



ANNUAL REPORT 2003

รายงานประจำปี ๒๕๔๖



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED
บริษัท บางจากปิโตรเลียม จำกัด (มหาชน)



CONTENTS



Financial Highlights	1
Message from the Chairman	2-3
Progress of Business in 2003	5-9
Audit Committee's Report	11
Statement of Directors	12
Auditors' Report	13
Financial Statements	14-30
Nature of Business Operations	31
Risk Factors	32-35
Management Structure	36-42
Board of Directors	44-45
Executive Staff	46-47
Internal Control	48
Related - Party Transactions	49-50
Management's Discussion and Analysis	51-54
Capital Structure	55-56
Reference	56
Company's Information	inner back cover



FINANCIAL HIGHLIGHTS



	2003 ^{1/}	2002	2001
Statements of Income : Million Baht			
o Total Sales	60,815	51,804	48,483
o Total Revenues	61,262	51,936	48,596
o Gross Profit (Loss)	2,105	3,152	(291)
o EBITDA	+1,321	+2,822	(576)
o Adjusted EBITDA ^{2/}	+1,502	+1,213	+989
o Gain (Loss) from Foreign Exchange Fluctuations	293	(11)	(37)
o Others	(1,199) ^{3/}	(92) ^{4/}	-
o Net Profit (Loss)	(1,275)	534	(2,987)
Balance Sheets : Million Baht			
o Total Assets	28,531	28,940	26,393
o Total Liabilities	25,450	24,354	23,962
o Total Shareholders' Equity	3,081	4,586	2,431
o Share Capital			
- Authorized Share Capital	522	7,720	7,720
- Issued and Paid-up Share Capital	522	5,220	5,220
Financial Ratios : Percent			
o Gross Profit Margin	3.5	6.1	(0.6)
o Net Profit Margin	(2.1)	1.0	(6.1)
o Return on Total Assets	(4.4)	1.9	(10.8)
Per Share Data : Baht			
o Earning Per Share	(2.44)	1.02	(5.72)
o Book Value Per Share	5.90	8.78	4.66

Remarks : ^{1/} The Company Financial Statement
^{2/} EBITDA not including profit from oil inventories and other items
^{3/} Other items incurred from the business and financial restructuring plan
^{4/} Premium Paid to the IBRD for the Early Repayment of Loan



Message

from the Chairman



The year 2003 proved to be another outstanding year for the Bangchak Petroleum Public Company Limited, after several years of facing with the economic crisis of the country. The financial restructuring having been accomplished, the Company has become more solid and well prepared for further step in its operations. In addition, the business improvement also recorded satisfactory progress.

- **EBITDA at Baht 1,321 million**

In 2003, the Company's revenue totaled Baht 61,262 million, an increase by Baht 9,325 million or 18 percent from the previous year. Its EBITDA accounted for Baht +1,321 million (EBITDA not including profit from oil inventories and other items from business and financial restructuring was Baht +1,502 million). The contributing factors concerned a rise in refining margin and enhancement of management efficiency, which resulted in a decreasing cost and a growing income, as well as an increase in market share through retail service stations, industrial and lubricant oil markets.

- **Accomplishment in financial restructuring**

The financial restructuring of the Company, approved by the Shareholders' Meeting in Mid 2003, has been accomplished in early 2004, through issuance of DR ordinary shares and DR convertible debentures in the total amount of Baht 7,000 million and refinance of Baht 12,500 million in order to reduce the interest burden. The Company's liquidity position has become adequate for business operations, while financial status has strengthened and financial cost has significantly declined

- **Expansion of retail and industrial markets**

The Company's sales through service stations in Bangkok Metropolitan and in the provinces reported an increase by 17.7 percent, the highest growth of all major oil companies, as a consequence from the economic stimulus package of the Government and the Company's campaign of "We, Thais Buy Bangchak", as well as development of products and services to be in compliance with the consumers' demand.



As for the industrial and lubricant oil markets, the total sales also increased. Sales of fuel oil to enterprises in the industrial, transportation and service sectors rose by 5.9 percent, as compared with the year 2002, a higher rate than the 2.7 percent growth of the overall industrial sector of the country. Consequently, the Company's market share for fuel oil rose to 13.7 percent. Furthermore, new products of lubricant oils were also developed to catch up with changes in automobile technology.

- **Increase in daily production volume to 90,000 barrels**

In response to the domestic demand for oil, since the 4th quarter of 2003 the Company increased its average refining volume from 75,000 to 90,000 barrels per day. Business cooperation was also concluded with other domestic oil companies to enhance better income earning and to reduce operating costs. As concerns the environment and safety issues, one of the major policies of Bangchak Petroleum, the Company was awarded with OHSAS 18001 and TIS 18001 for the standard of vocational hygiene and safety and ISO 14001 for the continued environmental management in all production systems.

- **Good Corporate Governance**

This year, the Company continued to proceed with the organizational development towards Good Corporate Governance. It also reported to the policy to support the rights and equality of shareholders and stakeholders. Definition was established for the roles, assignments, responsibilities and independence of the Board of Directors, as well as information disclosure, transparency and performance guidelines for the Company's Directors, Executives and all employees. Performance of all members of the Board of Directors has been under regular evaluation. Conducts of Good Corporate Governance have been supervised under the stipulations set up by the Stock Exchange of Thailand.


- **Contribution to enhancement of good society and environment**

With firm belief that sound business expansion would be based on solid foundation of the society, the Company adheres to the directions to contribute to enhancement of good society and environment. This year, the Company continued its policies to create jobs and income earning for the communities. It also provided full support to the Government's policies such as the OTOP scheme, energy saving campaign and solving of declining prices of agricultural products.

- **Increase in efficiency and implementation of business restructuring plan**

After completion of the financial restructuring, the Company would carry on the plan to increase efficiency in all aspects of business operations in order to attain the sustainable growth. Production volume would be increased to the full capacity of 120,000 barrels per day in 2005, earlier than the objective of the business restructuring plan, so as to be in response with the rising demand for domestic oil consumption, following the expanding economy.

In addition, more domestic crude oil would be used to replace the high-cost oil imports from the Middle East, by installing one more unit of quality improvement. As for the marketing side, the Company has the plan to develop new products with high quality that are environmentally friendly and adequate for utilization. Service stations would be improved to become modernized, distinctive and able to serve evident markets.

The above-mentioned success, as well as other accomplishments in the future, not only originated from the strong determination of the Board of Directors, Executives and employees of the Company, but has also been achieved with the support from all concerned parties, namely the Finance and Energy Ministries, shareholders, customers, trading partners, consumers, mass media and all the Thai people to which I would like to extend our appreciation on behalf of the Board of Directors. This would be the moral support for all of us, the Board of Directors, Executives and employees to work for the efficiency and competitiveness of the Bangchak Petroleum, as the National Oil Company, so as to bring about the benefits to the shareholders and to the Thai society as a whole, which is the policy to which the Company has always adhered, in believing that strong society would serve as foundation for sustainable growth of the business. 

(Signed) *General Tawat Ked-Unkoon*

(General Tawat Ked-Unkoon)

Chairman

Progress of Business in 2003





Progress of Business in 2003

Year of building stronger foundation for the brighter future

• Overall operation

- The Company's total incomes accounted for Baht 61,262 million, an increase by Baht 9,325 million or 18 percent over the preceding year.
- EBITDA totaled Baht +1,321 million (EBITDA not including profit from oil stock and other items from business and financial restructuring was Baht +1,502 million).
- The Company signed a Memorandum of Understanding (MOU) with PTT Plc. And Thai Oil Co.,Ltd., with the purposes to enhance better income earning,

reduce the interest burden. Consequently, the Company's liquidity has become sufficient for business operation, with sound financial status and lower costs of fund.

• Retail markets

- Retail sales through service stations increased by 17.7 percent, resulting in an increase in the Company's market share from 10.6 percent in 2002 to 11.3 percent.
- Sales through community service stations rose by 41 percent, thanks to the Company's various



reduction of operating costs and better utilization of resources in which the 3 companies have invested. PTT and Bangchak would cooperate in transmission system of Sriracha oil storage depot to exploit more capacity of PTT oil storage to be in response with an increase in Bangchak's refinery production. Bangchak and Thai oil would utilize common transport for crude oil imported from the Middle East to reduce transportation costs. Value would then be added to fuel oil of Bangchak by cracking at Thai Oil. Mutual benefit from the cooperation has been expected to be over Baht 800 million per year.

• Financial restructuring

- Financial restructuring of the Company was completed in early 2004 by issuance of DR ordinary shares and DR convertible debentures in the total value of Baht 7,000 million and by debt refinance of Baht 12,500 million in order to





campaigns, such as issuance of "Bangchak Card to Unite Thailand" for members of cooperatives, modernization of community service stations as well as the Government's policy to stimulate grass-root economy resulting in rising oil consumption in the rural areas.

- Expansion of sales of "Bangchak Gasohol 95" at 99 service stations in Bangkok Metropolitan to honour His Majesty the King for the royal initiative on gasohol promotion project in Thailand, to support the "Clean Oil Policy" of the Government and to promote more utilization of Gasohol 95 especially in big cities with heavy traffic.
- Expansion of sales of "Bangchak Power D", a special grade diesel oil, originally sold in merely Bangkok Metropolitan, to cover 50 provinces i.e. all provinces in the North and



North East and most provinces in the Central Region. This special grade diesel oil is good for the engines and environment and is at the same price as regular diesel oil.

- The Company, in joining with the Department of Development of Thai Traditional Medicine and Alternative Medicine, opened the "Health Centers of Thai Traditional Medicine" at service stations in Bangkok Metropolitan. These centers provide services of Thai massage and medicine consults by well-trained personnel. Other project was "Rest for Massage at Bangchak" at service stations located on major highways. This was aimed to support the policy of the Government to reduce the rate of road accidents, along with the campaign to prohibit alcohol consumption for long-distance drivers.



- The Company launched the project of "OTOP Tour" by providing updated information on OTOP manufacturers in the computers installed at convenient stores in Bangchak service stations on major highways all over the country. Free service of maps has also been provided to introduce the locations of OTOP manufacturers, which may turn out to be new tourist destinations.
- The Company organized a contest for "Golden-Dish Menu of Rice" to create jobs for housewives in the local areas. Winners of the contest would be granted with the right to open fast-food restaurants at Bangchak service stations to sell Thai-style dishes of rice that are delicious, hygienic and with high nutritional value.



As a result of these marketing activities, that responded to the demand of car users, retail sales through service stations in 2003 reported an increase by 17.7 percent, the highest growth rate of all major oil companies of the country.





• Industrial and lubricant oil markets

- Sales of fuel oil to the industrial, transportation and service sectors increased by 5.9 percent, as compared with the year 2002, a higher growth rate than the 2.7 percent growth of the overall industrial sector of Thailand. As a result, the Company's market share for fuel oil rose to 13.7 percent.
- New product was developed i.e. Bangchak D3 Gold, a 100 percent, multigrade synthetic lubricant oil for diesel engine with the highest standard of API CI-4 that met with international standard of automobile manufacturers in Europe, Japan and the US.
- The Company was awarded with ISO 9001 : 2000 for lubricant oil business covering such areas as development, procurement and sales of lubricant oil and continued provision of car-care services.

• Production

- To be in response with the continued growth of domestic oil consumption and a rise in refining margin since the late of 2003, the Company increased its average production volume from 75,000 to 90,000 barrels per day, aiming to reach 100,000 barrels per day in 2004.



- The Company was awarded with OHSAS 18001 and renewed TIS 18001 for its system of vocational hygiene and safety as well as ISO 14001 for its system of continued environmental management in all production processes.
- The Company's Training Center for Environment and Safety of which the fire extinction training field is located at the Bang Pa-In oil distribution center, was certified by the Department of Labour Protection and Welfare as a training unit for the course of primary and severe fire extinction. Training courses in 2002 were attended by over 280 participants from outside the Company.



• Good Corporate Governance

- The Company continued to proceed with the organizational development towards Good Corporate Governance. It also reported to the policy to support the rights and equality of shareholders and stakeholders. Definition was established for the roles, assignments, responsibilities and independence of the Board of Directors, as well as information disclosure and transparency etc. Performance of all members of the Board of Directors has been under regular evaluation. Conducts of Good Corporate Governance have been supervised under the stipulations set up by the Stock Exchange of Thailand.

stations.


- In order to support the Government's energy saving campaign after the war between the US and Iraq, the Company produced handbook for oil saving manual, the "We, Thais Save Energy", including easy techniques on car utilization and care, to be provided free of charge at Bangchak service stations all over the country.
- A contest "Top Nice Car with Thai Spirit" was organized for car decoration with Thai-style stickers that reflected the identity of Thai heritage, as well as promotion of Thai goods and services. Over 300 persons sent their works for the contest.
- The Company arranged the annual fire protection and extinction training for communities located around its



• Enhancement of good society and environment

- The Company has continually supported the OTOP scheme of the Government as one of the directions to create new jobs and to improve income earning of the rural communities, which in turn would help strengthening the sustainability of the national economy. Throughout 2003, the Company has selected various products from the community producers to serve as premium gifts for its customers, such as crispy fragrant rice, stirred golden banana etc.
- Due to over-supply of chicken eggs, the prices of eggs were on a decline. The Company therefore purchased over 1,000,000 eggs from chicken raiser groups to use as premium gifts for the customers at Bangchak service

refinery, which was participated by approximately 1,000 members of the communities as well as teachers and students in that area.

- The Project of "Enjoy Science with Bangchak" was organized with the aim to stimulate students' interest in science and technology that have become very important to the national development. Under this project, 4,000 students at the secondary school level were invited to visit the refining process at Bangchak, guided by the Company's engineers who specialized in the refinery, so that the students could gain knowledge both in theory and in practice. 





Audit Committee's Report

To the Shareholders,

The Board of Directors of Bangchak Petroleum Public Company Limited appointed the Audit Committee, comprising Mr. Anusorn Tamajai as Chairman, Mr. Wirat Iam-Ua-Yut and Mr. Nipon Surapongrukcharoen as members.

In the year 2003, the Audit Committee held 4 meetings of which the major issues are summarized as follows

1. Review of quarterly and annual financial statements and related financial reports, accounting principles and practices and changes in important accounting policy in 2003, related items of Shareholders as well as subsidiary and affiliated companies, in order to ensure that the Company complies with the general business conditions for the optimum benefit of the Company.


2. Monitoring to ensure the Company's system of internal control and audit in an appropriate and efficient manner by reviewing the results of the internal auditing of the year 2003 and the internal audit plan for the year 2004, which has been drawn out on the basis of assessment of internal audit system and risk assessment for all organization so that the plan could cover all important issues, including continued development of audit personnel.

3. Monitoring to ensure that the Company complies with the regulations of the Stock Exchange of Thailand and laws related to the Company's business, including the Good Corporate Governance principles.

4. Nomination and appointment of Office of the Auditor General of Thailand as the Company's Auditor and consideration of the Auditor's remuneration.

5. Monitoring to ensure the appropriate business and financial risks according to the assignment from the Board of Directors.

6. Follow-up and emphasis of safety management system on a quarterly basis, including good environment of the refinery, employees and surrounding communities.

The Audit Committee has monitored the overall performance of the Company in the year 2003 and had the opinion that the Company conducted its Financial Statements in accordance with the generally accepted accounting standards. All related party transactions and conflicts of interest were duly disclosed. Systems of internal audit and risk management were implemented in an appropriate manner. The Company's performance was in compliance with the relevant laws as well as regulations of the Stock Exchange of Thailand. 

(Signed) *Anusorn Tamajai*
(Anusorn Tamajai)

Chairman of the Audit Committee




Statement of Directors

The Board of Directors of the Bangchak Petroleum Public Company Limited has arranged for the Financial Statements to be formulated so as to report the Company's financial status and operating results for the year 2003, under the Public Company Limited Act B.E. 2535.

The Board of Directors realizes its duties and responsibilities as Directors of a listed company towards the financial reports of the Company and its subsidiary for the year 2003. The Financial Statements have been formulated in conformity with the generally followed accounting policies. Careful consideration and projection have been utilized and important information has been sufficiently disclosed in the Notes to the Financial Statements.

The Board of Directors has put in place an effective internal control system, which is to be maintained to reasonably ensure that all accounting transactions are accurate, complete and sufficient for the safeguard of Company's assets, and also to identify any weaknesses in the system so as to protect against irregularities or abnormal business transactions, which are material in nature.

Accordingly, the Board of Directors had appointed an Audit Committee, composing of non-executive Directors, with responsibilities to oversee the quality of the Financial Statements and the system of internal control. Relevant opinions of the Audit Committee are provided in the Report of the Audit Committee as contained in the Annual Report.

In the opinion of the Board of Directors, the Company's internal control system, on the whole, is considered satisfactory and provides reasonable assurance as to accuracy of the Company and its subsidiary's Financial Statements as of December 31, 2003. 



TRANSLATION REPORT OF THE AUDITOR

To the shareholders of The Bangchak Petroleum Public Company Limited

The Office of the Auditor General has audited the accompanying the Company balance sheets as at December 31, 2003 and 2002, the related Company statements of income, statements of changes in shareholders' equity, and cash flows for the years then ended of The Bangchak Petroleum Public Company Limited and has audited the accompanying consolidated balance sheets as at December 31, 2003, the related consolidated statements of income, statements of changes in shareholders' equity, and cash flows for the years then ended of The Bangchak Petroleum Public Company Limited and its subsidiaries. These financial statements are the responsibility of the Company's management as to their fair presentation and completeness of the information. The responsibility of the Office of the Auditor General is to express an opinion on these financial statements based on the audit and other auditors'. The financial statements of The Bangchak Green Net Company Limited, which is subsidiary company, included in the consolidated financial statements were audited by other auditors. The Office of the Auditor General received the other auditors' report and use them as a basis in auditing and expressing an opinion on the consolidated financial statements as at December 31, 2003. Assets of the subsidiary company included in the consolidated financial statements constitute 1.48%.

The Office of the Auditor General conducted the audit in accordance with generally accepted auditing standards. Those standards require that the Office of the Auditor

General plans and performs the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles applied and the significant estimates made by management, as well as evaluating the overall financial statement presentation. The Office of the Auditor General believes that the audit together with other auditors' report as above-mentioned provide a reasonable basis for the opinion.

In the opinion of the Office of the Auditor General, based on the audit and other auditors' report, the Company financial statements referred to above present fairly, in all material respects, the Company financial position as at December 31, 2003 and 2002, the results of operations, the changes in shareholders' equity and cash flows for the years then ended of The Bangchak Petroleum Public Company Limited in accordance with the generally accepted accounting principles and the consolidated financial position as at December 31, 2003, the results of operations, the changes in shareholders' equity and cash flows for the years then ended of The Bangchak Petroleum Public Company Limited and its subsidiaries in accordance with the generally accepted accounting principles.

Without qualifying opinion on the financial statements, the Office of the Auditor General wish to draws attention to Note 3 with regard to change in the accounting estimation.

(Signed) *Jerarat Noppawong Na Ayutthaya*

(Jerarat Noppawong Na Ayutthaya)

Deputy Auditor General

For Auditors General

(Signed) *Suchitra Sommanus*

(Suchitra Sommanus)

Director of Audit Office



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS
AS OF DECEMBER 31, 2003 AND 2002

		UNIT : BAHT		
	NOTE	Consolidated 2003	The Company 2003	2002 (Revised)
ASSETS				
Current Assets				
Cash and cash equivalents	4.1	3,522,502,394	3,348,494,142	1,374,422,526
Current investments		206,781	-	-
Trade accounts receivable, net	4.2	2,457,507,939	2,793,963,568	2,724,544,707
Inventories, net	4.3	5,565,162,560	5,396,180,190	6,088,998,548
Other current assets				
Materials and supplies, net	4.4	333,433,065	333,433,065	364,694,896
Others		244,492,952	227,020,696	371,243,206
Total Current Assets		12,123,305,691	12,099,091,661	10,923,903,883
Non-Current Assets				
Investments for using the equity method	4.5	-	-	665,117
Other long-term investments	4.6	5,654,700	4,754,700	4,835,413
Tariff prepayment	4.7	45,489,600	45,489,600	183,258,812
Property, plant and equipment, net	4.8	14,470,719,528	14,459,265,428	15,637,564,150
Intangible assets	4.9	973,113,888	973,113,888	1,056,486,540
Other non-current assets				
Investment - service station		488,181,814	488,181,814	634,137,556
Deferred tax assets	4.10	95,501,800	95,501,800	98,996,770
Others		389,102,079	365,439,937	400,339,808
Total Non-Current Assets		16,467,763,409	16,431,747,167	18,016,284,166
TOTAL ASSETS		28,591,069,100	28,530,838,828	28,940,188,049

The accompanying notes are an integral part of these statements.



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS
AS OF DECEMBER 31, 2003 AND 2002

		UNIT : BAHT		
	NOTE	Consolidated 2003	The Company 2003	2002 (Revised)
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Bank overdrafts and short-term loans from financial institutions	4.11	8,000,000,000	8,000,000,000	1,000,000,000
Trade accounts payable		4,473,312,718	4,415,076,278	3,136,831,661
Current portion of long-term loans	4.13	3,532,500,000	3,532,500,000	6,380,000,000
Early redemption of long term loans	4.13	3,900,000,000	3,900,000,000	-
Short-term loans	4.12	1,390,823,000	1,390,823,000	2,480,636,500
Other current liabilities				
Accrued excise tax and oil stabilization fund		266,067,956	266,067,956	144,186,565
Accrued expenses		611,965,324	600,646,474	501,753,412
Others		368,176,546	365,641,665	289,562,403
Total Current Liabilities		22,542,845,544	22,470,755,373	13,932,970,541
Non-Current Liabilities				
Long-term loans	4.13	2,540,000,000	2,540,000,000	9,972,500,000
Other non-current liabilities		112,039,612	112,039,612	150,930,248
Long term liabilities for service station lease rights				
Pension fund reserve		210,337,306	210,337,306	187,918,461
Deferred tax liabilities	4.10	35,985,069	35,985,069	39,256,439
Others		92,557,087	80,939,408	70,506,941
Total Non-Current Liabilities		2,990,919,074	2,979,301,395	10,421,112,089
Total Liabilities		25,533,764,618	25,450,056,768	24,354,082,630
Shareholders' Equity				
Share capital	4.17			
Authorized share capital Common stock 772,040,940 shares par value at Baht 10 per share		-	-	7,720,409,400
Authorized share capital Common stock 522,040,940 shares par value at Baht 1 per share		522,040,940	522,040,940	-
Issued and paid-up share capital Common stock 522,040,940 share par value at Baht 10 per share		-	-	5,220,409,400
Issued and paid-up share capital Common stock 522,040,940 shares par value at Baht 1 per share		522,040,940	522,040,940	-
Additional Paid-in capital				
Premium on share capital		-	-	2,007,950,671
Surplus on fixed assets revaluation		4,947,867,230	4,947,867,230	5,178,142,754
Retained earnings (Accumulated Deficit)				
Appropriated				
Legal reserve		-	-	547,594,555
Unappropriated		(2,413,141,747)	(2,389,126,110)	(8,367,991,961)
Total parent's shareholders' equity		3,056,766,423	3,080,782,060	4,586,105,419
Minority interests		538,059	-	-
Total Shareholders' Equity		3,057,304,482	3,080,782,060	4,586,105,419
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		28,591,069,100	28,530,838,828	28,940,188,049

The accompanying notes are an integral part of these statements.

(Signed) *General Tawat Ked-Unkoon*
(General Tawat Ked-Unkoon)
Chairman

(Signed) *Pichai Chunhavajira*
(Pichai Chunhavajira)
Acting President



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2003 AND 2002

		UNIT : BAHT		
	NOTE	Consolidated 2003	The Company 2003	2002
Revenues				
Sales	4.14	61,594,710,788	60,814,789,412	51,804,182,782
Other incomes				
Interest income		36,132,565	35,621,885	38,741,121
Gain from foreign exchange fluctuations	4.15	292,808,479	292,808,479	–
Gain from crude oil and product oil price hedging contract		22,316,964	22,316,964	25,513,010
Others		121,453,249	94,380,482	67,897,265
Share of profits from investments for using the equity method	4.5	1,673,144	1,721,044	–
Total Revenues		62,069,095,189	61,261,638,266	51,936,334,178
Expenses				
Cost of sales		59,170,517,451	58,709,336,259	48,652,519,096
Selling and administrative expenses		1,909,981,117	1,541,593,482	1,136,196,037
Other Expenses				
Depreciation		292,221,600	287,992,716	290,128,888
Directors' remuneration		1,430,134	1,375,134	539,250
Loss from foreign exchange fluctuations	4.15	–	–	11,024,948
Loss from impairment of assets		753,787,505	753,787,505	1,351,942
Share of losses from investments for using the equity method	4.5	–	2,386,161	20,815,629
Total Expenses		62,127,937,807	61,296,471,257	50,112,575,790
Profit (loss) before Interest and Income Tax Expenses		(58,842,618)	(34,832,991)	1,823,758,388
Interest expenses	4.16	1,027,652,401	1,027,648,569	1,300,099,516
Redemption premium on debenture		212,342,675	212,342,675	–
Income tax	4.10	223,600	223,600	(9,932,154)
Profit (loss) before Minority Interests		(1,299,061,294)	(1,275,047,835)	533,591,026
Minority interests in net profit of subsidiary companies		2,178	–	–
Net Profit (Loss)		(1,299,063,472)	(1,275,047,835)	533,591,026
Earnings Per Share		(2.49)	(2.44)	1.02

The accompanying notes are an integral part of these statements.

(Signed) *General Tawat Ked-Unkoon*
(General Tawat Ked-Unkoon)
Chairman

(Signed) *Pichai Chunhavajira*
(Pichai Chunhavajira)
Acting President



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2003 AND 2002

CONSOLIDATED	UNIT : BAHT						
	Share capital	Premium on	Surplus on	Legal	Retained earning	Minority	Total
	Issued and paid-up	share capital	fixed assets revaluation	reserve	(Accumulated deficit)	interests	
• Balance at December 31, 2002	5,220,409,400	2,007,950,671	5,178,142,754	547,594,555	(8,367,991,961)	-	4,586,105,419
• Minority interest	-	-	-	-	-	535,881	535,881
• Items not recognised in the income statement	-	-	(230,275,524)	-	-	-	(230,275,524)
• Decrease issued and paid - up share capital for reduction of accumulated deficits	(4,698,368,460)	-	-	-	4,698,368,460	-	-
• Decrease premium on share capital for reduction of accumulated deficits	-	(2,007,950,671)	-	-	2,007,950,671	-	-
• Decrease legal reserve for reduction of accumulated deficits	-	-	-	(547,594,555)	547,594,555	-	-
• Net profit (loss) for the period	-	-	-	-	(1,299,063,472)	2,178	(1,299,061,294)
• Balance at December 31, 2003	522,040,940	-	4,947,867,230	-	(2,413,141,747)	538,059	3,057,304,482

The accompanying notes are an integral part of these statements.



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2003 AND 2002

THE COMPANY	UNIT : BAHT					
	Share capital Issued and paid-up	Premium on share capital	Surplus on fixed assets revaluation	Legal reserve	Retained earning (Accumulated deficit)	Total
• Balance at December 31, 2001	5,220,409,400	2,007,950,671	3,556,765,260	547,594,555	(8,901,582,987)	2,431,136,899
• Surplus on fixed assets revaluation	-	-	1,972,430,501	-	-	1,972,430,501
• Items not recognised in the income statement	-	-	(351,053,007)	-	-	(351,053,007)
• Net profit (loss) for the period	-	-	-	-	533,591,026	533,591,026
• Balance at December 31, 2002	5,220,409,400	2,007,950,671	5,178,142,754	547,594,555	(8,367,991,961)	4,586,105,419
• Balance at December 31, 2002	5,220,409,400	2,007,950,671	5,178,142,754	547,594,555	(8,367,991,961)	4,586,105,419
• Items not recognised in the income statement	-	-	(230,275,524)	-	-	(230,275,524)
• Decrease issued and paid - up share capital for reduction of accumulated deficits	(4,698,368,460)	-	-	-	4,698,368,460	-
• Decrease premium on share capital for reduction of accumulated deficits	-	(2,007,950,671)	-	-	2,007,950,671	-
• Decrease legal reserve for reduction of accumulated deficits	-	-	-	(547,594,555)	547,594,555	-
• Net profit (loss) for the period	-	-	-	-	(1,275,047,835)	(1,275,047,835)
• Balance at December 31, 2003	522,040,940	-	4,947,867,230	-	(2,389,126,110)	3,080,782,060

The accompanying notes are an integral part of these statements.



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2003 AND 2002

	UNIT : BAHT		
	Consolidated 2003	The Company 2003	2002 (Revised)
Cash Flows from Operating Activities			
Net Profit (Loss)	(1,299,063,472)	(1,275,047,835)	533,591,026
Adjustment to reconcile net profit (loss) to net cash provided by (used in) operating activities			
Depreciation	588,828,819	584,599,935	898,087,581
Bad debts and doubtful debts	183,392,906	183,438,517	2,577,275
Amortization	155,732,689	155,732,689	160,048,539
Unrealized loss (gain) from foreign exchange fluctuations	(124,561,019)	(124,561,019)	46,553,507
Redemption premium on debenture	212,342,675	212,342,675	-
Loss from impairment of assets	753,787,505	753,787,505	1,351,942
Income tax	223,600	223,600	(9,932,154)
Gain from fixed assets disposal	(22,115,554)	(22,115,554)	(11,196,374)
Pension fund	22,418,845	22,418,845	19,723,875
Deferred revenue	(4,125,717)	(4,125,717)	(6,917,539)
Share of loss from investments for using the equity method	665,117	665,117	20,815,629
Minority interests	538,059	-	-
Operating gain before changes in operating assets and liabilities	468,064,453	487,358,758	1,654,703,307
Operating assets (increase), decrease			
Trade accounts receivable	332,113,166	(4,388,074)	(1,016,628,238)
Inventories	523,835,988	692,818,358	(2,077,674,868)
Other current assets	74,616,062	92,088,318	60,930,431
Operating liabilities increase, (decrease)			
Trade accounts payable	1,346,997,426	1,288,760,986	2,006,134,042
Other current liabilities	20,641,918	6,788,187	(313,729,601)
Other non-current liabilities	22,050,145	10,432,466	7,687,999
Net Cash Provided by Operating Activities	2,788,319,158	2,573,858,999	321,423,072
Cash Flows from Investing Activities			
Current investments increase	(206,781)	-	-
Long term investments decrease	7,344,990	8,244,990	9,005,905
Purchase of property, plant and equipment	(356,443,595)	(340,760,611)	(222,279,139)
Proceeds from disposal of assets	110,969,267	110,969,267	31,498,742
Intangible assets increase	(11,420,444)	(11,420,444)	(27,582,132)
Other non-current assets increase	(45,482,727)	(21,820,585)	(74,751,558)
Net Cash Used in Investing Activities	(295,239,290)	(254,787,383)	(284,108,182)

The accompanying notes are an integral part of these statements.



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2003 AND 2002

	UNIT : BAHT		
	Consolidated	The Company	
	2003	2003	2002 (Revised)
Cash Flows from Financing Activities			
Bank overdrafts and short-term loans from financial institutions increase	7,000,000,000	7,000,000,000	768,483,413
Short terms loan increase, (decrease)	(965,000,000)	(965,000,000)	1,497,759,500
Long term loans decrease	(6,380,000,000)	(6,380,000,000)	(3,678,835,592)
Net Cash Used in Financing Activities	(345,000,000)	(345,000,000)	(1,412,592,679)
Increase (Decrease) in Cash and Cash Equivalents	2,148,079,868	1,974,071,616	(1,375,277,789)
Cash and Cash Equivalents at Beginning of Period	1,374,422,526	1,374,422,526	2,749,700,315
Cash and Cash Equivalents at Ending of Period	3,522,502,394	3,348,494,142	1,374,422,526
Supplemental Cash Flow Information			
Cash paid during this period for			
Interest expenses	1,118,925,069	1,118,925,069	1,393,787,448
Income tax	-	-	6,404,106

The accompanying notes are an integral part of these statements.



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2003 AND 2002

1. The Preparation and Presentation of the Financial Statements

Both the consolidated and the non-consolidated financial statements are presented in conformity with the announcement of the Department of Commercial Registration dated September 14, 2001, under the paragraph of section 11 of the Accounting Act BE 2543 and are prepared in accordance with the generally accepted accounting principles.

The consolidated financial statements consist of the financial statement for the year ended December 31, 2003 of The Bangchak Petroleum Public Company Limited ("The Company") and The Bangchak Green Net Company Limited ("Subsidiary Company") which the Company holds 49% of share proportion and The Retail Net Company Limited which The Bangchak Green Net Company Limited holds 99.30% of share proportion.

2. Summary of Significant Accounting Policies

2.1 Sales Revenue

Sales are recognized as revenue when delivery of goods has occurred.

Investment Charge

Investment charge is recognized in accordance with the substance of the contract.

Interest income

Interest is recognized on a time proportion basis that takes into account the effective yield on the asset.

2.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at banks and deposits at banks and financial institutions, which are due within 3 months.

2.3 Allowance for Doubtful Accounts

The allowance for doubtful accounts is set-up based on debts deemed uncollectable from debtors as judged from the current status of each account receivable.

2.4 Inventories

Finished petroleum products and crude oil are stated at the lower of cost determined by

the first-in first-out basis or net realizable value.

Lubrication oils are stated at the lower of cost determined by weighted average or net realizable value.

Consumer goods are stated at cost determined by weighted average

2.5 Materials and Supplies

Materials and supplies are stated at cost determined by the weighted average less allowance for deterioration of materials and supplies.

2.6 Investments in Subsidiaries

Investments in subsidiaries, which are those companies in which the Group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over the financial and operating policies, have been consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of disposal. All inter-company transactions, balances and unrealised gains (losses) on transactions between group companies have been eliminated.

Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the accounting policies adopted by the Company.

Investments in subsidiaries (in the Company's financial statements) are stated at the equity method.

2.7 Other Long-Term Investments

Investments in non-marketable securities are treated as general investment and presented at cost less allowance for impairment of investment.

Investments in debt securities held-to-maturity are presented at amortized cost. The difference between cost and redemption value of an investment in debt securities is amortized by straight line over the remaining period of the investment, which is credited or changed to interest income and is added to or subtracted from the carrying amount of the securities.



2.8 Property, Plant and Equipment

Property, plant and equipment are carried at cost, less accumulated depreciation based on rates per the revenue code and with allowance for cost on assets impairment.

The Company revalues assets every five years by an independent appraiser for machinery, equipment and refinery plants and platinum catalyst. The machinery, equipment and refinery plants comprised of boat piers, machinery and equipment in the refinery. Hence the mentioned assets are presented based on their revalued cost, less the accumulated depreciation. The incremental value from the revaluation is shown under Shareholders' Equity as "Surplus on fixed assets revaluation". Should the assets revalued be lower than their initial cost, the reduced value is charged against the surplus on fixed assets revaluation until that amount is fully depleted before booking the rest as expense in the profit and loss for that same accounting period.

Depreciation of buildings, machinery and equipment are computed on a straight-line method based on the estimated useful life of the assets. The details of which are as follows

<u>Type of Assets</u>	<u>No. of Year</u>
Building	20
Machinery, equipment and refinery plants	30
Equipment	5-20

Equipment with value of not over Baht 10,000 each and service station asset costing less than Baht 1,000 each are booked as expense in the period of purchase.

Expenditures on repairs or maintenance of buildings, machinery and equipment which extend the useful life of such assets or increase their capacity are recorded as capital expenditure. Whereas the maintenance and repair costs of buildings, machinery and equipment to have them perform to the standard level initially assessed are booked as expense in the period they occurred.

2.9 Borrowing Cost

Interest expenses incurred from loan,

especially used for the construction of fixed assets, are booked as cost of assets until the assets are ready for their intended use. Such interest expenses are derived from the total amount of interests paid less the revenue earned from the loan temporary used as short-term investments.

Interest expense on loan for general purposes but partly used for the construction of fixed assets are capitalized. The capitalization of such interest are computed by multiplying the interest rate against the average assets costs during construction. Upon completion of the construction project, the interest cost is booked to expense.

2.10 Intangible Assets

Intangible assets consist of leasehold rights, license and development costs of computer software. They are presented at cost deducted by accumulated amortization.

Leasehold rights are the rights obtained from the land lease contracts, which are amortized on a straight-line method over the contractual period within 30 years

License and development costs of computer software cover expenditures to enhance future economic benefit to the company of more than one year. They are amortized within five years on a straight-line basis.

2.11 Deferred Income Tax

The Company calculates the deferred income tax from the temporary differences between the net book value of the assets and their tax base in accordance with the International Accounting Standards No.12, "Income Taxes" (IAS No.12)

The temporary differences arise from the allowance for doubtful accounts, the pension fund reserve and gain from foreign exchange fluctuations on loan for construction project.

2.12 Impairment of assets

The Company reviews the impairment of assets whenever events indicate that the carrying value of an asset exceeds its recoverable amount. The Company will consider the impairment for each asset item or each asset unit generating cash flows, whichever is practical.



flows, whichever is practical.

The Company recognises an impairment loss in the income statements whenever the carrying value of an asset exceeds its recoverable amount. The Company will reverse the impairment loss to other income whenever there is any indication that the impairment loss recognised may no longer exist or may have decreased.

2.13 Foreign Currencies

Foreign currency transactions are converted into Baht at the exchange rate on the date the transactions occur. The assets and liabilities in foreign currencies at the ending period is translated into Baht using the exchange rate as announced by the Bank of Thailand. Differences from foreign exchange translations are totally booked as income or expense.

Gains or losses resulting from debt repayment during the year are recorded as income or expense.

In cases where forward exchange contracts are made to minimize the risk exposure on foreign exchange of debts in foreign currency, the Company books the exchange rate based on the contract. The premium associated with this is amortized over the period of the contract.

2.14 Crude and Product Oil Price Hedging Contract

Selling and buying forward crude and product oil contracts are made to reduce the risk of changes in the oil price. The Company records the difference between the oil price in the contract and market price as income or expense when transactions occur.

2.15 Deferred Revenue

Deferred revenue, which represents the advance income from the lease of equipment and others, are amortized over the term of the contract.

2.16 Pension Fund Reserve

A 100% reserve is established at the end of each accounting year on pension amounts payable to all employees with years service of five years and over.

2.17 Legal Reserve

The Company sets up the appropriation for a legal reserve of at least 5% of its net profit, less accumulated deficit brought forward (if any), until the reserve is not less than 10% of the authorized share capital.

2.18 Public Offering Expenses

Public offering expenses which include registered capital fee, underwriting fee and all other expenses incurred in connection with the public offering, are treated as an adjustment against the premium on share capital.

2.19 Registered Provident Fund

The Company established a contributory provident covering substantially all employees. Members are required to make monthly contribution to the fund at either 5% or 10% of the members' salaries depending on their choice and the Company is required to make monthly contribution at the same rate.

2.20 Earnings Per Share

Earnings per share is calculated from the net profit (loss) divided by the weighted average of issued and paid-up share capital.

3. Change in the Accounting Estimation

In the accounting period 2003, the Company has changed the estimated useful - life of the refinery plants and machineries from previously 15 - 20 years to 30 years as deemed more realistic. This change extends the remaining useful - life of the assets hence resulting in the decrease in the depreciation cost by Baht 303.09 million.



4. Additional Information

4.1 Cash and cash equivalents

	Unit : Million Baht		
	Consolidated	The Company	
	<u>2003</u>	<u>2003</u>	<u>2002</u>
Cash on hand and at banks	2,122.50	1,948.49	1,374.42
Short-term investments (due in 3 months)	1,400.00	1,400.00	-
Cash on hand and at banks	<u>3,522.50</u>	<u>3,348.49</u>	<u>1,374.42</u>

4.2 Trade accounts receivable - net

	Unit : Million Baht		
	Consolidated	The Company	
	<u>2003</u>	<u>2003</u>	<u>2002</u>
Notes receivable	24.69	24.69	12.81
Trade accounts receivable	2,555.38	2,877.27	2,853.80
<u>Less</u> Allowance for doubtful accounts	<u>122.56</u>	<u>108.00</u>	<u>142.07</u>
Trade accounts and notes receivable - net	<u>2,457.51</u>	<u>2,793.96</u>	<u>2,724.54</u>

As of December 31, 2003, the Company has trade accounts receivable with problems in collection. The following is an age analysis of the outstanding amount of such debts.

	Unit : Million Baht
over 3 - 6 months	1.33
over 6 - 12 months	4.80
over 12 months	<u>133.31</u>
Total	<u>139.44</u>

4.3 Inventories - net

	Unit : Million Baht		
	Consolidated	The Company	
	<u>2003</u>	<u>2003</u>	<u>2002</u>
Inventories - Cost	5,566.08	5,397.10	6,089.00
<u>Less</u> Allowance for write-down of inventories	<u>0.92</u>	<u>0.92</u>	-
Inventories - Net	<u>5,565.16</u>	<u>5,396.18</u>	<u>6,089.00</u>

4.4 Materials and supplies - net

	Unit : Million Baht		
	Consolidated	The Company	
	<u>2003</u>	<u>2003</u>	<u>2002</u>
Materials and supplies - Cost	363.62	363.62	377.96
<u>Less</u> Allowance for deterioration of materials and supplies	<u>30.19</u>	<u>30.19</u>	<u>13.27</u>
Materials and supplies - net	<u>333.43</u>	<u>333.43</u>	<u>364.69</u>



4.5 Investments for using the equity method

The Company										Unit : Million Baht
Company	Type of Business	Relationship	Paid - up Share capital	Share Holding Ratio (%)	Investment				Dividend	
					Cost Method		Equity Method			
					Dec 31, 03	Dec 31, 02	Dec 31, 03	Dec 31, 02		
The Bangchak Green Net Co.,Ltd.	Retail Business and Service Shareholding	Shareholding	1.00	49.00	0.49	0.49	-	0.67	-	
Total					0.49	0.49	-	0.67	-	

The Company holds 49% of the registered ordinary share in The Bangchak Green Net Company Limited. In the period 2003, The Company has the authority over the control of The Bangchak Green Net Co., Ltd. financial policy and its operation, thus making that company the subsidiary of the Company. The Company has accounted for the loss in its investment in The Bangchak Green Net Co., Ltd. of Baht 25.16 million, which is included in consolidated statement of income of Baht 24.01 million. Besides this, it has in the past accounted for its share of profit from investment in that company at 49%, which is considered low, hence an increase of Baht 1.72 million was reported as income for this period.

The Company has, during this period adjusted its sale of shares in The Bangchak Green Line Co., Ltd. to The Bangchak Green Net Co.,Ltd. in 2002, which initially was booked in other account receivable of Baht 4.42 million to expenses.

4.6 Long term investments

	Unit : Million Baht		
	Consolidated 2003	The Company 2003	2002
General investment in equity securities			
Fuel Pipeline Transportation Ltd.	181.75	181.75	181.75
Less Allowance for impairment of investment	181.75	181.75	181.75
Sub Total	-	-	-
Investment in debt securities held-to-maturity	5.65	4.75	4.84
Total	5.65	4.75	4.84

4.7 Tariff prepayment

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



The financial statements for the year ended December 31, 2003, shows an outstanding prepaid tariff balance of Baht 175.01 million and the Company has set up allowance for doubtful debt of Baht 129.52 million, the remaining amount is Baht 45.49 million. The difference in the interest rates as calculated in accordance with the loan restructuring agreement, which is pending in the suspense account, shall be written-off if FPT makes full settlement of both the loan principle and the interest, without default, over a three-year period. These terms are specified in the amendment of the loan restructuring agreement. The Company will consider the write-off of interest receivable on an annual basis. For the year 2004, it will write-off the interest receivable, calculated up to December 31, 2001, in the amount of Baht 21.38 million. And in 2005, it will write-off the interest receivable set-up from January 1, 2002 to March 28, 2002 of Baht 2.42 Million. As for the interest from March 29, 2002 to December 31, 2003 of Baht 17.65 million, the Company will consider the write-off on an annual basis. The total interest receivable is Baht 41.45 million and The Company has set up an allowance for doubtful debt of the whole amount.

4.8 Property, plant and equipment - net

Consolidated				Unit : Million Baht			
Type	First Cost As of Dec 31, 02	Increase	Decrease	First Cost As of Dec 31, 03	Accumulated Depreciation	Allowance for Impairment	Net Book Value Dec 31, 03
Land	1,344.78	-	-	1,344.78	-	573.58	771.20
Buildings	497.15	13.46	-	510.61	282.73	-	227.88
Machinery, equipment and refinery plants	22,691.12	137.01	29.78	22,798.35	12,112.32	0.56	10,685.47
Marketing and office equipments	3,458.64	138.94	76.89	3,520.69	1,383.51	51.62	2,085.56
Platinum Catalyst	329.71	-	7.01	322.70	-	-	322.70
Vehicles	372.85	31.18	254.38	149.65	85.58	-	64.07
Construction work in progress	238.24	357.90	282.30	313.84	-	-	313.84
Total	28,932.49	678.49	650.36	28,960.62	13,864.14	625.76	14,470.72

The Company				Unit : Million Baht				
Type	First Cost As of Dec 31, 02	Increase	Decrease	First Cost As of Dec 31, 03	Accumulated Depreciation	Allowance for Impairment	Net Book Value	
							Dec 31, 03	Dec 31, 02
Land	1,344.78	-	-	1,344.78	-	573.58	771.20	1,344.78
Buildings	497.15	13.46	-	510.61	282.73	-	227.88	232.45
Machinery, equipment and refinery plants	22,691.12	137.01	29.78	22,798.35	12,112.32	0.56	10,685.47	11,150.55
Marketing and office equipments	3,388.59	134.88	50.28	3,473.19	1,344.58	51.62	2,076.99	2,214.23
Platinum Catalyst	329.71	-	7.01	322.70	-	-	322.70	329.71
Vehicles	372.79	27.81	254.32	146.28	85.10	-	61.18	127.60
Construction work in progress	238.24	357.90	282.30	313.84	-	-	313.84	238.24
Total	28,862.38	671.06	623.69	28,909.75	13,824.73	625.76	14,459.26	15,637.56

The total depreciation for this period is Baht 584.60 million, of which Baht 296.61 million is booked as cost of product.



4.9 Intangible assets

Unit : Million Baht

Type	First cost		Accumulated		Allowance for		Net Book Value	
			Amortization		impairment			
	2003	2002	2003	2002	2003	2002	2003	2002
Leasehold	1,577.15	1,567.05	600.14	522.17	13.16	-	963.85	1,044.88
License and development costs of computer software	72.20	70.88	62.94	59.27	-	-	9.26	11.61
Total	1,649.35	1,637.93	663.08	581.44	13.16	-	973.11	1,056.49

4.10 Income taxes and deferred income taxes

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

	Tax rates
- The Company	30%
Net income for portion not exceeding Baht 300 million for the accounting period of five years from 2002 to 2006	25%
- Subsidiaries	20%

Deferred income taxes presented in the consolidated and the Company balance sheets as at December 31, 2003 and 2002 are as follows:

Unit : Million Baht

	Consolidated	The Company
Deferred tax assets		
As at December 31, 2002	98.99	98.99
Income tax expenses	(3.49)	(3.49)
As at December 31, 2003	95.50	95.50
Deferred tax liabilities		
As at December 31, 2002	39.26	39.26
Income tax expenses	(3.27)	(3.27)
As at December 31, 2003	35.99	35.99

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

The Company has an accumulated net loss of Baht 4,363.57 million after having adjusted the income statement in accordance with the Revenue Code.

4.11 Bank overdrafts and short-term loans from financial institutions

Bank overdrafts and short-term loans from financial institutions are Baht 8,000 million, which comprised of short-term loan from the Krungthai Bank of Baht 4,400 million, short-term loan from the Siam City Bank of Baht 3,600 million. The interest rates vary from 1.65 to 5.75 % per annum.

4.12 Short - term loans

Short - term loans are Baht 1,390.82 million is short - term loan arranged by the Ministry of Finance under the Euro Commercial Paper Programme (ECP) as bridge financing of USD 35 million, with maturity on January 30, 2004 and with interest rate of 1.14% per annum. The Ministry of Finance has agreed to allow the Company to extend the said loan under the ECP Programme for another two months, with maturity on March 30, 2004 and with interest rate of 1.14% per annum.

**4.13 Long - term loans**

	Unit : Million Baht		
	Consolidated	The Company	
	2003	2003	2002
Government Saving Bank	-	-	500.00
Debentures	7,657.50	7,657.50	13,537.50
Promissory Note	2,315.00	2,315.00	2,315.00
Total long term loans	9,972.50	9,972.50	16,352.50
Less Current portion of long-term loans	3,532.50	3,532.50	6,380.00
Early redemption of long term loans	3,900.00	3,900.00	-
Balance	2,540.00	2,540.00	9,972.50

Debentures

As of December 31, 2003, the Company has the debentures as follow

- Unsecured, unsubordinated registered debentures with the holders' names amounting to 5,240,000 units, totaling Baht 3,757.50 million. The interest rates vary from 3.0625 to 8.00 % per annum.

	<u>Maturity Date</u>	<u>Interest Due</u>
No. 7/2543	Feb. 02, 2005	Feb 02 and Aug 02 of each year
No. 8/2543	Mar. 31, 2004	Mar 31 and Sep 30 of each year
No. 9/2543	Mar. 31, 2004	Mar 31 and Sep 30 of each year
No. 18/2543	Nov. 28, 2004	May 28 and Nov 28 of each year
No. 19/2543	Nov. 30, 2004	May 30 and Nov 30 of each year
No. 20/2544	Mar. 29, 2005	Mar 29 and Sep 29 of each year
No. 24/2545	Dec. 02, 2005	Jun 02 and Dec 02 of each year
No. 25/2545	Dec. 02, 2007	Jun 02 and Dec 02 of each year

- The Company redeemed debentures before maturity dates according to resolution of the Board's meeting No. 15/2003 as follow

- Unsecured, unsubordinated registered debentures with the holders' names amounting to 900,000 units, totaling Baht 900 million. The interest rates vary from 7.75 to 8.25 % per annum.

	<u>Maturity Date</u>	<u>Redemption Date</u>
No. 7/2543	Feb. 02, 2005	Feb. 13, 2004
No. 10/2543	Mar. 31, 2006	Feb. 13, 2004
No. 13/2543	May. 03, 2006	Jan. 05, 2004

- Guaranteed registered debentures with the holders' names and trustee totaling 3,000,000 units with face value of Baht 1,000 per unit, for a total of Baht 3,000 million. The debenture guaranteed by the Ministry of Finance . The interest rates of 4.80 % per annum.

	<u>Maturity Date</u>	<u>Redemption Date</u>
No. 22/2544	Nov. 29, 2006	Feb. 27, 2004

Promissory Notes

Promissory notes are Baht 2,315 million, with interest rates varying from 5.50 - 6.25% per annum. The repayment of which are Baht 2,000 million in year 2004, Baht 170 million in year 2005 and Baht 145 million in year 2007.



4.14 Sale revenue

	Unit : Million Baht		
	Consolidated	The Company	
	2003	2003	2002
Sales - Fuel Products	61,539.97	60,719.96	51,716.18
Investment Charge	54.74	94.83	88.00
Total	61,594.71	60,814.79	51,804.18

4.15 Gain (Loss) from foreign exchange fluctuations

	Unit : Million Baht		
	Consolidated	The Company	
	2003	2003	2002
Realized gain from foreign exchange fluctuations	168.25	168.25	35.53
Unrealized gain(loss) from foreign exchange fluctuations	124.56	124.56	(46.55)
Total	292.81	292.81	(11.02)

4.16 Interest expense

The total interest for this period is Baht 1,028.27 million, of which Baht 0.62 million is recorded as cost of work in progress and Baht 1,027.65 million as expense.

4.17 Shareholders' equity

According to the extraordinary shareholders' meeting No. 1/2003, held on August 29, 2003, the following resolutions were unanimously passed

4.17.1 To decrease the Company's registered capital from Baht 7,720,409,400 to Baht 5,220,409,400, by canceling all shares which have been registered but not yet sold. The company has, on September 11, 2003, registered this change with the Ministry of Commerce.

4.17.2 To transfer the Baht 547.59 million legal reserve and the Baht 2,007.95 million premium on share capital to compensate and reduce the Company's accumulated deficit.

4.17.3 To decrease the Company's registered capital from Baht 5,220,409,400 to Baht 522,040,940 by reducing the par value of the shares from Baht 10 to Baht 1 per share. The company has, on November 17, 2003, registered this change with the Ministry of Commerce.

4.18 Transactions with related companies

The Company has engaged in significant business transactions with related companies in which it hold shares and, in some of these companies, serve as member of the board. The conditions of the transactions are in accordance with normal business practices. For the year ended December 31, 2003 and 2002, the following transactions were made

	Unit : Million Baht		
	Consolidated	The Company	
	2003	2003	2002
Account receivable with related companies	-	356.62	139.29
Account payable with related companies	10.41	10.41	8.00
Income from sales of oil	-	4,832.99	1,776.04
Pipeline throughput fee	97.92	97.92	91.88
Interest expense	-	-	1.74
Franchise fee - Lemon Green (Minimart)	-	3.63	4.37

4.19 Risk management

So as to reduce the risk of changes in the oil price, as of December 31, 2003, the Company has an agreement guaranteeing the future buying and selling price of 0.17 million barrels of oil product, with a net payable value of Baht 14.50 million



4.20 Financial information by segment of business

The financial results of the Company segmented by type of business under Refinery and Marketing for the year ended December 31, 2003.

	Unit : Million Baht			
	Refinery	Marketing	Elimination	Total
Sales	58,994.21	35,119.89	(33,299.31)	60,814.79
Cost of Sales	58,417.17	33,591.48	(33,299.31)	58,709.34
Gross Margin	577.04	1,528.41	-	2,105.45
EBITDA	681.56	639.81	-	1,321.37
Depreciation and Amortization	322.67	417.63	-	740.30
EBIT	358.89	222.18	-	581.07
Loss from Impairment of Assets				(753.79)
Inter-set-net				(992.03)
Redemption Premium on Debenture				(212.34)
Gain from Foreign Exchange Fluctuations of Loan				102.93
Share of Losses from Investments for Using the Equity Method				(0.67)
Income Tax				(0.22)
Net Profit (Loss)				(1,275.05)

4.21 Contingent liabilities

4.21.1 Liabilities on guarantees

As of December 31, 2003, the Company's total liabilities in the form of bank guarantees amounted to Baht 307.86 million. These guarantees are mainly to cover the corporate income tax refunds, electricity usage and the telecommunication contract with the Telephone Organization of Thailand.

4.21.2 Allegation

On April 30, 2003 the civil court dismissed the case lodged against 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. The Company as a leasee of the land was charged as the fifth defendant. The case is being appealed with the appeal court.

4.22 Events after the balance sheets date

In January 2004, the company offered the sale of 231 ordinary shares at par value Baht 1 per share to increase the paid up capital. The Public offering was in the form of Depository Receipts of BCP's Ordinary shares (DR) of 231 million units at Baht 13 per unit, totalling Baht 3,003 million. The Company also offered the rights to the existing shareholders to swap their ordinary shares for 330 million units of DRs at the swap ratio of 10 ordinary shares for 5-9 units of DRs. The total 561 units of DRs has a 10 year maturing date and are redeemable in the year 2014.

The Company has, on January 9, 2004, registered with the Ministry of Commerce the increase of its registered capital from 522,040,940 shares to 1,682,040,940 shares.

4.23 Account reclassification

The Company has reclassified certain items in the financial statements for the year ended December 31, 2002 by showing the Government Housing Bank fixed deposit, initially shown as "The Current Investment" to that of "Other Non-Current Assets" in the Balance Sheet. The Statement of Cash flows as of December 31, 2002 was adjusted to be in line with the current year format and showing the deferred income tax as deferred income tax assets and deferred income tax liabilities. The changes do not affect the net profit or the shareholders equity as previously reported.





Nature of Business Operations

The Bangchak Petroleum Public Company Limited is a Thai oil company, operating businesses in retail and wholesale sales of refined petroleum products. It also owns and operates a refinery with capacity of 120,000 barrels per day.

The Company sells oil products through service stations under the trademark of Bangchak. Its direct customers include those in the sectors of transport, airlines, ocean liners, construction, industry and agriculture. Sales are also made through large-scale and small-scale oil traders as well as other general retail customers.

The Company has one subsidiary company i.e. the Bangchak Green Net Co.,Ltd. and one affiliated company i.e. Fuel Pipeline Transportation Co.,Ltd.

The Bangchak Green Net Co.,Ltd

The Bangchak Green Net has a registered capital of Baht 1 million. The Company holds 49 percent of its total

shares. The Bangchak Green Net was established to manage service stations of Bangchak and sales of consumer goods in the Lemon Green convenient stores and Bai Chak stores. The Bangchak Green Net also provides other services so as to cope with Bangchak's expansion in its future retail business.

Fuel Pipeline Transportation Co.,Ltd.

Fuel Pipeline Transportation, an affiliated company of Bangchak, has a registered capital of Baht 1,592 million, of which Bangchak holds 11 percent of the total shares. It was established to operate the oil transportation business via multi-purpose pipeline system for various kinds of oil. The pipeline begins at the Bangchak refinery and runs along the railway track to the oil storage depots at Don Muang Airport and Bang Pa-in, Ayutthaya.



Income structure

In 2003, the Company's total incomes were Baht 61,262 million, and together with the subsidiary company, of which it holds more than 20 percent of the shares, the Company's incomes totaled Baht 66,903 million. The incomes of the Company and subsidiary company in the year 2001 - 2003 can be classified as follows :

Product/ service	Company	Shares held by the Company (Percent)	2003		2002		2001	
			Income (Million Baht)	Percent	Income (Million Baht)	Percent	Income (Million Baht)	Percent
Oil	Bangchak Petroleum	-	61,262	91.6	51,936	95.7	48,596	96.2
Oil/consumer products	Bangchak Green Net	49.0	5,641	8.4	2,339	4.3	1,822	3.6
Delivery service	Bangchak Green Line ^{1/}	49.0	-	-	-	-	78	0.2
Total			66,903	100	54,275	100	50,496	100

Note : 1/ The Company has currently sold all its shares in the Bangchak Green Line



Risk Factors



- Risk from liquidity position and continued business operation

Due to the economic crisis in Asia Pacific and in Thailand in 1997, the Government changed the exchange rate policy from fixed to managed float system, resulting in a severe devaluation of Baht. Consequently, value of foreign debts of the Company became double, aggravated by a declining demand for domestic oil consumption as the economic crisis adversely affected growth of industrial and service sectors as well as people's spending capacity. Volume of sales and productivity continued to decline, producing negative and inevitable impacts to entrepreneurs in oil production and sales.

According to the above situation of Baht devaluation and economic crisis, the Company had to face continued loss that affected financial liquidity. In solving the liquidity problem, the Company borrowed loans, mostly in short and medium terms, which resulted in a debt-bunching situation in 2003 - 2004, incompatible with the Company's cash flow position. Without proper problem solving, smooth continuation of business operation would be disrupted.

However, on July 8, 2003, the Cabinet granted approval to the directions of financial and business restructuring to solve the problems of the Company, so that the Company could continue its business and could create sufficient cash for debt repayment and dividend payout to the Shareholders.

- Risk concerning types of refinery affecting competitiveness of the Company

As Bangchak's refinery is categorized as "simple refinery" that produces high proportion of fuel oil compared with the other oil companies equipped with "complex refinery", this therefore affects competitiveness status of the Company, in case of declining demand for fuel oil. In addition, fuel oil is less expensive than other kinds of finished oil products. As a result, the Company's refining margin, or preliminary profit before deduction of expenses, is lower than that of the complex refinery. However,



the difference in refining margin is inconsistent due to the difference between prices of fuel oil and other kinds of oil at a certain time. In order to solve the problem, the Company procured crude oil with lower substance of fuel oil, for example crude oil from the Far East.

Nevertheless, the process of crude oil refinery for finished petroleum products concerned other expenditures for such items as fuel for production, chemical substances, and maintenance costs for refinery and engines. These were less expensive for the simple refinery, which helped narrow difference between the refining margin and returns for investment.

At present, cooperation has been established with Thai Oil Co.,Ltd. Fuel oil is transported to the cracking unit of Thai Oil and benefit is divided equally after deduction of expenditures. Bangchak could gain benefit without having to invest in a huge amount, while Thai Oil could use its over-capacity. In the future, if the company cannot transport fuel oil to crack at Thai Oil, the Company may consider investing in upgrading of its refinery to become the complex refinery, provided that conditions on business situation and oil prices are more favorable.

- Risk concerning dividend payment

According to the resolution of the Shareholders' Meeting on August 29, 2003, the par value of share was reduced from Baht 10 to Baht 1 per share and reserve as well as surplus on share value were transferred so as to reduce the accumulated loss. However, the amount of Baht 2,389 million of such loss still remained. (As of December 31, 2003.) Therefore, the Company may not be able to pay out dividend to its Shareholders.

However, in its endeavor to pay out dividends, the Company would bring out the Baht 2,600 million surplus on share value from issuance of Baht 3,003 million DR ordinary shares through Siam DR Co.,Ltd. to reduce its accumulated loss. The matter would be submitted to the next Shareholders' Meeting for approval.

- Risk concerning support from the Government after the financial restructuring and termination of the Company's status as a State Enterprise

The Company has been holding the status of a State Enterprise, as the Ministry of Finance held 48 percent of the registered capital of 522.04 shares, while PTT Plc. held 24 percent. Previously, the Ministry of Finance granted financial assistance to the Company in providing guarantee for loans as well as direct lending of approximately Baht 8,100 million. In addition, a Letter of Comfort was issued by the Ministry of Finance to the commercial banks that provided loans to the Company in an amount of Baht 4,000 million, representing 62 percent of the total loans of Baht 19,500 million.

Under the financial restructuring scheme, the Company would recapitalize by sales of Depository Receipts (DR) that would result in a decrease in the share holding of the Government to less than 50 percent. As a result, the Company's status as a State Enterprise would terminate and the Government may no longer provide direct support to the Company.

However, the Ministry of Finance still guarantees the costs of fund (Initial of Baht 9,600 million) to the investors for the period of 10 years for DR not yet being converted to the ordinary shares. The Company has firm belief in the Government's intention to grant further support in order to enhance sound operational outcomes and to provide satisfactory returns to the Shareholders. In case that the operational results do not turn out to be as forecast and the investors sell back their DR, the Government would become once again major Shareholder and the Company would resume its status of a State Enterprise.

- Risk from location of refinery

As the Company's refinery is located in the Bangkok area, inadequate safety system may produce adverse impacts to the environment as well as safety of the community in the vicinity that would also have direct affect to the Company's business. However, the Company is assured that such incident would not occur, due to the following reasons :



(1) It is the policy of the Government that oil storage depot of Bangchak and PTT serve as the center for oil distribution in the Bangkok Metropolitan area.

(2) The Government granted approval to the Treasury Department to extend the leasing period to the Bangchak refinery by 30 years to replace the remaining period of 12 years.

(3) The Company has maintained its standard of environmental and safety management. Measures have been set up to control the potential risks i.e. strict compliance with the laws concerning safety, conducting risk assessment, setting up sequence in work process and regular repair and maintenance of the refinery equipment. The Company has therefore been awarded with various certifications, such as TIS 18001 No. OHS00007/007 for vocational hygiene and safety (the first awarded refinery in Thailand), additional OHSAS 18001, ISO 14001 - petroleum refining for environmental management in all production process. These certifications have been under regular supervision.

- **Risk from oil price in international market**

Over 90 percent of major costs in the oil business is "oil". Prices of crude oil and refined petroleum products revolve around market forces. Normally, the Company has to procure crude oil 1 - 2 months in advance (as the general practice of all refineries) by concluding with the sellers on the matters of types of oil, month of delivery and price calculation method that is generally based on the benchmark crude in the month of delivery. After delivery, the oil goes through the processes of transportation, lightening, refining and finally storing for sale. The finished product sale price is based on the average price of finished products in Singapore at the point of sale. Difference of time from crude oil procurement to sale of finished products to the consumers would then be around 2 - 3 months, thus creating the risk in managing crude oil cost in order to attain the best Gross Refining Margin (GRM).

In dealing with the above situation, the Company set up a Risk Management Team, chaired by the President, whose responsibilities concern supervision on oil procurement, analysis of the prevailing situation and forecast of trend in oil prices. The Team's tasks also includes determination on policy to manage oil procurement and finished product inventories by fixing the differences between the sale price of finished products and the crude oil price and/or forward sale of crude oil/finished product inventories. In addition, since 2002, cooperation has been made with the allied companies in common transportation of crude oil from the Middle East using bigger tankers with lower transportation costs. The Company can therefore, shorten the period between crude oil procurement and sales of refined products and then reduce risk from price volatility and reduce costs for leasing of crude oil container.

- **Exchange risk**

In the oil refining business, costs and incomes are tied with the US currency. Major costs concern imports of crude oil that are paid in the USD, while incomes from domestic sales are based on the prices of finished oil products at Singapore that are also in the USD, using the exchange rate on the date of sales. Fluctuation of exchange rate then affects the Company's incomes and costs.

From the above situation, value of the Company's assets and liabilities are in the USD. Important assets include crude oil and finished products in inventories, which would be sold in the USD. As for the liabilities, as of December 31, 2003, foreign debts of the Company accounted for USD 35 million or equivalent to Baht 1,391 million, representing 7.2 percent of the total debts. These debts are the Euro Commercial Paper (ECP) as secured for the Company by the Ministry of Finance. Exchange risk of the Company would therefore depend on difference between assets and liabilities in the value of USD (Net USD Exposure). In order to lessen the above impact, the Company



utilized various financial tools, such as contracts for forward buying of foreign currencies and contracts for derivatives etc.

- **Risk from disaster or accidents during oil transportation**

This risk concerns the following issues :

- **Risk from disaster during oil delivery to the refinery**

The Company has to purchase crude oil from both within the country and from overseas via large tankers. Should any disaster occur during transportation, the loss to the Company's assets and its production as well as the impact on the environment would be great. This is in spite of the insurance policy that the Company has covering its assets and losses to the third party. The Company is always concerned of this risk and has improved its oil transportation standards, for example, installation of up-to-standard fire extinguishers in the tankers, deploying boom throughout the period of the ship's docking and joining with the other oil companies in combating oil spills in the event of emergency. In case that the crude oil cannot be delivered, the Company is able to purchase crude or finished oil from other entrepreneurs.

- **Risk from accidents during oil delivery to customers**

Most of the oil products delivered from the storage terminal to the industrial, retail and wholesale customers are made by tank trucks. At present, the Company hires 8 agents for transportation under the 3-year contracts. Selection of these agents was made in taking into consideration such issues as readiness for services, quality of services and work experiences. Conditions were set up for these contractors so as to ensure the most efficient and the safest oil delivery.


In case of accidents that produce damages to the Company's assets or to the general public, the Company

can claim for compensation from the responsible agents. In addition, the Company has been making up a trial on installation of the monitoring system via satellite in a number of trucks, the "Global Positioning System" or GPS. Oil delivery has also been made through the fuel pipeline in order to reduce oil transportation by trucks.

- **The impacts from the Fuel Pipeline Transportation Company Limited**

The sale of the Company's oil partly depends on the transportation by pipeline owned by the Fuel Pipeline Transportation Co.,Ltd. or FPT. This pipeline, which starts at the Bangchak oil refinery, runs parallel along the railway track to the Don Muang Airport oil terminal and from there to the Company's oil terminal in Bang Pa-in where it ends, covering a total distance of 69 kilometers. This pipeline is made of flexible materials and can withstand the force of vibration. Nevertheless, there are risks that the operation of the line could be temporary halted due to damages caused to it by the construction works on the infrastructure. If this occurs, the sale of aviation fuel to the Thai Airways International Plc. would be disrupted and the supply of oil to retail customers in the North and North East would also be affected.

However, maintenance of pipeline has been made on a regular basis. A system to inspect the conditions of pipeline was also installed and repair team would be immediately sent in case of problems. In addition, the Company has also its reserve of oil in its Bang Pa-in terminal, which would be sufficient to cover 10-day sales.

In case of relocation of the national airport to the New Bangkok International Airport or Suvarnabhumi Airport, the Company's sales of aviation fuel may be affected. However, the Bangkok Aviation Fuel Service is planning to connect the pipeline with FPT from the area of Makkasan to the new airport. 



Management Structure

1. Management structure

1.1 The Board of Directors

The Directors are required under the Company's Articles of Association, to perform their duties in accordance with the relevant laws, the Company's objectives and regulations, and furthermore, to implement the resolutions of the Shareholders' Meetings. They are expected to discharge their responsibilities with high degree of honesty and integrity and to protect the interest of the Company. They are to delegate certain authorities to the Company's management staff, such as the President, to allocate and approve payment of annual budget, payment of Company expenses that are under binding agreements, to have authority over the administration of Company personnel, and to approve the procurement and sales of petroleum products.

The names of the Board of Directors are as follows :

1. General Tawat Ked-Unkoon	Chairman (Independent Director)
2. Mr. Anusorn Tamajai	Independent Director
3. Mr. Wirat Iam-Ua-Yut	Independent Director
4. Mr. Nipon Surapongrukchareon	Independent Director
5. Mr. Chai-Anan Samudavanija	Independent Director
6. Mr. Songpope Polachan	Director
7. Mr. Boonsak Chiempricha	Director
8. Mr. Apisit Rujikeatkamjorn	Director
9. Mr. Sayan Satangmongkol	Director
10. Mr. Pichai Chunhavajira	Director and Secretary to the Board

Notes : Each Director is authorized to sign jointly with the Chairman on behalf of the Company

Authorities and responsibilities of the Board of Directors

- (1) The Directors must be knowledgeable, capable and experienced in order to provide positive contribution to the Company. They must be interested in business operations of the Company, well-determined and must perform their duties in compliance with business ethics.
- (2) The Directors' performance must comply with

the laws, the Company's objectives and regulations as well as the resolutions of the Shareholders' Meetings. They must be honest and must protect interests of the Company. They must also be accountable to the Shareholders.

- (3) The Directors are assigned to set up policies and directions for the Company's business operations. They monitor and supervise efficient and effective implementation of the policies by the management so as to maximize economic value of the Company and Shareholders' wealth.
- (4) The Board of Directors should regularly follow up the Company's operations as well as compliance with the laws and stipulations of related contracts. It should be emphasized that the management informs all important pertinent matters to the Board of Directors.
- (5) The Board of Directors should supervise that the Company has the effective systems of internal control and internal audit.
- (6) Independent and outside Directors should be free in their consideration on such issues as operating strategies, resource utilization, appointment of Directors and setting up of business standards. They should be ready to present their contradict opinions in the matters that affect equality of all Shareholders.
- (7) If necessary, the Board of Directors may seek professional advice from outside consultants with the expenses of the Company.
- (8) The Board of Directors should appoint a Company Secretary to look after its activities and to ensure compliance with laws and regulations of the Board of Directors and the Company.
- (9) The Board of Directors should compile a manual on Code of Corporate Conducts and Code of Ethics for the Company's Executives and employees.



In 2003, the Board of Directors held 18 meetings (12 ordinary meetings and 6 extraordinary meetings), each meeting taking about 3 hours. Most Board meetings were held at Bangchak's head office, while some were held outside the Company. The attendance record of each Board member is summarized as follows :

The Board of Directors	Meetings participated/No. Of Meetings (times)			Notes
	Ordinary Meeting	Extraordinary Meeting	Total	
1. General Tawat Ked-Unkoon	12/12	6/6	18/18	
2. Mr. Anusorn Tamajai	12/12	5/6	17/18	
3. Mr. Wirat Iam-Ua-Yut	11/12	6/6	17/18	
4. Mr. Nipon Surapongrukchareon	10/11	4/5	14/16	Appointed on Jan. 28, 2003
5. Mr. Chai-Anan Samudavanija	6/8	5/5	11/13	Appointed on Apr. 24, 2003
6. Mr. Songpope Polachan	5/8	4/5	9/13	Appointed on Apr. 24, 2003
7. Mr. Boonsak Chiempricha	10/12	6/6	16/18	
8. Mr. Apisit Rujikeatkamjorn	4/6	5/5	9/11	Appointed on Jun. 29, 2003
9. Mr. Sayan Satangmongkol	10/12	6/6	16/18	
10. Mr. Pichai Chuhavajira	4/12	6/6	10/18	
11. Mr. Narong Boonyasquan	8/8	3/3	11/11	Resignation on Sep. 9, 2003
12. Mr. Prasert Bunsumpun	5/5	1/1	6/6	Resignation on Jun. 26, 2003
13. Mr. Prapat Phodhivorakhun	-/-	1/1	1/1	Resignation on Jan. 27, 2003

Notes : The Directorship tenors have expired for thoses listed 11 - 13

In 2003, the Board of Directors continued for the second year to implement the performance assessment of each Director and for the Board. All Directors were interested in self-development in order to improve their knowledge, skill and standard in performing their duties with effectiveness and ethics. There were three Directors who participated in the DCP training program of the Thai Institute of Directors (IOD).

1.2 The Sub-Committees

The Board of Directors has appointed the Sub-Committees to monitor the overall performance of the Company as follows :

1) The Audit Committee

The Audit Committee is composed of at least three Independent Directors with three-year membership. Its responsibilities are assigned by the Board of Directors in the written charter of the Audit Committee.

The members of the Audit Committee are as follows :

- | | |
|---------------------------------|-----------|
| 1. Mr. Anusorn Tamajai | Chairman |
| 2. Mr. Wirat Iam-Ua-Yut | Member |
| 3. Mr. Nipon Surapongrukchareon | Member |
| 4. Ms. Sujitra Juntasopephant | Secretary |

Authorities and responsibilities

- (1) Supervision of the Company's financial statements to be accurate, complete and reliable.
- (2) Ensuring that the Company's internal control system is appropriate and efficient.
- (3) Selection and proposing of the appointment of the Company's external auditor.
- (4) Overseeing the Company's compliance with relevant laws and regulations.
- (5) Monitoring that the conflict of interest principles are not violated.
- (6) Formulation of corporate governance report of the Audit Committee signed by Chairman of the Audit Committee to be included in the Annual Report.



(7) Other duties as assigned by the Board of Directors.

The Audit Committee holds regular meetings and reports the results to the Board of Directors. In the year 2003, it held 4 meetings.

2) The Executive Committee

The Executive Committee was established on May 30, 2002, composed of three members with three-year membership. The Executive Committee has the responsibility to monitor the Company's operations within the framework of written assignment from the Board of Directors. The members of the Executive Committee are as follows :

1. Mr. Chai-Anan Samudavanija Chairman
2. Miss. Keokam Kraisoraphong Member
3. Mr. Pichai Chunhavajira Member and secretary

Authorities and responsibilities

- (1) Monitoring of efficient performance of the Company to enhance business strength in line with the policies of the Board of Directors. Consideration on matters to be submitted to the Board Meetings, as well as other operations as assigned by the Board of Directors. The Executive Committee reports and is accountable to the Board of Directors.
- (2) Supporting the management to attain the Company's objectives and targets.
- (3) Participation in formulation of the Company's short-term and long-term plans.
- (4) Participation in formulation of financial management plan with the purpose to reduce financial burden and to enhance sound financial structure.
- (5) Participation in formulation of proactive public relations plan for the positive and sustainable image of the Company.
- (6) Consideration of matters to be submitted to the Board of Directors for approval.
- (7) Other duties as assigned by the Board of Directors.

In 2003, the Executive Committee held the meetings and reported the results to the Board of Directors, total of 6 meetings.

3) The Nominating Committee

The Nominating Committee, occasionally,

was appointed to nominate Directors and Executives from the level of Senior Executive Vice President. The Nominating Committee is composed of three members and its responsibilities are as assigned by the Board of Directors in the written charter.

1.3 **The Executive Staff**

The Executive Staff is composed of 9 persons as follows :

- | | |
|-------------------------------|--|
| 1. Mr. Pichai Chunhavajira | Acting President |
| 2. Mr. Vudichai Neeranartwong | Senior Advisor |
| 3. Mr. Vichien Usanachote | Senior Advisor and
Acting Senior Executive
Vice President |
| 4. Mr. Anusorn Sangnimnuan | Senior Advisor and
Acting Senior
Executive Vice
President |
| 5. Mr. Patiparn Sukorndhaman | Senior Executive Vice
President, Finance |
| 6. Mr. Wattana Opanonamata | Executive Vice
President |
| 7. Mr. Kiertikul Komin | Senior Vice President,
Retail Marketing |
| 8. Mr. Manoon Siriwan | Senior Vice President,
Industrial Marketing
and Lubricant |
| 9. Ms. Wanapa Imachai | Senior Vice President
Accounting and Finance |

The President is assigned to allocate and approve payment of annual budget, payment for the Company's business under binding commitments. He is also assigned with authority over the personnel administration, procurement and sales of petroleum products.

2. **The appointment of Directors and management**

2.1 Appointment of Directors of the Board

According to the Company's Articles of Association, the Shareholders appoint Directors by majority vote, with one Shareholder having one vote for one share held. Person in receipt of the highest number of votes and those in order of descent shall be elected as Directors to fill the number prescribed or to be elected.



At every Annual General Shareholders' Meeting, Directors numbering one-third of the total number shall resign. In case the number of Directors cannot be divided into three parts, the number nearest to one-third shall resign and the Director holding the longest period in office will resign first. Outgoing Directors may be re-elected.

In case a directorship fell vacant for reasons other than resignation after completing its term, the Board of Directors shall elect a person, not having a prohibited attribute to replace the vacancy directorship, possessing the required qualifications in the next Board of Directors' Meeting. Except the term of the office remains less than two months. Resolution passed by the Board of Directors shall be composed of voting of not less than three-fourths the number of Directors remaining in office. The replacing Director shall be in the office not more than the unused term.

In emphasizing importance of the minor Shareholders, the Annual General Shareholders' Meeting of the year 2004 elected Mr. Wirat Iam-Ua-Yut as Director representing the minor Shareholders.

Directors and Executives from the level of Senior Executive Vice President are nominated by the Nominating Committee, occasionally set up, comprising three members with scope of responsibilities as assigned by the Board of Directors in written document.

Directors from major Shareholders are as follows :

1. Mr. Boonsak Chiempricha Ministry of Finance
2. Mr. Songpope Polachan Ministry of Energy
3. Mr. Pichai Chunhavajira PTT Plc.
4. Mr. Apisit Rujikeatkamjorn PTT Plc.

2.2 The appointment of Executives

According to the Company's regulations, the Board of Directors will appoint the Executives holding the positions of Vice President and above, while the Nomination Committee will consider and propose the persons to be appointed in the positions from the level of Senior Executive Vice President.

3. Executive remuneration

1) Financial remuneration

2003	Types of remuneration	Total amount (Baht)
- Directors	Meeting allowance ^{1/}	755,250
	Bonus ^{2/}	619,884
- 9 Executives ^{3/}	Salaries and others	39,950,946

Notes : 1/ Pays to 13 Directors including 3 Directors who resigned during the year.

2/ Bonus incurring from the operating results year 2002 paying to 17 Director (including 8 and 3 resigned Directors in the year 2002 and 2003 respectively)

3/ includes remuneration of the resigned President.

2) Other remuneration, for example right to buy shares

None

4. Good Corporate Governance

1) Policy concerning Good Corporate Governance

The Board of Directors mapped out the policy on Good Corporate Governance that is deemed important and essential to the sustainable growth of the Company. It is the firm intention of the Board of Directors to follow the principles of Good Corporate Governance with emphasis on importance of the systems of internal control and audit as well as the supervision of the management's efficiency in implementing the policy for the long-term benefits of the Shareholders under the framework of legal stipulations and the Business Codes of Conduct.

2) Shareholders' rights

In 2003, there were one General Shareholders' Meeting and one Extraordinary Shareholders' Meeting, which were held at the Company's head office. The Meeting invitation with relevant information was delivered 7 days in advance. Each agenda was attached with comments of the Board of Directors and the Minutes of Meeting were correctly and completely recorded for inspection by the Shareholders.

3) Stakeholders' rights

The Company realized the importance of the rights of all groups of Stakeholders including customers, trading partners, Shareholders etc., in particular the communities in the vicinity of the refinery as well as employees. In recognizing its status of large-scale industry, the Company



has always placed emphasis on the issues of safety and environment preservation by strictly complying with all related laws and regulations. The level of pollution control has been more effective than the legal requirements.

In 2003, the company surveyed the employees' opinions under the program of sharing of thoughts and development for organization. To apply the survey for the highest benefit, The Board of Directors set up a group study about important concerns and may have a sub-group to study particular concerns.

4) Shareholders' Meetings

The 2003 Shareholders' Meetings were attended by Chairman of the Board of Directors, Chairman of the Audit Committee and President. Chairman of the Board of Directors, who chaired the Shareholders' Meetings, opened the floor to the Shareholders to equally exercise their rights in presenting comments and asking questions. Important questions and comments were recorded in the Minutes of Meeting.

5) Leadership and vision

The Board of Directors played an important role in designing vision, mission, strategies, business targets and budget in order to enhance highest value to the Company and stability to the Shareholders.

The Board of Directors also initiated systems of effective internal control and audit as well as risk management. Follow-up has been regularly conducted in the meetings of the Board of Directors.

The Board of Directors took into consideration distinct division of roles and responsibilities among the Board of Directors, Sub-Committees and management.

6) Conflict of interest

In order to forestall the conflict of interest, the Board of Directors undertook careful supervision on such cases by setting up written policies and procedures concerning the approval of related-party transactions as well as policies and procedures to prevent executives and other concerned persons to utilize the Company's internal information for their own benefits.

7) Business Codes of Conduct

The Company issued its Codes of Conduct for Directors, Executives and employees so that they could carry out their duties with loyalty, honesty and fairness towards the Company and all groups of Stakeholders.

The Company maintained regular communication

with its employees and monitors closely their performance to ensure compliance with the mentioned directives.

8) Balancing of Non-Executive Directors

The Board of Directors is composed of 10 members as follows :

Executive Directors	- (President by position and the position is now vacant)
Independent Directors	5
Outside Directors	5 (4 from major Shareholders)

(Directors from major Shareholders are indicated in 2.1)

9) Consolidation or division of works

Chairman of the Board of Directors is an Independent Director by definition of the Stock Exchange of Thailand and has no relation with the Company's Executives. This is to achieve the distinct separation of duties between the setting up of the policy on Good Corporate Governance and in carrying out of routine works. All Directors are independent in delivering their comments on the Company's operations for the purpose of efficient, correct and transparent performance of the management.

10) Director and Executive remuneration

Director remuneration was determined according to the principles approved by the Cabinet for State Enterprises and was also approved by the Shareholders' Meeting.

Executive remuneration is based on the principles of the Board of Directors, by taking into account the Company's operating results and performance of each Executive and in accordance with the industry. (Details of Director and Executive remuneration are included in 3)

11) Meetings of the Board of Directors

Meeting appointments were set up in advance for the whole year. Normal meetings were held monthly, with special meetings called for as necessary. Meeting agenda was clearly announced in advance and usually included evaluation of operating results of the Company. The Company's Secretary delivered meeting notices, agenda and relevant documents beforehand, so that the Board of Directors could have time to study the information before attending the meetings. (Details are provided in 1.1)

Minutes of meeting were recorded in written form, certified by the Board of Directors.

12) Sub-Committees

The Board of Directors appointed persons with



sound knowledge and skill to be members of the Sub-Committees, as they could provide assistance in terms of detailed study and consideration on the issues submitted to the Board of Directors. However, accountability for all aspects of Company's activities with outside parties still rests with the Board of Directors.

The Sub-Committees are as follows :

- (1) The Audit Committee
- (2) The Executive Committee

(Composition, duties and list of members of the Sub-Committees are indicated in 1.2)

In addition, the Board of Directors also appoints task-force sub-committees, for example Nominating Committee, Financial Restructuring Committee, etc., of which the responsibilities are assigned by the Board of Directors in written document.

13) Systems of internal control and audit

The Company placed importance on the system of internal control, both at the Executive and operational levels, by undertaking appropriate organizational restructuring with clear line of command and relationship among different divisions. Approval authorities were designated according to positions and regulations were formulated for budgeting, finance and accounting, personnel administration, supply and sales of petroleum products and also procurement of materials. Risk management and early warning of abnormal occurrences were also emphasized.

The Internal Audit Office was established to ensure that the core operations and financial activities have been efficiently carried out under the directions established by the Company and in compliance with the relevant laws and regulations. In order that the Internal Audit Office could be completely independent and could perform its check-and-balance task, it has been assigned to directly report to the Audit Committee.

In emphasizing importance of risk management issues, the Company laid down measures of risk prevention and management, supervision on legal compliance and reports on risk management.

14) Report of the Board of Directors

The Board of Directors is responsible for the consolidated Financial Statements of the Company and its subsidiaries as well as financial information as appeared in

the Annual Report. The Financial Statements were prepared in accordance with the generally accepted accounting standards by selecting the appropriate accounting principles and applying them consistently. Careful consideration and best projection were adopted and important information was sufficiently provided in Notes to Financial Statements.

The Board of Directors took to maintain effective system of internal control to ensure the correct and complete financial records, which would sufficiently safeguard Company's assets and to prevent irregularities or significant improper acts.

In the opinion of the Board of Directors, the Company's internal control system, on the whole, is considered satisfactory and provides reasonable assurance as to accuracy of the Company and subsidiary company's Financial Statements as of December 31, 2003.

15) Relationship with investors

In realizing that the Company's information, both financial and non-financial, would directly affect the decision making of the investors and Stakeholders, the management placed importance on disclosure of complete, correct, reliable, regular and up-to-date information and assigned the Corporate Planning Office to maintain close contact with the institutional investors, the Shareholders, the analysts and the general public. Investors can obtain the Company's information at tel. 0 2335 4583-4 or www.bangchak.co.th or e-mail address : IR@bangchak.co.th

5. Supervision on the uses of internal data

The Board of Directors has ensured that the Directors and Executives do not disclose the Company's confidential information and those of its affiliate for personal gains or for the benefits of the others.

The sale and purchase of securities of Directors, Executives including their spouses, minor children, and relevant persons, according to Clause 258 of the Securities and Stock Exchange Act B.E. 2535, should be reported on every change of securities holding, occurring as a result of any purchase, sale, transfer or acknowledgement of transfer of securities within three working days from the date of purchase, sale, transfer or acknowledgement of the said securities. The Board of Directors and Executive personnel are aware of the above reporting requirement.



In addition, reports on securities holding and change in securities holding of Directors and Executives are submitted to each of the Board meetings.

6. Personnel

As of December 31, 2003, the total number of staff was 765, comprising :

- Central employees 174
(central administration,
finance and accounting,
internal audit and information)
- Refinery and procurement 305
- Marketing 286

6.1 Staff remuneration

1) Financial remuneration

Payments include monthly salaries, shift pay, pay for night shift, overtime and upcountry allowance, refinery standby pay and disciplinary work pay. Employees have the right to be members of the "Provident Fund for Employees of Bangchak" by selecting the rate of 5 percent or 10 percent of their

monthly salaries that the Company would contribute to the Fund at the same rate.

In 2003, total staff remuneration in terms of salaries, shift pay, night shift pay, overtime, upcountry allowance, refinery standard pay, and disciplinary work pay was totaled Baht 272 million.

2) Other remuneration, for example the right to buy shares
None

6.2 Significant change in the number of staff during the past 3 years
None

6.3 Policy of personnel development

The Company has a firm objective to support the development of its personnel to be of value to society and to be proud of the Thai culture. It promotes its staff to acquire knowledge and skill and be up-to-date and competitive in the international energy industry. Personnel training and development have been organized in an on-going manner. 

Details of the Company's Executives and authorized persons in subsidiary company and related companies. As of December 31, 2003

Names	Position in the Company	Position in	Position in Related Companies	
		Subsidiary		
		Company		
		Bangchak	Fuel Pipeline	PTT Plc.
		Green Net	Transportation	
1. Mr. Pichai Chunhavajira	Acting President			Senior Executive
				Vice President, Finance and Accounting
2. Mr. Vudichai Neeranartwong	Senior Advisor		Director	
3. Mr. Vichien Usanachote	Senior Advisor and Acting	Director	Director	
	Senior Executive Vice President			
4. Mr. Anusorn Sangnimnuan	Senior Advisor and Acting		Director	
	Senior Executive Vice President			
5 Mr. Kiertikul Komin	Senior Vice President, Retail Marketing	Director		
6. Mr. Manoon Siriwan	Senior Vice President, Industrial Market and Lubricant	Director		

Board of Directors and Executive Staff





Board of Directors



General Tawat Ked-Unkoon

Chairman (Independent Director)

- Age 64 years
- Chulachomkloa Royal Military Academy (Bachelor of Science) Army Command & General Staff College, Class 53
- National Defence College, Class 34
- 1998 : Chairman of the Advisory Board, Supreme Command Headquarters
- 2000 : Permanent Secretary for Defence
- Present : Retirement



Mr. Chai-Anan Samudavanija

Independent Director

- Age 59 Years
- Ph.D. (Political Science), The University of Wisconsin (Madison)
- 1998-2000 : Judge of the Constitutional Court
- Present :
 - Vice President, the Royal Thai Institute
 - Director, Vajiravudh College



Mr. Boonsak Chiempricha

Director

- Age 55 years
- Percentage of shares : 0.00007
- M.B.A., The University of Santa Clara, San Jose, CA., USA
- 1997 : Director of Audit Bureau, The Revenue Department
- 1999 : Chief of Regional Revenue Office 2. Bangkok
- 2001 : Deputy Director-General, The Revenue Department
- Present : Inspector-General, The Ministry of Finance



Mr. Songpope Polachan

Director

- Age 49 Years
- Ph.D. (Petroleum Geology), University of London, U.K.
- 2000-2002 : Chief of Energy Resources Policy and Planning Unit , Mineral Fuels Division, Department of Mineral Resources
- Present : Director, Policy and Strategy Coordination Office, Office of the Permanent Secretary, The Ministry of Energy



Mr. Sayan Satangmongkol

Director

- Age 56 years
- M.B.A., Thammasat University
- 1998 : Head of Corporate Credit Manager
- 2000 : Relationship Manager
- 2001 : Senior Vice President
- 2002 : Executive Vice President, Office of Internal Audit
- Present : Senior Executive Vice President, KTB Plc.



Mr. Anusorn Tamajai

Independent Director

- Age 38 years
- Ph.D. in Economics, Fordham University, New York, USA
- 1996-1997 : Research & MIS Manager, Citybank, Thailand
- 1997-2000 : Country Economist and Assistant Vice President, Treasury Department - Corporate Banking, Citybank, Thailand
- 2000 : Vice President, Country Regulatory, Research and Public Affairs
- Present :
 - Senior Vice President, Research and Planning Office, Bankthai Public Company
 - Director, Family Know - How Company (Subsidiary of SET)
 - Director, Thailand Post Company



Mr. Wirat lam-Ua-Yut

Independent Director

- Age 60 years
- Percentage of shares : 0.00009
- High School, Chumsaeng Chanuthis School, Nakom Sawan Province
- Present :
 - Director of the Board of National Cooperative Development
 - Chairman of the Cooperative League of Thailand



Mr. Nipon Surapongrukchareon

Independent Director

- Age 43 years
- M.B.A., National Institute of Development Administration
- Present :
 - Vice President of Thai Tabuchi Electric Co.,Ltd.
 - Vice Chairman, The Federation of Thai Industries



Mr. Apisit Rujikeatkamjorn

Director

- Age 58 Years
- Master of Engineering, Lamar University, Texas, USA
- 1997-1999 : Senior Vice President, Star Petroleum Refining Ltd.
- 2000 : Chief Executive Officer, Trans Thai-Malaysia (Thailand) Ltd.
- Present : Senior Executive Vice President, Oil Business Group, PTT Plc.



Mr. Pichai Chunchavajira

Director

- Age 55 years
- M.B.A. (Finance), Indiana University of Pennsylvania, USA
- 1996-1999 : Deputy Governor, Finance, Petroleum Authority of Thailand
- 2000-2001 : President, Oil Business Group, PTT Plc.
- Present : Senior Executive Vice President, Corporate Finance and Accounting PTT Plc.



Executive Staff



Mr. Pichai Chunhavajira

Acting President

- Age 55 years
- M.B.A. (Finance), Indiana University of Pennsylvania, USA
- 1996-1999 : Deputy Governor, Finance, Petroleum Authority of Thailand
- 2000-2001 : President, Oil Business Group, PTT
- Present :
 - Senior Executive Vice President, Corporate Finance and Accounting, PTT Plc.
 - Acting President



Mr. Vudichai Neeranartvong

Senior Executive Advisor

- Age 52 years
- Percentage of shares : 0.00027
- Ph.D. in Engineering, Institut du Genie Chimique, France
- 1992 : Senior Executive Vice President
- 2002 :
 - Senior Executive Advisor
 - Senior Executive Vice President
- Present : Senior Executive Advisor



Mr. Vichien Usanachote

Acting Senior Executive Vice President

- Age 49 years
- Master Degree in Engineering, Ohio State University, USA
- 1992 : Senior Executive Vice President
- 2002 :
 - Senior Executive Advisor
 - Senior Executive Vice President
- Present :
 - Senior Executive Advisor
 - Acting Senior Executive Vice President



Mr. Anusorn Sangnimnuan

Acting Senior Executive Vice President

- Age 50 years
- Percentage of shares : 0.00073
- Ph.D. in Engineering, Monash University, Melbourne, Australia
- 1993 : Senior Vice President, Supply and Transport
- 2000 : Senior Vice President Manufacturing
- 2001 :
 - Senior Executive Vice President
 - Acting Senior Vice President Manufacturing
 - Acting Senior Vice President Planning and Supply
- Present :
 - Senior Executive Advisor
 - Acting Senior Executive Vice President



Mr. Patiparn Sukorndhaman

Senior Executive Vice President

- Age 42 years
- MBA. [Finance] The American University, USA
- B.A. Political Science (Public Administration-Public Finance) Chulalongkorn University
- 1994-Feb 2000 : Deputy Director-Finance and Accounting The National Petrochemical Plc.
- Feb 2000-Sep 2001 : Group CFO COCO Group Companies
- Sep 2001-Sep 2003 : Chief Financial Officer Banpu Power Limited
- Present : Senior Executive Vice President



Mr. Wattana Opanonamata

Executive Vice President

- Age 48 years
- Percentage of shares : 0.00038
- Master Degree in Engineering, Chulalongkorn University
- 1994 : Senior Vice President Marketing and Engineering Service
- 2000 : Senior Vice President Planning and Supply
- 2001 :
 - Executive Vice President
 - Acting Senior Executive Vice President
- Present : Executive Vice President



Mr. Kiertikul Komin

Senior Vice President

- Age 47 years
- M.B.A., National Institution of Development Administration
- 1993 : Senior Vice President Marketing
- 2001 : Senior Vice President Marketing and Engineering Service
- Present : Senior Vice President Retail Marketing



Mr. Manoon Siriwan

Senior Vice President

- Age 57 years
- Master Degree in Political Science, Chulalongkorn University
- 1997 : Vice President, Sales
- 2000 : Vice President, Industrial Marketing and Lubricant
- 2002 :
 - Senior Vice President, Industrial Marketing and Lubricant
 - Acting Senior Vice President, Retail Marketing
- Present : Senior Vice President, Industrial Marketing and Lubricant



Mrs. Wanapa Imachai

Senior Vice President

- Age 59 years
- Bachelor Degree in Commerce and Accounting, Thammasat University
- 1992 : Senior Manager, Finance
- 2000 : Vice President, Finance and Administration
- 2002 : Senior Vice President, Finance and Administration
- Present : Senior Vice President, Account and Finance



Internal Control



In the Board Meeting No.2/2004, held on February 25, 2004, the Board of Directors made its opinions on the sufficiency and appropriateness of the internal control system of the Company, which can be summarized as follows :

1. Environment of the control

The Company's environment and structure have been considered conducive to efficient internal control practice. The corporate objectives as approved by the Board of Directors, which were clearly defined and measurable, have been used as performance guidelines of the employees. The provision of incentives and compensation to the staff was reviewed as appropriate. The corporate structure was adequately arranged to allow management to perform their duties efficiently. The management stressed the importance of honesty and ethics in conducting business. Written statements were issued to forbid the management and employees from acts that would constitute conflict of interest with the Company.

2. Risk assessment

The Company has appropriate risk management program for its business protection both internally and externally. The Company's management and other employees involved have together developed a system for an ongoing assessment and the analysis of potential risks, its impact on the business and protective measures were taken to monitor incidents that pose a risk. To reduce potential risks to a reasonable level, the risk management plans that have been established are implemented by responsible employees.

3. Control activities


The Company's control activities included the establishment of different level of approval authorities and monetary limits, which

were documented and clearly defined. Separation of duties and responsibilities were applied in creating the basis for checks and balances. Control measures were in place to monitor that transactions with related parties must pass proper approval and were conducted with the Company's interest in mind. Commitments binding the Company over a long period were monitored to ensure that implementation were in accordance with the agreed terms. Company's benefit or opportunities were properly protected against exploitation. The business operators of the associated companies were closely monitored. Prescribed measures were implemented to ensure that the Company complied with relevant laws and regulations.

4. Information and communication systems

The Company has been active in the development and upgrading of its information and communication systems. Various important data were sufficiently available for use in decision making. The Board of Directors was provided with documents for Board Meetings containing sufficient information for use in its review of the minutes of the meeting and also the consensus of the Board members. Company's vital documents were maintained and stored in an orderly manner. The accounting procedures adopted were in accordance with the generally accepted accounting principles, which were considered appropriate for the Company.

5. Monitoring system

The Company maintained a system in monitoring the results of its operations. Review of operating results was made with the Board of Directors on a regular basis. The internal control unit reported the results of its audit activities to the Audit Committee. The reviews conducted by the internal control unit were consistent with the established internal control system. 



Related - Party Transactions

In the Board of Directors' Meeting No. 2/2004, held on February 25, 2004, the opinions on the related - party transactions were as follows :

Entities	Relation	Nature of transactions	Value (Million Baht)	
			2003	2002
Ministry of Finance	Major Shareholder	• Fund lender under the Euro Commercial Paper (ECP) program for bridge financing of USD 35 million	1,391	1,516
		• Guarantor for short-ter loans from commercial banks with interest rate of 1.72 % p.a.	3,600	3,600
		• Guarantor for local debentures of 3,000 units at Baht 1,000 per unit with interest rate of 4.8 % p.a.	3,000	3,000
PTT Plc.	Major Shareholder	• Sales of oil to PTT	8,304	6,605
		• Trade accounts receivable	489	276
	Shareholder	• Purchase of oil from PTT	5,945	5,554
		• Trade accounts payable	447	1,164
		• Payment of service fee to PTT's Sriracha oil storage depot	73	72
Bangchak Green Net Co.,Ltd.	Subsidiary company	• Sales of oil to Bangchak Green Net Co.,Ltd.	4,833	1,776
		• Trade Accounts receivable	357	139
		• Franchise fee for management of Lemon Green	4	5
Fuel Pipeline Transportation Co.,Ltd.	Affiliated company	• Transportation fee	98	92
		• Debtor for transportation fee	10	8
Thai Oil Co.,Ltd.	Related company	• Sales of oil to Thai Oil	4,982	3,816
		• Purchase of oil from Thai Oil	4,736	3,861



1. Related transactions with the Ministry of Finance

The Ministry of Finance provided guarantee for loans and debentures of the Company, so that the Company could obtain better credit terms compared with the case of non-guarantee.

2. Related transactions with the PTT Plc.

PTT procured crude oil from domestic sources to supply to industrial entrepreneurs as well as to the Company in compliance with normal business conditions. As for sales of finished petroleum products, PTT would inform its requirement to the Company six months in advance. However, the two parties would cooperatively hold meetings every month to confirm in advance the supply requirement, prices of sales depending on market prices.

3. Related transactions with the Bangchak Green Net Co.,Ltd.

The Bangchak Green Net Co.,Ltd. was established to manage service stations and sales of consumer goods in the Lemon Green convenient stores and Bai Chak stores. The transactions were similar to those in normal business practices and were under the stipulations of contracts between the two parties.

4. Related transactions with the Fuel Pipeline Transportation Co.,Ltd. (FPT)

The FPT provided services of pipeline transportation from the Company's oil storage depot at Don Muang to Bang Pa-in to supply oil to customers in the North and North East.

5. Related transactions with the Thai Oil Co.,Ltd.


Transactions were in accordance with normal trading practices and market prices.

Opinion of the Audit Committee on related-party transactions

In its meeting No. 2/2004 held on February 27, 2004, the Audit Committee was of the opinion that the Company's related-party transactions complied with normal business practices without any special items and covered no transfer of benefits among the Company, its subsidiary, related companies and Shareholders. Approval for related-party transactions was granted by the President with full authorization according to the regulations of the Company. Exception was in the case of guarantee for the Company's loans and debentures by the Ministry of Finance, which enhanced better credit terms and conditions.

Disclosure of related-party transactions complied with the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as the accounting standard of the Association of Accountants of Thailand.

Policy of related-party transactions in the future

Related-party transactions in the future would still concern oil purchase and sales or utilization of service of the Fuel Pipeline Transportation Co.,Ltd., that were normal business practices for entrepreneurs in the same industry for which the setting up of prices is under market prices and /or the stipulations of trading contracts. However, it is deemed that the maximum benefit of the Company is the most important issue. The Audit Committee and Internal Audit Office have been assigned to supervise and inspect the Company's compliance with the Securities and Stock Exchange Act as well as other relevant regulations, announcements, orders or stipulations of the SET. In case that any items of related-party transactions concern with the Executives, the persons would not have the right to vote in the meetings. 



Management's Discussion and Analysis

Overview of business in 2003

In 2003, the domestic and regional economies reported a continued growth, resulting in an increase in the demand for oil consumption as well as a rise in the refining margin. However, the Company had to operate its business under oil price fluctuation caused by the war between the US and Iraq and the rising Baht value as compared with the US Dollar. Competition in the country was still on a high level, even though the situation had been improved due to surplus of domestic oil production. It is expected that the situation would become more balanced in 2005 - 2006, as the economic growth would directly stimulate the domestic demand for oil consumption. The Company therefore increased sales through potential channels, for example through Bangchak service stations, sales of fuel oil in industrial market, while sales in jobber market that produced low profit were cut down. Details of the Company's operating results are as follows :

1. Discussion and analysis of the operating results for the year 2003 as compared with 2002

1.1 Analysis of profit and loss

1) In 2003, the Company recorded the EBITDA of Baht +1,321 million (EBITDA not including profit from oil inventories and other items incurred from business and financial restructuring plan was Baht +1,502 million), due to the following factors :

- In 2003, the refining margin (not including profit from oil inventories) increased by USD 0.18 per barrel to approximately USD 1.49 per barrel, as compared with USD 1.31 per barrel recorded in the previous year, thanks to an increasing demand for oil consumption. In addition, the Company proceeded to cooperate with other oil companies so as to curtail costs and increase revenues through conclusion of MOU at the end of 2003. Volume of refinery of 74,000 barrels per day was maintained at the same level as 2002, as the Company emphasized sales to merely high-profit markets : service stations and

industrial market.

In 2003, profit from oil inventories (FX & price effects) totaled Baht 52 million as compared with the Baht 1,609 million profit recorded in 2002. Reserve was also set aside for prepayment of transportation fee and difference of interest receivables of the Fuel Pipeline Transportation Co.,Ltd. (FPT). Tax prepayment for imports of reformat oil was amortized in an amount of Baht 233 million. These were recorded as expenditures for sales and management, causing a decrease in preliminary profit of the Company.

- In 2003, sales through service stations and sales of fuel oil in industrial market rose by 17.7 and 5.9 percent respectively, while sales in jobber market, low-profit market, declined as well as aviation oil market that was adversely affected by the problem of SARS. The refining margin of finished oil market dropped by Baht 0.03 per litre as a result of high level of competition.

2) Apart from EBITDA of Baht +1,321 million and profit from oil inventories of Baht +52 million, the Company also reported profit from foreign exchange for loans and others of Baht 103 million, interest expenses before financial restructuring of Baht 1,028 million, interest incomes of Baht 36 million, depreciation and amortization of Baht 740 million. Therefore, loss before other items accounted for Baht 74 million and other losses from implementation of business and financial restructuring plan were Baht 1,199 million (details as shown in the analysis of total expenses). Net loss amounted to Baht 1,275 million.

1.2 Analysis of revenues

In the year 2003, the Company's revenues accounted for Baht 61,262 million, a rise by Baht 9,325 million or 18 percent over the preceding year, comprising the following :



- 1) Incomes from sales of Baht 60,815 million, up by Baht 9,011 million or 17.4 percent, due to the rising price of oil by 9.7 percent (average price of oil was Baht 10.14 per litre as compared with Baht 9.24 per litre in 2002) and an increase in total sales volume by 7.0 percent.
- 2) Profit in foreign exchange of Baht 293 million, up by Baht 304 million, including profit in foreign exchange for loans and others of Baht 103 million and profit in foreign exchange for trade accounts payable of Baht 190 million, due to higher value of Baht from Baht 43.30/USD 1 at the end of 2002 to Baht 39.74/USD 1 at the end of 2003.

1.3 Analysis of total expenses

In 2003, total expenses were Baht 62,536 million, comprising operating expenses of Baht 61,337 million and other items incurring from business and financial restructuring plan of Baht 1,199 million.

- 1) An increase in operating expenses increased by Baht 9,924 million or 19.3 percent to Baht 61,337 million, due to the following factors :

- Cost of sales not including impacts from change in value of oil inventories (profit from oil inventories) increased by 16.9 percent from the previous year. Cost of oil rose by 17.9 percent as a result of a rise in oil prices and volume of sales deducted by a decrease in production costs from extension of asset amortization in order to comply with the actual usage duration and extended land-lease contract from 12 years to 30 years. Depreciation in 2003 decreased by approximately Baht 303 million and was recorded as cost of sales.

However, if impacts from change in value of oil inventories is included, cost of sales in 2003 would total Baht 58,709 million.

- Cost of sales and administration totaled Baht 1,309 million (not including other items from business and financial restructuring plan of Baht 233 million that was recorded as cost of sales and administration), up by Baht 173 million or 15.2 percent as a result of an increase in sales volume and transportation cost, due to

outsourcing of contractors in order to enhance transportation efficiency.

- Interest expenses accounted for Baht 1,028 million, a decline by Baht 272 million or 21.0 percent from the previous year, due to the refinance program of domestic debt, which resulted in a decrease in interest burden by 1.0 percent as well as prepayment of the World Bank loans in an amount of Baht 92 million, resulting in a decrease in interest expenses by over Baht 85 million per year.
- 2) Other items from business and financial restructuring plan amounted to Baht 1,199 million, including depreciation of unused assets, reserve for prepayment of transportation fee of Baht 987 million (non-cash item) of which Baht 754 would be recorded as loss from asset devaluation (devaluation of unused land and closed-down service stations) and Baht 233 million would be recorded as cost of sales and administration (reserve for prepayment of transportation fee, difference of interest receivables of the FPT and amortization of tax prepayment for imports of reformat oil and others) and fee for redemption of debentures guaranteed by the Ministry of Finance in an amount to Baht 212 million according to the financial restructuring plan.

2. Discussion and analysis of the financial status as of December 31, 2003 as compared with December 31, 2002

2.1 Assets

Total assets at the end of 2003 decreased by Baht 409 million in comparison with the end of 2002.

Significant changes are as follows :

- 1) Cash and cash equivalents amounted to Baht 3,348 million, up by Baht 1,974 million from those of the previous year, in order to be prepared for prepayment on January 6, 2004 of 6 tankers of crude oil amounting to approximately USD 46 million.
- 2) Trade accounts receivable/notes receivable accounted for Baht 2,794 million, up by Baht 69 million from the end of 2002, due to an increase in sales volume and average oil price.



- 3) Inventories totaled Baht 5,396 million, a decline by Baht 693 million as compared with the end of 2002, as volume of inventories decreased by 94 million litre, while average price rose by Baht 0.10 per litre.
- 4) Prepayment of transportation fee, as well as values of property, plant, equipment and investment in service stations totaled Baht 14,993 million, a decline by Baht 1,462 million as compared with the end of 2002. The Company, at the end of 2003, devalued its unused land and closed-down service stations by Baht 764 million. It also set aside an amount of Baht 130 million for transportation prepayment and Baht 41 million for interest receivables under the FPT's financial restructuring plan to reflect actual costs of assets.

Furthermore, in 2003, changes have been made for usage duration of machine and equipment of refinery plants from 15 - 20 years to 30 years to be in compliance with actual usage and period of land-lease agreement of the refinery. Therefore, depreciation declined by Baht 303 million.

2.2 Liabilities

At the end of 2003, total liabilities, as compared with the end of 2002 rose by Baht 1,096 million. Significant changes are as follows :

- 1) Trade accounts payable accounted for Baht 4,415 million, increased by Baht 1,278 million from the end of 2002, due to prepayment of 1 tanker of crude oil in December 2002 amounting to USD 13 million.
- 2) Short-term loans accounted for Baht 1,391 million, a decline by Baht 1,090 million from the end of 2002, as a result of the short-term loan repayment and higher value of Baht, amounting to Baht 120 million of the Euro Commercial Paper (ECP) and USD 35 million of the Ministry of Finance.
- 3) Long-term loans, long-term loans which are due within one year and loans which were redeemed before due date totaled Baht 9,973 million, a drop by Baht 6,380 million in comparison with the end of 2002, as they were refinanced by short-term loans from financial institutions and prepaid in part by the Company's cash flow before implementation of financial restructuring plan as approved by the Cabinet.
- 4) Bank loans totaled Baht 8,000 million, rose by Baht 7,000 million from the end of 2002, due to borrowings from commercial banks for payment of long-term and short-term loans which would be due in 2003 and for redemption of debentures guaranteed by the Ministry of Finance before due date.

2.3 Shareholders' equity

- 1) At the end of 2003, accumulated loss of the Company amounted to Baht 2,389 million, a decline by Baht 5,979 million in comparison with the end of 2002. On August 29, 2003, the Shareholders' Meeting approved that the Company proceeded to implement the financial restructuring plan. The following items were recorded in the account :
 - The decrease of registered capital of 250 million shares that have not been sold out, so that 522 million shares remained. The decrease was registered at the Commerce Ministry on September 11, 2003.
 - Loss was reduced by Baht 2,556 million by transferring Baht 2,008 million from surplus of share value and Baht 548 million from legal reserve. This has been done since the accounting period of 9 months.
 - Value of shares was reduced from Baht 10 to Baht 1. The amount of Baht 4,698 million from this reduction was transferred to decrease accumulated loss. This item was registered at the Commerce Ministry on November 17, 2003.
 - The above operations produced no effect to the Shareholders' equity in general.
- 2) At the end of 2003, total Shareholders' equity was Baht 3,081 million, a drop by Baht 1,505 million from the end of 2002. Net loss amounted to Baht 1,275 million and surplus from assets revaluation was amortized in an amount of Baht 230 million.



3. Discussion and analysis of Statements of Cash Flow for the year 2003 as compared with 2002

In 2003, cash and cash equivalents accounted for Baht 3,348 million, up by Baht 1,974 million, due to the following factors :

- 1) Net cash derived from operating activities was Baht 2,574 million, as a result from operating profit that was Baht 487 million, while net assets and operating liabilities increased by Baht 2,087 million, due to an increase in trade accounts payable and a decline in inventories.
- 2) Net cash used in investment activities was Bath 255 million, due to an increase in the investment in durable assets and other non-current assets.
- 3) Net cash used in financing activities amounted to Baht 345 million, due to repayment of loans upon maturity dates by the Company's remaining cash flow.


4. Factors and major influences that may affect the Company's performance or financial status in the future

For the oil business, important factor that affects the demand for oil consumption concerns the economic growth. In 2004, the regional economy tends to report a higher growth rate, in particular China, of which the economic performance has been in a continued expansion. The Thai economy is also expected to expand further, which would result in a rise in the domestic demand. The Company, therefore, foresees that the regional and domestic demand for oil consumption and production capacity would be in balance in 2005 - 2006. This is

consistent with the forecast of various institutions. If production surplus declines, the refining margin would significantly improve.

However, oil prices would still produce direct impact on the operations of the Company. It is probable that oil prices that have been on a rise since the end of 2003 would decline by mid 2004. As a result, value of oil inventories would decrease. In order to deal with such situation, the responsible team of the Company keeps a close watch on the situation and is ready to perform risk management on the matter.

The higher value of Baht also directly affects the Company's business, as oil prices, as well as value of assets (oil inventories) that is higher than liabilities (trade accounts payable), are tied with the US currency. Rising value of Baht then resulted in a declining value of net assets. However, the Company has the policy to adjust the proportion of assets and liabilities in the US currency to be more consistent.

In addition, the Company is planning to refine crude oil from the Gulf of Thailand, that would produce better rate of return than imported crude by USD 2 per barrel, due to lower transportation cost and additional discount from entrepreneurs. Nevertheless, as crude oil from the Gulf of Thailand contains substance of mercury, the Company has to install a mercury removal unit at its refinery. At present, negotiation is under way with the purpose to increase the volumes of crude oil to be purchased as well as the discount rate. 



Capital Structure

1. The Company's securities

• Ordinary shares

As of December 31, 2003, the Company's registered capital amounted to Baht 1,682,040,940 and the paid-up capital was Baht 522,040,940. The par value was Baht 1 per share.

On January 29, 2004, the Company issued ordinary shares for recapitalization, which were offered to investors in the form of depository receipt (DR) issued by the Siam DR Co.,Ltd. with the right to derive benefits from the Company's ordinary shares in an amount of 231,000,000 units at Baht 1 per unit. The total value was Baht 3,003 million as the offer price was Baht 13 per one DR. As a result, the Company's registered capital, as of February 2, 2004, amounted to Baht 1,682,040,940 and the paid-up capital was Baht 753,040,940.

• Convertible debentures

On January 29, 2004, the Company issued convertible debentures, which were offered to investors in the form of DR issued by the Siam DR Co.,Ltd. with the right to derive benefits from the Company's convertible debentures in an amount of 400,000 units. The offer price was Baht 10,000 per unit. The total value was therefore Baht 4,000 million.

• Debentures

As of December 31, 2003, the Company's borrowings in the form of debentures and promissory notes amounted to Baht 9,973 million, comprising debentures guaranteed by the Ministry of Finance of Baht 3,000 million, debentures without guarantee of Baht 4,658 million and promissory notes of Baht 2,315 million.

Details of debentures are included in Notes to Financial Statements for the year ended December 31, 2003

2. Shareholders

The ten largest Shareholders of the Company
(before ordinary shares for recapitalization are offered for sales)
Shareholding registration closing date : January 13, 2004

Names of 10 largest shareholders	Million shares	Percent
1. Ministry of Finance	249.90	47.87
2. PTT Public Company Limited	104.48	20.01
3. HSBC (Singapore) Nominees Pte. Ltd.	24.75	4.74
4. Thai NVDR Co.,Ltd.	13.60	2.61
5. Chase Nominees Ltd. 2	11.92	2.28
6. Danske Bank A/S	2.61	0.50
7. Credit Agricole Indosuez Luxembourg	2.46	0.47
8. Chase Manhattan (Singapore) Nominees Pte.Ltd. 6	2.34	0.45
9. Seamico Securities Ple.	2.05	0.39
10. Royal Trust Corporation of Canada	1.84	0.35



Holders of ordinary shares had the right to exchange shares with DR to derive benefits from ordinary shares in the proportion of 10 ordinary shares to 9 units of DR, while the Ministry of Finance and PTT had the right to exchange 10 ordinary shares with 5 units of DR.


1) Major shareholders i.e. the Ministry of Finance and PTT, which held altogether 354,375,940 shares (67.88 percent of the total ordinary shares), exercised their right to exchange ordinary shares with 177,187,970 units of DR.

2) Minor shareholders, which held altogether 124,297,874 shares (23.81 percent of the total ordinary shares or 74.14 percent of the minor shareholders) exercised their right to exchange ordinary shares with

111,868,085 DR. Minor shareholders of 43,367,126 shares did not exercise this right.

For the remaining ordinary shares of 189,617,759 shares, the Company would submit to the Shareholders' Meeting to approve the capital decrease on this part.

3. Policy to pay out dividend

Without any necessity, the Company has the policy to pay out dividend to the Shareholders at the rate of 50 percent of net profit after taxes and legal reserve, depending on the prevailing economic situation and the Company's business plan for the future. 

Reference

- Registrar
 - Ordinary Shares (BCP)
 - Depository Receipts of BCP's Ordinary Shares (BCP-DR1)
 - Convertible Debentures (BCP@A)
 - Depository Receipts of BCP's Convertible Debentures (BCP141A)

 - Debentures Registrars
 - Bank of Thailand
 - 273 Samsen Road, Bangkhunphrom, Bangkok 10200
 - Telephone + 66 (0) 2283-5468
 - Thai Farmers Bank Public Co. Ltd.
 - Thai Farmers Lane, Ratburana Road, Bangkok 10140
 - Telephone + 66 (0) 2470-1122 Facsimile + 66 (0) 2470-1144
 - Thai Military Bank Public Co., Ltd.
 - 3000 Phahonyothin Road, Chatuchak, Bangkok 10900
 - Telephone + 66 (0) 2299-1111 Facsimile + 66 (0) 2273-7121

 - Auditor
 - The State Audit Office of Thailand
 - Rama VI Road Payathai Bangkok 10400
 - Telephone + 66 (0) 2618-5783 Facsimile + 66 (0) 2618-5783

 - Others
 - Services to Shareholders
 - Loss of Share Certificate
 - Amendment of Shareholder Particulars
- Thailand Securities Depository Co., Ltd.
62 Ratchadapisek Road, Klongtoey, Bangkok 10110
Telephone + 66 (0) 229-2800 Facsimile + 66 (0) 2359-1262-63



The Bangchak Petroleum Public Company Limited

Company Established

- April, 1985

Shareholders (%)

as of 2 February, 2004

BCP		BCP-DR 1	
- Siam DR Co.,Ltd.	94	- The Ministry of Finance	24
- Public	6	- PTT Plc.	10
		- Public	66

Registered Capital (Million Baht)

- 1,682 Paid-up Capital 753

Business

- Petroleum products retailing & wholesaling and crude refining with a capacity of 120,000 barrels/day

Customers

- General public, via the nation-wide Bangchak Service Stations
- Oil traders
- Industrial sector
- Transportation and service sector such as airlines, marine transportations, and other transportation business
- Agricultural sector via the Bangchak Community Own Service Stations

Awards and Certifications

- OHSAS 18001 Occupational Health & Safety Management System Certification for Petroleum Refining, 2003
- ISO 9001 : 2000 Lubricant Business for Development and Procurement of Lubricant and Grena Car Care, 2002
- EIA AWARD, 2001
- TIS 18001 Occupational Health & Safety Management System Certification for Petroleum Refining, 2000
- EIA AWARD, 1998
- The Outstanding Award for the Safety, Health and Environmental Committee, 1998
- ISO 14001- Petroleum Refining certification, 1997
- The Environmental Mitigation and Monitor Measure Award, 1995
- The Outstanding Safety Award, 1995
- The Outstanding Industry Award for Safety Management, 1994
- The Outstanding Environment-Friendly Award, 1991
- The Outstanding Energy Conservation Award, 1990

Office and Distribution Center

- Head office and Bangchak Distribution Center : 210 Sukhumvit 64, Phrakonong, Bangkok 10260
Tel : 0-2335-4999 Fax : 0-2335-4009
- District Office (Central) and Bang Pa-in Distribution Center : 99 Moo 9 Bangkason Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya 13160
Tel : 0-3535-0260 Fax (District Office) : 0-3535-0290-1
Fax (Distribution Center) : 0-3535-0285
- District Office (Chiang Mai) : 483/9 Chareonmuang Road, Watkate Sub-district, Muang District, Chiang Mai 50000
Tel : 0-5330-4611 Fax : 0-5330-4822
- District Office (Khon Kaen) : 499 Moo 3, Friendship Highway, Muang Kao Sub-district, Muang District, Khon Kaen 40000
Tel : 0-4326-1789-92 Fax : 0-4326-1750
- District Office and Distribution Center (Surat Thani) : 140/1 Surat Thani-Paknam Road, Bangkoong Sub-district, Muang District, Surat Thani 84000
Tel : 0-7727-5056-9 Fax : 0-7728-2943
- Samutsakorn Distribution Center : 100/149 Moo 1, Thacheen Sub-district, Muang District, Samutsakorn 74000
Tel : 0-3482-0974 Fax : 0-3482-0978
- Sriracha Distribution Center : 191/26 Moo 8, Thoongsookala Sub-district, Sriracha District, Chonburi 20230 Tel : 0-3835-2253-5
- Rayong Distribution Center : 1 I-38 Road Mabtapood Sub-district, Muang District, Rayong 21150
Tel : 0-3868-4834 Fax : 0-3868-4833
- Songkhla Distribution Center : 165/8 Moo 5, Satingmor Sub-district, Singhanakhon District, Songkhla 90280
Tel : 0-7433-2663
- Phrapradaeng Lubricant Distribution Center : 54 Moo 2, Bangkru Sub-district, Phrapradaeng District, Samutprakarn 10130
Tel : 0-2463-5611 Fax : 0-2463-3248



THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED

210 SUKHUMVIT 64 PHRAKANONG BANGKOK 10260

TEL : 0-2335-4999 FAX : 0-2335-4009 www.bangchak.co.th

บริษัท บางจากปิโตรเลียม จำกัด (มหาชน)

๒๑๐ ถนนสุขุมวิท ๖๔ พระโขนง กรุงเทพฯ ๑๐๒๖๐

โทร : ๐-๒๓๓๕-๔๙๙๙ โทรสาร : ๐-๒๓๓๕-๔๐๐๙ www.bangchak.co.th