

2015 FINANCIAL REPORT



LEAP

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Report of Board of Directors' Responsibilities

The financial statements of PTT Exploration and Production Public Company Limited and subsidiaries being consolidated have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 including interpretations and accounting treatment guidance announced by the Federation of Accounting Professions, as well as the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act. B.E. 2535.

The Company's Board of Directors are responsible for the integrity and objectivity of the financial statements of PTT Exploration and Production Public Company Limited and subsidiaries in providing reasonable assurance that the financial statements truly and fairly present financial position, results of operation and cash flows. The books and records of the Company accurately reflect all transactions to safeguard the Company's assets and the control systems are in place to prevent fraud and irregularity. The financial statements have been prepared by adoption of the appropriate accounting policy which is applied on the consistency basis and in accordance with Thai Financial Reporting Standards. In addition, significant information has been adequately disclosed in the notes to financial statements, in which the independent auditor expresses an opinion on the financial statements of PTT Exploration and Production Public Company Limited and subsidiaries in the auditor's report.

(Signed)
(Mr. Prajya Phinyawat)
Chairman

(Signed)
(Mr. Somporn Vongvuthipornchai)
President and Chief Executive Officer

February 17, 2016



To: The Shareholders Of PTT Exploration And Production Public Company Limited

The Office of the Auditor General of Thailand has audited the accompanying consolidated and separate financial statements of PTT Exploration and Production Public Company Limited and its subsidiaries and of PTT Exploration and Production Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2015, the related consolidated and separate statements of income, and of comprehensive income, the related consolidated and separate statements of changes in shareholders' equity and cash flows for the year then ended, which are presented in US Dollar and in Thai Baht, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

The Office of the Auditor General of Thailand's responsibility is to express an opinion on these consolidated and separate financial statements based on the audit by the Office of the Auditor General of Thailand. The Office of the Auditor General of Thailand conducted an audit in accordance with Thai Standards on Auditing. Those standards require that The Office of the Auditor General of Thailand complies with ethical requirements and plans and performs the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

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

The Office of the Auditor General of Thailand believes that the audit evidence the Office of the Auditor General of Thailand has obtained is sufficient and appropriate to provide a basis for the Office of the Auditor General of Thailand's audit opinion.

Opinion

In The Office of the Auditor General of Thailand's opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of PTT Exploration and Production Public Company Limited and its subsidiaries, and of PTT Exploration and Production Public Company Limited, respectively, as at December 31, 2015, and its consolidated and separate financial performance and its cash flows for the year then ended, presented in US Dollar and Thai Baht, in accordance with Thai Financial Reporting Standards.

(Signed) Sirin Phankasem
(Sirin Phankasem)
Deputy Auditor General

(Signed) Adisorn Puawaranukroh
(Adisorn Puawaranukroh)
Director of Financial Audit Office No.8

Office of the Auditor General
February 17, 2016

Financial Statements

Statements of Financial Position

PTT Exploration And Production Public Company Limited And Subsidiaries

As at December 31, 2015

Consolidated	Notes	Unit : US Dollar			Unit : Baht		
		December 31, 2015	December 31, 2014 (Restated)	January 1, 2014 (Brought forward) (Restated)	December 31, 2015	December 31, 2014 (Restated)	January 1, 2014 (Brought forward) (Restated)
Assets							
Current Assets							
Cash and cash equivalents	8	2,995,402,554	3,930,359,747	2,350,960,120	108,099,811,788	129,556,646,471	77,143,383,618
Short-term investments	9	264,159,760	-	-	9,533,149,511	-	-
Investments in trading securities	10	118,347	176,019	142,836	4,270,976	5,802,123	4,686,955
Account receivable - parent company	11	475,827,168	630,910,717	882,835,332	17,171,924,835	20,796,740,523	28,968,975,819
Trade accounts receivable	12	84,251,313	151,231,010	146,709,612	3,040,509,884	4,985,035,112	4,814,065,590
Other accounts receivable		101,056,895	116,510,282	141,782,330	3,647,009,847	3,840,560,964	4,652,400,727
Inventories, net	13	47,213,620	31,113,645	45,386,536	1,703,872,302	1,025,600,601	1,489,294,031
Materials and supplies, net	14	404,268,645	365,073,239	327,807,047	14,589,479,644	12,033,926,868	10,756,518,181
Other current assets							
Working capital from co-venturers		34,289,749	52,675,040	23,991,912	1,237,468,226	1,736,329,893	787,260,178
Accrued interests receivable		15,157,481	15,703,763	14,065,694	547,011,677	517,644,333	461,545,311
Financial derivative assets	26	70,315,823	32,846,690	2,119,447	2,537,597,895	1,082,727,049	69,546,622
Others	15	208,644,430	237,504,624	146,232,049	7,529,683,992	7,828,885,937	4,798,396,707
Total Current Assets		4,700,705,785	5,564,104,776	4,082,032,915	169,641,790,577	183,409,899,874	133,946,073,739
Non-current Assets							
Investments in available-for-sales securities	16	874,711	900,004	1,659,535	31,567,059	29,666,869	54,455,256
Investments in associates	18.3	42,861,339	39,096,736	36,842,265	1,546,804,685	1,288,747,596	1,208,926,093
Investments in joint ventures	18.4	21,296,843	23,547,349	24,672,066	768,572,711	776,193,509	809,579,650
Long-term loans to related parties	17.3	16,071,580	17,595,486	27,175,598	580,000,415	580,000,852	891,728,287
Property, plant and equipment, net	19, 23	9,652,406,454	11,485,942,752	12,650,223,578	348,341,603,155	378,611,689,000	415,098,904,523
Goodwill, net	20	1,014,382,174	1,126,774,429	992,292,779	36,607,607,990	37,141,920,076	32,560,657,075
Intangible assets, net	21, 23	3,691,164,601	4,525,095,918	3,279,089,530	133,208,862,761	149,161,011,222	107,598,602,519
Deferred tax assets	24.1	180,092,556	280,581,332	354,942,781	6,499,285,296	9,248,818,438	11,646,940,919
Other non-current assets							
Prepaid expenses	25	20,976,516	23,340,334	22,419,584	757,012,592	769,368,559	735,666,523
Deferred remuneration under agreement		18,337,998	20,095,711	21,853,423	661,792,238	662,415,889	717,088,761
Financial derivative assets	26	186,907,830	89,051,328	22,933,069	6,745,233,644	2,935,406,611	752,515,316
Others	27	96,247,360	74,561,132	45,245,692	3,473,430,150	2,457,762,330	1,484,672,790
Total Non-current Assets		14,941,619,962	17,706,582,511	17,479,349,900	539,221,772,696	583,663,000,951	573,559,737,712
Total Assets		19,642,325,747	23,270,687,287	21,561,382,815	708,863,563,273	767,072,900,825	707,505,811,451

Notes to financial statements are an integral part of these financial statements.

(Signed) Somporn Vongvuthipornchai
(Somporn Vongvuthipornchai)
President and Chief Executive Office

(Signed) Yongyos Krongphanich
(Yongyos Krongphanich)
Senior Vice President, Finance Division

Statements of Financial Position

PTT Exploration And Production Public Company Limited And Subsidiaries

As at December 31, 2015

Consolidated	Notes	Unit : US Dollar			Unit : Baht		
		December 31, 2015	December 31, 2014 (Restated)	January 1, 2014 (Brought forward) (Restated)	December 31, 2015	December 31, 2014 (Restated)	January 1, 2014 (Brought forward) (Restated)
Liabilities and Equity							
Current Liabilities							
Trade accounts payable		118,302,266	129,864,366	131,038,481	4,269,360,574	4,280,725,902	4,299,844,571
Current portion of long-term debts	28	-	749,215,502	356,523,391	-	24,696,426,871	11,698,803,980
Working capital to co-venturers		16,889,337	10,620,546	25,073,288	609,512,125	350,085,572	822,743,989
Accrued expenses		614,915,346	911,083,856	851,483,947	22,191,419,891	30,032,110,582	27,940,212,024
Accrued interests payable		32,812,469	57,676,032	49,505,360	1,184,155,118	1,901,178,249	1,624,447,135
Income tax payable		501,511,165	865,714,044	972,248,565	18,098,823,686	28,536,573,935	31,902,942,890
Financial derivative liabilities	26	6,770,381	213,376	35,869,960	244,333,398	7,033,525	1,177,021,317
Short-term provision	29	53,195,795	54,913,549	48,197,436	1,919,760,459	1,810,117,977	1,581,529,761
Other current liabilities		63,373,630	81,220,220	135,367,348	2,287,065,279	2,677,265,685	4,441,883,495
Total Current Liabilities		1,407,770,389	2,860,521,491	2,605,307,776	50,804,430,530	94,291,518,298	85,489,429,162
Non-current Liabilities							
Debentures	28	2,434,698,218	2,504,874,682	2,608,762,527	87,864,791,192	82,568,305,427	85,602,802,509
Long-term loans from financial institution	28	570,542,841	974,625,168	1,057,696,321	20,590,078,551	32,126,616,620	34,706,788,515
Deferred tax liabilities	24.1	1,269,541,062	1,499,847,105	1,639,494,811	45,815,928,821	49,439,533,766	53,797,659,688
Share of loss of joint ventures	18.4	-	2,557,525	18,217,825	-	84,303,810	597,791,801
Employee benefit obligations	30	99,189,545	110,896,022	103,800,747	3,579,616,462	3,655,482,695	3,406,084,578
Provision for decommissioning costs	31	2,085,819,773	2,163,120,052	1,186,896,177	75,274,264,979	71,303,031,023	38,946,296,402
Provision for remuneration for the renewal of petroleum production	32	295,486,650	492,510,772	530,471,131	10,663,692,377	16,234,656,418	17,406,649,686
Other non-current liabilities							
Financial derivative liabilities	26	102,839,251	55,799,494	34,128,583	3,711,322,115	1,839,321,419	1,119,880,534
Deferred income	33	19,958,658	31,816,507	28,751,929	720,279,560	1,048,769,060	943,453,324
Others		28,488,840	26,134,822	29,035,085	1,028,121,678	861,483,404	952,744,701
Total Non-current Liabilities		6,906,564,838	7,862,182,149	7,237,255,136	249,248,095,735	259,161,503,642	237,480,151,738
Total Liabilities		8,314,335,227	10,722,703,640	9,842,562,912	300,052,526,265	353,453,021,940	322,969,580,900
Equity							
Share capital	36						
Authorized share capital							
3,969,985,400 ordinary shares of Baht 1 each					3,969,985,400	3,969,985,400	3,969,985,400
Issued and paid-up share capital							
3,969,985,400 ordinary shares of Baht 1 each		150,683,762	150,683,762	150,683,762	3,969,985,400	3,969,985,400	3,969,985,400
Share premium		3,439,036,612	3,439,036,612	3,439,036,612	105,417,619,764	105,417,619,764	105,417,619,764
Subordinated capital debentures	37	1,152,102,940	1,152,102,940	156,570,483	37,188,504,448	37,188,504,448	4,981,947,515
Retained earnings							
Appropriated							
Legal reserve	38	15,048,319	15,048,319	15,048,319	396,998,540	396,998,540	396,998,540
Reserve for expansion		431,231,212	431,231,212	431,231,212	16,900,000,000	16,900,000,000	16,900,000,000
Unappropriated		6,288,213,775	7,462,227,174	7,547,030,327	204,746,949,193	247,056,626,655	249,784,387,847
Other components of equity		(148,326,100)	(102,346,372)	(20,780,812)	40,190,979,663	2,690,144,078	3,085,291,485
Total Equity		11,327,990,520	12,547,983,647	11,718,819,903	408,811,037,008	413,619,878,885	384,536,230,551
Total Liabilities and Equity		19,642,325,747	23,270,687,287	21,561,382,815	708,863,563,273	767,072,900,825	707,505,811,451

Notes to financial statements are an integral part of these financial statements.

Financial Statements

Statements of Financial Position

PTT Exploration And Production Public Company Limited And Subsidiaries

As at December 31, 2015

The Company	Notes	Unit : US Dollar		Unit : Baht	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
<u>Assets</u>					
Current Assets					
Cash and cash equivalents	8	2,392,848,702	2,877,077,661	86,354,501,779	94,837,250,254
Short-term investments	9	251,659,760	-	9,082,042,314	-
Investments in trading securities	10	113,613	168,978	4,100,137	5,570,038
Account receivable - parent company	11	239,521,238	296,604,463	8,643,980,340	9,776,987,276
Trade accounts receivable	12	892,742	1,929,830	32,217,787	63,613,075
Other accounts receivable		26,760,871	50,059,743	965,761,713	1,650,121,719
Short-term loans to related parties	17.2	144,932,933	60,051,106	5,230,423,133	1,979,467,504
Inventories		7,499,617	6,334,111	270,650,513	208,791,622
Materials and supplies, net	14	144,009,214	125,324,710	5,197,087,454	4,131,084,469
Other current assets					
Working capital from co-venturers		12,690,524	9,794,987	457,982,935	322,872,625
Accrued interests receivable		23,394,821	22,311,941	844,285,758	735,469,603
Financial derivative assets	26	7,571,738	-	273,253,231	-
Others	15	39,794,441	51,584,569	1,436,124,708	1,700,384,649
Total Current Assets		3,291,690,214	3,501,242,099	118,792,411,802	115,411,612,834
Non-current Assets					
Investments in associates	18.3	25,577,427	25,577,427	923,052,929	843,109,979
Investments in subsidiaries	18.2	616,310,304	616,236,293	22,241,761,118	20,313,026,750
Long-term loans to related parties	17.3	6,925,745,213	6,278,771,022	249,940,281,090	206,967,433,244
Property, plant and equipment, net	19, 23	3,648,948,077	4,319,870,054	131,685,339,263	142,396,085,782
Intangible assets, net	21, 23	216,950,090	188,982,801	7,829,419,785	6,229,449,228
Deferred tax assets	24.1	24,247,300	8,088,641	875,050,514	266,626,258
Other non-current assets					
Deferred remuneration under agreement		18,337,998	20,095,711	661,792,239	662,415,889
Financial derivative assets	26	4,323,425	8,779,365	156,026,258	289,394,648
Others	27	5,152,149	5,250,556	185,933,700	173,074,322
Total Non-current Assets		11,485,591,983	11,471,651,870	414,498,656,896	378,140,616,100
Total Assets		14,777,282,197	14,972,893,969	533,291,068,698	493,552,228,934

Notes to financial statements are an integral part of these financial statements.

Statements of Financial Position

PTT Exploration And Production Public Company Limited And Subsidiaries

As at December 31, 2015

The Company	Notes	Unit : US Dollar		Unit : Baht	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Liabilities and Equity					
Current Liabilities					
Trade accounts payable		23,180,530	17,124,015	836,552,301	564,459,743
Current portion of long-term debts	28	-	50,000,000	-	1,648,152,421
Short-term loans from related parties	17.4	740,223,320	151,811,337	26,713,605,414	5,004,164,456
Working capital to co-venturers		1,756,176	1,411,327	63,377,911	46,521,621
Accrued expenses		301,675,862	479,753,688	10,887,052,209	15,814,144,045
Accrued interests payable		12,477,361	12,900,096	450,290,179	425,226,495
Income tax payable		358,092,799	570,329,076	12,923,059,125	18,799,784,950
Financial derivative liabilities	26	1,361,751	213,376	49,143,647	7,033,525
Short-term provision	29	53,195,795	54,913,549	1,919,760,459	1,810,117,977
Other current liabilities		31,675,020	45,197,102	1,143,106,376	1,489,834,260
Total Current Liabilities		1,523,638,614	1,383,653,566	54,985,947,621	45,609,439,493
Non-current Liabilities					
Debentures	28	1,248,918,507	1,319,423,720	45,071,690,205	43,492,227,984
Deferred tax liabilities	24.1	315,348,454	347,681,050	11,380,476,586	11,460,627,284
Employee benefit obligations	30	92,073,070	100,515,659	3,322,785,960	3,313,302,550
Provision for decommissioning costs	31	1,046,048,763	1,087,355,470	37,750,410,064	35,842,550,997
Provision for remuneration for the renewal of petroleum production	32	295,486,650	492,510,772	10,663,692,377	16,234,656,418
Other non-current liabilities					
Financial derivative liabilities	26	102,839,251	55,799,494	3,711,322,115	1,839,321,419
Deferred income	33	3,025,605	3,989,896	109,189,787	131,519,142
Others		20,168,670	17,746,329	727,858,561	584,973,105
Total Non-current Liabilities		3,123,908,970	3,425,022,390	112,737,425,655	112,899,178,899
Total Liabilities		4,647,547,584	4,808,675,956	167,723,373,276	158,508,618,392
Equity					
Share capital	36				
Authorized share capital					
3,969,985,400 ordinary shares of Baht 1 each				3,969,985,400	3,969,985,400
Issued and paid-up share capital					
3,969,985,400 ordinary shares of Baht 1 each		150,683,762	150,683,762	3,969,985,400	3,969,985,400
Share premium		3,439,036,612	3,439,036,612	105,417,619,764	105,417,619,764
Subordinated capital debentures	37	1,152,102,940	1,152,102,940	37,188,504,448	37,188,504,448
Retained earnings					
Appropriated					
Legal reserve	38	15,048,319	15,048,319	396,998,540	396,998,540
Reserve for expansion		431,231,212	431,231,212	16,900,000,000	16,900,000,000
Unappropriated		4,946,911,042	4,998,233,771	165,782,127,048	167,363,550,031
Other components of equity		(5,279,274)	(22,118,603)	35,912,460,222	3,806,952,359
Total Equity		10,129,734,613	10,164,218,013	365,567,695,422	335,043,610,542
Total Liabilities and Equity		14,777,282,197	14,972,893,969	533,291,068,698	493,552,228,934

Notes to financial statements are an integral part of these financial statements.

Financial Statements

Statements of Income

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

Consolidated	Notes	Unit : US Dollar		Unit : Baht	
		2015	2014 (Restated)	2015	2014 (Restated)
Revenues					
Sales		5,325,915,041	7,319,188,864	181,726,361,270	237,596,669,396
Revenue from pipeline transportation		118,487,637	137,925,125	4,044,206,892	4,474,742,634
Other income					
Interest income		31,916,321	22,931,796	1,084,584,038	746,286,900
Gain on financial derivatives		132,161,410	197,017,990	4,856,430,254	6,405,408,189
Other income	7	45,199,763	156,639,681	1,556,128,174	5,084,774,440
Total Revenues		5,653,680,172	7,833,703,456	193,267,710,628	254,307,881,559
Expenses					
Operating expenses		709,765,948	856,506,747	24,336,638,874	27,815,025,219
Exploration expenses		183,547,447	332,916,528	6,344,750,613	10,826,088,494
Administrative expenses		277,471,539	370,562,150	9,553,666,327	12,049,842,219
Petroleum royalties and remuneration	39	426,044,473	608,802,893	14,320,318,604	19,762,415,972
Depreciation, depletion and amortization		2,719,715,487	2,562,087,185	92,821,586,472	83,176,690,446
Other expenses					
Loss on foreign exchange		69,424,425	49,456,178	2,311,663,667	1,609,741,757
Management's remuneration	17.1	3,778,445	6,058,739	126,911,600	197,186,026
Impairment loss on assets	22	1,385,209,600	996,790,379	49,892,827,910	32,795,975,207
Other expenses	7	-	41,125,056	-	1,337,669,245
Finance costs		251,980,601	259,336,872	8,591,727,882	8,430,353,963
Total Expenses		6,026,937,965	6,083,642,727	208,300,091,949	198,000,988,548
Share of gain of associates and joint ventures		9,027,677	21,941,601	310,905,892	719,049,058
Profit (loss) before income taxes		(364,230,116)	1,772,002,330	(14,721,475,429)	57,025,942,069
Income tax expenses	24.2	(489,360,323)	(1,094,543,637)	(16,869,012,881)	(35,535,490,811)
Profit (loss) for the year		(853,590,439)	677,458,693	(31,590,488,310)	21,490,451,258
Earnings (loss) per share					
Basic earnings (loss) per share	41	(0.22)	0.16	(8.24)	5.19

Notes to financial statements are an integral part of these financial statements.

Statements of Comprehensive Income

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

Consolidated	Unit : US Dollar		Unit : Baht	
	2015	2014 (Restated)	2015	2014 (Restated)
Profit (loss) for the year	(853,590,439)	677,458,693	(31,590,488,310)	21,490,451,258
Other comprehensive income (loss)				
Items that will not be subsequently reclassified to profit or loss				
Exchange differences on translating financial statement	-	-	43,183,799,141	1,625,798,573
Gain from changes in actuarial assumption of employee benefit obligations	15,996,915	-	576,084,107	-
Income taxes from changes in actuarial assumption of employee benefit obligations	(7,177,556)	-	(258,480,444)	-
Share of other comprehensive loss of associates and joint ventures	(5,578)	-	(200,868)	-
Items that will be subsequently reclassified to profit or loss				
Exchange differences on translating financial statement	(29,504,857)	(53,083,183)	(5,110,683,269)	(1,093,807,172)
Unrealized loss on available-for-sales securities	(25,293)	(706,535)	(1,316,928)	(22,992,792)
Gain (loss) on cash flow hedges	22,817,437	(3,682,231)	777,428,098	(123,038,218)
Income taxes relating to cash flow hedges	(38,478,749)	(24,088,072)	(1,319,922,183)	(780,922,026)
Share of other comprehensive loss of associates and joint ventures	(788,266)	(5,539)	(28,469,274)	(185,772)
Other comprehensive income (loss) for the year - net of tax	(37,165,947)	(81,565,560)	37,818,238,380	(395,147,407)
Total comprehensive income (loss) for the year	(890,756,386)	595,893,133	6,227,750,070	21,095,303,851

Notes to financial statements are an integral part of these financial statements.

Financial Statements

Statements of Income

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

The Company	Notes	Unit : US Dollar		Unit : Baht	
		2015	2014	2015	2014
Revenues					
Sales		2,530,456,031	3,478,555,681	86,490,274,461	112,965,735,461
Other income					
Gain on foreign exchange		-	1,003,541	-	31,547,485
Interest income		181,109,662	169,459,503	6,187,067,523	5,505,540,473
Gain on financial derivatives		4,936,638	-	162,378,652	-
Other income		16,956,172	18,374,105	586,792,918	595,673,867
Dividends received from related parties		37,187,204	48,526,640	1,330,051,507	1,567,971,907
Total Revenues		2,770,645,707	3,715,919,470	94,756,565,061	120,666,469,193
Expenses					
Operating expenses		246,515,490	285,830,223	8,430,156,264	9,280,732,668
Exploration expenses		4,347,137	19,454,921	149,176,854	630,020,267
Administrative expenses		187,295,893	225,021,130	6,459,239,002	7,325,752,497
Petroleum royalties and remuneration	39	316,307,004	434,819,461	10,811,283,723	14,120,723,251
Depreciation, depletion and amortization		1,178,364,136	1,046,505,320	40,221,805,904	33,990,717,590
Other expenses					
Loss on foreign exchange		56,823,467	-	1,925,786,325	-
Loss on financial derivatives		-	852,941	-	27,885,247
Management's remuneration	17.1	3,778,445	6,058,739	126,911,600	197,186,026
Finance costs		121,517,444	101,292,103	4,149,643,980	3,298,834,686
Total Expenses		2,114,949,016	2,119,834,838	72,274,003,652	68,871,852,232
Profit before income taxes		655,696,691	1,596,084,632	22,482,561,409	51,794,616,961
Income tax expenses	24.2	(384,232,944)	(541,697,015)	(13,259,682,075)	(17,591,026,482)
Profit for the year		271,463,747	1,054,387,617	9,222,879,334	34,203,590,479
Earnings per share					
Basic earnings per share	41	0.06	0.26	2.04	8.40

Notes to financial statements are an integral part of these financial statements.

Statements of Comprehensive Income

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

	Unit : US Dollar		Unit : Baht	
	2015	2014	2015	2014
The Company				
Profit for the year	271,463,747	1,054,387,617	9,222,879,334	34,203,590,479
Other comprehensive income (loss)				
Items that will not be subsequently reclassified to profit or loss				
Exchange differences on translating financial statement	-	-	31,561,197,952	1,577,786,900
Gain from changes in actuarial assumption of employee benefit obligations	12,900,530	-	464,579,262	-
Income taxes from changes in actuarial assumption of employee benefit obligations	(6,450,265)	-	(232,289,632)	-
Items that will be subsequently reclassified to profit or loss				
Gain (loss) on cash flow hedges	21,049,161	(9,259,906)	689,598,949	(306,119,232)
Income taxes relating to cash flow hedges	(4,209,832)	(7,939,986)	(145,289,038)	(255,966,153)
Other comprehensive income (loss) for the year - net of tax	23,289,594	(17,199,892)	32,337,797,493	1,015,701,515
Total comprehensive income for the year	294,753,341	1,037,187,725	41,560,676,827	35,219,291,994

Notes to financial statements are an integral part of these financial statements.

Statements of Changes in Equity

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

Unit : US Dollar

Notes	Other components of equity										Total equity	
	Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Retained earnings	Exchange differences on translating financial statement	Available-for-sales securities	Cash flow hedges	Income taxes relating to cash flow hedges	Share of other comprehensive income (loss) of associates and joint ventures		Total other components of equity
	150,683,762	3,439,036,612	156,570,483	15,048,319	431,231,212	(6,667,209)	325,205	(23,390,888)	8,952,260	-	(20,780,612)	11,718,820,103
5	-	-	-	-	-	21,128	-	-	-	(21,328)	(200)	(200)
	150,683,762	3,439,036,612	156,570,483	15,048,319	431,231,212	(6,646,081)	325,205	(23,390,888)	8,952,260	(21,328)	(20,780,812)	11,718,819,903
37	-	-	995,532,457	-	-	-	-	-	-	-	-	995,532,457
	-	-	-	-	-	-	-	-	-	-	-	(33,398,720)
	-	-	-	-	-	-	-	-	-	-	-	6,709,546
44	-	-	-	-	-	-	-	-	-	-	-	(735,572,672)
	-	-	-	-	-	-	-	-	-	-	-	677,458,693
	-	-	-	-	-	(53,083,183)	(706,535)	(3,652,231)	(24,088,072)	(5,539)	(81,565,560)	(81,565,560)
	150,683,762	3,439,036,612	1,152,102,940	15,048,319	431,231,212	(58,729,264)	(381,330)	(27,073,069)	(15,135,812)	(26,867)	(102,346,372)	12,547,983,847

Unit : US Dollar

Notes	Other components of equity										Total equity	
	Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Retained earnings	Exchange differences on translating financial statement	Available-for-sales securities	Cash flow hedges	Income taxes relating to cash flow hedges	Share of other comprehensive income (loss) of associates and joint ventures		Total other components of equity
	150,683,762	3,439,036,612	1,152,102,940	15,048,319	431,231,212	(58,756,131)	(381,330)	(27,073,069)	(15,135,812)	-	(102,346,372)	12,547,983,847
5	-	-	-	-	-	26,867	-	-	-	(26,867)	-	-
	150,683,762	3,439,036,612	1,152,102,940	15,048,319	431,231,212	(58,729,264)	(381,330)	(27,073,069)	(15,135,812)	(26,867)	(102,346,372)	12,547,983,847
	-	-	-	-	-	-	-	-	-	-	-	(65,892,474)
	-	-	-	-	-	-	-	-	-	-	-	34,358,077
44	-	-	-	-	-	-	-	-	-	-	-	(297,702,344)
	-	-	-	-	-	-	-	-	-	-	-	(853,590,439)
	-	-	-	-	-	(29,504,857)	(25,239)	22,817,437	(38,478,749)	(788,266)	(45,979,728)	(37,165,947)
	150,683,762	3,439,036,612	1,152,102,940	15,048,319	431,231,212	(88,234,121)	(486,623)	(4,285,662)	(53,614,561)	(815,133)	(148,326,100)	11,327,690,520

Notes to financial statements are an integral part of these financial statements.

Statements of Changes in Equity (Continued)

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

Unit : Baht

Notes	Other components of equity										Total equity		
	Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Reserve for expansion	Unappropriated	Exchange differences on translating financial statement	Available-for-sales securities	Cash flow hedges	Income taxes relating to cash flow hedges		Share of other comprehensive income (loss) of associates and joint ventures	Total other components of equity
	3,969,985,400	105,417,619,764	4,981,947,515	396,998,540	16,800,000,000	249,784,387,847	3,517,191,835	9,746,951	(726,780,356)	285,139,633	-	3,085,288,083	384,536,237,129
5	-	-	-	-	-	-	693,281	-	-	-	(699,859)	(6,578)	(6,578)
	3,969,985,400	105,417,619,764	4,981,947,515	396,998,540	16,800,000,000	249,784,387,847	3,517,885,116	9,746,951	(726,780,356)	285,139,633	(699,859)	3,085,291,485	384,536,230,551
37	-	-	32,206,556,933	-	-	-	-	-	-	-	-	-	32,206,556,933
	-	-	-	-	-	(1,095,191,579)	-	-	-	-	-	-	(1,095,191,579)
	-	-	-	-	-	220,020,994	-	-	-	-	-	-	220,020,994
	-	-	-	-	-	(23,343,041,865)	-	-	-	-	-	-	(23,343,041,865)
44	-	-	-	-	-	21,490,451,258	-	-	-	-	-	-	21,490,451,258
	-	-	-	-	-	-	531,991,401	(23,992,792)	(123,038,218)	(780,922,026)	(195,772)	(395,147,407)	(395,147,407)
	3,969,985,400	105,417,619,764	37,188,504,448	396,998,540	16,800,000,000	247,056,626,655	4,048,876,517	(13,245,841)	(849,818,574)	(495,782,393)	(895,631)	2,690,144,078	413,619,878,895

Unit : Baht

Notes	Other components of equity										Total equity		
	Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Reserve for expansion	Unappropriated	Exchange differences on translating financial statement	Available-for-sales securities	Cash flow hedges	Income taxes relating to cash flow hedges		Share of other comprehensive income (loss) of associates and joint ventures	Total other components of equity
	3,969,985,400	105,417,619,764	37,188,504,448	396,998,540	16,800,000,000	247,056,626,655	4,048,876,517	(13,245,841)	(849,818,574)	(495,782,393)	-	2,690,144,078	413,619,878,895
5	-	-	-	-	-	-	895,631	-	-	-	(895,631)	-	-
	3,969,985,400	105,417,619,764	37,188,504,448	396,998,540	16,800,000,000	247,056,626,655	4,049,876,517	(13,245,841)	(849,818,574)	(495,782,393)	(895,631)	2,690,144,078	413,619,878,895
	-	-	-	-	-	(2,304,740,927)	-	-	-	-	-	-	(2,304,740,927)
	-	-	-	-	-	1,191,565,057	-	-	-	-	-	-	1,191,565,057
	-	-	-	-	-	(9,923,416,077)	-	-	-	-	-	-	(9,923,416,077)
44	-	-	-	-	-	(31,590,488,310)	-	-	-	-	-	-	(31,590,488,310)
	-	-	-	-	-	317,402,795	38,073,115,872	(1,316,928)	777,428,698	(1,319,922,185)	(29,469,274)	37,500,635,585	37,616,238,390
	3,969,985,400	105,417,619,764	37,188,504,448	396,998,540	16,800,000,000	204,746,949,193	42,122,992,389	(14,562,769)	(72,390,476)	(1,815,704,576)	(29,354,905)	40,190,979,663	408,811,037,008

Notes to financial statements are an integral part of these financial statements.

Statements of Changes in Equity

PTT Exploration And Production Public Company Limited And Subsidiaries For the Year Ended December 31, 2015

Unit : US Dollar

	Notes	Retained earnings						Other components of equity			Total equity
		Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Reserve for expansion	Unappropriated	Cash flow hedges	Income taxes relating to cash flow hedges	Total other components of equity	
Balance - as at January 1, 2014		150,683,762	3,439,036,612	156,570,483	15,048,319	431,231,212	4,706,108,000	(18,388,347)	13,489,636	(4,918,711)	8,893,759,677
Changes in equity for the year		-	-	995,532,457	-	-	-	-	-	-	995,532,457
Subordinated capital debentures	37	-	-	-	-	-	(33,398,720)	-	-	-	(33,398,720)
Interest expenses for subordinated capital debentures		-	-	-	-	-	6,709,546	-	-	-	6,709,546
Income tax expenses for subordinated capital debentures	44	-	-	-	-	-	(735,572,672)	-	-	-	(735,572,672)
Dividends paid		-	-	-	-	-	1,054,387,617	-	-	-	1,054,387,617
Profit for the year		-	-	-	-	-	-	(9,259,906)	(7,939,986)	(17,199,892)	(17,199,892)
Total comprehensive loss for the year		-	-	-	-	-	-	(9,259,906)	(7,939,986)	(17,199,892)	(17,199,892)
Balance - as at December 31, 2014		150,683,762	3,439,036,612	1,152,102,940	15,048,319	431,231,212	4,998,233,771	(27,648,253)	5,529,650	(22,118,603)	10,164,218,013

Unit : US Dollar

	Note	Retained earnings						Other components of equity			Total equity
		Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Reserve for expansion	Unappropriated	Cash flow hedges	Income taxes relating to cash flow hedges	Total other components of equity	
Balance - as at January 1, 2015		150,683,762	3,439,036,612	1,152,102,940	15,048,319	431,231,212	4,998,233,771	(27,648,253)	5,529,650	(22,118,603)	10,164,218,013
Changes in equity for the year		-	-	-	-	-	-	-	-	-	(65,892,474)
Interest expenses for subordinated capital debentures		-	-	-	-	-	-	-	-	-	34,358,077
Income tax expenses for subordinated capital debentures		-	-	-	-	-	-	-	-	-	(297,702,344)
Dividends paid	44	-	-	-	-	-	271,463,747	-	-	-	271,463,747
Profit for the year		-	-	-	-	-	-	21,049,161	(4,209,632)	16,839,329	23,289,594
Total comprehensive income (loss) for the year		-	-	-	-	-	-	21,049,161	(4,209,632)	16,839,329	23,289,594
Balance - as at December 31, 2015		150,683,762	3,439,036,612	1,152,102,940	15,048,319	431,231,212	4,998,233,771	(6,599,092)	1,319,818	(5,279,274)	10,129,734,613

Notes to financial statements are an integral part of these financial statements.

Statements of Changes in Equity (Continued)

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

Unit : Baht

	Notes	Retained earnings					Other components of equity				Total equity	
		Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Reserve for expansion	Unappropriated	Exchange differences on translating financial statement	Cash flow hedges	Income taxes relating to cash flow hedges		Total other components of equity
Balance - as at January 1, 2014		3,969,985,400	105,417,619,764	4,981,947,515	396,998,540	16,900,000,000	157,378,172,002	2,930,960,593	(569,054,935)	428,345,186	2,791,250,844	291,835,974,065
Changes in equity for the year		-	-	32,206,556,933	-	-	-	-	-	-	-	32,206,556,933
Subordinated capital debentures	37	-	-	-	-	-	(1,095,191,579)	-	-	-	-	(1,095,191,579)
Interest expenses for subordinated capital debentures		-	-	-	-	-	220,020,994	-	-	-	-	220,020,994
Income tax expenses for subordinated capital debentures		-	-	-	-	-	(23,343,041,865)	-	-	-	-	(23,343,041,865)
Dividends paid	44	-	-	-	-	-	34,203,590,479	-	-	-	-	34,203,590,479
Profit for the year		-	-	-	-	-	-	1,577,766,900	(306,119,232)	(255,966,153)	1,015,701,515	1,015,701,515
Total comprehensive income (loss) for the year		-	-	-	-	-	-	4,508,747,493	(875,174,167)	173,379,033	3,806,952,359	3,806,952,359
Balance - as at December 31, 2014		3,969,985,400	105,417,619,764	37,188,504,448	396,998,540	16,900,000,000	167,363,550,031	4,508,747,493	(875,174,167)	173,379,033	3,806,952,359	335,043,610,542

Unit : Baht

	Note	Retained earnings					Other components of equity				Total equity	
		Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Reserve for expansion	Unappropriated	Exchange differences on translating financial statement	Cash flow hedges	Income taxes relating to cash flow hedges		Total other components of equity
Balance - as at January 1, 2015		3,969,985,400	105,417,619,764	37,188,504,448	396,998,540	16,900,000,000	167,363,550,031	4,508,747,493	(875,174,167)	173,379,033	3,806,952,359	335,043,610,542
Changes in equity for the year		-	-	-	-	-	(2,304,740,927)	-	-	-	-	(2,304,740,927)
Interest expenses for subordinated capital debentures		-	-	-	-	-	1,191,565,057	-	-	-	-	1,191,565,057
Income tax expenses for subordinated capital debentures		-	-	-	-	-	(9,923,416,077)	-	-	-	-	(9,923,416,077)
Dividends paid	44	-	-	-	-	-	9,222,879,334	-	-	-	-	9,222,879,334
Profit for the year		-	-	-	-	-	232,289,830	31,561,197,952	(689,598,949)	(145,299,038)	32,105,507,863	32,337,797,493
Total comprehensive income (loss) for the year		-	-	-	-	-	-	36,069,945,445	(185,575,218)	28,089,995	35,912,460,222	365,367,695,422
Balance - as at December 31, 2015		3,969,985,400	105,417,619,764	37,188,504,448	396,998,540	16,900,000,000	165,782,127,048	36,069,945,445	(185,575,218)	28,089,995	35,912,460,222	365,367,695,422

Notes to financial statements are an integral part of these financial statements.

Financial Statements

Statements of Cash Flows

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

Consolidated	Unit : US Dollar		Unit : Baht	
	2015	2014 (Restated)	2015	2014 (Restated)
Cash flows from operating activities				
Profit (loss) before income taxes	(364,230,116)	1,772,002,330	(14,721,475,429)	57,025,942,069
Adjustment to reconcile profit before income taxes to net cash provided by (used in) operating activities				
Share of gain of associates and joint ventures	(9,027,677)	(21,941,601)	(310,905,892)	(719,049,058)
Depreciation, depletion and amortization	2,719,715,487	2,562,087,185	92,821,586,472	83,176,690,446
Impairment loss on assets	1,385,209,600	996,790,379	49,892,827,910	32,795,975,207
Amortization of exploration expenses	147,987,547	266,422,768	5,124,184,584	8,666,271,415
Amortization of other expenses	31,227,081	7,939,672	1,112,786,237	257,893,200
Loss (gain) on disposal of assets	9,888,189	(1,723,355)	341,991,310	(57,668,271)
Income recognized from deferred income	(13,827,721)	(1,037,193)	(472,755,513)	(33,687,780)
Gain on financial derivatives	(21,549,970)	(24,266,880)	(948,617,147)	(748,026,894)
Gain from restructuring of the ownership interests in KKD project	-	(32,136,047)	-	(1,041,962,279)
Employee benefit obligations	17,896,296	11,892,836	623,409,882	386,217,423
Other income	-	(11,383,969)	-	(369,748,639)
Loss from debt forgiveness for loan to related parties	-	15,301,248	-	503,434,866
(Gain) loss on foreign exchange	(649,459)	28,902,906	(22,204,337)	938,759,588
Interest income less than interest expenses	211,584,108	229,223,638	7,214,309,367	7,450,804,662
	4,114,223,365	5,798,073,917	140,655,137,444	188,231,845,955
Changes in operating assets (increase) decrease				
Account receivable - parent company	157,385,110	320,703,461	5,380,834,699	10,416,373,158
Trade accounts receivable	66,994,547	(4,100,536)	2,290,474,510	(133,184,540)
Other accounts receivable	6,378,385	22,134,353	218,070,415	718,918,597
Inventories, net	(5,555,129)	8,900,153	(189,924,149)	289,074,874
Materials and supplies, net	(51,555,152)	(33,535,230)	(1,762,617,523)	(1,089,216,380)
Working capital from co-venturers	18,624,074	(20,206,039)	636,737,896	(656,287,411)
Other current assets	43,223,297	(81,333,453)	1,477,759,980	(2,641,691,438)
Prepaid expenses	2,363,818	(920,750)	80,816,496	(29,905,729)
Other non-current assets	(21,433,665)	(29,387,855)	(732,794,928)	(954,510,631)
Changes in operating liabilities increase (decrease)				
Trade accounts payable	(275,668,088)	(153,780,103)	(9,424,807,783)	(4,994,741,629)
Working capital to co-venturers	6,268,791	(14,452,255)	214,323,509	(469,405,844)

Notes to financial statements are an integral part of these financial statements.

Statements of Cash Flows

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

Consolidated	Unit : US Dollar		Unit : Baht	
	2015	2014 (Restated)	2015	2014 (Restated)
Changes in operating liabilities increase (decrease) (continued)				
Accrued expenses	(160,937,433)	(82,190,743)	(5,502,284,969)	(2,669,535,967)
Other current liabilities	(16,821,016)	(29,304,702)	(575,093,217)	(951,809,840)
Deferred income	1,969,872	111,875	67,347,895	3,633,670
Other non-current liabilities	(49,889,664)	(5,760,392)	(1,705,676,172)	(187,096,193)
Currency translation differences	(1,531,941)	(4,254,090)	(52,375,480)	(138,171,875)
Interest received from bank deposits	26,553,091	22,550,000	907,822,796	732,418,709
Taxation paid	(971,939,792)	(1,397,159,040)	(33,229,619,685)	(45,379,397,452)
	(1,225,570,895)	(1,481,985,346)	(41,901,005,710)	(48,134,535,921)
Net cash provided by operating activities	2,888,652,470	4,316,088,571	98,754,131,734	140,097,310,034
Cash flows from investing activities				
Increase in short-term investments	(264,159,760)	-	(9,031,349,907)	-
Increase in investments in joint ventures	(2,650,000)	-	(90,600,768)	-
Decrease in investments in joint ventures	2,161,043	1,311,000	73,883,832	42,580,974
Cash received from restructuring of the ownership interests in KKD project	-	388,487,823	-	12,617,993,249
Cash payment from purchase of business	-	(812,832,638)	-	(26,400,613,166)
Dividends received from related parties	4,402,886	3,835,008	150,530,130	124,560,144
Interest received from short-term investments	9,293,303	-	317,728,461	-
Interest received from loans	580,570	659,349	19,849,086	21,415,486
Increase in property, plant and equipment	(1,743,526,996)	(2,051,479,044)	(59,609,390,880)	(66,631,557,458)
Increase in intangible assets	(142,135,176)	(532,002,766)	(4,859,455,157)	(17,279,324,864)
Net cash used in investing activities	(2,136,034,130)	(3,002,021,268)	(73,028,805,203)	(97,504,945,635)
Cash flows from financing activities				
Proceeds from issuance of debentures	-	601,455,768	-	19,535,142,082
Payments of debentures	(700,000,000)	(360,086,421)	(23,932,278,489)	(11,695,522,372)
Payments of long-term loans	(411,469,408)	-	(14,067,714,960)	-
Interest paid for loans	(186,915,420)	(182,547,611)	(6,390,445,538)	(5,929,103,538)
Net cash payment for financial derivative contract	-	(29,413,579)	-	(955,346,137)
Cash payments for finance costs	-	(735,207)	-	(23,879,373)
Proceeds from issuance of subordinated capital debentures	-	1,000,000,000	-	32,479,765,106
Interest paid for subordinated capital debentures	(65,892,474)	(33,398,721)	(2,252,795,760)	(1,084,782,597)
Cash payments for finance costs from issuance of subordinated capital debentures	-	(4,467,543)	-	(145,104,752)
Dividends paid	(297,702,344)	(735,572,774)	(10,178,136,295)	(23,891,230,923)
Net cash provided by (used in) financing activities	(1,661,979,646)	255,233,912	(56,821,371,042)	8,289,937,496
Net increase (decrease) in cash and cash equivalents	(909,361,306)	1,569,301,215	(31,096,044,511)	50,882,301,895
Cash and cash equivalents at the beginning of the year	3,930,359,747	2,350,960,120	129,556,646,471	77,143,383,618
	3,020,998,441	3,920,261,335	98,460,601,960	128,025,685,513
Adjustment for the effect of exchange rate changes	(25,595,887)	10,098,412	9,639,209,828	1,530,960,958
Cash and cash equivalents at the end of the year	2,995,402,554	3,930,359,747	108,099,811,788	129,556,646,471
Supplementary cash flow information				
Unpaid for outstanding payable from purchases of property, plant and equipment	793,782,987	673,248,380	27,138,622,151	21,866,949,233

Notes to financial statements are an integral part of these financial statements.

Financial Statements

Statements of Cash Flows

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

The Company	Unit : US Dollar		Unit : Baht	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before income taxes	655,696,691	1,596,084,632	22,482,561,409	51,794,616,961
Adjustment to reconcile profit before income taxes to net cash provided by (used in) operating activities				
Depreciation, depletion and amortization	1,178,364,136	1,046,505,320	40,221,805,904	33,990,717,590
Amortization of exploration expenses	755,638	2,067,805	26,929,741	67,289,499
Amortization of other expenses	2,478,117	2,494,225	85,511,664	81,005,354
Loss on disposal of assets	6,931,577	1,148,492	240,869,988	37,727,083
Income recognized from deferred income	(964,291)	-	(32,968,112)	-
(Gain) loss on financial derivatives	(5,038,970)	852,941	(166,063,058)	27,885,247
Dividends received from related parties	(37,187,204)	(48,526,640)	(1,330,051,507)	(1,567,971,907)
Employee benefit obligations	16,634,629	10,530,117	580,240,360	341,960,473
Loss (gain) on foreign exchange	12,175,731	(10,830,198)	416,275,688	(351,762,301)
Interest income higher than interest expenses	(61,271,460)	(69,898,392)	(2,095,358,172)	(2,262,915,835)
	1,768,574,594	2,530,428,302	60,429,753,905	82,158,552,164
Changes in operating assets (increase) decrease				
Account receivable - parent company	58,910,428	279,767,223	2,014,086,819	9,086,773,685
Trade accounts receivable	1,041,842	1,872,487	35,619,492	60,817,946
Other accounts receivable	17,160,025	2,244,265	586,683,577	72,893,214
Inventories	438,415	(875,974)	14,988,977	(28,451,438)
Materials and supplies, net	(25,453,411)	(10,483,369)	(870,225,885)	(340,497,348)
Working capital from co-venturers	(2,803,724)	(4,849,392)	(95,856,425)	(157,507,118)
Other current assets	7,793,230	2,709,509	266,442,502	88,004,204
Other non-current assets	355,174	(96,791)	12,143,030	(3,143,747)
Changes in operating liabilities increase (decrease)				
Trade accounts payable	(135,560,393)	(113,415,481)	(4,634,670,109)	(3,683,708,183)
Working capital to co-venturers	344,850	(577,684)	11,790,071	(18,763,030)

Notes to financial statements are an integral part of these financial statements.

Statements of Cash Flows

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

	Unit : US Dollar		Unit : Baht	
	2015	2014	2015	2014
The Company				
Changes in operating liabilities increase (decrease) (continued)				
Accrued expenses	(81,149,710)	26,213,554	(2,774,424,940)	851,410,078
Other current liabilities	(10,837,120)	(197,522)	(370,509,978)	(6,415,466)
Other non-current liabilities	(48,638,891)	905,897	(1,662,913,547)	29,423,332
Interest received from bank deposits	10,336,937	16,674,824	353,409,207	541,594,373
Taxation paid	(586,503,387)	(716,613,611)	(20,051,946,282)	(23,275,441,775)
	(794,565,735)	(516,722,065)	(27,165,383,491)	(16,783,011,273)
Net cash provided by operating activities	974,008,859	2,013,706,237	33,264,370,414	65,375,540,891
Cash flows from investing activities				
Increase in short-term investments	(251,659,760)	-	(8,603,987,791)	-
Increase in short-term loans to related parties	(92,541,656)	(59,841,008)	(3,163,903,834)	(1,943,621,879)
Cash received from long-term loans to related parties	1,244,659,024	1,898,126,627	42,553,609,122	61,650,707,005
Cash payments for long-term loans to related parties	(1,945,224,767)	(2,528,689,821)	(66,505,229,787)	(82,131,251,403)
Increase in investments in subsidiaries	(74,011)	-	(2,530,372)	-
Dividends received from related parties	37,187,204	48,526,640	1,271,392,188	1,576,133,856
Interest received from short-term investments	9,018,758	-	308,342,055	-
Interest received from loans	98,215,047	122,239,690	3,357,871,224	3,970,316,411
Increase in property, plant and equipment	(701,134,658)	(859,312,758)	(23,971,071,294)	(27,910,276,534)
Increase in intangible assets	(40,370,835)	(28,732,501)	(1,380,237,240)	(933,224,876)
	(1,641,925,654)	(1,407,683,131)	(56,135,745,729)	(45,721,217,420)
Net cash used in investing activities				
Cash flows from financing activities				
Increase in short-term loans from related parties	659,920,569	155,493,606	22,562,004,075	5,050,395,789
Proceeds from issuance of debentures	-	601,455,768	-	19,535,142,082
Payments of debentures	(50,000,000)	(360,086,421)	(1,709,448,464)	(11,695,522,372)
Interest paid for loans	(63,258,692)	(59,065,725)	(2,162,749,486)	(1,918,440,879)
Net cash payment for financial derivative contract	-	(29,413,579)	-	(955,346,137)
Cash payments for finance costs	-	(735,207)	-	(23,879,373)
Proceeds from issuance of subordinated capital debentures	-	1,000,000,000	-	32,479,765,106
Interest paid for subordinated capital debentures	(65,892,474)	(33,398,721)	(2,252,795,760)	(1,084,782,597)
Cash payments for finance costs from issuance of subordinated capital debentures	-	(4,467,543)	-	(145,104,752)
Dividends paid	(297,702,344)	(735,572,774)	(10,178,136,295)	(23,891,230,923)
	183,067,059	534,209,404	6,258,874,070	17,350,995,944
Net cash provided by financing activities				
Net increase (decrease) in cash and cash equivalents	(484,849,736)	1,140,232,510	(16,612,501,245)	37,005,319,415
Cash and cash equivalents at the beginning of the year	2,877,077,661	1,728,057,890	94,837,250,254	56,703,742,372
	2,392,227,925	2,868,290,400	78,224,749,009	93,709,061,787
Adjustment for the effect of exchange rate changes	620,777	8,787,261	8,129,752,770	1,128,188,467
	2,392,848,702	2,877,077,661	86,354,501,779	94,837,250,254
Cash and cash equivalents at the end of the year				
Supplementary cash flow information				
Unpaid for outstanding payable from purchases of property, plant and equipment	265,808,982	221,712,083	9,087,735,111	7,201,156,378
Long-term loans to related parties for interest rollover	61,007,563	24,746,840	2,085,785,680	803,771,546

Notes to financial statements are an integral part of these financial statements.

Notes to Financial Statements

PTT Exploration And Production Public Company Limited And Subsidiaries

For the Year Ended December 31, 2015

1. General Information

PTT Exploration and Production Public Company Limited (the Company) is registered as a company in Thailand and listed on the Stock Exchange of Thailand. The address of its registered office is 555/1 Energy Complex Building A, 6th and 19th – 36th Floor, Vibhavadi-Rangsit Road, Chatuchak, Bangkok 10900.

The principal business operations of the Company, subsidiaries, associates, joint ventures and joint operations (the Group) are exploration and production of petroleum in Thailand and overseas, foreign gas pipeline transportation and investment in projects strategically connected to the energy business.

As at December 31, 2015, the Group had operations relating to the exploration and production of petroleum in 11 countries and had investments in exploration and production projects with participating interests as follows:

Project	Country	Operator	Company's participating interest	
			2015	2014
PTT Exploration and Production Public Company Limited				
Bongkot	Thailand	PTT Exploration and Production Plc.	44.4445	44.4445
Arthit	Thailand	PTT Exploration and Production Plc.	80	80
Contract 4 (B12/27)	Thailand	Chevron Thailand Exploration and Production, Ltd.	45	45
Sinphuhorm (E5 North)	Thailand	PTTEP SP Limited	20	20
S1	Thailand	PTTEP Siam Limited	25	25
Contract 3 (B10, B11, B12 and B13)	Thailand	Chevron Thailand Exploration and Production, Ltd.	5	5
E5	Thailand	ExxonMobil Exploration and Production Khorat Inc.	20	20
Algeria Hassi Bir Rekaiz	People's Democratic Republic of Algeria	PTT Exploration and Production Plc.	24.5	24.5

Project	Country	Operator	Company's participating interest	
			2015	2014
PTTEP International Limited (PTTEPI)				
Yadana	Republic of the Union of Myanmar	Total E&P Myanmar	25.50	25.50
Yetagun	Republic of the Union of Myanmar	Petronas Carigali Myanmar (Hong Kong) Ltd.	19.31784	19.31784
PTTEP 1	Thailand	PTTEP International Limited	100	100
G4/43	Thailand	Chevron Offshore (Thailand) Ltd.	21.375	21.375
G9/43	Thailand - Kingdom of Cambodia	PTTEP International Limited	100	100
L22/43	Thailand	PTTEP International Limited	100	100
L53/43 and L54/43	Thailand	PTTEP International Limited	100	100
G4/48	Thailand	Chevron Pattani, Ltd.	5	5
Bongkot (G12/48)	Thailand	PTTEP International Limited	44.4445	44.4445
L28/48 ¹	Thailand	PTTEP International Limited	70	70
A4/48 and A5/48 ²	Thailand	PTTEP International Limited	-	100
Contract 4 (G7/50)	Thailand	Chevron Petroleum (Thailand), Ltd.	45	45
Arthit (G8/50)	Thailand	PTTEP International Limited	80	80
Zawtika	Republic of the Union of Myanmar	PTTEP International Limited	80	80
Myanmar M3	Republic of the Union of Myanmar	PTTEP International Limited	80	80
Myanmar M11 ³	Republic of the Union of Myanmar	PTTEP International Limited	100	52.9412
MTJDA-B17	Thailand – Malaysia	Carigali-PTTEPI Operating Company Sendirian Berhad	50	50
PTTEP Offshore Investment Company Limited (PTTEPO)				
B8/32 and 9A ⁴	Thailand	Chevron Offshore (Thailand) Ltd.	25.0010	25.0010
PTTEP Southwest Vietnam Company Limited (PTTEP SV)				
Vietnam 52/97	Vietnam	Chevron Vietnam (Block 52), Ltd.	7	7
PTTEP Kim Long Vietnam Company Limited (PTTEP KV)				
Vietnam B and 48/95	Vietnam	Chevron Vietnam (Block B), Ltd.	8.50	8.50

Notes to Financial Statements

Project	Country	Operator	Company's participating interest	
			2015	2014
PTTEP Hoang-Long Company Limited (PTTEP HL)				
Vietnam 16-1	Vietnam	Hoang-Long Joint Operating Company	28.50	28.50
PTTEP Hoan-Vu Company Limited (PTTEP HV)				
Vietnam 9-2	Vietnam	Hoan-Vu Joint Operating Company	25	25
PTTEP Oman Company Limited (PTTEP OM)				
Oman 44	Sultanate of Oman	PTTEP Oman Company Limited	100	100
PTTEP Algeria Company Limited (PTTEP AG)				
Algeria 433a and 416b	People's Democratic Republic of Algeria	Groupement Bir Seba	35	35
PTTEP Siam Limited (PTTEPS)				
Sinphuhorm (EU-1)	Thailand	PTTEP SP Limited	20	20
B6/27 ⁵	Thailand	PTTEP Siam Limited	60	60
S1	Thailand	PTTEP Siam Limited	75	75
PTTEP Semai II Limited (PTTEP SM)				
Indonesia Semai II ⁶	Indonesia	Murphy Semai Oil Co., Ltd	28.33	28.33
PTTEP South Asia Limited (PTTEP SA)				
Myanmar PSC G and EP 2 ⁷	Republic of the Union of Myanmar	PTTEP South Asia Limited	70	90
Myanmar MD-7 and MD-8	Republic of the Union of Myanmar	PTTEP South Asia Limited	100	100
Myanmar MOGE 3 ⁸	Republic of the Union of Myanmar	PTTEP South Asia Limited	75	85
PTTEP South Mandar Limited (PTTEP SMD)				
Indonesia South Mandar ⁹	Indonesia	PTTEP South Mandar Limited	50.7463	50.7463

Project	Country	Operator	Company's participating interest	
			2015	2014
PTTEP Malunda Limited (PTTEP ML)				
Indonesia Malunda ¹⁰	Indonesia	PTTEP Malunda Limited	100	100
PTTEP Sadang Limited (PTTEP SD)				
Indonesia Sadang ¹¹	Indonesia	Talisman Sadang B.V.	-	30
PTTEP Canada Limited (PTTEP CA)				
Mariana Oil Sands ¹²	Canada	PTTEP Canada Limited	100	100

PTTEP Australia Perth Pty Limited (PTTEP AP)

PTTEP Australasia * Commonwealth of Australia

* Details of operators and participating interests in PTTEP Australasia project are as follows:

Block	Operator	Company's participating interest	
		2015	2014
AC/L7, AC/L8, AC/RL7, AC/RL12 ¹³ and AC/P54	PTTEP Australasia (Ashmore Cartier) Pty Limited	100	100
AC/P34 ¹⁴	PTTEP Australasia (Ashmore Cartier) Pty Limited	-	100
AC/L1, AC/L2 and AC/L3	PTTEP Australasia (Ashmore Cartier) Pty Limited	89.6875	89.6875
AC/RL10	PTTEP Australia Timor Sea Pty Limited	90	90
AC/RL4 (Tenacious)	PTTEP Australia Timor Sea Pty Limited	100	100
AC/RL6 (Audacious), AC/RL6 (exclusive of Audacious)	PTTEP Australia Timor Sea Pty Limited	50	50
AC/RL4 (exclusive of Tenacious), AC/RL5 ¹⁵	PTTEP Australia Timor Sea Pty Limited	100	50
WA-396-P and WA-397-P	Woodside Energy Limited	20	20

Project	Country	Operator	Company's participating interest	
			2015	2014
Cove Energy Limited (Cove)				
Mozambique Rovuma Offshore Area 1	Republic of Mozambique	Anadarko Mozambique Area 1 Limitada	8.5	8.5
Mozambique Rovuma Onshore ¹⁶	Republic of Mozambique	Anadarko Mozambique Area 1 Limitada	10	10
Kenya L10 A ¹⁷	Republic of Kenya	BG Kenya Limited	-	31.25
Kenya L5, L7, L11 A, L11 B and L12	Republic of Kenya	Anadarko Kenya Company	10	10

Notes to Financial Statements

Project	Country	Operator	Company's participating interest	
			2015	2014
Natuna 2 B.V. (Natuna 2)				
Natuna Sea A	Indonesia	Premier Oil Natuna Sea BV	11.5	11.5
PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL)				
Bararinas AP 1	Federative Republic of Brazil	BG E&P Brasil Limitada	25	25
Brazil BM-ES-23	Federative Republic of Brazil	Petrobras	20	20
PTTEP SP Limited (PTTEP SP)				
Contract 4 (B12/27)	Thailand	Chevron Thailand Exploration and Production, Ltd.	15	15
Sinphuhorm (E5 North and EU-1)	Thailand	PTTEP SP Limited	35	35
PTTEP G7 Limited (PTTEP G7)				
Contract 4 (G7/50)	Thailand	Chevron Petroleum (Thailand), Ltd.	15	15

¹ On November 24, 2015, PTTEP International Limited (PTTEPI), an operator of the exploration Block L28/48 had submitted the notification letter to return the whole participating interests in exploration Block L28/48 after the fulfillment of the exploration requirements. The return will be effective after the official approval from the Department of Mineral Fuels.

² On June 9, 2015, PTTEP International Limited (PTTEPI), an operator of the exploration Block A4/48 and A5/48, received the official approval letter of the return of the concession Block A4/48 and A5/48 from the Department of Mineral Fuels after the fulfillment of the concession requirements.

³ On December 9, 2015, PTTEP International Limited (PTTEPI) received the official approval from the Government of Republic of the Union of Myanmar for the transfer of the participating interests in the Myanmar M11 Project from the other joint venture. As a result, PTTEPI's participating interests in the project increased from 52.9412% to 100% with an effective date on October 23, 2014.

⁴ PTTEP Offshore Investment Company Limited (PTTEPO) has shareholding in Orange Energy Limited and B8/32 Partners Limited, which hold the project's concession.

⁵ On November 28, 2014, another joint venture of the B6/27 Project, in which PTTEP Siam Limited (PTTEPS) was an operator, had terminated its 40% participating interests which was effective on January 1, 2015 based on Joint Operating Agreement. The termination is under the process of approval from the Department of Mineral Fuels.

⁶ On November 7, 2014, PTTEP Semai II Limited (PTTEP SM) and its joint ventures had submitted a request to terminate and return the exploration block of Indonesia Semai II Project after the fulfilment of the requirements of the Production Sharing Contract. The termination will be effective after receiving the official approval from the Government of Indonesia.

⁷ On August 27, 2015, PTTEP South Asia Limited (PTTEP SA) received the official approval from the Government of Republic of the Union of Myanmar for the transfer of the participating interests in the Myanmar PSC G and EP 2 Projects to the other joint venture. As a result, PTTEP SA's participating interests in the projects decreased from 90% to 70%. PTTEP SA continues to be an operator of these projects.

⁸ On November 16, 2015, PTTEP South Asia Limited (PTTEP SA) received the official approval from the Government of Republic of the Union of Myanmar for the transfer of the participating interests in the Myanmar Oil and Gas Enterprise (MOGE) to the other joint venture. As a result, PTTEP SA's participating interests in the project decreased from 85 to 75%. PTTEP SA continues to be an operator of this project.

⁹ On July 24, 2015, PTTEP South Mandar Limited (PTTEP SMD) received the official approval from the Government of Indonesia for the transfer of the participating interests in the Indonesia South Mandar Project from the other joint venture. As a result, PTTEP SMD's participating interests in the project increased from 34% to 50.7463%. PTTEP SMD continues to be an operator of this project. During the year 2015, PTTEP SMD had submitted a request to terminate and return the exploration block of Indonesia South Mandar Project after the fulfilment of the requirements of the Production Sharing Contract. The termination will be effective after receiving the official approval from the Government of Indonesia.

¹⁰ On May 8, 2015, PTTEP Malunda Limited (PTTEP ML) had submitted a request to terminate and return the exploration block of Indonesia Malunda Project after the fulfilment of the requirements of the Production Sharing Contract. The termination will be effective after receiving the official approval from the Government of Indonesia.

¹¹ On February 2, 2015, PTTEP Sadang Limited (PTTEP SD) and its joint ventures received the official approval from the Government of Indonesia to terminate and return the exploration block of Indonesia Sadang Project.

¹² The additional information is disclosed in Note 7 - Restructuring of the Ownership Interests in Canada Oil Sands KKD (KKD) Project.

¹³ The exploration Block name changed from AC/P33 to AC/RL12.

¹⁴ On June 9, 2015, PTTEP Australasia (Ashmore Cartier) Pty Limited submitted a request to terminate the 100% participating interests in the exploration Block AC/P34 and received the official approval from the Government of Commonwealth of Australia on August 14, 2015.

¹⁵ On November 25, 2015, PTTEP Australia Timor Sea Pty Limited received the official approval from the Government of Commonwealth of Australia for the transfer of the participating interests in the exploration Block AC/RL4 and AC/RL5 from the other joint venture. As a result, its participating interests increased from 50% to 100%.

¹⁶ On July 20, 2015, Cove Energy Mozambique Rovuma Onshore Limited (CEMROL) had submitted a request to terminate its 10% participating interests in Mozambique Rovuma Onshore. The termination will be effective after receiving the official approval from the Government of Republic of Mozambique.

¹⁷ On July 15, 2015, Cove Energy Kenya Limited (CEKL) received the official approval from the Government of Republic of Kenya to terminate its 31.25% participating interests in the Kenya L10 A Project.

2. Basis of Financial Statement Preparation

The consolidated and the Company financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act, B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act, B.E. 2547 including the interpretation and accounting guidance announced by the Federation of Accounting Professions, as well as the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act, B.E. 2535.

On September 28, 2011, the Department of Business Development announced the Notification about minimum requirement in relation to the format of the financial statements B.E. 2554, under the Accounting Act, B.E. 2543, section 11, clause 3. The notification has been effective for the accounting periods beginning on or after January 1, 2011. The consolidated and the Company financial statements have complied with the above notification and there is no material impact to the financial statements presented herewith.

The Group's management has determined US Dollar as the functional currency and presents its financial statements in US Dollar. However, the Stock Exchange of Thailand and the Department of Business Development require the entity to present its financial statements in Thai Baht, so the Group also presents its financial statements in Thai Baht by translating from US Dollar.

Where the Group has entered into joint interest operations in the Concession or the Production Sharing Contract with other parties to participate in exploration, development and production of petroleum businesses, the Group records its share of expenses, assets and liabilities incurred in accordance with the Statements of Expenditures prepared by the operators of the Concession or the Production Sharing Contract. The Statements of Expenditures have been audited by another independent auditor on an annual basis and by the joint venture committee on a regular basis.

The consolidated and the Company financial statements have been prepared under the historical cost basis except as disclosed in the accounting policies.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. Estimates and assumptions are based on management's past experience and other information available which is reasonable in a particular circumstance. Although these estimates and assumptions are based on management's best knowledge of current events and actions, actual results may differ from these estimates and assumptions.

An English-language version of the consolidated and the Company financial statements has been translated from the statutory financial statements which are prepared in the Thai language. In the event of a conflict or difference in the interpretation between the two languages, the Thai-language version of the statutory financial statements shall prevail.

3. New and Revised Accounting Standards, New Financial Reporting Standards, New Interpretation to Accounting Standards and New Interpretation to Financial Reporting Standards

New and revised accounting standards, financial reporting standards, interpretation to accounting standards and interpretation to financial reporting standards which are published in the Government Gazette during the year are as follows:

- Effective for the periods beginning on or after January 1, 2015

Thai Accounting Standard No. 1 (Revised 2014)	Presentation of financial statements
Thai Accounting Standard No. 2 (Revised 2014)	Inventories
Thai Accounting Standard No. 7 (Revised 2014)	Statement of cash flows
Thai Accounting Standard No. 8 (Revised 2014)	Accounting policies, changes in accounting estimates and errors
Thai Accounting Standard No. 10 (Revised 2014)	Events after the reporting period
Thai Accounting Standard No. 11 (Revised 2014)	Construction contracts
Thai Accounting Standard No. 12 (Revised 2014)	Income taxes
Thai Accounting Standard No. 16 (Revised 2014)	Property, plant and equipment
Thai Accounting Standard No. 17 (Revised 2014)	Leases
Thai Accounting Standard No. 18 (Revised 2014)	Revenue
Thai Accounting Standard No. 19 (Revised 2014)	Employee benefits
Thai Accounting Standard No. 20 (Revised 2014)	Accounting for government grants and disclosure of government assistance
Thai Accounting Standard No. 21 (Revised 2014)	The effects of changes in foreign exchange rates
Thai Accounting Standard No. 23 (Revised 2014)	Borrowing cost
Thai Accounting Standard No. 24 (Revised 2014)	Related party disclosures
Thai Accounting Standard No. 26 (Revised 2014)	Accounting and reporting by retirement benefit plans
Thai Accounting Standard No. 27 (Revised 2014)	Separate financial statements
Thai Accounting Standard No. 28 (Revised 2014)	Investments in associates and joint ventures
Thai Accounting Standard No. 29 (Revised 2014)	Financial reporting in hyperinflationary economies
Thai Accounting Standard No. 33 (Revised 2014)	Earnings per share

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Thai Accounting Standard No. 34 (Revised 2014)	Interim financial reporting
Thai Accounting Standard No. 36 (Revised 2014)	Impairment of assets
Thai Accounting Standard No. 37 (Revised 2014)	Provisions, contingent liabilities and contingent assets
Thai Accounting Standard No. 38 (Revised 2014)	Intangible assets
Thai Accounting Standard No. 40 (Revised 2014)	Investment property
Thai Financial Reporting Standard No. 2 (Revised 2014)	Share-based payment
Thai Financial Reporting Standard No. 3 (Revised 2014)	Business combinations
Thai Financial Reporting Standard No. 5 (Revised 2014)	Non-current assets held for sale and discontinued operations
Thai Financial Reporting Standard No. 6 (Revised 2014)	Exploration for and evaluation of mineral resources
Thai Financial Reporting Standard No. 8 (Revised 2014)	Operating segments
Thai Financial Reporting Standard No. 10	Consolidated financial statements
Thai Financial Reporting Standard No. 11	Joint arrangements
Thai Financial Reporting Standard No. 12	Disclosure of interests in other entities
Thai Financial Reporting Standard No. 13	Fair value measurement
Thai Standing Interpretations Committee No. 10 (Revised 2014)	Government assistance – no specific relation to operating activities
Thai Standing Interpretations Committee No. 15 (Revised 2014)	Operating leases - incentives
Thai Standing Interpretations Committee No. 25 (Revised 2014)	Income taxes – changes in the tax status of an entity or its shareholders
Thai Standing Interpretations Committee No. 27 (Revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
Thai Standing Interpretations Committee No. 29 (Revised 2014)	Service concession arrangements : Disclosures
Thai Standing Interpretations Committee No. 31 (Revised 2014)	Revenue – barter transactions involving advertising services
Thai Standing Interpretations Committee No. 32 (Revised 2014)	Intangible assets – web site costs
Thai Financial Reporting Interpretations Committee No. 1 (Revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
Thai Financial Reporting Interpretations Committee No. 4 (Revised 2014)	Determining whether an arrangement contains a lease
Thai Financial Reporting Interpretations Committee No. 5 (Revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds

Thai Financial Reporting Interpretations Committee No. 7 (Revised 2014)	Applying the restatement approach under TAS 29 (Revised 2014) "Financial Reporting in Hyperinflationary Economies"
Thai Financial Reporting Interpretations Committee No. 10 (Revised 2014)	Interim financial reporting and impairment
Thai Financial Reporting Interpretations Committee No. 12 (Revised 2014)	Service concession arrangements
Thai Financial Reporting Interpretations Committee No. 13 (Revised 2014)	Customer loyalty programmes
Thai Financial Reporting Interpretations Committee No. 14	TAS 19 (Revised 2014) "Employee benefits" – the limit on a defined benefit asset, minimum funding requirements and their interaction
Thai Financial Reporting Interpretations Committee No. 15 (Revised 2014)	Agreements for the construction of real estate
Thai Financial Reporting Interpretations Committee No. 17 (Revised 2014)	Distributions of non-cash assets to owners
Thai Financial Reporting Interpretations Committee No. 18 (Revised 2014)	Transfers of assets from customers
Thai Financial Reporting Interpretations Committee No. 20	Stripping costs in the production phase of a surface mine

The implementation of these new and revised accounting standards, financial reporting standards, interpretation to accounting standards and interpretation to financial reporting standards has no significant impact to the financial statements presented, except for the following standards:

From January 1, 2015, the Group has adopted Thai Accounting Standard No.1 (Revised 2014) "Presentation of financial statements" which adds the requirement for the entity to present items in "Other Comprehensive Income (OCI)" on the criteria whether the transactions could be subsequently reclassified to profit or loss (reclassification adjustments) or not. The adoption of this standard impacts the presentation of the statement of comprehensive income. The Group has presented and reclassified the comparative financial statements in accordance with this revised standard. However, this change does not impact the operating result of the Group.

From January 1, 2015, the Group has adopted Thai Financial Reporting Standards No. 10 "Consolidated financial statements", No. 11 "Joint arrangements" and No. 12 "Disclosure of interests in other entities", including Thai Accounting Standard No. 27 (Revised 2014) "Separate financial

statements” and No. 28 (Revised 2014) “Investments in associates and joint ventures”, respectively. Thai Accounting Standard No. 27 (Revised 2014) provides accounting guidance for separate financial statements while Thai Accounting Standard No. 28 (Revised 2014) provides accounting guidance for investments in associates and joint ventures accounted for using equity method.

Thai Financial Reporting Standard No. 10 has established principles of control for the determination of which entities should be included in the consolidated financial statements and will be applied to all types of entities, including structured entities. This new standard provides the guidance to determine that the investor has control over the investee once it has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns.

Thai Financial Reporting Standard No. 11 has established accounting principles for all joint arrangements. Under this standard, each party to the arrangements is required to classify its joint arrangements as either “Joint Operation” or “Joint Venture”.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The standard requires the entity classified as joint operation to recognize for its share of assets, liabilities, revenues and expenses relating to the joint operation, and the joint venturer to recognize its investment in joint arrangement using equity method.

Thai Financial Reporting Standard No. 12 combines all the disclosure requirements for the Group’s interests in subsidiaries, joint arrangements, associates and structured entities into one comprehensive disclosure standard.

The impact from the adoption of these standards primarily related to the consideration of the definition of Group’s joint arrangements that were previously defined as joint operations in which the Group recognized for its share of assets, liabilities, revenues and expenses relating to the joint operations, but then fell under the definition of joint ventures in which the Group recognized its investments in joint ventures using the equity method. The adoption of these standards had no material impact to the operating results and net assets, but had impact to the classification of the consolidated statements of financial position, the consolidated statements of income and of comprehensive income for the year ended December 31, 2015.

The Group has retrospectively adjusted for the change in the accounting policies. The impacts from the change in the accounting policies of the consolidated statements of financial position, the consolidated statements of income and of comprehensive income as at January 1, 2014 and December 31, 2014 are presented in Note 5 – Change in Presentation and Change in Accounting Policies.

■ Effective for the periods beginning on or after January 1, 2016

Thai Accounting Standard No. 1 (Revised 2015)	Presentation of financial statements
Thai Accounting Standard No. 2 (Revised 2015)	Inventories
Thai Accounting Standard No. 7 (Revised 2015)	Statement of cash flows
Thai Accounting Standard No. 8 (Revised 2015)	Accounting policies, changes in accounting estimates and errors
Thai Accounting Standard No. 10 (Revised 2015)	Events after the reporting period
Thai Accounting Standard No. 11 (Revised 2015)	Construction contracts
Thai Accounting Standard No. 12 (Revised 2015)	Income taxes
Thai Accounting Standard No. 16 (Revised 2015)	Property, plant and equipment
Thai Accounting Standard No. 17 (Revised 2015)	Leases
Thai Accounting Standard No. 18 (Revised 2015)	Revenue
Thai Accounting Standard No. 19 (Revised 2015)	Employee benefits
Thai Accounting Standard No. 20 (Revised 2015)	Accounting for government grants and disclosure of government assistance
Thai Accounting Standard No. 21 (Revised 2015)	The effects of changes in foreign exchange rates
Thai Accounting Standard No. 23 (Revised 2015)	Borrowing costs
Thai Accounting Standard No. 24 (Revised 2015)	Related party disclosures
Thai Accounting Standard No. 26 (Revised 2015)	Accounting and reporting by retirement benefit plans
Thai Accounting Standard No. 27 (Revised 2015)	Separate financial statements
Thai Accounting Standard No. 28 (Revised 2015)	Investments in associates and joint ventures
Thai Accounting Standard No. 29 (Revised 2015)	Financial reporting in hyperinflationary economies
Thai Accounting Standard No. 33 (Revised 2015)	Earnings per share
Thai Accounting Standard No. 34 (Revised 2015)	Interim financial reporting
Thai Accounting Standard No. 36 (Revised 2015)	Impairment of assets
Thai Accounting Standard No. 37 (Revised 2015)	Provisions, contingent liabilities and contingent assets
Thai Accounting Standard No. 38 (Revised 2015)	Intangible assets

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Thai Accounting Standard No. 40 (Revised 2015)	Investment property
Thai Accounting Standard No. 41 (Revised 2015)	Agriculture
Thai Financial Reporting Standard No. 2 (Revised 2015)	Share-based payment
Thai Financial Reporting Standard No. 3 (Revised 2015)	Business combinations
Thai Financial Reporting Standard No. 4 (Revised 2015)	Insurance Contracts
Thai Financial Reporting Standard No. 5 (Revised 2015)	Non-current assets held for sale and discontinued operations
Thai Financial Reporting Standard No. 6 (Revised 2015)	Exploration for and evaluation of mineral resources
Thai Financial Reporting Standard No. 8 (Revised 2015)	Operating segments
Thai Financial Reporting Standard No. 10 (Revised 2015)	Consolidated financial statements
Thai Financial Reporting Standard No. 11 (Revised 2015)	Joint arrangements
Thai Financial Reporting Standard No. 12 (Revised 2015)	Disclosure of interests in other entities
Thai Financial Reporting Standard No. 13 (Revised 2015)	Fair value measurement
Thai Standing Interpretations Committee No. 10 (Revised 2015)	Government assistance – no specific relation to operating activities
Thai Standing Interpretations Committee No. 15 (Revised 2015)	Operating leases - incentives
Thai Standing Interpretations Committee No. 25 (Revised 2015)	Income taxes – changes in the tax status of an entity or its shareholders
Thai Standing Interpretations Committee No. 27 (Revised 2015)	Evaluating the substance of transactions involving the legal form of a lease
Thai Standing Interpretations Committee No. 29 (Revised 2015)	Service concession arrangements : Disclosures
Thai Standing Interpretations Committee No. 31 (Revised 2015)	Revenue – barter transactions involving advertising services
Thai Standing Interpretations Committee No. 32 (Revised 2015)	Intangible assets – web site costs
Thai Financial Reporting Interpretations Committee No. 1 (Revised 2015)	Changes in existing decommissioning, restoration and similar liabilities
Thai Financial Reporting Interpretations Committee No. 4 (Revised 2015)	Determining whether an arrangement contains a lease
Thai Financial Reporting Interpretations Committee No. 5 (Revised 2015)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
Thai Financial Reporting Interpretations Committee No. 7 (Revised 2015)	Applying the restatement approach under TAS 29 (Revised 2015) “Financial Reporting in Hyperinflationary Economies”

Thai Financial Reporting Interpretations Committee No. 10 (Revised 2015)	Interim financial reporting and impairment
Thai Financial Reporting Interpretations Committee No. 12 (Revised 2015)	Service concession arrangements
Thai Financial Reporting Interpretations Committee No. 13 (Revised 2015)	Customer loyalty programmes
Thai Financial Reporting Interpretations Committee No. 14 (Revised 2015)	TAS 19 (Revised 2015) “Employee Benefits” – the limit on a defined benefit asset, minimum funding requirements and their interaction
Thai Financial Reporting Interpretations Committee No. 15 (Revised 2015)	Agreements for the construction of real estate
Thai Financial Reporting Interpretations Committee No. 17 (Revised 2015)	Distributions of non-cash assets to owners
Thai Financial Reporting Interpretations Committee No. 18 (Revised 2015)	Transfers of assets from customers
Thai Financial Reporting Interpretations Committee No. 20 (Revised 2015)	Stripping costs in the production phase of a surface mine
Thai Financial Reporting Interpretations Committee No. 21	Levies

Currently, the Group's management is assessing the impact of the implementation of these revised accounting standards, financial reporting standards, interpretation to accounting standards and interpretation to financial reporting standards. The Group has yet to early adopt these revised standards.

4. Significant Accounting Policies

4.1 Preparation of Consolidated Financial Statements

The consolidated financial statements comprise the Company, subsidiaries, associates, joint ventures and joint operations. The major inter-company transactions between the Company, subsidiaries, associates, joint ventures and joint operations are eliminated from the consolidated financial statements.

Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns using its power over the entity, including the authority to control the finance and operation policies and generally has more than one half of the voting rights. In assessing the ability to control other entities, the Group considers the existence and the impact of the convertible rights of the instruments, including the potential voting rights in which other entities within the Group have interests. Subsidiaries are consolidated from the date on which control is transferred to the Group and will be disconsolidated from the date that control ceases.

The Group uses the purchase method of accounting to account for the acquisition of subsidiaries. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred at the date of exchange, plus other costs directly attributable to the acquisition. Identifiable assets and liabilities acquired from a business combination are measured initially at their fair values at the acquisition date.

The excess of the cost of acquisition over the fair value of the Group's share of the subsidiary's identifiable net assets acquired is recorded as goodwill. On the other hand, if the cost of acquisition is less than the fair value of the Group's share of the subsidiary's identifiable net assets, the difference is recognized immediately in the statement of income.

Investments in subsidiaries are accounted for at cost less provision for impairment in the Company financial statements. The cost is adjusted to reflect changes in contingent consideration expected to be paid. The cost also includes direct attributable costs of investment.

A list of subsidiaries is set out in Note 18.

Associates

Associates are those entities over which the Group has significant influence over their finance and operation policies, but does not have the ability to control. Investments in associates are accounted for using the equity method in the consolidated financial statements from the date on which the Group gains significant influence until the date that significant influence ceases.

Under the equity method, the investment is initially recognized at cost. Subsequently, the carrying amount is increased or decreased based on the investor's share of the profit or loss of the investee. The Group's investment in associates includes goodwill identifiable on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, the Group will reclassify only a proportionate decrease in share ownership previously recognized in other comprehensive income to profit or loss.

The Group's share of its associates' post-acquisition profits or losses and its share of post-acquisition profits or losses in other comprehensive income (loss) are recognized in the statement of income and statement of other comprehensive income, respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investments. When the Group's share of losses in associates equals or exceeds its interest in the associates, the Group does not recognize further losses, unless it has incurred obligations or has committed to make payments for the liabilities on behalf of the associates.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If the indicators exist, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount to the share of profit (loss) of associates in the statement of income.

Investments in associates are accounted for at cost less provision for impairment in the Company financial statements. The cost is adjusted to reflect changes in contingent consideration expected to be paid. The cost also includes direct attributable costs of investment.

A list of associates is set out in Note 18.

Joint Arrangements

The Group has applied TFRS11 "Joint Arrangements" to all of its joint arrangements starting from January 1, 2015. Under TFRS11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures and joint operations.

Joint Ventures

Joint ventures are accounted for using the equity method. Investments in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income (loss) based on its share proportion. When the Group's share of losses in joint ventures equals or exceeds its interests in the joint ventures (including any long-term interests that, in substance, form part of the Group's net investments in the joint ventures), the Group will not recognize further losses, unless it has incurred obligations or has committed to make payments for the liabilities on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, accounting policies of the joint ventures have been changed to be consistent with the policies adopted by the Group.

Investments in joint ventures are accounted for at cost less provision for impairment in the Company financial statements. The cost is adjusted to reflect changes in contingent consideration expected to be paid. The cost also includes direct attributable costs of investment.

Joint Operations

The Group has classified its investments in the joint arrangements in which the group has the rights to the assets, and obligations for the liabilities relating to the arrangement as joint operations. The Group recognized for its share of assets, liabilities, revenues and expenses relating to the joint operations in accordance with the Group's accounting policies which relate to those assets, liabilities, revenues and expenses.

The Group has not recognized its share of profit or loss resulting from the purchase of assets from the joint operations until the assets are sold to an independent third party.

If there is an evidence indicating that the net book value of the joint operations reduces or is impaired, the Group will recognize loss immediately in the statement of income.

The impact for the change in the accounting policies to the financial position, profit and loss, and other comprehensive income and loss of the Group as at January 1, 2014 and December 31, 2014 are disclosed in Note 5 - Change in Presentation and Change in Accounting Policies.

For details of joint ventures and joint operations, please refer to Note 18.

Related Parties

Related parties are those entities that directly or indirectly control, or are controlled by the Company, or are under common control with the Company. They also include holding companies, subsidiaries, fellow subsidiaries, associates and joint ventures.

In considering each relationship between parties, attention is directed to the substance of the relationship, not merely the legal form.

4.2 Foreign Currency Translation

Transactions included in the financial statements of each entity in the Group are measured using US Dollar which is the Group's functional currency.

Foreign currency transactions are translated into functional currency at the exchange rates ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currency remaining at the statement of financial position date are translated into functional currency at the exchange rate ruling on the statement of financial position date. Gains and losses arising from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income in the period in which they are incurred.

To comply with the financial reporting requirements of the Stock Exchange of Thailand and the Department of Business Development, the Group presents the consolidated financial statements by translating from US Dollar to Thai Baht. The assets and liabilities are translated into Thai Baht using the average buying and selling rates determined by the Bank of Thailand at period-end, whereas the statement of income is translated using average exchange rates during the period. Differences from such translations have been presented in other comprehensive income (loss).

4.3 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and at banks, and other highly liquid short-term investments with original maturities of three months or less from the date of acquisition.

4.4 Short-term Investments

Short-term investments are investments with fixed maturity more than 3 months but within 12 months from the date of acquisition and the Group intends to hold them to maturity. Short-term investments are subsequently recognized at amortized cost using the effective yield method less provision for impairment. A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investments is higher than its recoverable amount, the Group will recognize the impairment loss of investments in the statement of income.

4.5 Investments in Trading Securities

Investments in trading securities are acquired principally for the purpose of generating a profit from the price fluctuation.

Investments in trading securities are subsequently measured at fair value. The fair value of investments is based on value of net assets of the unit trust. The unrealized gains and losses of investments in trading securities are recognized in the statement of income.

4.6 Trade Accounts Receivable

Trade accounts receivable are carried at net realizable value. An allowance for doubtful accounts is estimated, based on the review of all outstanding trade accounts receivable at the statement of financial position date. The amount of the allowance is the difference between the carrying amount of the accounts receivable and the amount expected to be collected. Doubtful accounts are written-off and recognized as expenses in the statement of income in the year in which they are incurred.

4.7 Inventories

Inventories are stated at the lower of cost or net realizable value. The cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business less the costs of completion and selling expenses.

4.8 Materials and Supplies

Material and supplies are stated at the lower of cost or net realizable value less the allowance for depreciation and obsolescence and unserviceable items used in petroleum exploration and production activities. The costs of materials and supplies costs are determined using the weighted average method. The net realizable value is the estimated selling price in the ordinary course of business less the necessary expenses.

4.9 Investments in Available-For-Sale Securities

Investments in available-for-sale securities are initially recognized at cost, which is equal to the fair value of considered paid plus transaction cost and subsequently measured at fair value. The fair value of investment is based on the quoted bid price at the close of business on the statement of financial position date by reference to the latest quoted bid price from Alternative Investment Market (AIM) in the London Stock Exchange. Unrealized gains or losses of investments in available-for-sale securities are recognized in other comprehensive income (loss).

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is recognized in the statement of income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is recognized as gain or loss.

4.10 Finance Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until the assets are ready for their intended use or sale.

For general borrowings, the Group capitalized the borrowing costs as part of the respective assets using the capitalization rate which is calculated from the weighted average interest rate of the borrowings during the year.

When borrowings are incurred for specific construction or production of qualifying assets, the borrowing costs which are capitalized as part of the costs of the respective assets are borrowing costs incurred during the year less income earned from temporary investment from such borrowings.

The Group records the cost of capital as the deduction from the share premium. The cost of capital comprises of direct expense incurred for capital raising activities, such as, fees, cost of printing the offering memorandum, financial advisor fees, and etc.

Other borrowing costs are recognized as expenses in the period in which they are incurred.

4.11 Property, Plant and Equipment

Property, plant and equipment are presented at cost, after deducting accumulated depreciation and the provision for the impairment of assets.

■ Oil and Gas Properties

The Company follows the Successful Efforts Method in accounting for its assets used for oil and gas exploration and production activities as follows:

Cost of Properties

Costs of properties comprise total acquisition costs of petroleum rights or the costs of the portion of properties as well as the decommissioning costs.

Exploratory drilling costs are capitalized and will be classified as assets of the projects if their exploratory wells have identified proved reserves that have been found to be commercially producible. However, if the exploratory wells have not identified proved reserves or have identified proved reserves but have not been found to be commercially producible, such drilling costs will be expensed in the statement of income.

Exploration costs, comprising geological and geophysical costs as well as area reservation fees during the exploration stage, are charged to expenses in the statement of income when incurred.

Development costs, whether relating to the successful or unsuccessful development of wells, are capitalized.

Depreciation, Depletion and Amortization

The capitalized acquisition costs of petroleum rights are amortized using the unit of production method based on proved reserves. Depreciation of exploratory wells, development, equipment and operating costs of support equipment as well as the decommissioning costs, except unsuccessful projects, are calculated using the unit of production method based on proved reserves or proved developed reserves. The Group recognizes changes in reserve estimates prospectively.

Depreciation for remuneration for the renewal of petroleum production is calculated using the straight-line method with an estimated useful life of 10 years in accordance with the agreement.

Depreciation of processing facilities of oil sand business is calculated using the straight-line method with an estimated useful life of 36 years.

Proved reserves and proved developed reserves are calculated by the engineers of the Company and are based on the information received from the joint operators.

■ Pipelines and Others

Costs of properties comprise purchase prices and other direct costs necessary to bring the asset to working condition suitable for its intended use.

Depreciation of pipelines and others are determined using the straight-line method with an estimated useful life of 1 – 40 years.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds from disposal with the carrying amount and are recognized in the statement of income when incurred.

The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group.

Repair and maintenance costs are recognized as expenses when incurred.

4.12 Carried Costs under Petroleum Sharing Contract

Under Petroleum Sharing Contracts in which the government has a participating interest, some contracts require the contracting parties, excluding the government, to fund the costs of all exploration operations until the first development area is determined. During the exploration period, the contracting parties will carry an agreed upon proportion of the government's exploration costs (Carried Costs). When the project commences production, such carried costs will be fully recouped without interest by the contracting parties from the production of petroleum under the agreed procedures.

The Group classifies the carried costs based on petroleum activities under the Successful Efforts Method. The majority of them are recognized in oil and gas properties, exploration and evaluation assets in the statement of financial position and exploration expenses in the statement of income.

(For details, please refer to Note 23.)

4.13 Goodwill

Goodwill arises from the business combination which is the higher of the fair value of the consideration transferred and the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquired subsidiaries, associates or joint ventures undertaking at the date of acquisition.

Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position, while goodwill on acquisitions of associates and joint ventures is included in investments in associates and joint ventures.

Goodwill is not amortized but is annually tested for impairment. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to a single cash-generating unit or group of cash-generating units that are expected to gain benefit from goodwill from the business combination. Goodwill is presented at cost less accumulated impairment losses.

Impairment losses on goodwill are not reversed. The carrying amount of goodwill is included in the gains and losses on the disposal of business when it is sold.

4.14 Intangible Assets

- **Probable Reserves**

Probable reserves represent reserves that are assessed by the Group at the time when there is a purchase of business. Probable reserves will be classified as oil and gas properties once they are proved reserves and amortized using the unit of production method.

- **Other Intangible Assets**

Other intangible assets comprise expenditures incurred to acquire the computer software licenses and are amortized using the straight-line method over the remaining contract period, or a maximum of 10 years. The carrying amount is reviewed by the Group and the allowance for impairment will be provided whenever events or circumstances indicate that the carrying amount may exceed the recoverable amount.

- **Exploration and Evaluation Assets**

Exploration and evaluation expenditures are capitalized at cost as intangible assets. If the projects have identified the proved reserves that can be commercially viable, the capitalized exploration and evaluation under these projects will be transferred to assets under the projects with proved reserves. Subsequent accounting is described in the accounting policy for property, plant and equipment in Note 4.11.

The capitalized exploration and evaluation expenditure is charged to statement of income in the period in which the projects have not identified proved reserves or have identified proved reserves, but cannot be commercially viable.

4.15 Impairment of Assets

Assets that have an indefinite useful life, for example, goodwill, are not subject to amortization but are tested for impairment annually. Other assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may exceed recoverable amount. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and its value in use, and is recorded in the statement of income. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Estimates of future cash flows used in the evaluation for impairment of assets which relate to petroleum production are made with consideration of the risk assessment on field and reservoir performance which includes the estimate of proved and unproved reserves.

Allowance for impairment of assets, except when relating to goodwill, is reversed as applicable to the extent that the events or circumstances that triggered the original allowance for impairment change. For this circumstance, the increase in the carrying amount of assets from the reversal could not exceed the carrying amount, net of depreciation of the assets, if the Group did not recognize the impairment loss for assets in the prior period.

4.16 Income Taxes

Income tax expenses for the period comprise current and deferred taxes. Income taxes are recognized in profit or loss, except to the extent that they relate to items recognized in other comprehensive income (loss) or items directly recognized in equity which must be recognized in other comprehensive income (loss) or directly recognized in equity, respectively.

The current income taxes are calculated using the tax rates as identified by tax laws enacted or substantively enacted by the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income.

Deferred income taxes are recognized on temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred income taxes are not accounted for if they arise from initial recognition of assets or liabilities in transactions other than a business combination, that at the time, the transactions affect neither accounting nor taxable profit or loss. Deferred income taxes are determined using tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to be applied when the related deferred income tax assets are realized or the deferred income tax liabilities are settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

4.17 Deferred Remuneration under Agreement

The Company has an obligation to make a payment to the buyer (PTT) under the conditions in the Gas Sales Agreement of Arthit project. The remuneration is classified as non-current asset, presented under the caption “Deferred Remuneration under Agreement”, and amortized over the contract life using the straight-line method.

4.18 Borrowings

The Group records its borrowings at the fair value of the proceeds received, net of transaction costs incurred.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the statement of financial position date.

4.19 Leases

- **Leases - where the Group is the lessee**

Leases of property, plant and equipment which substantially transfer all the risks and rewards of ownership to the lessee are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the net present value of the lease payments. Each lease payment is allocated to the principal and to the finance costs so as to achieve a constant interest rate on the liability balance outstanding. The outstanding rental obligations, net of finance costs, are included in liabilities. The interest expenses are recorded in the statement of income over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liabilities for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter period of the useful life of the asset or the lease term.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases are charged to the statement of income on a straight-line basis over the lease period.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which the termination takes place.

- **Leases - where the Group is the lessor**

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income is recognized on a straight-line basis over the lease term.

4.20 Employee Benefits

The Group has recognized employee benefits based on the types of benefits which are post-employment benefits and other long-term benefits.

Post-employment Benefits

The Group has recognized both defined contribution and defined benefit plans as follows:

Defined Contribution Plans

The Group's employees have become members of the following provident funds: "Employee of PTTEP Registered Provident Fund", "Sinsataporn Registered Provident Fund" and "TISCO Ruamtun 1 Registered Provident Fund".

The provident funds are funded by payments from employees and from the Group which are held in a separate trustee-administered fund. The Group contributes to the funds at a rate of 3% - 15% of the employees' salaries which are charged to the statement of income in the period the contributions are made.

Employee Retirement Benefits

The Group's obligation in respect of the retirement benefit plans is calculated by estimating the amount of future benefits that employees will earn in return for their services to the Company and subsidiaries in current and future periods. Such benefits are discounted to the present value using the rate of government debenture yields. The calculation is performed by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income (loss) in the period in which they arise.

Past-service costs are recognized immediately in profit or loss.

Other Long-term Benefits

The Group's other long-term benefits are benefits based on employees' length of service. The Group calculates the amount of these benefits according to the employees' service period.

The expected obligation of these benefits are accrued over the period of employment based on the calculation of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and will be recognized in statement of income in the period in which they arise.

The Group recognizes the obligation in respect of employee benefits in the statement of financial position under "Employee Benefit Obligations" as discussed in Note 30.

4.21 Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

4.22 Reserve for Expansion

The Group has set aside a reserve for expanding its investments in new projects in the exploration phase, which is generally susceptible to high risk, and for exploration of additional petroleum reserves. The reserve for expansion is set aside at no more than 35% of the net taxable income from its exploration and production activities.

4.23 Income Recognition

Sales revenues are recognized upon delivery of products and customer acceptance.

Interest income is recognized on a time proportion basis, taking into account the effective yield on the asset.

Revenues other than those mentioned above are recognized on an accrual basis.

4.24 Deferred Income under Agreements (Take-or-Pay)

Under the Gas Sales Agreements, the Group has obligations to supply minimum quantities of gas to a customer in each contract year. If in any contract year, the customer has not taken the minimum quantities of gas according to the Gas Sales Agreements, the customer shall pay for quantities of gas not taken (Take-or-Pay). If the customer is unable to take the minimum contracted quantities in a given year, the volume of gas that the customer has paid for but has not taken in that year (Make-up) can be taken free of charge in subsequent years. Payments received in advance under these agreements are recognized as deferred income. This deferred income is recognized in the statement of income when the gas is subsequently taken. (For details, please refer to Note 33)

4.25 Earnings per Share

Basic earnings per share are calculated by dividing the income for the year attributable to shareholders less interest expense for subordinated capital debentures by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share are calculated by dividing the income for the year attributable to shareholders less interest expense for subordinated capital debentures by the weighted average number of ordinary shares in issue during the year, adjusted with dilutive potential ordinary shares. The Company assumes that all dilutive potential ordinary shares are converted into ordinary shares.

4.26 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker under Thai Financial Reporting Standard No. 8, "Operating Segments". The chief operating decision-maker is a person responsible for allocating resources and assessing performance of the operating segments that makes strategic decisions.

In considering the segment reporting, the chief operating decision-maker considers product types including geographical areas classified by business segments in which each business segment is identified by different business activities that are subject to risks and returns that are different from those of other business segments.

4.27 Financial Instruments

Financial Assets and Financial Liabilities

The Group classifies its financial assets into 4 categories: (1) at fair value through statement of income, (2) held-to-maturity, (3) loans and receivables and (4) available for sale. The classification depends on the purpose for which the financial assets are acquired. Financial liabilities are classified as (1) at fair value through statement of income, and (2) at amortized cost.

Financial assets and financial liabilities are initially recognized at fair value. In case of financial assets or financial liabilities are not initially recognized at fair value through statement of income, they are recognized at the net amount of fair value and the transaction costs of such financial assets or financial liabilities. The subsequent measurement of financial assets or financial liabilities depends on their classification.

Loans and receivables, and held-to-maturity financial assets, including financial liabilities measured at amortized cost are initially recognized at fair value, net of the transaction cost and are subsequently measured at amortized cost using the effective interest method with gains or losses recognized in the statement of income.

Impairment of Financial Assets

The Group assesses at each statement of financial position date whether a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss has been incurred, the amount of impairment loss is measured as the difference between book value of financial assets and present value of future cash flows discounted using the original effective interest rate. Impairment loss is recognized as gains or losses in the statement of income.

Derivative Financial Instruments and Hedging

The Group recognizes derivative financial instruments in the statement of financial position at fair value and recognizes the changes in the fair value as gains or losses.

For instruments which the Group wishes to claim for hedge accounting as identified in the accounting standard, the hedging instrument effectiveness portion is offset against the hedged item's fair value. When the Group enters into the fair value hedge instruments, the change in fair value of a hedge derivative as well as the change in the fair value of the hedged item attributable to the risk being hedged are recognized as gains or losses.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognized within other comprehensive income (loss) by presenting in a separate item. Amounts taken to other comprehensive income (loss) are transferred to the statement of income when the hedged transaction affects profit or loss. The ineffective portion is immediately recognized as gains or losses when incurred.

Notes to Financial Statements

5. Change in Presentation and Change in Accounting Policies

Change in Presentation

During the year, the Group changed its presentation of revenues from sales and petroleum royalties under the Production Sharing Contract by offsetting sales with related petroleum royalties. However, this reclassification did not have an impact to the Group's net profit as stated in the interim financial statements.

The Group has reclassified the comparative financial statements. The impacts to the consolidated financial statements are as follows:

Unit : Million US Dollar

	December 31, 2014			January 1, 2014		
	Previously reported	Reclassified increase (decrease)	Restated	Previously reported	Reclassified increase (decrease)	Restated
Statement of Financial Position						
Account receivable - parent company	643.99	(13.08)	630.91	894.25	(11.41)	882.84
Trade accounts receivable	154.37	(3.14)	151.23	152.14	(5.43)	146.71
Accrued expenses	927.31	(16.22)	911.09	873.62	(16.84)	856.78

Unit : Million US Dollar

	December 31, 2014		
	Previously reported	Reclassified increase (decrease)	Restated
Statement of Income for the year			
Sales revenues	7,496.16	(176.97)	7,319.19
Petroleum royalties and remuneration	785.77	(176.97)	608.80

Unit : Million Baht

	December 31, 2014			January 1, 2014		
	Previously reported	Reclassified increase (decrease)	Restated	Previously reported	Reclassified increase (decrease)	Restated
Statement of Financial Position						
Account receivable - parent company	21,227.86	(431.12)	20,796.74	29,343.64	(374.66)	28,968.98
Trade accounts receivable	5,088.38	(103.34)	4,985.04	4,992.25	(178.18)	4,814.07
Accrued expenses	30,566.96	(534.46)	30,032.50	28,666.66	(552.84)	28,113.82

Unit : Million US Dollar

Statement of Income for the year

	December 31, 2014		
	Previously reported	Reclassified increase (decrease)	Restated
Sales revenues	243,342.37	(5,745.70)	237,596.67
Petroleum royalties and remuneration	25,508.12	(5,745.70)	19,762.42

Change in Accounting Policies

The Group restated prior year financial statements due to a change in accounting policy of joint arrangement because the consideration of the definition of Group's joint arrangements that were previously defined as joint operations in which the Group recognized for its share of assets, liabilities, revenues and expenses relating to the joint operations, but then fell under the definition of joint ventures in which the Group recognized its investments in joint ventures using the equity method. The impacts from using the equity method instead of recognizing the share of assets, liabilities, revenues and expenses relating to the joint operation to the consolidated financial statements increase (decrease) as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2014	Jan 1, 2014	Dec 31, 2014	Jan 1, 2014
Statement of Financial Position				
Cash and cash equivalents	(5.55)	(6.08)	(183.13)	(199.43)
Other accounts receivable	(0.03)	(0.84)	(0.98)	(27.66)
Accrued interests receivable	-	0.22	-	7.28
Other current assets	(0.05)	(0.01)	(1.50)	(0.23)
Investments in joint ventures	23.55	24.67	776.19	809.58
Long-term loans to related parties	-	9.50	-	311.72
Property, plant and equipment, net	(21.48)	(21.64)	(708.05)	(710.12)
Intangible assets, net	(0.01)	(0.01)	(0.19)	(0.24)
Trade accounts payable	(0.36)	(0.88)	(11.80)	(28.79)
Accrued expenses	(0.01)	(5.29)	(0.40)	(173.60)
Other current liabilities	(2.66)	(4.23)	(87.60)	(138.74)
Share of loss of joint ventures	2.56	18.21	84.30	597.79
Provision for decommissioning costs	(3.10)	(2.00)	(102.16)	(65.76)

Notes to Financial Statements

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
	Dec 31, 2014	Dec 31, 2014
Statement of Income for the Year		
Interest income	0.36	11.73
Other income	(7.19)	(234.69)
Administrative expenses	12.53	412.25
Depreciation, depletion and amortization	(1.17)	(37.98)
Loss on foreign exchange	0.40	13.17
Finance costs	(0.10)	(3.19)
Share of gain of associates and joint ventures	18.47	606.67
Income tax expenses	(0.02)	(0.54)
Profit for the year	-	-
Basic earnings per share	-	-
Statement of Comprehensive Income for the Year		
Exchange differences on translating financial statements	(0.01)	(0.19)
Share of other comprehensive income (loss) of associates and joint ventures	0.01	0.19
Other comprehensive income (loss) for the year - net of tax	0.0002	0.007
Total comprehensive income for the year	0.0002	0.007

6. Major Estimates and Assumptions

In order to prepare the financial statements in conformity with the accounting standards, management is required to use estimates and assumptions which impact assets, liabilities, revenues and expenses. The data relating to the major assumptions and uncertainties in the estimate which may have an impact on the carrying amount of assets, liabilities, revenues and expenses presented in the financial statements are as follows:

Estimate for Oil and Gas Reserves

Oil and gas reserves are key elements in the Group's investment decision-making process which is focused on generating value. They are also important elements in testing for impairment. Changes in proved oil and gas reserves will also affect the present value of the net cash flows and depreciation calculated using the unit-of-production.

Proved reserves are the quantities of petroleum that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions including government rules and regulations. The proved reserves have to be examined and assessed annually by the Group's geologists and reservoir engineers.

Exploration Costs

Capitalized exploration drilling costs more than 12 months old are expensed unless (1) proved reserves are booked or (2) commercially producible quantities of reserves are found and they are subject to further exploration or appraisal activity. In making decisions about whether to continue capitalizing exploration drilling costs for a period longer than 12 months, it is necessary to make judgments about the satisfaction of each condition in the present event. If there is a change in one of these judgments in a subsequent period, the related capitalized exploration drilling costs would be expensed in that period.

Impairment of Assets

The Company assesses the impairment of assets based on the estimate using the discounted future cash flows. The expected future cash flows are based on management's key assumptions in relation to selling price using the future oil price, estimated future production volume based on a proved and probable reserves and margin rate. These assumptions are based on management's judgment and past experience as well as the future prediction that is believed to be reasonable in the present situation. Changes in the information or new noticeable information may lead to the change in the assumptions and the discount rate for the estimation of the discounted future cash flows.

The assumption of selling price is determined from the short-term oil price based on forward oil price curve and long-term oil price based on demand and supply of oil in the world market.

Goodwill and Intangible Assets

For recognition and measurement of goodwill and intangible assets as of the acquisition date including subsequent impairment testing, management uses estimated future cash flows from assets or cash-generating unit and appropriate discount rate to determine the present value of future cash flow calculation.

Income Tax

The Group is subject to income taxes in numerous jurisdictions. Significant judgments are required to determine the worldwide provision for income taxes due to the fact that there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Management is required to make an estimate of the number of the deferred tax assets that should be recognized by considering the assumption about the probable future tax benefits in each period. There may be uncertainty associated with the assumption used for the future taxable income in terms of whether any change will affect the recognition of the deferred tax asset.

Lease

In considering whether a lease agreement is an operating lease or a finance lease, management has exercised judgment in assessing terms and conditions of the agreement to ensure whether the risks and rewards of assets are transferred to the Group or not.

Employee Benefits

The Group's employee benefit obligations are estimated based on the amount of future benefits that employees will have earned in return for their services provided to the Company and subsidiaries in the current and in future periods. The calculation is performed by an independent actuary using the Projected Unit Credit Method and the relevant assumptions which include financial and demographic assumptions as disclosed in Note 30.

Provisions

The provisions, excluding the provisions for employee benefits, are recognized when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provision for Decommissioning Costs

The Group records a provision for decommissioning costs whenever it is probable that there would be an obligation as a result of a past event and the amount of that obligation is reliably estimated by the Group's engineers and management's judgment. The Group recognizes provision for decommissioning costs as part of oil and gas properties, using the discounted present value before tax based on the estimated eventual costs that relate to the removal of the production facilities and amortized based on the unit of production of the proved reserve or the proved developed reserve. The Group recognizes an increase that reflects the passage of time from the unwinding discount in each period, as a finance cost in the statement of income.

The provisions are based on the current situation such as regulations, technologies and prices. The actual results could differ from these estimates as future confirming events occur.

Provision for Remuneration for the Renewal of Petroleum Production

The Group has entered into the Supplemental Petroleum Concession Agreement with the Ministry of Energy to extend the petroleum production period for another 10 years. As a result of this extension, the Group has to pay remuneration fee to the Ministry of Energy. The management has estimated the provision for remuneration using the discounted cash flows based on the duration of the new agreement and significant assumptions, such as sales volume data and oil price, etc.

7. Restructuring of the Ownership Interests in Canada Oil Sands KKD (KKD) Project

On January 30, 2014, PTTEP Canada Limited (PTTEP CA), a subsidiary of the Company, had signed a Partnership Units Redemption Agreement (PURA) with Statoil Canada Limited, a joint venture partner of Canada Oil Sands KKD (KKD) Project, to restructure the ownership interests of the five areas of the KKD Project, whereby PTTEP CA exchanged its 40% participating interests in Leismer and Corner (L&C) areas with the 60% participating interests in Thournbury, Hangingstone and South Leismer (THSL) areas (Mariana Oil Sands project).

On May 28, 2014, PTTEP CA had fulfilled all the terms and conditions as prescribed in the PURA and the government of Canada had approved the transaction, therefore the Company became the owner of 100% participating interests and the sole operator in THSL areas, and received cash of US Dollar 200 million (Baht 6,558 million) and net cash of US Dollar 219 million (Baht 7,195 million) derived from the price adjustment to reflect the exchange value of the ownership interests.

The Company recognized the intangible assets of US Dollar 1,546 million (Baht 50,694 million) from the acquisition of 60% participating interests in THSL areas and recognized gain from the restructuring of the ownership interests in KKD Project of US Dollar 25 million (Baht 819 million) as other income in the consolidated financial statements. During the second quarter of 2014, the Company also recognized revenue from sale of bitumen of US Dollar 56 million (Baht 1,816 million) and cash call for KKD Project of US Dollar 41 million (Baht 1,338 million), as part of other income and other expenses, respectively. Moreover, the Company received the additional net cash from the calculation of the exchange value of the ownership interests under the PURA in amount of US Dollar 7 million (Baht 223 million) which was recognized as part of other income in the consolidated financial statements for the year ended December 31, 2014.

8. Cash and Cash Equivalents

Cash and cash equivalents comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014 (Restated)	Dec 31, 2015	Dec 31, 2014 (Restated)
Cash on hand and at banks	949.46	2,592.99	34,264.55	85,472.87
Cash equivalents				
- Fixed deposits	2,038.32	1,334.17	73,560.25	43,978.34
- Treasury bills	7.62	3.20	275.01	105.44
Total	2,995.40	3,930.36	108,099.81	129,556.65

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Cash on hand and at banks	457.49	1,876.01	16,510.15	61,839.01
Cash equivalents				
- Fixed deposits	1,935.36	1,001.07	69,844.35	32,998.24
Total	2,392.85	2,877.08	86,354.50	94,837.25

The interest rate on saving deposits held at call with banks for the year ended December 31, 2015 is between 0.00% – 2.60% per annum (during the year 2014 : interest rate is between 0.00% – 2.05% per annum).

The interest rate on fixed deposits with banks for the year ended December 31, 2015 is between 0.15% – 13.00% per annum (during the year 2014 : interest rate is between 0.34% – 10.71% per annum).

The interest rate on treasury bills for the year ended December 31, 2015 is between 1.40%-1.93% per annum (during the year 2014 : interest rate is between 1.97% – 2.26% per annum).

Notes to Financial Statements

9. Short-term Investments

Short-term investments comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Fixed deposits	264.16	-	9,533.15	-
Total	264.16	-	9,533.15	-

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Fixed deposits	251.66	-	9,082.04	-
Total	251.66	-	9,082.04	-

The interest rate on fixed deposits with banks that have maturity more than 3 months but within 12 months from the date of acquisition for the year ended December 31, 2015 is between 0.70% – 1.00% per annum (during the year 2014: nil).

10. Investments in Trading Securities

Movements in the investments in trading securities for the year are as follows:

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
Balance as at January 1, 2015	0.18	5.80
Loss on changes in fair value	(0.05)	(1.57)
Foreign exchange differences	(0.01)	(0.45)
Currency translation differences	-	0.49
Balance as at December 31, 2015	0.12	4.27

	Unit : Million US Dollar	Unit : Million Baht
	The Company	The Company
Balance as at January 1, 2015	0.17	5.57
Loss on changes in fair value	(0.05)	(1.51)
Foreign exchange differences	(0.01)	(0.43)
Currency translation differences	-	0.47
Balance as at December 31, 2015	0.11	4.10

11. Account Receivable - Parent Company

Account receivable - parent company comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014 (Restated)	Dec 31, 2015	Dec 31, 2014 (Restated)
Sales of petroleum products	448.33	600.81	16,179.57	19,804.39
Gas pipeline construction service	27.50	30.10	992.35	992.35
Total	475.83	630.91	17,171.92	20,796.74

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014 (Restated)	Dec 31, 2015	Dec 31, 2014 (Restated)
Sales of petroleum products	212.02	266.50	7,651.63	8,784.64
Gas pipeline construction service	27.50	30.10	992.35	992.35
Total	239.52	296.60	8,643.98	9,776.99

The analysis of account receivable – parent company based on outstanding age groups is shown below:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014 (Restated)	Dec 31, 2015	Dec 31, 2014 (Restated)
Not yet due	415.26	587.16	14,985.03	19,354.63
Past due				
- Up to 3 months	0.25	1.18	9.09	38.98
- 3 - 6 months	0.21	2.26	7.66	74.41
- Over 6 months	60.11	40.31	2,170.14	1,328.72
Total	475.83	630.91	17,171.92	20,796.74

Notes to Financial Statements

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Not yet due	209.32	293.64	7,553.97	9,679.33
Past due				
- Up to 3 months	-	-	-	-
- 3 - 6 months	-	-	-	-
- Over 6 months	30.20	2.96	1,090.01	97.66
Total	239.52	296.60	8,643.98	9,776.99

12. Trade Accounts Receivable

Trade accounts receivable comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014 (Restated)	Dec 31, 2015	Dec 31, 2014 (Restated)
Binh Son Refining & Petrochemical Co.,Ltd.	13.84	17.87	499.48	589.28
Ministry of Oil and Gas (Oman)	2.89	-	104.33	-
Mobil Oil Australia Pty Ltd.	-	4.72	-	155.52
Myanmar Oil and Gas Enterprise	38.09	99.60	1,374.66	3,283.22
Myanmar Petrochemical Enterprise	-	2.75	-	90.66
Perusahaan Gas Negara	0.02	0.12	0.60	4.06
Petco Trading Labuan Company Limited	2.55	-	92.09	-
Petroleum Nasional Berhad	15.27	-	551.21	-
SembCorp Gas Pte. Ltd	3.95	5.76	142.39	189.77
Star Petroleum Refining Co., Limited	5.52	9.32	199.34	307.18
Unipac Asia Co.,Ltd.	-	8.51	-	280.45
Vietnam National Oil and Gas Group	0.76	0.99	27.31	32.64
Electricity Generating Authority of Thailand	1.30	1.53	46.99	50.26
Others	0.06	0.06	2.11	2.00
Total	84.25	151.23	3,040.51	4,985.04

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Star Petroleum Refining Co., Limited	0.55	1.53	19.94	50.54
Electricity Generating Authority of Thailand	0.33	0.38	11.75	12.57
Others	0.01	0.02	0.53	0.50
Total	0.89	1.93	32.22	63.61

The analysis of trade accounts receivable based on outstanding age groups is shown below:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014 (Restated)	Dec 31, 2015	Dec 31, 2014 (Restated)
Not yet due	82.76	150.12	2,986.54	4,948.55
Past due				
- Up to 3 months	1.49	-	53.97	-
- 3 - 6 months	-	-	-	-
- Over 6 months	-	1.11	-	36.49
Total	84.25	151.23	3,040.51	4,985.04

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Not yet due	0.89	1.93	32.22	63.61
Past due				
- Up to 3 months	-	-	-	-
- 3 - 6 months	-	-	-	-
- Over 6 months	-	-	-	-
Total	0.89	1.93	32.22	63.61

Notes to Financial Statements

13. Inventories, Net

The inventory balance as at December 31, 2015 of US Dollar 47.21 million (Baht 1,703.87 million) in the consolidated financial statements was stated net of a provision of US Dollar 18.36 million (Baht 662.75 million) to write inventories down to their net realizable value.

14. Materials and Supplies, Net

Materials and supplies, net comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Materials and supplies-at cost	414.19	367.50	14,947.55	12,114.00
Provision for obsolescence	(9.92)	(2.43)	(358.07)	(80.70)
Materials and supplies, net	404.27	365.07	14,589.48	12,033.93

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Materials and supplies-at cost	150.88	126.90	5,445.08	4,183.17
Provision for obsolescence	(6.87)	(1.58)	(247.99)	(52.09)
Materials and supplies, net	144.01	125.32	5,197.09	4,131.08

15. Other Current Assets

Other current assets comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014 (Restated)	Dec 31, 2015	Dec 31, 2014 (Restated)
Prepaid expenses	36.08	54.47	1,302.20	1,795.34
Accrued income	2.66	13.72	96.07	452.25
Withholding tax and VAT	13.33	11.94	481.21	393.65
Refundable income tax	95.87	53.61	3,459.66	1,767.18
Receivable from entering into the derivative contract	42.49	86.11	1,533.24	2,838.50
Others	18.21	17.65	657.30	581.97
Total	208.64	237.50	7,529.68	7,828.89

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Prepaid expenses	14.55	22.91	525.20	755.15
Accrued income	1.80	4.10	65.01	135.06
Withholding tax and VAT	2.74	3.06	99.05	101.16
Refundable income tax	18.03	18.03	650.61	594.27
Others	2.67	3.48	96.25	114.74
Total	39.79	51.58	1,436.12	1,700.38

16. Investments in Available-for-sale Securities

Movements in the investments in available-for-sales securities for the year are as follows:

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
Balance as at January 1, 2015	0.90	29.67
Unrealized loss on investments in available-for- sales securities	(0.03)	(1.32)
Currency translation differences	-	3.22
Balance as at December 31, 2015	0.87	31.57

Notes to Financial Statements

17. Significant Transactions with Related Parties

Significant transactions with related parties are summarized as follows:

17.1 Revenues and Expenses with Related Parties

Significant transactions with related parties for the years are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	2015	2014 (Restated)	2015	2014 (Restated)
Parent company - PTT Public Company Limited (PTT)				
Sales revenue (world market reference price)	4,643.81	6,299.09	158,428.55	204,474.45
Purchase and other expenses	40.55	79.59	1,386.34	2,585.02
Subsidiaries, associates, joint ventures and joint operations				
Interest income	0.58	0.66	19.83	21.42
Rental and service expenses	36.15	34.73	1,235.92	1,127.84
Director and executive management				
Director's remuneration	0.60	2.37	20.62	77.21
Executive management's remuneration	3.18	3.69	106.29	119.98

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	2015	2014	2015	2014
Parent company - PTT Public Company Limited (PTT)				
Sales revenue (world market reference price)	2,519.86	3,458.53	86,127.26	112,315.38
Purchase and other expenses	26.70	45.63	912.77	1,482.14
Subsidiaries, associates, joint ventures and joint operations				
Interest income	160.22	154.15	5,476.75	5,006.98
Management and service fees	0.32	0.32	11.07	10.51
Rental and service expenses	36.15	34.73	1,235.92	1,127.84
Director and executive management				
Director's remuneration	0.60	2.37	20.62	77.21
Executive management's remuneration	3.18	3.69	106.29	119.98

17.2 Short-term Loans to Related Parties

Short-term loans to related parties comprised:

Loans to	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Subsidiaries				
PTTEP Offshore Investment Company Limited	144.93	52.39	5,230.42	1,726.98
PTTEP Services Limited	-	7.66	-	252.49
Total	144.93	60.05	5,230.42	1,979.47

17.3 Long-term Loans to Related Parties

Long-term loans to related parties comprised:

Loans to	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Associates				
Energy Complex Company Limited	16.07	17.60	580.00	580.00
Total	16.07	17.60	580.00	580.00

Loans to	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Subsidiaries				
PTTEP International Limited	1,318.89	1,016.94	47,596.70	33,521.38
PTTEP Offshore Investment Company Limited	5,590.79	5,244.23	201,763.58	172,866.05
Associates				
Energy Complex Company Limited	16.07	17.60	580.00	580.00
Total	6,925.75	6,278.77	249,940.28	206,967.43

Notes to Financial Statements

Movements in the long-term loans to related parties for the year are as follows:

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
Balance as at January 1, 2015	17.60	580.00
Foreign exchange differences	-	(52.10)
Currency translation differences	(1.53)	52.10
Balance as at December 31, 2015	16.07	580.00

	Unit : Million US Dollar	Unit : Million Baht
	The Company	The Company
Balance as at January 1, 2015	6,278.77	206,967.43
Addition	2,006.24	68,591.02
Repayment	(1,244.66)	(42,553.61)
Foreign exchange differences	(114.60)	(3,918.03)
Currency translation differences	-	20,853.47
Balance as at December 31, 2015	6,925.75	249,940.28

The Company has provided loans to subsidiaries for the year ended December 31, 2015 with an interest rate between 0.50% – 4.40% per annum (during the year 2014: interest rate is between 0.70% – 4.40% per annum). The subsidiaries shall occasionally repay the loans. In addition, the Company has provided loans to an associate for the year ended December 31, 2015 with an interest rate between 3.35 - 3.55% per annum (during the year 2014: interest rate is between 3.55% – 4.10% per annum).

17.4 Short-term Loans from Related Parties

Short-term loans from related parties comprised:

Loans from	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Subsidiaries				
PTTEP International Limited	735.04	151.81	26,526.47	5,004.16
PTTEP Services Limited	5.18	-	187.14	-
Total	740.22	151.81	26,713.61	5,004.16

18. Investments in Subsidiaries, Associates, Joint Ventures and Joint Operations

18.1 Changes of Investments in Subsidiaries, Associates and Joint Ventures

Changes of investments in subsidiaries, associates and joint ventures are as follows:

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
Balance as at January 1, 2015	39.10	1,288.75
Effects from the adoption of TFRS 11	20.99	691.89
Balance as at January 1, 2015 (Restated)	60.09	1,980.64
Share of net gain from investments after income taxes	9.03	310.91
Dividends received from associates	(1.72)	(58.65)
Dividends received from joint ventures	(2.69)	(91.88)
Share of other comprehensive loss	(0.79)	(28.67)
Increase in investment	2.65	90.60
Decrease in investment	(2.41)	(82.37)
Currency translation differences	-	194.80
Balance as at December 31, 2015	64.16	2,315.38

	Unit : Million US Dollar	Unit : Million Baht
	The Company	The Company
Balance as at January 1, 2015	641.82	21,156.14
Increase in investment	0.07	2.53
Currency translation differences	-	2,006.14
Balance as at December 31, 2015	641.89	23,164.81

Notes to Financial Statements

18.2 Investments in Subsidiaries

Details of subsidiaries are as follows:

Company name	Registered country	Type of business	Percentage of interest (including indirect holding)	
			Dec 31, 2015	Dec 31, 2014
PTTEP International Limited (PTTEPI)	Thailand	Petroleum	100	100
PTTEP Offshore Investment Company Limited (PTTEPO)	Cayman Islands	Petroleum	100	100
PTTEP Services Limited (PTTEP Services)	Thailand	Human resource support	100	100
PTTEP Siam Limited (PTTEPS)	Thailand	Petroleum	100	100
PTTEP MEA Limited (PTTEP MEA)	Cayman Islands	Petroleum	100	100
PTTEP HK Holding Limited (PTTEP HK)	Hong Kong	Petroleum	100	100
PTTEP Treasury Center Company Limited (PTTEP TC) ¹	Thailand	Treasury center for the Group's business	100	-
PTTEP Southwest Vietnam Company Limited (PTTEP SV)	Cayman Islands	Petroleum	100	100
PTTEP Kim Long Vietnam Company Limited (PTTEP KV)	Cayman Islands	Petroleum	100	100
PTTEP Hoang-Long Company Limited (PTTEP HL) ²	Cayman Islands	Petroleum	100	100
PTTEP Hoan-Vu Company Limited (PTTEP HV) ³	Cayman Islands	Petroleum	100	100
PTTEP Oman Company Limited (PTTEP OM)	Cayman Islands	Petroleum	100	100
PTTEP Algeria Company Limited (PTTEP AG)	Cayman Islands	Petroleum	100	100
PTTEP Iran Company Limited (PTTEP IR)	Cayman Islands	Petroleum	100	100
PTTEP Holding Company Limited (PTTEPH)	Cayman Islands	Petroleum	100	100
PTTEP Indonesia Company Limited (PTTEP ID)	Cayman Islands	Petroleum	100	100
PTTEP Africa Investment Limited (PTTEP AI)	Cayman Islands	Petroleum	100	100
PTTEP Rommana Company Limited (PTTEPR)	Cayman Islands	Petroleum	100	100
PTTEP Australia Pty Limited (PTTEP AU)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australia Offshore Pty Limited (PTTEP AO)	Commonwealth of Australia	Petroleum	100	100
PTTEP South Asia Limited (PTTEP SA)	Cayman Islands	Petroleum	100	100
PTTEP New Zealand Limited (PTTEP NZ) ⁴	Cayman Islands	Petroleum	100	100
PTTEP Semai II Limited (PTTEP SM)	Cayman Islands	Petroleum	100	100
PTTEP Australia Perth Pty Limited (PTTEP AP)	Commonwealth of Australia	Petroleum	100	100

Company name	Registered country	Type of business	Percentage of interest (including indirect holding)	
			Dec 31, 2015	Dec 31, 2014
PTTEP Australia Browse Basin Pty Limited (PTTEP AB)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australia International Finance Pty Limited (PTTEP AIF)	Commonwealth of Australia	Investment funding for the Group's business	100	100
PTTEP Australasia Pty Limited (PTTEP AA)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australia Timor Sea Pty Limited (PTTEP AT)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australasia (Finance) Pty Limited (PTTEP AAF)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australasia (Petroleum) Pty Limited (PTTEP AAP)	Commonwealth of Australia	Petroleum	100	100
Tullian Pty Limited (PTTEP AAT)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australasia (Operations) Pty Limited (PTTEP AAO)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australasia (Ashmore Cartier) Pty Limited (PTTEP AAA)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australasia (Staff) Pty Limited (PTTEP AAS)	Commonwealth of Australia	Petroleum	100	100
PTTEP International Holding Company Limited (PTTEP IH)	Cayman Islands	Petroleum	100	100
PTTEP Southwest Vietnam Pipeline Company Limited (PTTEP SVPC)	Cayman Islands	Gas pipeline transportation	100	100
PTTEP FLNG Holding Company Limited (PTTEP FH)	Hong Kong	Petroleum	100	100
JV Shore Base Limited (JV Shore Base) ⁵	Cayman Islands	Petroleum	100	100
PTTEP Netherland Holding Limited (PTTEP NL)	Cayman Islands	Petroleum	100	100
JV Marine Limited (JV Marine)	Cayman Islands	Petroleum	100	100
PTTEP South Mandar Limited (PTTEP SMD)	Cayman Islands	Petroleum	100	100
PTTEP South Sageri Limited (PTTEP SS)	Cayman Islands	Petroleum	100	100
PTTEP Sadang Limited (PTTEP SD)	Cayman Islands	Petroleum	100	100
PTTEP Malunda Limited (PTTEP ML)	Cayman Islands	Petroleum	100	100
PTTEP Netherlands Coöperatie U.A. (PTTEP NC)	Netherlands	Petroleum	100	100
PTTEP Canada Limited (PTTEP CA)	Canada	Petroleum	100	100

Notes to Financial Statements

Company name	Registered country	Type of business	Percentage of interest (including indirect holding)	
			Dec 31, 2015	Dec 31, 2014
PTTEP Canada International Finance Limited (PTTEP CIF)	Canada	Investment funding for the Group's business	100	100
Cove Energy Limited (Cove)	United Kingdom of Great Britain and Northern Ireland	Petroleum	100	100
Cove Energy Mozambique Rovuma Onshore Limited (CEMROL)	Republic of Cyprus	Petroleum	100	100
Cove Energy East Africa Limited (CEEAL)	Republic of Cyprus	Petroleum	100	100
PTTEP Mozambique Area 1 Limited (PTTEP MZA1) ⁶	Republic of Cyprus	Petroleum	100	100
Cove Mozambique Terra Limitada (CMTL)	Republic of Mozambique	Petroleum	100	100
Cove Mozambique Energja Limitada (CMEL)	Republic of Mozambique	Petroleum	100	100
Cove Energy Kenya Limited (CEKL)	Republic of Kenya	Petroleum	100	100
PTTEP Netherlands Holding Coöperatie U.A. (PTTEP NH)	Netherlands	Petroleum	100	100
PTTEP Brazil Investment B.V. (PTTEP BI)	Netherlands	Petroleum	100	100
PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL)	Federative Republic of Brazil	Petroleum	100	100
Sinphuhorm Holdings Limited (SHL)	Cayman Islands	Petroleum	100	100
PTTEP SP Limited (PTTEP SP)	United Kingdom of Great Britain and Northern Ireland	Petroleum	100	100
PTTEP G7 Limited (PTTEP G7)	Thailand	Petroleum	100	100
PTTEP HK Investment Limited (PTTEP HKI) ^{7,8}	Hong Kong	Petroleum	100	-

¹ On May 27, 2015, the Group had established PTTEP Treasury Center Company Limited. The information is disclosed in Note 18.6 - Significant Transactions During the Year.

² PTTEP HL has a 28.5% shareholding in Hoang-Long Joint Operating Company.

³ PTTEP HV has a 25% shareholding in Hoan-Vu Joint Operating Company.

⁴ On October 21, 2015, the Company approved for the registration for the dissolution of PTTEP New Zealand Limited (PTTEP NZ). The information is disclosed in Note 18.6 - Significant Transactions During the Year.

⁵ On September 24, 2015, the Company approved for the registration for the dissolution of JV Shore Base Limited. The information is disclosed in Note 18.6 - Significant Transactions During the Year.

⁶ Change name from Cove Energy Mozambique Rovuma Offshore Limited (CEMROFL) to PTTEP Mozambique Area 1 Limited (PTTEP MZA1).

⁷ On August 18, 2015, the Group had established PTTEP HK Investment Limited (PTTEP HKI). The information is disclosed in Note 18.6 - Significant Transactions During the Year.

⁸ On February 2, 2016, PTTEP HK Investment Limited (PTTEP HKI) was changed the name to PTTEP HK Offshore Limited (PTTEP HKO).

Investments in subsidiaries accounted for using the cost method for the Company's financial statements are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
PTTEP International Limited	516.38	516.38	18,635.56	17,021.58
PTTEP Services Limited	0.01	0.01	0.23	0.21
PTTEP Siam Limited	99.79	99.79	3,601.31	3,289.41
PTTEP Offshore Investment Company Limited	0.005	0.005	0.18	0.17
PTTEP MEA Limited	0.05	0.05	1.80	1.65
PTTEP HK Holding Limited	0.0003	0.0003	0.01	0.01
PTTEP Treasury Center Company Limited	0.074	-	2.67	-
Total	616.31	616.24	22,241.76	20,313.03

18.3 Investments in Associates

Details of associates are as follows:

List of associates ¹	Registered country	Country of operation	Type of business	Percentage of interest (including indirect holding)	
				Dec 31, 2015	Dec 31, 2014
				Energy Complex Company Limited (Energy Complex)	Thailand
PTT ICT Solutions Company Limited (PTT ICT)	Thailand	Thailand	Information technology and communication services	20	20
PTTEP AP Group's Associates ²	Commonwealth of Australia	Commonwealth of Australia	Air base services	50	50
UAQ Petroleum Limited (UAQ)	Hong Kong	United Arab Emirates	Petroleum	30	30

¹ All investments in associates have been assessed as immaterial to the Group.

² PTTEP AP's group associates are Mungalalu Truscott Airbase Pty Ltd. and Troughton Island Pty Ltd.

Notes to Financial Statements

Investments in associates accounted for using the equity method for the consolidated financial statements and using the cost method for the Company's financial statements are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Energy Complex Company Limited	29.66	27.57	1,070.21	908.58
PTT ICT Solutions Company Limited	5.51	5.17	199.00	170.43
PTTEP AP Group's associates	7.69	6.36	277.58	209.73
UAQ Petroleum Limited	0.0004	0.0004	0.01	0.01
Total	42.86	39.10	1,546.80	1,288.75

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Energy Complex Company Limited	24.79	24.79	894.61	817.13
PTT ICT Solutions Company Limited	0.79	0.79	28.44	25.98
Total	25.58	25.58	923.05	843.11

Details of share of associates are as follows:

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
Aggregate carrying amount of share of associates	42.86	1,546.80
Aggregate amounts of the reporting entity's share of;		
Profit from continuing activities	6.30	217.55
Other comprehensive loss	(0.82)	(29.55)
Total comprehensive income for the year ended December 31, 2015	5.48	188.00

18.4 Investments in Joint Ventures and Share of Loss of Joint Ventures

Details of joint ventures are as follows:

List of joint ventures ¹	Registered country	Country of operation	Type of business	Percentage of interest (including indirect holding)	
				Dec 31, 2015	Dec 31, 2014
PTT FLNG Limited (PTT FLNG) ²	Hong Kong	Hong Kong	Production and sale of petroleum product	50	50
Erawan 2 FSO Bahamas Limited (Erawan 2) ³	Bahamas	Thailand	FSO rental services	13.11	13.11
NST Supply Base Company Limited (NST) ⁴	Thailand	Thailand	Petroleum supply base, port and warehouse	-	15.67

¹ All investments in joint ventures have been assessed as immaterial to the Group.

² On December 26, 2014, the Board of Directors of PTTEP FLNG Limited (PTT FLNG) approved the dissolution of this company. It is currently in the process of the dissolution.

³ Erawan 2 has a 100% shareholding in Asia Pacific Marine Services (EF) B.V.

⁴ On September 2, 2015, NST Supply Base Company Limited (NST) completed its liquidation process. The information is disclosed in Note 18.6 - Significant Transaction During the Year.

Investments in joint ventures and share of loss of joint ventures accounted for using the equity method for the consolidated financial statements are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated Dec 31, 2015	Consolidated Dec 31, 2014 (Restated)	Consolidated Dec 31, 2015	Consolidated Dec 31, 2014 (Restated)
Investments in joint ventures				
Erawan 2 FSO Bahamas Limited	21.30	22.62	768.57	745.52
NST Supply Base Company Limited	-	0.93	-	30.67
Total	21.30	23.55	768.57	776.19
Share of loss of joint ventures				
PTT FLNG Limited	-	(2.56)	-	(84.30)
Total	-	(2.56)	-	(84.30)

Notes to Financial Statements

Details of share of joint ventures are as follows:

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
Aggregate carrying amount of share of joint ventures	21.30	768.57
Aggregate amounts of the reporting entity's share of;		
Profit from continuing activities	2.73	93.36
Other comprehensive income	0.03	0.88
Total comprehensive income for the year ended December 31, 2015	2.76	94.24

18.5 Investments in Joint Operations

Details of Joint Operations are as follows:

Company name	Registered country	Country of operation	Type of business	Percentage of interest (including indirect holding)	
				Dec 31, 2015	Dec 31, 2014
Carigali – PTTEPI Operating Company Sdn Bhd. (CPOC)	Malaysia	Malaysia	Petroleum	50	50
Moattama Gas Transportation Company (MGTC)	Bermuda	Republic of the Union of Myanmar	Gas pipeline transportation	25.50	25.50
Taninthayi Pipeline Company LLC (TPC)	Cayman Islands	Republic of the Union of Myanmar	Gas pipeline transportation	19.3178	19.3178
Orange Energy Limited (Orange)	Thailand	Thailand	Petroleum	53.9496	53.9496
B8/32 Partners Limited (B8/32 Partners)	Thailand	Thailand	Petroleum	25.0009	25.0009
Leismer Aerodrome Limited (LAL)	Canada	Canada	Air transportation	32	32
Groupement Bir Seba (GBRS)	People's Democratic Republic of Algeria	People's Democratic Republic of Algeria	Petroleum	35	35
Andaman Transportation Limited (ATL)	Cayman Islands	Republic of the Union of Myanmar	Gas pipeline transportation	80	80
Natuna 2 B.V. (Natuna 2)	Netherlands	Indonesia	Petroleum	50	50

18.6 Significant Transactions During the Year Ended December 31, 2015

■ PTTEP Canada Limited (PTTEP CA) and PTTEP Netherlands Coöperatie U.A. (PTTEP NC)

On April 21, 2015, PTTEP Netherlands Coöperatie U.A. (PTTEP NC), a subsidiary of the Group, increased its share capital of US Dollar 44,000,000 from the existing shareholders of US Dollar 1,085,050,000 to US Dollar 1,129,050,000. PTTEP NC used the proceed from the capital increased to increase share capital in PTTEP Canada Limited (PTTEP CA), a subsidiary of PTTEP NC. PTTEP CA increased its share capital from Canadian Dollar 1,073,292,633 to Canadian Dollar 1,127,298,233 by issuing of 54,005,600 newly issued ordinary shares, at the par value of Canadian Dollar 1.

On September 17, 2015, PTTEP NC increased its share capital of US Dollar 93,000,000 from the existing shareholders of US Dollar 1,129,050,000 to US Dollar 1,222,050,000. PTTEP NC used the proceed from the capital increased to increase share capital in PTTEP Canada Limited (PTTEP CA), a subsidiary of PTTEP NC. PTTEP CA increased its share capital from Canadian Dollar 1,127,298,233 to Canadian Dollar 1,250,200,033 by issuing of 122,901,800 newly issued ordinary shares, at the par value of Canadian Dollar 1.

On November 17, 2015, PTTEP Netherlands Coöperatie U.A. (PTTEP NC), a subsidiary of the Group, increased its share capital of US Dollar 295,000,000 from the existing shareholders of US Dollar 1,222,050,000 to US Dollar 1,517,050,000. PTTEP NC used the proceed from the capital increased to increase share capital in PTTEP Canada Limited (PTTEP CA), a subsidiary of PTTEP NC. PTTEP CA increased its share capital from Canadian Dollar 1,250,200,033 to Canadian Dollar 1,643,214,373 by issuing of 393,014,340 newly issued ordinary shares, at the par value of Canadian Dollar 1, resulting in a total registered ordinary share of 2,078,177,740 shares.

■ PTTEP Treasury Center Company Limited (PTTEP TC)

On May 27, 2015, the Company and PTTEP International Limited (PTTEPI), a subsidiary of the Company, established PTTEP Treasury Center Company Limited with a registered capital of Baht 10,000,000. The registered capital comprises of 1,000,000 ordinary shares with a par value of Baht 10 per share. The Company and PTTEPI have shareholding interests of 25% and 75%, respectively.

■ PTTEP HK Investment Limited (PTTEP HKI)

On August 18, 2015, the Company established PTTEP HK Investment Limited (PTTEP HKI) with a registered capital of Hong Kong Dollar 10,000. The registered capital comprises of 10,000 ordinary shares with a par value of Hong Kong Dollar 1 per share. PTTEP HK Holding Limited (PTTEP HK), a subsidiary of the Group, holds all of its shares.

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- **NST Supply Base Company Limited (NST)**

On September 2, 2015, NST Supply Base Company Limited (NST) registered for the dissolution with the Ministry of Commerce and already completed its liquidation process.

- **JV Shore Base Limited (JV Shore Base)**

On September 24, 2015, the company approved for the registration for the dissolution of JV Shore Base Limited, a subsidiary of the Group. Currently, it is in the liquidation process. The dissolution will be effective after receiving the approval from the registrar.

- **PTTEP G7 Limited (PTTEP G7)**

On October 13, 2015, PTTEP G7 Limited (PTTEP G7), a subsidiary of the Group, increased its share capital of Baht 35,000,000 from the existing shareholders of Baht 606,374,100 to Baht 641,374,100 by issuing of 350,000 newly issued ordinary shares, at the par value of Baht 100, resulting in a total registered ordinary share of 6,413,741 shares.

- **PTTEP New Zealand Limited (PTTEP NZ)**

On October 21, 2015, the company approved for the registration for the dissolution of PTTEP New Zealand Limited, a subsidiary of the Group. Currently, it is in the liquidation process. The dissolution will be effective after receiving the approval from the registrar.

19. Property, Plant and Equipment, Net

Unit : Million US Dollar

	Consolidated			
	Oil and Gas Properties	Pipeline	Others	Total
<u>Historical cost</u>				
Balance as at January 1, 2014	21,066.18	715.74	138.40	21,920.32
Acquisition	1,004.91	-	-	1,004.91
Increase	3,056.27	138.34	14.37	3,208.98
Transfer	5.03	-	-	5.03
Decrease	(147.84)	-	(0.51)	(148.35)
Decrease from restructuring of the ownership interests in KKD project	(1,992.66)	-	-	(1,992.66)
Currency translation differences	(47.82)	-	(0.03)	(47.85)
Balance as at December 31, 2014	22,944.07	854.08	152.23	23,950.38
Effects from the adoption of TFRS 11	(2.90)	-	(21.74)	(26.64)
Balance as at December 31, 2014 (Restated)	22,941.17	854.08	130.49	23,925.74
Increase	1,731.91	20.63	4.31	1,756.85
Decrease	(227.50)	-	(2.65)	(230.15)
Currency translation differences	(1.08)	-	(0.16)	(1.24)
Balance as at December 31, 2015	24,444.50	874.71	131.99	25,451.20
<u>Accumulated depreciation</u>				
Balance as at January 1, 2014	(8,891.15)	(106.60)	(41.52)	(9,039.27)
Acquisition	(414.73)	-	-	(414.73)
Depreciation for the year	(2,512.60)	(24.03)	(13.41)	(2,550.04)
Decrease	14.59	-	0.30	14.89
Decrease from restructuring of the ownership interests in KKD project	119.78	-	-	119.78
Currency translation differences	2.60	-	-	2.60
Balance as at December 31, 2014	(11,681.51)	(130.63)	(54.63)	(11,866.77)
Effects from the adoption of TFRS 11	0.19	-	2.79	3.16
Balance as at December 31, 2014 (Restated)	(11,681.32)	(130.63)	(51.66)	(11,863.61)
Depreciation for the year	(2,693.44)	(28.93)	(12.94)	(2,735.31)
Decrease	10.67	-	1.88	12.55
Currency translation differences	0.25	-	0.01	0.26
Balance as at December 31, 2015	(14,363.84)	(159.56)	(62.71)	(14,586.11)
<u>Allowance for impairment of assets</u>				
Balance as at January 1, 2014	(209.19)	-	-	(209.19)
Increase	(367.00)	-	-	(367.00)
Balance as at December 31, 2014	(576.19)	-	-	(576.19)
Increase	(636.49)	-	-	(636.49)
Balance as at December 31, 2015	(1,212.68)	-	-	(1,212.68)
Net book value as at December 31, 2014 (Restated)	10,683.66	723.45	78.83	11,485.94
Net book value as at December 31, 2015	8,867.98	715.15	69.28	9,652.41

Depreciation included in the statement of income for the year ended December 31, 2014 US Dollar 2,550.04 million

Depreciation included in the statement of income for the year ended December 31, 2015 US Dollar 2,735.31 million

Notes to Financial Statements

Unit : Million Baht

	Consolidated			
	Oil and Gas Properties	Pipeline	Others	Total
<u>Historical cost</u>				
Balance as at January 1, 2014	691,256.63	23,485.83	4,541.46	719,283.92
Acquisition	32,452.04	-	-	32,452.04
Increase	99,266.56	4,493.38	466.96	104,226.90
Transfer	163.36	-	-	163.36
Decrease	(4,801.80)	-	(16.62)	(4,818.42)
Decrease from restructuring of the ownership interests in KKD project	(65,341.83)	-	-	(65,341.83)
Currency translation differences	3,311.62	173.85	26.24	3,511.71
Balance as at December 31, 2014	756,306.58	28,153.06	5,018.04	789,477.68
Effects from the adoption of TFRS 11	(95.84)	-	(716.63)	(812.47)
Balance as at December 31, 2014 (Restated)	756,210.74	28,153.06	4,301.41	788,665.21
Increase	59,212.20	705.35	147.32	60,064.87
Decrease	(7,778.08)	-	(90.55)	(7,868.63)
Currency translation differences	74,522.03	2,708.63	405.12	77,635.78
Balance as at December 31, 2015	882,166.89	31,567.04	4,763.30	918,497.23
<u>Accumulated depreciation</u>				
Balance as at January 1, 2014	(291,750.42)	(3,497.82)	(1,362.50)	(296,610.74)
Acquisition	(13,393.04)	-	-	(13,393.04)
Depreciation for the year	(81,564.41)	(778.10)	(435.60)	(82,778.11)
Decrease	473.83	-	9.72	483.55
Decrease from restructuring of the ownership interests in KKD project	3,927.64	-	-	3,927.64
Currency translation differences	(2,751.91)	(30.02)	(12.45)	(2,794.38)
Balance as at December 31, 2014	(385,058.31)	(4,305.94)	(1,800.83)	(391,165.08)
Effects from the adoption of TFRS 11	6.30	-	98.12	104.42
Balance as at December 31, 2014 (Restated)	(385,052.01)	(4,305.94)	(1,702.71)	(391,060.66)
Depreciation for the year	(91,930.04)	(990.96)	(442.37)	(93,363.37)
Decrease	364.77	-	64.29	429.06
Currency translation differences	(41,753.38)	(461.28)	(182.34)	(42,397.00)
Balance as at December 31, 2015	(518,370.66)	(5,758.18)	(2,263.13)	(526,391.97)
<u>Allowance for impairment of assets</u>				
Balance as at January 1, 2014	(6,864.15)	-	-	(6,864.15)
Increase	(12,074.87)	-	-	(12,074.87)
Currency translation differences	(53.84)	-	-	(53.84)
Balance as at December 31, 2014	(18,992.86)	-	-	(18,992.86)
Increase	(22,925.16)	-	-	(22,925.16)
Currency translation differences	(1,845.64)	-	-	(1,845.64)
Balance as at December 31, 2015	(43,763.66)	-	-	(43,763.66)
Net book value as at December 31, 2014 (Restated)	352,165.87	23,847.12	2,598.70	378,611.69
Net book value as at December 31, 2015	320,032.57	25,808.86	2,500.17	348,341.60

Depreciation included in the statement of income for the year ended December 31, 2014 Baht 82,778.11 million

Depreciation included in the statement of income for the year ended December 31, 2015 Baht 93,363.37 million

Unit : Million US Dollar

	The Company		
	Oil and Gas Properties	Others	Total
<u>Historical cost</u>			
Balance as at January 1, 2014	8,570.06	80.84	8,650.90
Increase	1,507.18	10.38	1,517.56
Decrease	(9.64)	(0.51)	(10.15)
Balance as at December 31, 2014	10,067.60	90.71	10,158.31
Increase	494.28	3.83	498.11
Decrease	(1.37)	(1.92)	(3.29)
Balance as at December 31, 2015	10,560.51	92.62	10,653.13
<u>Accumulated depreciation</u>			
Balance as at January 1, 2014	(4,780.84)	(29.28)	(4,810.12)
Depreciation for the year	(1,026.36)	(9.82)	(1,036.18)
Decrease	7.56	0.30	7.86
Balance as at December 31, 2014	(5,799.64)	(38.80)	(5,838.44)
Depreciation for the year	(1,157.72)	(9.86)	(1,167.58)
Decrease	0.39	1.45	1.84
Balance as at December 31, 2015	(6,956.97)	(47.21)	(7,004.18)
Net book value as at December 31, 2014	4,267.96	51.91	4,319.87
Net book value as at December 31, 2015	3,603.54	45.41	3,648.95

Depreciation included in the statement of income for the year ended December 31, 2014

US Dollar 1,036.18 million

Depreciation included in the statement of income for the year ended December 31, 2015

US Dollar 1,167.58 million

Notes to Financial Statements

Unit : Million Baht

	The Company		
	Oil and Gas Properties	Others	Total
<u>Historical cost</u>			
Balance as at January 1, 2014	281,214.17	2,652.60	283,866.77
Increase	48,952.85	337.28	49,290.13
Decrease	(312.98)	(16.62)	(329.60)
Currency translation differences	2,004.82	16.85	2,021.67
Balance as at December 31, 2014	331,858.86	2,990.11	334,848.97
Increase	16,898.78	130.95	17,029.73
Decrease	(46.83)	(65.50)	(112.33)
Currency translation differences	32,402.89	287.16	32,690.05
Balance as at December 31, 2015	381,113.70	3,342.72	384,456.42
<u>Accumulated depreciation</u>			
Balance as at January 1, 2014	(156,876.23)	(960.82)	(157,837.05)
Depreciation for the year	(33,336.89)	(318.97)	(33,655.86)
Decrease	245.42	9.72	255.14
Currency translation differences	(1,206.17)	(8.94)	(1,215.11)
Balance as at December 31, 2014	(191,173.87)	(1,279.01)	(192,452.88)
Depreciation for the year	(39,514.46)	(336.97)	(39,851.43)
Decrease	13.41	49.41	62.82
Currency translation differences	(20,392.13)	(137.46)	(20,529.59)
Balance as at December 31, 2015	(251,067.05)	(1,704.03)	(252,771.08)
Net book value as at December 31, 2014	140,684.99	1,711.10	142,396.09
Net book value as at December 31, 2015	130,046.65	1,638.69	131,685.34

Depreciation included in the statement of income for the year ended December 31, 2014

Baht 33,655.86 million

Depreciation included in the statement of income for the year ended December 31, 2015

Baht 39,851.43 million

20. Goodwill, Net

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
<u>Historical cost</u>		
Balance as at January 1, 2014	999.60	32,800.65
Acquisition	443.80	14,331.82
Decrease from restructuring of the ownership interests in KKD project	(302.74)	(9,927.24)
Currency translation differences	(6.58)	177.77
Balance as at December 31, 2014	1,134.08	37,383.00
Currency translation differences	-	3,544.63
Balance as at December 31, 2015	1,134.08	40,927.63
<u>Allowance for impairment of assets</u>		
Balance as at January 1, 2014	(7.31)	(239.99)
Currency translation differences	-	(1.09)
Balance as at December 31, 2014	(7.31)	(241.08)
Increase	(112.39)	(4,048.17)
Currency translation differences	-	(30.77)
Balance as at December 31, 2015	(119.70)	(4,320.02)
Net Book Value as at December 31, 2014	1,126.77	37,141.92
Net Book Value as at December 31, 2015	1,014.38	36,607.61

Notes to Financial Statements

21. Intangible Assets, Net

Unit : Million US Dollar

	Consolidated		
	Exploration and Evaluation Assets	Other Intangible Assets	Total
<u>Historical cost</u>			
Balance as at January 1, 2014	3,172.17	137.37	3,309.54
Acquisition	351.58	-	351.58
Increase	484.26	15.20	499.46
Increase from restructuring of the ownership interests in KKD project	1,545.96	-	1,545.96
Transfer	(5.03)	-	(5.03)
Decrease	(134.63)	(0.85)	(135.48)
Decrease from restructuring of the ownership interests in KKD project	(228.01)	-	(228.01)
Currency translation differences	(144.37)	(0.01)	(144.38)
Balance as at December 31, 2014	5,041.93	151.71	5,193.64
Effects from the adoption of TFRS 11	-	(0.01)	(0.01)
Balance as at December 31, 2014 (Restated)	5,041.93	151.70	5,193.63
Increase	154.08	3.91	157.99
Decrease	(151.08)	(1.01)	(152.09)
Currency translation differences	(317.49)	(0.03)	(317.52)
Balance as at December 31, 2015	4,727.44	154.57	4,882.01
<u>Accumulated amortization</u>			
Balance as at January 1, 2014	-	(30.44)	(30.44)
Amortization for the year	-	(12.94)	(12.94)
Decrease	-	0.85	0.85
Currency translation differences	-	0.01	0.01
Balance as at December 31, 2014	-	(42.52)	(42.52)
Effects from the adoption of TFRS 11	-	0.001	0.001
Balance as at December 31, 2014 (Restated)	-	(42.52)	(42.52)
Amortization for the year	-	(13.86)	(13.86)
Decrease	-	0.66	0.66
Currency translation differences	-	0.02	0.02
Balance as at December 31, 2015	-	(55.70)	(55.70)
<u>Allowance for impairment of assets</u>			
Balance as at January 1, 2014	-	-	-
Increase	(629.79)	-	(629.79)
Currency translation differences	3.77	-	3.77
Balance as at December 31, 2014	(626.02)	-	(626.02)
Increase	(636.00)	(0.33)	(636.33)
Currency translation differences	127.20	-	127.20
Balance as at December 31, 2015	(1,134.82)	(0.33)	(1,135.15)
Net Book Value as at December 31, 2014 (Restated)	4,415.91	109.18	4,525.09
Net Book Value as at December 31, 2015	3,592.62	98.54	3,691.16

Unit : Million Baht

	Consolidated		
	Exploration and Evaluation Assets	Other Intangible Assets	Total
<u>Historical cost</u>			
Balance as at January 1, 2014	104,090.12	4,507.66	108,597.78
Acquisition	11,353.88	-	11,353.88
Increase	15,728.45	493.87	16,222.32
Increase from restructuring of the ownership interests in KKD project	50,694.10	-	50,694.10
Transfer	(163.36)	-	(163.36)
Decrease	(4,372.60)	(27.66)	(4,400.26)
Decrease from restructuring of the ownership interests in KKD project	(7,476.73)	-	(7,476.73)
Currency translation differences	(3,656.33)	27.06	(3,629.27)
Balance as at December 31, 2014	166,197.53	5,000.93	171,198.46
Effects from the adoption of TFRS 11	-	(0.24)	(0.24)
Balance as at December 31, 2014 (Restated)	166,197.53	5,000.69	171,198.22
Increase	5,267.90	133.61	5,401.51
Decrease	(5,165.39)	(34.58)	(5,199.97)
Currency translation differences	4,306.62	478.63	4,785.25
Balance as at December 31, 2015	170,606.66	5,578.35	176,185.01
<u>Accumulated amortization</u>			
Balance as at January 1, 2014	-	(998.93)	(998.93)
Amortization for the year	-	(420.28)	(420.28)
Decrease	-	27.66	27.66
Currency translation differences	-	(10.09)	(10.09)
Balance as at December 31, 2014	-	(1,401.64)	(1,401.64)
Effects from the adoption of TFRS 11	-	0.04	0.04
Balance as at December 31, 2014 (Restated)	-	(1,401.60)	(1,401.60)
Amortization for the year	-	(475.05)	(475.05)
Decrease	-	22.61	22.61
Currency translation differences	-	(156.26)	(156.26)
Balance as at December 31, 2015	-	(2,010.30)	(2,010.30)
<u>Allowance for impairment of assets</u>			
Balance as at January 1, 2014	-	-	-
Increase	(20,721.10)	-	(20,721.10)
Currency translation differences	85.49	-	85.49
Balance as at December 31, 2014	(20,635.61)	-	(20,635.61)
Increase	(22,907.70)	(11.80)	(22,919.50)
Currency translation differences	2,589.28	(0.02)	2,589.26
Balance as at December 31, 2015	(40,954.03)	(11.82)	(40,965.85)
Net Book Value as at December 31, 2014 (Restated)	145,561.92	3,599.09	149,161.01
Net Book Value as at December 31, 2015	129,652.63	3,556.23	133,208.86

Notes to Financial Statements

Unit : Million US Dollar

	The Company		
	Exploration and Evaluation Assets	Other Intangible Assets	Total
<u>Historical cost</u>			
Balance as at January 1, 2014	77.16	122.91	200.07
Increase	15.19	11.72	26.91
Decrease	-	(0.70)	(0.70)
Balance as at December 31, 2014	92.35	133.93	226.28
Increase	36.80	3.58	40.38
Decrease	(0.02)	-	(0.02)
Balance as at December 31, 2015	129.13	137.51	266.64
<u>Accumulated amortization</u>			
Balance as at January 1, 2014	-	(26.28)	(26.28)
Amortization for the period	-	(11.72)	(11.72)
Decrease	-	0.70	0.70
Balance as at December 31, 2014	-	(37.30)	(37.30)
Amortization for the period	-	(12.39)	(12.39)
Balance as at December 31, 2015	-	(49.69)	(49.69)
Net Book Value as at December 31, 2014	92.35	96.63	188.98
Net Book Value as at December 31, 2015	129.13	87.82	216.95

Unit : Million Baht

	The Company		
	Exploration and Evaluation Assets	Other Intangible Assets	Total
<u>Historical cost</u>			
Balance as at January 1, 2014	2,531.70	4,033.33	6,565.03
Increase	493.43	380.61	874.04
Decrease	-	(22.62)	(22.62)
Currency translation differences	18.87	23.70	42.57
Balance as at December 31, 2014	3,044.00	4,415.02	7,459.02
Increase	1,258.24	122.00	1,380.24
Decrease	(0.53)	-	(0.53)
Currency translation differences	358.51	425.41	783.92
Balance as at December 31, 2015	4,660.22	4,962.43	9,622.65
<u>Accumulated amortization</u>			
Balance as at January 1, 2014	-	(862.26)	(862.26)
Amortization for the period	-	(380.66)	(380.66)
Decrease	-	22.62	22.62
Currency translation differences	-	(9.27)	(9.27)
Balance as at December 31, 2014	-	(1,229.57)	(1,229.57)
Amortization for the period	-	(424.44)	(424.44)
Currency translation differences	-	(139.22)	(139.22)
Balance as at December 31, 2015	-	(1,793.23)	(1,793.23)
Net Book Value as at December 31, 2014	3,044.00	3,185.45	6,229.45
Net Book Value as at December 31, 2015	4,660.22	3,169.20	7,829.42

Notes to Financial Statements

22. Impairment Loss on Assets

Assets that are subject to amortization are reviewed for impairment whenever events or change in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. An impairment loss is recognized when the carrying amount of the asset is higher than its recoverable amount which is the higher of the asset's fair value less cost to sell or value in use.

An asset or group of assets described as cash-generating unit (CGU) is the smallest identifiable group of assets that generates inflows that are largely independent from the cash flows from other CGUs. The Company considers the CGU at the individual project level assessing the expected future cash flows over the average life of the project with a constant growth rate.

The continuing significant decrease in world oil prices during the year 2015 impacts the overall business and has been an important factor indicating that the assets may be impaired.

The measurements of fair value less cost to sell and value in use are based on a proved and probable reserve production profile including other key estimates and assumptions such as the short-term forward oil price curve, long-term oil price based on supply and demand of oil in the world market, exchange rates, discount rates, and project management team estimate of the capital expenditure and operating expenditure as well as past industry performance which were consistent with the external sources of information. The Company used discounted cash flow with a weighted average cost of capital (WACC) between 7.75% - 8.70% for calculation of fair value less cost to sell and WACC between 6.89% – 8.19% for calculation of value in use.

During the year ended December 31, 2015, the Company recognized impairment loss on assets in the consolidated statements of income, as presented below.

Impairment losses on assets are classified as follows:

	Unit : Million US Dollar	Unit : Million Baht
Impairment loss on oil and gas properties recognized in property, plant and equipment	636.49	22,925.16
Impairment loss on intangible assets	636.33	22,919.50
Goodwill	112.39	4,048.17
Total	1,385.21	49,892.83

Unit : Million US Dollar

	Impairment Testing Method	The Carrying Amount of Projects before Impairment	The Carrying Amount of Projects after Impairment	Impairment Loss
Thailand	Value in Use	311.51	130.86	180.65
Overseas	Value in Use	433.20	185.39	247.81
Overseas	Fair Value less Cost to Sell	2,126.41	1,169.66	956.75
			Total	1,385.21

Unit : Million Baht

	Impairment Testing Method	The Carrying Amount of Projects before Impairment	The Carrying Amount of Projects after Impairment	Impairment Loss
Thailand	Value in Use	11,329.34	4,822.67	6,506.67
Overseas	Value in Use	15,755.26	6,829.60	8,925.65
Overseas	Fair Value less Cost to Sell	77,336.76	42,876.25	34,460.51
			Total	49,892.83

Impairment loss on domestic projects

Impairment loss on domestic projects amounting to US Dollar 180.65 million (Baht 6,506.67 million) is for a production phase project. The Company calculated the recoverable amount by assessing the value in use using the discounted cash flow with a weighted average cost of capital (WACC). The impairment loss was primarily from the significant decrease in oil price in the world market.

Impairment loss on overseas projects

The Company calculated the recoverable amount of overseas projects using the assets' fair value less cost to sell and value in use.

Notes to Financial Statements

Impairment losses amounting to US Dollar 247.81 million (Baht 8,925.65 million) were from the impairment losses of two cash generating units (CGUs) whose the recoverable amount was calculated using the value in use. These two CGUs are projects under production phase. The Company used discounted cash flow with a weighted average cost of capital (WACC). The impairment losses were primarily from the significant decrease in oil price in the world market.

Impairment losses amounting to US Dollar 956.75 million (Baht 34,460.51 million) were from the impairment losses of two cash generating units (CGUs) whose the recoverable amount was calculated using the fair value less cost to sell. One CGU is a production phase project in which its impairment loss is from the significant decrease in oil price in the world market. The other CGU is an exploration phase project in which its impairment loss is from the significant decrease in oil price in the world market and the postponement of the project development plan. The Company used discounted cash flow with a weighted average cost of capital (WACC).

The amount of impairment loss on assets is disclosed in Note 42 - Segment information.

23. Carried Costs under Petroleum Sharing Contract

As at December 31, 2015, the Group presented carried costs paid for the foreign governments under oil and gas properties, exploration and evaluation assets and other non-current assets in the statement of financial position and presented exploration expenses in the statement of income for the following projects:

Unit : Million US Dollar

Consolidated				
Projects	Carried Costs			
	Oil and Gas Properties	Exploration and Evaluation Assets	Other Non – current Assets	Exploration Expenses (Cumulative since 2002 – December 31, 2015)
Vietnam 52/97	-	-	1.01	-
Vietnam B & 48/95	-	-	1.06	-
Vietnam 16-1 ⁽¹⁾	25.82	-	-	35.49
Vietnam 9-2 ⁽¹⁾	33.18	-	-	19.93
Algeria 433a & 416b	7.95	-	-	12.46
Algeria Hassi Ber Rekaiz	0.15	69.80	-	21.00
Myanmar PSC G & EP 2	-	9.28	-	3.56
Myanmar MOGE 3	-	-	-	0.05
Mozambique Rovuma Offshore Area 1	9.18	45.61	-	14.00
Mozambique Rovuma Onshore	-	-	-	3.75

Unit : Million Baht

Consolidated				
Projects	Carried Costs			
	Oil and Gas Properties	Exploration and Evaluation Assets	Other Non – current Assets	Exploration Expenses (Cumulative since 2002 – December 31, 2015)
Vietnam 52/97	-	-	36.41	-
Vietnam B & 48/95	-	-	38.11	-
Vietnam 16-1 ⁽¹⁾	931.81	-	-	1,268.59
Vietnam 9-2 ⁽¹⁾	1,197.31	-	-	791.82
Algeria 433a & 416b	286.94	-	-	415.00
Algeria Hassi Ber Rekaiz	5.37	2,519.04	-	669.88
Myanmar PSC G & EP 2	-	334.77	-	111.70
Myanmar MOGE 3	-	-	-	1.69
Mozambique Rovuma Offshore Area 1	331.37	1,646.13	-	436.43
Mozambique Rovuma Onshore	-	-	-	124.64

⁽¹⁾ Vietnam 16-1 and Vietnam 9-2 projects had received the full recoupment of the carried cost from the recoupment based on its participating interests.

Notes to Financial Statements

Unit : Million US Dollar

The Company				
Project	Carried Costs			
	Oil and Gas Properties	Exploration and Evaluation Assets	Other Non – current Assets	Exploration Expenses (Cumulative since 2002 – December 31, 2015)
Algeria Hassi Ber Rekaiz	0.15	69.80	-	21.00

Unit : Million Baht

The Company				
Project	Carried Costs			
	Oil and Gas Properties	Exploration and Evaluation Assets	Other Non – current Assets	Exploration Expenses (Cumulative since 2002 – December 31, 2015)
Algeria Hassi Ber Rekaiz	5.37	2,519.04	-	669.88

24. Income Taxes and Deferred Taxes

Income tax rates for the Group are as follows:

	Tax Rate (%)
Petroleum income tax on petroleum businesses in Thailand pursuant to Petroleum Income Tax Act, B.E. 2514 and 2532	50
Income tax under Revenue Code	20
Corporate income tax in the Republic of the Union of Myanmar	25
Income tax from the Petroleum business in the Malaysia - Thailand Joint Development Area under the Petroleum Income Tax Act (No.5), B.E. 2541	
- From the first to the eighth accounting period	0
- From the ninth to the fifteenth accounting period	10
- From the sixteenth accounting period onward	20
Corporate income tax in the Socialist Republic of Vietnam	50
Corporate income tax in Australia	30
Petroleum resource rent tax in Australia	40
Corporate income tax in the Sultanate of Oman	55
Corporate income tax in Canada	25 (for 2014), 26 (for 2015), 27 (for 2016 onwards)
Corporate income tax in Netherlands	25
Corporate income tax in the Republic of Kenya	30
Corporate income tax in the Republic of Mozambique	32
Corporate income tax in Indonesia	
- Corporate income tax	30
- Income tax from the profit distribution	20
Corporate income tax in the Federative Republic of Brazil	34
Corporate income tax in the People's Democratic Republic of Algeria	38

The Royal Decree issued under Revenue Code Governing Reduction of Rates and Exemption of Taxes and Duties (No.530) B.E. 2554 to reduce of the corporate income tax rate of 30% to 20% for the following two accounting periods beginning on or after January 1, 2013.

Subsequently, during the year 2014, the Royal Decree issued under Revenue Code Governing Reduction of Rates and Exemption of Taxes and Duties (No.577) B.E. 2557 to remain of the corporate income tax rate of 20% for the accounting period beginning on or after January 1, 2015 but not later than December 31, 2015.

On January 22, 2016, the National Legislative Assembly (NLA) approved the draft of an Act to permanently change the statutory corporate income tax rate in the Revenue Code from 30% of net profit to 20% of net profit. The Act is currently in the process of becoming the law and if approved, it will be effective for the accounting periods beginning on or after January 1, 2016.

Notes to Financial Statements

24.1 Deferred tax assets and liabilities are as follows:

Unit : Million US Dollar

	Consolidated		The Company	
	2015	2014	2015	2014
Deferred tax assets	180.09	280.58	24.25	8.09
Deferred tax liabilities	1,269.54	1,499.85	315.35	347.68
	(1,089.45)	(1,219.27)	(291.10)	(339.59)

Unit : Million Baht

	Consolidated		The Company	
	2015	2014	2015	2014
Deferred tax assets	6,499.29	9,248.82	875.05	266.63
Deferred tax liabilities	45,815.93	49,439.53	11,380.48	11,460.63
	(39,316.64)	(40,190.71)	(10,505.43)	(11,194.00)

24.2 The corporate income taxes in the consolidated and the Company statements of income are as follows:

Unit : Million US Dollar

	Consolidated		The Company	
	2015	2014 (Restated)	2015	2014
Income Taxes :				
Current income tax expenses	709.87	1,149.89	447.06	585.66
Prior year income tax expenses recognized in current period	(46.16)	(2.10)	(3.68)	(1.58)
	663.71	1,147.79	443.38	584.08
Deferred Taxes :				
Change in temporary differences	(340.35)	(70.40)	(172.84)	(54.34)
Tax effect of currency translation on tax base	166.00	17.15	113.69	11.96
	(174.35)	(53.25)	(59.15)	(42.38)
Total	489.36	1,094.54	384.23	541.70

Unit : Million Baht

	Consolidated		The Company	
	2015	2014 (Restated)	2015	2014
Income Taxes :				
Current income tax expenses	24,178.58	37,285.75	15,424.72	19,018.15
Prior year income tax expenses recognized in current period	(1,635.64)	(68.38)	(123.77)	(51.29)
	22,542.94	37,217.37	15,300.95	18,966.86
Deferred Taxes :				
Change in temporary differences	(11,593.23)	(2,237.65)	(5,964.64)	(1,764.17)
Tax effect of currency translation on tax base	5,919.30	555.77	3,923.37	388.34
	(5,673.93)	(1,681.88)	(2,041.27)	(1,375.83)
Total	16,869.01	35,535.49	13,259.68	17,591.03

Notes to Financial Statements

24.3 The income tax on the Group's profit before income taxes differ from the theoretical amount that would arise using the basic tax rate of the country in which the Company is located are as follows:

	Unit : Million US Dollar			
	Consolidated		The Company	
	2015	2014 (Restated)	2015	2014
Profit (loss) before income taxes	(364.23)	1,772.00	655.70	1,596.08
Tax calculated at a tax rate of 50%	(182.12)	886.00	327.85	798.04
Tax effect of :				
Associates' results reported, net of tax	(4.51)	(1.73)	-	-
Income not subject to tax	(58.42)	(71.60)	(20.35)	(24.26)
Undeductible expenses – Corporate income tax	8.61	11.35	0.09	2.34
Undeductible expenses – Petroleum income tax	224.96	135.79	240.58	221.16
Undeductible expenses – Foreign income tax	815.56	730.43	-	-
Tax loss for which no deferred tax asset was recognized	42.30	101.27	-	-
Differences in tax rate on undeductible expenses				
– Corporate income tax	(146.35)	(10.83)	(190.43)	(0.62)
Differences in tax rate on profit before income tax				
– Corporate income tax	(19.57)	(94.03)	(34.61)	(44.12)
Remeasurement of gain on exchange rate of US Dollar financial statement	35.00	(33.73)	(7.20)	(0.80)
Remeasurement of gain on exchange rate of Baht financial statement	132.87	17.71	257.85	10.70
Deferred tax on functional currency	166.00	17.15	113.69	11.96
Tax credit on petroleum royalty	(403.66)	(563.04)	(316.31)	(434.82)
Tax credit on foreign corporate income tax	1.67	23.71	-	-
Adjustment in respect of prior year	(46.16)	(2.10)	(3.68)	(1.58)
Differences in tax rate of the Group's operating countries	(158.81)	(78.15)	-	-
Offset transactions of the Group's interests	80.02	76.81	-	-
Others	1.97	(50.47)	16.75	3.70
Income taxes	489.36	1,094.54	384.23	541.70

Unit : Million Baht

	Consolidated		The Company	
	2015	2014 (Restated)	2015	2014
Profit (loss) before income taxes	(14,721.48)	57,025.94	22,482.56	51,794.62
Tax calculated at a tax rate of 50%	(7,360.74)	28,512.97	11,241.28	25,897.31
Tax effect of :				
Associates' results reported, net of tax	(155.60)	(56.29)	-	-
Income not subject to tax	(2,013.68)	(2,324.71)	(702.37)	(787.93)
Undeductible expenses – Corporate income tax	296.76	368.56	3.05	75.98
Undeductible expenses – Petroleum income tax	7,754.84	4,408.44	8,302.38	7,181.80
Undeductible expenses – Foreign income tax	28,113.65	23,714.07	-	-
Tax loss for which no deferred tax asset was recognized	1,458.18	3,287.77	-	-
Differences in tax rate on undeductible expenses				
– Corporate income tax	(5,045.08)	(351.62)	(6,571.79)	(20.00)
Differences in tax rate on profit before income tax –				
Corporate income tax	(674.44)	(3,052.79)	(1,194.15)	(1,432.66)
Remeasurement of gain on exchange rate of US Dollar financial statement	1,206.34	(1,095.20)	(248.58)	(25.97)
Remeasurement of gain on exchange rate of Baht financial statement	4,580.15	575.02	8,898.26	347.38
Deferred tax on functional currency	5,919.30	555.77	3,923.37	388.34
Tax credit on petroleum royalty	(13,914.65)	(18,279.80)	(10,915.59)	(14,120.29)
Tax credit on foreign corporate income tax	57.57	769.76	-	-
Adjustment in respect of prior year	(1,635.64)	(68.20)	(123.77)	(51.21)
Differences in tax rate of the Group's operating countries	(5,474.43)	(2,537.08)	-	-
Offset transactions of the Group's interests	2,758.42	2,493.78	-	-
Others	998.06	(1,384.96)	647.59	138.28
Income taxes	16,869.01	35,535.49	13,259.68	17,591.03

Notes to Financial Statements

24.4 Changes in deferred tax assets and liabilities are as follows:

Unit : Million US Dollar

	Consolidated				
	As at January 1, 2015	Statement of income	Statement of comprehensive income	Currency translation differences	As at December 31, 2015
Deferred tax assets :					
Decommissioning costs	337.01	125.67	-	-	462.68
Employee benefit obligations	64.27	3.78	(7.17)	-	60.88
Property, plant and equipment and intangible assets	117.46	(14.61)	-	-	102.85
Petroleum resource rent tax in Australia	140.78	(71.45)	-	-	69.33
Loss carried forward	47.27	41.34	-	1.59	90.20
Unrealized foreign exchange	0.47	0.18	-	-	0.65
Financial derivative	9.44	13.23	(4.21)	-	18.46
Provision for impairment loss on assets	6.39	91.56	-	-	97.95
Others	66.94	36.67	-	0.35	103.96
	790.03	226.37	(11.38)	1.94	1,006.96
Tax effect of currency translation on tax base	(1.07)	7.00	-	-	5.93
Total	788.96	233.37	(11.38)	1.94	1,012.89

Unit : Million US Dollar

	Consolidated				
	As at January 1, 2015	Statement of income	Statement of comprehensive income	Currency translation differences	As at December 31, 2015
Deferred tax liabilities :					
Decommissioning costs	43.22	(18.83)	-	-	24.39
Property, plant and equipment and intangible assets	1,962.96	(95.43)	-	-	1,867.53
Financial derivative	19.98	0.16	34.27	0.69	55.10
Others	1.02	0.12	-	0.13	1.27
	2,027.18	(113.98)	34.27	0.82	1,948.29
Tax effect of currency translation on tax base	(18.95)	173.00	-	-	154.05
Total	2,008.23	59.02	34.27	0.82	2,102.34
Net	(1,219.27)	174.35	(45.65)	1.12	(1,089.45)

Notes to Financial Statements

Unit : Million Baht

	Consolidated				
	As at January 1, 2015	Statement of income	Statement of comprehensive income	Currency translation differences	As at December 31, 2015
Deferred tax assets :					
Decommissioning costs	11,108.76	4,282.76	-	1,305.84	16,697.36
Employee benefit obligations	2,118.66	129.96	(258.48)	206.79	2,196.93
Property, plant and equipment and intangible assets	3,871.98	(534.40)	-	374.09	3,711.67
Petroleum resource rent tax in Australia	4,640.60	(2,557.07)	-	418.49	2,502.02
Loss carried forward	1,558.16	1,523.56	-	173.36	3,255.08
Unrealized foreign exchange	15.54	6.40	-	1.53	23.47
Financial derivative	311.07	456.70	(145.28)	43.75	666.24
Provision for impairment loss on assets	210.74	3,296.80	-	27.35	3,534.89
Others	2,206.52	1,181.40	-	363.60	3,751.52
	26,042.03	7,786.11	(403.76)	2,914.80	36,339.18
Tax effect of currency translation on tax base	(35.26)	241.54	-	7.72	214.00
Total	26,006.77	8,027.65	(403.76)	2,922.52	36,553.18

Unit : Million Baht

	Consolidated				
	As at January 1, 2015	Statement of income	Statement of comprehensive income	Currency translation differences	As at December 31, 2015
Deferred tax liabilities :					
Decommissioning costs	1,424.74	(673.96)	-	129.42	880.20
Property, plant and equipment and intangible assets	64,704.97	(3,146.38)	-	5,837.85	67,396.44
Financial derivative	658.46	5.94	1,174.63	149.60	1,988.63
Others	34.13	7.28	-	3.59	45.00
	66,822.30	(3,807.12)	1,174.63	6,120.46	70,310.27
Tax effect of currency translation on tax base	(624.82)	6,160.84	-	23.53	5,559.55
Total	66,197.48	2,353.72	1,174.63	6,143.99	75,869.82
Net	(40,190.71)	5,673.93	(1,578.39)	(3,221.47)	(39,316.64)

Notes to Financial Statements

Unit : Million US Dollar

	The Company		
	As at January 1, 2015	Statement of income	Statement of comprehensive income
			As at December 31, 2015
Deferred tax assets :			
Decommissioning costs	196.73	149.80	346.53
Employee benefit obligations	59.13	3.44	56.12
Financial derivative	9.44	13.23	18.46
Others	35.65	16.73	52.38
	300.95	183.20	473.49
Tax effect of currency translation on tax base	(1.07)	7.00	5.93
Total	299.88	190.20	479.42
Deferred tax liabilities :			
Property, plant and equipment and intangible assets	675.76	10.50	686.26
Others	0.28	(0.14)	0.14
	676.04	10.36	686.40
Tax effect of currency translation on tax base	(36.57)	120.69	84.12
Total	639.47	131.05	770.52
Net	(339.59)	59.15	(291.10)

Unit : Million Baht

	The Company				
	As at January 1, 2015	Statement of income	Statement of comprehensive income	Currency translation differences	As at December 31, 2015
Deferred tax assets :					
Decommissioning costs	6,484.67	5,169.58	-	851.42	12,505.67
Employee benefit obligations	1,949.13	118.72	(232.29)	189.76	2,025.32
Financial derivative	311.07	456.70	(145.28)	43.75	666.24
Others	1,175.09	577.48	-	137.85	1,890.42
	9,919.96	6,322.48	(377.57)	1,222.78	17,087.65
Tax effect of currency translation on tax base	(35.26)	241.54	-	7.72	214.00
Total	9,884.70	6,564.02	(377.57)	1,230.50	17,301.65
Deferred tax liabilities :					
Property, plant and equipment and intangible assets	22,275.18	362.12	-	2,128.70	24,766.00
Others	9.07	(4.28)	-	0.66	5.45
	22,284.25	357.84	-	2,129.36	24,771.45
Tax effect of currency translation on tax base	(1,205.55)	4,164.91	-	76.27	3,035.63
Total	21,078.70	4,522.75	-	2,205.63	27,807.08
Net	(11,194.00)	2,041.27	(377.57)	(975.13)	(10,505.43)

Notes to Financial Statements

25. Prepaid Expenses

As at December 31, 2015, prepaid expenses amounting to US Dollar 20.98 million or Baht 757.01 million are mainly the prepayments for investment in the Myanmar Zawtika pipeline project to facilitate the construction of a gas pipeline. The Group will amortize these prepayments as expenses in accordance with Facilities, services and information sharing agreement.

Prepaid expenses are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Prepayments for the construction of a gas pipeline	17.13	18.49	618.11	609.45
Prepayments for rental fee	2.26	2.38	81.47	78.41
Others	1.59	2.47	57.43	81.51
Total	20.98	23.34	757.01	769.37

26. Financial Derivatives

Financial derivatives are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Financial derivative assets				
<u>Financial derivative assets - Current</u>				
Oil price hedge	62.31	32.85	2,248.75	1,082.73
Forward foreign exchange	8.01	-	288.85	-
Total financial derivative assets - Current	70.32	32.85	2,537.60	1,082.73
<u>Financial derivative assets - Non - current</u>				
Interest rate swap	4.32	6.02	156.03	198.56
Cross currency and interest rate swap	182.59	83.03	6,589.20	2,736.85
Total financial derivative assets - Non - current	186.91	89.05	6,745.23	2,935.41

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Financial derivative liabilities				
<u>Financial derivative liabilities - Current</u>				
Oil price hedge	5.32	-	191.84	-
Interest rate swap	-	0.21	-	7.03
Forward foreign exchange	1.45	-	52.49	-
Total financial derivative liabilities - Current	6.77	0.21	244.33	7.03
<u>Financial derivative liabilities - Non - current</u>				
Interest rate swap	2.32	2.89	83.63	95.24
Cross currency and interest rate swap	100.52	52.91	3,627.69	1,744.08
Total financial derivative liabilities - Non - current	102.84	55.80	3,711.32	1,839.32

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Financial derivative assets				
<u>Financial derivative assets - Current</u>				
Forward foreign exchange	7.57	-	273.25	-
Total financial derivative assets - Current	7.57	-	273.25	-
<u>Financial derivative assets - Non - current</u>				
Interest rate swap	4.32	6.02	156.03	198.56
Cross currency and interest rate swap	-	2.76	-	90.83
Total financial derivative assets - Non - current	4.32	8.78	156.03	289.39

Notes to Financial Statements

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Financial derivative liabilities				
<u>Financial derivative liabilities - Current</u>				
Interest rate swap	-	0.21	-	7.03
Forward foreign exchange	1.36	-	49.14	-
Total financial derivative liabilities - Current	1.36	0.21	49.14	7.03
<u>Financial derivative liabilities - Non - current</u>				
Interest rate swap	2.32	2.89	83.63	95.24
Cross currency and interest rate swap	100.52	52.91	3,627.69	1,744.08
Total financial derivative liabilities - Non - current	102.84	55.80	3,711.32	1,839.32

Cash flow hedges

The Company entered into the foreign exchange forward that were being used to hedge cash flow risk of highly probable forecast transactions, as well as cross currency and interest rate swaps to fix the US Dollar interest rate and US Dollar redemption value to reduce the impact of foreign exchange rates volatility, with matching critical terms, i.e. the interest payment interval, maturity date on the currency leg of the swap with the underlying Thai Baht debentures or debt issuance.

In 2015, the Company follows the accounting for hedge on cross currency and interest rate swaps in which the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in other comprehensive income. The amounts that had been recognized in other comprehensive income shall be reclassified to statement of income in the same period when the underlying debt affects the statement of income. The gain or loss relating to the ineffective portion is recognized immediately in the statement of income. The Company had reclassified loss previously recognized in other comprehensive income to the statement of income during 2015 in the amount of US Dollar 0.05 million.

27. Other Non-current Assets

Other non-current assets comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Carried cost for PetroVietnam in projects:				
- Vietnam B & 48/95	1.06	1.06	38.11	34.80
- Vietnam 52/97	1.01	1.01	36.41	33.26
Deposits	4.26	4.49	153.74	147.93
Decommissioning fund	87.39	66.44	3,153.85	2,190.23
Others	2.53	1.56	91.32	51.54
Total	96.25	74.56	3,473.43	2,457.76

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Deposits	4.17	4.37	150.35	144.16
Others	0.98	0.88	35.58	28.91
Total	5.15	5.25	185.93	173.07

Notes to Financial Statements

28. Loans and Debentures

Loans and debentures comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
<u>Current Liabilities</u>				
Current portion of debentures	-	699.22	-	23,048.28
Current portion of long-term loans from financial institution	-	50.00	-	1,648.15
Total current liabilities	-	749.22	-	24,696.43
<u>Non-current Liabilities</u>				
Debentures	2,434.70	2,504.87	87,864.79	82,568.30
Long-term loans from financial institutions	570.54	974.63	20,590.08	32,126.62
Total non-current liabilities	3,005.24	3,479.50	108,454.87	114,694.92

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
<u>Current Liabilities</u>				
Current portion of long-term loans from financial institution	-	50.00	-	1,648.15
Total current liabilities	-	50.00	-	1,648.15
<u>Non-current Liabilities</u>				
Debentures	1,248.92	1,319.42	45,071.69	43,492.23
Total non-current liabilities	1,248.92	1,319.42	45,071.69	43,492.23

Movements in the loans and debentures for the year are as follows:

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
Balance as at January 1, 2015	4,228.72	139,391.35
Additional loans	56.17	1,920.60
Repayment of loans	(467.60)	(15,986.79)
Repayment of debentures	(700.00)	(23,932.28)
Deferred finance cost	7.50	213.81
Foreign exchange differences	(119.55)	(4,087.26)
Currency translation differences	-	10,935.44
Balance as at December 31, 2015	3,005.24	108,454.87

	Unit : Million US Dollar	Unit : Million Baht
	The Company	The Company
Balance as at January 1, 2015	1,369.42	45,140.38
Additional loans	56.17	1,920.60
Repayment of loans	(106.13)	(3,628.53)
Deferred finance cost	0.59	13.24
Foreign exchange differences	(71.13)	(2,432.27)
Currency translation differences	-	4,058.27
Balance as at December 31, 2015	1,248.92	45,071.69

Notes to Financial Statements

Debentures

The carrying value of unsecured and unsubordinated debentures comprised:

	Interest rates (% per annum)	Effective interest rates (% per annum)	Maturity date	Unit : Million US Dollar		Unit : Million Baht	
				Consolidated	Dec 31, 2014	Consolidated	Dec 31, 2014
Maturity date within 1 year				Dec 31, 2015	Dec 31, 2015	Dec 31, 2015	Dec 31, 2015
- Debentures US Dollar 500 million ¹	4.152	4.366	July 19, 2015	-	499.47	-	16,463.99
- Debentures US Dollar 200 million ¹	4.152	4.326	August 4, 2015	-	199.75	-	6,584.29
Maturity date over 1 year but not exceeding 3 years							
- Debentures Baht 2,500 million ²	4.625	4.625	March 27, 2018	69.27	75.84	2,500.00	2,500.00
- Debentures US Dollar 500 million ¹	3.707	3.831	September 16, 2018	498.60	498.06	17,993.58	16,417.72
Maturity date over 3 years but not exceeding 5 years							
- Debentures Baht 5,000 million ³	4.80	4.873	May 29, 2019	138.49	151.60	4,997.90	4,997.28
- Debentures Baht 8,200 million ⁴	3.91	3.976	June 6, 2019	227.02	248.49	8,192.96	8,190.92
Maturity date over 5 years							
- Debentures US Dollar 700 million ¹	5.692	5.815	April 5, 2021	698.88	698.67	25,221.59	23,030.17
- Debentures Baht 11,400 million ⁵	4.82	4.89	June 6, 2029	315.54	345.43	11,387.25	11,386.31
- Debentures US Dollar 490 million ¹	6.35	6.507	June 12, 2042	486.90	486.78	17,571.51	16,045.90
Total Carrying Value				2,434.70	3,204.09	87,864.79	105,616.58

	Interest rates (% per annum)	Effective interest rates (% per annum)	Maturity date	Unit : Million US Dollar		Unit : Million Baht	
				The Company	Dec 31, 2014	The Company	Dec 31, 2014
Maturity date over 1 year but not exceeding 3 years	4.625	4.625	March 27, 2018				
- Debentures Baht 2,500 million ²	3.707	3.831	September 16, 2018	69.27	75.84	2,500.00	2,500.00
- Debentures US Dollar 500 million ¹				498.60	498.06	17,993.58	16,417.72
Maturity date over 3 years but not exceeding 5 years	4.80	4.873	May 29, 2019	138.49	151.60	4,997.90	4,997.28
- Debentures Baht 5,000 million ³	3.91	3.976	June 6, 2019	227.02	248.49	8,192.96	8,190.92
- Debentures Baht 8,200 million ⁴							
Maturity date over 5 years	4.82	4.89	June 6, 2029	315.54	345.43	11,387.25	11,386.31
- Debentures Baht 11,400 million ⁵				1,248.92	1,319.42	45,071.69	43,492.23
Total Carrying Value							

Notes to Financial Statements

¹ The Company has Optional Redemption rights. The redemption price is the sum of the debenture par value, accrued interest, and interest payable up to the day before the maturity date plus an applicable premium whereby the applicable premium is the higher of the following:

- (1) 1.00% per annum of the debenture par value or
- (2) Present value that is higher than the debenture par value. Present value is the debenture par value and the interest receivable if the debenture is redeemed on the maturity date minus accrued interest and interest payable to the date of early redemption discounted using Treasury Rate as at the early redemption date plus 0.35% per annum.

² On September 27, 2005, the Company entered into a Cross Currency Swap transaction with a financial institution to swap Thai Baht debentures for US Dollar 60.82 million. Under this agreement, the interest was charged at the rate of 3.85% per annum. On May 2, 2007, the Company swapped the US Dollar debentures with the same financial institution for Baht 2,500 million. Under this agreement, the interest rate was reduced to 3.30% per annum until the expiration date. In May 2011, the Company swapped Thai Baht debentures of 2,500 million for US Dollar 82.92 million with a financial institution at the exchange rate of Baht 30.15 per US Dollar. Under this agreement, the interest rate was charged at the rate of 3.30% per annum.

³ In June 2011, the Company entered into a Cross Currency Swap transaction with a financial institution to swap Thai Baht debentures for US Dollar 161.81 million at the average exchange rate of Baht 30.90 per US Dollar. Under this agreement, the average interest rate was charged at the rate of 4.93% per annum.

⁴ On June 6, 2014, the Company entered into a Cross Currency Swap transaction with a financial institution to swap Thai Baht debentures for US Dollar 251.07 million at the average exchange rate of Baht 32.66 per US Dollar. Under this agreement, the average interest rate was charged at the rate of 3.013% per annum.

⁵ On June 6, 2014, the Company entered into a Cross Currency Swap transaction with a financial institution to swap Thai Baht debentures for US Dollar 349.05 million at the average exchange rate of Baht 32.66 per US Dollar. Under this agreement, the average interest rate was charged at the rate of 4.989% per annum.

Long-term loans from financial institutions

Long-term loans from financial institutions comprised:

	Interest rates (% per annum)	Effective interest rates (% per annum)	Maturity date	Unit : Million US Dollar		Unit : Million Baht	
				Consolidated Dec 31, 2015	Consolidated Dec 31, 2014	Consolidated Dec 31, 2015	Consolidated Dec 31, 2014
Maturity date within 1 year							
- Loan US Dollar 50 million ^{1,2}	LIBOR + 1.30	1.75	December 9, 2015	-	50.00	-	1,648.15
Maturity date over 1 year but not exceeding 3 years							
- Loan Canadian Dollar 300 million ³	CDOR + 1.70	3.49	May 11, 2017	-	256.40	-	8,451.75
- Loan Canadian Dollar 75 million ³	CDOR + 1.90	3.26	May 11, 2017	-	64.54	-	2,127.41
- Loan US Dollar 500 million	LIBOR + 0.985	1.88	November 24, 2017	496.14	494.12	17,904.89	16,287.62
- Loan US Dollar 75 million	LIBOR + 0.985	1.89	December 1, 2017	74.40	74.10	2,685.19	2,442.50
Maturity date over 3 years but not exceeding 5 years							
- Loan Canadian Dollar 100 million ^{3,4}	CDOR + 2.10	3.87	September 19, 2019	-	85.47	-	2,817.34
				570.54	1,024.63	20,590.08	33,774.77

29. Short-term Provision

Short-term provision comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Provision for remuneration for the renewal of petroleum production	53.20	54.91	1,919.76	1,810.12
Total	53.20	54.91	1,919.76	1,810.12

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Provision for remuneration for the renewal of petroleum production	53.20	54.91	1,919.76	1,810.12
Total	53.20	54.91	1,919.76	1,810.12

30. Employee Benefit Obligations

Employee benefit obligations comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Statement of financial position				
Retirement benefits	92.84	110.90	3,350.33	3,655.48
Long service award	6.35	-	229.29	-
Liability in the statement of financial position	99.19	110.90	3,579.62	3,655.48
Statement of income				
Retirement benefits	11.55	11.89	394.12	386.22
Long service award	6.35	-	229.29	-
Total	17.90	11.89	623.41	386.22

Notes to Financial Statements

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Statement of financial position				
Retirement benefits	85.74	100.52	3,094.19	3,313.30
Long service award	6.33	-	228.60	-
Liability in the statement of financial position	92.07	100.52	3,322.79	3,313.30
Statement of income				
Retirement benefits	10.30	10.53	351.64	341.96
Long service award	6.33	-	228.60	-
Total	16.63	10.53	580.24	341.96

The reconciliation details for the present value of the defined retirement benefit obligation plans are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	2015	2014	2015	2014
Balance as at January 1	110.90	103.80	3,655.48	3,406.08
Current service cost	7.86	8.28	268.09	268.83
Interest cost	3.69	3.61	126.03	117.39
Gain from actuarial assumption of employee benefit obligations	(16.00)	-	(576.08)	-
Benefit paid	(3.62)	(4.23)	(123.57)	(137.58)
Foreign exchange differences	(9.99)	(0.56)	(340.99)	(18.22)
Currency translation differences	-	-	341.37	18.98
Balance as at December 31	92.84	110.90	3,350.33	3,655.48

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	2015	2014	2015	2014
Balance as at January 1	100.52	94.24	3,313.30	3,092.21
Current service cost	6.88	7.17	234.78	232.81
Interest cost	3.42	3.36	116.86	109.15
Gain from actuarial assumption of employee benefit obligations	(12.90)	-	(464.58)	-
Benefit paid	(3.13)	(3.75)	(106.90)	(121.62)
Foreign exchange differences	(9.05)	(0.50)	(308.80)	(16.41)
Currency translation differences	-	-	309.53	17.16
Balance as at December 31	85.74	100.52	3,094.19	3,313.30

Expenses recognized in the statements of income for the years are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	2015	2014	2015	2014
Current service cost	7.86	8.28	268.09	268.83
Interest cost	3.69	3.61	126.03	117.39
Total	11.55	11.89	394.12	386.22
Long service award	6.35	-	229.29	-
Expenses recognized in the statements of income	17.90	11.89	623.41	386.22

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	2015	2014	2015	2014
Current service cost	6.88	7.17	234.78	232.81
Interest cost	3.42	3.36	116.86	109.15
Total	10.30	10.53	351.64	341.96
Long service award	6.33	-	228.60	-
Expenses recognized in the statements of income	16.63	10.53	580.24	341.96

Notes to Financial Statements

Details of gain from actuarial assumption of employee benefit obligations recognized in the statement of comprehensive income are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	2015	2014	2015	2014
Change in demographic assumptions	2.15	-	77.38	-
Change in financial assumptions	12.96	-	466.68	-
Experience adjustments	0.89	-	32.02	-
Total	16.00	-	576.08	-

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	2015	2014	2015	2014
Change in demographic assumptions	2.15	-	77.38	-
Change in financial assumptions	10.74	-	386.68	-
Experience adjustments	0.01	-	0.52	-
Total	12.90	-	464.58	-

Major Actuarial Assumptions for Retirement Benefits

The Group's financial assumptions

	% per annum
Discount rate	3.5
Inflation rate	3.0
Credit interest rate on provident funds	3.4 – 3.9

The Group's demographic assumptions

- Mortality assumption: The mortality rate is from the Thailand Mortality Ordinary 2008 (TMO08) issued by the Office of the Insurance Commission. The TMO08 contains the results of the most recent mortality investigation of policyholders of life insurance companies in Thailand. It is reasonable to assume that these rates would reflect of the mortality rate of the working population in Thailand.

- Turnover rate assumption:

Age-related scale	% per annum
Prior to age 30	3.0 - 16.0
Age 30-39	3.0 - 10.0
Age 40 thereafter	0.0 - 5.0

The turnover rate above reflects the rate at which employees voluntarily resign from service. It does not include death, disability, and early retirement. The calculation for the employee benefits is based on these assumptions.

Impact on Defined Retirement Benefit Obligation Plans

Unit : Million US Dollar

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1 %	(9.15)	10.83

Unit : Million Baht

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1 %	(330.39)	390.87

The above sensitivity analysis is based on a change in assumption of the discount rate. No other changes to the underlying assumptions. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to the change in major assumptions, the same method - present value of the defined benefit obligation calculated with the projected unit credit method - has been applied as when calculating the pension liability recognized within the statement of financial position.

As of December 31, 2015, the weighted average duration of the defined retirement benefit obligation is 22 years.

Maturity analysis of undiscounted retirement benefits:

	Unit : Million US Dollar		Unit : Million Baht	
	31 December 2015		31 December 2015	
	Consolidated	The Company	Consolidated	The Company
Less than 1 year	7.24	5.93	261.14	213.93
Between 1-5 years	23.09	21.23	833.41	766.10
Between 6-10 years	45.33	43.03	1,635.73	1,553.08
Over 10 years	294.31	264.31	10,621.36	9,538.50
Total	369.97	334.50	13,351.64	12,071.61

Notes to Financial Statements

31. Provision for Decommissioning Costs

Provision for decommissioning costs are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014 (Restated)	Dec 31, 2015	Dec 31, 2014 (Restated)
Provision for decommissioning costs	2,085.82	2,163.12	75,274.26	71,303.03
<u>Less</u> Current portion	-	-	-	-
Non-current portion of provision for decommissioning costs	2,085.82	2,163.12	75,274.26	71,303.03

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Provision for decommissioning costs	1,046.05	1,087.36	37,750.41	35,842.55
<u>Less</u> Current portion	-	-	-	-
Non-current portion of provision for decommissioning costs	1,046.05	1,087.36	37,750.41	35,842.55

Movements of provision for decommissioning costs during the year are as follows:

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
Balance as at January 1, 2015	2,166.22	71,405.20
Effects from change in accounting policies	(3.10)	(102.17)
Balance as at January 1, 2015 (Restated)	2,163.12	71,303.03
Additional provision	35.80	1,223.94
Abandonment cost incurred during the year	(21.75)	(743.81)
Accretion expenses	74.49	2,546.87
Reverse provision	(165.84)	(5,673.62)
Currency translation differences	-	6,617.85
Balance as at December 31, 2015	2,085.82	75,274.26

	Unit : Million US Dollar	Unit : Million Baht
	The Company	The Company
Balance as at January 1, 2015	1,087.36	35,842.55
Abandonment cost incurred during the year	(0.39)	(13.22)
Accretion expenses	39.66	1,356.00
Reverse provision	(80.58)	(2,755.01)
Currency translation differences	-	3,320.09
Balance as at December 31, 2015	1,046.05	37,750.41

32. Provision for Remuneration for the Renewal of Petroleum Production

Provision for remuneration for the renewal of petroleum production are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Provision for remuneration for the renewal of petroleum production	348.69	547.42	12,583.45	18,044.78
<u>Less</u> Current portion	(53.20)	(54.91)	(1,919.76)	(1,810.12)
Non-current portion of provision for remuneration for the renewal of petroleum production	295.49	492.51	10,663.69	16,234.66

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Provision for remuneration for the renewal of petroleum production	348.69	547.42	12,583.45	18,044.78
<u>Less</u> Current portion	(53.20)	(54.91)	(1,919.76)	(1,810.12)
Non-current portion of provision for remuneration for the renewal of petroleum production	295.49	492.51	10,663.69	16,234.66

Notes to Financial Statements

Movements of provision for remuneration for the renewal of petroleum production during the year are as follows:

	Unit : Million US Dollar	Unit : Million Baht
	Consolidated	Consolidated
Balance as at January 1, 2015	547.42	18,044.78
Additional provision	54.72	1,870.84
Liabilities settled during the year	(47.24)	(1,615.18)
Accretion expenses	15.89	543.27
Reverse provision	(222.10)	(7,593.72)
Currency translation differences	-	1,333.46
Balance as at December 31, 2015	348.69	12,583.45

	Unit : Million US Dollar	Unit : Million Baht
	The Company	The Company
Balance as at January 1, 2015	547.42	18,044.78
Additional provision	54.72	1,870.84
Liabilities settled during the year	(47.24)	(1,615.18)
Accretion expenses	15.89	543.27
Reverse provision	(222.10)	(7,593.72)
Currency translation differences	-	1,333.46
Balance as at December 31, 2015	348.69	12,583.45

33. Deferred Income

Deferred income amount of US Dollar 19.96 million (Baht 720.28 million) for the consolidated financial statements mainly is the advance received for the payment of natural gas and transportation of gas, which the parties could not fulfill their obligation based on agreed deliverable quantity as per natural gas sale agreement amounting to US Dollar 16.93 million (Baht 611.09 million) and will be recognized as revenue when the counter parties receive this gas in subsequent years.

Deferred income amount of US Dollar 3.03 million (Baht 109.19 million) for the Company's financial statements is the advance charged for the payment of the space utilization service and will be recognized as revenue when the Company provides this service in subsequent years.

34. Fair value

34.1 Fair value estimation

The following table presents the financial assets and liabilities that are measured at fair value at 31 December 2015.

	Consolidated Unit : Million US Dollar				Consolidated Unit : Million Baht			
	Dec 31, 2015				Dec 31, 2015			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments in trading securities	0.12	-	-	0.12	4.27	-	-	4.27
Investments in available-for-sales securities	0.87	-	-	0.87	31.57	-	-	31.57
Financial derivatives								
- Oil price hedge	-	62.31	-	62.31	-	2,248.75	-	2,248.75
- Forward foreign exchange	-	8.01	-	8.01	-	288.85	-	288.85
- Interest rate swap	-	4.32	-	4.32	-	156.03	-	156.03
- Cross currency and interest rate swap	-	182.59	-	182.59	-	6,589.20	-	6,589.20
Total assets	0.99	257.23	-	258.22	35.84	9,282.83	-	9,318.67
Financial liabilities								
Financial derivatives								
- Oil price hedge	-	5.32	-	5.32	-	191.84	-	191.84
- Forward foreign exchange	-	1.45	-	1.45	-	52.49	-	52.49
- Interest rate swap	-	2.32	-	2.32	-	83.63	-	83.63
- Cross currency and interest rate swap	-	100.52	-	100.52	-	3,627.69	-	3,627.69
Total liabilities	-	109.61	-	109.61	-	3,955.65	-	3,955.65

Notes to Financial Statements

	Unit : Million US Dollar				Unit : Million Baht			
	Consolidated				Consolidated			
	Dec 31, 2014				Dec 31, 2014			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments in trading securities	0.18	-	-	0.18	5.80	-	-	5.80
Investments in available-for-sales securities	0.90	-	-	0.90	29.67	-	-	29.67
Financial derivatives								
- Oil price hedge	-	32.85	-	32.85	-	1,082.73	-	1,082.73
- Interest rate swap	-	6.02	-	6.02	-	198.56	-	198.56
- Cross currency and interest rate swap	-	83.03	-	83.03	-	2,736.85	-	2,736.85
Total assets	1.08	121.90	-	122.98	35.47	4,018.14	-	4,053.61
Financial liabilities								
Financial derivatives								
- Interest rate swap	-	3.10	-	3.10	-	102.27	-	102.27
- Cross currency and interest rate swap	-	52.91	-	52.91	-	1,744.08	-	1,744.08
Total liabilities	-	56.01	-	56.01	-	1,846.35	-	1,846.35

	Unit : Million US Dollar				Unit : Million Baht			
	The Company		The Company		The Company		The Company	
	Dec 31, 2015		Dec 31, 2015		Dec 31, 2015		Dec 31, 2015	
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments in trading securities								
Financial derivatives								
- Forward foreign exchange	0.11	-	-	0.11	4.10	-	-	4.10
- Interest rate swap	-	7.57	-	7.57	-	273.25	-	273.25
Total assets	0.11	11.89	-	12.00	4.10	429.28	-	433.38
Financial liabilities								
Financial derivatives								
- Forward foreign exchange	-	1.36	-	1.36	-	49.14	-	49.14
- Interest rate swap	-	2.32	-	2.32	-	83.63	-	83.63
- Cross currency and interest rate swap	-	100.52	-	100.52	-	3,627.69	-	3,627.69
Total liabilities	-	104.20	-	104.20	-	3,760.46	-	3,760.46

Notes to Financial Statements

	Unit : Million US Dollar				Unit : Million Baht			
	The Company		The Company		The Company		The Company	
	Dec 31, 2014		Dec 31, 2014		Dec 31, 2014		Dec 31, 2014	
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments in trading securities	0.17	-	-	0.17	5.57	-	-	5.57
Financial derivatives								
- Interest rate swap	-	6.02	-	6.02	-	198.56	-	198.56
- Cross currency and interest rate swap	-	2.76	-	2.76	-	90.83	-	90.83
Total assets	0.17	8.78	-	8.95	5.57	289.39	-	294.96
Financial liabilities								
Financial derivatives								
- Interest rate swap	-	3.10	-	3.10	-	102.27	-	102.27
- Cross currency and interest rate swap	-	52.91	-	52.91	-	1,744.08	-	1,744.08
Total liabilities	-	56.01	-	56.01	-	1,846.35	-	1,846.35

Level 1: Fair value based on quoted prices in an active market for identical assets and liabilities.

Level 2: Fair value based on inputs other than quoted prices in Level 1 or based on information from reliable source that can be used in the computation of fair value of assets and liabilities.

Level 3: Fair value based on internal valuation model or fair value that are not based on observable market data (that is, unobservable inputs).

34.2 Valuation Techniques Used to Derive Level 2 Fair Value

Financial derivatives used for hedging and Level 2 fair value measurements are as follows:

- Oil price hedge comprises oil price swaps and options. The fair value of the price level of oil price swaps is calculated based on the market price of futures contract. The fair value of the price level of oil price options is calculated using premium which requires various variable factors, such as the price level of swap, timing of exercise, and price volatility.
- The fair value of forward foreign exchange contracts is calculated using forward foreign exchange rates that are quoted in an active market.
- The fair value of interest rate swaps is calculated using forward interest rates extracted from observable yield curves in an interest market.
- The fair value of cross currency and interest rate swaps is calculated using forward interest rates derived from the yield curves in an observable interest market and forward foreign exchange rates that are quoted in an active market.

The discount factors do not significantly impact to the fair value of Level 2 derivatives.

Notes to Financial Statements

34.3 The details of fair value of long-term liabilities calculated by using the discounted cash flow based on a discounted rate of borrowing with similar terms are as follows:

Unit : Million US Dollar

Consolidated		
December 31, 2015		
	Book Value	Fair Value
Unsecured and unsubordinated debentures – Baht	750.32	826.60
Unsecured and unsubordinated debentures – US Dollar	1,684.38	1,873.32

Unit : Million Baht

Consolidated		
December 31, 2015		
	Book Value	Fair Value
Unsecured and unsubordinated debentures – Baht	27,078.11	29,830.89
Unsecured and unsubordinated debentures – US Dollar	60,786.68	67,605.39

Unit : Million US Dollar

The Company		
December 31, 2015		
	Book Value	Fair Value
Unsecured and unsubordinated debentures – Baht	750.32	826.60
Unsecured and unsubordinated debentures – US Dollar	498.60	514.85

Unit : Million Baht

The Company		
December 31, 2015		
	Book Value	Fair Value
Unsecured and unsubordinated debentures – Baht	27,078.11	29,830.89
Unsecured and unsubordinated debentures – US Dollar	17,993.58	18,580.20

The fair value of Baht debentures is calculated using the reference price in the secondary market of Thai Bond Market Association that are quoted in an active market and classified as Level 2 fair value.

The fair value of US Dollar debentures is calculated using the reference observable price in the secondary market of foreign bond that are quoted in an active market and classified as Level 2 fair value.

The fair value of the following financial assets and liabilities approximates their book value.

Consolidated	The Company
<p>Financial assets</p> <ul style="list-style-type: none"> ● Cash and cash equivalents ● Short-term investments ● Investments in trading securities ● Account receivable – parent company ● Trade and other accounts receivables ● Other current assets ● Investments in available-for-sales securities ● Long-term loans to related parties ● Other non-current assets 	<p>Financial assets</p> <ul style="list-style-type: none"> ● Cash and cash equivalents ● Short-term investments ● Investments in trading securities ● Account receivable – parent company ● Trade and other accounts receivables ● Short-term loans to related parties ● Other current assets ● Long-term loans to related parties ● Other non-current assets
<p>Financial liabilities</p> <ul style="list-style-type: none"> ● Trade accounts payable and working capital to co-venturers ● Accrued expenses and interest payable ● Other current liabilities ● Long-term loans from financial institutions ● Other non-current liabilities 	<p>Financial liabilities</p> <ul style="list-style-type: none"> ● Trade accounts payable and working capital to co-venturers ● Short-term loans from related parties ● Accrued expenses and interest payable ● Other current liabilities ● Long-term loans from financial institutions ● Other non-current liabilities

Notes to Financial Statements

35. Financial Assets and Financial Liabilities

Financial assets and financial liabilities are as follows:

Unit : Million US Dollar

	Consolidated									
	December 31, 2015					December 31, 2014 (Restated)				
	Fair value through statement of income	Derivative hedging instruments	Loan and accounts receivable	Available-for-sale financial assets	Held-to-maturity financial assets	Fair value through statement of income	Derivative hedging instruments	Loan and accounts receivable	Available-for-sale financial assets	Held-to-maturity financial assets
Financial assets										
Cash and cash equivalents	-	-	2,995.40	-	-	-	-	3,930.36	-	-
Short-term investments	-	-	-	-	264.16	-	-	-	-	-
Investments in trading securities	0.12	-	-	-	0.18	-	-	-	-	-
Account receivable - parent company	-	-	475.83	-	-	-	-	630.91	-	-
Trade and other accounts receivables	-	-	185.31	-	-	-	-	267.74	-	-
Other current assets	-	-	117.65	-	-	-	-	198.09	-	-
Investments in available-for- sales securities	-	-	-	0.87	-	-	-	-	0.90	-
Long-term loans to related parties	-	-	16.07	-	-	-	-	17.60	-	-
Financial derivative assets	75.63	181.59	-	-	39.27	82.63	-	-	-	-
Other non-current assets	-	-	7.35	-	-	-	7.21	-	-	-
Total financial assets	75.75	181.59	3,797.61	0.87	264.16	39.45	82.63	5,051.91	0.90	-

Unit : Million US Dollar

	Consolidated					
	December 31, 2015			December 31, 2014 (Restated)		
	Fair value through statement of income	Derivative hedging instruments	Amortized cost through statement of income	Fair value through statement of income	Derivative hedging instruments	Amortized cost through statement of income
Financial liabilities						
Short-term loans and current portion of long-term debts	-	-	-	-	-	749.22
Trade accounts payable and working capital to co-venturers	-	-	135.19	-	-	140.48
Accrued expenses and interest payable	-	-	647.73	-	-	968.76
Other current liabilities	-	-	21.10	-	-	16.69
Financial derivative liabilities	9.09	100.52	-	2.89	53.12	-
Debentures and long-term loans	-	-	3,005.24	-	-	3,479.50
Other non-current liabilities	-	-	0.72	-	-	0.77
Total financial liabilities	9.09	100.52	3,809.98	2.89	53.12	5,355.42

Financial liabilities

- Short-term loans and current portion of long-term debts
- Trade accounts payable and working capital to co-venturers
- Accrued expenses and interest payable
- Other current liabilities
- Financial derivative liabilities
- Debentures and long-term loans
- Other non-current liabilities
- Total financial liabilities

Notes to Financial Statements

Unit : Million Baht

	Consolidated											
	December 31, 2015						December 31, 2014 (Restated)					
	Fair value through statement of income	Derivative hedging instruments	Loan and accounts receivable	Available-for-sale financial assets	Held-to-maturity financial assets	Fair value through statement of income	Derivative hedging instruments	Loan and accounts receivable	Available-for-sale financial assets	Held-to-maturity financial assets		
Financial assets												
Cash and cash equivalents	-	-	108,099.81	-	-	-	-	129,556.65	-	-	-	-
Short-term investments	-	-	-	-	9,533.15	-	-	-	-	-	-	-
Investments in trading securities	4.27	-	-	-	-	5.80	-	-	-	-	-	-
Account receivable - parent company	-	-	17,171.92	-	-	-	-	20,796.74	-	-	-	-
Trade and other accounts receivables	-	-	6,687.52	-	-	-	-	8,825.60	-	-	-	-
Other current assets	-	-	4,245.87	-	-	-	-	6,529.53	-	-	-	-
Investments in available-for- sales securities	-	-	-	-	-	-	-	-	29.67	-	-	-
Long-term loans to related parties	-	-	580.00	-	-	-	-	580.00	-	-	-	-
Financial derivative assets	2,729.46	6,553.37	-	-	-	1,294.52	2,723.61	-	-	-	-	-
Other non-current assets	-	-	265.17	-	-	-	-	237.70	-	-	-	-
Total financial assets	2,733.73	6,553.37	137,050.29	31.57	9,533.15	1,300.32	2,723.61	166,526.22	29.67	-	-	-

Unit : Million Baht

	Consolidated					
	December 31, 2015			December 31, 2014 (Restated)		
	Fair value through statement of income	Derivative hedging instruments	Amortized cost	Fair value through statement of income	Derivative hedging instruments	Amortized cost
Financial liabilities						
Short-term loans and current portion of long-term debts	-	-	-	-	-	24,696.43
Trade accounts payable and working capital to co-venturers	-	-	4,878.87	-	-	4,630.81
Accrued expenses and interest payable	-	-	23,375.58	-	-	31,933.29
Other current liabilities	-	-	761.42	-	-	550.12
Financial derivative liabilities	327.96	3,627.69	-	95.24	1,751.11	-
Debentures and long-term loans	-	-	108,454.87	-	-	114,694.92
Other non-current liabilities	-	-	25.95	-	-	25.49
Total financial liabilities	327.96	3,627.69	137,496.69	95.24	1,751.11	176,531.06

Financial liabilities

- Short-term loans and current portion of long-term debts
- Trade accounts payable and working capital to co-venturers
- Accrued expenses and interest payable
- Other current liabilities
- Financial derivative liabilities
- Debentures and long-term loans
- Other non-current liabilities
- Total financial liabilities

Notes to Financial Statements

Unit : Million US Dollar

	The Company							
	December 31, 2015			December 31, 2014				
	Fair value through statement of income	Derivative hedging instruments	Loan and accounts receivable	Held-to-maturity financial assets	Fair value through statement of income	Derivative hedging instruments	Loan and accounts receivable	Held-to-maturity financial assets
Financial assets								
Cash and cash equivalents	-	-	2,392.85	-	-	-	2,877.08	-
Short-term investments	-	-	-	251.66	-	-	-	-
Investments in trading securities	0.11	-	-	-	0.17	-	-	-
Account receivable - parent company	-	-	239.52	-	-	-	296.60	-
Trade and other accounts receivables	-	-	27.65	-	-	-	51.99	-
Short-term loans to related parties	-	-	144.93	-	-	-	60.05	-
Other current assets	-	-	55.71	-	-	-	55.64	-
Long-term loans to related parties	-	-	6,925.75	-	-	-	6,278.77	-
Financial derivative assets	11.89	-	-	-	6.02	2.76	-	-
Other non-current assets	-	-	4.18	-	-	-	4.39	-
Total financial assets	12.00	-	9,790.59	251.66	6.19	2.76	9,624.52	-

Unit : Million US Dollar

	The Company					
	December 31, 2015			December 31, 2014 (Restated)		
	Fair value through statement of income	Derivative hedging instruments	Amortized cost	Fair value through statement of income	Derivative hedging instruments	Amortized cost
Financial liabilities						
Short-term loans and current portion of long-term debts	-	-	740.22	-	-	201.81
Trade accounts payable and working capital to co-venturers	-	-	24.94	-	-	18.54
Accrued expenses and interest payable	-	-	314.15	-	-	492.65
Other current liabilities	-	-	2.82	-	-	1.65
Financial derivative liabilities	3.68	100.52	-	2.89	53.12	-
Debentures and long-term loans	-	-	1,248.92	-	-	1,319.42
Total financial liabilities	3.68	100.52	2,331.05	2.89	53.12	2,034.07

Financial liabilities

- Short-term loans and current portion of long-term debts
- Trade accounts payable and working capital to co-venturers
- Accrued expenses and interest payable
- Other current liabilities
- Financial derivative liabilities
- Debentures and long-term loans
- Total financial liabilities

Notes to Financial Statements

Unit : Million Baht

	The Company							
	December 31, 2015			December 31, 2014				
	Fair value through statement of income	Derivative hedging instruments	Loan and accounts receivable	Held-to-maturity financial assets	Fair value through statement of income	Derivative hedging instruments	Loan and accounts receivable	Held-to-maturity financial assets
Financial assets								
Cash and cash equivalents	-	-	86,354.50	-	-	-	94,837.25	-
Short-term investments	-	-	-	9,082.04	-	-	-	-
Investments in trading securities	4.10	-	-	-	5.57	-	-	-
Account receivable - parent company	-	-	8,643.98	-	-	-	9,776.99	-
Trade and other accounts receivables	-	-	997.98	-	-	-	1,713.73	-
Short-term loans to related parties	-	-	5,230.42	-	-	-	1,979.47	-
Other current assets	-	-	2,010.57	-	-	-	1,834.06	-
Long-term loans to related parties	-	-	249,940.28	-	-	-	206,967.43	-
Financial derivative assets	429.28	-	-	-	198.56	90.83	-	-
Other non-current assets	-	-	150.90	-	-	-	144.64	-
Total financial assets	433.38	-	353,328.63	9,082.04	204.13	90.83	317,253.57	-

Unit : Million Baht

	The Company	
	December 31, 2015	December 31, 2014
	Fair value through statement of income	Fair value through statement of income
	Derivative hedging instruments	Derivative hedging instruments
	Amortized cost	Amortized cost
Financial liabilities		
Short-term loans and current portion of long-term debts	-	-
Trade accounts payable and working capital to co-venturers	-	-
Accrued expenses and interest payable	-	-
Other current liabilities	-	-
Financial derivative liabilities	132.77	1,751.11
Debentures and long-term loans	-	-
Total financial liabilities	132.77	1,751.11
	Fair value through statement of income	Fair value through statement of income
	Derivative hedging instruments	Derivative hedging instruments
	Amortized cost	Amortized cost
Financial derivative liabilities		
Debentures and long-term loans		
Total financial liabilities	84,124.48	67,049.24

Financial liabilities

- Short-term loans and current portion of long-term debts
- Trade accounts payable and working capital to co-venturers
- Accrued expenses and interest payable
- Other current liabilities
- Financial derivative liabilities
- Debentures and long-term loans
- Total financial liabilities

Notes to Financial Statements

36. Share Capital

As at December 31, 2015, the Company's registered capital consists of 3,969.98 million ordinary shares at Baht 1 per share, with a total of Baht 3,969.98 million. The details of the change in the issued and fully paid-up ordinary shares are as follows:

	Unit : Million Shares
<u>Ordinary shares issued and fully paid-up</u>	
Balance as at January 1, 2015	3,969.98
New ordinary shares issued during the year	-
Balance as at December 31, 2015	<u>3,969.98</u>

	Unit : Million Shares
<u>Ordinary shares issued and fully paid-up</u>	
Balance as at January 1, 2014	3,969.98
New ordinary shares issued during the year	-
Balance as at December 31, 2014	<u>3,969.98</u>

37. Subordinated Capital Debentures

On June 18, 2014, the Company issued subordinated capital debentures with a face value of US Dollar 1,000 million. These subordinated capital debentures are perpetual long-term and unsecured. The principle payment will be paid once upon liquidation or early redemption by the Company, subject to certain restrictions under the agreement. These subordinated capital debentures bear a fixed interest rate of 4.875% per annum for the first five years and the rate of return from the sixth year onwards are based on terms and conditions. The interest is paid on a semi annual basis. However, the Company has unlimited rights to defer the interest payment at its sole discretion. All deferred interest will be accumulated, but not bear any interests after the interest is deferred for 12 months. If the Company deferred the interest payment, the Company shall not declare or make any dividend payment, make any interest payment or distribution of any sort of any instrument or security issued by the Company which ranks pari passu or junior to this subordinated capital debentures. In addition, the Company shall not redeem, reduce, cancel, acquire or buy-back for any consideration on any instrument or security issued by the Company which rank pari passu or junior to this subordinated capital debentures. These subordinated capital debentures are presented net of finance costs as parts of "Subordinated capital debentures" in the amount of US Dollar 1,152.10 million (Baht 37,188.50 million).

38. Legal Reserve

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	2015	2014	2015	2014
Balance as at January 1	15.05	15.05	397.00	397.00
Appropriation during the year	-	-	-	-
Balance as at December 31	15.05	15.05	397.00	397.00

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	2015	2014	2015	2014
Balance as at January 1	15.05	15.05	397.00	397.00
Appropriation during the year	-	-	-	-
Balance as at December 31	15.05	15.05	397.00	397.00

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside a legal reserve at least 5 % of its net profit until the reserve is not less than 10% percent of the registered capital. The legal reserve is non-distributable by the Company. The Company has fully set aside the legal reserve as required by the law.

39. Petroleum Royalties and Remuneration

Petroleum royalties and remuneration for the years comprised:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	2015	2014 (Restated)	2015	2014 (Restated)
Petroleum royalties	425.82	606.86	14,311.37	19,699.27
Special remuneration benefits	0.22	1.94	8.95	63.15
Total	426.04	608.80	14,320.32	19,762.42

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	2015	2014	2015	2014
Petroleum royalties	316.31	434.82	10,811.28	14,120.72
Special remuneration benefits	-	-	-	-
Total	316.31	434.82	10,811.28	14,120.72

Notes to Financial Statements

40. Expenses by Nature

Significant expenses by nature of the Group which comprise the expenses based on its percentage of interest in each project for the years are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	2015	2014	2015	2014
Salary, wages and employees' benefits	139.19	171.12	4,819.01	5,558.05
Repair and maintenance	124.83	147.59	4,267.99	4,793.82
Exploration well and projects write-off	147.99	266.42	5,124.18	8,666.27
Geological and geophysical expenses	13.40	33.96	458.10	1,103.14

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	2015	2014	2015	2014
Salary, wages and employees' benefits	52.22	45.43	1,844.73	1,475.55
Repair and maintenance	58.12	87.63	1,987.19	2,846.15
Exploration well and projects write-off	0.76	2.07	26.93	67.29
Geological and geophysical expenses	1.55	14.38	52.96	467.10

41. Earnings per Share

Basic earnings per share for the years are calculated as follows:

	Unit : US Dollar		Unit : Baht	
	Consolidated		Consolidated	
	2015	2014	2015	2014
Profit (loss) attributable to shareholders (Unit : million)	(853.59)	677.46	(31,590.49)	21,490.45
<u>Less</u> : Interest expenses for subordinated capital debentures – net of tax (Unit : million)	(31.53)	(26.69)	(1,113.18)	(875.17)
Profit (loss) used to determine basic earnings per share (Unit : million)	(885.12)	650.77	(32,703.67)	20,615.28
Weighted average number of ordinary shares in issue during the year (million shares)	3,969.98	3,969.98	3,969.98	3,969.98
Basic earnings (loss) per share	(0.22)	0.16	(8.24)	5.19

	Unit : US Dollar		Unit : Baht	
	The Company		The Company	
	2015	2014	2015	2014
Profit attributable to shareholders (Unit : million)	271.46	1,054.39	9,222.88	34,203.59
<u>Less</u> : Interest expenses for subordinated capital debentures – net of tax (Unit : million)	(31.53)	(26.69)	(1,113.18)	(875.17)
Profit used to determine basic earnings per share (Unit : million)	239.93	1,027.70	8,109.70	33,328.42
Weighted average number of ordinary shares in issue during the year (million shares)	3,969.98	3,969.98	3,969.98	3,969.98
Basic earnings per share	0.06	0.26	2.04	8.40

The Group has no potential dilutive ordinary shares in issue during the year, so no diluted earnings per share is presented.

Notes to Financial Statements

42. Segment Information

Unit : Million US Dollar

	Consolidated financial statements for the year ended December 31, 2015										Inter-company elimination	Group's total business
	Exploration and production					Pipeline						
	Thailand	Other Southeast Asia	Australia	America	Africa	Middle East	Southeast Asia	Others				
Revenues - Third parties	242.06	422.90	-	-	-	17.14	118.49	-	-	-	-	800.59
- Related parties	3,528.84	755.37	334.62	-	2.88	22.10	362.67	-	-	-	(362.67)	4,643.81
Other revenues - Third parties	18.76	4.29	1.00	0.06	0.07	-	0.78	110.41	-	-	(96.52)	38.85
Interest income	0.47	0.06	0.28	-	-	-	(0.18)	0.03	-	-	(0.03)	0.63
Total Revenues	3,790.13	1,182.62	335.90	0.06	2.95	39.24	481.76	110.44	-	-	(459.22)	5,483.88
Operating expenses	446.28	487.30	94.25	0.37	4.81	24.66	21.69	9.83	-	-	(379.42)	709.77
Administrative expenses	53.28	30.59	15.48	9.35	1.77	4.75	4.85	77.41	-	-	(80.22)	117.26
Exploration expenses	12.56	107.28	(0.05)	14.36	13.82	0.02	-	-	-	-	-	147.99
- Amortization of dry holes and projects	3.57	10.21	9.43	5.07	6.37	0.91	-	-	-	-	-	35.56
- Geological and geophysical	1,835.67	433.17	382.71	0.01	3.13	12.18	30.04	3.32	-	-	0.24	2,700.47
Depreciation, depletion and amortization	426.04	-	-	(1.51)	(0.46)	-	0.28	3.24	-	-	-	426.04
Petroleum royalties and remuneration	8.88	8.90	0.04	625.75	-	35.59	-	-	-	-	-	1,385.21
(Gain) loss on foreign exchange	180.65	212.22	331.00	-	-	0.29	21.32	0.02	-	-	(68.18)	88.20
Impairment loss on assets	76.28	33.99	24.28	-	0.20	-	-	(7.61)	-	-	-	-
Interest expenses and other finance costs	-	-	(1.42)	-	-	-	-	-	-	-	-	(9.03)
Share of gain of associates and joint ventures	3,043.21	1,323.66	855.72	653.40	29.64	78.40	78.18	86.21	-	-	(527.58)	5,620.84
Total Expenses	746.92	(141.04)	(519.82)	(653.34)	(26.69)	(39.16)	403.58	24.23	-	-	68.36	(136.96)
Segment result												(19.25)
Depreciation - general												(160.21)
Administrative expenses - general												(316.42)
Operating loss												6.35
Other income, net												31.29
Finance costs												(163.78)
- Interest income												(50.05)
- Interest expenses and other finance costs												132.16
Loss on foreign exchange												(3.78)
Gain on financial derivatives												(364.23)
Management's remuneration												(491.72)
Loss before income taxes	(374.12)	39.34	(109.94)	-	(1.43)	6.16	(47.39)	(4.34)	-	-	-	2.36
Tax - Project												(853.59)
- Group												2.36
Net Profit (Loss)	372.80	(101.70)	(629.76)	(653.34)	(28.12)	(33.00)	356.19	19.89				(853.59)

Unit : Million US Dollar

	Consolidated financial statements for the year ended December 31, 2015									
	Exploration and production					Pipeline				
	Thailand	Other Southeast Asia	Australia	America	Africa	Middle East	Pipeline Southeast Asia	Others	Inter-company elimination	Group's total business
Assets										
Segment assets	6,643.65	2,649.27	1,179.44	770.46	2,792.22	12.31	769.54	71.06		14,887.95
Investments under equity method	-	-	5.74	-	-	-	-	58.42		64.16
Unallocated assets										4,690.22
Total assets										19,642.33
Liabilities										
Segment liabilities	3,807.35	429.56	222.36	7.45	51.30	19.88	61.87	15.32		4,615.09
Unallocated liabilities										3,699.25
Total liabilities										8,314.34
Capital Expenditures	1,132.17	537.76	0.31	52.06	145.52	11.26	26.00	9.76		1,914.84

Notes to Financial Statements

Unit : Million Baht

	Consolidated financial statements for the year ended December 31, 2015										Inter-company elimination	Group's total business
	Exploration and production						Pipeline			Others		
	Thailand	Other Southeast Asia	Australia	America	Africa	Middle East	Southeast Asia					
Revenues - Third parties	8,324.93	14,384.54	-	-	-	588.35	4,044.20	-	-	-	-	27,342.02
- Related parties	120,498.20	25,679.98	11,375.31	-	103.55	771.51	12,384.03	-	-	-	(12,384.03)	158,428.55
Other revenues - Third parties	645.95	150.69	34.20	1.96	2.49	-	26.80	3,767.04	-	-	(3,293.13)	1,336.00
Interest income	15.82	2.28	9.43	-	-	-	(5.98)	1.12	-	-	(1.02)	21.65
Total Revenues	129,484.90	40,217.49	11,418.94	1.96	106.04	1,359.86	16,449.05	3,768.16	-	-	(15,678.18)	187,128.22
Operating expenses	15,273.46	16,655.88	3,255.90	13.48	172.26	848.20	740.76	336.18	-	-	(12,959.48)	24,336.64
Administrative expenses	1,812.63	1,052.52	530.57	314.29	67.20	162.68	165.38	2,639.27	-	-	(2,733.33)	4,011.21
Exploration expenses												
- Amortization of dry holes and projects	430.81	3,694.87	(2.29)	513.35	486.64	0.80	-	-	-	-	-	5,124.18
- Geological and geophysical	123.01	349.14	333.57	171.53	212.15	31.17	-	-	-	-	-	1,220.57
Depreciation, depletion and amortization	62,630.27	14,865.05	12,982.32	0.20	110.77	425.25	1,029.22	113.59	-	-	7.29	92,163.96
Petroleum royalties and remuneration	14,320.32	-	-	-	-	-	-	-	-	-	-	14,320.32
(Gain) loss on foreign exchange	303.10	314.77	1.70	(49.77)	(15.35)	-	9.73	110.31	-	-	-	674.49
Impairment loss on assets	6,506.67	7,643.72	11,922.04	22,538.47	-	1,281.93	-	-	-	-	-	49,892.83
Interest expenses and other finance costs	2,607.94	1,159.07	814.79	-	6.81	9.88	728.89	0.63	-	-	(2,314.58)	3,013.43
Share of gain of associates and joint ventures	-	-	(48.03)	-	-	-	-	(262.88)	-	-	-	(310.91)
Total Expenses	104,008.21	45,735.02	29,790.57	23,501.55	1,040.48	2,759.91	2,673.98	2,937.10	-	-	(18,000.10)	194,446.72
Segment result	25,476.69	(5,517.53)	(18,371.63)	(23,499.59)	(934.44)	(1,400.05)	13,775.07	831.06	-	-	2,321.92	(7,318.50)
Depreciation - general												(657.63)
Administrative expenses - general												(5,542.46)
Operating loss												220.13
Other income, net												1,062.93
Finance costs												(5,578.30)
- Interest income												(1,637.17)
- Interest expenses and other finance costs												4,856.43
Loss on foreign exchange												(126.91)
Gain on financial derivatives												(14,721.48)
Management's remuneration												(16,872.15)
Loss before income taxes												3.14
Tax - Project												
- Group												
Net Profit (Loss)	12,568.48	(3,949.82)	(22,306.13)	(23,499.59)	(984.34)	(1,183.73)	12,161.31	681.25				(31,590.49)

Unit : Million Baht

	Consolidated financial statements for the year ended December 31, 2015									
	Exploration and production					Pipeline		Others	Inter-company elimination	Group's total business
	Thailand	Other Southeast Asia	Australia	America	Africa	Middle East	Southeast Asia			
Assets										
Segment assets	239,759.87	95,608.42	42,564.24	27,805.00	100,767.24	444.16	27,771.50	2,564.33		537,284.76
Investments under equity method	-	-	206.94	-	-	-	-	2,108.44		2,315.38
Unallocated assets										169,263.42
Total assets										708,863.56
Liabilities										
Segment liabilities	137,401.74	15,502.37	8,024.47	269.01	1,851.31	717.40	2,232.86	552.95		166,552.11
Unallocated liabilities										133,500.42
Total liabilities										300,052.53
Capital Expenditures	38,707.56	18,385.48	10.72	1,779.85	4,975.23	384.93	888.98	333.63		65,466.38

Notes to Financial Statements

Unit : Million US Dollar

	Consolidated financial statements for the year ended December 31, 2014 (Restated)										Inter-company elimination	Group's total business
	Exploration and production					Pipeline		Others	Inter-company elimination	Group's total business		
	Thailand	Other Southeast Asia	Australia	America	Africa	Middle East	Southeast Asia					
Revenues - Third parties	279.36	658.54	-	67.52	-	14.68	137.93	-	-	-	-	1,158.03
- Related parties	4,988.11	563.15	677.11	-	-	70.72	271.88	-	(271.88)	-	(271.88)	6,299.09
Other revenues - Third parties	23.39	-	23.42	0.83	-	-	0.80	127.31	(103.61)	-	(103.61)	72.14
Interest income	0.47	0.15	0.03	0.19	-	-	0.14	0.39	(0.01)	-	(0.01)	1.36
Total Revenues	5,291.33	1,221.84	700.56	68.54	-	85.40	410.75	127.70	(375.50)	-	(375.50)	7,530.62
Operating expenses	494.23	385.23	154.33	58.88	-	23.13	15.61	12.06	(286.96)	-	(286.96)	856.51
Administrative expenses	93.09	39.37	17.47	11.45	(2.29)	5.27	6.76	101.24	(88.53)	-	(88.53)	183.83
Exploration expenses												
- Amortization of dry holes and projects	69.47	33.29	87.45	13.28	62.93	-	-	-	-	-	-	266.42
- Geological and geophysical	10.34	21.99	7.36	4.57	20.46	1.77	-	-	-	-	-	66.49
Depreciation, depletion and amortization	1,633.27	267.53	595.29	11.10	1.07	5.78	24.40	2.83	0.48	-	0.48	2,541.75
Petroleum royalties and remuneration	606.98	-	-	1.82	-	-	-	-	-	-	-	608.80
(Gain) loss on foreign exchange	20.58	(1.07)	(1.40)	(5.54)	(0.50)	-	(0.18)	0.05	-	-	-	11.94
Impairment loss on assets	-	-	367.00	629.79	-	-	-	-	-	-	-	996.79
Interest expenses and other finance costs	56.76	36.78	45.99	0.08	0.11	0.44	21.97	0.62	(86.13)	-	(86.13)	76.62
Share of gain of associates and joint ventures	-	-	(0.79)	-	-	-	-	(21.15)	-	-	-	(21.94)
Total Expenses	2,984.72	783.12	1,272.70	725.43	81.78	36.39	68.56	95.65	(461.14)	-	(461.14)	5,587.21
Segment result	2,306.61	438.72	(572.14)	(656.89)	(81.78)	49.01	342.19	32.05	85.64	-	85.64	1,943.41
Depreciation - general												(20.34)
Administrative expenses - general												(186.73)
Operating profit												1,736.34
Other income, net												84.49
Other expenses												(41.13)
Finance costs												21.57
- Interest income												(182.72)
- Interest expenses and other finance costs												(37.51)
Loss on foreign exchange												197.02
Gain on financial derivatives												(6.06)
Management's remuneration												1,772.00
Profit before income taxes	(865.34)	(186.30)	(72.73)	-	-	(27.77)	(65.74)	(2.67)				(1,220.55)
Tax - Project												126.01
- Group												677.46
Net Profit (Loss)	1,441.27	252.42	(644.87)	(656.89)	(81.78)	21.24	276.45	29.38				677.46

Unit : Million US Dollar

	Consolidated financial statements for the year ended December 31, 2014 (Restated)											
	Exploration and production					Pipeline					Inter-company elimination	Group's total business
	Thailand	Other Southeast Asia	Australia	America	Africa	Middle East	Southeast Asia	Others				
Assets												
Segment assets	7,720.70	2,882.38	2,085.06	1,600.54	2,663.92	49.24	798.74	97.95			17,898.53	
Investments under equity method	-	-	6.36	-	-	-	-	56.28			62.64	
Unallocated assets											5,309.52	
Total assets											23,270.69	
Liabilities												
Segment liabilities	4,855.52	611.93	261.10	4.19	48.98	39.58	68.55	22.43			5,912.28	
Unallocated liabilities											4,810.42	
Total liabilities											10,722.70	
Capital Expenditures												
	3,977.71	702.67	133.66	1,801.21	210.98	26.46	150.17	51.83			7,054.69	

Notes to Financial Statements

Unit : Million Baht

	Consolidated financial statements for the year ended December 31, 2014 (Restated)										
	Exploration and production					Pipeline			Others	Inter-company elimination	Group's total business
	Thailand	Other Southeast Asia	Australia	America	Africa	Middle East	Southeast Asia				
Revenues - Third parties	9,066.34	21,376.87	-	2,202.66	-	476.35	4,474.74	-	-	37,596.96	
- Related parties	161,926.30	18,284.12	21,970.05	-	-	2,293.98	8,826.42	-	(8,826.42)	204,474.45	
Other revenues - Third parties	758.60	-	762.58	27.02	-	-	25.99	4,141.37	(3,366.30)	2,349.26	
Interest income	15.29	4.83	1.10	6.16	-	-	4.70	12.74	(0.43)	44.39	
Total Revenues	171,766.53	39,665.82	22,733.73	2,235.84	-	2,770.33	13,331.85	4,154.11	(12,193.15)	244,465.06	
Operating expenses	16,045.52	12,507.34	5,008.21	1,921.14	-	750.22	507.34	390.43	(9,315.18)	27,815.02	
Administrative expenses	3,023.74	1,279.41	567.59	371.52	(79.15)	171.21	219.77	3,293.53	(2,877.54)	5,970.08	
Exploration expenses											
- Amortization of dry holes and projects	2,272.42	1,095.47	2,820.44	436.93	2,041.02	-	-	-	-	8,666.28	
- Geological and geophysical	335.97	714.69	239.26	149.89	662.54	57.41	-	0.06	-	2,159.82	
Depreciation, depletion and amortization	53,012.53	8,687.23	19,331.48	362.53	34.83	187.56	790.07	92.00	15.35	82,513.58	
Petroleum royalties and remuneration	19,703.17	-	-	59.24	-	-	-	-	-	19,762.41	
(Gain) loss on foreign exchange	667.25	(32.53)	(44.96)	(182.93)	(16.46)	-	(6.14)	1.43	-	385.66	
Impairment loss on assets	-	-	12,074.87	20,721.10	-	-	-	-	-	32,795.97	
Interest expenses and other finance costs	1,851.80	1,194.20	1,493.64	2.75	3.55	14.38	832.00	19.84	(2,921.16)	2,491.00	
Share of gain of associates and joint ventures	-	-	(25.03)	-	-	-	-	(694.02)	-	(719.05)	
Total Expenses	96,912.40	25,445.81	41,465.50	23,842.17	2,646.33	1,180.78	2,343.04	3,103.27	(15,098.53)	181,840.77	
Segment result	74,854.13	14,220.01	(18,731.77)	(21,606.33)	(2,646.33)	1,589.55	10,988.81	1,050.84	2,905.38	62,624.29	
Depreciation - general										(663.12)	
Administrative expenses - general										(6,079.76)	
Operating profit										55,881.41	
Other income, net										2,735.51	
Other expenses										(1,337.67)	
Finance costs										701.89	
- Interest income										(5,939.35)	
- Interest expenses and other finance costs										(1,224.07)	
Loss on foreign exchange										6,405.41	
Gain on financial derivatives										(197.19)	
Management's remuneration										57,025.94	
Profit before income taxes	(28,054.71)	(6,055.70)	(2,385.00)	-	-	(902.33)	(2,132.64)	(86.99)		(39,617.37)	
Tax - Project										4,081.88	
- Group											
Net Profit (Loss)	46,799.42	8,164.31	(21,116.77)	(21,606.33)	(2,646.33)	687.22	8,856.17	963.85		21,490.45	

Unit : Million Baht

	Consolidated financial statements for the year ended December 31, 2014 (Restated)										
	Exploration and production							Pipeline		Inter-company elimination	Group's total business
	Thailand	Other Southeast Asia	Australia	America	Africa	Middle East	Southeast Asia	Others			
Assets											
Segment assets	254,497.65	95,012.08	68,729.88	52,758.73	87,810.82	1,623.05	26,328.82	3,228.81		589,989.84	
Investments under equity method	-	-	209.73	-	-	-	-	1,855.21		2,064.94	
Unallocated assets										175,018.12	
Total assets										767,072.90	
Liabilities											
Segment liabilities	160,052.64	20,171.22	8,606.66	138.09	1,614.68	1,304.55	2,259.64	739.50		194,886.98	
Unallocated liabilities										158,566.04	
Total liabilities										353,453.02	
Capital Expenditures											
	128,859.79	22,822.38	4,341.34	58,984.30	6,852.60	859.53	4,877.56	1,683.56		229,281.06	

The Group is organized into the following business segments:

- Exploration and production: The Group operates in oil and gas exploration and production both domestic and overseas, either as an operator or as a joint venture partner with international oil and gas companies. Most domestic projects are located in the Gulf of Thailand. Overseas projects are located in Southeast Asia, Australia, America, Africa and the Middle East. As at the financial statement date, the Group had 24 projects in the production phase and 14 projects in the development and exploration phases.
- Overseas pipelines: The Group has investments with its joint venture partners to operate pipelines to transport natural gas from the exploration and production projects where the Group has working interests i.e., the Yadana, Yetagan and Zawtika gas transportation projects.
- The Group's other operations consist mainly of investments in projects strategically connected to the energy business; and other operations. These do not constitute a separately reportable segment.

43. Risk Management

The Group exposes to various risks from its business and operation as follows:

Market Risk

Market risk is the situation whereby changes in commodity prices, interest rates, and foreign exchange rates may positively or adversely impact the Group's revenues, cash flows, assets, and liabilities.

The Group uses various financial instruments for the purpose of managing the risk exposure on the fluctuation in the commodity prices, interest rates and foreign exchange rates.

▪ Price Risk

The Group's product prices vary with those of world oil prices, which are subject to various factors beyond its control, for instance, market demand and supply, political and economic stability of various countries, OPEC's production policy, oil reserves and the change in the global climate each season.

Fluctuations in world oil prices directly affect the prices of the Group's crude oil and condensate. However, because of built-in natural gas pricing mechanisms found in the Gas Sale Agreement (GSA) which cushion natural gas prices from oil prices volatility (Natural Hedge), when the reference oil prices change, the typical prices of natural gas, which is the main product of the Groups, do change in the same direction. Most of the Group's contractual natural gas prices are adjusted every 6 or 12 months depending on the gas price formula of each project, the natural gas price will move correspondingly to a certain degree compared to the prices of crude oil and condensate.

In 2015, the overall oil market situation had continued to decline. The oil supply was greater than the demand due to OPEC had continued to retain its current production rate to maintain its market share even though there was a continued supply growth of Shale Oil production. Moreover, there was a negative factor from the US Dollar appreciation as well as a decrease in demand of fuel consumption from the economic downturn in many regions, especially in China.

However, the Group has managed the oil price risk by analyzing the impact of the level of oil price changes to revenue and net profit of the Group annually. The risk mitigation plan is reviewed by the Risk Management Committee and endorsed by the Groups' Management Committee.

As at December 31, 2015, the Group entered into a derivative on crude oil price hedged for the year 2016 totaling to 10.94 million barrels.

■ Interest Rate Risk

The Group is exposed to interest rate risk from the changes in interest rate that will affect future cash flows and fair values of financial instruments. Some of the Group's debts are subject to floating interest rates, resulting in a higher interest expense if the market interest rates increase. In order to manage the interest rate risk, the Group has a policy to maintain a proper proportion between fixed interest rate debts and floating interest rate debts and to use the financial instruments, such as interest rate swap to swap from floating interest rate to fixed interest rate. The Group also considers costs, market conditions, and acceptable risk before entering into the financial instrument to prevent interest rate risk.

As at December 31, 2015, the Group has a proportion of floating interest rate debts net of interest rate swaps at 18% of total debts (in 2014 at 23%). The weighted average interest rates on total debts was 4.32% per annum (in 2014 was 4.14% per annum).

The Group's profit before income taxes is sensitive to changes in interest rates on the floating rate element of the Group's debt as at January 1, 2016. If the interest rate applicable to floating rate instruments increases by 1% per annum, it is estimated that the Group's profit before income taxes for 2016 would decrease by approximately US Dollars 5.85 million. This assumes that the principal amount, the proportion of fixed and floating interest rate debts and interest rates remain unchanged from that in place at December 31, 2016 (in 2015 decrease by US Dollar 11 million). Furthermore, the effect on the Group's profit before income taxes shown by this analysis does not consider the effect of any changes in general economic activity that may accompany such increase or decrease in interest rates.

Notes to Financial Statements

■ Foreign Exchange Rate Risk

The vast majority of the Group's domestic and overseas business (revenues and expenses) are in US Dollar and the Group has determined the US Dollar as the functional currency by considering from revenue and operating expenses used in the primary economic environment in which the entity operates. The Group is exposed to the exchange rate risks from transactions which are denominated in currencies that are not the Group's functional currency.

The Group is aware of the risks surrounding financial assets and liabilities denominated in foreign currencies. As a result, the Group has a policy of asset and liability management by which the structure and features of transactions regarding assets, liabilities and equity are aligned with each other. In addition, the Group has considered managing foreign exchange rate risk with financial derivatives together with the costs consideration yields and risks arising in each interval.

The Group's profit before income taxes are sensitive to changes in foreign currency of net assets and liabilities denominated in currencies other than functional currency. If at December 31, 2015 and 2014, the other currencies had fluctuated 10% against the functional currency, the possible changes to the Group's profit before income taxes are as follows:

Unit : Million US Dollar

Consolidated		
Exposure of asset and liability position to the exchange rate		
	Baht to US Dollar	Canadian Dollar to US Dollar
For the year ended December 31, 2015		
Profit before income taxes increase (decrease)		
(10% US Dollar appreciation)	(14)	1
Profit before income taxes increase (decrease)		
(10% US Dollar depreciation)	14	(1)
For the year ended December 31, 2014		
Profit before income taxes increase (decrease)		
(10% US Dollar appreciation)	(16)	(46)
Profit before income taxes increase (decrease)		
(10% US Dollar depreciation)	16	46

Credit Risk

The Group's policy to manage its credit risk is to enter into transactions with the customers who have good credit profiles. The majority of sales is made with PTT Public Company Limited, the parent company. In addition, the Group carefully assesses and regularly reviews the credit profiles of its customers.

The Group places deposits with the banks which are rated at investment grade level. The Group regularly assesses credit quality and stability of these banks by taking into account of their credit rating, investment portfolio, and other financial factors which demonstrate their performance and the ability of their business risk management process, such as, debt to deposit ratio, non-performing loan to total loan ratio. These factors are used to manage risks and to consider the amount of bank deposit limit in order to ensure that deposits are well-diversified and to avoid concentration risks with individual bank together with the consideration yields and acceptable risk in each time interval.

Before entering into financial derivative contracts, the Group has assessed the financial position and credit worthiness, including setting up credit exposure limit, of counterparty bank in the same way as when the Group assesses banks before placing deposit as described above. Currently all banks in which the Group has entered into financial derivative contracts are rated at investment grade level. In addition, the Group has adjusted, based on the timing and type of transactions, the outstanding balance of each derivative financial instrument made with banks to reflect the risk-adjusted exposure and has diversified transactions to avoid concentration risks with individual bank together with the costs consideration yields and risks arising in each interval. The Group's maximum exposure to credit risks is the fair value of financial assets.

Notes to Financial Statements

Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the Group's business activities may not be available. The Group's contractual maturity of liabilities and interest, including the derivative contracts are as follows:

Unit : Million US Dollar

	Within 1 year	Over 1 year but not exceeding 3 years	Over 3 years but not exceeding 5 years	Over 5 years	Total
Trade accounts payable and working capital to co-venturers	135.19	-	-	-	135.19
Accrued expenses	614.92	-	-	-	614.92
Other current liabilities	21.10	-	-	-	21.10
Loans from financial institution with floating interest rate	-	575.00	-	-	575.00
Principal	-	15.36	-	-	22.62
Interest paid*	7.26	-	-	-	-
Debtenture with fixed interest rate	-	69.27	365.77	1,015.89	1,450.93
Principal	123.46	245.31	180.14	696.51	1,245.42
Interest paid*	72.93	224.63	521.99	1,035.47	1,855.02
Cash outflow from foreign currency and interest rate swap **	78.54	221.77	485.43	1,165.65	1,951.39
Cash inflow from forward foreign exchange **	734.97	-	-	-	734.97
Cash inflow from forward foreign exchange **	740.00	-	-	-	740.00

The major assumptions for the data presented in the table above are that all the interest expenses are calculated based on the nominal interest rate and there is no change in aggregate principal amounts of loans other than repayment at scheduled maturity. The floating interest rate is based on the nominal interest rate at December 31, 2015.

- Thai Baht liabilities were equivalent to US Dollar at the weighted average exchange rate between weighted average selling and buying rates announced by the Bank of Thailand on December 30, 2015 at Baht 36.0886 per US Dollar.
- Canadian Dollar liabilities were equivalent to US Dollar at the weighted average exchange rate between weighted average selling and buying rates announced by the Bank of Thailand on December 30, 2015 at Baht 26.0569 per Canadian Dollar for conversion to Thai Baht and at Baht 36.0886 per US Dollar for conversion from Thai Baht to US Dollar, respectively.

* Interest paid represents the interest payment due within one year.

** Cash inflow and cash outflow from entering into foreign currency and interest rate swap are not the net cash payment method; separate cash payment and cash receipt.

The Group manages its liquidity risks by preparing cash flow forecasts and adjusting financial forecasts on a regular basis, entering into financing program, issuing short-term debt securities in order to access Thailand's capital market, as well as entering into short-term credit facilities with commercial banks with the interest rate agreed in advance.

The outstanding principal amount and undrawn facilities are summarized below:

	Unit : Million US Dollar	
	Credit limit	Undrawn amount
Short-term committed bank credit facility	554.19	554.19
Short-term uncommitted bank credit facility	440.17	440.17

Thai Baht credit facility is translated to US Dollar using the weighted average exchange rate between weighted average selling and buying rates announced by the Bank of Thailand on December 30, 2015 at Baht 36.0886 per US Dollar.

In addition, the Group has entered into a factoring arrangement with the commercial banks to convert accounts receivable to immediate cash to increase the liquidity of its working capital.

The Company's International Credit Rating is comparable with the Sovereign Rating of Thailand and the National Credit Rating is at the AAA. As a result, the Company can access to the source of fund for the long-term loan at the interest rate approximate the market interest rate. For the years ended 2015 and 2014, the Company's credit ratings as assigned by prominent credit rating agencies are as follows:

Rating Agency	2015		2014	
	Foreign Currency	Domestic Currency	Foreign Currency	Domestic Currency
Moody's	Baa1	Baa1	Baa1	Baa1
Standard and Poor's	BBB+	BBB+	BBB+	BBB+
Japan Credit Rating	A-	A	A-	A
TRIS Rating (National Rating)	-	AAA	-	AAA

Notes to Financial Statements

44. Dividends

On March 26, 2015, the Annual General Meeting of the Shareholders approved payment of a dividend for the year 2014 of Baht 4.50 per share. The Company made an interim dividend payment for the first half-year operations of 2014 at the rate of Baht 3.00 per share on August 22, 2014 and for the second half-year operations of 2014 at the rate of Baht 1.50 per share on April 9, 2015.

The Company estimated the dividend to its shareholders for the year 2015 at Baht 3.00 per share. The Company made an interim dividend payment for the first half-year operations of 2015 at the rate of Baht 1.00 per share on August 21, 2015. The remaining dividend for the second half-year operations of 2015 at the rate of Baht 2.00 per share will be paid upon approval by the Annual General Meeting of the Shareholders.

45. Commitments and Contingent Liabilities

- Commitment under operating leases – the Group as a lessee

The future minimum lease payments for the non-cancellable operating leases are as follows:

	Unit : Million US Dollar		Unit : Million Baht	
	Consolidated		Consolidated	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Within 1 year	37.84	52.63	1,365.47	1,783.53
Over 1 year but not exceeding 5 years	92.65	65.83	3,343.46	2,170.11
Over 5 years	47.62	56.10	1,718.38	1,849.37
Total	178.11	174.56	6,427.31	5,803.01

	Unit : Million US Dollar		Unit : Million Baht	
	The Company		The Company	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Within 1 year	20.63	32.12	745.00	1,058.53
Over 1 year but not exceeding 5 years	2.26	20.61	81.48	679.62
Over 5 years	0.03	0.08	0.94	2.84
Total	22.92	52.81	827.42	1,740.99

- Commitment from loan agreements
 - The Company has a subordinated loan agreement with Energy Complex Company Limited (Energy Complex), with the loan limit of Baht 1,250 million. The agreement shall continue for 13 years and 6 months effective from April 2, 2009. The total value of loans provided to Energy Complex as at December 31, 2015 was US Dollar 16.07 millions (Baht 580 million).

- Commitment from the guarantee of loans and debentures of subsidiaries
 - The Company has commitment for the guarantee of loans within the credit facility of US Dollar 500 million and US Dollar 75 million, respectively, for PTTEP Offshore Investment Company Limited (PTTEPO).
 - The Company has commitment for the guarantee of unsecured and unsubordinated debentures of US Dollar 490 million and US Dollar 700 million, respectively, for PTTEP Canada International Finance Limited (PTTEP CIF).
 - The Company has commitment for the guarantee of the Cross Currency Swap transaction for PTTEP Canada Limited (PTTEP CA) to swap US Dollar for Canadian Dollar with notional amount of US Dollar 700 million.

- Obligation under Gas Sale Agreement
 - According to the Gas Sales Agreement of MTJDA B-17 Project, if PTTEP International Limited (PTTEPI) and the joint operation, as the sellers, fail to deliver the quantity of natural gas notified by the buyer on the agreed upon date, the buyer has the right to take the deficient quantity of natural gas (Shortfall) at a price equal to 75% of the current price applicable at the time the Shortfall occurred.

On December 31, 2015, PTTEPI had an obligation for the Shortfall as per GSA mentioned above with the approximate total cost for PTTEPI of US Dollar 15.04 million (Baht 542.86 million). Currently, negotiation between the buyer (PTT) and the seller are in process.

- Contingent liabilities
 - On August 26, 2010, PTTEP Australasia Pty Ltd (PTTEP AA) received a letter claiming for compensation relating to an incident of oil and natural gas leak in Montara area under PTTEP Australasia project from the Government of Indonesia. PTTEP AA has submitted the letter rejecting the claim for the compensation because the evidence provided by the Government of Indonesia is considered unproven and unsubstantiated. No verifiable scientific evidence has yet been provided to support the claim.

Subsequently on October 3, 2014, PTTEP AA has been notified by the lawyer acting on behalf of the West Timor Care Foundation (the "WTCF"), a representative of West Timorese coastal fishermen and seaweed farmers who claim to have been affected by the Montara spill in 2009. At present, the Company considers that the claims from the Government of Indonesia and WTCF remain unproven and unsubstantiated.

- As at December 31, 2015, the Company had contingent liabilities in the form of letters of guarantee amounting to US Dollar 8.66 million (Baht 312.41 million) for the Company's financial statements and US Dollar 35.45 million (Baht 1,279.48 million) for the consolidated financial statements.
- The Indonesia Tax Office (ITO) conducted an investigation for the potential Participating Interest Transfer Tax (PIT) and Branch Profit Tax (BPT) on Share Purchase Agreement in Natuna 2 B.V., a jointly control entities between PTTEP Netherlands Holding Cooperatie U.A. and Pertamina Hulu Energi Oil and Gas. The Share Purchase Agreement of Natuna 2 B.V. in which PTTEP Netherlands Holding Cooperatie U.A., and Pertamina Hulu Energi Oil and Gas, as buyers, and HESS (Luxembourg) Exploration and Production Holding S.A.R.L. as a seller, was made in 2013. The ITO has assessed the potential PIT, BPT and related penalties of approximately US Dollar 120 million in which US Dollar 60 million represents the Group's proportion.

However, the Group's management considers that the potential tax assessment is not valid because the purchase of Natuna 2 B.V. is a Share Purchase Agreement, not the transfer of the participating interests of the project as claimed by the ITO. The Company has filed an objection for resolving the dispute on this potential tax assessment.

46. Events after the Statement of Financial Position Date

- The Company's Board of Directors authorized for the issue of these financial statements on February 17, 2016.

(A) PTTEP and Our Subsidiaries' Petroleum Reserves Report As of December 31, 2015

The total Proved Reserves of PTT Exploration and Production Public Company Limited (PTTEP) and our subsidiaries as of December 31, 2015 are shown in the attached table. The Proved Reserves are reviewed annually by Company's earth scientists and reservoir engineers to ensure rigorous professional standards. The Proved Reserves are reported on a gross basis, which includes the company's net working interest and related host country's interest.

As of December 31, 2015, the total Proved Reserves of all projects of PTTEP Group are 180 million stock-tank barrels (MMSTB) of crude oil and condensate¹, and 3,591 billion standard cubic feet (BSCF) of natural gas (558 million barrels of oil equivalent (MMBOE)). The total Proved Reserves (consolidated companies) in term of oil equivalent is 738 MMBOE. Proved Reserves of crude and condensate are approximately 40% while, for gas, are 60% of the total Proved Reserves in terms of oil equivalent.

In 2015, the total production of PTTEP Group is 136 MMBOE (39 MMSTB of crude oil and condensate¹ and 618 BSCF of natural gas or 97 MMBOE) which is equivalent to the production rate of approximately 373,888 barrels of oil equivalent per day (BOED), approximately 14,628 BOED or 4.07% increase from last year. The production increase was attributed mainly to Zawtika Project, which had produced at its full capacity for the entire year for the first time after had started the first production in 2014.

¹ Include the Proved Reserves and production of LPG

Supplemental Information on Exploration and Production Activities

	Proved Reserves of Crude and Condensate ⁽²⁾			Proved Reserves of Natural Gas			Proved Reserves of Crude, Condensate and Natural Gas ⁽¹⁾		
	(Million Barrels)			(Billion Cubic Feet)			Barrel of Oil Equivalent		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
Company's share of reserves of consolidated companies									
As of December 31, 2013	112	138	250	2,065	1,812	3,877	450	396	846
1) Revision of previous estimates	15	1	16	86	48	134	30	9	39
2) Improved recovery	1	-	1	6	-	6	2	-	2
3) Extensions and discoveries	7	-	7	146	-	146	31	-	31
4) Purchases/Sales of Petroleum in place	5	(52)	(47)	222	-	222	42	(52)	(10)
5) Production	(27)	(13)	(40)	(406)	(165)	(571)	(94)	(37)	(131)
As of December 31, 2014	113	74	187	2,119	1,695	3,814	461	316	777
Company's share of reserves of consolidated companies									
As of December 31, 2014	113	74	187	2,119	1,695	3,814	461	316	777
1) Revision of previous estimates	14	9	23	336	53	389	70	17	87
2) Improved recovery	4	1	5	2	1	3	4	2	6
3) Extensions and discoveries	4	-	4	(27)	30	3	(1)	5	4
4) Purchases/Sales of Petroleum in place	-	-	-	-	-	-	-	-	-
5) Production	(27)	(12)	(39)	(409)	(209)	(618)	(94)	(42)	(136)
As of December 31, 2015	108	72	180	2,021	1,570	3,591	440	298	738

(1) The Proved Reserves are reported on a gross basis which includes the company's net working interest and the related host country's interest.

(2) Included LPG

(B) Capitalized Costs Relating to Oil and Gas Producing Activities

Capitalized costs represent cumulative expenditures for proved and unproved properties together with related accumulated depreciation, depletion, amortization and allowance for impairment.

Proved properties include exploration wells, development wells, transportation pipeline, producing facilities and decommissioning costs. Unproved properties represent amounts associated with capitalized cost of projects which have not yet found proved reserves.

(Unit: Million US Dollar)	2015	2014 (Restated)
Proved properties	25,319	23,795
Unproved properties	<u>4,727</u>	<u>5,042</u>
Gross capitalized costs	30,046	28,837
Accumulated depreciation, depletion, amortization and impairment	<u>(16,871)</u>	<u>(13,014)</u>
Net capitalized costs	<u>13,175</u>	<u>15,823</u>

Supplemental Information on Exploration and Production Activities

(C) Costs Incurred in Oil and Gas Property Acquisition, Exploration, and Development Activities

Costs incurred in oil and gas property acquisition, exploration and development activities represent amounts both capitalized and charged to expense during the year.

Property acquisition costs include costs to purchase proved and unproved properties.

Exploration costs include geological and geophysical expenses, exploratory drilling cost as well as reservation fee for exploration blocks.

Development costs include costs associated with drilling and equipping development wells, improved recovery systems, facilities for extraction, treating, gathering and storage, producing facilities for existing developed reserves, and costs associated with transportation pipeline.

(Unit: Million US Dollar)	2015			2014		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Acquisition of properties						
- Proved	-	-	-	590	-	590
- Unproved	-	-	-	352	95	447
Exploration costs	88	274	362	124	579	703
Development costs	<u>1,171</u>	<u>504</u>	<u>1,675</u>	<u>1,270</u>	<u>759</u>	<u>2,029</u>
Total	<u>1,259</u>	<u>778</u>	<u>2,037</u>	<u>2,336</u>	<u>1,433</u>	<u>3,769</u>

(D) Results of operations for producing activities

Results of operations from oil and gas producing activities for the year 2015 and 2014 are shown in the following table.

Operating costs include lifting costs incurred to operate and maintain productive wells and related equipment.

Exploration expenses consist of geological and geophysical costs, and exploratory well write off expenses.

General administrative expenses are expenses directly related to oil and gas producing activities.

Depreciation, Depletion and Amortization expense relates to capitalized costs incurred in acquisition, exploration and development activities, transportation pipeline, including amortized decommissioning costs.

Other expenses (income) mainly include impairment loss on assets, foreign exchange gains and losses directly related to oil and gas producing activities and other income.

Income tax expenses are based on the results of operations from petroleum producing activities.

General corporate overhead and finance costs are excluded from the results of operations for petroleum producing activities.

(Unit: Million US Dollar)	2015			2014 (Restated)		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Gross revenues						
Sales – Related parties	3,529	1,478	5,007	4,988	1,583	6,571
Sales – Third parties	242	558	800	279	879	1,158
Total Sales	3,771	2,036	5,807	5,267	2,462	7,729
Expenses						
Operating expenses	446	633	1,079	494	637	1,131
Exploration expenses	16	168	184	80	253	333
General administrative expenses	53	67	120	93	78	171
Petroleum royalties and remuneration	426	-	426	607	2	609
Depreciation, depletion and amortization	1,836	861	2,697	1,633	905	2,538
Other (income)/ expenses	<u>171</u>	<u>1,204</u>	<u>1,375</u>	<u>(2)</u>	<u>962</u>	<u>960</u>
Total expenses	2,948	2,933	5,881	2,905	2,837	5,742
Results before income taxes	823	(897)	(74)	2,362	(375)	1,987
Income tax expenses	374	113	487	865	353	1,218
Net results of operations	<u>449</u>	<u>(1,010)</u>	<u>(561)</u>	<u>1,497</u>	<u>(728)</u>	<u>769</u>

(E) Standardized Measure of Discounted Future Net Cash Flows (SMDCF) Relating to the Proved Oil and Gas Reserves

The standardized measure of discounted future net cash flows related to the above proved oil and gas reserves, is computed by applying 12-month average prices* (with consideration of price changes only to the extent provided by contractual arrangements), to the estimated future production of year-end remaining proved oil and gas reserves less estimated future expenditures (based on year-end costs) to be incurred in developing and producing the proved reserves.

Future income taxes are calculated by applying the appropriate year-end statutory tax rates to the future pre-tax net cash flows and deducted by applicable tax deductions or tax credits.

Net Cash flows are discounted using a rate of 10% per year to reflect the estimated timing of the future cash flows.

The estimation of discounted future net cash flow shown below is not intended to represent the fair value of oil and gas properties. The fair value should take into account of several factors, such as probable and possible reserves which may turn into proved reserves in the future, anticipated future oil and gas prices, interest rates, changes in development and production costs and risks associated with future production. Therefore the fair value will subject to the view and perception of analyst.

* Twelve-month average prices are calculated as the unweighted arithmetic average of the first-day-of-the-month price for each month.

Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Gas Reserves

(Unit: Million US Dollar)	Domestic		Foreign		Total	
	2015	2014	2015	2014	2015	2014
Future cash inflows	14,538	20,573	10,558	15,771	25,096	36,344
Future production costs	(2,730)	(2,784)	(2,077)	(2,381)	(4,807)	(5,165)
Future development costs	(5,990)	(6,393)	(1,900)	(2,111)	(7,890)	(8,504)
Future income tax expenses	(1,944)	(4,016)	(1,200)	(1,648)	(3,144)	(5,664)
Future net cash flows	3,874	7,380	5,381	9,631	9,255	17,011
10% annual discount	(136)	(1,495)	(1,691)	(3,287)	(1,827)	(4,782)
Standardized measure of discounted future net cash flows (SMDCF)	<u>3,738</u>	<u>5,885</u>	<u>3,690</u>	<u>6,344</u>	<u>7,428</u>	<u>12,229</u>

Changes in Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Gas Reserves

(Million US\$)	2015	2014
Present value at beginning of year	12,229	13,057
Sales and transfers of oil and gas produced, net of production costs	(4,106)	(5,339)
Development costs incurred during the period	1,844	2,590
Net changes in prices and production costs	(9,470)	(357)
Net changes in development costs	(270)	(2,290)
Extensions, discoveries and improved recovery	186	943
Revisions of previous quantity estimates	1,540	1,040
Purchases / sales of petroleum in place	-	73
Accretions of discount	2,955	2,454
Net changes in income taxes	<u>2,520</u>	<u>58</u>
Present value at the year end	<u>7,428</u>	<u>12,229</u>

Supplemental Information on Exploration and Production Activities

(F) Other Information

Productive Oil/Condensate and Gas Wells

The numbers of productive wells at December 31, 2015 were as follows:

	Oil/Condensate		Gas	
	Gross	Net	Gross	Net
Thailand	932	519	1,122	472
Foreign				
Southeast Asia	32	8	170	77
Middle East and Others	11	8	12	12
Total	975	535	1,304	561

Drilling in Progress of Oil/Condensate and Gas Wells

The numbers of wells in progress at December 31, 2015 were as follows:

	Gross	Net
<u>Exploratory</u>		
Thailand	-	-
Foreign		
Southeast Asia	-	-
Middle East and Others	2	0.45
Total	2	0.45
<u>Development</u>		
Thailand	40	13.70
Foreign		
Southeast Asia	4	1.69
Middle East and Others	-	-
Total	44	15.39

Net Oil/Condensate and Gas Wells Drilled Annually in 2015

	Net productive wells drilled	Net dry well drilled
<u>Exploratory</u>		
Thailand	5.51	4.00
Foreign		
Southeast Asia	8.80	3.70
Middle East and Others	35.82	4.20
Total	50.13	11.90
<u>Development</u>		
Thailand	236.45	7.50
Foreign		
Southeast Asia	3.22	0.12
Middle East and Others	0.51	-
Total	240.18	7.62

Gross wells include the total number of wells in which PTTEP Group has an interest excluding utility wells.

Net wells are the sum of PTTEP Group's fractional interests in gross wells.

Supplemental Information on Exploration and Production Activities

Quarterly Information in 2015 and 2014 for the consolidated financial statement are as follows:

Unit: US Dollars

<u>Year2015</u>	<u>4thQ</u>	<u>3thQ</u>	<u>2thQ</u>	<u>1thQ</u>
Revenues				
Sales	1,212,688,950	1,323,112,662	1,398,375,670	1,391,737,760
Revenue from pipeline transportation	22,964,786	29,836,406	30,536,212	35,150,233
Other income				
Gain on foreign exchange	3,970,694	-	-	-
Interest income	6,367,880	5,385,246	11,170,866	8,992,329
Gain on financial derivatives	78,032,960	101,724,886	-	7,045,036
Other income	13,061,506	13,410,017	8,485,622	10,242,618
Total Revenues	1,337,086,775	1,473,469,217	1,448,568,370	1,453,167,976
Expenses				
Operating expenses	178,142,808	182,814,429	181,567,616	167,241,095
Exploration expenses	53,452,980	78,412,645	38,396,718	13,285,104
Administrative expenses	97,694,382	54,684,121	73,043,554	52,049,482
Petroleum royalties and remuneration	97,160,368	107,121,361	112,714,666	109,048,079
Depreciation, depletion and amortization	612,439,427	653,265,178	725,906,884	728,103,998
Other expenses				
Loss on foreign exchange	-	20,172,895	18,831,847	34,390,377
Loss on financial derivatives	-	-	54,641,472	-
Management's remuneration	169,881	956,325	1,165,405	1,486,834
Impairment loss on assets	-	1,385,209,600	-	-
Other expenses	-	-	-	-
Finance costs	49,526,666	61,528,303	72,305,294	68,620,339
Total Expenses	1,088,586,512	2,544,164,857	1,278,573,456	1,174,225,308
Share of gain from associates and joint ventures	2,072,797	2,474,224	1,861,150	2,619,506
Profit before income taxes	250,573,060	(1,068,221,416)	171,856,064	281,562,174
Income tax expenses	(118,623,845)	(216,233,338)	(136,727,192)	(17,775,948)
Profit(Loss) for the year	131,949,216	(1,284,454,754)	35,128,872	263,786,226
Earnings per share				
Basic earnings per share	0.03	(0.32)	0.01	0.07

Unit: US Dollars

<u>Year2014 (Restated)</u>	<u>4thQ</u>	<u>3thQ</u>	<u>2thQ</u>	<u>1thQ</u>
Revenues				
Sales	1,758,233,297	1,910,690,591	1,902,979,214	1,747,285,762
Revenue from pipeline transportation	38,743,913	37,369,030	34,093,118	27,719,064
Other income				
Gain on foreign exchange	-	-	8,791,896	-
Interest income	7,680,716	5,005,177	4,279,374	5,966,528
Gain on financial derivatives	150,822,109	72,180,673	-	-
Other income	18,263,003	18,152,248	112,219,238	8,005,193
Total Revenues	1,973,743,038	2,043,397,718	2,062,362,840	1,788,976,547
Expenses				
Operating expenses	191,263,799	174,700,003	206,484,931	284,058,014
Exploration expenses	125,555,697	125,778,008	65,446,671	16,136,152
Administrative expenses	146,861,646	80,780,572	90,893,509	52,026,423
Petroleum royalties and remuneration	135,326,378	156,845,310	163,743,791	152,887,414
Depreciation, depletion and amortization	779,376,474	666,114,317	617,595,580	499,000,814
Other expenses				
Loss on foreign exchange	21,187,477	33,259,997	-	3,800,600
Loss on financial derivatives	-	-	24,862,208	1,122,584
Management's remuneration	1,794,914	1,324,709	1,460,664	1,478,452
Impairment loss on assets	996,790,379	-	-	-
Other expenses	-	-	41,125,056	-
Finance costs	82,147,673	62,368,984	58,327,643	56,492,572
Total Expenses	2,480,304,437	1,301,171,900	1,269,940,053	1,067,003,025
Share of gain from associates and joint ventures	17,468,307	2,514,361	1,671,683	287,250
Profit before income taxes	(489,093,092)	744,740,180	794,094,470	722,260,772
Income tax expenses	(250,218,520)	(268,157,680)	(233,634,994)	(342,532,443)
Profit(Loss) for the year	(739,311,612)	476,582,500	560,459,476	379,728,329
Earnings per share				
Basic earnings per share	(0.20)	0.12	0.14	0.10

Supplemental Information on Exploration and Production Activities

Petroleum Sales Volume and Unit Price Summary

	2015	2014 (Restated)
Net sales of petroleum (BOED)	322,167	312,569
Average petroleum unit prices		
Average unit prices of crude oil and condensate (USD/BBL)	50.05	94.82
Average unit prices of natural gas (USD/MMBTU)	7.20	8.06
Average unit prices of petroleum (USD/BOE)	45.29	63.71
Lifting cost (USD/BOE)	4.62	5.26

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