managing Director, TURNAROUND Company Limited
 - 1996 - 2002 : Director, SG Securities (Singapore) PTE.LTD.
 - 2000 - 2001 : Director, Investment Banking Club, Association of Thai Securities Companies
 - 1993 - 1996 : Investment Banker, Asset Plus Fund Management Company Limited
 - 1987 - 1993 : Engineer, The Siam Cement Public Company Limited
- **Other directorship positions / other positions at present**
 - Subsidiaries/Related Company
 - None -
 - Other listed companies
 - None -
 - Non-listed businesses
 - Director, Asia Insurance (1950) Company Limited
 - Advisor, AvantGarde Capital Company Limited
 - Subcommittee, Government Pension Fund
 - Director, Suan Kulab Witthayalai Alumnus Association Under the Royal Patronage of H.M.the King

Dr. Anusorn Sangnimnuan

President and Secretary to Board of Directors

- **Age 58**
- **Education / Training**
 - Ph.D. (Chemical Engineering), Monash University, Melbourne, Australia
 - M.Eng. (Environmental Engineering), Asian Institute of Technology (AIT)
 - B.Sc. (Chemical Engineering), Chulalongkorn University

- Diploma, The joint State-Private Sector Course, National Defence College (Class of 20th)
- Leadership Program, Capital Market Academy (Class of 10th)
- Advanced Diploma, public administration and public law, King Prajadhipok's Institute
- Public Director Certification Program, Public Director Institute (Class of 1st)
- Director Certification Program (DCP), Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

• Experience

The Bangchak Petroleum Public Company Limited

- 2005 - 2012 : President and Secretary to Board of Directors
- 2003 - 2004 : Senior Executive Vice President, Refinery Business
- 2001 - 2004 : Senior Executive Vice President, Planning and Supply / Industrial Lubricant Marketing

Others

- 2008 - 2011 : Chairman, Thailand Business Council for Sustainable Development (TBCSD)
- 2008 - 2011 : Director, Thai Capital Market Organizations
- 2007 - 2011 : Director, Thai Listed Companies Association
- 2006 - 2008 : Member, The National Legislative Assembly
: Commissioner and Secretary, Energy Committee
- 2001 - 2005 : Director, National Ethanol Committee

• Other directorship positions / other positions at present

- Subsidiaries/Related Company
 - Chairman, Bangchak Biofuel Company Limited
 - Chairman, Bangchak Solar Energy Company Limited
 - Chairman, Bangchak Solar Energy (Prachinburi) Company Limited
 - Chairman, Bangchak Solar Energy (Chaiyaphum 1) Company Limited
 - Chairman, Bangchak Solar Energy (Buriram) Company Limited
- Other listed companies
 - None -
- Non-listed businesses
 - Chairman, Ubon Bio Ethanol Company Limited
 - Director, National Center of Excellence for Petroleum, Petrochemicals, and Advanced Materials, Chulalongkorn University
 - Director, School of Environment, Resources and Development, Asian Institute of Technology
 - Director, Petroleum Institute of Thailand
 - Natural Resources and Environment Committee, The Thai Chamber of Commerce



Dr. Anusorn Sangnimnuan
President



Mr. Vichien Usanachote
Senior Executive Vice President





Mr. Wattana Opanon-amata
Senior Executive Vice President



Mr. Yodphot Wongrukmit
Senior Executive Vice President





Executive Management



Mr. Surachai Kositsareewong
Acting Senior Executive Vice President



Mr. Bundit Sapianchai
Acting Senior Executive Vice President



Mr. Kiatchai Maitriwong
Executive Vice President





Mr. Pongchai Chaichirawiwat
Executive Vice President



Mr. Somchai Tejavanija
Executive Vice President



Mr. Chalermchai Udomranu
Executive Vice President



Executive Management

Dr. Kitti Nivatvongs
Senior Vice President



Mr. Pichit Wongrujiravanich
Senior Vice President





Mr. Dhanajit Makarananda
Senior Vice President

Mr. Chokchai Atsawarangsali
Senior Vice President

Mr. Phichet Emwattana
Senior Vice President



Executive Management

Dr. Anusorn Sangnimnuan President and Secretary to Board of Directors

- **Age 58**

- **Education / Training**

- Ph.D. (Chemical Engineering), Monash University, Melbourne, Australia
- M.Eng. (Environmental Engineering), Asian Institute of Technology (AIT)
- B.Sc. (Chemical Engineering), Chulalongkorn University
- Diploma, The joint State-Private Sector Course, National Defence College (Class of 20th)
- Leadership Program, Capital Market Academy (Class of 10th)
- Advanced Diploma, public administration and public law, King Prajadhipok's Institute
- Public Director Certification Program, Public Director Institute (Class of 1st)
- Director Certification Program (DCP), Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

- **Experience**

The Bangchak Petroleum Public Company Limited

- 2005 - 2012 : President and Secretary to Board of Directors
- 2003 - 2004 : Senior Executive Vice President, Refinery Business
- 2001 - 2004 : Senior Executive Vice President, Planning and Supply / Industrial Lubricant Marketing

Others

- 2008 - 2011 : Chairman, Thailand Business Council for Sustainable Development (TBCSD)
- 2008 - 2011 : Director, Thai Capital Market Organizations
- 2007 - 2011 : Director, Thai Listed Companies Association
- 2006 - 2008 : Member, The National Legislative Assembly
: Commissioner and Secretary, Energy Committee
- 2001 - 2005 : Director, National Ethanol Committee

- **Other directorship positions / other positions at present**

- Subsidiaries/Related Company
 - Chairman, Bangchak Biofuel Company Limited
 - Chairman, Bangchak Solar Energy Company Limited
 - Chairman, Bangchak Solar Energy (Prachinburi) Company Limited
 - Chairman, Bangchak Solar Energy (Chaiyaphum 1) Company Limited
 - Chairman, Bangchak Solar Energy (Buriram) Company Limited
- Other listed companies
 - None -
- Non-listed businesses
 - Chairman, Ubon Bio Ethanol Company Limited
 - Director, National Center of Excellence for Petroleum, Petrochemicals, and Advanced Materials, Chulalongkorn University
 - Director, School of Environment, Resources and Development, Asian Institute of Technology
 - Director, Petroleum Institute of Thailand
 - Natural Resources and Environment Committee, The Thai Chamber of Commerce

Mr. Vichien Usanachote

Senior Executive Vice President, Refinery Business

- **Age 57**
- **Education / Training**
 - Master of Engineering, Ohio State University, USA
 - BS (Engineering), Chulalongkorn University
 - Advanced Diploma in Public Law and Management # 7, King Prajadhipok's Institute
 - Diploma, Senior Executive Program (SEP-23), Sasin Graduate Institute of
 - Business Administration of Chulalongkorn University
 - Advanced Senior Executive Program, (ASEP 5 - Sasin-Kellogg, School of Management of Northwestern University, USA) Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Diploma, Advanced Security Management Program (ASMP 2), The National Defence College Association of Thailand
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
 - Finance for Non-Finance Director (FND), Thai Institute of Directors (IOD)
- **Experience**
 - 2005 - 2012 : Senior Executive Vice President, Refinery Business
 - 2003 - 2004 : Senior Consultant, Acting Senior Executive Vice President
 - 2002 : Senior Executive Vice President, Planning and Logistics
 - 2001 : Senior Consultant
 - 2000 : Senior Executive Vice President, Marketing Business Unit
 - 1993 : Senior Executive Vice President, Marketing / Manufacturing
- **Other directorship positions / Other positions at present**
 - Other listed companies
 - None -
 - Non-listed companies
 - Director, Fuel Pipeline Transportation Company Limited
 - Director, Ubon Bio Ethanol Company Limited
 - Chairman in Activity, Environmental Engineering Association of Thailand

Mr. Wattana Opanon-amata

Senior Executive Vice President, Corporate Administration and Information Technology

- **Age 56**
- **Education / Training**
 - MS (Chemical Engineering), Chulalongkorn University
 - BS (Chemical engineering), Chulalongkorn University
 - Mini-MBA (class 21), Chulalongkorn University
 - Certification of Process Engineer, JCCP, Japan

- Director Certification Program, Thai Institute of Directors (IOD)
- Advanced Certification in public administration and public law, King Prajadhipok's Institute (Por. Ror.Mor.6)
- Certification of Enterprisewide Risk Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Director Certification Program Refresher Course (RE DCP), Thai Institute of Directors (IOD)
- Director Certification Program (DCP) (class 36), Thai Institute of Directors (IOD)
- Audit Committee Program (ACP), Thai Institute of Directors (IOD)
- Finance for Non-finance Director Course (FND), Thai Institute of Directors (IOD)
- Certificate of Management of Thinking and Cultural Conflicts, Class 2, National Defence College Alumni Think Tank
- Diploma of Advanced Security Management Program (ASMP 3), The National Defence College Association of Thailand
- Certificate of Executive Leadership Program (ELP 5), Nida-Wharton, School of University of Pennsylvania, USA
- Certificate of Senior Executive Program (SEP-24), Sasin Graduate Institute of Business \ Administration of Chulalongkorn University
- Certificate of Advanced Senior Executive Program (ASEP 6 - Sasin-Kellogg, School of Management of Northwestern University, USA) Sasin Graduate Institute of Business Administration of Chulalongkorn University

● **Experience**

- 2006 – present : Senior Executive Vice President, Corporate Administration and Information Technology
- 2004 – 2005 : Senior Consultant, Acting Senior Executive Vice President
- 2001 – 2004 : Executive Vice President
- 2000 – 2001 : Senior Vice President, Planning and Supply
- 1994 – 2000 : Senior Vice President, Marketing and Engineering Service

● **Other directorship positions / Other positions at present**

- Other listed companies
 - None -
- Non-listed companies
 - Director, Bangchak Biofuel Company Limited
 - Director, Fuel Pipeline Transportation Company Limited
 - Member of Chemical Engineering Committee for 2011-2013, The Engineering Institute of Thailand under H.M. the King's Patronage
 - Committee member, Thailand Business Council for Sustainable Development
 - Member of Green Labeling Project Management Committee, Thailand Environment Institute (TEI)
 - Member of Certified GHG Emission Reductions for Building Committee, Thailand Environment Institute (TEI)
 - Chairman of CSR Club, Thai Listed Companies Association, The Stock Exchange of Thailand
 - Member of Board of Trustee, ASEAN CSR Network
 - Advisor of Corporate Social Responsibility Institute (CSRI), The Stock Exchange of Thailand
 - Specialized Committee Member on Analysis of Master of Engineering Program in, King

Mongkut's Institute of Technology Ladkrabang, 2011

- Member of the Application of Sufficiency Economy Movement in private sector sub-committee, Research and Development Institute of Sufficiency Economy Philosophy Foundation
- Member of the Use and Production Of the Renewable Energy Certification Committee, Thailand Business Council for Sustainable Development (TBCSD) and Thailand Environment Institute Foundation (TEI)
- Member of the Committee for the Follow-up and Expansion the Reduction of Unequal Distribution of Revenue Project for 2011-2013, The Thai Chamber of Commerce

Mr. Yodphot Wongrukmit

Senior Executive Vice President, Marketing Business

- **Age 53**

- **Education / Training**

- MBA, MTSU, USA
- BA (Economics) (2nd Class Honors), University of the Thai Chamber of Commerce
- Graduate Diploma National Defence College (NDC 2554)
- NIDA-Wharton Executive Leadership Program # 6/2010
- Graduate Diploma in Public Law and Management # 9/2010, King Prajadhipok's Institute
- Director Certification Program (DCP), Thai Institute of Directors (IOD)
- Logistics Economic
- Economics for Decision Making
- JCCP "Advanced Marketing" (Japan)
- Marketing Outlook
- Sales Management
- Effective Negotiation Skills
- PR Strategies for SET-Listed Companies
- Strategic Leadership
- The Leadership GRID

- **Experience**

- April 2011 - present : Senior Executive Vice President, Marketing Business
- 2008 - April 2011 : Executive Vice President, Marketing Business
- 2007 - 2008 : Executive Vice President, Retail Marketing
- 2004 : Senior Vice President, Retail Marketing
- 2001 : Vice President, Retail Marketing
- 1998 : Senior Manager, Central District
- 1994 : Manager, North and Central Districts

- **Other directorship positions / Other positions at present**

- Other listed companies
 - None -
- Non-listed companies
 - Director, Bangchak Green Net Company Limited

Mr. Bundit Sapianchai

Acting Senior Executive Vice President, Corporate Business Development

- **Age 48**

- **Education / Training**

- Master's degree in engineering, Asian Institute of Technology (AIT), Thailand
- BS (Engineering), King Mongkut's Institute of Technology Ladkrabang
- Director Accredited Program (DAP 28/2004), Thai Institute of Directors (IOD)
- Director Certification Program (DCP 53/2005), Thai Institute of Directors (IOD)
- Management in Globalizing Era (Ex-PSM 5), Fiscal Policy Research Institute
- Graduate Diploma in Public Law and Management #10, King Prajadhipok's Institute

- **Experience**

The Bangchak Petroleum Public Company Limited

- April 2012 - present : Acting Senior Executive Vice President, Corporate Business Development
- 1998 - April 2012 : Executive Vice President, Corporate Business Development

Others

- 1988 - 1994: Commercial Manager, National Petrochemical Public Company Limited
- 1994 - 1997: Marketing Director, PTT Petrochemical Company Limited
- 1997 - 2004: Business Director, Air Liquide (Thailand) Company Limited
- 2004 - 2008: Executive Vice President, Finance and Strategy, NFC Fertilizer Public Company Limited

- **Other directorship positions / Other positions at present**

- Other listed companies
 - None -
- Non-listed companies
 - Director, ASEAN Potash Mining Public Company Limited
 - Director, Bangchak Solar Energy Company Limited

Mr. Surachai Kositsareewong

Acting Senior Executive Vice President, Accounting and Finance

- **Age 50**

- **Education / Training**

- Master of Business Administration, Steton School of Economics and Business Administration Mercer University, USA
- BA in Merchant Marine, Faculty of Commerce and Accounting, Chulalongkorn University
- Director Certification Program (DCP), Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)
- Audit Committee Program (ACP), IOD
- Executive Development Program (EDP), Fiscal Policy Research Institute

- **Experience**

The Bangchak Petroleum Public Company Limited

- April 2012-Present : Acting Senior Executive Vice President, Accounting and Finance
- 2009-April 2012 : Executive Vice President, Accounting and Finance

Others

- 1998 - 2004: Vice president, Treasury Department,
Small and Medium Enterprise Development Bank of Thailand
- 2004 - 2007: Independent director and audit committee member,
Wyncoast Industrial Park Public Company Limited
- 2005 - 2007: Consultant in business, finance, and investment,
Libra Law Office (Thailand)
- 2007- 2009 : Vice President (Administration) and Chief Finance Officer,
Dhanarak Asset Development Company Limited

- **Other directorship positions / Other positions at present**

- Other listed companies
 - Director, MCOT Public Company Limited
- Non-listed companies
 - Director, Bangchak Biofuel Company Limited
 - Director, Bangchak Green Net Company Limited
 - Director, Fuel Pipeline Transportation Company Limited
 - Director, Bangchak Solar Energy Company Limited
 - Director, Government Savings Bank
 - Commissioner of the Arbitration Committee

Mr. Kiatchai Maitriwong

Executive Vice President, Corporate Administration and Information Technology

- **Age 53**

- **Education / Training**

- MBA Thammasat University
- BS (Chemical engineering), Chulalongkorn University
- Advanced Certificate Course in Public Administration and law for Executives (PLM 11), King Prajadhipok's Institute
- Director Certification Program (DCP), Thai Institute of Directors (IOD)
- Executive Development Program (TLCA EDP 10), Thai Listed Companies Association
- Executive Development Program (EDP), Fiscal Policy Research Institute Foundation
- Oil Price Risk Management, Morgan Stanley (USA)
- The Manager Grid, AIM
- Fire & Business Interruption, The Chartered Insurance Institute (CII)
- Energy Leadership Development for Senior Managers (Class 4), Ministry of Energy
- Executive Development Program Coaching for Result, Mahidol University

- **Experience**

The Bangchak Petroleum Public Company Limited

- 2010 - present : Executive Vice President, Corporate Administration and Information Technology
- 2009 - 2010 : Senior Consultant
- 2008 : Consultant
- 2007 : Senior Vice President, Planning and Supply
- 2006 : Acting Senior Vice President, Planning and Supply
- 2004 : Vice President, Planning, Planning and Supply
- 2002 : Assistant Vice President, Business Strategy Office
- 2001 : Senior Manager, Planning and Evaluation, Marketing Business
- 1997 : Senior Manager, Oil Supply

Others

- Group leader, PRISM Market Outlook, PTT Group
- Course director of BCP Business Supply chain Economic and PTT PRISM Oil Price Risk Management
- Special instructor for refining and supply businesses, Petroleum Institute of Thailand
- Special course instructor and consultant to Ministry of Energy involved in the development of Energy Leadership Development training programs for senior, middle, and junior managers
- Special course instructor of Process Economics, Chulalongkorn University
- Former Vice chairman and committee member, Petroleum Refining Industrial Group, Federation of Thai Industries

- **Other directorship positions / Other positions at present**

- Other listed companies
 - None -
- Non-listed companies
 - Director, Bangchak Solar Energy Company Limited

Mr. Pongchai Chaichirawiwat

Executive Vice President, Renewable Energy Business

- **Age 52**

- **Education / Training**

- MBA, Thammasat University
- Master's degree in engineering, Asian Institute of Technology (AIT), Thailand
- Bachelor's degree in engineering, Chulalongkorn University
- Diploma, Senior Executive Program (SEP-25), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Director Certification Program (DCP), Thai Institute of Directors (IOD)
- Executive Development Program (EDP) #6, Thai Listed Companies Association

- **Experience**

- April 2011-present : Executive Vice President, Renewable Energy Business, and Managing Director appointed to Bangchak Biofuel Company Limited
- 2008 – April 2011 : Senior Vice President (Managing Director appointed to Bangchak Biofuel Company Limited)
- 2007 : Acting Senior Vice President, Commercial Marketing and Lubricants
- 2006 : Vice President, Business

- 2004 : Vice President, Retail Marketing
- 2001 : Senior Manager, Marketing Engineering
- 1998 : Manager, Marketing Engineering

- **Other directorship positions / Other positions at present**

- Other listed companies
 - None -
- Non-listed companies
 - Managing Director, Bangchak Biofuel Company Limited
 - Director, Bangchak Green Net Company Limited
 - Chairman, Ubon Agricultural Energy Company Limited
 - Chairman, Ubon Bio Gas Company Limited
 - Chairman, NP Bio Energy Company Limited
 - Director, Bangchak Solar Energy Company Limited
 - Director, Bangchak Solar Energy (Prachinburi) Company Limited
 - Director, Bangchak Solar Energy (Chaiyaphum 1) Company Limited
 - Director, Bangchak Solar Energy (Buriram) Company Limited
 - Director, Bangchak Solar Energy (Buriram 1) Company Limited
 - Director, Bangchak Solar Energy (Nakhonratchasima) Company Limited

Mr. Somchai Tejavanija

Executive Vice President, Marketing Business

- **Age 49**

- **Education / Training**

- MBA, Thammasat University
- B.ENG (Engineering), Kasetsart University
- Energy Leadership Development for Senior Managers (Class 4), Ministry of Energy
- Executive Development Program (Session 6), Thai Listed Companies Association
- Director Certification Program (DCP), Thai Institute of Directors (IOD)

- **Experience**

- April 2011-present : Executive Vice President, Marketing Business, responsible for Retail Marketing, and Acting Vice President, Marketing Business Strategy and Planning
- 2010 – April 2011 : Senior Vice President-Marketing Business Strategy and Planning, Marketing Business
- 2008 : Senior Vice President-Retail Marketing
- 2006 : Vice President-Retail Marketing Development
- 2003 : Vice President-Associated Company
- 2002 : Assistant Vice President, Metropolitan Area
- 2000 : Senior Manager, Metropolitan Area
- 1996 : Manager, Metropolitan Area

- **Other directorship positions / Other positions at present**

- Other listed companies
 - None -
- Non-listed companies
 - None -

Mr. Chalermchai Udomranu

Executive Vice President, Refinery Business

- **Age 51**
- **Education / Training**
 - MBA, Thammasat University
 - B. Engineering (Electrical), Chulalongkorn University
- **Experience**
 - April 2012-present : Executive Vice President, Refinery Business
 - 2011- April 2012 : Senior Vice President, Refinery Operation, Refinery Business
 - 2009 : Vice President, Refinery Operation, Refinery Business
 - 2005 : Vice President, Refinery Project
 - 2003 : Senior Manager, Refinery Project
 - 2001 : Senior Manager, Technical Service Division
 - 2000 : Senior Manager, Maintenance Service Division
 - 1997 : Manager, Maintenance Service Division
- **Other directorship positions / Other positions at present**
 - Other listed companies
 - None -
 - Non-listed companies
 - None -

Dr. Kitti Nivatvongs

Senior Vice President, Refinery Technique, Refinery Business

- **Age 57**
- **Education / Training**
 - Ph.D. (Engineering), Northwestern University
 - MS (Engineering), Mississippi State University
 - BS (Engineering), Chulalongkorn University
- **Experience**
 - April 2011-present : Senior Vice President, Refinery Technique, Refinery Business
 - 2009 – April 2011 : Vice President, Refinery Engineering, Refinery Business
 - 2005 : Vice President, Technique, Refinery Business
 - 2000 : Senior Manager (Engineering)
 - 1999 : Manager, Technique and Environment
- **Other directorship positions / Other positions at present**
 - Other listed companies
 - None -
 - Non-listed companies
 - None -

Mr. Pichit Wongrujiravanich

Senior Vice President, Internal Control Office

- **Age 52**
- **Education / Training**
 - MS (Accounting), Thammasat University
 - BA (Accounting), Thammasat University
 - Certified Public Accountant, license no. 3766
 - Director Accreditation Program (DAP), Thai Institute of Directors (IOD)
 - Audit Committee Program (ACP), Thai Institute of Directors (IOD)
- **Experience**
 - April 2011 - present : Senior Vice President, Internal Control Office
 - 2005 - April 2011 : Vice President, Internal Control Office
 - 1992 : Assistant to Executive Director, Yontrakit Group
- **Other directorship positions / Other positions at present**
 - Other listed companies
 - None -
 - Non-listed companies
 - None -

Mr. Dhanajit Makarananda

Senior Vice President, Refinery Engineering, Refinery Business

- **Age 53**
- **Education / Training**
 - Master of Science in Chemical Engineering, The University of Southwestern Louisiana
 - BS (Chemical technology), Chulalongkorn University
 - Energy Leadership Development for Senior Managers (Class 5), Ministry of Energy
- **Experience**
 - April 2012 - present: Senior Vice President, Refinery Engineering, Refinery Business
 - 2011 - April 2012 : Vice President, Refinery Engineering, Refinery Business
 - 2009 : Vice President, Refinery Technique, Refinery Business
 - 2004 : Vice President, Operations, Refinery Business
 - 2001 : Senior Manager, Refining Operations
 - 2000 : Senior Manager (Technique and Environment)
 - 1997 : Senior Manager (Operations)
- **Other directorship positions / Other positions at present**
 - Other listed companies
 - None -
 - Non-listed companies
 - None -

Mr. Phichet Emwattana

Senior Vice President, Planning and Logistics, Refinery Business

- **Age 45**

- **Education / Training**

- BS (Engineering), Chulalongkorn University

- **Experience**

- April 2012 – present : Senior Vice President, Planning and Logistics, Refinery Business
- 2009-April 2012 : Vice President, Planning and Logistics, Refinery Business
- 2008 : Acting Senior Vice President, Planning and Logistics
- 2007 : Vice President, Corporate Business Development Office
- 2006 : Senior Manager, Strategy and Risk Management Office
- 2004 : Senior Manager, Oil Supply and Wholesale Operations
- 2000 : Manager, Oil Supply and Wholesale Operations

- **Other directorship positions / Other positions at present**

- Other listed companies
 - None -
- Non-listed companies
 - Director, Bangchak Solar Energy (Chaiyaphum1) Company Limited

Mr. Chokchai Atsawarangsali

Senior Vice President, Business Development , Corporate Business Development

- **Age 44**

- **Education / Training**

- MBA, Kasetsart University
- BS (Engineering), Chulalongkorn University
- Director Certification Program (DCP), IOD
- TCLA Executive Development Program (EDP), Thai Listed Companies Association
- Energy Leadership Development for Senior Managers (Class 6), Ministry of Energy
- Executive Development Program 2011, Minister of Finance
- Senior Executive Program (SEP-26), The Sasin Graduate Institute of Business Administration of Chulalongkorn University

- **Experience**

- April 2012– present : Senior Vice President, Business Development, Corporate Business Development
- 2009 – April 2012 : Vice President, Business Development, Corporate Business Development
- 2007 : Vice President, Company Secretariat, and Company Secretary
- 2005 : Senior Manager, Company Secretariat
- 2004 : Senior Manager, Business Strategy and Enterprise Risk Management Office
- 2003 : Manager, Marketing Business
- 2002 : Manager, Business Strategy and Analysis
- 2000 : Manager, Oil Supply

- **Other directorship positions / Other positions at present**

- Other listed companies
 - None -
- Non-listed companies
 - Director, Bangchak Solar Energy (Prachinburi) Company Limited



Changes in the Securities Portfolios of the Board and the Executive

The Company has notified all Board of Directors and Executives team members about the announcement of the Securities and Exchange Commission (SEC), calling on them to report their portfolios, including those of their spouses and children not yet of age, to SEC within 30 days of their appointment to the Board and the management rank, and to do so with each change in portfolio.

Each month the portfolios and changes of the Board and the executives are reported to the Board at their meeting. As of year-end 2012, these portfolios were as follows.

Name	Type of Securities 1/	Shares as of Year-end 2011	Shares as of Year-end 2012	Up (Down)
Board of Directors				
Mr. Pichai Chunchavajira ^{1/}	-	-	-	-
Prof. Dr. Chai-Anan Samudavanija	-	-	-	-
Mr. Krairit Nilkuha	-	-	-	-
Dr. Anusorn Tamajai	-	-	-	-
General Dapong Ratanasuwan ^{2/}	-	-	-	-
Mr. Surin Chiravisit	-	-	-	-
Mr. Issra Shoatburakarn	-	-	-	-
Mr. Suthep Wongvorazathe ^{2/}	-	-	-	-
Mr. Prasong Poontaneat ^{1/}	-	-	-	-
Mr. Nuttachat Charuchinda	-	-	-	-
Mr. Sarakorn Kulatham	20,000	-	(20,000)	20,000
Mr. Suphon Tubtimcharoon ^{1/}	-	-	-	-
Mr. Chaiwat Kovavisarach ^{2/}	-	-	-	-
Dr. Anusorn Sangnimnuan	455,708	455,708	-	455,708
Executive Management				
Mr. Vichien Usanachote	48,977	77	(48,900)	48,977
Mr. Wattana Opanon-amata	6,532	3,146	(3,386)	6,532
Mr. Yodphot Wongrukmit	44,096	44,096	-	44,096
Mr. Bundit Sapianchai	31,895	31,895	-	31,895
Mr. Surachai Kositsareewong	42,687	-	(42,687)	42,687
Mr. Kiatchai Maitriwong	11	11	-	11
Mr. Pongchai Chaichirawiwat	44,332	44,332	-	44,332
Mr. Somchai Tejavanija	28,522	28,522	-	28,522
Mr. Chalermchai Udomranu ^{3/}	-	6,865	6,865	-

Note: 1/ Appointed to the Board on April 24, 2012

2/ Appointed to the Board on October 30, 2012

3/ Appointed as Executive Vice President on April 1, 2012



Connected Transactions

1.1 Connected transactions between shareholders

For the years ended 31 December 2011 and 2012, connected transactions with the shareholders were as follows:

Company	Relationship	Connected transaction	2011 Baht (million)	2012 Baht (million)
PTT Plc	Major shareholder	• Value of sale of refined products to PTT	20,394.68	15,147.86
		• Other revenue	123.56	128.10
		• Trade debtors as of the end of the period	1,595.75	1,433.00
		• Value of purchase of refined products from PTT	108,842.32	103,238.01
		• Trade creditors as of the end of the period	7,698.21	12,034.19
		• Creditor to others	411.20	707.13
		• Service fee for the use of PTT's Si Racha Terminal	232.61	291.64
		• Expenses on natural gas, steam and electricity	1,676.11	2,581.68
		• Interests derived from converted subordinated debentures	1.44	-
		• Other expenses	2.26	29.24
		• Advance payments for utilities	129.06	314.62

1.2 Connected transactions with subsidiaries, jointly-controlled businesses, associated companies and related companies during 2011 and 2012 consisted of the following:

1.2.1 Sale of Product and Services: These items are sold and services performed by the Company to subsidiaries, jointly-controlled businesses, associated companies and related companies.

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Green Net Co., Ltd.	20,575.52	24,817.32	- BCP holds 49% shares	- BCP delegates its representatives as directors
Bangchak Biofuel Co., Ltd.	48.86	83.56	- BCP holds 70% shares	- BCP delegates its representatives as directors
Associated companies				
Ubon Agricultural Energy Co., Ltd.	5.00	8.87	- Ubon Bio-Ethanol Co., Ltd. (associated company) holds 100% shares	- BCP delegates its representatives as directors
Other related businesses				
PTT International Trading Co., Ltd.	37.28	1.40	- Connected through PTT Plc	-
PTT Global Chemical Plc	2.73	-	- Connected through PTT Plc	-
Thai Oil Plc	8.32	2.09	- Connected through PTT Plc	-
PTT International Trading DMCC	343.83	120.71	- Connected through PTT Plc	-
IRPC Plc	-	499.94	- Connected through PTT Plc	-

1.2.2 Purchase of product and services: These items have to do with the Company's purchase of products and/or services from subsidiaries, jointly-controlled businesses, associated companies and related companies.

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Green Net Co., Ltd.	1.26	1.68	- BCP holds 49% shares	- BCP delegates its representatives as directors
Bangchak Biofuel Co., Ltd.	1,963.96	3,067.17	- BCP holds 70% shares	- BCP delegates its representatives as directors
Other related businesses				
IRPC Plc	1,470.79	4,036.54	- PTT Plc holds shares in this company	-
PTT Global Chemical Plc	29.63	40.70	- PTT Plc holds shares in this company	-
Thai Oil Plc	9,959.05	16,921.76	- PTT Plc holds shares in this company	-
Thai Lube Base Plc	36.43	121.10	- Connected through PTT Plc	-
IRPC Oil Co., Ltd.	48.11	9.00	- Connected through PTT Plc	-
Fuel Pipeline Transportation Co., Ltd.	136.47	182.99	- BCP holds 5.07% shares	- BCP delegates its representatives as directors
Thai Oleochemicals Co., Ltd.	30.45	-	- Connected through PTT Plc	-
Star Petroleum Refining Co., Ltd.	-	3.15	- PTT Plc holds shares in this company	-
PTT International Trading Co., Ltd.	-	175.15	- PTT Plc holds shares in this company	-

1.2.3 Other revenue from subsidiaries, jointly-controlled businesses, associated companies and related companies.

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Green Net Co., Ltd.	13.16	14.22	- BCP holds 49% shares	- BCP delegates its representatives as directors
Bangchak Biofuel Co., Ltd.	92.71	7.30	- BCP holds 70% shares	- BCP delegates its representatives as directors
Bangchak Solar Energy Co., Ltd.	-	1.95	- BCP holds 100% shares	- BCP delegates its representatives as directors
Associated companies				
Ubon Bio Ethanol Co., Ltd.	0.66	1.62	- BCP holds 21.28% shares	- BCP delegates its representatives as directors
Other related businesses				
PTTEP Siam Co., Ltd.	0.09	0.09	- Connected through PTT Plc	-
Fuel Pipeline Transportation Co., Ltd.	5.15	8.83	- BCP holds 5.07% shares	- BCP delegates its representatives as directors
Star Petroleum Refining Co., Ltd.	10.81	4.93	- PTT Plc holds shares in this company	-
PTT Global Chemical Plc	6.08	6.61	- PTT Plc holds shares in this company	-
PTT International Trading DMCC	0.01	0.01	- PTT Plc holds shares in this company	-

1.2.4 Other revenue from subsidiaries, jointly-controlled businesses, associated companies and related companies.

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Green Net Co., Ltd.	0.73	0.75	- BCP holds 5.07% shares	- BCP delegates its representatives as directors

1.2.5 Interest expenses paid by the Company to subsidiaries for loan guarantees under grant of operating rights.

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Green Net Co., Ltd.	20.03	17.09	- BCP holds 49% shares	- BCP delegates its representatives as directors
Bangchak Solar Energy Co., Ltd.	1.38	3.94	- BCP holds 100% shares	- BCP delegates its representatives as directors
Other related businesses				
NPC Safety and Environmental Services Co., Ltd.	1.58	1.16	- Connected through PTT Plc	-
Energy Complex Co., Ltd.	21.07	21.33	- PTT Plc holds shares in this company	-
PTT ICT Solutions Co., Ltd.	44.48	16.75	- PTT Plc holds shares in this company	-
Thai Oil Plc	0.05	1.16	- PTT Plc holds shares in this company	-
IRPC Plc	0.12	-	- PTT Plc holds shares in this company	-
Thai Oil Energy Services Co., Ltd.	0.06	0.38	- Connected through PTT Plc	-
PTT Exploration and Production Plc	-	0.06	- PTT Plc holds shares in this company	-
PTT Global Chemical Plc	-	0.03	- PTT Plc holds shares in this company	-
Star Petroleum Refining Co.,Ltd.	-	0.22	- PTT Plc holds shares in this company	-

1.2.6 Debtors, advance payments and short-term loans to related businesses

1.2.6.1 Trade debtors

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Green Net Co., Ltd.	689.75	907.75	- BCP holds 49% shares	- BCP delegates its representatives as directors
Bangchak Biofuel Co., Ltd.	11.37	8.01	- BCP holds 70% shares	- BCP delegates its representatives as directors
Associated companies				
Ubon Agricultural Energy Co., Ltd.	2.30	-	- Ubon Bio-Ethanol Co., Ltd. (associated company) holds 100% shares	- BCP delegates its representatives as directors
Other related businesses				
Fuel Pipeline	0.98	2.03	- BCP holds 5.07% shares	- BCP delegates its representatives as directors
Thai Oil Plc	0.48	-	- PTT Plc holds shares in this company	-
PTT International Trading DMCC	120.55	-	- PTT Plc holds shares in this company	-
PTT International Trading Co., Ltd.	37.28	-	- PTT Plc holds shares in this company	-
Star Petroleum Refining Co., Ltd.	11.56	-	- PTT Plc holds shares in this company	-
PTT Global Chemical Plc	0.41	-	- PTT Plc holds shares in this company	-

1.2.7 Debtors, advance payment and long- term loans to related businesses

1.2.7.1 Advance transport expenses

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Other related businesses				
Fuel Pipeline Transportation Co., Ltd.	12.00	3.41	- BCP holds 5.07% shares	- BCP delegates its representatives as directors

1.2.7.2 Other debtors

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Solar Energy Co., Ltd.	-	1.25	- BCP holds 100% shares	- BCP delegates its representatives as directors
Associated companies				
Ubon Bio-Ethanol Co., Ltd.	0.13	0.27	- BCP holds 21.28% shares	- BCP delegates its representatives as directors

1.2.8 Creditors of related businesses

1.2.8.1 Trader creditors

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Green Net Co., Ltd.	9.45	2.16	- BCP holds 49% shares	- BCP delegates its representatives as directors
Bangchak Biofuel Co., Ltd.	87.62	93.25	- BCP holds 70% shares	- BCP delegates its representatives as directors
Bangchak Solar Energy Co., Ltd.	-	2.14	- BCP holds 100% shares	- BCP delegates its representatives as directors
Other related businesses				
Thai Oil Plc	181.83	491.61	- PTT Plc holds shares in this company	-
Thai Lube Base Plc	1.95	3.04	- Connected through PTT Plc	-

1.2.8.2 Other creditors

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Solar Energy Co., Ltd.	1.38	-	- BCP holds 100% shares	- BCP delegates its representatives as directors
Other related businesses				
Fuel Pipeline Transportation Co., Ltd.	15.90	21.02	- BCP holds 5.07% shares	- BCP delegates its representatives as directors
Energy Complex Co., Ltd.	0.06	0.06	- PTT Plc holds shares in this company	-
PTT ICT Solutions Co., Ltd.	0.01	0.01	- PTT Plc holds shares in this company	-

1.3 Other non- current assets. These items are the Company's guarantee payment for office use under lease contracts for office and related services.

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Other related businesses				
Energy Complex Co., Ltd.	4.51	4.75	- PTT Plc holds shares in this company	-

1.4 Other current liabilities: These items are the Company's demanded guarantee payment for operating contracts with subsidiaries companies.

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Subsidiaries				
Bangchak Green Net Co., Ltd.	27.23	27.97	- BCP holds 49% shares	- BCP delegates its representatives as directors

1.5 Other non-current liabilities: These items are the Company's revenue received in advance for land lease from related companies.

Related company	2011 Baht (million)	2012 Baht (million)	Relationship for the year ended 31 December 2012	
			Shareholding	Management
Other related businesses				
Fuel Pipeline Transportation Co., Ltd.	5.35	4.87	- BCP holds 5.07% shares	- BCP delegates its representatives as directors

1. Connected transactions with PTT Plc

Orders for crude oil supplies between BCP and PTT, which is BCP's crude oil supplier for sale to industrial operators under the terms of feedstock supply agreements, are designed to enhance BCP's capability for sourcing feedstock for its processes. As for the sale of refined products, PTT notifies BCP six months in advance of its orders. A meeting is held each month to confirm orders, for which pricing follows market prices.

BCP entered into a 10-year contract with PTT, starting on August 3, 2009, for natural gas purchase to feed BCP's processes. Pricing was agreed in the contract with the terms and conditions considered normal business practice.

BCP entered into a contract with PTT for the use of PTT's Si Racha petroleum and gas terminal service. The 15-year contract, which started on January 1, 2009, involves receipt, storage and distribution of oil products. The service charge was agreed in the contract with the terms and conditions considered normal business practice.

BCP entered into an agreement with PTT to operate NGV fueling stations. The Company earned income from land use and station operation at the rates agreed in the contract, with the terms and conditions considered normal business practice.

BCP entered into an agreement with PTT on February 25, 2008, for the sale/purchase of electricity and steam. Under the contract, PTT is the investor in the construction of a plant with a capacity to produce 90 tons per hour of steam and 19.7 megawatts of electricity, while BCP is the sole buyer of all products at the prices agreed in the contract with the terms and conditions considered normal business practice. Commercial production started in June 2010.

BCP holds convertible, subordinated, unsecured bonds specifying the holder's names for BCP's financial restructuring. This gives BCP access to sources of funds with better conditions.

2. Connected transactions with Bangchak Green Net Co., Ltd.

Bangchak Green Net managed Bangchak service stations and consumer product sales at Lemon Green and Bai Chak outlets. These connected transactions followed normal business practices, relied on market prices and followed the details stated in the operating right agreements.

3. Connected transactions with Bangchak Biofuel Co., Ltd.

A subsidiary company, Bangchak Biofuel was set up to produce and sell biodiesel. These connected transactions followed normal business practices, relied on market prices and followed details stated in the operation contracts.

4. Connected transactions with Bangchak Solar Energy Co., Ltd.

A subsidiary company, Bangchak Solar Energy Co., Ltd., operated a 38-megawatt power plant to produce electricity from solar cell (Sunny Bangchak) phase 1, at Amphoe Bang Pa-in, Ayutthaya. These connected transactions followed normal business practices, relied on market prices and followed details stated in the operation contracts.

5. Connected transactions with Ubon Bio-Ethanol Co., Ltd.

The Company's associated company, is engaged in cassava-based ethanol production with a production capacity of 400,000 liters per day, equivalent to 132,000,000 liters per year. The plant can run on fresh cassava, cassava chips, and molasses. The ethanol was used in the production of BCP's gasohol and some was exported to China. The transaction with this company followed normal business practices, relied on market prices and followed details stated in the operation contracts.

6. Connected transactions with Ubon Agricultural Energy Co., Ltd.

Transactions with Ubon Agricultural Energy Co., Ltd., a connected company as a result of Ubon Bio-Ethanol Co., Ltd. (BCP's associated company), holding shares in this company, followed normal business practices and market prices.

7. Connected transactions with Fuel Pipeline Transportation Co., Ltd.

BCP entered into contracts with this company to take its oil products from Bangchak Depot to its Bang Pa-in Depot and sell them to its customers in the Central, North and Northeast under normal business conditions and market prices.

8. Connected transactions with Fuel Pipeline Transportation Co., Ltd.

Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices

9. Connected transactions with PTT Global Chemical Plc

(a company founded through the amalgamation of PTT Aromatics and Refining Plc and PTT Chemical Plc)

Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

10. Connected transactions with Thai Lube Base Plc

Transactions with this company, a connected company as a result of shared relationship through PTT, followed normal business practices and market prices.

11. Connected transactions with IRPC Plc

Transactions with this company, a connected company as a result of shared relationship through PTT, followed normal business practices and market prices.

12. Connected transactions with NPC Safety and Environmental Services Co., Ltd.

Service fees with this company, a connected company as a result of shared relationship through PTT, followed normal business practices and market prices.

13. Connected transactions with PTT International Trading Co., Ltd.

Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

14. Connected transactions with PTT ICT Solutions Co., Ltd.

Payment for the rights to use Microsoft software from this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

15. Connected transactions with PTTEP Siam Co., Ltd.

Other services fees with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

16. Connected transactions with Energy Complex Co., Ltd.

The deposit payments, office rents and office service fees with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

17. Connected transactions with Thai Oleochemicals Co., Ltd.

Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

18. Connected transactions with PTT Exploration and Production Plc

Other services fees with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

19. Connected transactions with PTT International Trading DMCC

Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

20. Connected transactions with IRPC Oil Co., Ltd.

Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

21. Connected transactions with Star Petroleum Refining Co., Ltd.

Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

22. Connected transactions with Thai Oil Energy Services Co., Ltd.

Other services fees with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

These transactions were undertaken in the normal course of business, with none taken as extraordinary transactions. No siphoning of interests occurred among BCP, subsidiary companies, connected companies and shareholders. Approvals were scrutinized by the President, who duly approved them as authorized by Company regulations, with the exception of the underwriting of debentures and equity stocks by the Ministry of Finance, which enabled BCP to find sources of funds with superior conditions to the case without underwriting them.

Disclosure of connected transactions follow the rules of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as the accounting standards concerning the disclosure of information concerning connected parties and businesses, as defined by the Federation of Accounting Profession of Thailand.

Policy for future connected transactions

In undertaking future connected transactions, BCP will continue its product and oil pipeline transport service transactions with connected companies, since these represent normal business practices in the same industry. The pricing of products and services follow market practices and/or the details stipulated in commercial contracts. However, in such cooperation, BCP takes into consideration its best interests. The Audit Committee and the Internal Audit Office are to supervise and review BCP's business to ensure its conformance to securities and SET laws, as well as the requirements, announcements, or regulations of SET. In addition, for whichever transactions involving BCP executives, they are not allowed to cast their votes in meetings.



Management's Discussion and Analysis for Business Operations

For the year ended December 31, 2012

1. Executive Summary

For the year ended 2012, the Consolidated Financial Statements recorded a net profit of Baht 4,303 million. The net profit attributed to equity owners of the Company amount Baht 4,273 million, EPS was 3.10 baht.

The Company's Performance can be summarized as follow:

(Unit: Million Baht)	For Year		Δ		Q 4	
	2012	2011	+/-	%	2012	2011
Sale Revenues	165,246	158,610	+6,636	+4.2	43,952	40,172
Net Profit ^{1/}	4,273	5,610	-1,338	-23.8	1,147	561
EPS (Baht)	3.10	4.24	-1.14	-26.9	0.83	0.37 ^{2/}

Note 1/ excluding the profit attributed to Non-Controlling interests

2/ adjusted by the weighted average number of ordinary shares outstanding.

Business unit performance could be summarized as follows;

Refinery business generated EBITDA amounted Baht 5,403 million, a decreased of Baht 2,102 million from 2011, resulted by a Baht 2,565 million decreased in gain from inventory. Also, because of the Annual Turnaround Maintenance (TAM) in the second quarter of the year 2012 and the incident of Crude Distillation Unit (CDU) no.3 in the third quarter of 2012, the average capacity was then dropped to the level of 73.71 KBD, compared to the year 2011 which was at 85.69 KBD.

The Company reported a Market GRM of 8.34 \$/bbl, inventory gain (incl. oil hedging and FX Hedging for inventory) of 0.02 \$/bbl, and GRM hedging gain (incl. FX hedging on GRM) of 0.84 \$/bbl. Thus, the total GRM was at 9.20 \$/bbl, a slightly increase from 2011 which was at 9.05 \$/bbl.

The marketing business generated an EBITDA amounted of Baht 1,744 million, an increase of Baht 452 million from 2011. Marketing margin (excluding lube) was at Baht 0.61 per litre, an increase of Baht 0.06 per litre compared to year 2011 which was at Baht 0.55 per litre. Furthermore, sales volume through marketing channel increased by 6.02 KBD or 8.38% to the level of 77.89 KBD from the previous level of 71.87 KBD in 2011.

Sales volume through Company's service station increased from 40.18 KBD in 2011 to 43.43 KBD in 2012 (a growth of 3.25 KBD or 8.1% year-over-year) which is higher than the average sector growth of 5.31% year-over-year of petroleum traders in accordance with section 7 (Department of Energy Business, Ministry of Energy, 2012)

Solar Power Plant Business phase I (38 MW PPA) generated an EBITDA of Baht 423 million, an increase of Baht 404 million compared to year 2011, which an operation was ceased due to severe flooding situation in Thailand. The Solar Power Plant had resumed its operation on July 16, 2012.

The Company and its subsidiaries performance could be summarized as follows;

Unit: Million Baht

	For Year		Δ		4Q	
	2012	2011	Amount	%	2012	2011
Revenue	165,246	158,610	+6,636	4.2	43,952	40,172
EBITDA	7,770	8,902	-1,132	-12.7	2,050	1,170
Profit	4,273	5,610	-1,337	-23.8	1,147	561
Basic earnings per share (in Baht)	3.10	4.24	-1.14	-26.9	0.83	0.37
Refinery Business						
● Crude run (KBD)	73.71*	85.69	-11.98	-14.0	84.8*	94.57
● Utilization (%)	61.43%	71.41%	-	-	70.67%	78.81%
● Market GRM (\$/bbl)	8.34	6.71	+1.63	+24.3	10.64	5.65
Marketing Business						
● Sales volume through marketing channel (KBD)	77.89	71.87	+6.02	+8.38	81.15	73.58
● Marketing margin (excl. lube) (Baht per litre)	0.61	0.55	+0.06	+10.9	0.61	0.64
Solar Power Plant Business						
● Revenue	378	28	+350	+1,250	185	28
● EBITDA	423**	19	+404	+2,126	166	19
Additional Data (Average)						
● Dubai price	109.13	106.56	+2.57	+2.4	107.51	106.49
● FX	31.22	30.63	+0.59	+1.9	30.58	31.52

* Crude run had an impact from Annual Turnaround Maintenance and incident of Crude Distillation Unit no.3 in 2012. However, CDU no.3 has resumed to normal operation since October 2012.

** Included revenue from Indemnity of business interruption for Solar Power Plant Business Phase 1 amounted Baht 73 million.

Company's projects progress status are shown as follow:

Project	Details	Progress
1. Refinery Business Project		
1.1 Tail Gas Treating Unit Project	The project helps decreasing the emission level of Sulfur Dioxide from the Sulfur Recovery Unit. The total project value is approximately USD 37 million.	The foundation work was finished and structure work will be completed soon. Equipment installation process will be started in early 2013. Project progress is on schedule and expected to have project completion at the end of 2013 as planned.
2. Marketing Business Project		
2.1 Gasohol Promotion Project	The project aims to promote and expand the use of gasohol through increasing numbers of E20 and E85 service stations, including sales promotion through gasohol club card.	At the year ended 2012, the Company's had an average sales volume of E20 of 14.45 million litres per month and E85 of 2.14 million litres per month. In the fourth quarter of 2012 the average sales volume of E20 was at 18.31 million litres per month and E85 at 3.52 million litres per month. The Number of E20 service stations and E85 service stations are 581 and 51 stations, respectively.
2.2 Mini BigC in Bangchak Service Stations	It is a cooperative between the Company and BigC, through the investment of BigC in setting up and operating Mini BigC in Bangchak Service Stations. Bangchak will receive benefits in terms of revenue sharing. The Company also expects an increase of averaging 5 to 8% in oil sales through service stations.	At the year ended 2012, there were 7 branches of Mini BigC in Bangchak station: New Charoenkrung, Sukapibarn1 (2), Pattanakarn, Rama 3, Sukhumvit 99, Phaholyothin38 and Ekamai-Ramintra Highway
3. Renewable Energy Business Project		
3.1 Electricity Generation from Solar Energy – Solar Power Plant Phase 2 (Bangchak Solar Energy Co., Ltd. /BSE)	There are 2 sites of solar energy power plant with a total power purchase agreement (PPA) of 32 MW supplied to Provincial Electricity Authority (PEA), namely 1. A PPA of 16 MW at Bam Net Narong District, Chaiyaphum Province. 2. A PPA of 16 MW at Bang Pa Han District, Ayudhaya Province.	The project is under construction and expected to have Commercial Operation Date (COD) in 1Q 2013 The project is under construction and expected to have COD in 1Q 2013
3.2 Electricity Generation from Solar Energy – Solar Power Plant Phase 3	The electricity generation from solar energy with a total power purchase agreement (PPA) of 48 MW supplied to PEA	The project is during contractors selection process and will be located in the east and northeast of Thailand.
3.3 Bio Fuel (B100) production by Bangchak Bio Fuel Co., Ltd. /BBF	BBF's current capacity is 360,000 litres per day, with an expansion plan of 300,000 litres per day, totaling capacity will be 660,000 litres per day.	The expansion project is under planning stage.
3.4 Ethanol Production by Ubon Bio Ethanol/ UBE	1. To produce Ethanol with a capacity of 400,000 litres per day. 2. Cassava flour production plant with a capacity of 300 Tons per day including biogas production plant.	The project had an adjustment in production process for the feed from cassava, cassava chips or molasses and started the commissioning in December of 2012 and will be commercially operated (COD) in the first quarter of 2013

Financial related activities in year 2012

	Details	Progress
1. Company Credit Rating	TRIS rating is the Company's credit rating agency since 2008	In year 2012, the Company was rated stable A- rating on 26 December 2012
2. Debenture Issuance	A debentures issuance of Baht 3,000 million for the purpose of investment, debt repayment, and/or for working capital. The bond has been rated stable A- by TRIS rating agency.	The Company had issued unsubordinated and unsecured debentures to institutional investors and High Net Worth investors and having Bangkok Bank as sole lead arranger and registrars - 7 years tenor tranche with an interest rate of 4.92 % per annum and the maturity was scheduled on 30 April 2019 - 10 years tenor tranche with an interest rate of 5.35% per annum and the maturity was scheduled on 30 April 2022
3. Dividend Policy	The company's dividend policy is to pay dividend of not less than 30 percent of net profit of consolidated financial statements after deduction of allocation of legal reserve (with additional conditions)	In 1Q2012, the Company announced dividend payment of 1 baht per share for the operation period from 1 July 2011 until 31 December 2011 In 3Q2012, the Company announced interim dividend payment of 0.35 baht per share for the operation period between 1 January 2012 until 30 June 2012

2. Oil Price Situation

Average Dubai crude price in 2012 increased 2.57\$ per barrel from the level of 106.56\$ per barrel in 2011 to 109.13\$ per barrel. For the first half of the year, the oil price was affected by several factors; the concerns on Economics and Financial crisis in Euro Zone, particularly in Greece and Spain. The crude price continuously went up after supply disruption concerns over Iran nuclear program. The EU announced a halt oil imports from Iran from July 1, while the US banned financial transactions with Iran to pressure Iran in order to cease Uranium Enrichment Program. Iran has threatened to retaliate by closing the Strait of Hormuz which is a major oil shipping route in the world. The Conflict between Sudan and South Sudan on oil exports, the unrest in Syria and sabotage in Yemen are also driven the crude prices. In addition, Saudi Arabia had pumping more crude above its quota to pressure crude prices.

For the second half of 2012, there were various factors supported crude price, for example, the Issuance of EFSF/ESM Agreement to directly fund commercial banks, economics and employment stimulus agreement including remaining low interest rate policy. Moreover, supply dropped because of many oil platforms near the Gulf of Mexico had stopped production which was caused by the Hurricane Isaac in September. And also, the turnaround period of crude production in the North Sea was suspended longer than expected. In addition, oil price had been driven by an increase of commodities prices after Fed announced another round of Quantitative Easing both QE3 and QE4 totaling \$85 billion to encourage job employment and economics growth.

Nevertheless, crude price slightly decreased in the fourth quarter of 2012 compared to the third quarter of 2012, pressured by the U.S. demand fell after the Hurricane Sandy damaged the U.S. East Coast while crude oil production in the U.S. increased to more than 7 million barrels per day which was the highest figure since 1993 coupling with a continuously increase in Shale oil production. Lastly, we still have to keep an eye closely on the agreement of the U.S. government debt ceiling and U.S. fiscal cliff issue.

The table of oil prices and crack spreads comparison

Unit: USD/bbl

Price	FY 2012			FY 2011	Changes	4Q 2012	4Q 2011	Changes
	MAX	MIN	AVG (A)	AVG (B)	(A)-(B)	AVG (C)	AVG (D)	(C)-(D)
DB	124.2	89.10	109.13	106.56	+2.57	107.51	106.49	+1.02
UNL95/DB	23.39	6.52	14.42	13.53	+0.89	13.24	9.76	+3.48
IK/DB	23.24	12.12	17.72	19.41	-1.69	19.23	18.28	+0.95
GO/DB	22.41	12.58	17.08	18.31	-1.23	17.43	17.88	-0.45
FO/DB	5.47	-13.42	-3.32	-5.18	+1.86	-9.01	-0.39	-8.62

3. Operating Result

3.1 Summary of the Operating Results on consolidated basis

Unit: Million Baht

Statements of Income	For Year		Changes	4Q 2012	
	2012	2011	+ / (-)	2012	2011
Revenue from sale of goods and rendering of services	165,246	158,610	+6,635	43,952	40,172
Cost of sale of goods and rendering of services	(158,083)	(147,984)	+10,099	(41,929)	(38,364)
Gross Profit	7,163	10,626	-3,463	2,023	1,808
Reversal of allowances for loss from inventory write-down	-	-	-	23	3
Gain (loss) from crude and product oil price hedging contract	869	(759)	+1,628	271	117
Gain (loss) from foreign currencies forward contract	746	(701)	+1,447	119	(111)
Gain on foreign exchange	346	170	+176	43	(86)
Net reversal of allowance for loss from impairment of assets	295	12	+283	239	(227)
Other income / expense	638	1,524	-886	368	70
Selling & Administrative Expenses	(4,100)	(3,841)	+259	(1,477)	(1,305)
Profit before financial costs and income tax expense	5,957	7,031	-1,074	1,610	269
Finance costs	(940)	(783)	+157	(274)	(195)
Income tax expense	(715)	(615)	+100	(190)	472
Profit / (Loss)	4,303	5,632	-1,330	1,146	546
• Non-controlling interests	30	22	+8	(1)	(15)
• Owners of the Company	4,273	5,610	-1,338	1,147	561

Revenues

- For the year ended 2012, the revenues from sale of goods and rendering of services of the Company and its subsidiaries were Baht 165,246 million, comprised of the Company's revenues of Baht 162,623 million, Bangchak Green Net Company Limited (BGN)'s revenues of Baht 26,153 million, Bangchak Bio Fuel Company Limited (BBF)'s revenues of Baht 4,443 million and Bangchak Solar Energy Company Limited (BSE)'s revenues of Baht 3.94 Million. However, there was a connected transaction of Baht 27,977 million which mostly associated with the sales transactions from the Company to BGN and B-100 product produced by BBF sold to the Company.
- At the end of the fourth quarter of 2012, the revenues from sale of goods and rendering of services of the Company and its subsidiaries were Baht 43,952 million, comprised of the Company's revenues of Baht 43,337 million, Bangchak Green Net Company Limited (BGN)'s revenues of Baht 6,713 million, Bangchak Bio Fuel Company Limited (BBF)'s revenues of Baht 952 million and Bangchak Solar Energy Company Limited (BSE)'s revenues of Baht 1.35 Million. However, there was a connected transaction of Baht 7,051 million.

Cost of sale of goods and rendering of services

- For the year ended 2012, the cost of sale of goods and rendering of services of Consolidated Statement of Income was Baht 158,083 million, comprised of the Company's costs of Baht 156,319 million, Bangchak Green Net Company Limited (BGN)'s costs of Baht 25,339 million, Bangchak Bio Fuel Company Limited (BBF)'s costs of Baht 4,284 million and Bangchak Solar Energy Company Limited (BSE)'s costs of Baht 2.94 million, adjusted by a connected transaction of Baht 27,862 million, which mostly were the Company's cost of sales of finished oil products sold to BGN and B-100 product produced by BBF sold to the Company.
- At the end of the fourth quarter of 2012, the cost of sale of goods and rendering of services of Consolidated Statement of Income was Baht 41,929 million, comprised of the Company's costs of Baht 41,469 million, Bangchak Green Net Company Limited (BGN)'s costs of Baht 6,517 million, Bangchak Bio Fuel Company Limited (BBF)'s costs of Baht 962 million and Bangchak Solar Energy Company Limited (BSE)'s costs of Baht 1.45 million, adjusted by a connected transaction of Baht 7,020 million.

Net Profit

- For the year ended 2012, the Consolidated Statement of Income recorded a profit of Baht 4,303 million, which was the Company's profit of Baht 4,200 million, Bangchak Green Net Company Limited (BGN)'s profit of Baht 29 million, Bangchak Bio Fuel Company Limited (BBF)'s profit of Baht 100 million, Bangchak Solar Energy Company limited (BSE)'s net loss of Baht 1.49 million and Baht 23 million share of loss of associates. Taking out the profit attributable to Non-Controlling interests of Baht 30 million, the remaining profit to owners of the Company was Baht 4,273 million (Earning per Share was 3.10 Baht.)
- At the end of the fourth quarter of 2012, the Consolidated Statement of Income recorded a profit of Baht 1,146 million, which was the Company's profit of Baht 1,180 million, Bangchak Green Net Company Limited (BGN)'s net loss of Baht 22 million, Bangchak Bio Fuel Company Limited (BBF)'s net loss of Baht 4 million, Bangchak Solar Energy Company limited (BSE)'s net loss of Baht 1.63 million and Baht 7 million share of loss of associates. Taking out the profit attributable to Non-Controlling interests of Baht 1 million, the remaining profit to owners of the Company was Baht 1,147 million (Earning Per Share was 0.83 Baht.)

3.2 Analysis of the Company's Operating Results

Unit: Million Baht

Statements of income	For Year		Changes	4Q	
	2012	2011	+ / (-)	2012	2011
Revenue from sale of goods and rendering of services	162,623	156,928	+5,694	43,337	39,792
Cost of sale of goods and rendering of services	(156,319)	(147,033)	+9,286	(41,469)	(38,082)
Gross Profit	6,304	9,896	-3,592	1,868	1,710
Gain (loss) from crude and product oil price hedging contract	869	(759)	+1,628	271	117
Gain (loss) from foreign currencies forward contract	746	(701)	+1,447	119	(111)
Gain on foreign exchange	346	170	+176	43	(86)
Net reversal of allowance for loss from Impairment of assets	295	12	+283	239	(227)
Other income / expense	658	1,629	-971	374	73
Selling, General & Administrative Expense	(3,401)	(3,249)	+152	(1,270)	(1,144)
Profit before financial costs and income tax expense	5,816	6,998	-1,182	1,645	333
Finance costs	(910)	(748)	+162	(268)	(187)
Income tax expense	(706)	(607)	+98	(198)	468
Profit / (Loss)	4,200	5,643	-1,443	1,180	614

Company Operating Results for year ended 2012

- The Company's recorded revenues from sales of goods and rendering of services of Baht 162,623 million, comprised of revenues from sales of petroleum products (excluding lubricants) of Baht 160,366 million, sales of lubricants of Baht 1,879 million and revenues from solar business of Baht 378 million which constituted an increase in Company's revenues of Baht 5,694 million when compared to end of year 2011. The reason of the increase was from an increase in average Dubai crude price of 2.57 \$/bbl when compared to previous year and the realized of revenues from 38 MW solar business after the recovering from the massive flood.
- A Gross profit of Baht 6,304 million, a drop of Baht 3,592 million or 36.3% from previous year which was resulted from the lower level of average crude run of 73.71 KBD in 2012 (decreased from the average crude run in 2011 which was at 85.69 KBD). The main reasons were from the Annual Turnaround Maintenance in the second quarter and the incident at crude distillation unit (CDU) number 3 in the third quarter which was resumed operation in October 2012. Nevertheless, the average Market GRM of 2012 was higher than 2011 from 6.71 \$/bbl to 8.34 \$/bbl. For the details analysis regarding Gross Refinery Margin (GRM), Marketing Margin (MM), and performance result of solar energy business can be found in 3.2.1 to 3.2.3 in section below.
- The Company had a gain from crude and product oil price hedging contract of Baht 869 million and gain from foreign currencies forward contract of Baht 746 million from the decreased in GO/DB spread and the Baht appreciation, respectively.

- Other income of Baht 658 million was comprised of insurance compensation of Baht 383 million (Baht 73 million from Indemnity of business interruption and flood prevention plan for Solar Power Plant Phase 1 in 2Q 2012 and Baht 310 million received from insurance after the incident at CDU no. 3 on July 4, 2012)
- An increase in the finance costs was from issuance of Unsubordinated and Unsecured Debentures of Baht 3,000 million (7-year tenor tranche of Baht 2,000 million with an interest of 4.92% per annum and the 10-year tenor tranche which has an interest of 5.35% per annum)

The breakdown EBITDA by businesses

Unit: Million Baht

	For Year		Δ		4Q	
	2012	2011	2012/2011	%	2012	2011
• Base Performance EBITDA	6,848	6,567	+281	4.3	2,292	976
- Refinery Business	4,681	5,256	-575	-10.9	1,818	664
- Marketing Business	1,744	1,292	+452	+35.0	307	293
- Solar Power Plant	423	19	+404	+2,126.3	167	19
• Gains (loss) from GRM Hedging transactions	707	(331)	+1,038	N/A	297	32
- Oil	686	(171)	+857	N/A	288	67
- FX	21	(160)	+181	N/A	9	(36)
• Gains (loss) from Inventory	15	2,580	-2,565	-99.4	(533)	296
- Inventory Price effect	(893)	3,720	-4,613	-124.0	(626)	321
- Inventory Hedging	908	(1,139)	2,047	N/A	93	(25)
- Oil	183	(588)	771	N/A	(17)	50
- FX	725	(551)	1,276	N/A	110	(75)
• Total Accounting EBITDA	7,570	8,816	-1,246	-14.1	2,056	1,240
- Refinery Business	5,403	7,505	-2,102	-28.0	1,582	928
- Marketing Business	1,744	1,292	+452	+35.0	307	293
- Solar Power Plant	423	19	+404	+2,126.3	167	19

3.2.1 Refinery Business

For year 2012, an average crude run capacity was at 73.71 KBD compared to 86.9 KBD in the same period of 2011 which was the result of the Annual Turnaround Maintenance and the incident of CDU no.3 on July 4 2012 (The CDU no.3 had resumed its operation in October 2012). Refinery's Base Performance EBITDA was Baht 4,681 million, decreased by Baht 575 million. There was a Baht 707 million gained from crude and petroleum product price hedging contract as well as gain from foreign currencies forward contract on GRM. Also, there was a Baht 15 million gain from inventory (including oil and FX hedging on inventory). The EBITDA from the refinery business was Baht 5,403 million, decreased from year 2011 by Baht 2,102 million.

	For Year 2012	For Year 2011	Changes %	4Q	
				2012	2011
Average Crude Run (KBD)	73.71	85.69	-14.0	84.8	94.57
Utilization Rate (%)	61.43%	71.41%		70.67%	78.81%
Average FX (THB/1 USD)	31.22	30.63	+1.9	30.80	31.17

GRM Analysis is shown as follows:

Unit: USD/bbl

GRM	For Year 2012	For Year 2011	Changes +/-	4Q	
				2012	2011
Market GRM	8.34	6.71	+1.6	10.64	5.65
GRM Hedging	0.84	(0.35)	+1.2	1.24	0.12
Gain (Loss) from Inventory	0.02	2.69	-2.7	(2.22)	1.09
Total	9.20	9.05	+0.2	9.66	6.86

* Adjusted in 2012 due to new accounting regulation

Market GRM The market GRM was at 8.34 \$/bbl increased by 1.63 \$/bbl, compared to the same period of 2011 which was at 6.71 \$/bbl

3.2.2 Marketing Business

For the year ended 2012, the EBITDA from the Marketing Business was at Baht 1,744 million, increased 35% from EBITDA of year 2011 which was at Baht 1,292 million. The Company's Marketing Margin (excluding lube) was at Baht 0.61 per litre (equivalent to USD 3.10 per barrel), compared to last year's marketing margin of Baht 0.55 per litre (equivalent to USD 2.86 per barrel).

The sales volume through Marketing Business increased by 8.38% and the total sales volume was at 77.89 KBD

The table below shows the marketing margin

Unit: Baht / litre

	For Year 2012		For Year 2011		Changes +/-		4Q	
	2012	2011	2012	2011	2012	2011	2012	2011
Retail	0.85	0.75	0.85	0.75	+0.10	+0.10	0.89	0.83
Industrial	0.26	0.29	0.26	0.29	-0.03	-0.03	0.21	0.40
Lube	5.86	5.32	5.86	5.32	+0.54	+0.54	6.29	3.82
Total	0.65*	0.58*	0.65*	0.58*	+0.07	+0.07	0.66*	0.67*

* Weighted average method

Sales Volume by Marketing Business

Average sales volume in each market category of the Company

Unit: Baht / litre

	For Year		Δ		4Q	
	2012	2011	+/-	%	2012	2011
Service Station	43.43	40.18	+3.25	+8.1	45.27	39.78
Jobber	2.52	2.11	+0.41	+19.3	2.92	1.42
Industrial sales	19.77	15.94	+3.83	+24.0	21.93	18.64
JET	12.17	13.64	-1.47	-10.8	11.03	13.74
Supply Sale / Others	3.45	3.51	-0.06	-1.8	5.05	4.36
Export	8.90	14.27	-5.37	-37.7	11.24	11.40
Wholesale to PTT	9.29	13.06	-3.77	-28.9	11.00	14.22
Total	99.51	102.70	-3.19	-3.1	108.44	103.57
Feedstock	0.02	0.21	-0.18	-88.8	0.01	0.23
Lube and Glycerine	0.61	0.53	+0.08	+15.7	0.62	0.55
Total	100.14	103.43	-3.29	-3.2	109.06	104.34

For the year 2012, the average sales volume excluding feedstock, lubricant and glycerine was at 99.51 KBD, a decreased of 3.1% compared to the same period last year which was at 102.70 KBD. As the result of the annual turnaround maintenance in the second quarter and the incident of CDU no. 3 which caused the Company to decrease its production, nevertheless, the sales volume through service station was increased from 40.18 KBD in 2011 to 43.43 KBD in 2012 (an increase of 3.25 KBD or 8.1%) which was higher than the average growth of the petroleum traders in accordance with section 7 which grew 5.31% (Department of Energy Business, Ministry of Energy, 2012)

The average sales through service stations in the fourth quarter of 2012 was at 45.27 KBD or increased 5.49 KBD or 13.8%, compared to the same period of 2011 which was higher than the average growth of the petroleum traders in accordance with section 7 which was at 8.24% (Department of Energy Business, Ministry of Energy, 2012)

The average sales to industrial customers increased 3.83 KBD or 24% from 15.94 KBD to 19.77 KBD, sales of lubricants and glyceriene increased 0.08 KBD or 15.7%, and sales through Jobber channel and export volume decreased by 37.7% and 28.9% respectively, compared to the same period of 2011. The incident of CDU no. 3 caused the Company to focus on the sales through service station and less prioritized the sales through export and jobber channel.

Overall sales volume through service station of petroleum traders in accordance with section 7
(Department of Energy Business, Ministry of Energy, 2012)

Unit: Million litre

	For Year		Δ		4Q	
	2012	2011	+/-	%	2012	2011
PTT	7,043	6,764	+279	+4.12	1,836	1,801
ESSO	2,925	2,701	+224	+8.29	756	607
BCP	2,527	2,331	+196	+8.41	662	582
SHELL	2,303	2,162	+141	+6.52	609	565
CHEVRON	1,080	1,095	-15	-1.37	274	298
Others	2,388	2,292	+96	+4.19	637	558
Total	18,266	17,345	+921	+5.31	4,774	4,411

3.2.3 Solar Power Plant Business

For the year 2012, Solar Power Plant Phase I (38 MW) generated revenue of Baht 378 million and received the revenue from insurance, the Indemnity of business interruption and flood prevention plan in the second quarter, of Baht 73 million. After the massive flood in 2011, the solar power plant has resumed its production and started COD on July 16, 2012 and generated the EBITDA of Baht 423 million, increased Baht 404 million from 2011.

4. Analysis of the Financial Position as of December 31, 2012 compared to December 31, 2011

Unit: Million litre

	Consolidated		Company	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011
Assets				
Current assets	37,107	31,294	35,925	30,730
Investments in associates and other long-term investments	723	745	2,498	1,111
Property, plant and equipment	29,919	26,959	27,716	26,062
Other non-current assets	3,104	2,597	3,062	2,592
Total assets	70,853	61,597	69,202	60,494
Liabilities				
Current liabilities	18,218	13,990	17,504	13,787
Long-term borrowings (including current portion)	19,022	16,582	18,567	16,022
Other non-current liabilities	1,290	1,146	1,218	1,114
Total liabilities	38,530	31,717	37,289	30,922
Equity				
Total equity attributable to owners of the company	32,143	29,729	31,913	29,572
Non-controlling interests	180	150	-	-
Total equity	32,323	29,879	31,913	29,572
Total liabilities and equity	70,853	61,597	69,202	60,494

4.1 Assets

- As of December 31, 2012, Total Assets of the Company and its subsidiaries were Baht 70,853 million, comprised of the Company's total assets of Baht 69,202 million, Bangchak Green Net Company Limited (BGN)'s total assets of Baht 1,159 million, Bangchak Bio Fuel Company Limited (BBF)'s total assets of Baht 1,374 million and Bangchak Solar Energy (BSE)'s total assets of Baht 1,950 million, adjusted by connected transactions of Baht 2,832 million which were mainly from sales of gasoline between the Company, BGN, and BBF of Baht 1,013 million, Investment in Subsidiaries of Baht 1,735 million and realized loss from the investment in the associates, Ubon Bio Ethanol Company Limited, of Baht 40 million.

- The Company's Total Assets at the end of 2012, increased by Baht 8,708 million. compared to the end of 2011, The changes of assets were mainly from
 - Cash of Baht 6,641 million, increased by Baht 3,229 million. (Detail is stated under Cash Flow Analysis Section).
 - Net Trade Accounts Receivable decreased by Baht 101 million from the year 2011
 - Inventories totaling Baht 18,614 million, increased by Baht 2,469 million from last year. At the end of year 2012, the inventories level was approximately at 5.2 million barrel (increased by 0.7 million barrel from end of 2011), comprised of 3.4 Million Barrel of crude oil and 1.8 Million Barrel of petroleum products.)
 - Oil Fuel Fund subsidies receivable decreased Baht 104 million from last year, mostly for LPG, diesel, gasohol E85 and E20.
 - An additional investment in Subsidiaries of Baht 1,388 million, from an increased in the capital of Bangchak Solar Energy Co., Ltd – a wholly owned by the Company.
 - Property, plant and equipment increased by Baht 1,654 million. The Company had an investment of Baht 3,960 million and there was a depreciation of Baht 2,228 million and reversal of loss from impairment of Baht 104 million.

4.2 Liabilities

- For the year ended 2012, Total Liabilities of the Company and its subsidiaries were Baht 38,530 million, comprised of the Company's total liabilities of Baht 37,289 million, Bangchak Green Net Company Limited (BGN)'s total liabilities of Baht 1,095 million, Bangchak Bio Fuel Company Limited (BBF)'s total liabilities of Baht 775 million and Bangchk Solar Energy (BSE)'s total liabilities of Baht 414 million adjusted by connected transactions of Baht 1,043 million
- The Company's Total Liabilities as of December 31, 2012 compared to the end of 2011 increased by Baht 6,366 million. The changes of liabilities were mainly from;
 - Total Borrowing increased from debentures issuance of Baht 3,000 million, repayment of short-term debt of Baht 2,000 million, and long-term debt repayment of Baht 450 million.
 - Accounts Payable increased which was mainly from the crude oil transaction between the Company and PTT Plc.
 - Corporate Income Tax Payable amounted of Baht 533 million resulted from Corporate Income Tax in 2012 which is not yet due.

4.3 Equity

- At the end of year 2012, the Consolidated Total Equity was Baht 32,323 million comprised of the Company's total equity of Baht 31,913 million, Bangchak Green Net Company Limited (BGN)'s total equity of Baht 64 million, Bangchak Bio Fuel Company Limited (BBF)'s total equity of Baht 599 million and Bangchak Solar Energy (BSE)'s total equity of Baht 1,536 million, adjusted by connected transactions of Baht 1,790 million.
- The Company's Total Equity increased by Baht 2,341 million from the end of 2011. The Company had a 2012 profit of Baht 4,200 million and a dividend payment of Baht 1,859 million.
- Therefore, as of December 31, 2012, the Company's equity was Baht 31,913 million, with a book value of Baht 23.18 per share.

5. Analysis of the Cash Flows Statement

Unit: Million Baht

	For Year	
	31 Dec 2012	31 Dec 2011
Cash flows from operating activities	8,109	9,787
Cash received from operating assets and liabilities	2,678	(8,813)
Net cash provided by operating activities	10,786	973
Net cash used in investing activities	(5,326)	(5,961)
Net cash used in financing activities	(2,231)	(104)
Net increase in cash and cash equivalents	3,229	(5,092)
Cash and cash equivalents, Beginning Balance	3,412	8,504
Cash and cash equivalents, Ending Balance	6,641	3,412

For year ended December 31, 2012, the Company and Subsidiaries had Cash and cash equivalents, Beginning Balance of Baht 3,412 million. During the year, there was a net increase in cash and cash equivalents of Baht 3,229 million which comprised of Baht 10,786 net cash received from for operating activities, Baht 5,326 million net cash used for investing activities and Baht 2,231 net cash received from financial activities. As a result, the total cash and cash equivalents as of December 31, 2012 accounted for Baht 6,641 million. Cash used details are as follows:

- 1) The Company received Baht 2,678 million of cash from operating activities;
 - Cash of Baht 2,119 million used in the operating assets, which were mostly an increase in inventories of Baht 2,470 million. Increase in Trade Accounts Receivable of Baht 754 million and a decrease in other assets of Baht 1,105 million.
 - Cash of Baht 5,254 million received from operating liabilities. There were an increase in Accounts Payable of Baht 4,830 million and an increase in Other Liabilities and Other Accrued Expenses of Baht 424 million.
 - Cash paid for Corporate Income Tax of Baht 457 million.
- 2) The Company used Baht 5,326 million of cash for investing activities;
 - Investment in Property, Plants and Equipment of Baht 3,733 million
 - Investment in Subsidiaries of Baht 1,388 million
 - Investment in Other Assets of Baht 272 million
 - Cash Received from Interest Earned of Baht 67 million
- 3) The Company used Baht 2,231 million of cash on financing activities;
 - Baht 2,995 million received from debenture issuance
 - Baht 2,500 million paid for short-term debt
 - Baht 1,859 million for dividend payment
 - Baht 917 million paid for interest expense
 - Baht 450 million paid for long-term debt

Therefore, at the end of year 2012, the Company's net cash and cash equivalents increased by Baht 3,229 million from Beginning Balance of Baht 3,412 million. The Company's cash and cash equivalents, Ending Balance was at Baht 6,641 million.

6. Financial Ratio

	Consolidated		Company	
	FY 2012	FY 2011	FY 2012	FY 2011
● Revenues, Million baht	165,246	158,610	162,623	156,928
● Net Profit (Loss), Million baht 1 ¹	4,273	5,610	4,200	5,643
● Earnings Per Share, Baht/Share ¹	3.10	4.24	3.05	4.26
● Net Profit Margin, %	2.59	3.54	2.58	3.60
● Return on Equity-ROE, %	13.81	21.44	13.66	21.70
● ROE (excl. Inventory), %	13.69	14.25	13.62	14.76
● Return on Assets-ROA, %	6.45	9.35	6.48	9.59
● ROA (excl. Inventory), %	6.40	6.22	6.46	6.52

¹ Calculated from the profit attributable to the owners of the Company, excluding non-controlling interest.

	Consolidated		Company	
	FY 2012	FY 2011	FY 2011	FY 2012
● Total Assets, Million baht	70,853	61,597	69,202	60,494
● Total Liabilities, Million baht	38,530	31,717	37,289	30,922
● Total Equity, Million baht	32,323	29,879	31,913	29,572
● Account Receivable Day, Day	16.20	18.49	24.08	20.04
● DSCR (Principle Interest), Times ¹	5.04	6.50	5.55	7.21
● Current Ratio, Times	1.93	2.15	1.95	2.16
● Debt to Equity, Times ²	0.59	0.62	0.58	0.61
● Book Value, Baht/Share ³	23.34	21.59	23.18	21.48

¹ Calculated from EBITDA excluding the inventory gain/loss at year ended 31 December 2011 (excluding pre-payment portion from the changes in long term loan terms)

² Debt = Interest Bearing Debt

³ Solely from the total equity attributable to shareholders of the Company

7. Environment Cost Accounting

Having the environmental concerns and social responsibilities, the Company has prepared the environmental management accounting report since 2005. The environmental cost accounting helps the Company to keep track with the information which is useful for enhancing the environmental management effectiveness, and resource utilization. This is also in line with the Company's vision "Creating an energy business that is environmentally friendly for sustainable development"

(Unit : Million Baht)	For Year		+/-
	2012	2011	
Material Costs of Product Outputs : Consist of crude oil, ethanol, bio-diesel, chemical, energy and utilities in production	106,033.65	110,779.63	-4,745.98
Material Costs of Non-Product Outputs : Consist of slop and sludge oil, waste water, chemical surplus	269.2	132.49	+136.71
Waste and Emission Control Costs : Consist of maintenance cost of environmental control equipment and depreciation and other fees	201.37	154.41	+46.96
Prevention and Other Environmental Management Costs : Consist of monitoring and measurement cost, environmental management system expenses	6.18	7.32	-1.14
Benefit from by-product and waste recycling : The revenue realization from liquid sulfur, glycerin, waste paper	(24.01)	(25.2)	-1.19

Environmental cost in 2012, as a whole, dropped down to Baht 4,562.26 million, when compared to the same period of last year. Two major events during the year; The Annual Turn Around and the incident of CDU number 3, caused the material costs of product outputs of 2012 to drop Baht 4,745.98 million when compared to year 2011 despite the increasing in average Dubai crude price.

The material costs of non-product outputs, which means the waste from the production, has increased 23% from last year which was mainly from the rise in cost of rerunning slop oil, around 23%, and together with the effect of both major events during the year.

There was an increase in Waste and Emission Control Costs of Baht 46.96 million which was mainly from the maintenance of Waste and Emission Control equipment which was done during the turnaround period. Also, the Company has changed its accounting policy; as such there was an increase in depreciation of Waste and Emission Control equipment of Baht 63.24 million and a decrease in maintenance cost of Baht 9.32 million. The new equipment benefits the Company by help reducing waste water and waste treatment costs.

The Company also sold its unused material to be used as a raw material for other industrial uses such as glycerin (from the Bio-diesel production), scrap and aluminum (an increase of Baht 0.15 million and an increase of Baht 1.73 million when compared to last year, respectively)



Declaration of the Directors' Responsibility for the Financial Statements

The Board of Directors of the Bangchak Petroleum Plc has prepared the Company's financial statements to show its financial status and performance for 2012 under the Public Company Limited Act of 1992, the Accounting Act of 2000, the Securities and Exchange Act of 1992, and the announcement of the Capital Market Supervisory Board concerning the criteria, conditions, and reporting method for the disclosure of information on financial status and performance of companies that issue securities.

The Board recognizes its duties and responsibility for directing a listed company, particularly the responsibility for financial statements of the Company and its subsidiaries – including financial information that appears in the annual report of 2012. Such statements have been prepared under generally accepted accounting standards, which regularly complies with a suitable accounting policies and due and reasonable discretion exercised in the preparation of financial statements. Adequate significant information has been disclosed in the notes to these financial statements for transparent use by shareholders and investors at large.

The Board has instituted and maintained effective risk management and internal control systems to become reasonably confident of accurate, complete, and adequate accounting information to retain Company assets and prevent frauds or significant anomalies in operation.

The Audit Committee, acting on behalf of the Board, has been assigned responsibility for the quality of financial reports and internal control system, and its opinions duly appear in its own report found in this publication.

It is our view that the Company's internal control system is, on the whole, satisfactory and can reasonably assure us that the financial statements of the Company and its subsidiaries ended December 31, 2012 are reliable under generally accepted accounting standards, legally sound, and acceptable to relevant regulations.

(Signed) Pichai Chunhavajira

(Mr. Pichai Chunhavajira)
Chairman of the Board

(Signed) Chai-Anan Samudavanija

(Prof. Dr. Chai-Anan Samudavanija)
Vice Chairman of the Board



Report of the Audit Committee

To the Shareholders

The Audit Committee (AC) consists of qualified members with expert, independence and experience, chaired by Dr. Anusorn Tamajai and consisting of Mr. Wirat lam-ua-yut and Mr. Issra Shoatburakarn as members. Then Mr. Wirat lam-ua-yut had resigned in October 19, 2012. at the Board of Directors meeting No. 12/2012, the Board appointed Mr. Suthep Wongvorazathe as new member.

In 2012 the committee held 12 meetings, six of which with senior management. When meeting with senior management, executives with vested interests stayed away from the meetings. The following captures the meeting attendances.

Name	Attendance / Total
Mr. Anusorn Tamajai	12/12
Mr. Wirat lam-ua-yut	10/10
Mr. Issra Shoatburakarn	12/12
Mr. Suthep Wongvorazathe	1/1

The committee also held a meeting with the Enterprise-wide Risk Management Committee.

The committee deliberated various matters, summarized below:

1. Reviewed quarterly and annual financial statements, as well as related financial reports, including adequate and timely disclosure of information, compliance with generally accepted accounting principles, accounting standards, and significant changes in accounting policies, together with connected transactions among shareholders and subsidiaries or related companies. This was to ensure that such connected transactions were conducted in the normal course of business without transferring benefits, in the best interests of the Company and in compliance with the regulations of the Stock Exchange of Thailand (SET). Also, the committee met with the Company's legal team to keep updated on significant court cases in which the Company was being sued with potentially significant impacts on its business.
2. Reviewed to ensure that the Company
 - Had instituted a proper, transparent and efficient internal control and internal audit system by monitoring the performance of the internal control office to ensure independence and efficiency
 - Confirmed the independence of the performance of the external auditor
 - Recognized the need for improved business efficiency while minimizing oil losses in its processes.

This year, the committee recognized the need to forge and promote corporate governance to promote sustainable growth, particularly in view of the imminent ASEAN Economic Community (AEC). Since compatibility among cultures is crucial, the committee promoted employee training on the Bangchak culture and AEC.

3. Reviewed the Company's compliance with all accounting standards in effect, laws, SET regulations and laws relevant to its business in a complete and accurate manner and in line with corporate governance principles. The committee's emphasis was that the Company would exceed such standards.
4. Selected, nominated and proposed compensation for KPMG Phoomchai Audit Ltd. as the external auditor for 2011 and staged quarterly meetings between the committee and the external auditor to discuss concerns arising from each audit and find prompt solutions to significant ones.
5. Reviewed the adequacy of the Company's risk management process, investigated risks under identified ones and instituted coordination between the committee and the Enterprise-wide Risk Management Committee.
6. Actively encouraged and ensured compliance with safety standards and stewardship of the refinery surroundings and nearby communities.
7. Revised the Audit Committee Charter in line with the criteria and terms of the Office of the Securities and Exchange Committee (SEC) and SET and the Corporate Governance Policy to ensure confidence of shareholders, business partners, customers and other stakeholders that the Company's business follows such terms and the code of conduct to maintain an efficient internal control system.
8. Reviewed the policy and operating manual of the internal control office to cover the roles and responsibilities of the Audit Committee and the internal control office for use as a practical guideline.
9. Supported the upgrading of internal auditors on a par with international standards. The year also saw employees of the Internal Audit Office successfully pass and win Certified Internal Auditor (CIA) certificates from the International Institute of Internal Auditor.
10. Cooperated fully with the State Enterprise Policy Office in assessing the Company's internal audit performance through Thai Rating and Information Service Company (TRIS), the findings of which were implemented in audit quality improvement. The evaluation results of 2011 showed the Company ranked 2th of 49.

Having monitored the Company's performance in 2011 under the scope of authority and assigned responsibility, the Audit Committee approved the way the Company had prepared its financial statements, regarding it as accurate in significant details under generally accepted accounting principles. Connected transactions or items of potential conflicts of interest were adequately disclosed. The Company's internal controls and a risk management process are compatible with its business circumstances, with accurate and complete compliance with the law, SET regulations, and relevant laws.

(Signed) Anusorn Tamajai

(Mr. Anusorn Tamajai)
Chairman, Audit Committee
January 30, 2013



Independent Auditor's Report

To the shareholders of the Bangchak Petroleum Public Company Limited

I have audited the accompanying consolidated and separate financial statements of The Bangchak Petroleum Public Company Limited and its subsidiaries, and of The Bangchak Petroleum Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2012, the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2012 and the financial performance and cash flows for the year then ended of The Bangchak Petroleum Public Company Limited and its subsidiaries, and of The Bangchak Petroleum Public Company Limited, respectively, in accordance with Thai Financial Reporting Standards.

(Winid Silamongkol)

Certified Public Accountant
Registration No. 3378

KPMG Phoomchai Audit Ltd.
Bangkok
19 February 2013



Financial Statements

The Bangkok Petroleum Public Company Limited and its Subsidiaries

Statements of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Assets		2012	2011	2012	2011
		(Baht)			
Current assets					
Cash and cash equivalents	5	8,005,505,386	4,020,710,649	6,641,250,681	3,411,905,210
Current investments	6	13,121,700	9,823,677	-	-
Trade accounts receivable	4,7	7,737,324,758	8,072,323,737	8,566,754,104	8,667,971,626
Other receivables	4,8	1,158,401,828	400,516,251	1,132,809,524	378,569,156
Inventories	9	19,175,125,311	16,658,225,735	18,613,988,720	16,145,098,338
Oil Fuel Fund subsidies receivable		822,328,168	926,778,096	822,328,168	926,778,096
Other current assets	4	195,617,849	1,206,080,684	148,292,282	1,199,716,815
Total current assets		37,107,425,000	31,294,458,829	35,925,423,479	30,730,039,241
Non-current assets					
Investments in subsidiaries	4,10	-	-	1,735,039,500	347,539,500
Investments in associate	4,11	722,888,134	745,479,405	763,229,520	763,229,520
Other long-term investments	6	294,507,985	284,645,072	294,507,985	284,645,072
Investment properties	12	459,340,000	288,062,000	459,340,000	288,062,000
Property, plant and equipment	13	29,919,393,981	26,959,261,135	27,715,586,008	26,061,624,313
Leasehold rights	14	1,048,650,001	937,382,932	1,048,650,001	937,382,932
Intangible assets	15	147,101,686	101,135,053	146,302,092	100,549,357
Investment in service stations	16	174,511,783	180,351,084	174,511,783	180,351,084
Deferred tax assets	17	187,104,709	172,202,683	184,672,335	172,202,683
Other non-current assets	4,18	792,519,605	633,643,858	754,370,875	628,493,623
Total non-current assets		33,746,017,884	30,302,163,222	33,276,210,099	29,764,080,084
Total assets		70,853,442,884	61,596,622,051	69,201,633,578	60,494,119,325

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

Statements of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity		2012	2011	2012	2011
		(Baht)			
Current liabilities					
Short-term loans from financial institutions	19	-	2,000,000,000	-	2,000,000,000
Trade accounts payable	20	13,699,792,610	8,758,505,369	13,442,468,437	8,616,865,414
Other payables	4,21	2,769,648,667	1,568,476,708	2,296,237,897	1,493,102,237
Current portion of long-term loans from financial institutions	19	1,009,848,642	551,363,070	890,153,846	450,000,000
Excise tax and Oil Fuel Fund payable		597,418,373	296,841,676	597,418,373	296,841,676
Income tax payable		532,705,763	148,141	532,705,763	-
Liabilities on hedging contracts		20,848,735	604,919,384	20,848,735	604,919,384
Other current liabilities	4	597,272,747	761,198,639	613,844,369	774,856,748
Total current liabilities		19,227,535,537	14,541,452,987	18,393,677,420	14,236,585,459
Non-current liabilities					
Long-term loans from financial institutions	19	15,018,083,230	16,030,166,740	14,681,846,154	15,572,000,000
Debentures	19	2,995,013,486	-	2,995,013,486	-
Liabilities on long-term lease		192,799,481	237,846,592	192,799,481	237,846,592
Employee benefit obligations	22	993,782,384	839,950,328	982,809,812	830,969,026
Other non-current liabilities	4	103,018,201	67,764,855	42,721,002	45,059,480
Total non-current liabilities		19,302,696,782	17,175,728,515	18,895,189,935	16,685,875,098
Total liabilities		38,530,232,319	31,717,181,502	37,288,867,355	30,922,460,557

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

Statements of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity		2012	2011	2012	2011
		<i>(Baht)</i>			
Equity					
Share capital	23				
Authorised share capital		1,531,643,461	1,531,643,461	1,531,643,461	1,531,643,461
Issued and paid-up share capital		1,376,923,157	1,376,923,157	1,376,923,157	1,376,923,157
Additional paid-in capital					
Share premium	24	11,157,460,051	11,157,460,051	11,157,460,051	11,157,460,051
Share premium on subsidiary of the Company		18,621,225	18,621,225	-	-
Capital surplus on registered and paid-up share reduction	24	189,617,759	189,617,759	189,617,759	189,617,759
Retained earnings					
Appropriated					
Legal reserve	24	153,164,346	153,164,346	153,164,346	153,164,346
Unappropriated		19,247,068,817	16,833,294,392	19,035,600,910	16,694,493,455
Equity attributable to owners of the Company		32,142,855,355	29,729,080,930	31,912,766,223	29,571,658,768
Non-controlling interests		180,355,210	150,359,619	-	-
Total equity		32,323,210,565	29,879,440,549	31,912,766,223	29,571,658,768
Total liabilities and equity		70,853,442,884	61,596,622,051	69,201,633,578	60,494,119,325

(Signed) Pichai Chunhavajira

(Pichai Chunhavajira)
Chairman

(Signed) Vichien Usanachote

(Vichien Usanachote)
President

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

Statements of income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2012	2011	2012	2011
		(Baht)			
Revenue from sale of goods and rendering of services	4,25	165,245,933,373	158,609,989,454	162,622,827,447	156,928,440,615
Cost of sale of goods and rendering of services	4	(158,082,946,567)	(147,984,315,203)	(156,319,203,531)	(147,032,761,020)
Gross Profit		7,162,986,806	10,625,674,251	6,303,623,916	9,895,679,595
Investment income	4,26	89,881,632	54,552,640	71,808,918	126,611,985
Other income	4,27	570,964,840	1,487,341,327	586,521,805	1,502,443,483
Selling expenses	4,28	(2,696,829,166)	(2,436,294,179)	(2,051,135,124)	(1,889,633,527)
Administrative expenses	4,29	(1,402,673,202)	(1,404,490,194)	(1,349,562,803)	(1,359,162,268)
Gain (loss) from crude and product oil price hedging contract	4	868,746,427	(758,853,327)	868,746,427	(758,853,327)
Gain (loss) from foreign currencies forward contract		745,786,967	(701,066,248)	745,786,967	(701,066,248)
Gain on foreign exchange		346,182,303	170,093,035	346,024,919	170,093,035
Net reversal of allowance for loss from impairment of assets	12,13	294,666,289	11,706,758	294,666,289	11,706,758
Share of loss of associates	11	(22,591,271)	(17,750,115)	-	-
Profit before finance costs and income tax expense		5,957,121,625	7,030,913,948	5,816,481,314	6,997,819,486
Finance costs	32	(939,957,168)	(783,178,921)	(910,476,585)	(748,168,303)
Profit before income tax expense		5,017,164,457	6,247,735,027	4,906,004,729	6,249,651,183
Income tax expense	33	(714,581,274)	(615,291,297)	(706,111,137)	(607,067,283)
Profit for the year		4,302,583,183	5,632,443,730	4,199,893,592	5,642,583,900
Profit attributable to:					
Owners of the Company		4,272,560,562	5,610,156,464	4,199,893,592	5,642,583,900
Non-controlling interests		30,022,621	22,287,266	-	-
Profit for the year		4,302,583,183	5,632,443,730	4,199,893,592	5,642,583,900
Earnings per share					
Basic earnings per share	35	3.10	4.24	3.05	4.26

(Signed) Pichai Chunhavajira

(Pichai Chunhavajira)
Chairman

(Signed) Vichien Usanachote

(Vichien Usanachote)
President

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

Statements of comprehensive income

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2012	2011	2012	2011
	(Baht)			
Profit for the year	4,302,583,183	5,632,443,730	4,199,893,592	5,642,583,900
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year	4,302,583,183	5,632,443,730	4,199,893,592	5,642,583,900
Total comprehensive income attributable to:				
Owners of the Company	4,272,560,562	5,610,156,464	4,199,893,592	5,642,583,900
Non-controlling interests	30,022,621	22,287,266	-	-
Total comprehensive income for the year	4,302,583,183	5,632,443,730	4,199,893,592	5,642,583,900

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

Statements of changes in equity

	Consolidated financial statements							Total equity	
	Share premium		Retained earnings			Equity			
	Issued and paid-up share capital	Share premium on subsidiary of the Company	Capital surplus on registered and paid-up share reduction	Legal reserve	Unappropriated	attributable to owners of the Company	Non-controlling interests		
Note									
Year ended 31 December 2011									
Balance at 1 January 2011	1,176,822,958	8,272,622,542	18,621,225	189,617,759	153,164,346	12,805,338,933	22,616,187,763	164,060,860	22,780,248,623
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners of the Company									
Issue of ordinary shares	23	200,100,199	2,884,837,509	-	-	-	3,084,937,708	-	3,084,937,708
Dividends to owners of the Company	36	-	-	-	-	(1,582,201,005)	(1,582,201,005)	(35,988,507)	(1,618,189,512)
Total contributions by and distributions to owners of the Company		200,100,199	2,884,837,509	-	-	(1,582,201,005)	1,502,736,703	(35,988,507)	1,466,748,196
Total transactions with owners, recorded directly in equity		200,100,199	2,884,837,509	-	-	(1,582,201,005)	1,502,736,703	(35,988,507)	1,466,748,196
Comprehensive income for the year									
Profit		-	-	-	-	5,610,156,464	5,610,156,464	22,287,266	5,632,443,730
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	5,610,156,464	5,610,156,464	22,287,266	5,632,443,730
Balance at 31 December 2011	1,376,923,157	11,157,460,051	18,621,225	189,617,759	153,164,346	16,833,294,392	29,729,080,930	150,359,619	29,879,440,549

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of changes in equity

	Consolidated financial statements							Total equity		
	Note	Share premium		Capital surplus on registered and paid-up share reduction	Retained earnings		Equity attributable to owners of the Company		Non-controlling interests	
		Issued and paid-up share capital	Share premium		Share premium on subsidiary of the Company	Legal reserve				Unappropriated
Year ended 31 December 2012										
Balance at 1 January 2012		1,376,923,157	11,157,460,051	18,621,225	189,617,759	153,164,346	16,833,294,392	29,729,080,930	150,359,619	29,879,440,549
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners of the Company										
Issue of ordinary shares	23	-	-	-	-	-	-	-	-	-
Dividends to owners of the Company	36	-	-	-	-	-	(1,858,786,137)	(1,858,786,137)	(27,030)	(1,858,813,167)
Total contributions by and distributions to owners of the Company							(1,858,786,137)	(1,858,786,137)	(27,030)	(1,858,813,167)
Total transactions with owners, recorded directly in equity							(1,858,786,137)	(1,858,786,137)	(27,030)	(1,858,813,167)
Comprehensive income for the year										
Profit		-	-	-	-	-	4,272,560,562	4,272,560,562	30,022,621	4,302,583,183
Other comprehensive income		-	-	-	-	-	-	-	-	-
Total comprehensive income for the year							4,272,560,562	4,272,560,562	30,022,621	4,302,583,183
Balance at 31 December 2012		1,376,923,157	11,157,460,051	18,621,225	189,617,759	153,164,346	19,247,068,817	32,142,855,355	180,355,210	32,323,210,565

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

Statements of changes in equity

Separate financial statements						
Note	Issued and paid-up share capital	Share premium	Capital surplus on registered and paid-up share reduction	Retained earnings		Total equity
				Legal reserve	Unappropriated	
(Baht)						
Year ended 31 December 2011						
Balance at 1 January 2011	1,176,822,958	8,272,622,542	189,617,759	153,164,346	12,634,110,560	22,426,338,165
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners of the Company						
Issue of ordinary shares	200,100,199	2,884,837,509	-	-	-	3,084,937,708
Dividends to owners of the Company	-	-	-	-	(1,582,201,005)	(1,582,201,005)
Total contributions by and distributions to owners of the Company	200,100,199	2,884,837,509	-	-	(1,582,201,005)	1,502,736,703
Total transactions with owners, recorded directly in equity	200,100,199	2,884,837,509	-	-	(1,582,201,005)	1,502,736,703
Comprehensive income for the year						
Profit	-	-	-	-	5,642,583,900	5,642,583,900
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	5,642,583,900	5,642,583,900
Balance at 31 December 2011	1,376,923,157	11,157,460,051	189,617,759	153,164,346	16,694,493,455	29,571,658,768

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

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statements of changes in equity

Separate financial statements						
	Issued and paid-up share capital	Share premium	Capital surplus on registered and paid-up share reduction	Retained earnings		Total equity
				Legal reserve	Unappropriated	
Note						
Year ended 31 December 2012						
				(Baht)		
Balance at 1 January 2012	1,376,923,157	11,157,460,051	189,617,759	153,164,346	16,694,493,455	29,571,658,768
Transactions with owners, recorded directly in equity						
<i>Contributions by and distributions to owners of the Company</i>						
Dividends to owners of the Company	-	-	-	-	(1,858,786,137)	(1,858,786,137)
Total contributions by and distributions to owners of the Company	-	-	-	-	(1,858,786,137)	(1,858,786,137)
Total transactions with owners, recorded directly in equity						
Comprehensive income for the year						
Profit	-	-	-	-	4,199,893,592	4,199,893,592
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	4,199,893,592	4,199,893,592
Balance at 31 December 2012	1,376,923,157	11,157,460,051	189,617,759	153,164,346	19,035,600,910	31,912,766,223

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

Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2012	2011	2012	2011
	(Baht)			
Cash flows from operating activities				
Profit for the year	4,302,583,183	5,632,443,730	4,199,893,592	5,642,583,900
Adjustments for				
Depreciation	2,287,175,656	1,879,182,085	2,228,120,374	1,826,504,350
Amortisation	165,396,727	173,891,622	165,190,471	173,563,758
(Reversal of allowance) allowance for doubtful debts	466,016	7,463,280	(153,863)	8,068,425
Unrealised loss on foreign exchange	44,978,007	709,806,671	44,978,007	709,806,671
Reversal of allowance for impairment of assets	(294,666,289)	(11,706,758)	(294,666,289)	(11,706,758)
Loss on disposal of property, plant and equipment	59,129,902	116,742,100	58,052,348	116,890,492
Investment Income	(89,881,632)	(54,552,640)	(71,808,918)	(126,611,985)
Provision for employee benefit	166,430,496	98,699,850	163,671,537	96,373,282
Deferred revenue	(1,185,106)	(3,487,940)	(1,185,106)	(3,487,940)
Share of loss of associate, net of income tax expense	22,591,271	17,750,115	-	-
Finance costs	939,957,168	783,178,921	910,476,585	748,168,303
Income tax expense	714,581,274	615,291,297	706,111,137	607,067,283
	8,317,556,673	9,964,702,333	8,108,679,875	9,787,219,781
Changes in operating assets and liabilities				
Trade accounts receivable	335,439,989	(2,335,271,485)	99,273,112	(2,342,734,832)
Other receivables	(797,597,557)	(443,380,700)	(754,240,369)	(476,106,992)
Inventories	(2,518,497,523)	(1,145,824,993)	(2,470,488,328)	(1,177,202,725)
Other current assets	1,162,556,475	(527,104,871)	1,162,797,748	(537,462,259)
Other non-current assets	(196,578,868)	(18,900,608)	(156,215,546)	(11,786,546)
Trade accounts payable	4,948,733,392	(1,871,069,418)	4,830,381,695	(1,870,293,172)
Other payables	1,169,851,744	376,102,864	803,135,659	401,774,821
Other current liabilities	(318,523,949)	(1,382,237,183)	(344,227,130)	(1,318,553,413)
Employee benefit obligations	(12,598,441)	(20,571,715)	(11,830,751)	(18,245,147)
Other non-current liabilities	13,329,828	(51,238,952)	(23,579,091)	(54,147,786)
Cash generated from operating activities	12,103,671,763	2,545,205,272	11,243,686,874	2,382,461,730
Income tax paid	(470,379,906)	(1,425,102,611)	(457,283,486)	(1,409,374,789)
Net cash from operating activities	11,633,291,857	1,120,102,661	10,786,403,388	973,086,941

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

Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2012	2011	2012	2011
	(Baht)			
Cash flows from investing activities				
Interest received	84,592,248	55,972,614	66,635,888	44,293,553
Increase in current investments	-	(545,925)	-	-
Decrease (increase) in long-term investments	(2,817,803)	7,757,997	(2,817,803)	7,757,997
Cash outflow from purchase of shares in associate	-	(763,229,520)	-	(763,229,520)
Cash outflow from issue of subsidiary's share capital	-	-	(1,387,500,000)	(150,000,000)
Dividend received	-	-	-	83,926,183
Purchase of property, plant and equipment	(5,125,700,620)	(5,193,317,535)	(3,761,899,418)	(5,072,968,315)
Sale of property, plant and equipment	28,580,146	14,511,105	28,580,146	13,965,846
Increase in leasehold right	(205,371,345)	(71,565,600)	(205,371,345)	(71,565,600)
Purchase of intangible assets	(63,917,585)	(53,065,500)	(63,379,345)	(52,836,000)
Net cash used in investing activities	(5,284,634,959)	(6,003,482,364)	(5,325,751,877)	(5,960,655,856)
Cash flows from financing activities				
Finance costs paid	(945,997,576)	(635,895,070)	(917,066,424)	(601,194,494)
Increase (decrease) in short-term loans				
from financial institutions	(2,000,000,000)	1,960,000,000	(2,000,000,000)	2,000,000,000
Proceeds from long term-loans	37,636,575	3,536,950,000	-	3,452,000,000
Repayment of long term-loans	(591,234,514)	(4,596,155,869)	(450,000,000)	(4,521,453,491)
Proceeds from Debentures	2,994,546,521	-	2,994,546,521	-
Dividend paid	(1,858,813,167)	(1,618,189,512)	(1,858,786,137)	(1,582,201,005)
Proceeds from exercise of warrants	-	1,148,367,708	-	1,148,367,708
Net cash used in financing activities	(2,363,862,161)	(204,922,743)	(2,231,306,040)	(104,481,282)
Net increase (decrease) in cash and cash equivalents	3,984,794,737	(5,088,302,446)	3,229,345,471	(5,092,050,197)
Cash and cash equivalents as at 1 January	4,020,710,649	9,109,013,095	3,411,905,210	8,503,955,407
Cash and cash equivalents as at 31 December	8,005,505,386	4,020,710,649	6,641,250,681	3,411,905,210

Non-cash transactions

During 2011, the Company issued 200.10 million new ordinary shares at the par value of Baht 1 each, totalling Baht 200.10 million to support the conversion of Convertible Debentures. The convertible value of each debenture is Baht 14.30 and Baht 14.00 per common share, which results in a share premium totaling Baht 2,884.84 million.

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



Notes to the financial statement

The Bangchak Petroleum Public Company Limited and its Subsidiaries

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 19 February 2013

1. General information

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

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

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

Solar power plant : 99/1 Moo 9, Bang Krasan, Bang Pa-in, Phra Nakhon Si Ayutthaya

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

The Company is a company in the PTT Public Company Limited (“PTT”) group of companies. PTT is incorporated in Thailand and is the major shareholder of the Company, holding 27.22 % of the Company’s issued and paid-up share capital as of 31 December 2012.

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

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

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

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2012	2011
<i>Indirect subsidiaries</i>				
The Bangchak Solar Energy Prachinburi Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	-
The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	-
The Bangchak Solar Energy (Burirum) Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	-
The Bangchak Solar Energy (Burirum1) Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	-
The Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	-

2. Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS) and guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued and revised TFRS which are expected to be effective for financial statements beginning on or after 1 January 2013 and have not been adopted in the preparation of these financial statements. These new and revised TFRS are disclosed in note 41.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as stated in accounting policies.

(c) Presentation currency

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

(d) Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

Note 12	Valuation of investment properties
Note 17, 33	Current and deferred taxation
Note 22	Measurement of defined benefit obligations

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

Subsidiaries

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

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Associate

Associate is entity in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in associates are accounted for in the consolidated financial statements using the equity method (equity-accounted investees) and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group’s share of profit or loss and other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group’s share of losses exceeds its interest in an equity accounted investee, the Group’s carrying amount of that interest is reduced to zero and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

(c) Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange, interest rate and commodity price risks arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Hedge of future foreign currency transactions

Foreign exchange forward contracts protect the Company from movements in exchange rates by establishing the rates at which foreign currency assets will be realized or foreign currency liabilities will be settled. Forward foreign exchange contracts are recognized in the financial statements on inception. The premium or discount on the establishment of each agreement is amortized on a straight-line method over the contract period.

Hedge of interest rates

Interest differentials under swap arrangements are accrued and recorded as adjustments to the interest expense relating to the hedged loans.

Hedge of Crack Spread

Difference between the fixed prices of contracts and the settlement prices are recognised in the statement of income in the period in which the contracts mature.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(e) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(g) Investments

Investments in subsidiaries and associate

Investments in subsidiaries and associate in the separate financial statements of the Company are accounted for using the cost method. Investments in associate in the consolidated financial statements is accounted for using the equity method.

Investments in other debt and equity securities

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Equity securities which are not marketable are stated at cost less any impairment losses.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(h) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

No depreciation is provided on land.

(i) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings	20 - 30 years
Machinery, equipment refinery plants and terminal	2 - 30 years
Equipment solar plants	5 - 25 years
Marketing and office equipment	5 - 20 years
Vehicles	5 years

No depreciation is provided on freehold land, platinum catalyst and assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Leasehold right

Leasehold rights are the rights obtained from the land lease contracts, which are amortised on a straight-line method over the contractual period.

Leasehold rights are presented at cost deducted by accumulated amortisation and impairment losses.

(k) Intangible assets

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

The right to use and the cost of development of computer software 5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(l) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate. Receivables with a short duration are not discounted.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(m) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(n) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(o) Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

The Company operates defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The Group recognises all actuarial gains and losses arising from defined benefit plans and all expenses related to defined benefit plans in profit or loss.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Employee Joint Investment Program (EJIP)

Obligations for contributions to Employee Joint Investment Program (EJIP) are recognised as an expense in the statement of income as incurred.

(p) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(q) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(r) Revenue

Revenue excludes value added taxes and other sales taxes and is arrived at after deduction of trade discounts and volume rebates.

Sale of goods and services rendered

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

Income from sale of electricity

Income from the sale of electricity is recognised in profit or loss in accordance with delivery units supplied as stipulated in the contract. Income from the sale of electricity is entitled to receive ADDER for a period of 10 years from the commencement of commercial sales. Thereafter, subsequent to this initial period income from sale of electricity is recognised at normal rates.

Income from operating right

Income from operating right is recognised in accordance with the substance of the contract.

Investments

Revenue from investments comprises dividend and interest income from investments and bank deposits.

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

(s) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables).

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(t) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(u) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(v) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

4. Related parties

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

Relationship with subsidiaries, associates and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
PTT Public Company Limited	Thailand	Major shareholder, some common directors
Fuel Pipeline Transportation Limited	Thailand	Shareholding, representative from the Company as director
PTT ICT Solutions Co., Ltd.	Thailand	Major shareholder as the Company's shareholder
PTT International Trading Pte. Ltd.	Singapore	Major shareholder as the Company's shareholder
IRPC Plc.	Thailand	Major shareholder as the Company's shareholder
Thai Oil Plc.	Thailand	Major shareholder as the Company's shareholder
Energy Complex Co., Ltd.	Thailand	Major shareholder as the Company's shareholder
PTT International Trading DMCC	Dubai	Major shareholder as the Company's shareholder
PTT Global Chemical Plc.	Thailand	Major shareholder as the Company's shareholder
Star Petroleum Refining Co.,Ltd.	Thailand	Major shareholder as the Company's shareholder
PTT Exploration and production Plc.	Thailand	Major shareholder as the Company's shareholder
Ubon Bio Ethanol Co., Ltd.	Thailand	Associate, Shareholding 21.28 %
NPC Safety and Environmental Service Co., Ltd.	Thailand	Related Company of Major Shareholder
Thai Lube Base Plc.	Thailand	Related Company of Major Shareholder
Thai Oleochemicals Co., Ltd.	Thailand	Related Company of Major Shareholder
IRPC Oil Company., Ltd.	Thailand	Related Company of Major Shareholder
PTTEP Siam Co., Ltd.	Thailand	Related Company of Major Shareholder
Ubon Agricultural Energy Co., Ltd	Thailand	Subsidiary of the Company's associate, representative from the Company as director
Thaioil Energy Services Co., Ltd	Thailand	Related Company of Major Shareholder
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

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

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

Significant transactions for the years ended 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Major Shareholder				
Sales of goods	15,473.17	20,623.23	15,147.86	20,394.68
Purchases of raw material	105,821.23	110,518.53	105,819.69	110,518.43
Other income	128.10	123.56	128.10	123.56
Service expense	291.64	232.61	291.64	232.61
Interest expense	-	1.44	-	1.44
Other expense	29.30	2.26	29.24	2.26
Subsidiaries				
Sales of goods	-	-	24,900.88	20,624.38
Purchases of goods	-	-	3,068.85	1,965.22
Other income	-	-	23.47	21.94
Dividend income	-	-	-	83.93
Interest expenses	-	-	0.75	0.73
Other expenses	-	-	21.03	21.41
Associate				
Sales of goods	8.87	5.00	8.87	5.00
Other income	1.62	0.66	1.62	0.66

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	114.27	101.95	114.19	101.86
Post-employment benefits and other long-term benefits	6.49	5.46	6.49	5.46
Total key management personnel compensation	120.76	107.41	120.68	107.32
Other related parties				
Sale of goods	624.14	478.79	624.14	392.16
Purchases of raw material and product	21,307.40	11,574.46	21,307.40	11,574.46
Other income	17.62	22.14	17.62	22.14
Dividend income	2.85	-	2.85	-
Pipeline transportation expenses	182.99	136.47	182.99	136.47
Other expenses	41.09	67.36	41.09	67.36

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	(in million Baht)			
Trade accounts receivable - related parties				
Major Shareholder				
PTT Plc.	1,453.38	1,665.43	1,433.00	1,595.75
Subsidiaries				
The Bangchak Green Net Co., Ltd.	-	-	907.75	689.75
The Bangchak Biofuel Co., Ltd.	-	-	8.01	11.37
Associate				
Ubon Agricultural Energy Co., Ltd	-	2.30	-	2.30

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
		(in million Baht)			
Other related parties					
Thai Oil Plc.		-	0.48	-	0.48
PTT International Trading Pte. Ltd.		-	37.28	-	37.28
PTT International Trading DMCC		-	120.55	-	120.55
PTT Global Chemical Plc.		-	0.41	-	0.41
Star Petroleum Refining Co.,Ltd.		-	11.56	-	11.56
Fuel Pipeline Transportation Limited		2.03	0.98	2.03	0.98
		1,455.41	1,838.99	2,350.79	2,470.43
Less allowance for doubtful accounts		-	-	-	-
Net		1,455.41	1,838.99	2,350.79	2,470.43
Bad and doubtful debts expense for the year		-	-	-	-
Other receivables - related parties					
Major Shareholder					
PTT Plc.	8	314.62	129.06	314.62	129.06
Subsidiary					
The Bangchak Solar Energy Co., Ltd.		-	-	1.25	-
Associate					
Ubon Bio Ethanol Co., Ltd.		0.27	0.13	0.27	0.13
Total		314.89	129.19	316.14	129.19

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Trade accounts payable - related parties				
Major Shareholder				
PTT Plc.	12,035.84	7,698.21	12,034.19	7,698.21
Subsidiaries				
The Bangchak Green Net Co., Ltd.	-		2.16	9.45
The Bangchak Biofuel Co., Ltd.	-		93.25	87.62
The Bangchak Solar Energy Co., Ltd.	-		2.14	-
Other related parties				
Thai Oil Plc.	491.61	181.83	491.61	181.83
Thai Lube Base Plc.	3.04	1.95	3.04	1.95
Total	12,530.49	7,881.99	12,626.39	7,979.06
Other accounts payable - related parties				
Major Shareholder				
PTT Plc.	707.13	411.20	707.13	411.20
Subsidiary				
The Bangchak Solar Energy Co., Ltd.	-	-	-	1.38
Other related parties				
Fuel Pipeline Transportation Limited	21.02	15.90	21.02	15.90
Energy Complex Co., Ltd.	0.06	0.06	0.06	0.06
PTT ICT Solutions Co., Ltd.	0.01	0.01	0.01	0.01
Total	728.22	427.17	728.22	428.55
Investment in Subsidiaries				
The Bangchak Green Net Co., Ltd.	-	-	0.49	0.49
The Bangchak Biofuel Co., Ltd.	-	-	197.05	197.05
The Bangchak Solar Energy Co., Ltd.	-	-	1,537.50	150.00
Total	-	-	1,735.04	347.54

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Investment in Associate				
Ubon Bio Ethanol Co., Ltd.	722.89	745.48	763.23	763.23
Other non-current assets				
Other related party				
Fuel Pipeline Transportation Limited	33.23	99.35	33.23	99.35
Less allowance for doubtful accounts	(29.82)	(87.35)	(29.82)	(87.35)
	3.41	12.00	3.41	12.00
Energy Complex Co., Ltd.	4.75	4.51	4.75	4.51
Net	8.16	16.51	8.16	16.51
Other current liabilities				
Subsidiary				
The Bangchak Green Net Co., Ltd.	-	-	27.97	27.23
Other non-current liabilities				
Other related party				
Fuel Pipeline Transportation Limited	4.87	5.35	4.87	5.35

Other non-current assets – Fuel Pipeline Transportation Limited

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 14 June 1996. Subsequently, the Company, together with the other FPT creditors agreed on 3 March 1999 to restructure the FPT's loan. Prior to the loan restructure, the amount owed to the Company as Tariff Prepayment was Baht 245.80 million. On 30 April 1999, Baht 48.75 million was converted to capital stock (preferred stock) with remaining loan outstanding totalling 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 of MLR-2%) will be paid on a monthly basis. Subsequently, FPT was able to repay some parts of the loan, however, due to financial difficulties it could not comply with the agreed terms. An amendment to the original agreement was made on 28 March 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 of 153 periods, with the first payment made on 30 April 2002. The interest rate will be based on MLR with relaxation of 1% per annum starting from 29 March 2002. The difference in the interest shall be established as a receivable in a suspense account which will be written-off provided FPT complies with the agreement, without default, over a three-year consecutive period.

On 29 December 2009, the Company and other FPT creditors had additionally amended the restructuring agreement to comply with FPT's ability to pay debt. The Company and other FPT creditors agreed to give up interest receivable and changed repayment schedule as stipulated in the restructuring agreement without additional debt relief.

On 21 September 2012, the Central Bankruptcy Court approved the FPT's restructuring plan including the reduction in the number of shares, capital reduction and conversion of debt to equity. As a result, the Company's percentage of holding in FPT decreased from 11.40% (calculated from the Preference shares totalling 1,817,547 shares, Baht 100 each amounting to Baht 181,754,700) to 5.07% (calculated from the ordinary shares after restructuring totalling 1,413,148 shares, Baht 5 each amounting to Baht 7,065,740). The Company has adjusted the previous investment cost and reversed the allowance for impairment in previous investment to new investment cost after restructuring.

In addition, FPT's restructuring plan also involved a write-off of the loan made to FPT by the Company from Baht 99.35 million to Baht 37.86 million. The Company is entitled to receive monthly instalments payment for a period of 10 years at the interest rate calculated at MLR minus discount. During the period from the Central Bankruptcy Court order until 31 December 2012, the Company received loan repayment from FPT amounting to Baht 4.63 million. However, the Company still provides allowance for doubtful accounts to loan to FPT equivalent to the loan receivable in the following years. The Company will review the adequacy of the allowance subsequently at each financial year-end.

Significant agreements with related parties

Fuel Pipeline Transportation Agreement

During 1997, the Company entered into a fuel pipeline transportation agreement with a related company. The related company will provide transportation service of fuel products to Don-muang and

Suvarnabhumi International Airport and transportation service for petroleum products to fuel depot at Bang-pa-in. The agreement has no specified expiry date and can be terminated by either party by giving at least 60 days written notice for termination to the other party.

Feedstock Supply Agreement

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

Crude Oil Supply and Oil-Products Sales and Purchase Agreement

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

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

Bio-diesel Sales and Purchase Agreement

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

Gas Sales and Purchase Agreement

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

Service Station Operating Right Agreement

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

Store Operation Right Agreement

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

Cogeneration Purchase and Sale Agreement

On 25 February 2008, the Company entered into Cogeneration Project Agreement with the major shareholder under which the major shareholder invested 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. It started its commercial operation in June 2010. The volume and market prices are as stipulated in the agreement.

Petroleum and Gas Tank Storage Service Agreement

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

Office Rental and Service Agreements

The Company entered into office rental and service agreements with a related company for a period of 3 years commencing from 1 October 2012 to 30 September 2015 and with a renewable option for another period of 3 years. Office rental fees and conditions are as stipulated in the agreement.

Establishment and Management Service Agreement for NGV Service Station

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

Management Service Agreement for Electricity Generation from Solar Cell

The Company entered into management service agreement with a subsidiary for managing and producing electricity from solar cell and green energy learning center for a period of 5 years commencing from 1 August 2012 to 31 July 2017. The Company agreed to pay the fee on monthly basis. Management service fees and conditions are as stipulated in the agreement.

Management Service

The Company entered into management service agreement with subsidiary for general management service. The Company agreed to provide human resources to manage operation process in accordance with subsidiary' direction. Management service fees and conditions are as stipulated in the agreement.

5. Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Cash on hand	44.04	29.92	1.58	1.63
Cash at banks - current accounts	955.51	679.76	659.97	546.34
Cash at banks - savings accounts	6,805.96	2,811.03	5,979.70	2,463.94
Highly liquid short-term investments	200.00	500.00	-	400.00
Total	8,005.51	4,020.71	6,641.25	3,411.91

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Thai Baht (THB)	7,764.92	3,977.05	6,400.66	3,368.25
United States Dollars (USD)	239.88	42.75	239.88	42.75
Others	0.71	0.91	0.71	0.91
Total	8,005.51	4,020.71	6,641.25	3,411.91

6. Investments

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Current investment				
Short-term deposits at financial institutions	13.12	9.82	-	-
	13.12	9.82	-	-
Other long-term investments				
Non-marketable equity securities				
Fuel Pipeline Transportation Limited	7.07	181.75	7.07	181.75
Less Allowance for impairment	-	(181.75)	-	(181.75)
ASEAN Potash Mining Plc.	173.24	173.24	173.24	173.24
MFC Energy Fund	126.22	126.22	126.22	126.22
Less Allowance for impairment	(15.07)	(17.90)	(15.07)	(17.90)
Non-marketable equity securities - net	291.46	281.56	291.46	281.56

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Debt securities held to maturity				
Government bonds	3.00	3.00	3.00	3.00
Add: Premium on investments	0.05	0.09	0.05	0.09
Debt securities held to maturity - net	3.05	3.09	3.05	3.09
Other long-term investments	294.51	284.65	294.51	284.65
Total	307.63	294.47	294.51	284.65

Fuel Pipeline Transportation Limited was proceeded with rehabilitation plan as explained in note 4.

7. Trade accounts receivable

	Not	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
		<i>(in million Baht)</i>			
Related parties	4	1,455.41	1,838.99	2,350.79	2,470.43
Other parties		6,329.15	6,286.14	6,263.09	6,247.96
		7,784.56	8,125.13	8,613.88	8,718.39
Less allowance for doubtful accounts		(47.24)	(52.81)	(47.13)	(50.42)
Net		7,737.32	8,072.32	8,566.75	8,667.97
(Reversal of) bad and doubtful debts expense for the year		(0.28)	11.85	0.10	12.33

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	1,455.41	2,350.79	2,470.43	2,470.43
Less allowance for doubtful accounts	-	-	-	-
Net	1,455.41	2,350.79	2,470.43	2,470.43

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Other parties				
Within credit terms	6,197.12	6,169.90	6,132.44	6,137.64
Overdue:				
Less than 3 months	78.64	62.52	77.41	58.91
3-6 months	6.42	1.58	6.37	1.45
6-12 months	0.09	0.03	0.06	0.03
Over 12 months	46.88	52.11	46.81	49.93
	6,329.15	6,286.14	6,263.09	6,247.96
Less allowance for doubtful accounts	(47.24)	(52.81)	(47.13)	(50.42)
Net	6,281.91	6,233.33	6,215.96	6,197.54
Total	7,737.32	8,072.32	8,566.75	8,667.97

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

The currency denomination of trade accounts receivable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Thai Baht (THB)	5,911.22	6,370.05	6,740.65	6,965.70
United States Dollars (USD)	1,826.10	1,702.27	1,826.10	1,702.27
Total	7,737.32	8,072.32	8,566.75	8,667.97

8. Other receivables

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
		<i>(in million Baht)</i>			
Related parties	4	314.89	129.19	316.14	129.19
Other parties					
Receivable from oil hedging contracts		227.59	141.83	227.59	141.83
Insurance compensation receivable		310.00	-	310.00	-
Prepaid expenses		247.60	83.63	239.50	79.44
Others		58.32	45.87	39.58	28.12
Total		1,158.40	400.52	1,132.81	378.57

Majority of other receivables - related party amounting to Baht 314.62 million (2011 : 129.06) is prepayment of utilities - net for steam and electricity which the Company has provided an allowance for the quantity which is not expected to be utilized in accordance with the contract's terms and is under negotiation with the contractor.

9. Inventories

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Crude oil	11,453.82	10,113.46	11,342.50	10,011.41
Finished oil products	7,167.68	6,066.21	6,775.86	5,713.11
Materials and supplies	602.59	524.56	594.92	518.28
Consumer products	51.19	52.54	-	-
	19,275.28	16,756.77	18,713.28	16,242.80
Less: allowance for obsolete and slow moving	(100.15)	(98.54)	(99.29)	(97.70)
Net	19,175.13	16,658.23	18,613.99	16,145.10

As at 31 December 2012 and 2011, the Company's inventories included petroleum legal reserve of 462.16 million litres with approximated value of Baht 10,049.48 million and 464.64 million litres with approximated value of Baht 10,251.36 million, respectively.

The cost of inventories which is recognised as an expense and included in 'cost of sale of goods' for the year ended 31 December 2012 amounted to Baht 97,508.48 million (2011: Baht 104,211.41 million).

10. Investments in subsidiaries

	Separate financial statements	
	2012	2011
	<i>(in million Baht)</i>	
Subsidiaries		
At 1 January	347.54	197.54
Acquisitions	1,387.50	150.00
At 31 December	1,735.04	347.54

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Investments in subsidiaries as at 31 December 2012 and 2011, and dividend income for the years then ended were as follows:

	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	(in million Baht)											
Subsidiaries												
The Bangchak Green Net Co., Ltd.	49.00	49.00	1.00	1.00	0.49	0.49	-	-	0.49	0.49	-	-
The Bangchak Biofuel Co., Ltd.	70.00	70.00	281.50	281.50	197.05	197.05	-	-	197.05	197.05	-	83.93
The Bangchak Solar Energy Co., Ltd.	100.00	100.00	1,537.50	150.00	1,537.50	150.00	-	-	1,537.50	150.00	-	-
Total			1,735.04	347.54	1,735.04	347.54	-	-	1,735.04	347.54	-	83.93

All subsidiaries were incorporated in Thailand

Increase of investment in subsidiary

At the Annual General Meeting of The Shareholders of the Bangchak Solar Energy Co., Ltd, held on 30 April 2012, the shareholders approved the increase of registered share capital from Baht 150 million (divided into 1.5 million shares at par value of Baht 100) to Baht 2,000 million (divided into 20 million shares at par value of Baht 100) of which such company called up 75% of new registered share capital of Baht 75 per share, totalling Baht 1,387.50 million.

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11. Investments in associate

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	(in million Baht)			
Associate				
At 1 January	745.48	-	763.23	-
Acquisition	-	763.23	-	763.23
Share of net loss of equity-accounted associate	(22.59)	(17.75)	-	-
At 31 December	722.89	745.48	763.23	763.23

Investments in associate as at 31 December 2012 and 2011, and dividend income from those investments for the years then ended, were as follows:

	Consolidated financial statements											
	Ownership interest		Paid-up capital		Equity method		Impairment		At equity - net		Dividend	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	(in million Baht)											
Associate												
Ubon Bio Ethanol												
Ethanol Co., Ltd.	21.28	21.28	2,740.00	2,740.00	763.23	763.23	722.89	745.48	-	-	722.89	745.48
Total			763.23	763.23	763.23	763.23	722.89	745.48	-	-	722.89	745.48

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		Separate financial statements									
		Ownership interest		Paid-up capital		Cost method		Impairment		At equity - net	
		2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
		(in million Baht)									
Associate											
		(%)									
Ubon Bio Ethanol Co., Ltd.	21.28	21.28	2,740.00	2,740.00	763.23	763.23	-	-	762.23	763.23	-
Total		763.23	763.23	763.23	763.23	-	-	763.23	763.23	-	-

Associate was incorporated in Thailand.

None of the Company's equity-accounted investees are publicly listed and consequently do not have published price quotations.

12. Investment Properties

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Cost				
At 1 January	459.34	459.34	459.34	459.34
At 31 December	459.34	459.34	459.34	459.34
Depreciation and impairment losses				
At 1 January	(171.28)	(171.28)	(171.28)	(171.28)
Reversal of impairment losses	171.28	-	171.28	-
At 31 December	-	(171.28)	-	(171.28)
Net book value				
At 1 January	288.06	288.06	288.06	288.06
At 31 December	459.34	288.06	459.34	288.06

Investment properties were revalued as at 31 December 2012 by an independent professional valuer, at open market price with appraised value totalling Baht 598.72 million which was higher than cost. Consequently, the Company has reversed impairment losses totalling Baht 171.28 million (2011: 288.06 appraised value by Department of Land).

13. Property, plant and equipment

(a) The Group

Consolidated financial statements									
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments	Platinum Catalyst	Vehicles	Construction work in progress	Total
<i>(in million Baht)</i>									
Cost									
At 1 January 2011	914.07	787.46	30,235.89	-	4,058.14	312.56	169.80	940.41	37,418.33
Additions	82.77	1.06	1.44	-	4.59	-	2.47	5,173.19	5,265.52
Transfers	0.08	44.09	2,375.63	743.71	165.60	-	17.41	(3,344.56)	1.96
Disposals	-	(22.66)	(317.83)	-	(155.75)	(69.76)	(8.08)	-	(574.08)
At 31 December 2011 and									
1 January 2012	996.92	809.95	32,295.13	743.71	4,072.58	242.80	181.60	2,769.04	42,111.73
Additions	106.19	1.07	53.54	-	4.19	-	4.13	5,159.87	5,328.99
Transfers	132.15	136.72	2,219.35	2,777.18	258.77	(3.54)	26.60	(5,643.83)	(96.60)
Disposals	-	(2.85)	(523.21)	-	(61.22)	-	-	-	(587.28)
At 31 December 2012	1,235.26	944.89	34,044.81	3,520.89	4,274.32	239.26	212.33	2,285.08	46,756.84

Consolidated financial statements

	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments	Platinum Catalyst	Vehicles	Construction work in progress	Total
<i>(in million Baht)</i>									
Depreciation and impairment losses									
At 1 January 2011	(255.60)	(410.31)	(10,355.12)	-	(2,726.45)	-	(104.93)	-	(13,852.41)
Depreciation charge for the year	-	(31.58)	(1,571.79)	(12.40)	(268.63)	-	(18.39)	-	(1,902.79)
(Loss) Reversal of impairment losses	241.54	-	(16.00)	(97.77)	28.34	-	-	-	156.11
Disposals	-	19.34	289.13	-	130.41	-	7.74	-	446.62
At 31 December 2011 and									
1 January 2012	(14.06)	(422.55)	(11,653.78)	(110.17)	(2,836.33)	-	(115.58)	-	(15,152.47)
Depreciation charge for the year	-	(37.38)	(1,859.71)	(83.73)	(283.10)	-	(23.24)	-	(2,287.16)
(Loss) Reversal of impairment losses	-	-	(0.65)	97.77	6.65	-	-	-	103.77
Disposals	-	1.36	440.13	-	56.92	-	-	-	498.41
At 31 December 2012	(14.06)	(458.57)	(13,074.01)	(96.13)	(3,055.86)	-	(138.82)	-	(16,837.45)

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Consolidated financial statements							Total		
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments	Platinum Catalyst	Vehicles	Construction work in progress	
<i>(in million Baht)</i>									
Net book value									
At 1 January 2011	658.47	377.15	19,880.77	-	1,331.69	312.56	64.87	940.41	23,565.92
At 31 December 2011 and 1 January 2012	982.86	387.40	20,641.35	633.54	1,236.25	242.80	66.02	2,769.04	26,959.26
At 31 December 2012	1,221.20	486.32	20,970.80	3,424.76	1,218.46	239.26	73.51	2,285.08	29,919.39

As at 31 December 2012, a subsidiary has mortgaged its land, buildings and machinery as collateral with financial institutions for credit facilities totaling Baht 792.90 million (2011: Baht 760.55 million).

Capitalised borrowing costs relating to construction of the new factory amounted to Baht 104.50 million (2011: Baht 132.33 million), with a capitalization rate of 4.22-5.60% (2011: 5.0-6.1%) (see note 32).

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2012 amounted to Baht 2,767.31 million (2011: Baht 2,070.11 million).

(b) The Company

Separate financial statements									
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments	Platinum Catalyst	Vehicles	Construction work in progress	Total
Cost									
At 1 January 2011	868.19	569.82	29,658.04	-	4,019.42	312.57	155.99	920.15	36,504.18
Additions	-	-	-	-	-	-	-	5,145.39	5,145.39
Transfers	0.08	44.06	2,356.24	743.71	165.60	-	17.41	(3,325.14)	1.96
Disposals	-	(22.66)	(317.83)	-	(152.88)	(69.76)	(7.37)	-	(570.50)
At 31 December 2011 and									
1 January 2012	868.27	591.22	31,696.45	743.71	4,032.14	242.81	166.03	2,740.40	41,081.03
Additions	-	-	52.94	-	-	-	-	3,907.05	3,959.99
Transfers	132.15	105.51	2,164.04	2,777.18	258.74	(3.54)	26.60	(5,554.47)	(93.79)
Disposals	-	(2.76)	(521.88)	-	(56.19)	-	-	-	(580.83)
At 31 December 2012	1,000.42	693.97	33,391.55	3,520.89	4,234.69	239.27	192.63	1,092.98	44,366.40

Separate financial statements

	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipment	Marketing and office equipment	Platinum Catalyst	Vehicles	Construction work in progress	Total
	<i>(in million Baht)</i>								
Depreciation and impairment losses									
At 1 January 2011	(255.60)	(398.18)	(10,317.50)	-	(2,697.40)	-	(99.99)	-	(13,768.67)
Depreciation charge for the year	-	(20.65)	(1,536.23)	(12.40)	(265.16)	-	(15.83)	-	(1,850.27)
(Loss) Reversal of impairment losses	241.54	-	(16.00)	(97.77)	28.34	-	-	-	156.11
Disposals	-	19.34	289.13	-	127.58	-	7.37	-	443.42
At 31 December 2011 and									
1 January 2012	(14.06)	(399.49)	(11,580.60)	(110.17)	(2,806.64)	-	(108.45)	-	(15,019.41)
Depreciation charge for the year	-	(24.96)	(1,820.45)	(83.73)	(279.19)	-	(19.90)	-	(2,228.23)
(Loss) Reversal of impairment losses	-	-	(0.65)	97.77	6.65	-	-	-	103.77
Disposals	-	1.35	439.79	-	51.92	-	-	-	493.06
At 31 December 2012	(14.06)	(423.10)	(12,961.91)	(96.13)	(3,027.26)	-	(128.35)	-	(16,650.81)

Separate financial statements

	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments	Platinum Catalyst	Vehicles	Construction work in progress	Total
	<i>(in million Baht)</i>								
Net book value									
At 1 January 2011	612.59	171.64	19,340.54	-	1,322.02	312.57	56.00	920.15	22,735.51
At 31 December 2011 and 1 January 2012	854.21	191.73	20,115.85	633.54	1,225.50	242.81	57.58	2,740.40	26,061.62
At 31 December 2012	986.36	270.87	20,429.64	3,424.76	1,207.43	239.27	64.28	1,092.98	27,715.59

Capitalised borrowing costs relating to construction of the new factory amounted to Baht 104.15 million (2011: Baht 132.33 million), with a capitalization rate of 4.22 – 5.60% (2011:5.00 – 6.10%) (see note 32).

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2012 amounted to Baht 2,746.70 million (2011: Baht 2,046.41 million).

14. Leasehold Rights

Consolidated and Separate financial statements	
<i>(in million Baht)</i>	
Cost	
At 1 January 2011	2,170.91
Addition	73.50
Transfers	(1.20)
Disposals	(1.16)
At 31 December 2011 and 1 January 2012	2,242.05
Addition	217.06
Transfers	(10.52)
Disposals	(3.00)
At 31 December 2012	2,445.59
Amortisation and impairment losses	
At 1 January 2011	(1,216.89)
Amortisation charge for the year	(91.04)
Disposals	0.37
Reversal of impairment losses	2.89
At 31 December 2011 and 1 January 2012	(1,304.67)
Amortisation charge for the year	(96.42)
Disposals	2.45
Reversal of impairment losses	1.70
At 31 December 2012	(1,396.94)
Net book value	
At 1 January 2011	954.02
At 31 December 2011 and 1 January 2012	937.38
At 31 December 2012	1,048.65

On 27 February 2004, The Treasury Department permitted the Company to settle by instalments, the leasehold fee of Baht 551.63 million for an extension of the lease agreement of state-owned land on which the Company's refinery is located. The initial lease agreement, which due for expiration on 1 April 2015, will be extended for period of 18 years under the new lease agreement, which will expire on 31 March 2033. The Company has extended the amortisation period of existing leasehold rights to 31 March 2033, which corresponds to the period of the new agreement. The annually instalments of the leasehold fee are as followed;

Period	(in million Baht)
The year 2007 - 2009	137.90
The year 2010 - 2012	183.88
The year 2013 - 2015	229.85
	<u>551.63</u>

As at 31 December 2012, leasehold right liability has remaining balance totalling Baht 229.85 million (2011: Baht 291.14 million).

15. Intangible assets

	Right to use and cost of development of computer software	
	Consolidated financial statements	Separate financial statements
	(in million Baht)	
Cost		
At 1 January 2011	197.02	193.92
Addition	53.06	52.84
At 31 December 2011 and 1 January 2012	250.08	246.76
Addition	64.10	63.48
At 31 December 2012	314.18	310.24
Amortisation and impairment losses		
At 1 January 2011	(122.29)	(120.05)
Amortisation for the year	(26.65)	(26.16)
At 31 December 2011 and 1 January 2012	(148.94)	(146.21)
Amortisation for the year	(18.14)	(17.73)
At 31 December 2012	(167.08)	(163.94)
Net book value		
At 1 January 2011	74.73	73.87
At 31 December 2011 and 1 January 2012	101.14	100.55
At 31 December 2012	147.10	146.30

16. Investment in oil service stations

The investments in oil service stations comprise oil service station expansion under various business approaches. The Company may invest directly or may grant others the right to operate or enter into a joint venture agreement, or with investment made by the operator and the Company providing support.

As at 31 December 2012, the balances outstanding in the investment in service stations account total Baht 174.51 million (2011: Baht 180.35 million). The Company amortised the investment in service stations on a straight-line basis over the term of the agreement. Amortisation charge for the year ended 31 December 2012 total Baht 45.00 million (2011: Baht 49.02 million).

17. Deferred tax

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

	Consolidated financial statements			
	Assets		Liabilities	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Total	376.91	179.07	(189.80)	(6.87)
Set off of tax	(189.80)	(6.87)	189.80	6.87
Net deferred tax assets	187.11	172.20	-	-

	Separate financial statements			
	Assets		Liabilities	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Total	374.47	179.07	(189.80)	(6.87)
Set off of tax	(189.80)	(6.87)	189.80	6.87
Net deferred tax assets	184.67	172.20	-	-

Movements in total deferred tax assets and liabilities during the year were as follows:

Consolidated financial statements			
	At 1 January 2012	(Charged)/credited to Statement of income (Note 33)	At 31 December 2012
<i>(in million Baht)</i>			
Deferred tax assets			
Employee benefit obligation	168.99	29.77	198.76
Property, plant and equipment	-	71.83	71.83
Loss from impairment of assets and others	10.08	96.24	106.32
Total	179.07	197.84	376.91
Deferred tax liabilities			
Property, plant and equipment	(6.87)	(119.52)	(126.39)
Leasehold rights	-	(1.41)	(1.41)
Other receivables	-	(62.00)	(62.00)
Total	(6.87)	(182.93)	(189.80)
Net	172.20	14.91	187.11

Separate financial statements			
	At 1 January 2012	(Charged)/credited to Statement of income (Note 33)	At 31 December 2012
<i>(in million Baht)</i>			
Deferred tax assets			
Employee benefit obligation	168.99	27.57	196.56
Property, plant and equipment	-	71.83	71.83
Loss from impairment of assets and others	10.08	96.00	106.08
Total	179.07	195.40	374.47
Deferred tax liabilities			
Property, plant and equipment	(6.87)	(119.52)	(126.39)
Leasehold rights	-	(1.41)	(1.41)
Other receivables	-	(62.00)	(62.00)
Total	(6.87)	(182.93)	(189.80)
Net	172.20	12.47	184.67

	Separate financial statements		
	At 1 January 2012	(Charged)/credited to Statement of income (Note 33)	At 31 December 2012
	<i>(in million Baht)</i>		
Deferred tax assets			
Employee benefit obligation	221.35	(52.36)	168.99
Others	21.19	(11.11)	10.08
Total	242.54	(63.47)	179.07
Deferred tax liability			
Property, plant and equipment	(13.09)	6.22	(6.87)
Total	(13.09)	6.22	(6.87)
Net	229.45	(57.25)	172.20

18. Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Fixed deposit for staff welfare	415.21	376.71	415.21	376.71
Deferred expenses for the issuance of debentures and long-term loans	187.56	172.34	150.99	167.86
Others	189.75	84.59	188.17	83.92
Total	792.52	633.64	754.37	628.49

19. Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million)</i>			
Current				
Short-term loans from financial institutions				
unsecured	-	2,000.00	-	2,000.00
	-	2,000.00	-	2,000.00
Current portion of long-term loans				
from financial institutions				
secured	119.70	101.36	-	-
unsecured	890.15	450.00	890.15	450.00
	1,009.85	551.36	890.15	450.00
Total Current	1,009.85	2,551.36	890.15	2,450.00
Non-current				
Long -term loans from financial				
institutions secured	336.23	458.17	-	-
unsecured	14,681.85	15,572.00	14,681.85	15,572.00
	15,018.08	16,030.17	14,681.85	15,572.00
Debenture				
unsecured	2,995.01	-	2,995.01	-
	2,995.01	-	2,995.01	-
Total Non-current	18,013.09	16,030.17	17,676.86	15,572.00
Total	19,022.94	18,581.53	18,567.01	18,022.00

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notes to the financial statements.

Details of the Group's loans from financial institutions as at 31 December were as follows:

	Currency	Facilities (in million)	Interest Interest Rates (%) p.a.	Repayment Terms	Consolidated financial statements		Separate financial statements	
					2012	2011	2012	2011
<i>(in million Baht)</i>								
Short-term loans from financial institutions								
The Company	Baht	13,255	MMR	Payable in accordance with terms in Promissory note	-	2,000.00	-	2,000.00
Total					-	2,000.00	-	2,000.00
Long-term loans from financial institutions								
The Company	Baht	9,000	THBFX 6M plus a margin	The principle will be repayable in 20 instalments commencing in June 2011	8,380.00	8,690.00	8,380.00	8,690.00
The Company	Baht	4,200	Fixed Interest Rate	The principle will be repayable in 26 instalments commencing in March 2013	3,902.00	3,902.00	3,902.00	3,902.00
The Company	Baht	3,500	THBFX 6M plus a margin	THBFX 6M plus a margin The principle will be repayable in 23 instalments commencing in December 2011	3,290.00	3,430.00	3,290.00	3,430.00
The Company	Baht	710	Six-month fixed deposit corporate rate plus a margin	The principle will be repayable in 24 instalments commencing in June 2010	455.93	559.53	-	-
Subsidiary	Baht	1,508	Six-month fixed deposit corporate rate plus a margin	The principle will be repayable in 20-34 instalments commencing in August 2013	-	-	-	-
Subsidiary	USD	12	Fixed Interest Rate	The principle will be repayable in 34 instalments commencing in August 2013	-	-	-	-
Total					16,027.93	16,581.53	15,572.00	16,022.00
<i>Less: Current portion</i>					(1,009.85)	(551.36)	(890.15)	(450.00)
Net					15,018.08	16,030.17	14,681.85	15,572.00

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

On 1 November 2011, a subsidiary signed an amendment to the loan contract from a financial institution to amend the loan interest rate from term loans to six-month fixed deposit corporate rate plus a margin.

The loan agreements contain certain conditions and restrictions such as maintaining of certain debt to equity ratio, debt service coverage ratio and current ratio.

As at 31 December 2012, the Group and the Company had unutilised credit facilities totalling Baht 15,406 million and Baht 13,255 million, respectively (*2011: Baht 11,423 million and Baht 11,203 million, respectively*).

The Company entered into a sponsor support agreement with a subsidiary under the conditions as stipulated in the loan agreement with a financial institution to provide support in the event that the subsidiary cannot repay the loan in accordance with loan schedule which has a minimum facility of Baht 400 million. In case a subsidiary cannot find insurance protection for flood, the Company is responsible to repair subsidiary's power plant to normal condition.

Debentures

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

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

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Within one year	1,009.85	2,551.36	890.15	2,450.00
After one year but within five years	5,776.85	5,058.79	5,440.62	4,600.62
After five years	12,236.24	10,971.38	12,236.24	10,971.38
Total	19,022.94	18,581.53	18,567.01	18,022.00

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Property, plant and equipment	792.90	760.55	-	-
Total	792.90	760.55	-	-

Interest-bearing liabilities of the Group and the Company as at 31 December 2012 and 2011 were denominated entirely in Thai Baht.

20. Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
		<i>(in million Baht)</i>			
Related parties	4	12,530.49	7,881.99	12,626.39	7,979.06
Other parties		1,169.30	876.52	816.08	637.81
Total		13,699.79	8,758.51	13,442.47	8,616.87

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Thai Baht (THB)	13,589.18	8,758.51	13,331.86	8,616.87
United States Dollars (USD)	110.61	-	110.61	-
Total	13,699.79	8,758.51	13,442.47	8,616.87

21. Other payables

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
		<i>(in million Baht)</i>			
Related parties	4	728.22	427.17	728.22	428.55
Other parties					
Accrued expenses		919.83	710.25	842.92	652.49
Other accounts payable		1,121.60	431.06	725.10	412.06
Total		2,769.65	1,568.48	2,296.24	1,493.10

22. Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Statement of financial position obligations for:				
Post-employment benefits	954.85	825.71	945.95	818.37
Other long-term employee benefits	38.93	14.24	36.86	12.60
Total	993.78	839.95	982.81	830.97
For the year ended 31 December Statement of income:				
Post-employment benefits	140.08	95.99	138.30	93.89
Other long-term employee benefits	26.35	3.35	25.37	2.48
Total	166.43	99.34	163.67	96.37

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Defined benefit obligations				
at 1 January	839.95	759.50	830.97	752.84
Benefits paid by the plan	(12.60)	(18.89)	(11.83)	(18.24)
Current service costs and interest	104.25	99.34	101.49	96.37
Curtailement loss	10.23	-	10.23	-
Actuarial losses in profit or loss	51.95	-	51.95	-
Defined benefit obligations				
at 31 December	993.78	839.95	982.81	830.97

Expense recognised in profit or loss (note 30) :

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Current service costs	62.40	62.12	60.06	59.48
Interest on obligation	41.85	37.22	41.43	36.89
Curtailement loss	10.23	-	10.23	-
Actuarial losses in profit or loss	51.95	-	51.95	-
Total	166.43	99.34	163.67	96.37

The expense is recognised in the following line items in the statement of income:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Cost of sales	38.93	24.21	38.93	24.21
Selling expenses	57.35	37.20	55.47	34.51
Administrative expenses	70.15	37.93	69.27	37.65
Total	166.43	99.34	163.67	96.37

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	(%)			
Discount rate as at 31 December	4	5	4	5
Future salary increases	4-10	4-10	4-10	4-10
Retirement age	55 and 60 years	55 and 60 years	60 years	60 years

Assumptions regarding future mortality are based on published statistics and mortality tables.
Discount rate is the interest rate of long-term government bond.

23. Share capital

	Par value per share (in Baht)	2012		2011	
		Number	Baht	Number	Baht
<i>(million shares / million Baht)</i>					
Authorised					
At 1 January					
ordinary shares	1	1,531.64	1,531.64	1,531.64	1,531.64
At 31 December					
ordinary shares	1	1,531.64	1,531.64	1,531.64	1,531.64
Issued and paid-up					
At 1 January					
ordinary shares	1	1,376.92	1,376.92	1,176.82	1,176.82
Issue of new shares	1	-	-	200.10	200.10
At 31 December					
ordinary shares	1	1,376.92	1,376.92	1,376.92	1,376.92

During 2011, the Company issued 200.10 million new ordinary shares with a par value of 1 Baht each, totaling Baht 200.10 million to support the conversion of convertible debentures to 136.30 million common shares at conversion price of Baht 14.30 and 14.00 and the exercise of warrant totaling 63.80 million shares resulting in increase in premium of Baht 2,884.84 million.

24. Additional paid-in capital and reserves

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Capital surplus on registered and paid-up share reduction

On 6 July 2004, the Company 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. 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 proceeded the share reduction to Capital on registered and paid-up share reduction account.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

25. Segment reporting

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

Business segments

The Group comprises the following main business segments:

- Segment 1 Refinery
- Segment 2 Marketing
- Segment 3 Electricity

Business segments profit (loss) results.

	2012				
	Refinery	Marketing	Electricity	Eliminations	Total
	<i>(in million Baht)</i>				
Sales	158,286.95	131,830.03	378.19	(125,249.24)	165,245.93
Cost of sale	(155,683.05)	(127,553.49)	(95.65)	125,249.24	(158,082.95)
Gross profit	2,603.90	4,276.54	282.54	-	7,162.98
Investment income	63.48	24.33	2.07	-	89.88
Other income	379.36	119.80	71.80	-	570.96
Selling and administrative expenses	(976.16)	(3,092.68)	(30.66)	-	(4,099.50)
Gain from crude and product oil price hedging contract	868.75	-	-	-	868.75
Gain from foreign currency forward contract	745.79	-	-	-	745.79
Gain on foreign exchange	347.50	-	(1.32)	-	346.18
Reversal of allowance for loss from impairment of assets	149.23	47.67	97.77	-	294.67
Share of loss of associate	(22.59)	-	-	-	(22.59)
Profit before finance costs and income tax expense	4,159.26	1,375.66	422.20	-	5,957.12
Finance costs					(939.96)
Income tax expense					(714.58)
Profit for the year					4,302.58

	2012				
	Refinery	Marketing	Electricity	Eliminations	Total
	<i>(in million Baht)</i>				
Sales	153,061.58	116,252.71	27.58	(110,731.88)	158,609.99
Cost of sales	(145,978.08)	(112,715.55)	(22.57)	110,731.88	(147,984.32)
Gross profit	7,083.50	3,537.16	5.01	-	10,625.67
Investment income	38.44	16.11	-	-	54.55
Other income	1,367.84	119.50	-	-	1,487.34
Selling and administrative expenses	(1,011.10)	(2,824.19)	(5.49)	-	(3,840.78)
Loss from crude and product oil price hedging contract	(758.85)	-	-	-	(758.85)
Loss from foreign currency forward contract	(701.07)	-	-	-	(701.07)
Gain on foreign exchange	170.09	-	-	-	170.09
Reversal of allowance for loss (loss) from impairment of assets	33.51	75.97	(97.77)	-	11.71
Share of loss of associate	(17.75)	-	-	-	(17.75)
Profit (Loss) before finance costs and income tax expense	6,204.61	924.55	(98.25)	-	7,030.91
Finance costs					(783.18)
Income tax expense					(615.29)
Profit for the year					5,632.44

26. Investment income

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
		<i>(in million Baht)</i>			
Dividend income					
Related parties	4	2.85	-	2.85	83.93
		2.85	-	2.85	83.93
Other investment income		87.03	54.55	68.96	42.68
Total		89.88	54.55	71.81	126.61

27. Other income

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Fee for land utilisation and management fee NGV service station	81.26	76.56	81.26	76.56
Indemnity and insurance compensation	383.40	1,248.46	383.40	1,248.46
Oil reservation fee	28.99	70.54	28.99	70.54
Others	77.31	91.78	92.87	106.88
Total	570.96	1,487.34	586.52	1,502.44

28. Selling expenses

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Personnel	634.81	531.38	296.03	257.81
Advertising	183.07	180.85	100.94	112.77
Depreciation and amortisation	439.35	426.77	434.97	422.78
Distribution	676.33	600.84	676.33	600.84
Others	763.27	696.45	542.87	495.43
Total	2,696.83	2,436.29	2,051.14	1,889.63

29. Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Personnel	735.50	707.15	690.33	665.85
Advertising	197.68	150.23	197.04	150.19
Depreciation and amortisation	61.75	77.24	58.29	74.57
Others	407.74	469.87	403.90	468.55
Total	1,402.67	1,404.49	1,349.56	1,359.16

30. Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Management				
Wages and salaries	87.61	75.19	87.49	75.10
Contribution to provident funds	4.67	3.92	4.67	3.92
Pension	6.49	5.46	6.49	5.46
EJIP	-	5.69	-	5.69
Others	22.03	17.15	22.03	17.15
	120.80	107.41	120.68	107.32
Other employees				
Wages and salaries	1,017.25	900.65	676.55	621.37
Contribution to provident funds	58.23	53.11	54.81	50.66
Pension	159.94	93.88	157.18	90.91
EJIP	-	35.98	-	35.98
Others	347.77	307.42	300.82	270.58
	1,583.19	1,391.04	1,189.36	1,069.50
Total	1,703.99	1,498.45	1,310.04	1,176.82

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 5% to 10% of their basic salaries and by the Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Manager.

Employee Joint Investment Program (EJIP)

On 6 October 2009, the Company received the approval of Employee Joint Investment Program (EJIP) from Securities and Exchange Commission (SEC) in accordance with the notification of the SEC, SorJor 12/2009, dated 10 June 2009. EJIP is an investment program for the periodic accumulative buying of the Company's shares, established to serve as another means of compensating Company employees and executives effective for the period from 1 October 2009 to 30 September 2011.

31. Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
<i>Included in cost of sales of goods:</i>				
Changes in inventories of finished goods and work in progress	1,100.11	925.45	1,062.75	983.91
Raw materials and consumables used	97,659.66	104,389.99	97,508.48	104,211.41
Tax expenses and oil fuel fund	9,045.74	9,989.01	9,045.74	9,989.01
Depreciation	1,929.32	1,539.39	1,877.89	1,493.06
<i>Included in selling expenses:</i>				
Depreciation	311.09	299.60	306.75	295.64
<i>Included in administrative expenses:</i>				
Depreciation	46.76	40.19	43.48	37.80

32. Finance costs

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
		<i>(in million Baht)</i>			
Interest payable to financial institutions		923.68	821.66	894.91	787.71
Interest payable to Debentures		102.38	-	102.38	-
Amortisation of transaction costs capitalised		18.40	69.50	17.34	68.44
Others		-	24.35	-	24.35
		1,044.46	915.51	1,014.63	880.50
Capitalised as cost of assets under construction	13	(104.50)	(132.33)	(104.15)	(132.33)
Net		939.96	783.18	910.48	748.17

33. Income tax expense

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
(in million Baht)					
Current tax expense					
Current year		1,000.90	479.66	989.99	471.44
Under (over) provided in prior years		(271.41)	78.38	(271.14)	78.38
		729.49	558.04	718.58	549.82
Deferred tax expense					
Movements in temporary differences	17	(14.91)	57.25	(12.47)	57.25
		(14.91)	57.25	(12.47)	57.25
Total		714.58	615.29	706.11	607.07

Reconciliation of effective tax rate	Consolidated financial statements				
	2012		2011		
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)	
Profit before income tax expense		5,017.16		6,247.74	
Income tax using the Thai corporation tax rate	23.00	1,153.95	30.00	1,874.32	
Income tax reduction – deferred	-	-	1.32	82.40	
Profit exemption – promotional privileges	-	-	(21.59)	(1,349.07)	
Income not subject to tax / Expenses that are deductible at a greater amount	(2.56)	(128.09)	(0.52)	(32.45)	
Expenses not deductible / Other adjustments	(0.79)	(39.87)	(0.61)	(38.29)	
Under (over) provided in prior years	(5.41)	(271.41)	1.25	78.38	
Total		14.24	714.58	9.85	615.29

<i>Reconciliation of effective tax rate</i>	Separate financial statements			
	2012		2011	
	<i>Rate (%)</i>	<i>(in million Baht)</i>	<i>Rate (%)</i>	<i>(in million Baht)</i>
Profit before income tax expense		4,906.00		6,249.65
Income tax using the Thai corporation tax rate	23.00	1,128.38	30.00	1,874.90
Income tax reduction – deferred	-	-	1.32	82.40
Profit exemption – promotional privileges	-	-	(21.59)	(1,349.07)
Income not subject to tax / Expenses that are deductible at a greater amount	(2.14)	(105.17)	(0.56)	(34.74)
Expenses not deductible / Other adjustments	(0.93)	(45.69)	(0.72)	(44.80)
Under (over) provided in prior years	(5.53)	(271.41)	1.26	78.38
Total	14.40	706.11	9.71	607.07

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively.

It is understood that the Government will proceed to amend the law in order to maintain the corporate income tax rate at not higher than 20% for the accounting period 2015 which begins on or after 1 January 2015 and onwards in order to give full effect to the Cabinet resolution dated 11 October 2011 to increase Thailand's tax competitiveness.

34. Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the Group has been granted privileges by the Board of Investment relating to Petroleum Refinery process, production of Biodiesel and production of electricity from solar cell. The privileges granted include:

Petroleum Refinery production

- (a) exemption from payment of import duty on machinery approved by the Board;

- (b) exemption from payment of income tax for net profit of not over 100% of investment cost excluding land and working capital for environment protection for a period of eight years from the date on which the income is first derived from such operations.

Production of Biodiesel and production of electricity from solar cell

- (a) exemption from payment of import duty on machinery approved by the Board;
- (b) exemption from payment of income tax for certain operations for a period of eight years from the date on which the income is first derived from such operations.

As promoted companies, the Group must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted businesses:

Consolidated financial statements						
	2012			2011		
	Promoted businesses	Non promoted businesses	Total	Promoted businesses	Non promoted businesses	Total
<i>(in million Baht)</i>						
Export sales	66.20	13,961.60	14,027.80	32.18	19,167.71	19,199.89
Local sales	3,865.54	175,328.72	179,194.26	2,479.05	159,524.87	162,003.92
Eliminations			(27,976.13)			(22,593.82)
Total Revenue			165,245.93			158,609.99

Separate financial statements						
	2012			2011		
	Promoted businesses	Non promoted businesses	Total	Promoted businesses	Non promoted businesses	Total
<i>(in million Baht)</i>						
Export sales	-	13,961.60	13,961.60	-	19,167.71	19,167.71
Local sales	378.19	148,283.04	148,661.23	27.58	137,733.15	137,760.73
Total Revenue	378.19	162,244.64	162,622.83	27.58	156,900.86	156,928.44

35. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the years ended 31 December 2012 and 2011 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	4,272.56	5,610.16	4,199.89	5,642.58
Number of ordinary shares outstanding at 1 January	1,376.92	1,176.82	1,376.92	1,176.82
Effect of shares issued during the period	-	146.94	-	146.94
Weighted average number of ordinary shares outstanding	1,376.92	1,323.76	1,376.92	1,323.76
Earnings per share (basic) (in Baht)	3.10	4.24	3.05	4.26

36. Dividends

At the Board of Directors meeting of the Company held on 28 August 2012, the meeting approved the appropriation of interim dividend from retained earnings as of 30 June 2012 at Baht 0.35 per share, amounting to Baht 481.91 million. The dividend was paid to shareholders on 21 September 2012.

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

At the Board of Directors meeting of the Company held on 30 August 2011, the Board of Directors approved the appropriation of interim dividend from retained earnings as of 30 June

2011 at Baht 0.65 per share, amounting to Baht 894.97 interim million. The dividend was paid to shareholders on 21 September 2011.

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

37. Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly floated. The Group is primarily exposed to interest rate risk from its borrowings. The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates and uses derivative financial instruments, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

Consolidated financial statements					
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
<i>(in million Baht)</i>					
2012					
Current					
Loans from Financial institutions	4.2–5.1	1,009.85	-	-	1,009.85
Non-current					
Loans from Financial institutions	4.2–5.1	-	5,776.85	9,241.23	15,018.08
Debenture	4.9–5.3	-	-	2,995.01	2,995.01
Total		1,009.85	5,776.85	12,236.24	19,022.94
2011					
Current					
Loans from Financial institutions	4.2–5.4	2,551.36	-	-	2,551.36
Non-current					
Loans from Financial institutions	4.5–5.4	-	5,058.79	10,971.38	16,030.17
Total		2,551.36	5,058.79	10,971.38	18,581.53

Separate financial statements					
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
<i>(in million Baht)</i>					
2012					
Current					
Loans from Financial institutions	4.2–4.5	890.15	-	-	890.15
Non-current					
Loans from Financial institutions	4.2–4.5	-	5,440.62	9,241.23	14,681.85
Debenture	4.9–5.3	-	-	2,995.01	2,995.01
Total		890.15	5,440.62	12,236.24	18,567.01
2011					
Current					
Loans from Financial institutions	4.2–4.8	2,450.00	-	-	2,450.00
Non-current					
Loans from Financial institutions	4.5–4.8	-	4,600.62	10,971.38	15,572.00
Total		2,450.00	4,600.62	10,971.38	18,022.00

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
(in million Baht)					
USD and others					
Cash and cash equivalents	5	240.59	43.66	240.59	43.66
Trade accounts receivable	7	1,826.10	1,702.27	1,826.10	1,702.27
Receivable from oil hedging contracts		227.59	141.83	227.59	141.83
Trade accounts payable	20	(110.61)	-	(110.61)	-
Payable from oil hedging contracts		-	(21.25)	-	(21.25)
Other current liabilities		(49.40)	(171.86)	(49.40)	(171.86)
Gross statement of financial position exposure		2,134.27	1,694.65	2,134.27	1,694.65
Currency forwards		111.69	(591.52)	111.69	(591.52)
Net exposure		2,245.96	1,103.13	2,245.96	1,103.13

Additionally, the Company entered into foreign currency buying and selling forward contracts, net totaling Baht 13,668.31 million, to hedge future sales and purchases transaction of goods with price denominated in foreign currencies.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables is taken to approximate the carrying value.

The fair value of investments is taken to approximate the carrying value

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

The fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

The fair value and book value of debentures reported in financial position as of 31 December were as follows :

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in million Baht)</i>			
Debentures				
31 December 2012	3,083.65	2,995.01	3,083.65	2,995.01
31 December 2011	-	-	-	-

38. Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
<i>(in million Baht)</i>				
Capital commitment				
Construction projects	2,448.23	1,527.79	322.20	1,476.94
Total	2,448.23	1,527.79	322.20	1,476.94
Non-cancellable operating lease commitments				
Within one year	463.29	461.57	463.29	461.57
After one year but within five years	1,822.49	1,768.55	1,822.49	1,768.55
After five years	2,537.49	2,934.09	2,537.49	2,934.09
Total	4,823.27	5,164.21	4,823.27	5,164.21
Other commitment				
Bank guarantees	2,193.47	77.52	2,191.65	77.52
Total	2,193.47	77.52	2,191.65	77.52

The Company entered into 5.03 million barrels oil price hedging contracts with foreign oil traders for the periods between January 2013 and December 2014.

The Company entered into foreign currency buying forward contracts cover the period to February 2013 amounting to USD 165.07 million equivalents to Baht 5,074.06 million and selling forward contracts cover the period to December 2013 amounting to USD 600.30 million equivalents to Baht 18,630.69 million.

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

Loan agreement facility <i>(in million Baht)</i>	Due date
3,000	30 June 2013
1,000	30 June 2014
1,500	30 June 2015
7,000	30 December 2015
1,500	30 June 2016
1,000	30 December 2018

39. Contingent liabilities and contingent assets

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

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

40. Events after the reporting period

At the Board of Directors' meeting held on 19 February 2013, the Board approved to submit for approval at the Annual General Meeting of the Shareholders, a full year 2012 dividend payment at the rate of Baht 1.25 per share, of which Baht 0.35 per share was paid as an interim dividend on 21 September 2012 as discussed in note 36. Thus, the remaining dividend will be at the rate of Baht 0.9 per share to the shareholders entitled to receive dividends. This dividend is subject to the approval of the Shareholders at the Annual General Meeting to be held on 10 April 2013.

41. Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the following revised TFRS that have been issued as of the reporting date but are not yet effective. The revised TFRS is expected to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	2013
TFRS 8	Operating Segments	2013

Management expects to adopt and apply these new TFRS in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the consolidated and separate or Company's financial statements of those new standards assessed to have the greatest potential impact on the financial statements in the period of initial application. This standard is as follows:

TAS 21 (revised 2009) – The effects of changes in foreign exchange rates

The principal change introduced by TAS 21 is the introduction of the concept of functional currency, which is defined as the currency of the primary economic environment in which the entity operates. TAS 21 requires the entity to determine its functional currency and translate foreign currency items into its functional currency, reporting the effects of such translation in accordance with the provisions of TAS 21. Foreign currencies are defined by TAS 21 as all currencies other than the entity's functional currency.

Management has determined that the functional currency of the Company is Thai Baht. Accordingly, the adoption of TAS 21 from 1 January 2013 is not expected to have a significant impact on the Company's reported assets, liabilities or retained earnings.

TFRS 8 – Operating segments

The principal change introduced by TFRS 8 is the introduction of the concept of presenting operating segments based on the information that internally is provided to the Group/Company's chief operating decision maker. Since the change in accounting policy only impacts disclosure aspects, there is no impact on the Group's financial statements.

42. Reclassification of accounts

	2011					
	Consolidated financial statements			Separate financial statements		
	Before reclass	Reclass.	After reclass.	Before reclass	Reclass.	After reclass.
	(in million Baht)					
Statement of financial position						
Other receivables	-	400.52	400.52	-	378.57	378.57
Refundable income tax	326.87	(326.87)	-	326.87	(326.87)	-
Other current asset	1,279.73	(73.65)	1,206.08	1,251.42	(51.70)	1,199.72
Tariff prepayment	12.00	(12.00)	-	12.00	(12.00)	-
Other non-current asset	621.64	12.00	633.64	616.49	12.00	628.49
Other payables	427.17	1,141.31	1,568.48	428.55	1,064.55	1,493.10
Other current liabilities	1,902.51	(1,141.31)	761.20	1,839.40	(1,064.55)	774.85
		-			-	

43. Others

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

During the third quarter of 2012, within the Bangchak refinery complex, Sukhumvit 64, kerosene stripper was ignited in the Crude Distillation Unit 3. Consequently, the Company recognized loss of assets at net book value amounting to Baht 12.40 Million. This refinery unit resumed its operation in October 2012. Currently, the insurers and loss adjusters have not finalized their assessment of the actual damage. As at 31 December 2012, the Insurer has proceeded to pay preliminary insurance compensation totaling Baht 310 million. Management believes that remaining losses will be fully recovered from the insurance settlement.



Reference

Securities Registrar

Thailand Securities Depository Limited
62 The Stock Exchange of Thailand Building,
Rachadapisek Road, Klongtoey,
Bangkok 10110, Thailand
Tel. 0-2229-2888
Fax. 0-2654-5427

Auditor

KPMG Phoomchai Audit Limited
48th - 51st Floors, Empire Tower 195 South
Sathorn Road, Yannawa, Sathorn, Bangkok 10120
Tel. 0-2677-2000
Fax. 0-2677-2222

Others

- Investor support
- Reporting losses of share certificates
- Shareholders' information change

Contact

Issuer Service Unit
Thailand Securities Depository Limited
62 The Stock Exchange of Thailand Building,
Rachadapisek Road, Klongtoey, Bangkok 10110, Thailand
Tel. 0-2229-2888
Fax. 0-2654-5427



Company Information

Registration No.

0107536000269

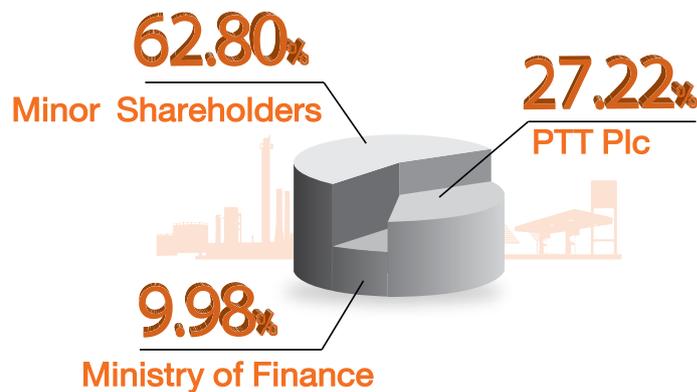
Business established:

April 1985

Registered capital as of December 31, 2011

- 1,531,643,461 Baht, of which Baht 1,376,923,157 was paid up, dividing in to 1,531,643,461 shares, at 1 Baht per share.

Registered capital as of December 31, 2011



Business:

Management of 120,000-barrel/day Bangchak Refinery; sales of refined fuel products; management of a solar power plant project, a nameplate Capacity of 44.5 MW

Customers:

- General public through Bangchak and dealers' service stations nationwide
- Industrial sector, including industrial works
- Transport and service sectors, including aviations, marine vessels, hotels, trucks, and construction activities
- Agricultural sector through cooperative-owned Bangchak service stations
- Foreign export market
- Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA)

Website:

<http://www.bangchak.co.th>



Office and Terminals:

- Head Office: 555/1 Energy Complex, 10th Floor, Building A, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900 Tel. 0-2140-8999, Fax 0-2140-8900
- Bangchak Refinery and Terminal: 210 Sukhumwit 64 Road, Bangchak, Phra Khanong, Bangkok 10260 Tel. 0-2335-4999, 0-2331-0047, Fax 0-2335-4009
- Central Region Business Office and Bang Pa-In Terminal: 99 Moo 9, Tambon Bang Krasan, Amphoe Bang Pa-in, Ayutthaya 13160 Tel. 0-3535-0260, 0-3527-6999, Fax (Central Region Business Office) 0-3535-0290, Fax (Bang Pa-In Terminal) 0-3527-6920
- Northern Region Business Office: 87/9 Yee-wan Building, 3rd Floor, Thung Hotel Road, Tambon Wat Ket, Amphoe Muang, Chiang Mai 50000 Tel. 0-5330-0484, Fax 0-5330-048
- Northeastern Region Business Office: 499 Moo 3, Mitraphab Road, Tambon Muang Kao, Amphoe Muang, Khon Kaen 40000 Tel. 0-4326-1789-92, 0-4326-1751-3, Fax 0-4326-1750
- Southern Region Business Office: Room 402, 4th Floor, P.C. Tower, 91/1 Moo 1, Kanchanawithi Road, Tambon Bang Kung, Amphoe Muang, Surat Thani 84000 Tel. 0-7722-4790-2, Fax 0-7722-4793
- Samut Sakhon Oil Distribution Center: 100/149 Moo 1, Tambon Tha Chin, Amphoe Muang, Samut Sakhon 74000 Tel. 0-3482-0974, Fax –none-
- Si Racha Oil Distribution Center: 115/14 Moo 10, Tambon Thung Sukhla, Amphoe Si Racha, Chon Buri 20230, Tel. 0-3849-3179, Fax 0-3849-3129
- Rayong Oil Distribution Center: 1, 3B Road, Tambon Map Ta Phut, Amphoe Muang, Rayong 21150, Tel. 0-3860-9389, Fax 0-3860-9413
- Surat Thani Oil Distribution Center: 104/1 Moo 2, Surat-Pak Nam Road, Tambon Bang Kung, Amphoe Muang, Surat Thani 84000 Tel. 0-7727-5056-8, Fax 0-7728-2943
- Song Kla Oil Distribution Center: 13/1 Moo 6, Tambon Sa Ting Mor, Amphoe Singha Nakorn, Song Kla 90280 Tel. 0-7433-2782, Fax 0-7433-2783
- Suksawat Lubricant Oil Distribution Center: 196 Moo 1, Suksawat Road, Tambon Pak Khlong Bang Pla Kot, Amphoe Phra Samut Chedi, Samut Prakan 10290 Tel. 0-2815-6997-8, Fax 0-2815-6996

Subsidiaries

- Bangchak Green Net Co., Ltd.
223/94 Country Complex, Building A, 19th Floor, Sanpawhut Rd., Bangna, Bangna, Bangkok 10260
Tel. 02-3672-699 Fax. 02-7457-9452
- Bangchak Biofuel Co., Ltd.
28 Moo 9 (Highway No. 3048), Tambon Bang Krasan, Bang Pa-in District, Ayudthaya 13160
Tel. 035-276-500 Fax. 035-276-549
- Bangchak Solar Energy Co., Ltd.
99/1 Moo (Highway No. 3048), Tambon Bang Krasan, Bang Pa-in District, Ayudthaya 13160
Tel.: 035-276-000 Fax.: 035-276-014



Award and Achievement

2011

- Board of the Year Awards - Hall of Fame 2010/11 for being a Board with commitment to ensuring good corporate governance practices and the Board of the Year Award for Exemplary Practices for three consecutive years in the Board of the Year Awards 2010/11 , organized by the Thai Institute of Directors (IOD) in conjunction with the Stock Exchange of Thailand (SET), Board of Trade of Thailand, Federation of Thai Industries (FTI), The Thai Bankers' Association (TBA), Thai Listed Companies Association (TLCA), and the Federation of Thai Capital Market Organizations (FETCO).
- SET Awards of Honor, presented at the SET Awards 2011 event, organized by the Stock Exchange of Thailand (SET) and Finance and Banking Magazine:
 - Top Corporate Governance Report Award, in its sixth straight year. This award honors listed companies with outstanding reports on compliance with corporate governance
 - Best Corporate Social Responsibilities Award, in its fifth straight year. This award honors listed companies with outstanding social responsibility practices.

In addition, the Company won an Outstanding Corporate Social Responsibility Award and Outstanding Investor Relations Award.

- Recognition Awards 2011 "THE BEST OF ASIA", organized by Corporate Governance Asia Magazine:
 - Asian Corporate Director Recognition Award 2011, this award honors Dr. Anusorn Sangnimnuan with his contributions in growing the business, social responsibility, environmental protection and also efforts in raising the standards of corporate governance practice in the country.
 - Corporate Governance Asia Recognition Award 2011, this award is given in recognition to the Company's continuing commitment to the development of Corporate Governance in the region.
- ASEAN Honorary Fellow Award, presented at Conference of 19th ASEAN Federation of Engineering Organization (CAFEO 29), Brunei. This award honors Dr. Anusorn Sangnimnuan with his contributions and efforts in engineering development.
- The assessment outcome of a survey on corporate governance reports of listed companies of 2011, given by Thai Institute of Directors (IOD), showed that the Company commanded 'excellent' ratings in over all categories.
- An excellent score for its quality under the Annual General Meeting (AGM) for 2011 project, given by the Thai Investors Association.
- NACC Integrity Awards 2011 (Honorable Mention Award) given by the Office of the National Anti-Corruption Commission. This award is given in recognition to the Company's promotional activities for corporate governance, righteousness, and transparency. the Company was among the ten private-sector finalists at this event,
- The Certificate of Green Industry (Level 3), given by Ministry of Industry, which certified that the Company has a systematic environmental management, including the monitoring and continuing development.
- The Crown Standard, for the Company's solar power plant project (Sunny Bangchak) in operating sustainable development and environment protection project, creating stakeholders' participation procedure, and also supporting activities on society, culture and sufficiency economy philosophy, given by Thailand Greenhouse Gas Management Organization.

- A plaque and Certificate of CSR-DIW Continuous Award, as the business with social responsibility, awarded by Management System Certification Institute (Thailand) and the Department of Industrial Works.
- The Certificate for reduction in greenhouse gas emission for buildings for using and maintaining buildings and facilities with low emissions of greenhouse gases, given by Thailand Business Council for Sustainable Development, Thailand Greenhouse Gas Management Organization and Thailand Environment Institute.
- The Certificate for Green Meetings in recognition of meetings, seminars, training sessions and businesses conducive to natural balance and sustainable development through cost-effective resource application and mitigation of environmental impacts, given by Thailand Greenhouse Gas Management Organization and Thailand Environment Institute.
- The Best Oil and Gas Innovation in Refining Technology Award 2011, given by opinion surveys among the readers of the World Finance Magazine.
- The Quality and Safety Service Stations Award from the Department of Energy Business, designed to raise the quality of service stations nationwide. 128 Bangchak stations were awarded with 53 gold (five-star) medals, 42 silver (four-star) medals, and 33 bronze (three-star) medals.
- Trusted Brands Awards 2011, given by votes from the readers of Reader's Digest Magazine, illustrating consumers' confidence in the Company brand when deciding to buy goods and services.
- Marketing Excellence Awards 2011 (second place), for the Company's an outstanding marketing campaign in green marketing or environmentally friendly marketing, given by MCOT FM 100.5 News Network.

2010

- Thailand Quality Class (TQC) Award of 2010, organized by the National Quality Award Office. This award honors entities with integrated organizational management systems under the National Quality Award guidelines, as well as world-standard quality.
- SET Awards of Honor, presented at the SET Awards 2010 event, organized by the Stock Exchange of Thailand (SET) and Finance and Banking Magazine:
 - Top Corporate Governance Report, in its fifth straight year. This award honors listed companies with outstanding reports on compliance with corporate governance
 - Corporate Social Responsibilities, in its fourth straight year. This award honors listed companies with outstanding social responsibility practices.
- First prize at a contest of Sufficiency Economy practices for large corporations (for modern-management adaptation of the principle), presented at the second such event, organized by the Chaipattana Foundation, Office of the Royal Development Projects Boards, Ministry of Interior, Bureau of the Budget, Royal Thai Army, and the Sufficiency Economy National Research and Development Institute.
- Award of Excellence (Community Development Program of the Year), presented at the Platts Global Energy Awards 2010 event. This award honors entities with outstanding aspects of management in Asia. The Company was the only Thai winner of the award.

- Titanium Award (Corporate Governance), presented at The Asset Corporate Awards 2010, organized by The Asset Magazine. This award honors entities with outstanding Corporate Governance, which compared aspects of listed regional companies.
- The assessment outcome of a survey on good corporate governance reports of listed companies of 2010, organized by IOD (Thai Institute of Directors), showed that the Company commanded 'excellent' ratings in all categories, with top average scores for all categories among the entrants.
- A plaque presented under a project on transparent organizations to those with promotional activities for corporate governance, righteousness, and transparency. The Company was among the ten private-sector finalists at this event, hosted by the Office of the National Anti-Corruption Commission.
- Honorary award as an entity engaged in environmental public service, presented on the World Environment Day 2010 by the Ministry of Natural Resources and Environment.
- A perfect score of 100 for its quality under the Annual General Meeting (AGM) for 2010 project, sponsored by the Office of the Securities and Exchange Commission (SEC) in conjunction with the Listed Companies Association and the Thai Investors Association.
- The Quality and Safety Service Stations Award from the Department of Energy Business, designed to raise the quality of service stations nationwide. 75 Bangchak stations were awarded with 16 gold (five-star) medals, 31 silver (four-star) medals, and 28 bronze (three-star) medals.
- Certificate for potable piped water given by the Provincial Waterworks Authority for the quality of the company's water, which passed the recommended standards of the World Health Organization of 2006.
- Trusted Brands Awards 2010 given by votes from Reader's Digest Magazine readers, as a Thai brand of excellence (gold level) in the service stations category.

2009

- ASEAN Business Award 2008 for Corporate and Environmental Social Responsibility for Large-Scale Businesses in ASEAN, sponsored by the ASEAN Business Advisory Council and the Thai Chamber of Commerce, The Federation of Thai Industries (FTI) and Thai Bankers' Association (TBA).
- Board of the Year Awards 2008/09 Project achievements:
 - The Board of the Year Award for Exemplary Practices for the third consecutive year, ranking in the top five with the highest average score
 - Audit Committee of the Year Award, ranking in the top five with the highest average score
 - Honorary Award (Hall of Fame) for being a Board with Consistent Exemplary Practices, presented to the Board that has received the Board of the Year Award for Exemplary Practices for three consecutive years.

This was organized by the Thai Institute of Directors (IOD) in conjunction with the Stock Exchange of Thailand (SET), Board of Trade of Thailand, Federation of Thai Industries (FTI), TBA, Thai Listed Companies Association, and the Federation of Thai Capital Market Organizations (FETCO).

- The Top Corporate Governance Report Award as a listed Company with outstanding good corporate governance practices for the fourth consecutive year. This was presented at the SET Awards 2009 event, organized by SET and Finance and Banking Magazine.

- The Corporate Social Responsibility Award as a listed company with outstanding corporate social responsibility (CSR) and environmental practices for the third consecutive year. This was presented at the SET Awards 2009 event, organized by SET and Finance and Banking Magazine.
- The IR Excellence Award as a listed company with outstanding investor relations (IR) practices, which values participation from across the board in the organization for investor relations with investors and shareholders. The Company received this award for the second consecutive year at the SET Awards 2009 event, organized by SET and Finance and Banking Magazine.
- A perfect score of 100 under a project to assess the quality of organizations for the Annual General Meeting of Shareholders (AGM) 2009, organized by the Securities and Exchange Commission (SEC) in conjunction with the Listed Companies Association and the Thai Investor Association.
- A plaque under a staff volunteer project entitled ‘Chit Asa Personnel Development toward Sustainable Development of Organization and Society’, sponsored by the Center for the Promotion and National Strength on Moral Ethics and Values, the Office of Knowledge Management and Development, and Kenan Institute Asia.
- The “Quality and Safety Service Stations Award” from the Department of Energy Business, designed to raise the quality of service stations nationwide. 67 the Company stations were awarded with 17 gold (five-star) medals, 38 silver (four-star) medals, and 12 bronze (three-star) medals.
- A plaque under a project entitled ‘Rak Mae, Rak Mae Nam’ as an organization which has conserved and recognized the value of the Chao Phraya River under the initiative of ‘Friendly Works and Community and Environment’ following the guidance of Her Majesty Queen Sirikit, who has expressed concern for the quality of river water. The project coordinated efforts from the public, schools, local communities, local administrations and organizations, private industrial entrepreneurs and the Ministry of Industry to restore and conserve the four major rivers, namely the Chao Phraya, Tha Chin, Mae Klong, and Bang Pakong river. The Company has received this honor for the second consecutive year.
- National Outstanding Business Operator in Safety, Occupational Health and Work Environment Award for the second consecutive year, presented at the 23rd National Safety Week 2009 event, organized by the Department of Welfare and Labour Protection, Ministry of Labour.
- A certificate of laboratory competence under ISO/ IEC 17025:2005 standards, terms, rules and conditions of the Office of Administration and Laboratory Accreditation, Department of Science Service, Ministry of Science and Technology.
- Outstanding Franchise Award in Coffee Category for Inthanin Coffee, in the 6th Thailand Asian Coffee & Tea 2009, organized by Thailand Coffee & Tea Association, Thai Community Products Association, the Department of Agriculture under the Ministry of Agriculture and Cooperatives.

2008

- The Top Corporate Governance Report Award as a listed company that has shown excellence in reporting good corporate governance practices under the guidance for listed companies. The Company received this award for the third consecutive year in the SET Awards 2008 event, organized by SET and Finance & Banking Magazine.

- The Corporate Social Responsibilities Award as a listed company with outstanding corporate social responsibility and environmental practices for the second consecutive year. This was presented at the SET Awards 2008 event, organized by SET and Finance and Banking Magazine.
- The IR Excellence Awards as a listed company with outstanding IR practices, which values participation from across the board in the organization for investor relations with investors and shareholders, presented at the SET Awards 2008 event and organized by SET and Finance and Banking Magazine.
- A plaque and Certificate of Compliance to Corporate Social Responsibility guidelines, under a project entitled “Corporate Social Responsibility, Department of Industrial Works” (CSR-DIW), awarded by Management System Certification Institute (Thailand) (MASCI) and the Department of Industrial Works.
- A plaque under a project entitled ‘Rak Mae, Rak Mae Nam’ as an organization which has conserved and recognized the value of the Chao Phraya River under the initiative of ‘Friendly Works and Community and Environment’ following the guidance of Her Majesty Queen Sirikit, who has expressed concern for the quality of river water. The project raises awareness in industrial buildings and the local community situated on the river banks to coordinate efforts to curb pollution and restore the environment, as well as monitoring and safeguarding the quality of the river water, initiated by the Ministry of Industry.
- A plaque for participation in World Environment Day 2008 as an organization campaigning for public awareness of environmental protection and exemplary practices for environmental protection, organized by Office of Natural Resources and Environmental Policy and Planning and Bangkok Metropolitan Administration.
- National Outstanding Business Operator in Safety, Occupational Health and Work Environment Award, presented at the 22nd Occupational Safety and Health Week 2008, organized by the Department of Labour Protection and Welfare, Ministry of Labour.
- ISO/TS 16949:2002 certificate based on a set of internationally-recognized technical specifications for quality management for the automotive industry. The Company was the first in Thailand to receive this certification from United Registrar of Systems (Thailand) Ltd.
- Recognition for Good Lab Practice/Department of Industrial Works (GLP/DIW) and analytical laboratory which meets the standards of ISO/IEC 17025 from the Thai Industrial Standards Institute (TISI), Ministry of Industry.
- CNBC’s Corporate Social Responsibility Award 2008, awarded for the Company’s leading CSR practices, under CNBC’s Asia Business Leader Award (ABLA) project, organized by the Consumer News and Business Channel (CNBC), NBC Universal.

2007

- Board of the Year for Exemplary Practices 2006-2007 from IOD, organized in conjunction with SET, The Thai Chamber of Commerce and Board of Trade of Thailand, FTI, TBA, Thai Listed Companies Association, and FETCO.

- Runner-up for work practices that follow the guidelines of the Sufficiency Economy Philosophy Competition (for Large-Scale Businesses) from the Office of Royal Development Projects Board (RDPB).
- The Company's laboratories are ISO 17025-certified for competence in diesel product testing from TISI, Ministry of Industry.
- A Certificate of Commitment to Social and/or Environment Issues from the Thailand Management Association (TMA) in conjunction with Sasin Graduate Institute of Business Administration of Chulalongkorn University, presented at the "Thailand Corporate Excellence Awards" 2006 event.
- A Certificate of Commitment to Energy Saving from TMA in conjunction with Sasin Graduate Institute of Business Administration of Chulalongkorn University, presented at the 6th "Thailand Corporate Excellence Awards" 2006 event.

2006

- Being among the nine companies with the highest scores for good corporate governance from IOD, organized in conjunction with SEC and SET.
- A certificate of Distinction in Maintaining Excellent Corporate Governance Reports from Money & Banking Magazine and SET, presented at the SET Awards 2006 event.
- Best Corporate Social Responsibilities Award from Money & Banking Magazine and SET, presented at the SET Awards 2006 event.
- A Certificate of Commitment to Social and/or Environment Issues from TMA in conjunction with Sasin Graduate Institute of Business Administration of Chulalongkorn University, presented at the 5th "Thailand Corporate Excellence Awards" 2006 event.
- A Certificate of Commitment to Energy Saving from TMA in conjunction with Sasin Graduate Institute of Business Administration of Chulalongkorn University, presented at the 5th "Thailand Corporate Excellence Awards" 2006 event.
- Best Toilets on Main Roads of the Year 2006 Award on Pahonyothin Road and Rama 2 Road, awarded by the Department of Health, Ministry of Public Health, under a project to develop Thai public toilets, presented at the "World Toilet Expo and Forum 2006" event.

2005

- Certificate of recognition for Board of the Year 2004-2005 from IOD, organized in conjunction with SET, Board of Trade of Thailand, FTI, TBA, Thai Listed Companies Association, and FETCO.
- Certified in Occupational Health and Safety Management according to TISI /OHSAS 18001 for the Company's Bang Pa-in Oil Distribution Center, Ayutthaya province, from MASCI in 2005.
- Best Corporate Governance Report Award from Money & Banking Magazine and SET, presented at the SET Awards 2005 event.
- Selection to Top Quartile Companies 2005 for the third consecutive year, under the Corporate Governance of Thai Listed Companies 2005 project, organized by IOD in conjunction with SET and SEC.

1990–2004

- Most Creative Issue Award under the Best Bond Awards 2004 project of the Thai Bond Market Association.
- Recipient of the “Prueksa Nakhara” medal for Green and Clean Presentation of Large-scale Office Buildings between 2002 and 2004, organized by Khet Phra Khanong Office, Bangkok.
- Certificate of Occupational Health and Safety Management under TISI-18001-2542 and OHSAS 18001-1999 in all work processes as of 2004.
- OHSAS 18001 Certificate of Occupational Health and Safety Management in 2003.
- ISO 9001:2000 Quality Management Certificate for motor oil product development, contract and procurement, and car care in 2002
- EIA Monitoring Award 2001 for Environmental Impact Assessment and Planning, presented by the Office of Natural Resources and Environmental Policy and Planning.
- The Company’s Refinery was the first Thai refinery to receive Occupational Health and Safety Management System (OHSAS 18001) certification in 2000.
- EIA Monitoring Award 1997 for Environmental Impact Assessment and Planning, presented by the Office of Natural Resources and Environmental Policy and Planning 1998
- Best Board for Occupational Health and Safety Award 1998
- ISO 14001-Petroleum Refining Certificate for environmental management system in production processes in 1997, extended in 2003.
- Compliance with Environmental Impact Assessment and Environmental Monitoring 1995.
- National Outstanding Business Operator in Safety Award 1995.
- Best Industrial Practices for Safety Management 1994.
- Best Environmental Stewardship 1991.
- Best Energy Conservation 1990.



Bangchak
RENEWABLE ENERGY LEADER

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