

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2006
AND
REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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

We have reviewed the consolidated balance sheet of the Bangchak Petroleum Public Company Limited and its subsidiaries as of June 30, 2006, and the related consolidated income statements for the three-month and six-month periods ended June 30, 2006 and 2005, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended. We have also reviewed the financial statements for the same periods of the Bangchak Petroleum Public Company Limited. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to report on these financial statements based on our review.

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

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

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

(KESREE NARONGDEJ)
Certified Public Account
Registration No. 76

A.M.T. & ASSOCIATES
Bangkok, Thailand
August 8, 2006

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

B A H T

	Notes	CONSOLIDATED		THE COMPANY ONLY	
		As of 30 TH June 2006 (Unaudited/ but Reviewed)	As of 31 ST December 2005 (Audited)	As of 30 TH June 2006 (Unaudited/ but Reviewed)	As of 31 ST December 2005 (Audited)
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalents	4,17.1	3,062,496,451	1,753,014,138	3,017,559,335	1,560,773,205
Short term investment	5	3,363,801,000	-	3,323,800,000	-
Trade accounts receivable - net					
Related parties	3.1	655,792,345	-	974,090,565	396,445,954
Other parties	6	2,750,089,492	3,620,567,252	2,716,793,057	3,602,306,606
Inventories - net	7,17.1	13,547,589,317	10,939,192,885	13,288,361,211	10,671,207,593
Other current assets					
Material and Supplies - net	8	336,778,695	327,785,886	336,778,695	327,785,886
Oil Fund Subsidies Receivable		160,560,496	433,002,973	160,560,496	433,002,973
Others		502,928,813	524,159,047	498,289,993	506,585,345
Total Current Assets		<u>24,380,036,609</u>	<u>17,597,722,181</u>	<u>24,316,233,352</u>	<u>17,498,107,562</u>
NON-CURRENT ASSETS					
Investments for using the equity method	1.3,3.2	4,388,414	4,388,414	3,134,346	13,655,219
Other long-term investments	5,9	603,828,739	3,820,188	602,928,739	2,920,188
Tariff prepayment - net	10	19,570,005	24,071,580	19,570,005	24,071,580
Property, plant and equipment - net	11,17.1	14,179,196,568	13,898,444,836	14,172,039,813	13,893,227,213
Intangible assets - net	12,17.1	1,378,179,143	1,402,770,290	1,376,254,627	1,402,770,290
Investment in service station - net	13	460,222,504	484,642,740	460,222,504	484,642,740
Other non-current assets					
Deferred income tax assets	14	107,067,201	102,856,153	107,067,201	102,856,153
Others	15	785,406,040	744,736,485	783,446,532	741,984,903
Total Non-Current Assets		<u>17,537,858,614</u>	<u>16,665,730,686</u>	<u>17,524,663,767</u>	<u>16,666,128,286</u>
TOTAL ASSETS		<u>41,917,895,223</u>	<u>34,263,452,867</u>	<u>41,840,897,119</u>	<u>34,164,235,848</u>

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

B A H T

	Notes	CONSOLIDATED		THE COMPANY ONLY	
		As of 30 TH June 2006 (Unaudited/ but Reviewed)	As of 31 ST December 2005 (Audited)	As of 30 TH June 2006 (Unaudited/ but Reviewed)	As of 31 ST December 2005 (Audited)
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from					
financial institutions	16,17.1	2,414,000,000	2,000,000,000	2,414,000,000	2,000,000,000
Trade accounts payable					
Related parties	3.3	2,643,099,073	7,113,576	2,645,223,356	10,083,218
Other parties		3,597,920,802	5,533,805,113	3,551,312,284	5,468,003,138
Current portion of long-term loans	17	340,000,000	318,750,000	340,000,000	318,750,000
Other current liabilities					
Accrued excise tax and oil stabilization fund		197,977,596	297,262,676	197,977,596	297,262,676
Accrued corporate income tax		375,248,519	253,694,256	375,248,519	249,294,699
Accrued expenses		268,876,361	446,515,234	253,364,070	430,895,663
Others		355,633,490	441,849,702	351,541,693	438,281,559
Total Current Liabilities		10,192,755,841	9,298,990,557	10,128,667,518	9,212,570,953
NON-CURRENT LIABILITIES					
Long-term loans	17	11,350,315,428	11,160,960,000	11,350,315,428	11,160,960,000
Other non-current liabilities					
Liabilities on long-term lease	12	505,662,502	551,631,820	505,662,502	551,631,820
Liabilities on service stations leasehold right		17,894,912	29,551,575	17,894,912	29,551,575
Reserve for pension fund		272,061,678	257,577,704	272,061,678	257,577,704
Deferred income tax liabilities	14	27,806,644	29,442,329	27,806,644	29,442,329
Others		58,638,395	65,024,807	46,238,614	52,737,392
Total Non-Current Liabilities		12,232,379,559	12,094,188,235	12,219,979,778	12,081,900,820
Total Liabilities		22,425,135,400	21,393,178,792	22,348,647,296	21,294,471,773

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

B A H T

	Notes	CONSOLIDATED		THE COMPANY ONLY	
		As of 30 TH June 2006 (Unaudited/ but Reviewed)	As of 31 ST December 2005 (Audited)	As of 30 TH June 2006 (Unaudited/ but Reviewed)	As of 31 ST December 2005 (Audited)
SHAREHOLDERS' EQUITY					
Share Capital - Par Value Baht 1.00 per share					
Authorized share capital					
Common share 1,531,643,461 shares		1,531,643,461	1,531,643,461	1,531,643,461	1,531,643,461
Issued and paid - up share capital					
Common share 1,119,071,351 shares in 2006 and	18	1,119,071,351	-	1,119,071,351	-
Common share 687,481,908 shares in 2005		-	687,481,908	-	687,481,908
Capital Surplus					
Premium on share capital		7,504,304,149	1,951,157,333	7,504,304,149	1,951,157,333
Capital surplus on registered and paid-up share reduction	19	189,617,759	189,617,759	189,617,759	189,617,759
Surplus on fixed assets revaluation		4,392,717,639	4,502,376,960	4,392,717,639	4,502,376,960
Retained earning (deficit)					
Appropriated – legal reserve		153,164,346	153,164,346	153,164,346	153,164,346
Unappropriated		6,133,374,579	5,385,965,769	6,133,374,579	5,385,965,769
Total Equity of Parent Company's Shareholders		19,492,249,823	12,869,764,075	19,492,249,823	12,869,764,075
Minority interests		510,000	510,000	-	-
Total Shareholders' Equity		19,492,759,823	12,870,274,075	19,492,249,823	12,869,764,075
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		41,917,895,223	34,263,452,867	41,840,897,119	34,164,235,848

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

(Signed) *General Tawat Ked-Unkoon*

(General Tawat Ked-Unkoon)

Chairman

(Signed) *Anusorn Sangnimnuan*

(Anusorn Sangnimnuan)

President

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY****CONSOLIDATED****FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2006 AND 2005**

	BAHT							Total	
	Note	Issue and paid-up share capital	Premium on Share capital	Capital surplus on registered and paid-up share reduction	Surplus on fixed assets revaluation	Retained earning (Deficit)			Minority interests
						Appropriated legal reserve	Unappropriated		
Beginning balance as at January 1, 2005		660,559,535	1,593,089,706	189,617,759	4,724,586,227	86,714,346	2,525,696,777	540,997	9,780,805,347
Share capital increase from redemption of convertible debentures		2,600,000	-	-	-	-	-	-	2,600,000
Premium on share capital from redemption of convertible debentures			34,580,000	-	-	-	-	-	34,580,000
Transaction not recognised in the income statement									
- Depreciation on the fixed assets revaluation		-	-	-	(111,198,041)	-	-	-	(111,198,041)
Dividend payment for preferred stock		-	-	-	-	-	-	(81,600)	(81,600)
Net profit (loss)		-	-	-	-	-	1,755,282,831	81,327	1,755,364,158
Ending balance as at June 30, 2005		<u>663,159,535</u>	<u>1,627,669,706</u>	<u>189,617,759</u>	<u>4,613,388,186</u>	<u>86,714,346</u>	<u>4,280,979,608</u>	<u>540,724</u>	<u>11,462,069,864</u>
Beginning balance as at January 1, 2006		687,481,908	1,951,157,333	189,617,759	4,502,376,960	153,164,346	5,385,965,769	510,000	12,870,274,075
Issued and Paid-up share capital	18	428,092,940	-	-	-	-	-	-	428,092,940
Premium on share capital		-	5,506,643,319	-	-	-	-	-	5,506,643,319
Share capital increase from redemption of convertible debentures		3,496,503	-	-	-	-	-	-	3,496,503
Premium on share capital from redemption of convertible debentures		-	46,503,497	-	-	-	-	-	46,503,497
Transaction not recognised in the income statement									
- Depreciation on the fixed assets revaluation		-	-	-	(109,659,321)	-	-	-	(109,659,321)
Dividend payment for preferred stock		-	-	-	-	-	-	(22,491)	(22,491)
Dividend paid	28	-	-	-	-	-	(206,244,572)	-	(206,244,572)
Net profit (loss)		-	-	-	-	-	953,653,382	22,491	953,675,873
Ending balance as at June 30, 2006		<u>1,119,071,351</u>	<u>7,504,304,149</u>	<u>189,617,759</u>	<u>4,392,717,639</u>	<u>153,164,346</u>	<u>6,133,374,579</u>	<u>510,000</u>	<u>19,492,759,823</u>

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

THE COMPANY ONLY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2006 AND 2005

	BAHT						Total
	Issue and paid - up share capital	Premium on Share capital	Capital surplus on registered and paid-up share reduction	Surplus on fixed assets revaluation	Retained earning (Deficit)		
					Appropriated legal reserve	Unappropriated	
Note							
Beginning balance as at January 1, 2005	660,559,535	1,593,089,706	189,617,759	4,724,586,227	86,714,346	2,525,882,895	9,780,450,468
Share capital increase from redemption of convertible debentures	2,600,000	-	-	-	-	-	2,600,000
Premium on share capital from redemption of convertible debentures	-	34,580,000	-	-	-	-	34,580,000
Transaction not recognised in the income statement							
- Depreciation on the fixed assets revaluation	-	-	-	(111,198,041)	-	-	(111,198,041)
Net profit (loss)	-	-	-	-	-	1,755,096,713	1,755,096,713
Ending balance as at June 30, 2005	663,159,535	1,627,669,706	189,617,759	4,613,388,186	86,714,346	4,280,979,608	11,461,529,140
Beginning balance as at January 1, 2006	687,481,908	1,951,157,333	189,617,759	4,502,376,960	153,164,346	5,385,965,769	12,869,764,075
Issued and Paid-up share capital	18	428,092,940	-	-	-	-	428,092,940
Premium on share capital	-	5,506,643,319	-	-	-	-	5,506,643,319
Share capital increase from redemption of convertible debentures	-	3,496,503	-	-	-	-	3,496,503
Premium on share capital from redemption of convertible debentures	-	46,503,497	-	-	-	-	46,503,497
Transaction not recognised in the income statement							
- Depreciation on the fixed assets revaluation	-	-	-	(109,659,321)	-	-	(109,659,321)
Dividend paid	28	-	-	-	-	(206,244,572)	(206,244,572)
Net profit (loss)	-	-	-	-	-	953,653,382	953,653,382
Ending balance as at June 30, 2006	1,119,071,351	7,504,304,149	189,617,759	4,392,717,639	153,164,346	6,133,374,579	19,492,249,823

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**STATEMENTS OF INCOME****FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2006 AND 2005**

		B A H T			
		CONSOLIDATED		THE COMPANY ONLY	
	Notes	2006	2005	2006	2005
REVENUES					
Sales	21	50,933,154,975	40,295,947,886	50,535,235,990	39,878,651,719
Other incomes					
Interest income		35,821,550	10,050,175	34,255,632	9,764,252
Gain from foreign exchange	22	95,041,559	-	95,041,559	-
Gain from crude oil and product oil price					
hedging contract		737,789,078	-	737,789,078	-
Gain from assets disposal		11,032,490	-	10,594,374	-
Loss adjustment from impairment of assets		154,965	-	154,965	-
Others		58,605,748	43,207,094	41,528,931	22,933,416
Share of gains from investments for using the equity method		-	-	-	38,538,536
Total Revenues		51,871,600,365	40,349,205,155	51,454,600,529	39,949,887,923
EXPENSES					
Cost of sales		49,053,969,828	37,054,981,794	48,834,015,364	36,854,934,972
Selling and administrative expenses		967,482,130	932,100,576	761,368,168	749,937,320
Other expenses					
Depreciation		149,701,766	148,487,147	148,286,974	147,049,627
Directors' remuneration		11,906,250	2,069,250	11,891,250	2,059,250
Loss from foreign exchange	22	-	86,353,929	-	86,353,929
Loss from crude oil and product oil price					
hedging contract		-	42,848,625	-	42,848,625
Share of losses from investment for using the equity method		-	-	10,520,873	-
Total Expenses		50,183,059,974	38,266,841,321	49,766,082,629	37,883,183,723
PROFIT (LOSS) BEFORE INTEREST EXPENSE AND INCOME TAX		1,688,540,391	2,082,363,834	1,688,517,900	2,066,704,200
Interest expenses	23	(344,064,578)	(320,570,615)	(344,064,578)	(320,570,615)
Income tax		(390,799,940)	(6,429,061)	(390,799,940)	8,963,128
PROFIT (LOSS) AFTER INCOME TAX		953,675,873	1,755,364,158	953,653,382	1,755,096,713
MINORITY INTERESTS		(22,491)	(81,327)	-	-
NET PROFIT (LOSS)		953,653,382	1,755,282,831	953,653,382	1,755,096,713
BASIC EARNING PER SHARE					
	24				
Earning per share (Baht)		1.20	2.65	1.20	2.65
Number of weighted average shares (shares)		797,669,883	661,823,623	797,669,883	661,823,623
DILUTED EARNING PER SHARE					
	24				
Earning per share (Baht)		1.01	2.12	1.01	2.12
Number of weighted average shares (shares)		962,347,996	843,143,451	962,347,996	843,143,451

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

(Signed) General Tawat Ked-Unkoon

(General Tawat Ked-Unkoon)

Chairman

(Signed) Anusorn Sangnimnuan

(Anusorn Sangnimnuan)

President

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**STATEMENTS OF INCOME****FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2006 AND 2005**

		B A H T			
		CONSOLIDATED		THE COMPANY ONLY	
	Notes	2006	2005	2006	2005
REVENUES					
Sales	21	24,885,023,324	22,277,828,461	24,675,670,199	22,067,504,200
Other incomes		-	-	-	-
Interest income		26,513,136	4,189,380	25,056,318	3,910,001
Gain from foreign exchange	22	18,532,799	-	18,532,799	-
Gain from crude oil and product oil price hedging contract		-	-	-	-
Gain from assets disposal		196,929,009	-	196,929,009	-
Loss adjustment from impairment of assets		3,221,476	-	2,783,360	-
Others		61,247	-	61,247	-
Share of gains from investments for using the equity method		35,882,471	24,698,793	25,872,372	12,497,911
Total Revenues		-	-	3,134,346	11,891,025
		25,166,163,462	22,306,716,634	24,948,039,650	22,095,803,137
EXPENSES					
Cost of sales		23,963,732,992	20,128,263,109	23,849,883,553	20,030,457,977
Selling and administrative expenses		489,220,795	473,158,079	389,756,191	376,159,830
Other expenses		-	-	-	-
Depreciation		75,267,965	73,979,466	74,518,983	73,262,573
Directors' remuneration		2,085,000	1,320,250	2,085,000	1,320,250
Loss from foreign exchange	22	-	91,168,652	-	91,168,652
Loss from crude oil and product oil price hedging contract		-	-	-	-
Share of losses from investment for using the equity method		-	49,950,664	-	49,950,664
Total Expenses		24,530,306,752	20,817,840,220	24,316,243,727	20,622,319,946
PROFIT (LOSS) BEFORE INTEREST EXPENSE AND INCOME TAX		635,856,710	1,488,876,414	631,795,923	1,473,483,191
Interest expenses	23	(185,630,130)	(160,537,139)	(185,630,130)	(160,537,139)
Income tax		(149,944,918)	(11,069,274)	(149,944,917)	4,322,915
PROFIT (LOSS) AFTER INCOME TAX		300,281,662	1,317,270,001	296,220,876	1,317,268,967
MINORITY INTERESTS		(22,491)	(1,034)	-	-
NET PROFIT (LOSS)		300,259,171	1,317,268,967	296,220,876	1,317,268,967
BASIC EARNING PER SHARE					
	24				
Earning per share (Baht)		0.33	1.99	0.33	1.99
Number of weighted average shares (shares)		906,647,001	663,073,821	906,647,001	663,073,821
DILUTED EARNING PER SHARE					
	24				
Earning per share (Baht)		0.29	1.58	0.28	1.58
Number of weighted average shares (shares)		1,080,242,605	843,143,451	1,080,242,605	843,143,451

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

(Signed) General Tawat Ked-Unkoon

(General Tawat Ked-Unkoon)

Chairman

(Signed) Anusorn Sangnimnuan

(Anusorn Sangnimnuan)

President

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**STATEMENTS OF CASH FLOWS****FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2006 AND 2005**

		B A H T			
		CONSOLIDATED		THE COMPANY ONLY	
Note		2006	2005	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES :					
	Net profit (loss)	953,653,382	1,755,282,831	953,653,382	1,755,096,713
	Adjustments to reconcile net profit to net cash provided by (used in) Operating Activities:				
	Depreciation	328,573,966	294,963,400	327,159,173	293,525,881
	Bad debt and doubtful debts	6,804,904	9,149,460	5,242,893	8,358,880
	Amortization	94,680,544	94,079,930	94,645,220	94,079,930
	Loss (gain) from foreign exchange	22 (10,226,418)	51,120,880	(10,226,418)	51,120,880
	Loss (Gain) from assets impairment	(154,965)	-	(154,965)	-
	Deferred income tax	14 (5,846,733)	(8,963,128)	(5,846,733)	(8,963,128)
	Loss (gain) from fixed assets disposal	(10,138,451)	(164,871)	(10,576,567)	(164,871)
	Reserve for pension fund	14,483,974	20,210,191	14,483,974	20,210,191
	Deferred revenue	(627,408)	451,790	(627,408)	451,790
	Loss (gain) from investments for using the equity method	-	-	10,520,873	(38,538,536)
	Minority interests	22,491	81,327	-	-
	Operating gain before changes in operating assets and liabilities:	1,371,225,286	2,216,211,810	1,378,273,424	2,175,177,730
	Operating assets (increase), decrease				
	Trade accounts receivable	275,140,388	353,246,450	359,579,982	492,822,965
	Inventories	(2,608,396,432)	(155,377,111)	(2,617,153,618)	(62,705,547)
	Other current assets	255,540,310	589,860,424	252,911,367	588,375,599
	Operating liabilities increase, (decrease)				
	Trade accounts payable	703,975,540	(793,572,616)	722,323,638	(787,157,887)
	Other current liabilities:	(314,528,825)	(283,284,635)	(310,545,640)	(296,785,274)
	Other non - current liabilities:	(5,767,554)	(6,727,945)	(5,879,922)	(7,055,876)
	Net Cash Provided by (Used in) Operating Activities:	(322,811,287)	1,920,356,377	(220,490,769)	2,102,671,710

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2006 AND 2005

B A H T

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2006	2005	2006	2005
CASH FLOWS FROM INVESTING ACTIVITIES :					
Decrease(increase) in temporary investments		(3,363,801,000)	-	(3,323,800,000)	-
Decrease(increase) in long-term investments		(600,000,000)	5,022,810	(600,000,000)	5,022,810
Decrease(increase) in long-term loans to related parties		4,501,575	-	4,501,575	-
Acquisition in property, plant and equipment		(720,551,349)	(230,048,632)	(716,759,307)	(229,508,333)
Proceeds from sales of property, plant and equipment		11,704,780	3,597,900	11,704,780	3,597,900
Decrease(increase) in intangible asset		(29,878,068)	(30,056,973)	(27,918,228)	(30,056,973)
Decrease(increase) in other non-current assets		(72,756,962)	(263,085,692)	(73,549,036)	(263,894,912)
Net Cash Provided by (Used in) Investing Activities		<u>(4,770,781,024)</u>	<u>(514,570,587)</u>	<u>(4,725,820,216)</u>	<u>(514,839,508)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase(decrease) in bank overdrafts and short-term loans from:					
financial institutions		414,000,000	(1,499,792,963)	414,000,000	(1,499,792,963)
Increase(decrease) in other short-term loan		-	-	-	-
Proceeds from long-term loans		615,600,000	700,000,000	615,600,000	700,000,000
Payment of long-term loans		(354,994,572)	(1,228,750,000)	(354,994,572)	(1,228,750,000)
Dividend paid		(206,244,572)	-	(206,244,572)	-
Dividend payment for preferred stock		(22,491)	(81,600)	-	-
Proceeds from issued and paid-up shares capital		428,092,940	-	428,092,940	-
Proceeds from premium on shares capital		5,506,643,319	-	5,506,643,319	-
Net Cash Provided by (Used in) Financing Activities		<u>6,403,074,624</u>	<u>(2,028,624,563)</u>	<u>6,403,097,115</u>	<u>(2,028,542,963)</u>
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS - NET		1,309,482,313	(622,838,773)	1,456,786,130	(440,710,761)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		1,753,014,138	2,212,561,232	1,560,773,205	1,894,499,857
CASH AND CASH EQUIVALENTS, END OF PERIOD	4	<u>3,062,496,451</u>	<u>1,589,722,459</u>	<u>3,017,559,335</u>	<u>1,453,789,096</u>
Cash paid during the periods for					
Interest expenses		339,111,856	355,558,170	339,111,856	355,558,170
Income tax		233,669,379	22,256,637	234,874,885	22,368,451

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

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD EDNED JUNE 30, 2006

1. GENERAL INFORMATION

1.1 General matter

The company was incorporated as a limited company under the Civil and Commercial Code on November 8, 1984, and changed its status to a Public Company Limited under the Public Company Limited Act on April 23, 1993. The address of the head office is 210 Moo 1, Soi Sukhumvit 64, Sukhumvit Road, Bangchak, Phakanong, Bangkok. The company operates in Thailand and the main business is operating an oil refinery and marketing the finished products through its service stations under its company's brand. The company's oil market includes consumers in various sectors, such as transportation, aviation, shipping, construction, industrial and agriculture. The sale of oil is also made through the major and the minor oil traders. As at June 30, 2006 and 2005, the company employed 777 and 763 employees respectively and the employees related expenses were Baht 256.89 million and Baht 290.85 million respectively.

The Bangchak Green Net Co., Ltd., a subsidiary company, was incorporated as a limited company under the Civil and Commercial Code on July 13, 1993. Its head office address is 210 Moo 1, Soi Sukhumvit 64, Sukhumvit Road, Bangchak, Phakanong, Bangkok. The company operates in Thailand with its main business being the running of the Bangchak service stations and the consumer goods retail shops under the Lemon Green and the Bi-Chak brand. It also provides other services to accommodate future expansion in the retail business. As at June 30, 2006 and 2005, the company employed 1,801 and 1,960 employees respectively and the employees related expenses were Baht 99.64 million and Baht 94.68 million respectively.

1.2 Basis for preparation and presentation of interim financial statements

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

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

1.3 Related parties

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

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

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

* Relation start on May 16 ,2006

1.4 Others.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. RELATED PARTY TRANSACTION

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

Balance of assets, liabilities, account and trading transactions with subsidiary and related companies as at June 30, 2006 are as follow:

3.1 Trade accounts receivable – related parties

	Million Baht			
	Consolidated		The Company Only	
	June 30,2006	December 31,2005	June 30,2006	December 31,2005
<u>Subsidiaries</u>				
- The Bangchak Green Net Co., Ltd.	-	-	318.30	396.45
- The Retail Net Co., Ltd.	-	-	-	-
<u>Related Company</u>				
- PTT Public Company Limited	655.79	-	655.79	-
- Fuel Pipeline Transportation Ltd.	-	-	-	-
Total Accounts receivable - Related parties net	<u>655.79</u>	<u>-</u>	<u>974.09</u>	<u>396.45</u>

3.2 Investments for using the equity method

Name	Type of Business	Authorized Share capital (Million Baht)	Holding %	Million Baht		
				Consolidated		
				June 30, 2006		
				Investments		
				Cost Method	Equity Method	Dividend
Subsidiary The Bangchak Green Net Co., Ltd.	Holding and joint directors	1	49.00%	<u>0.49</u>	<u>3.13</u>	<u>-</u>

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

3.3 Trade accounts payable – related parties

	Million Baht			
	Consolidated		The Company Only	
	June 30, 2006	December 31, 2005	June 30, 2006	December 31, 2005
<u>Subsidiaries</u>				
- The Bangchak Green Net Co.,Ltd.	-	-	2.12	2.97
- The Retail Net Co.,Ltd.	-	-	-	-
<u>Associated Companies</u>				
- PTT Public Company Limited	2,636.82		2,636.82	
- Fuel Pipeline Transportation Ltd.	6.28	7.11	6.28	7.11
Total Account Payable				
- related parties	2,643.10	7.11	2,645.22	10.08

3.4 Transaction with related parties

Transaction with related parties for the three-month period ended June 30, 2006 and 2005 are as follow:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Revenue from sales of oil	5,755.96	-	11,555.34	4,158.05
Revenue from operating right	-	-	38.15	33.13
Revenue from sale promotion items	-	-	4.61	-
Cost of pipeline transportation	43.69	40.52	43.69	40.52
Crude and Product purchase	18,840.73	-	18,840.73	-
Terminal service	37.14	-	37.14	-

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

4. CASH AND CASH EQUIVALENTS

As at June 30, 2006 and December 31, 2005 Cash and cash equivalents consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Cash and deposits at Banks	*3,062.50	1,735.01	*3,017.56	1,560.77
Fixed deposit (maturity dates not longer than 3 months)	-	-	-	-
Total	3,062.50	1,735.01	3,017.56	1,560.77

* Included, Banks deposits for PQI project amounting to Baht 2,226 Million

The Company entered into an agreement with the financial institutions to pledge banks deposits as security for the credit facilities obtained from those financial institutions, as referred in Notes 17.1

5. SHORT TERM INVESTMENT

As at June 30, 2006 and December 31, 2005 Cash and cash equivalents consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Fixed deposit	40.00	-	-	-
Fixed deposit for investment in PQI Project	3,923.80	-	3,923.80	-
Less 14 month fixed deposit	(600.00)	-	(600.00)	-
Total	3,363.80	-	3,363.80	-

This Investment is net amount form issued common stocks and convertible debentures for the Product Quality Improvement Project (PQI).

6. TRADE ACCOUNT RECEIVABLES – OTHER PARTIES - NET

As at June 30, 2006 and December 31, 2005, trade account receivables consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Trade accounts receivable - other parties	2,838.64	3,709.71	2,801.62	3,687.59
<u>Less</u> Allowance for doubtful accounts	(88.55)	(89.14)	(84.83)	(85.28)
Trade accounts receivable - other parties - net	<u>2,750.09</u>	<u>3,620.57</u>	<u>2,716.79</u>	<u>3,602.31</u>

As at June 30, 2006 and December 31, 2005, the overdue trade accounts receivable are classified by aging as follows:

	Million Baht	
	2006	2005
Over than 3 months to 6 months	5.20	1.90
Over than 6 months to 12 months	6.01	2.83
Over than 12 months	84.41	83.53
Total	<u>95.62</u>	<u>88.26</u>

7. INVENTORIES - NET

As at June 30, 2006 and December 31, 2005, Inventories consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Crude oil	8,773.35	6,966.49	8,773.35	6,966.49
Finished oil product	4,884.76	3,949.02	4,680.42	3,745.64
Consumer product	57.85	66.97	-	-
<u>Less</u> Allowance for devaluation	(168.37)	(43.29)	(165.41)	(40.92)
Inventories – net	<u>13,547.59</u>	<u>10,939.19</u>	<u>13,288.36</u>	<u>10,671.21</u>

Inventories as at June 30, 2006 and December 31, 2005 are included petroleum legal reserve of 366.07 million liters approximated value Baht 6,286.24 Million and 342.81 million liters approximated value Baht 5,237.15 Million respectively.

The Company entered into an agreement with the financial institutions to pledge legal reserved inventories as security for the credit facilities obtained from those financial institutions, as referred in Notes 17.1

8. MATERIAL AND SUPPLIES - NET

As at June 30, 2006 and December 31, 2005, Material and supplies consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Material and supplies	361.16	352.32	361.16	352.32
<u>Less</u> Allowance for obsolescence	(24.38)	(24.53)	(24.38)	(24.53)
Material and supplies – net	<u>336.78</u>	<u>327.79</u>	<u>336.78</u>	<u>327.79</u>

9. OTHER LONG-TERM INVESTMENTS

As at June 30, 2006 and December 31, 2005, other long-term investments consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
<u>Investment in fixed deposit for PQI</u>				
- 14 month fixed deposit	600.00	-	600.00	-
<u>Investment in capital paper</u>				
- Fuel Pipeline Transportation Ltd.	181.75	181.75	181.75	181.75
<u>Less Allowance for impairment</u>	(181.75)	(181.75)	(181.75)	(181.75)
Investment in capital paper – net	-	-	-	-
<u>Investment in commercial paper</u>				
- The Express way Authority of Thailand's bond	0.90	0.90	-	-
- The Government bond	3.00	3.00	3.00	3.00
<u>Less Discount on investments</u>	(0.07)	(0.08)	(0.07)	(0.08)
Total Investment in commercial paper	3.83	3.82	2.93	2.92
Total other long-term investments	603.83	3.82	602.93	2.92

On October 25, 2005, the Company invested in The Government's bond, B.E. 2547 no.4 which 5 years duration, amounting to Baht 2,917,337.43. The totaling 3,000 units bond, which face value Baht 1,000 per unit and stated interest rate at 4.25% per annum payable twice per year in February and August, was registered on August 13, 2005. The discounted amount of Baht 82,662.57 on the stated value, will be amortized by straight-line method spread over the duration period. During this six months, the Company amortized the discount to be income amounting to Baht 8,551.32

10. TARIFF PREPAYMENT - NET

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

The financial statements as at June 30, 2006 shows an outstanding prepaid tariff balance of Baht 149.09 million and the Company has set up allowance for doubtful debt of Baht 129.52 million, the remaining amount is Baht 19.57 million. The difference in the interest rates as calculated in accordance with the loan restructuring agreement, which is pending in the suspense account, shall be written-off if FPT makes full settlement of both the loan principle and the interest, without default, over a three-year period. These terms are specified in the amendment of the loan restructuring agreement. The Company will consider the write-off of interest receivable on an annual basis. For the year 2004, the Company write-off the interest receivable, calculated up to December 31, 2001, in the amount of Baht 21.38 million. And in 2005, it wrote-off the interest receivable set-up from January 1, 2002 to December 31, 2002 of Baht 10.67 Million. As for the interest from January 1, 2003 to June 30, 2006 of Baht 29.87 million, the Company will consider the write-off on an annual basis and the Company has set up an allowance for doubtful debt of the whole amount

11. PROPERTY, PLANT AND EQUIPMENT - NET

Million Baht
Consolidated

	As at December 31, 2005	Increase	Decrease	Transfer	As at June 30, 2006
COST :-					
Land	1,353.55	-	-	-	1,353.55
Buildings	511.86	-	-	2.80	514.66
Machinery, equipment and refinery plants	23,146.22	-	1.12	204.34	23,249.44
Marketing and office equipment	3,777.35	1.46	18.07	29.27	3,790.01
Platinum Catalyst	322.70	-	-	-	322.70
Vehicles	138.17	1.76	17.78	2.65	124.80
Construction work in progress	653.12	929.97	211.77	(237.31)	1,134.01
Total	29,902.97	933.19	248.74	1.75	30,589.17
Less Accumulated depreciation					
Buildings	317.17	8.72	-	-	325.89
Machinery, equipment and refinery plants	13,241.44	306.78	0.84	0.02	13,547.40
Marketing and office equipment	1,751.92	114.14	14.40	-	1,851.66
Platinum Catalyst	-	-	-	-	-
Vehicles	83.84	8.64	17.62	-	74.86
Total	15,394.37	438.28	32.86	0.02	15,799.81
Less Allowance for impairment					
Land	573.58	-	-	-	573.58
Machinery, equipment and refinery plants	0.56	-	-	-	0.56
Marketing and office equipment	36.02	-	-	-	36.02
Total	610.16	-	-	-	610.16
Property, plant and equipment - net	13,898.44				14,179.20
Depreciation for the period	611.44				328.57

Million Baht
The Company Only

	As at December 31, 2005	Increase	Decrease	Transfer	As at June 30, 2006
COST :-					
Land	1,353.55	-	-	-	1,353.55
Buildings	511.86	-	-	2.80	514.66
Machinery, equipment and refinery plants	23,146.22	-	1.12	204.34	23,349.44
Marketing and office equipment	3,740.55	-	18.07	29.27	3,751.75
Platinum Catalyst	322.70	-	-	-	322.70
Vehicles	134.87	-	17.78	2.65	119.74
Construction work in progress	653.12	927.97	211.77	(237.31)	1,134.01
Total	29,862.87	927.97	248.74	1.75	30,455.85
Less Accumulated depreciation					
Buildings	317.17	8.72	-	-	325.89
Machinery, equipment and refinery plants	13,241.44	306.78	0.84	0.02	13,547.40
Marketing and office equipment	1,718.78	113.17	14.40	-	1,817.55
Platinum Catalyst	-	-	-	-	-
Vehicles	82.09	8.34	17.62	-	72.81
Total	15,359.48	437.01	32.86	0.02	15,763.65
Less Allowance for impairment					
Land	573.58	-	-	-	573.58
Machinery, equipment and refinery plants	0.56	-	-	-	0.56
Marketing and office equipment	36.02	-	-	-	36.02
Total	610.16	-	-	-	610.16
Property, plant and equipment - net	13,893.23				14,172.04
Depreciation for the period	608.62				327.16

The Company entered into an agreement with the financial institutions to pledge property ,plant and equipment net booked value as at June 30,2006 and December 31,2005 Baht 10,432.10 million and Baht 10,603.80 million respectively as security for the credit facilities obtained from those financial institutions, as referred in Notes17.1

12. INTANGIBLE ASSETS - NET

As at June 30, 2006 and December 31, 2005, Intangible assets consisted of:

Million Baht

	Consolidated		The Company Only	
	2006	2005	2006	2005
<u>Cost</u>				
Leasehold right	2,140.68	2,140.68	2,140.68	2,140.55
License and development costs of computer software	165.52	135.86	163.59	135.86
	<u>2,306.39</u>	<u>2,276.54</u>	<u>2,304.46</u>	<u>2,276.54</u>
<u>Accumulated amortization</u>				
Leasehold right	(842.63)	(790.77)	(842.63)	(790.77)
License and development costs of computer software	(74.09)	(71.51)	(74.09)	(71.51)
	<u>(916.72)</u>	<u>(862.28)</u>	<u>(916.72)</u>	<u>(862.28)</u>
Total	1,389.67	1,414.26	1,387.74	1,414.26
<u>Less : Allowance for impairment</u>	<u>(11.49)</u>	<u>(11.49)</u>	<u>(11.49)</u>	<u>(11.49)</u>
Intangible assets – net	<u>1,378.18</u>	<u>1,402.77</u>	<u>1,376.25</u>	<u>1,402.77</u>

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

In addition, The Treasury Department also permitted the Company to utilize the mentioned leasehold right to pledge as security against loan and to place the building structures, including machinery on the leased land as collateral for credit facilities from financial institutions, as referred to in Notes 17.1.

13. INVESTMENT IN SERVICE STATIONS

The investment in service stations is for business expansion and the approach taken by the company varies. For example, the Company invests and grants franchise to others to operate or enter into, a joint venture agreement, or with investment made by the operator and the Company providing support. As at June 30, 2006 and December 31, 2005, the balances outstanding in the investment in service station account are Baht 460.22 million and Baht 484.64 million respectively. The amortization expense of Baht 25.69 million on total investment balance was recorded in this accounting period.

14. INCOME TAX AND DEFERRED INCOME TAX

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

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

Deferred income tax as at June 30, 2006 and December 31, 2005 are as follows:

	Million Baht	
	Consolidated	The Company Only
Deferred income tax assets		
As at December 31, 2005	102.86	102.86
Income tax expenses	4.21	4.21
As at June 30, 2006	<u>107.07</u>	<u>107.07</u>
Deferred income tax liabilities		
As at December 31, 2005	29.44	29.44
Income tax expenses	(1.63)	(1.63)
As at June 30, 2006	<u>27.81</u>	<u>27.81</u>

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

15. OTHER NON-CURRENT ASSETS – OTHERS

As at June 30, 2006 and December 31, 2005, other non-current assets consisted of:

Million Baht

	Consolidated		The Company Only	
	2006	2005	2006	2005
15.1 Fixed deposit for staff welfare	185.35	177.22	185.35	177.22
15.2 Deposit for crude and product oil price hedging contract	367.92	338.39	367.92	338.39
15.3 Deferred expenses for the issuance of debentures and long-term loans	86.67	90.62	86.67	90.62
15.4 Other	145.47	138.51	143.51	135.75
Total	785.41	744.74	783.45	741.98

15.1 Fixed deposit for staff welfare

As at June 30, 2006 and December 31, 2005, the Company had a fixed deposit fund in a bank of Baht 185.35 million and Baht 177.22 million respectively with interest of 0 – 1.25 % per annum. The deposit is maintained to allow employees obtain credit facilities from the mentioned bank.

15.2 Deposit for crude and product oil price hedging contract

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

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

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

For the six months period ended June 30, 2006, the total amortized expenses on loans and issuance of the convertible debentures was Baht 6.57 million.

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

As at June 30, 2006 and December 31, 2005 bank overdrafts and short-term loans from financial institutions consisted of :

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Bank overdrafts	-	-	-	-
Short-term loans from financial institutions	2,414.00	2,000.00	2,414.00	2,000.00
Total	2,414.00	2,000.00	2,414.00	2,000.00

Short-term loans from financial institutions are part of the credit facilities covered by collateral as describe in Note 17.1. As at June 30, 2006 and December 31, 2005 the loans bared interest at 6.25% and 4.925% per annum respectively.

17. LONG-TERM LOANS

As at June 30, 2006 and December 31, 2005 long-term loans consisted of:

	Million Baht	
	Consolidated	The Company Only

	2006	2005	2006	2005
Loans from Banks	7,983.76	8,308.75	7,983.76	8,308.75
Debentures	800.00	800.00	800.00	800.00
Convertible debentures	2,761.56	2,225.96	2,761.56	2,225.96
Promissory notes	145.00	145.00	145.00	145.00
Total	11,690.32	11,479.71	11,690.32	11,479.71
Less : current portion of long-term loans	(340.00)	(318.75)	(340.00)	(318.75)
Long-term loans	11,350.32	11,160.96	11,350.32	11,160.96

17.1 Loans from bank

17.1.1 The Company has entered a loan agreement with Krung Thai Bank Public Company Limited for working capital ,for Baht 12,500 million credit line which are divided into Baht 8,500 million 10-year long-term loans and Baht 4,000 million 10-year working capital short-term loans.

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

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

The loan agreement secured by the same Company's asset and contains certain covenants and restrictions as referred in Notes17.1.

As at June 30, 2006 the Company has obtained long-term loans of Baht 7,983.76 million and working capital short-term loans of Baht 2,414 million which presented under bank overdrafts and short-term loans from financial institutions.

17.2 Debentures

As at June 30, 2006, The company had 800,000 units of unsecured, unsubordinated registered debentures with the holders' names, B.E. 2545 no.25 amounting to Baht 800 million. The interest rate is 6.25% per annum, which will be paid twice annually in June 02 and December 02 of each year, with maturity on Dec 02, 2007.

17.3 Convertible debentures

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

The holders of the depository receipts can exchange them for convertible debentures and convert the debentures into common stock. Such conversion, however, must be done on every 30th day of March, June, September and December of each year. The first conversion commences on June 30, 2004 and ends on September 30, 2013. This is in accordance with the terms and conditions relating to depository receipts and also the convertible debentures.

On May 16, 2006, the Company issued 58,560 units of unsecured, convertible into common stock, subordinated registered debentures with holders' names. The instruments have a face value of Baht 10,000 per unit, with a 10-year maturing period and with interest of 3% per annum. The convertible value of the debenture is Baht 14 per one common stock. The issuance of the convertible debentures offered to PTT Public Co., Ltd. is part of the financing for Product Quality Improvement Project (PQI)

As at June 30, 2006, the convertible debentures holders exercised the right by redeem 182,404 units of convertible debentures, the balance of convertible debentures, remaining were 276,156 units

17.4 Promissory note

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

18. ISSUE AND PAID – UP SHARE CAPITAL

On May 16, 2006, the Company issued 428,092,940 units of ordinary shares , Par Value of Baht 1.00 per share , and have already paid up in full amount of Baht 5,993,301,160. As at June 30, 2006 ,the Issue and paid-up share capital amounting to Baht 1,119,071,351.

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

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

20. WARRANTS

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

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

20.1.1 5% of the total allotted warrants is exercisable on the first year duration when the closing price of the Depository Receipts of BCP's Ordinary Shares (DRs), or the closing price of the Ordinary Shares, in case there are no DRs, is at Baht 21 or higher, over a continuous period of 5 days.

20.1.2 25% of the total allotted warrants is exercisable on the second year duration when the closing price of the Depository Receipts of BCP's Ordinary Shares (DRs), or the closing price of the Ordinary Shares, in case there are no DRs, is at Baht 23 or higher, over a continuous period of 5 days.

20.1.3 30% of the total allotted warrants is exercisable on the third year duration when the closing price of the Depository Receipts of BCP's Ordinary Shares (DRs), or the closing price of the Ordinary Shares, in case there are no DRs, is at Baht 25 or higher, over a continuous period of 5 days.

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

21. SALES

Sale revenue for the six months ended June 30, 2006 and 2005 are as follows:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Sales revenue from fuel products	50,909.22	40,288.64	50,473.16	39,824.63
Income from investment charge	23.93	7.31	62.08	54.02
Total	50,933.15	40,295.95	50,535.24	39,878.65

22. GAIN (LOSS) FROM FOREIGN EXCHANGE

Gain (loss) from foreign exchange for the six months ended June 30, 2006 and 2005 are as follows:

	Million Baht			
	Consolidated		The Company Only	
	2006	2005	2006	2005
Realized gain (loss) from foreign exchange fluctuations	84.81	(35.23)	84.81	(35.23)
Unrealized gain(loss) from foreign exchange fluctuations	10.23	(51.12)	10.23	(51.12)
Total	95.04	(86.35)	95.04	(86.35)

23. INTEREST EXPENSE

The total interest for this period is Baht 349.06 million, of which Baht 5 million is recorded as cost of work in progress and Baht 344.06 million as expense.

24. RECONCILIATION OF DILUTED EARNINGS PER SHARE

	For the six months ended June 30, 2006					
	Consolidated			The Company Only		
	Net Profit (Loss)	Weighted Average Number of Ordinary Shares	Earning (Loss) Per Share	Net Profit (Loss)	Weighted Average Number of Ordinary Shares	Earning (Loss) Per Share
	Million Baht	Million Shares	Baht	Million Baht	Million Shares	Baht
Basic earning per share						
Net profit (loss)	953.65	797.67	1.20	953.65	797.67	1.20
Effect of dilutive potential ordinary shares	22.74	164.68		22.74	164.68	
Diluted earning per share						
Net earnings of ordinary shareholders assuming the conversion of convertible debenture to ordinary shares	976.39	962.35	1.01	976.39	962.35	1.01

	For the three months ended June 30, 2006					
	Consolidated			The Company Only		
	Net Profit (Loss)	Weighted Average Number of Ordinary Shares	Earning (Loss) Per Share	Net Profit (Loss)	Weighted Average Number of Ordinary Shares	Earning (Loss) Per Share
	Million Baht	Million Shares	Baht	Million Baht	Million Shares	Baht
Basic earning per share						
Net profit (loss)	300.26	906.65	0.33	296.24	906.65	0.33
Effect of dilutive potential ordinary shares	11.39	173.59		11.39	173.59	
Diluted earning per share						
Net earnings of ordinary shareholders assuming the conversion of convertible debenture to ordinary shares	311.65	1,080.24	0.29	307.63	1,080.24	0.28

25. CONTINGENT LIABILITIES AND COMMITMENTS

25.1 Liabilities on guarantees

As at June 30, 2006, the Company's total liabilities in the form of bank guarantees amounted to Baht 177.03 million. These guarantees are mainly to cover refunding of VAT, land leasing agreement, electricity usage and the telecommunication contract with the Telephone Organization of Thailand.

25.2 Allegation

As at June 30, 2006, The Company had allegation as follows:

- 25.2.1 The Company (the fifth defendant) was accused with the Ministry of Finance (the first defendant) for alleged land right transgression and demanding Baht 1,055 million in compensation. The land in question is located at the pier of the Refinery that the Company lodged against the Ministry of Finance. The civil court dismissed on April 30, 2003 and now is being appealed with the appeal court
- 25.2.2 The Company was accused in accompany with the government, PTT and other private sectors, called upon to pay 210 million Baht in compensation for an infringement of the petty patentee's rights as the Patent Act in case of producing and selling Bio-diesel. Now is being appealed with the court of first instance. However, The Company's Legal Office believe that it will final win.

25.3 Commitments

As at June 30, 2006, The Company had commitments as follows:

- 25.3.1 The Company had entered into 8.13 million barrels oil price hedging contracts with foreign oil traders for price period from July 2006 to March 2007.
- 25.3.2 The Company has foreign currency buying forward contracts cover the period to September 2006 amounting to US\$ 1.34 million equivalent to Baht 51.58 million and selling forward contracts cover the period to December 2006 amounting to US\$ 8.50 million equivalent to Baht 351.88 million.
- 25.3.3 The Company applies the financial instrument to manage the risk for PQI Project as follows:

- 23.3.3.1 Buying forward contracts cover the period to September 2008 amounting to US\$ 200.28 million equivalent to Baht 7,671.78 million.
- 23.3.3.2 Buying Interest Rate Swap contracts amounting to Baht 8,242 million.

26. DISCLOSURE FOR FINANCIAL INSTRUMENTS

26.1 Risk from foreign exchange rate

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

26.2 Risk from interest rate

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

26.3 Risk from product oil price in the global market

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

26.4 Risk from credit term

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

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

26.5 Fair value

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

27. FINANCIAL INFORMATION BY SEGMENT OF BUSINESS

The statement of income of the Company segmented by type of business for the six month period ended June 30, 2006 are as follows:

	Million Baht			
	Refinery	Marketing	Elimination	Total
Sales	49,831.16	33,790.21	(33,086.14)	50,535.23
Cost of Sales	(48,614.24)	(33,305.91)	33,086.14	(48,834.01)
Gross margin	1,216.92	484.30	-	1,701.22

Selling and administrative expenses	(127.55)	(570.40)	-	(697.95)
Other incomes (expense)	921.64	31.90	-	953.54
Depreciation and Amortization	(2.62)	(220.98)	-	(223.60)
EBIT	2,008.39	(275.18)	-	1,733.21
Gain (Loss) from impairment				0.15
Gain (Loss) from foreign exchange fluctuations of others				(68.58)
Share of gain (loss) from investments for using equity method				(10.52)
Interest-net				(309.81)
Income Tax				(390.80)
Net Profit				953.65
EBITDA	2,200.50	(54.20)	-	2,146.30

The statement of income of the Company segmented by type of business for the three month period ended June 30, 2006 are as follows:

	Million Baht			Total
	Refinery	Marketing	Elimination	
Sales	24,523.50	17,420.79	(17,268.62)	24,675.67
Cost of Sales	(23,734.55)	(17,383.96)	17,268.62	(23,849.89)
Gross margin	788.95	36.83	-	825.78
Selling and administrative expenses	(66.82)	(284.65)	-	(351.47)
Other incomes (expense)	247.59	15.47	-	263.06
Depreciation and Amortization	(1.31)	(113.58)	-	(114.89)
EBIT	968.41	(345.93)	-	622.48
Gain (Loss) from impairment				0.06
Gain (Loss) from foreign exchange fluctuations of others				(18.94)
Share of gain (loss) from investments for using equity method				3.13
Interest-net				(160.57)
Income Tax				(149.94)
Net Profit				296.22
EBITDA	1,059.23	(232.36)	-	826.87

28. DIVIDEND

At the Company's ordinary shareholders' meeting held on 18 April 2006, the shareholders unanimously approved the distribution of cash dividends for the year ended 31 December 2005 at Baht 0.30 per share for 687,481,908 ordinary share, amounting to Baht 206,244,572 and was paid on May, 2006.

29. SUBSEQUENT EVENTS AFTER THE BALANCE SHEET DATE

On July 12, 2006, the Company has registered Baht 25,000 paid up share to increase the paid up shares capital from Baht 1,119,071,351 to Baht 1,119,096,351 with the Ministry of Commerce. This from 1 warrant holder who, on June 30, 2006, converted 25,000 warrants to 25,000 ordinary at Baht 18 per unit convertible price. After the conversion, the balance of warrants remaining was 69,067,486 units.

30. ACCOUNT RECLASSIFICATION

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

31. THE APPROVED OF THE FINANCIAL STATEMENT

The financial statement had been approved by the designated management on August 8, 2006

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