



บริษัท บางจากปิโตรเลียม จำกัด (มหาชน)

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Management's Discussion and Analysis for Business Operations

For the three-month period ended September 30, 2012

1. Executive Summary

At the end of the third quarter of 2012, the company's Consolidated Financial Statements recorded a net profit of Baht 1,076 million. The net profit attributed to equity holders of the company amount Baht 1,072 million, EPS was 0.78 baht.

The Company's Performance can be summarized as follows:

(Unit: Million Baht)	3Q 2012	3Q 2011	2Q 2012	% Change YoY	% Change QoQ
Sale Revenues	33,322	39,772	40,362	-16.22%	-17.44%
Net Profit(Loss) ^{1/}	1,072	604	(385)	+77.48%	N.A.
EPS (Baht)	0.78	0.44	(0.28)	+77.27%	N.A.

Note 1/ Excluding the profit attributed to Non-Controlling interests.

Operating performance in the third quarter of 2012, the Company recorded a net profit of Baht 1,072 million mainly from an increase in crack spreads of the company's major petroleum products and the benchmark crude, compared to the same period of last year, and from a reversal of allowance for loss from inventory write-down. With the impact by the incident in July 4, 2012 of Crude Distillation Unit (CDU) no.3 (capacity of 80 KBD), the Company had lower crude run capacity in 3Q2012. The crude run was at 38.7 KBD, decreased from the same period of last year which was at 86.9 KBD. However, the increase of crack spreads of GO/DB, IK/DB, FO/DB and a lower crude run led the company to be able to arrange and get best economics yield and GRM. Total GRM in the third quarter of 2012 was 21.40 \$/bbl (included reversal of allowance for loss from inventory write-down).

Marketing Business, Sales volume through marketing channel was at 69 KBD, decreased 3.44% from the same period last year which was 72 KBD, resulted from the incident of CDU no.3 and a decrease in oil demand from Cooperatives Service Stations. The Company's Marketing Margin (excluding lube) was at Baht 0.40 per litre and Marketing Margin



(including lube) was Baht 0.44 per litre, compared to those of prior's year which was at Baht 0.44 per litre and Baht 0.47 per litre respectively.

Solar Power Plant Business phase I (44 MW installed) has started Commercial Operation Date (COD) since July 16, 2012 which generated Revenue of Baht 153 million and EBITDA of Baht 148 million.

Company's projects progress status are shown as follow:

Project	Details	Progress
1. Refinery Business Project		
1.1 The repairing of Crude Distillation Unit No. 3 from the incident on July 4, 2012.	The repairing of Crude Distillation Unit No. 3 which has the capacity of 80,000 Barrel per day.	The repairing process has completed in October 2012.
1.2 Tail Gas Treating Unit Project	The project helps decrease emission of Sulfur Dioxide from the Sulfur recovery Unit. The total project value is approximately USD 37 million.	The Company had sign an EPC contract with Thai Woo Ree Engineering Company Limited. The project is under construction and will be completed around end of 2013 as planned.
2. Marketing Business Project		
2.1 Gasohol Promotion Project	The project aims to promote and expand the use of gasohol through increasing numbers of E20 and E85 service stations and sales promotion through the gasohol club card.	At the end of 3Q2012, the Company's E20 sales volume was at an average of 14.38 million litres per month and E85 sales volume was at an average of 2.38 million litres per month. Number of E20 service stations and E85 service stations are 514 and 48 respectively.



Project	Details	Progress
2.3 Mini BigC in Bangchak Service Stations.	It is cooperation between the Company and BigC. BigC has invested in Mini BigC located in Bangchak Service Stations. The Company will receive benefit in terms of revenue sharing. The Company also expects an average increase of 5-8% in oil sales through service stations.	Currently, BigC has launched 4 Mini BigC in the Company's service stations: Rama 3, Sukapibarn, Pattanakarn, New Charoenkrung and expected to launch another 3 branches by December 2012, totaling 7 branches open in 2012.
3. Renewable Energy Development Project		
3.1 Electricity Generation from Solar Energy – Solar Power Plant Phase 1 at Bang Pa-In District, Ayudhaya Province.	The electricity generation from solar energy with an installed capacity of 44 MW.	The whole project has started Commercial Operate Date (COD) since July 16, 2012
3.2 Electricity Generation from Solar Energy – Solar Power Plant Phase 2 (Bangchak Solar Energy Co., Ltd. /BSE)	The electricity generation from solar energy with an installed capacity of 50 MW supplies to PEA. There are 2 locations, namely	
	1.An installed capacity of 25 MW at Bam Net Narong District, Chaiyaphum Province	The project is under construction and expected to have COD in January 2013.



Project	Details	Progress
	2. An installed capacity of 25 MW at Bang Pa Han District, Ayudhaya Province	The project is under construction and expected to have COD in the first quarter of 2013.
3.3 Electricity Generation from Solar Energy – Solar Power Plant Phase 3	The electricity generation from solar energy with an installed capacity of 75 MW supplies to PEA.	
	1. An installed capacity of 25 MW at Kabin Buri, Prachinburi Province.	The project is during contractor selection process. It is expected to start construction at the beginning of 2013.
	2. An installed capacity of 50 MW in north eastern part of Thailand.	The project is under land acquisition process.
3.4 Bio Fuel (B100) production by Bangchak Bio Fuel Co., Ltd. /BBF)	BBF's current capacity is 360,000 litres per day, with an expansion plan of another 300,000 litres per day, making total capacity of 660,000 litres per day.	The expansion project is under study phase. It is expected to start operation in the second quarter of 2013 and COD in the second half of 2014.
3.5 Ethanol Project (Ubon Bio Ethanol/ UBE)	<p>1. To produce Ethanol with a capacity of 400,000 litres per day.</p> <p>2. Cassava flour production plant with a capacity of 300 Tons per day including biogas production plant.</p>	The project has a production process adjustment for feed using from cassava, cassava chips or molasses. The project is expected to start commissioning in November 2012 and started commercial operation (COD) in the first quarter of 2013.



2. Oil Price Situation

In the third quarter of 2012, the crude price had slightly declined from 106.5\$/BBL to the level around 106.4\$/BBL, main factors that supported the oil price were sanctions by European Union and the U.S. against Iran. Iran has been threatening by closure of the Strait of Hormuz which is one of the world's most strategically-important location for petroleum traded by sea. While tension in Syria has risen, reinforcing worried over Middle East supply. Crude price also gained as supply disrupted by North Sea maintenance and Isaac Hurricane in Gulf of Mexico which is the major sources of crude oil in The U.S.

Other factors that supported the crude oil price were the Quantitative Easing (QE) policies launched by several major central banks. For instance, The European Central Bank announced a new bond-buying program with unlimited amount, In addition, Germany's constitutional court gave a green light for the country to ratify Europe's new bailout fund. The Federal Reserve (FED) has launched the QE3, Mortgage-backed Securities stimulus program. And also Central Bank of China announced another stimulus program by injecting 1 trillion Yuan to build infrastructures.

On the other hand, crude oil prices were pressured by the decrease of global oil demand since the economic growth rates of major economic countries had slowdown like the U.S., EU, China and by the concern over EU's debt crisis especially in Spain. S&P and Moody's had downgraded Spain credit rating. Furthermore, the concern over Greece's debt problems whether it could comply with the conditions given by IMF and EU. Lastly, the crude oil price also was impacted by the expectation that the U.S. might release petroleum reserves to pressure gasoline price.

The table of oil prices and crack spreads comparison

Unit: USD/bbl

Price	3Q 2012			2011	2012	Changes	
	MAX	MIN	AVG (A)	AVG 3Q (B)	AVG 2Q (C)	(A)-(B)	(A)-(C)
DB	115.45	94.42	106.40	107.01	106.50	-0.61	-0.10
UNL95/DB	23.39	9.95	16.23	17.43	13.96	-1.20	2.27
GO/DB	22.41	16.46	19.29	17.67	15.35	1.62	3.94
FO/DB	-0.16	-5.218	-2.42	-3.10	-1.31	0.68	-1.12



3. Operating Result

3.1 Summary of the Operating Results on consolidated basis

Unit: Million Baht

Statements of Income	3Q		Change	Jan-Sep	
	2012	2011	+/(-)	2012	2011
Revenue from sale of goods and rendering of services	33,322	39,772	-6,450	121,294	118,438
Cost of sale of goods and rendering of services	(32,557)	(38,233)	-5,676	(116,153)	(109,620)
Gross Profit	766	1,540	-774	5,140	8,818
Reversal of allowances for loss from inventory write-down	1,042	9	+1,033	(23)	(3)
Gain (loss) from crude and product oil price hedging contract	95	(15)	+110	597	(876)
Gain (loss) from foreign currencies forward contract	513	(102)	+615	627	(590)
Gain on foreign exchange	52	71	-19	303	256
Loss from impairment of assets	(45)	(2)	-43	55	239
Other income / expense	58	399	-341	270	1,454
Selling, General & Administrative Expense	(887)	(849)	+38	(2,623)	(2,536)
Profit before financial costs and income tax expense	1,595	1,050	+545	4,347	6,762
Financial costs	(270)	(187)	+83	(666)	(588)
Income tax expense	(250)	(250)	-	(524)	(1,087)
Net Profit / (Loss)	1,076	613	+463	3,157	5,086
· Non-controlling interests	4	9	-5	31	37
· Equity holders of the Company	1,072	604	+468	3,126	5,049



Revenues

- At the end of the third quarter of 2012, revenues from sale of goods and rendering of services of the Company and its subsidiaries were Baht 33,322 million, comprised of the Company's revenues of Baht 32,727 million, Bangchak Green Net Company Limited (BGN)'s revenues of Baht 6,457 million, Bangchak Bio Fuel Company Limited (BBF)'s revenues of Baht 891 million and Bangchak Solar Energy Company Limited (BSE)'s revenues of Baht 0.93 Million. However, there was connected transaction of Baht 6,754 million which mostly associated with the sales transactions from the Company to BGN and B-100 product produced by BBF sold to the Company.

Cost of sale of goods and rendering of services

- At the end of the third quarter of 2012, cost of sale of goods and rendering of services of Consolidated Statement of Income was Baht 32,557 million, comprised of the Company's costs of Baht 32,189 million, Bangchak Green Net Company Limited (BGN)'s costs of Baht 6,251 million, Bangchak Bio Fuel Company Limited (BBF)'s costs of Baht 842 million and Bangchak Solar Energy Company Limited (BSE)'s costs of Baht 0.72 million, adjusted by connected transaction of Baht 6,726 million, which mostly were the Company's cost of sales of finished oil products sold to BGN and B-100 product produced by BBF sold to the Company.

Net Profit

- At the end of the third quarter of 2012, the Consolidated Statement of Income recorded a net income of Baht 1,076 million, which was the Company's net income of Baht 1,049 million, Bangchak Green Net Company Limited (BGN)'s net income of Baht 23 million, Bangchak Bio Fuel Company Limited (BBF)'s net profit of Baht 12 million, Bangchak Solar Energy Company limited (BSE)'s net loss of Baht 0.45 million and Baht 8 million loss from investment in associate.



Taking out the profit attributed to Non-Controlling interests of Baht 4 million, the remaining net income to equity holders of the Company was Baht 1,072 million (Earning Per Share was 0.78 Baht.)

3.2 Analysis of the Company's Operating Results

Unit: Million Baht

Statements of income	3Q		Change	Jan-Sep	
	2012	2011	+/(-)	2012	2011
Revenue from sale of goods and rendering of services	32,727	39,312	-6,585	119,286	117,136
Cost of sale of goods and rendering of services	(32,189)	(37,957)	-5,768	(114,850)	(108,951)
Gross Profit	538	1,355	-817	4,436	8,185
Reversal of allowance for loss from inventory write-down	1,061	-	+1,061	-	-
Gain (loss) from crude and product oil price hedging contract	95	(15)	+110	597	(876)
Gain (loss) from foreign currencies forward contract	513	(102)	+615	627	(590)
Gain on foreign exchange	52	71	-19	303	256
Loss from Impairment of assets	(45)	(2)	+43	55	239
Other income / expense	67	416	-349	284	1,556
Selling, General & Administrative Expense	(726)	(704)	+22	(2,131)	(2,105)
Profit before financial costs and income tax expense	1,555	1,018	+537	4,171	6,665
Financial costs	(263)	(178)	+85	(643)	(562)
Income tax expense	(243)	(248)	-5	(508)	(1,075)
Net Profit / (Loss)	1,049	593	+456	3,020	5,029



Company Operating Results for the Third Quarter of 2012

- At the end of the third quarter of 2012, The Company's recorded net income of Baht 1,049 million, compared to the Company's net profit of Baht 593 million from the same period of last year. The Company's base performance EBITDA was Baht 1,338 million. After including gain of total Baht 142 million from crude and petroleum products price hedging contract and foreign currencies forward contract, together with inventory gain (include inventory, FX hedging and reversal of LCM) of Baht 686 million, total EBITDA was Baht 2,166 million, comprised of EBITDA from Refinery Business Baht 1,831 million, EBITDA from Marketing Business Baht 187 million and Solar Power Plant Business Baht 148 million. Gross Integrated Margin-GIM (from Gross Refining Margin-GRM and Marketing Margin-MKM) was 25.40 \$/bbl. The average crude run capacity was at 38.70 KBD.
- The revenue from sales and rendering service was Baht 32,727 million, decreased by Baht 6,585 million, compared to same period last year, resulted from a lower crude run capacity after the incident of CDU no.3 and the decrease of oil demand from Cooperatives Service Stations
- Gross profit of Baht 538 million, a drop of Baht 817 million resulted from average crude run capacity in the third quarter of 2012 which was at 38.7 KBD, decreased from the same period of last year which was at 86.9 KBD since the incident of CDU no.3. However, the increase of crack spreads of GO/DB, IK/DB, FO/DB and a lower crude run led the company to be able to arrange and get best economics yield and GRM, resulted in Base GRM (including Hedging) in the third quarter of 2012 increased by 8.9 \$/bbl to 14.03 \$/bbl. Moreover, gross profit was supported by Solar Power Plant Business Phase I in which the whole project has started COD since July 16, 2012.
- Gain from foreign currencies forward contract (FX of GRM and Inventory Hedging) Baht 513 million due to Baht appreciation.



- The company had reversed an allowance for loss from inventory write-down of Baht 1,061 million but had reported loss from impairment from CDU no.3's asset of Baht 10 million and others of Baht 35 million.

The breakdown EBITDA by businesses

Unit: Million Baht

	3Q		Δ	
	2012	2011	+/(-)	%
■ Base Performance EBITDA	1,388	1,319	+19	+1.4
- Refinery Business	1,003	1,082	-79	-7.3
- Marketing Business	187	237	-50	-21.1
- Solar Power Plant	148	-	+148	N.A.
■ Gains (loss) from Hedging transactions (GRM & FX Hedging)	142	(70)	+212	N.A.
■ Gains (loss) from Inventory (Including Inventory, FX Hedging and reversal of LCM)	686	205	+481	+234.6
■ Total Accounting EBITDA	2,166	1,453	+713	+49.1
- Refinery Business	1,831	1,216	+615	+50.6
- Marketing Business	187	237	-50	-21.1
- Solar Power Plant	148	-	+148	N.A.

3.2.1 Refinery Business

For the third quarter of 2012, as there was incident of CDU no.3, an average crude run capacity was 38.7 KBD, compared to 86.9 KBD in the same period of 2011.

Base Performance EBITDA was Baht 1,003 million, decreased by Baht 79 million. There were a total of Baht 142 million gained from crude and petroleum product price hedging contract and Foreign Currencies forward contracts.



There were Baht 686 million inventory gain (including inventory, FX hedging and reversal of allowances for loss from inventory write-down), total EBITDA of Refinery Business was Baht 1,831 million, increased by Baht 615 million from the same period of last year.

GRM Analysis is shown as follows:

Unit: USD/bbl

GRM	3Q		Change +/-
	2012	2011	
Base GRM	14.03	5.13	+8.90
GRM Hedging (Oil & FX)	1.26	(0.29)	+1.55
Inventory(including Inventory, FX Hedging and reversal of LCM)	6.11	0.85	+5.26
Total	21.40	5.68*	+15.72

*Adjusted in 2012 due to new accounting regulation

Base GRM The Base GRM was at 14.03 \$/bbl increased by 8.90 \$/bbl, compared to the same period of 2011, resulted from the increase of crack spreads of GO/DB, IK/DB, FO/DB and lower crude run led the company to be able to arrange and get best economics yield and GRM.

The crack spreads of the petroleum products and the benchmark crude are described as follows:

Unit: USD/bbl

spreads	3Q		Changes +/-
	2012	2011	
UNL95/DB	16.23	17.43	-1.20
IK/DB	20.18	18.83	+1.35
GO/DB	19.29	17.67	+1.62
FO/DB	(2.42)	(3.10)	+0.68



3.2.2 Marketing Business

For the third quarter of 2012, the Marketing Business's gross profit was Baht 586 million, decreased by 38 million from the same period of last year.

EBITDA from the Marketing Business was Baht 187 million, decreased from EBITDA of last year which was at Baht 237 million. The Company's Marketing Margin (excluding lube) was at Baht 0.40 per litre (equivalent to USD 2.02 per barrel), compared to last year's marketing margin of Baht 0.44 per litre (equivalent to USD 2.31 per barrel).

The sales volume through the Marketing Business decreased by 3.44% and total sales volume was 69 KBD, compared to 72 KBD in the same period of 2011, resulted from the incident of CDU no.3. Therefore, the company had to maintain sales volume through service stations but decrease industrial and export sales volume.

- The Average Sales through service stations in the third quarter of 2012 increased by 5.54%, compared to the same period of 2011.
- The Average Sales to industrial customers decreased by 13.92%, sales through Jobber channel and export volume decreased by 43.50% and 56.97% respectively, versus the same period of 2011.

3.2.3 Solar Power Plant Business

For the third quarter of 2012, the whole project of Solar Power Plant Phase I (44 MW installed) has started COD since July 16, 2012 which generated revenue Baht 153 million and EBITDA Baht 148 million. Major expenses are depreciation and financial cost.



4. Analysis of the Financial Position as of September 30, 2012 compared to December 31, 2011

Unit: Million Baht

<u>Balance Sheet</u>	Consolidated		Company	
	30 Sep 2012	31 Dec 2011	30 Sep 2012	31 Dec 2011
Assets				
Current assets	35,194	31,294	34,420	30,730
Investments in associates and other long-term investments	730	745	1,573	1,111
Property, plant and equipment	28,363	26,959	27,128	26,062
Other non-current assets	2,790	2,604	2,785	2,598
Total assets	67,078	61,603	65,907	60,501
Liabilities				
Current liabilities	15,450	13,990	15,249	13,786
Long-term borrowings (including current portion)	19,274	16,582	18,792	16,022
Other non-current liabilities	1,176	1,152	1,133	1,121
Total liabilities	35,900	31,724	35,174	30,929
Equity				
Total equity attributable to owners of The Company	30,996	29,729	30,733	29,572
Non-controlling interests	182	150	-	-
Total equity	31,178	29,879	30,733	29,572
Total liabilities and equity	67,078	61,603	65,907	60,501

4.1 Assets

- As of September 30, 2012, Total Assets of the Company and its subsidiaries were Baht 67,078 million, comprised of the Company's total assets Baht of



65,907 million, Bangchak Green Net Company Limited (BGN)'s total assets of Baht 929 million, Bangchak Bio Fuel Company Limited (BBF)'s total assets of Baht 1,273 million and Bangchak Solar Energy Company Limited (BSE)'s total assets of Baht 660 million, adjusted by connected transactions of Baht 1,691 million which were mainly from Trade Account Receivable-BGN of Baht 713 million, BBF of Baht 91 million and Investment in Subsidiaries of Baht 810 million.

- The Company's Total Assets as of September 30, 2012, compared to the end of 2011, increased by Baht 5,406 million. The changes of assets were mainly from
 - Cash of Baht 1,438 million, decreased by Baht 1,974 million. (Detail is stated under Cash Flow Analysis Section).
 - Net Accounts Receivable of Baht 6,575 million, decreased by Baht 2,093 million, especially Account Receivable from export sale due to the incident of CDU no.3.
 - Inventories of Baht 23,271 million, increased by Baht 7,126 million. Inventories at the end of the third quarter was approximately 6.3 million barrel (increased by 1.8 million barrel from end of 2011), comprised of 4.4 Million Barrel of crude oil and 1.9 Million Barrel of petroleum products. The increase in inventory level resulted from an initial crude increasing plan for restarting plant after Annual Turnaround Maintenance in the second quarter of 2012. Unfortunately, there was the incident of CDU no.3, led to a lower crude run capacity and the company had to purchase petroleum products to sufficiently support committed sale.
 - Other current assets: Value Added Tax Receivable increased by Baht 898 million due to an increase in crude oil and petroleum products purchased and Deferred Revenue from the 8MW solar power plant insurance compensation from the 2011 flood damage.
 - Additional Investment in Subsidiaries of Baht 463 million, which was an investment in Bangchak Solar Energy Co., Ltd – a wholly owned by the Company.



- Property, plant and equipment increased by Baht 1,067 million. As the end of third quarter of 2012, the Company had an increase in an annual investment of Baht 2,698 million and there was a 9-month depreciation of Baht 1,590 million. The Company had loss from impairment of CDU no.3's assets of Baht 10 million and others of Baht 35 million, and Baht 98 million reversal of allowance for loss from impairment of the 8 MW solar power plant's assets from the 2011 flood.

4.2 Liabilities

- As of September 30, 2012, Total Liabilities of the Company and its subsidiaries were Baht 35,900 million, comprised of the Company's total liabilities of Baht 35,174 million, Bangchak Green Net Company Limited (BGN)'s total liabilities of Baht 843 million, Bangchak Bio Fuel Company Limited (BBF)'s total liabilities of Baht 669 million and Bangchk Solar Energy Company Limited (BSE)'s total liabilities of Baht 47 million adjusted by connected transactions of Baht 833 million which mostly associated with the sales transactions between the Company and subsidiaries (BGN and BBF).
- The Company's Total Liabilities as of September 30, 2012 compared to the end of 2011 increased by Baht 4,245 million. The changes of liabilities were mainly from;
 - Total Borrowing increased from short-term debt of Baht 1,500 million, bond issuance of Baht 3,000 million, and long-term debt repayment of Baht 225 million.
 - Accounts Payable increased resulted from an increase in crude oil price and petroleum products.
 - Corporate Income Tax Payable amounted of Baht 341 million resulted from Corporate Income Tax in 2012 is not yet due.



4.3 Equity

- As of September 30, 2012, the Consolidated Total Equity was Baht 31,178 million comprised of the Company's total equity of Baht 30,733 million, Bangchak Green Net Company Limited (BGN)'s total equity of Baht 86 million, Bangchak Bio Fuel Company Limited (BBF)'s total equity of Baht 604 million and Bangchak Solar Energy Company Limited (BSE)'s total equity of Baht 612 million, adjusted by connected transactions of Baht 858 million.
- The Company's Total Equity increased by Baht 1,161 million from the end of 2011 as the Company had a 9-month net profit of Baht 3,020 million and a dividend payment of Baht 1,859 million.
- Therefore, as of September 30, 2012, the Company's equity was Baht 30,733 million, with a book value of Baht 22.32 per share.

5. Analysis of the Cash Flows Statement

Unit: Million Baht

	Sep 30, 2012	
	Consolidated	Company
Cash flows from operating activities	6,029	5,782
Cash used for operating assets and liabilities	(6,362)	(6,347)
Net cash provided by operating activities	(332)	(564)
Net cash used in investing activities	(3,117)	(3,210)
Net cash used in financing activities	1,699	1,799
Net increase in cash and cash equivalents	(1,750)	(1,974)
Cash and cash equivalents, Beginning Balance	4,021	3,412
Cash and cash equivalents, Ending Balance	2,271	1,438

For the first 9-month of 2012, the Company and Subsidiaries had Cash and cash equivalents, Beginning Balance of Baht 4,021 million. Net decrease in cash and



cash equivalents was Baht 1,750 million which comprised of Baht 332 net cash used for operating activities, Baht 3,117 million net cash used for investing activities and Baht 1,699 net cash received from financial activities. As a consequence, total cash and cash equivalents as of September 30, 2012 accounted for Baht 2,271 million.

For the first 9-month of 2012, the Company had a net increase in cash and cash equivalents of Baht 5,782 million, comprised of Baht 3,020 million net income, plus non-cash expense of Baht 1,612 million and interest expense and corporate income tax of Baht 1,151 million. The company had used cash as following activities:

Cash used details are as follows:

1. The Company used Baht 6,347 million of cash for operating activities;
 - Cash of Baht 5,742 million used in the operating assets, mostly decreased in Trade Account Receivable by Baht 2,085 million, and increased in Inventory by Baht 7,126 million.
 - Cash of Baht 153 million used in operating liabilities. There were a decrease in Accounts Payable of Baht 703 million and an increase in Other Liabilities and Other Accrued Expenses of Baht 856 million.
 - Cash paid for Corporate Income Tax of Baht 452 million
2. The Company used Baht 3,210 million of cash for investing activities;
 - Investment in Property, Plants and Equipments of Baht 2,579 million,
 - Investment in Subsidiaries of Baht 463 million
 - Investment in Other Assets of Baht 212 million
 - Cash Received from Interest Earned of Baht 45 million
3. The Company received Baht 1,799 million of cash from financing activities ;
 - Baht 1,500 million received from short-term debt (P/N of Baht 3,500 million and short-term debt repayment of Baht 2,000 million)



- Baht 2,995 million received from bond issuance
- Baht 1,859 million for dividend payment.
- Baht 611 million paid for interest expense.
- Baht 225 million paid for long-term debt.

Therefore, as of the end of the third quarter of 2012, the Company's net cash and cash equivalents decreased by Baht 1,974 million from Beginning Balance of Baht 3,412 million. The Company's cash and cash equivalents, Ending Balance was Baht 1,438 million.

6. Financial Ratio

	Consolidated		Company	
	3Q 2012	3Q 2011	3Q 2012	3Q 2011
□ Net Profit Margin, %	3.22	1.54	3.21	1.51
□ Earnings Per Share, Baht/Share ^{1/}	0.78	0.44	0.76	0.43
□ Return on Equity-ROE, %	3.53	2.30	3.48	2.28
□ ROE (excluding inventory effect), %	1.84	1.77	1.73	1.73
□ Return on Assets-ROA, %	1.67	1.01	1.66	1.01
□ ROA (excluding inventory effect), %	0.87	0.77	0.82	0.77

1/ Calculated from the profit attributable to the Equity holders of the Company, excluding minority interest.

	Consolidated		Company	
	Sep 30, 2012	Dec31,2011	Sep 30, 2012	Dec31,2011
□ Current Ratio , Times	2.15	2.15	2.14	2.16
□ Debt to Equity, Times ^{2/}	0.73	0.62	0.73	0.61
□ Book Value, Baht/Share ^{3/}	22.51	21.59	22.32	21.48

2/ Debt = Interest Bearing Debt.

3/ Solely from the total equity attributable to equity holders of the Company.



7. Environmental Cost Accounting

Having the environmental concerns and social responsibilities, since 2005, the Company has prepared the environmental management accounting report (production line) and also published in the Annual Sustainability Report. The environmental cost accounting helps the Company to keep track of related information, which is useful for enhancing the environmental management effectiveness, and resource utilization. The report for the third quarter of 2012 compared to same period of last year is summarized hereunder.

(Unit : Million Baht)	3Q		+/-
	2012	2011	
Material Costs of Product Outputs : Consist of crude oil, ethanol, bio-diesel, chemical, energy and utilities in production	14,285.55	29,235.40	-14,949.85
Material Costs of Non-Product Outputs : Consist of slop and sludge oil, waste water, chemical surplus	129.66	32.53	97.13
Waste and Emission Control Costs : Consist of maintenance cost of environmental control equipments and depreciation and other fees	44.84	43.35	1.49
Prevention and Other Environmental Management Costs : Consist of monitoring and measurement cost, environmental management system expenses	1.78	1.56	0.22
Benefit from by-product and waste recycling : The revenue realization from liquid sulfur, glycerin, waste paper	(4.67)	(8.32)	-3.65

Environment cost in the third quarter of 2012 decreased approximately Baht 14,851.01 million, or decreased by 50.66% from the same period of last year. Major decreased in material costs of product outputs by baht 14,949.85 million resulted from lower crude run. The average crude run capacity was 38.7 KBD, resulted from incident on July 4, 2012. The material costs of non-product outputs increased by Baht 97 million. The increase was from the oil awaited for reprocess. The prevention and other environment management costs and waste and emission



control costs were slightly increased. However, revenues from by-product and waste recycling reduced by 43.87%.

The company had measured air quality released from the company's refinery in which the result shown a better figure than the benchmarks allowed by Ministry of Industry's standard.