

THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES

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INTERIM FINANCIAL STATEMENTS  
FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2004  
AND  
REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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EXPRESSED IN  
THE BAHT

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REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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

We have reviewed the consolidated balance sheet of the Bangchak Petroleum Public Company Limited and its subsidiaries as of March 31, 2004, and the related consolidated statements of changes in shareholders' equity, income, and cash flows for the three-month period then ended. We have also reviewed the financial statements for the same periods of the Bangchak Petroleum Public Company Limited. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to report on these financial statement based on our review. The comparative consolidated financial statements and financial statements of the Bangchak Petroleum Public Company Limited for the year ended December 31, 2003 and three-month period ended March 31, 2003 were audited and reviewed by the other auditor with an unqualified opinion reported on February 25, 2004 and May 6, 2003.

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

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

(KESREE NARONGDEJ)  
Certified Public Account  
Registration No. 76

A.M.T. & ASSOCIATES  
Bangkok, Thailand  
May 8, 2004

## THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## BALANCE SHEETS

B A H T

	NOTE	CONSOLIDATED		THE COMPANY ONLY	
		As of 31 <sup>ST</sup>	As of 31 <sup>ST</sup>	As of 31 <sup>ST</sup>	As of 31 <sup>ST</sup>
		March	December	March	December
		2004	2003	2004	2003
		(Unaudited/ but reviewed)	(Audited)	(Unaudited/ but reviewed)	(Audited)
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	4	962,414,076	3,522,502,394	750,687,352	3,348,494,142
Temporary Investment		206,781	206,781	-	-
Trade accounts receivable - net					
Related parties	3.1	-	-	362,344,529	356,618,614
Other parties	5	3,079,559,269	2,457,507,939	3,063,705,360	2,437,344,954
Inventories - net	6	7,485,163,785	5,565,162,560	7,338,163,463	5,396,180,190
Other current assets					
Material and Supplies - net	7	337,149,121	333,433,065	337,149,121	333,433,065
Others		308,554,074	160,413,484	296,357,952	142,941,228
Total Current Assets		12,173,047,106	12,039,226,223	12,148,407,777	12,015,012,193
<b>NON-CURRENT ASSETS</b>					
Investments for using the equity method	3.2	-	-	-	-
Other long-term investments	8	5,634,522	5,654,700	4,734,522	4,754,700
Tariff prepayment - net	9	44,541,900	45,489,600	44,541,900	45,489,600
Long-term loans to related parties	3.3	10,000,000	10,800,000	-	-
Property, plant and equipment - net	10	14,292,017,319	14,470,719,528	14,281,395,324	14,459,265,428
Intangible assets - net	11	1,501,692,998	973,113,888	1,501,692,998	973,113,888
Investment in service station - net	12	532,461,032	537,690,129	532,461,032	537,690,129
Other non-current assets					
Deferred income tax assets	13	94,886,195	95,501,800	94,886,195	95,501,800
Others	14	536,180,853	412,873,232	521,845,925	400,011,090
Total Non-Current Assets		17,017,414,819	16,551,842,877	16,981,557,896	16,515,826,635
<b>TOTAL ASSETS</b>		<b>29,190,461,925</b>	<b>28,591,069,100</b>	<b>29,129,965,673</b>	<b>28,530,838,828</b>

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

## THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## BALANCE SHEETS

		B A H T			
		CONSOLIDATED		THE COMPANY ONLY	
		As of 31 <sup>ST</sup>	As of 31 <sup>ST</sup>	As of 31 <sup>ST</sup>	As of 31 <sup>ST</sup>
		March	December	March	December
NOTE		2004	2003	2004	2003
		(Unaudited/ but reviewed)	(Audited)	(Unaudited/ but reviewed)	(Audited)
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
	Bank overdrafts and short-term loans from				
	financial institutions	15 , 16.1	1,200,000,000	8,000,000,000	1,200,000,000
	Trade accounts payable				
	Related parties	3.4	9,771,140	10,411,812	12,642,721
	Other parties		5,002,122,368	4,473,312,718	4,944,498,914
	Current portion of long-term loans	16	2,120,000,000	3,532,500,000	2,120,000,000
	Early redemption of immatured debenture	16	-	3,900,000,000	-
	Other short-term loans		-	1,390,823,000	-
	Other current liabilities:				
	Accrued excise tax and oil stabilization fund		292,877,073	266,067,956	292,877,073
	Accrued expenses		328,823,289	601,553,512	314,589,709
	Others		322,421,794	362,051,445	320,379,743
	Total Current Liabilities		9,276,015,664	22,536,720,443	9,204,988,160
NON-CURRENT LIABILITIES					
	Long-term loans	16	12,345,000,000	2,540,000,000	12,345,000,000
	Other non-current liabilities:				
	Liabilities on long-term lease	11	551,631,820	-	551,631,820
	Liabilities on service stations leasehold right		103,189,256	112,039,612	103,189,256
	Reserve for pension fund		210,422,058	210,337,306	210,422,058
	Deferred income tax liabilities	13	35,167,227	35,985,069	35,167,227
	Others		95,474,579	98,682,188	83,569,797
	Total Non-Current Liabilities		13,340,884,940	2,997,044,175	13,328,980,158
	Total Liabilities		22,616,900,604	25,533,764,618	22,533,968,318

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

## THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## BALANCE SHEETS

		B A H T			
		CONSOLIDATED		THE COMPANY ONLY	
		As of 31 <sup>ST</sup>	As of 31 <sup>ST</sup>	As of 31 <sup>ST</sup>	As of 31 <sup>ST</sup>
		March	December	March	December
NOTE		2004	2003	2004	2003
		(Unaudited/ but reviewed)	(Audited)	(Unaudited/ but reviewed)	(Audited)
SHAREHOLDERS' EQUITY					
	Share Capital - Par Value Baht 1.00 per share	24			
	Authorized share capital				
	Common share 1,682,040,940 shares in 2004 and				
	Common share 522,040,940 shares in 2003	1,682,040,940	522,040,940	1,682,040,940	522,040,940
	Issued and paid - up share capital				
	Common share 753,040,940 shares in 2004 and				
	Common share 522,040,940 shares in 2003	753,040,940	522,040,940	753,040,940	522,040,940
	Capital Surplus				
	Premium on share capital	2,693,820,103	-	2,693,820,103	-
	Surplus on fixed assets revaluation	4,891,967,762	4,947,867,230	4,891,967,762	4,947,867,230
	Retained earning (deficit)				
	Appropriated – legal reserve	-	-	-	-
	Unappropriated	(1,765,807,089)	(2,413,141,747)	(1,742,831,450)	(2,389,126,110)
	Total Equity of Parent Company's Shareholders	6,573,021,716	3,056,766,423	6,595,997,355	3,080,782,060
	Minority interests	539,605	538,059	-	-
	Total Shareholders' Equity	6,573,561,321	3,057,304,482	6,595,997,355	3,080,782,060
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	29,190,461,925	28,591,069,100	29,129,965,673	28,530,838,828

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

(Signed) *General Tawat Ked-Unkoon*

(General Tawat Ked-Unkoon)

Chairman

(Signed) *Pichai Chunhavajira*

(Pichai Chunhavajira)

Director

**THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF INCOME**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2004 AND 2003**

	NOTE	B A H T		
		CONSOLIDATED	THE COMPANY ONLY	
		2004	2004	2003
<b>REVENUES</b>				
Sales	17	18,650,631,816	18,405,639,014	14,397,087,352
Other incomes				
Interest income		8,031,624	8,027,402	10,837,808
Gain from foreign exchange	18	32,716,122	32,716,122	24,528,467
Others		33,645,587	22,870,181	41,162,218
Share of profits from investments for using the equity method		-	-	725,200
<b>Total Revenues</b>		<b>18,725,025,149</b>	<b>18,469,252,719</b>	<b>14,474,341,045</b>
<b>EXPENSES</b>				
Cost of sales		17,287,994,012	17,134,961,008	13,361,388,541
Selling and administrative expenses		390,438,606	289,637,901	301,575,114
Other expenses				
Depreciation		73,015,188	72,133,011	72,372,033
Directors' remuneration		185,250	170,250	87,000
Loss from crude oil and product oil price hedging contract	22.3	83,693,913	83,693,913	44,208,067
<b>Total Expenses</b>		<b>17,835,326,969</b>	<b>17,580,596,083</b>	<b>13,779,630,755</b>
<b>PROFIT BEFORE INTEREST EXPENSE AND INCOME TAX</b>		<b>889,698,180</b>	<b>888,656,636</b>	<b>694,710,290</b>
Interest expenses	19	(242,564,213)	(242,564,213)	(274,151,428)
Income tax	13	202,237	202,237	1,659,631
<b>PROFIT AFTER INCOME TAX</b>		<b>647,336,204</b>	<b>646,294,660</b>	<b>422,218,493</b>
<b>MINORITY INTERESTS</b>		<b>(1,546)</b>	<b>-</b>	<b>-</b>
<b>NET PROFIT</b>		<b>647,334,658</b>	<b>646,294,660</b>	<b>422,218,493</b>
<b>BASIC EARNING PER SHARE</b>				
Earning per share (Baht)		0.9528	0.9512	0.8088
Number of weighted average shares (shares)		679,425,555	679,425,555	522,040,940

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

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

(Signed) *Pichai Chunhavajira*  
 (Pichai Chunhavajira)  
 Director

**THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**CONSOLIDATED**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2004**

	BAHT						
	Issue and paid - up share capital	Premium on Share capital	Surplus on fixed assets revaluation	Retained earning (Deficit)		Minority interests	Total
				Appropriated legal reserve	Unappropriated		
Beginning balance - January 1, 2004	522,040,940	-	4,947,867,230	-	(2,413,141,747)	538,059	3,057,304,482
Issued and paid - up share capital	231,000,000	-	-	-	-	-	231,000,000
Premium on share capital	-	2,693,820,103	-	-	-	-	2,693,820,103
Transaction not recognised in the income statement							
- Depreciation on the fixed assets revaluation	-	-	(55,899,468)	-	-	-	(55,899,468)
Net profit	-	-	-	-	647,334,658	1,546	647,336,204
Ending balance of March 31, 2004	753,040,940	2,693,820,103	4,891,967,762	-	(1,765,807,089)	539,605	6,573,561,321

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

**THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY****THE COMPANY ONLY****FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2004 AND 2003**

	BAHT					Total
	Issue and paid - up share capital	Premium on Share capital	Surplus on fixed assets revaluation	Retained earning (Deficit)		
				Appropriated legal reserve	Unappropriated	
Beginning balance - January 1, 2003	5,220,409,400	2,007,950,671	5,178,142,754	547,594,555	(8,367,991,961)	4,586,105,419
Transaction not recognised in the income statement						
- Depreciation on the fixed assets revaluation	-	-	(121,004,943)	-	-	(121,004,943)
Net profit	-	-	-	-	422,218,493	422,218,493
Ending balance of March 31, 2003	<u>5,220,409,400</u>	<u>2,007,950,671</u>	<u>5,057,137,811</u>	<u>547,594,555</u>	<u>(7,945,773,468)</u>	<u>4,887,318,969</u>
Beginning balance - January 1, 2004	522,040,940	-	4,947,867,230	-	(2,389,126,110)	3,080,782,060
Issued and paid - up share capital	231,000,000	-	-	-	-	231,000,000
Premium on share capital	-	2,693,820,103	-	-	-	2,693,820,103
Transaction not recognised in the income statement						
- Depreciation on the fixed assets revaluation	-	-	(55,899,468)	-	-	(55,899,468)
Net profit	-	-	-	-	646,294,660	646,294,660
Ending balance of March 31, 2004	<u>753,040,940</u>	<u>2,693,820,103</u>	<u>4,891,967,762</u>	<u>-</u>	<u>(1,742,831,450)</u>	<u>6,595,997,355</u>

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



**THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****STATEMENTS OF CASH FLOWS****FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2004 AND 2003**

	B A H T		
	CONSOLIDATED	THE COMPANY ONLY	
	2004	2004	2003
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>			
Net profit	647,334,658	646,294,660	422,218,493
Adjustments to reconcile net profit to net cash provided by (used in) Operating Activities			
Depreciation	143,828,527	142,946,349	220,355,985
Bad debt and doubtful debts	2,136,158	1,677,796	5,388,404
Amortization	40,115,697	40,115,697	36,448,067
Loss (gain) from foreign exchange	1,726,513	1,726,513	6,220,094
Deferred income tax	(202,237)	(202,237)	(1,659,631)
Loss (gain) from fixed assets disposal	(6,341,299)	(6,370,749)	(28,525,607)
Reserve for pension fund	84,752	84,752	(4,181,104)
Deferred revenue	(1,868,960)	(1,868,960)	(2,005,864)
Loss (gain) on investments for using the equity method	(1,240,622)	-	(725,200)
Minority interests	1,546	-	-
Operating gain before changes in operating assets and liabilities	825,574,733	824,403,821	653,533,637
Operating assets (increase), decrease			
Trade accounts receivable	(216,645,384)	(587,249,854)	(567,854,168)
Inventories	(1,918,760,602)	(1,941,983,273)	436,815,761
Other current assets	(152,315,008)	(157,132,780)	(71,678,838)
Operating liabilities increase, (decrease)			
Trade accounts payable	171,695,421	527,207,065	1,257,906,718
Other current liabilities	(335,818,725)	(329,698,222)	(47,675,045)
Other non - current liabilities	(1,338,649)	(1,625,752)	686,973
Net Cash Provided by (Used in) Operating Activities	(1,627,608,214)	(1,666,078,995)	1,661,735,038

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

**THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2004 AND 2003**

	B A H T		
	CONSOLIDATED	THE COMPANY ONLY	
	2004	2004	2003
<b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>			
Decrease (increase) in temporary investments	-	-	(109,990)
Decrease(increase) in long-term investments	947,700	947,700	1,966,478
Acquisition in property, plant and equipments	(29,041,760)	(28,962,237)	(36,406,934)
Proceeds from sales of property, plant and equipment	14,357,272	14,357,272	41,617,050
Decrease(increase) in intangible assets	(374,312)	(374,312)	(2,350,125)
Decrease(increase) in other non - current assets	(144,866,107)	(144,193,321)	(109,250,847)
Net Cash Provide by (Used in) Investing Activities	<u>(158,977,207)</u>	<u>(158,224,898)</u>	<u>(104,534,368)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(6,800,000,000)	(6,800,000,000)	2,033,648,114
Increase(decrease) in other short - term loan	(1,390,823,000)	(1,390,823,000)	-
Increase(decrease) in other long - term loans	4,492,500,000	4,492,500,000	(2,202,500,000)
Proceeds from issued and paid-up shares capital	231,000,000	231,000,000	-
Proceeds from premium on shares capital	2,693,820,103	2,693,820,103	-
Net Cash Provided by (Used in) Financing Activities	<u>(773,502,897)</u>	<u>(773,502,897)</u>	<u>(168,851,886)</u>
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS - NET	(2,560,088,318)	(2,597,806,790)	1,388,348,784
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>3,522,502,394</u>	<u>3,348,494,142</u>	<u>1,374,422,526</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>962,414,076</u></u>	<u><u>750,687,352</u></u>	<u><u>2,762,771,310</u></u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION</b>			
Cash paid during the periods for			
Interest expenses	486,349,453	486,349,453	304,886,482
Income tax	-	-	-

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

**THE BANGCHAK PETROLEUM PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2004**

**1. GENERAL INFORMATION**

**1.1 General matter**

The company was incorporated as a limited company under the Civil and Commercial Code on November 8, 1984, and change its status to a Public Company Limited under the Public Company Limited Act on April 23, 1993. The address of head office is 210 Moo 1, Soi Sukhumvit 64, Sukhumvit road, Bangchak, Phakanong, Bangkok. The company operates in Thailand, and its principal activity is oil refinery, distribution gasoline through its service stations under its trade mark, which distributed to consumers in transportation, air line, marine transportation sector, construction sector, industrial sector, agriculture sector and distributed through major, minor and general oil trader. As of March 31, 2004 and 2003, the company employed 755 and 762 employees respectively and the employee expenses is Baht 101.68 million and 100.56 million respectively.

The Bangchak Green Net Co., Ltd. (its subsidiary) was incorporated as a limited company under the Civil and Commercial Code on 13 July 1993. The address of head office is 46/79-82 Moo 10, Bangna-Trad road, Bangna, Bangkok. The company operates in Thailand, and its principal activity is managed Bangchak service station and consumer goods retail shop under Lemon Green and Bi-Chak brand, and other activities in order to support the future expansion. As of March 31, 2004 and 2003, the company employed 847 and 845 employees respectively and the employee expenses is Baht 43.88 million and 41.00 million respectively.

**1.2 Basis for preparation and presentation of interim financial statements**

The interim financial statements of the company are prepared in accordance with generally accepted accounting standards and presented in brief in accordance with the Department of Commercial Registrations announcement on September 14, 2001. The interim financial statements are provided the update information. It should be read in conjunction with the financial statements for the year ended December 31, 2003.

The consolidated accounts incorporate the accounts of The Bangchak Petroleum Public Company Limited and The Bangchak Green Net Co., Ltd. which 49% shares held by the Company, and The Retail Net Co., Ltd. an subsidiary which 99.30% held by The Bangchak Green Net Co., Ltd. Significant intercompany transactions are eliminated.

**1.3 Related parties**

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

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

The Bangchak Green Net Co., Ltd. provided its consolidated financial statement by The Retail Net Co., Ltd.'s statement which prepared by the management and unaudited or reviewed by auditor. However, the total assets and net profit and loss of The Retail Net Co., Ltd. is not significant in the interim consolidated financial statement of The Bangchak Petroleum Public Company Limited.

The Bangchak Green Net Co., Ltd. consolidated financial statement has not included financial statement of The Bangchak Green Line Co., Ltd. as it is on the process of self-liquidation.

**1.4 Others.**

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the fiscal year ended December 31, 2003.

3. RELATED PARTY TRANSACTION

The Company has certain transactions with its related parties. Intercompany terms are determined at the reasonable market rate or contact price for transaction which no market price.

Balance of assets, liabilities, account and trading transaction with subsidiaries and related company as of March 31, 2004 are as follow:

3.1 Trade accounts receivable – related parties

	Million Baht			
	Consolidated		The Ccompany Only	
	March 31, 2004	December 31,2003	March 31, 2004	December 31,2003
<u>Subsidiaries</u>				
- The Bangchak Green Net Co., Ltd.	-	-	362.34	356.62
- The Retail Net Co., Ltd.	-	-	-	-
<u>Related Company</u>				
- Fuel Pipeline Transportation Ltd.	-	-	-	-
Total Accounts receivable -				
Related parties net	-	-	362.34	356.62

3.2 Investments for using the equity method

Name	Type of Business	Authorized Share capital (Million Baht)	Holding %	Million Baht		
				Consolidated		
				March 31, 2004		
				Investments		
				Cost Method	Equity Method	Dividend
<u>Subsidiary</u>						
The Bangchak Green Net Co., Ltd.	Holding and joint directors	1	49.00%	0.49	-	-

Name	Type of Business	Authorized Share capital (Million Baht)	Holding %	Million Baht		
				Consolidated		
				December 31, 2003		
				Investments		
				Cost Method	Equity Method	Dividend
<u>Subsidiary :</u>						
The Bangchak Green Net Co., Ltd.	Holding and joint directors	1	49.00%	0.49	-	-

3.3 Long - term loans to related parties

	Million Baht				Borrowing Cost Policy
	Consolidated				
	Balance As Of December 31, 2003	Increase	Receive	Balance As Of March 31, 2004	
Subsidiary					
The Bangchak Green Line Co., Ltd.	13.00	-	( 0.80)	12.20	2% Pa.
<u>Less</u> : allowance for doubtful accounts	( 2.20)	-	-	( 2.20)	
Total Long – term loan to related Company	10.80	-	( 0.80)	10.00	

3.4 Trade accounts payable – related parties

	Million Baht			
	Consolidated		The Company Only	
	March 31, 2004	December 31, 2003	March 31, 2004	December 31, 2003
<u>Subsidiaries</u>				
- The Bangchak Green Net Co.,Ltd.	-	-	2.87	3.95
- The Retail Net Co.,Ltd.	-	-	-	-
<u>Associated Companies</u>				
- Fuel Pipeline Transportation Ltd.	9.77	10.41	9.77	10.41
Total Account Payable				
- related parties	9.77	10.41	12.64	14.36

3.5 Transaction with related parties

Transaction with related parties for the three-month periods as of March 31, 2004 and 2003 are as follow:

	Million Baht		
	Consolidated	The Company Only	
	2004	2004	2003
Revenue from	-	1,433.47	901.04
Cost of pipeline transportation	29.06	29.06	20.21
Interest expenses	-	-	-
Franchise fee – Lemon Green (Minimart)	-	0.74	1.11

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

4. CASH AND CASH EQUIVALENTS

As of March 31, 2004 and December 31, 2003 Cash and cash equivalents consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2004	2003	2004	2003
Cash and deposits at Banks	962.41	2,122.50	750.69	1,948.49
Fixed deposit (maturity dates not longer than 3 months )	-	1,400.00	-	1,400.00
Total	962.41	3,522.50	750.69	3,348.49

5. TRADE ACCOUNT RECEIVABLES – OTHER PARTIES NET

As of March 31, 2004 and December 31, 2003, trade account receivables consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2004	2003	2004	2003
Trade accounts receivable - other parties	3,199.99	2,580.07	3,169.58	2,545.34
<u>Less</u> Allowance for doubtful accounts	<u>(120.43)</u>	<u>(122.56)</u>	<u>(105.87)</u>	<u>(108.00)</u>
Trade accounts receivable - other parties – net	<u>3,079.56</u>	<u>2,457.51</u>	<u>3,063.71</u>	<u>2,437.34</u>

As of March 31, 2004 and December 31, 2003, the overdue trade accounts receivable are classified by aging as follows:

	Million Baht	
	2004	2003
Over than 3 months to 6 months	1.17	1.33
Over than 6 months to 12 months	2.47	4.80
Over than 12 months	130.07	133.31
Total	<u>133.71</u>	<u>139.44</u>

#### 6. INVENTORIES - NET

As of March 31, 2004 and December 31, 2003, Inventories consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2004	2003	2004	2003
Crude oil	5,125.94	3,584.44	5,125.94	3,584.44
Finish oil product	2,359.61	1,981.64	2,212.61	1,812.66
<u>Less</u> Allowance for devaluation	<u>(0.39)</u>	<u>(0.92)</u>	<u>(0.39)</u>	<u>(0.92)</u>
Inventory – net	<u>7,485.16</u>	<u>5,565.16</u>	<u>7,338.16</u>	<u>5,396.18</u>

Inventories as of March 31, 2004 and December 31, 2003 are included petroleum legal reserve of 375.28 million liters approximated value Baht 3,256.30 Million and 344.07 million liters approximated value Baht 2,759.51 Million respectively.

#### 7. MATERIAL AND SUPPLIES - NET

As of March 31, 2004 and December 31, 2003, Material and supplies consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2004	2003	2004	2003
Material and supplies	365.77	363.62	365.77	363.62
<u>Less</u> Allowance for obsolescence	<u>(28.62)</u>	<u>(30.19)</u>	<u>(28.62)</u>	<u>(30.19)</u>
Material and supplies – net	<u>337.15</u>	<u>333.43</u>	<u>337.15</u>	<u>333.43</u>

#### 8. OTHER LONG-TERM INVESTMENTS

As of March 31, 2004 and December 31, 2003, Other long-term investments consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2004	2003	2004	2003
<u>Investment in capital paper</u>				
- Fuel Pipeline Transportation Ltd.	181.75	181.75	181.75	181.75
<u>Less</u> Allowance for impairment	<u>(181.75)</u>	<u>(181.75)</u>	<u>(181.75)</u>	<u>(181.75)</u>
Investment in capital paper – net	-	-	-	-
<u>Investment in commercial paper</u>				
- The Express way Authority of Thailand's bond	5.50	5.50	4.60	4.60
<u>Add</u> Premium on investments	<u>0.13</u>	<u>0.15</u>	<u>0.13</u>	<u>0.15</u>
Total Investment in commercial paper	<u>5.63</u>	<u>5.65</u>	<u>4.73</u>	<u>4.75</u>
Total other long-term investments	<u>5.63</u>	<u>5.65</u>	<u>4.73</u>	<u>4.75</u>

The Company invested in bond issued by The express way authority of Thailand B.E. 2542 no.1 of 7 years period, registered on November 26, 1998, which maturity date on November 26, 2005 face value at Baht 1,000 per unit, bare 7% interest pa. at 2 annually installment interest payment in May and November, totally 4,600 unit at Baht 5,043,922.03. The premium of Baht 443,922.03 which the Company

paid over face value, is amortized by the straight-line method based on maturity period. The amortization for the 3 months period ended March 31, 2004 and 2003 is Baht 20,178.27 equally.

#### 9. TARIFF PREPAYMENT - NET

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

The financial statements for three months ended March 31, 2004 shows an outstanding prepaid tariff balance of Baht 174.06 million and the Company has set up allowance for doubtful debt of Baht 129.52 million, the remaining amount is Baht 44.54 million. The difference in the interest rates as calculated in accordance with the loan restructuring agreement, which is pending in the suspense account, shall be written-off if FPT makes full settlement of both the loan principle and the interest, without default, over a three-year period. These terms are specified in the amendment of the loan restructuring agreement. The Company will consider the write-off of interest receivable on an annual basis. For the year 2004, it will write-off the interest receivable, calculated up to December 31, 2001, in the amount of Baht 21.38 million. And in 2005, it will write-off the interest receivable set-up from January 1, 2002 to March 28, 2002 of Baht 2.42 Million. As for the interest from March 29, 2002 to March 31, 2004 of Baht 19.72 million, the Company will consider the write-off on an annual basis. The total interest receivable is Baht 43.52 million and the Company has set up an allowance for doubtful debt of the whole amount.

#### 10. PROPERTY, PLANT AND EQUIPMENT - NET

	Million Baht				As of March 31, 2004
	As of December 31, 2003	Increase	Decrease	Transfer	
<u>Consolidated</u>					
<u>COST</u> :-					
Land	1,344.78	-	-	-	1,344.78
Buildings	510.61	-	-	-	510.61
Machinery, equipment and refinery plants	22,798.35	-	9.60	14.29	22,803.04
Marketing and office equipment	3,520.69	-	5.21	54.69	3,570.17
Platinum Catalyst	322.70	-	-	-	322.70
Vehicles	149.65	-	20.02	0.64	130.27
Construction work in progress	313.84	103.11	72.70	(69.62)	274.63
Total	28,960.62	103.11	107.53	-	28,956.20
<u>Less</u> Accumulated depreciation					
Buildings	282.73	4.29	-	-	287.02
Machinery, equipment and refinery plants	12,112.32	138.91	9.43	-	12,241.80
Marketing and office equipment	1,383.51	52.43	3.55	0.58	1,432.97
Platinum Catalyst	-	-	-	-	-
Vehicles	85.58	3.96	12.91	-	76.63
Total	13,864.14	199.59	25.89	0.58	14,038.42
<u>Less</u> Allowance for impairment					
Land	573.58				573.58
Machinery, equipment and refinery plants	0.56				0.56
Marketing and office equipment	51.62				51.62
Total	625.76				625.76
Property, plant and equipment - net	14,470.72				14,292.02
Depreciation for this period					143.83

	Million Baht				As of March 31, 2004
	The Company Only				
	As of December 31, 2003	Increase	Decrease	Transfer	
<b>COST :-</b>					
Land	1,344.78	-	-	-	1,344.78
Buildings	510.61	-	-	-	510.61
Machinery, equipment and refinery plants	22,798.35	-	9.60	14.29	22,803.04
Marketing and office equipment	3,473.19	-	5.10	54.69	3,522.78
Platinum Catalyst	322.70	-	-	-	322.70
Vehicles	146.28	-	20.02	0.64	126.90
Construction work in progress	313.84	103.11	72.70	(69.62)	274.63
<b>Total</b>	<b>28,909.75</b>	<b>103.11</b>	<b>107.42</b>	<b>-</b>	<b>28,905.44</b>
<b>Less Accumulated depreciation</b>					
Buildings	282.73	4.29	-	-	287.02
Machinery, equipment and refinery plants	12,112.32	138.91	9.43	-	12,241.80
Marketing and office equipment	1,344.58	51.87	3.55	0.58	1,393.48
Platinum Catalyst	-	-	-	-	-
Vehicles	85.10	3.79	12.91	-	75.98
<b>Total</b>	<b>13,824.73</b>	<b>198.86</b>	<b>25.89</b>	<b>0.58</b>	<b>13,998.28</b>
<b>Less Allowance for impairment</b>					
Land	573.58				573.58
Machinery, equipment and refinery plants	0.56				0.56
Marketing and office equipment	51.62				51.62
<b>Total</b>	<b>625.76</b>				<b>625.76</b>
<b>Property, plant and equipment - net</b>	<b>14,459.26</b>				<b>14,281.40</b>
<b>Depreciation for this period</b>					<b>142.95</b>

**11. INTANGIBLE ASSETS - NET**

As of March 31, 2004 and December 31, 2003, Intangible assets consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2004	2003	2004	2003
<b>Cost</b>				
Leasehold right	2,125.47	1,577.15	2,125.47	1,577.15
License and development costs of computer software	72.32	72.20	72.32	72.20
<b>Total</b>	<b>2,197.79</b>	<b>1,649.35</b>	<b>2,197.79</b>	<b>1,649.35</b>
<b>Accumulated amortization</b>				
Leasehold right	( 619.39)	( 600.14)	( 619.39)	( 600.14)
License and development costs of computer software	( 63.55)	( 62.94)	( 63.55)	( 62.94)
<b>Total</b>	<b>( 682.94)</b>	<b>( 663.08)</b>	<b>( 682.94)</b>	<b>( 663.08)</b>
<b>Total</b>	<b>1,514.85</b>	<b>986.27</b>	<b>1,514.85</b>	<b>986.27</b>
<b>Less : Allowance for impairment</b>	<b>( 13.16)</b>	<b>( 13.16)</b>	<b>( 13.16)</b>	<b>( 13.16)</b>
<b>Intangible assets - net</b>	<b>1,501.69</b>	<b>973.11</b>	<b>1,501.69</b>	<b>973.11</b>

On February 27, 2004, The Treasury Department allowed the Company to install total leasehold fee at Baht 551.63 million for the extension of lease period at the state property for the refinery plant and the Company's head office. The previous lease agreement will be expired on April 1, 2015. The new lease agreement has extended more 18 years upto March 31, 2033 with the annual installment for the leasehold fee, the year 2007 – 2009 Baht 45.97 million per annum, 2010 – 2012 Baht 61.29 million per annum, and 2013 – 2015 Baht 76.62 million per annum which were recorded to the liability from long-term leasehold right.

In addition, The Treasury Department has allowed the Company to pledge the leasehold right, and buildings, structure, and machinery on the leasehold land as collateral with the financial institutions for the credit facilities. The lease agreement is on the process of getting authorized signatures. The Company has extended the net book value of leasehold right as at December 31, 2003 at Baht 89.82 million upto March 31, 2033 corresponding to the new lease agreement.



**12. INVESTMENT IN SERVICE STATIONS - NET**

Investment in service stations is for the various type of business expansion of gasoline stations, for examples, the Company invests and grants the franchise to other entrepreneur, the joint ventures, and entrepreneur invests by itself with the Company's support. As at March 31, 2004 and December 31, 2003, the balance of the investment in gasoline stations were Baht 532.46 million and Baht 537.69 million. In this period, the Company amortized the investment in gasoline stations as expenses at Baht 12.23 million.

**13. INCOME TAX AND DEFERRED INCOME TAX**

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

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

Deferred income tax as at March 31, 2004 and December 31, 2003 are as follows:

	Million Baht	
	Consolidated	The Company Only
Deferred income tax assets		
As at December 31, 2003	95.50	95.50
Income tax expenses	(0.61)	(0.61)
As at March 31, 2004	94.89	94.89
Deferred income tax liabilities		
As at December 31, 2003	35.99	35.99
Income tax expenses	(0.82)	(0.82)
As at March 31, 2004	35.17	35.17

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

**14. OTHER NON-CURRENT ASSETS - OTHERS**

	Million Baht			
	Consolidated		The Company Only	
	2004	2003	2004	2003
14.1 Fixed deposit for staff welfare	162.20	162.20	162.20	162.20
14.2 Deposit for crude and product oil price hedging contract	115.34	72.16	115.34	72.16
14.3 Deferred expenses for the issuance of debentures and long-term loans	110.95	-	110.95	-
14.4 Other	147.69	178.51	133.36	165.65
Total	536.18	412.87	521.85	400.01

**14.1 Fixed deposit for staff welfare**

As at March 31, 2004 and December 31, 2003, the Company has fixed deposit with a bank at amount of Baht 162.20 million, with 0% interest rate, for welfare of staff to be granted credit facilities from such bank.

**14.2 Deposit for crude and product oil price hedging contract**

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

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

In January 2004, the Company has issued Baht 4,000 million convertible debentures and in February 2004, the Company has entered a loan contract with Krung Thai Bank Public Company Limited for Baht 12,500 million credit line. The Company paid fee for the issuance of convertible debentures, expenses for the loans and other expenses at amount of Baht 112.62 million by recording as deferred expenses for the issuance of debentures and long-term loans and amortizing such deferred expenses as expenses by straight line method based on the loan life and also weighted with the debt balance.

For the period ended March 31, 2004, the expenses from the loans and issuance of the convertible debentures were amortized in the amount of Baht 1.67 million.

#### 15. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at March 31, 2004 and December 31, 2003 bank overdrafts and short-term loans from financial institutions consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2004	2003	2004	2003
Promissory Notes	1,200	8,000	1,200	8,000
Total	1,200	8,000	1,200	8,000

As at March 31, 2004, the promissory notes with interest rate at 3.175% per annum will be due in April 2004.

As at December 31, 2003, the promissory notes with interest rate from 1.65 to 5.75% per annum was due during January 2004 to March 2004. Such loan used partial collateral in Note 16.1.

#### 16. LONG-TERM LOANS

As at March 31, 2004 and December 31, 2003 long-term loans consisted of:

	Million Baht			
	Consolidated		The Company Only	
	2004	2003	2004	2003
Loans from bank	7,000.00	-	7,000.00	-
Debentures	3,170.00	7,657.50	3,170.00	7,657.50
Convertible debentures	4,000.00	-	4,000.00	-
Promissory notes	295.00	2,315.00	295.00	2,315.00
Total	14,465.00	9,972.50	14,465.00	9,972.50
Less : current portion of long-term loans	( 2,120.00)	( 3,532.50)	( 2,120.00)	( 3,532.50)
Less : portion of early redemption of Debentures	-	( 3,900.00)	-	( 3,900.00)
Long-term loans	12,345.00	2,540.00	12,345.00	2,540.00

##### 16.1 Loans from bank

The Company has entered a loan contract with Krung Thai Bank Public Company Limited for Baht 12,500 million credit line divided into Baht 8,500 million 10-year long-term loans and Baht 4,000 million 10-year working capital short-term loans by pledging the Company's assets as collateral. As at March 31, 2004 has drawn working capital short-term loans at amount of Baht 1,200 million and long-term loans at amount of Baht 7,000 million.

##### 16.2 Debentures

As at March 31, 2004, unsecured, unsubordinated registered debentures with the holders' names amounting to 3,420,000 units, totaling Baht 3,170 million, interest rate from 5.0 to 7.75% per annum, was the net balance from early redemption as follows:

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

##### 16.3 Convertible debentures

On January 29, 2004, the Company issued 400,000 units, face value of Baht 10,000 each, of unsecured, convertible into common stock, subordinated registered debentures with the holders' names amounting to Baht 4,000 million, interest rate 3% per annum, convertible to common stock after 10 years from the issued date. Such issuance of convertible debentures is a part of financial restructuring plan consented by the cabinet on July 8, 2003 which were offered in form of depository receipts in the benefits of convertible debentures, amounting as stated above. Such depository receipts would receive the initial capital protection from Ministry of Finance by guaranteeing to buy back at the face value of Baht 10,000 each at the maturity of year 10<sup>th</sup> or offer the right to redeem at the ratio of 1 depository receipt to 1 convertible debenture and converted into ordinary share at the conversion price of Baht 14.30 per share. This can be changed when there is alteration in exercising the conversion right of the debentures in accordance with the methods and conditions determined in the terms and conditions stating the rights and duties of the debenture issuer and the debenture holders, as well as, the terms and conditions of the depository receipts on convertible debentures of the Bangchak Petroleum Public Company Limited.

#### 16.4 Promissory note

Transferable and unsecured promissory note will be matured in the year 2005 at amount of Baht 150 million with interest rate of 5.50% per annum and the year 2007 Baht 145 million with interest rate of 6.25% per annum.

#### 17. SALES

Sale revenue for 3 months ended March 31, 2004 and 2003 are as follows:

	Million Baht		
	Consolidated	The Company Only	
	2004	2004	2003
Sales revenue from fuel products	18,632.41	18,380.37	14,372.42
Income from investment charge	18.22	25.27	24.67
Total	18,650.63	18,405.64	14,397.09

#### 18. GAIN FROM FOREIGN EXCHANGE

Gain from foreign exchange for three months ended March 31, 2004 and 2003 are as follows:

	Million Baht		
	Consolidated	The Company Only	
	2004	2004	2003
Realized gain from foreign exchange fluctuations	34.44	34.44	30.75
Unrealized gain(loss) from foreign exchange fluctuations	(1.72)	(1.72)	(6.22)
Total	32.72	32.72	24.53

#### 19. INTEREST EXPENSE

The total interest for this period is Baht 242.86 million, of which Baht 0.30 million is recorded as cost of work in progress and Baht 242.56 million as expense.

#### 20. PROVIDENT FUND

The Company established a contributory provident covering substantially all employees. Members are required to make monthly contribution to the fund at 5%-10% of the members' salaries and the Company is required to make monthly contribution at the same amount

#### 21. CONTINGENT LIABILITIES

##### 21.1 Liabilities on guarantees

As at March 31, 2004, the Company's total liabilities in the form of bank guarantees amounted to Baht 308.01 million. These guarantees are mainly to cover the corporate income tax refunds, electricity usage and the tele-communication contract with the Telephone Organization of Thailand.

##### 21.2 Allegation

On April 30, 2003 the civil court dismissed the case lodged against the Ministry of Finance (the first defendant) and the Company (the fifth defendant) for alleged land right transgression and demanding Baht 1,055 million in compensation. The land in question is located at the pier of the Refinery. The case is being appealed with the appeal court.

#### 22. DISCLOSURE FOR FINANCIAL INSTRUMENTS

## 22.1 Risk from foreign exchange rate

The Company is facing the risk of foreign exchange as the Company’s cost and revenue have to be referred with US Dollar. The essentially major costs are crude and oil products imported from overseas in US Dollar. The selling price is derived from the oil product prices in Singapore market in US Dollar multiplied by the exchange rate of US Dollar against Thai Baht in the selling date as to get Thai Baht currency. Therefore, to avoid the risk from the fluctuation of the foreign exchange exposure, the Company applies the financial instrument to manage the risk by entering the forward contracts of foreign exchange.

## 22.2 Risk from interest rate

The interest rate risk is the risk that future movement of interest rates in financial market will effect the results of the Company’s operations and its cash flows. However, management believes that the risk is insignificant in current financial market because the Company has small amount of outstanding debt compare to the Company’s annual income and net cash flow.

## 22.3 Risk from product oil price in the global market

Due to the Company’s main cost – 90 % related to the oil fuel, crude and oil products vary to the buying and selling price of the global market. Each procurement of crude price is based on the average price of crude benchmark in the delivery month. The selling prices of the oil products are based on the Singapore market in 2-3 months period during the crude delivery and the sale of oil products to customers. As a result, the risk from the fluctuation in pricing and timing gap, also the inventory value at ending period declining from the beginning period, the Company set up a management committee to monitor the crude procurement, analyze situation and pricing trend, define the management policy for crude procurement and inventory. To avoid the risk from the fluctuation of the oil product price exposure, the Company applies the instrument to manage the risk by entering the forward contracts of oil product price with traders.

The oil product price in the first quarter of 2004 has had a increasing trend consecutively resulting in higher gain than target and even higher price than the forward contracts that the Company has committed. The Company has to pay the difference of the global market price and the forward contract price. Such forward resulted in the Company’s loss of opportunity to gain on the quantity of oil products that the Company had committed in the forward contracts. But the uncommitted forward on the quantity of oil products resulted in the Company’s gain from global market price. In this quarter, the Company lost from the forward contracts of oil product price at amount of Baht 83.69 million.

## 22.4 Risk from credit term

Credit risk refers to the risk that trade accounts receivable may default in its obligations resulting in a financial loss to the Company. However, at present, most of sales are supplied to creditworthy customers, the Company does not anticipate material losses from their debt collection and concentrations of the credit risk with respect to trade receivables are limited due to the large number of customers comprising the customer base, and their dispersion across different business.

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

## 22.5 Fair value

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

23. FINANCIAL INFORMATION BY SEGMENT OF BUSINESS

The statement of income of the Company only segmented by type of business for the three months ended March 31, 2004 are as follows:

Million Baht			
Refinery	Marketing	Elimination	Total

Sales	17,870.77	9,881.06	(9,346.19)	18,405.64
Cost of sales	17,054.93	9,426.22	(9,346.19)	17,134.96
Gross margin	815.84	454.84	-	1,270.68
Selling and administrative expenses	(45.44)	(211.29)	-	(256.73)
Other incomes (expenses)	(50.75)	15.71	-	(35.04)
Depreciation and Amortization	(2.67)	(102.54)	-	(105.21)
EBIT	716.98	156.72	-	873.70
Gain from foreign exchange fluctuations of Loan				6.93
Interest-net				(234.53)
Income Tax				0.20
Net Profit				646.29
EBITDA	797.48	259.26	-	1,056.74

#### 24. SUBSEQUENT EVENTS AFTER THE BALANCE SHEETS DATE

The Company’s Annual General Meeting of Shareholders held on April 29, 2004, approved the agenda concerning the Company’s shares as follows:

- 24.1 To cancel issuing and offering to sell the warrant which will be exercised in buying new issued shares of 260 million unit.
- 24.2 To reduce the Company register capital from Baht 1,682,040,940 to Baht 1,032,761,220, by canceling the number of 649,279,720, registered and not issue shares to remain the balance of 1,032,761,220 shares.
- 24.3 To reduce registered share capital amounting to Baht 1,032,761,220 to Baht 843,143,461 and the paid – up share capital from Baht 753,040,940 to Baht 563,423,181 by reducing number of share of 189,617,759 shares which held by Siam DR co, Ltd. The Company has received consent from Siam DR co., Ltd. in reducing such shares without capital payback. The Company is also got approval in transferring the capital-reducing amount of Baht 189,617,759 to Capital surplus on registered and paid – up shares reducing.
- 24.4 To transfer Capital surplus from premium on share capital amounting to Baht 2,389,126,110 off set to the deficit.
- 24.5 Approved to issue and offer the Warrant to the Company and Bangchak Green Net Co., Ltd. ’s directors, management employees and/or the person who take over their security buying right (ESOP) not over 24 million share. In addition, the Board of Directors be given the authority to reconsider the term and condition in shares offering and allotment, including the process concerning with Stock Exchange Committee (SEC), Stock Exchange of Thailand (SET) and others concerning parties.
- 24.6 To increase the registration capital Baht 24 million by issuing 24 million common shares to preserve the warrant exercising in buying the allot and issue shares to the Company or Bangchak Green Net Co., Ltd. ’s directors, management employees and/or the person who take over their security buying right.
- 24.7 To correct the Company Memorandum to comply with the above resolution, and approved to correct the Company objective and regulation to harmonious with the business and flexibility of the company operation.

#### 25. RECLASSIFICATION OF ACCOUNTS

Some transactions in these financial statements for the year ended December 31, 2003 and for the period ended March 31, 2003, have been reclassified to conform with the financial statement presentation for the period ended March 31, 2004.

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