

Management's Discussion and Analysis (MD&A)

Thai Oil Public Company Limited and Subsidiaries

For the Third Quarter and the First Nine-Month Period of 2014

1. Company and its Subsidiaries' Operating Results

Table 1: Summary of Consolidated Financial Results

Million Baht	Q3/14	Q2/14	+/(−)	Q3/13	+/(−)	9M/14	9M/13	+/(−)
Integrated Intake (kbd)	246	270	(24)	301	(55)	272	295	(23)
Gross Integrated Margin ⁽¹⁾ (US\$/bbl)								
: <u>excluding</u> stock gain/(loss)	5.5	5.1	0.4	7.9	(2.4)	5.6	7.4	(1.8)
: <u>including</u> stock gain/(loss)	0.5	6.4	(5.9)	11.7	(11.2)	3.9	8.0	(4.1)

Million Baht	Q3/14	Q2/14	+/(−)	Q3/13 ⁽²⁾ (Restated)	+/(−)	9M/14	9M/13 ⁽²⁾ (Restated)	+/(−)
Sales Revenue	88,254	101,063	(12,809)	108,500	(20,246)	301,545	306,623	(5,078)
EBITDA	(545)	4,467	(5,012)	10,453	(10,998)	8,024	18,080	(10,056)
Finance Costs	1,004	1,010	(6)	965	39	2,974	2,818	156
Foreign Exchange Gain/(Loss)	561	291	270	(249)	810	1,544	(1,297)	2,841
Income Tax Expense/(Reversal)	(118)	441	(559)	555	(673)	531	943	(412)
Net Profit/(Loss)	(2,175)	2,094	(4,269)	7,629	(9,804)	2,453	9,307	(6,854)
Basic Earnings/(Loss) per Share (Baht)	(1.07)	1.03	(2.10)	3.74	(4.81)	1.20	4.56	(3.36)

Exchange Rate (Baht: 1 US\$)	Q3/14	Q2/14	+/(−)	Q3/13	+/(−)	9M/14	9M/13	+/(−)
Average FX	32.24	32.59	(0.35)	31.62	0.62	32.55	30.55	2.00
Ending FX	32.52	32.60	(0.08)	31.53	0.99	32.52	31.53	0.99

Remark (1) Gross integrated margin is the integrated gross margin among TOP, TPX and TLB.

(2) Restated because, from 1 January 2014, Thaioil Group adopted Thai Financial Reporting Interpretations Committee 4 (TFRIC4) on determining whether an arrangement contains a lease.

In Q3/14, Thaioil Group had sales revenue of Baht 88,254 million, diminished by 13% from previous quarter because there were planned major turnarounds from mid-June to late July 2014 of Crude Distillation Unit – 3 (“CDU-3”), Continuous Catalyst Regeneration Platformer Unit – 1 (“CCR-1”) and other subunits for 46 days in total, as well as Aromatics Complex. This caused decreases in both integrated intake and product sales volume from previous quarter; while market GRM excluding stock gain/(loss) went up resulted from continuously falling crude oil price in Q3/14. For aromatics business, PX supply started to decline as several producers had cut runs; whereas feedstock price fell along with ULG95 price, enhancing PX-ULG95 spread from previous quarter. For lube base oil business, lube base oil spread over fuel oil price was still stable. With these above reasons, GIM excluding stock gain/(loss) improved by 0.4 US\$/bbl to 5.5 US\$/bbl. Nonetheless, Thaioil Group reported stock loss because average closing crude oil price in Q3/14 significantly weakened from Q2/14 by 11.5 US\$/bbl due to the fact that crude oil supply in the world market was increased after crude oil exporting countries in Middle East had higher capacity and more exports whereas oil demand grew lower-than-expected. GIM including stock gain/(loss) dropped by 5.9 US\$/bbl to 0.5 US\$/bbl, resulting in Thaioil Group reporting loss on EBITDA of Baht 545 million which included hedging gain of Baht 695 million. Thaioil Group had foreign exchange gain of Baht 561 million, risen by Baht 270 million from prior quarter and the loss in Q3/14 also led to the posting of income tax reversal of Baht 118 million. As a consequence, Thaioil Group recorded net loss of Baht 2,175 million, or 1.07 Baht loss per share.

Compared Q3/14 with Q3/13, Thaioil Group had sales revenue plummeted by Baht 20,246 million, mainly because of the planned major turnarounds from mid-June to late July 2014, and also decreases in petroleum product prices and aromatics prices. Furthermore, the fact that PX-ULG95 spread significantly declined from excess supply because of the continual increase in new aromatics plants whereas

demand from China dropped from economic slowdown, pressured GIM excluding stock gain/(loss) to dip by 2.4 US\$/bbl to 5.5 US\$/bbl. Aggregating with stock loss resulted from considerable crude oil price drop in Q3/14, Thaioil Group had GIM including stock gain/(loss) weakened by 11.2 US\$/bbl to 0.5 US\$/bbl. Consequently, Thaioil Group reported EBITDA and net profit decreased by Baht 10,998 million and Baht 9,804 million, respectively.

Compared 9M/14 with 9M/13, Thaioil Group had sales revenue dropped by Baht 5,078 million primarily because of integrated intake reduction from the planned major turnarounds of oil refinery and aromatics plant. In addition, weakened crack spreads and PX-ULG95 spread compared with the same period of prior year lowered GIM excluding stock gain/(loss) by 1.8 US\$/bbl to 5.6 US\$/bbl. Besides, in 9M/14, Thaioil Group experienced stock loss of Baht 3,985 million whereas stock gain of Baht 1,378 million was recorded in 9M/13. Hence, Thaioil Group reported EBITDA declined by Baht 10,056 million to Baht 8,024 million which included hedging gain of Baht 1,891 million and net profit reduced by Baht 6,854 million to Baht 2,453 million.

2. Summary of Financial Result by Business

Table 2: Financial Result by Business

(Million Baht)

Sales Revenue	Q3/14	Q2/14	+/(−)	Q3/13 (Restated)	+/(−)	9M/14	9M/13 (Restated)	+/(−)
Consolidated	88,254	101,063	(12,809)	108,500	(20,246)	301,545	306,623	(5,078)
Refinery	89,301	99,883	(10,582)	108,637	(19,336)	301,549	302,286	(737)
Aromatics ⁽¹⁾	11,326	15,471	(4,145)	17,382	(6,056)	44,141	47,920	(3,779)
Lube Base Oil	6,588	7,313	(725)	7,799	(1,211)	20,993	20,545	448
Power Generation								
- IPT ⁽²⁾	-	-	-	-	-	-	284	(308)
- TP	1,230	1,304	(74)	1,334	(104)	3,852	3,798	54
- TOP SPP ⁽³⁾	-	-	-	-	-	-	-	-
Solvent ⁽⁴⁾	2,549	2,512	37	2,454	95	7,480	7,272	208
Marine Transportation ⁽⁵⁾	269	309	(40)	309	(40)	870	924	(54)
Ethanol ⁽⁶⁾	404	381	23	404	-	1,269	1,034	235
Others	131	115	16	111	20	352	325	27

EBITDA	Q3/14	Q2/14	+/(−)	Q3/13 (Restated)	+/(−)	9M/14	9M/13 (Restated)	+/(−)
Consolidated	(545)	4,467	(5,012)	10,453	(10,998)	8,024	18,080	(10,056)
Refinery	(1,410)	3,611	(5,021)	7,421	(8,831)	4,934	10,990	(6,056)
Aromatics	38	(116)	154	1,560	(1,522)	171	3,952	(3,781)
Lube Base Oil	375	544	(169)	896	(521)	1,546	1,685	(139)
Power Generation								
- IPT	-	-	-	-	-	-	(7)	7
- TP	150	154	(4)	177	(27)	484	487	(3)
- TOP SPP	(2)	(2)	-	-	(2)	(6)	-	(6)
Solvent	126	114	12	153	(27)	341	367	(26)
Marine Transportation	101	127	(26)	130	(29)	323	365	(42)
Ethanol	65	27	38	100	(35)	205	193	12
Others	14	10	4	20	(6)	34	56	(22)

Net Profit/(Loss)	Q3/14	Q2/14	+/(−)	Q3/13 (Restated)	+/(−)	9M/14	9M/13 (Restated)	+/(−)
Consolidated	(2,175)	2,094	(4,269)	7,629	(9,804)	2,453	9,307	(6,854)
Refinery ⁽⁷⁾	(2,500)	1,729	(4,229)	5,506	(8,006)	1,158	5,180	(4,022)
Aromatics	(276)	(397)	121	1,062	(1,338)	(834)	2,646	(3,480)
Lube Base Oil	240	337	(97)	666	(426)	1,014	1,176	(162)
Power Generation								
- IPT	-	-	-	-	-	-	5	(5)
- TP ⁽⁸⁾	257	252	5	211	46	672	569	103
- TOP SPP	15	21	(6)	-	15	37	-	37
Solvent	56	51	5	77	(21)	151	161	(10)
Marine Transportation	(15)	63	(78)	61	(76)	87	153	(66)
Ethanol	(4)	(13)	9	9	(13)	47	46	1
Others	11	8	3	16	(5)	28	63	(35)

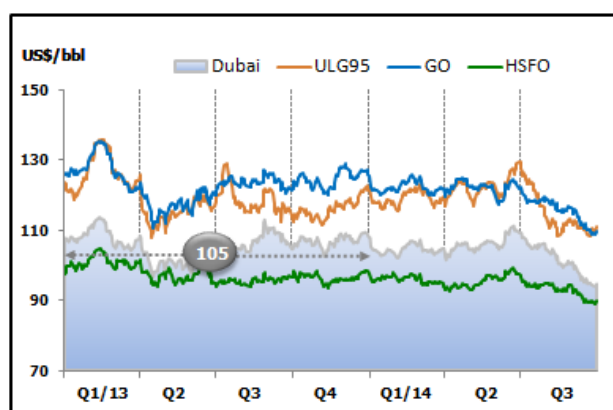
- Remark**
- (1) On 11 July 2013, TPX, which operates an aromatics manufacturing business, invested 75% of total investment in LABIX Company Limited which produces and distributes an intermediate for the production of surfactants. It is expected to start the commercial operation within 2015.
- (2) Representing only IPT's performance for the period of 1-9 January 2013 due to the fact that on 10 January 2013, the amalgamation between IPT and PTT Utility Company Limited ("PTTUT") was completed. The new company was named Global Power Synergy Company Limited ("GPSC"). With such amalgamation, TOP holds both direct and indirect ownerships totaling 32.39% shares, excluding the ownership by non-controlling interest.
- (3) On 26 December 2013, TOP SPP, a wholly owned subsidiary of TOP, was set up to operate two small power plants (SPPs).
- (4) Including Thaioil Solvent Co., Ltd., having respective interests in TOP Solvent Co., Ltd., Sak Chaisidhi Co., Ltd. and TOP Solvent (Vietnam) LLC.
- (5) Including Thaioil Marine Co., Ltd. (TM), having respective interests in Thaioil Marine International Pte. Ltd., TOP-NYK MarineOne Pte. Ltd., TOP Maritime Service Co., Ltd., Thome Ship Management (Thailand) Co., Ltd., TOP-NTL Private Limited and TOP Nautical Star Co., Ltd.
- (6) Including Thaioil Ethanol Co., Ltd. (TET), having respective interests in Maesod Clean Energy Co., Ltd., Sapthip Co., Ltd. and Ubon Bio Ethanol Co., Ltd.
- (7) In Q3/14, stock loss before tax was reported at Baht 3,637 million; while, in Q2/14 and Q3/13, stock gains before tax were reported at Baht 1,074 million and Baht 3,342 million, respectively. For 9M/14, stock loss before tax was reported at Baht 3,985 million; while, for 9M/13, stock gain before tax was reported at Baht 1,378 million. Moreover, in Q3/14, the inventory write-down to NRV was recorded at Baht 653 million.
- (8) Including shares of profit from the investment in GPSC which TP holds 27.71% shares.

2.1 Market Condition and Financial Result of Refinery Business (TOP)

Table 3: Average Crude Oil Price and Crack Spreads

US\$/bbl	Q3/14	Q2/14	+/(-)	Q3/13	+/(-)	9M/14	9M/13	+/(-)
Dubai Crude Oil (Dubai)	101.5	106.1	(4.6)	106.3	(4.8)	104.0	105.1	(1.1)
Unleaded Gasoline (ULG95)	114.6	122.2	(7.6)	118.7	(4.1)	118.6	120.2	(1.6)
Jet/Kero (JET)	116.0	120.4	(4.4)	123.3	(7.3)	119.3	122.6	(3.3)
Gas Oil (GO)	115.9	122.2	(6.3)	123.6	(7.7)	120.1	123.0	(2.9)
Fuel Oil (HSFO)	93.1	95.5	(2.4)	95.6	(2.5)	94.9	97.9	(3.0)
Dubai Spread	Q3/14	Q2/14	+/(-)	Q3/13	+/(-)	9M/14	9M/13	+/(-)
Unleaded Gasoline (ULG95)	13.2	16.1	(2.9)	12.4	0.8	14.6	15.1	(0.5)
Jet/Kero (JET)	14.5	14.3	0.2	17.0	(2.5)	15.3	17.5	(2.2)
Gas Oil (GO)	14.4	16.0	(1.6)	17.3	(2.9)	16.1	17.9	(1.8)
Fuel Oil (HSFO)	(8.4)	(10.6)	2.2	(10.7)	2.3	(9.1)	(7.2)	(1.9)

Remark Average Dubai crude prices for September 2014, June 2014, March 2014, and September 2013 were 96.5 US\$/bbl, 108.0 US\$/bbl, 104.3 US\$/bbl, and 108.3 US\$/bbl, respectively.



Dubai crude oil price in Q3/14 dropped from Q3/13 in which the price was supported by the unrests in Middle East and North Africa such as the use of chemical weapon in Syria, the conflict of interest between Sudan and South Sudan, and the violence in Egypt. Crude oil price in Q3/14 also fell from Q2/14 in which there were the following situations: the Iraq's rebels taking control over cities, the secession in Ukraine, and the protest closing Libya's crude oil exporting ports. Nevertheless, in Q3/14, market concerns over tightened crude oil supply were lessened because (1) the above-mentioned situations appeared easing in Q3/14,

(2) several violences in Iraq and Ukraine did not affect their crude oil productions and exports as seen in Iraq's crude oil production increased to around 3.25 million bbl/day in September, and (3) the negotiation to reopen Libya's crude oil exporting ports was successful. This lifted up Libya's crude oil production by 650,000 bbl/day to 900,000 bbl/day in September in order to accommodate more exports. Moreover, International Energy Agency ("IEA") revised down its forecast on demand growth of world crude oil to 0.7 million bbl/day and 1.2 million bbl/day for 2014 and 2015, respectively, as it believed that economic outlooks on major oil consumers such as China and Europe were still sluggish. This was in line with International Monetary Fund (IMF) revising down its world economic growth to 3.3% and 3.8% for 2014 and 2015, respectively.

Jet/kero and gas oil spreads over Dubai in Q3/14 were softened from Q3/13 in which there were refineries' unplanned shutdowns in Taiwan and India. Compared with Q2/14, jet/kero spread over Dubai was rather steady; while gas oil spread over Dubai continually dropped which was pressured by more exports from China and India because of low gas oil demand growth in both countries. Also, an operation of new refinery in China earlier this year led to regional gas oil supply continuously maintained at high level. For gasoline spread over Dubai, it slightly improved from Q3/13, but dropped from Q2/14, since the spread in Q3/14 was supported by the abrupt suspension of refineries' gasoline production units in Taiwan and India, as well as increased US gasoline demand, boosting gasoline market in Asia. Moreover, fuel oil spread over Dubai in Q3/14 was higher than Q3/13 and Q2/14. Even though fuel oil demand for small refineries in China was still low, a decrease in fuel oil price tracking Dubai attracted vessels' owners to stock fuel oil for use in late 2014 when high demand is expected.

Table 4: Financial Result of TOP

	Q3/14	Q2/14	+/(-)	Q3/13	+/(-)	9M/14	9M/13	+/(-)
Throughput ⁽¹⁾ (%)	85%	94%	(9%)	104%	(19%)	95%	102%	(7%)
Intake (kbd)	234	258	(24)	286	(52)	260	281	(21)
Market GRM ⁽²⁾ (US\$/bbl)	4.6	4.4	0.2	5.0	(0.4)	4.7	5.1	(0.4)

Remark (1) Throughput (%) calculated based on 275,000 barrels per day

(2) Gross Refining Margin (GRM) excluding stock gain/(loss)

In Q3/14, TOP had the major turnaround from mid-June to late July 2014, lowering its throughput. Besides, a sharp drop in crude oil price caused a stock loss, resulting in TOP's operating loss.

Compared 9M/14 with 9M/13, TOP had lower market GRM and stock loss; whereas, having more hedging gain and higher foreign exchange gain from Thai Baht appreciation.

In Q3/14, TOP had a 85% throughput, declined by 9% from Q2/14 since there was the planned major turnaround of Crude Distillation Unit - 3 ("CDU-3") from mid-June 2014 to late July 2014. This resulted in total product sales volume down by 7%, and sales revenue decreased by Baht 10,582 million to Baht 89,301 million. However, market GRM excluding stock gain/(loss) was higher than Q2/14, mainly resulted from falling crude oil price in Q3/14. Average crude oil price significantly declined by 11.5 US\$/bbl, causing stock loss of 5.2 US\$/bbl. Consequently, TOP reported loss on EBITDA of Baht 1,410 million. Aggregating with hedging gain of Baht 1,891 million and higher foreign exchange gain by Baht 292 million from a 0.08 Baht/US\$ appreciation of Thai Baht compared with the end of Q2/14, TOP therefore reported net loss of Baht 2,500 million in Q3/14 while recording net profit of Baht 1,729 million in Q2/14.

Compared Q3/14 with Q3/13, TOP had lowered throughput as a result of the major turnaround. Sales revenue and EBITDA also declined by 18% and Baht 8,831 million, respectively, since there was a stock loss in Q3/14 in contrast to a stock gain in Q3/13. Moreover, decreases in crack spreads such as jet spread and gas oil spread from Q3/13 caused TOP to report operating loss in Q3/14 compared with net profit of Baht 5,506 million in Q3/13.

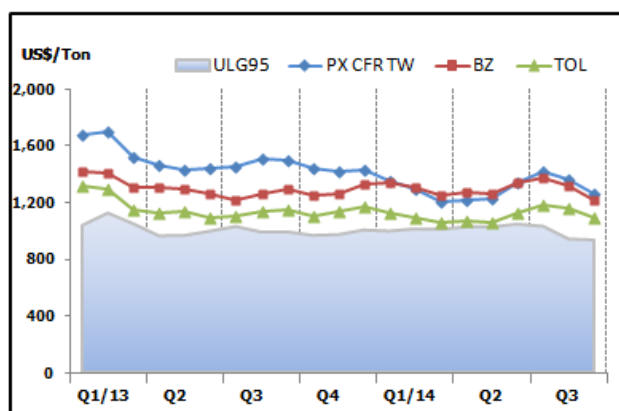
Compared 9M/14 with 9M/13, TOP had stable sales revenue compared with the same period of last year. Nevertheless, its EBITDA went down by Baht 6,056 million because of lower market GRM tracking all of softened crack spreads over crude oil price. For 9M/14, TOP reported stock loss and the inventory write-down to NRV of Baht 4,638 million in total; while, in 9M/13, having stock gain of Baht 1,378 million. On the other hand, TOP recorded additional hedging gain of Baht 987 million, as well as had foreign exchange gain of Baht 1,566 million compared with foreign exchange loss of Baht 1,430 million in 9M/13. This reduced TOP's net profit by Baht 4,022 million to Baht 1,158 million.

2.2 Market Condition and Financial Result of Aromatics Business (TPX)

Table 5: Average Prices of Key Aromatics Products

US\$/Ton	Q3/14	Q2/14	+/(-)	Q3/13	+/(-)	9M/14	9M/13	+/(-)
Paraxylene ⁽¹⁾ (PX)	1,346	1,259	87	1,485	(139)	1,296	1,521	(225)
Benzene (BZ)	1,301	1,293	8	1,258	43	1,297	1,307	(10)
Toluene (TL)	1,145	1,086	59	1,127	18	1,108	1,167	(59)
Spread with ULG95	Q3/14	Q2/14	+/(-)	Q3/13	+/(-)	9M/14	9M/13	+/(-)
Paraxylene ⁽¹⁾ (PX-ULG95)	371	220	151	476	(105)	288	499	(211)
Benzene (BZ-ULG95)	327	254	73	249	78	289	285	4
Toluene (TL-ULG95)	171	47	124	118	53	100	145	(45)

Remark (1) Based on CFR Taiwan prices



PX price and its spread over ULG95 in Q3/14 improved from Q2/14 because several PX producers cut runs and some plants were under maintenance, resulting in lower-than-expected supply. Moreover, a PX producer in Singapore, having total capacity of 800,000 tons per annum, postponed its commercial operation from August to September; whereas a PX producer in Indonesia, having total capacity of 550,000 tons per annum, was still under shutdown owing to high production cost during Q2/14. Besides, typhoon in China had still disrupted PX transportation, reducing Chinese PX inventory. However, PX price and its spread in Q3/14 were lower than Q3/13 because of lower polyester demand and

weakened PTA spread over PX, leading to cut runs by many PTA producers especially those in China. PX market was also pressured by (1) additional supplies from new aromatics plants in South Korea and India, with combined capacity of 3.2 million tons per annum, (2) PX supply from the producers in Singapore, and (3) an aromatics plant in China, with total capacity of 1.6 million tons per annum, resumed its operations after the maintenance completion.

BZ price and its spread over ULG95 in Q3/14 improved from Q2/14 and Q3/13 because (1) BZ capacity in Japan significantly declined since producers cut runs and had plant maintenances in contrast to its improving domestic demand from resumed operations by phenol producers, using BZ as feedstock, (2) BZ price in Asia also increased following the price in the US where there was a continual BZ demand imported from Asia after its BZ inventory was lower-than-expected, and (3) the operation postponement of a plant in Singapore, having total capacity of 450,000 tons per annum. Meanwhile, market was pressured by the operations of new aromatics plants in South Korea and India (total capacity of 1.1 million tons per annum). Styrene monomer spread over BZ dipped below production cost also resulted in the early maintenances and cut runs by some styrene monomer producers which then lowered BZ demand. In late Q3/14, the spread continuously declined as a result of softened styrene monomer demand, additional BZ supply from Singapore aromatics plants, and lower demand from the US.

TL price and its spread over ULG95 in Q3/14 improved from Q2/14 and Q3/13, in line with PX market. TL demand for PX and BZ productions increased because new PX producers in Korea using TL as feedstock started their operations. TL demand for boosting gasoline octane was also higher. Nonetheless, TL inventory in China remained at high level, causing TL-ULG95 spread increased only slightly.

Table 6: Financial Result of TPX

	Q3/14	Q2/14	+/(−)	Q3/13	+/(−)	9M/14	9M/13	+/(−)
Aromatics Utilization Rate ⁽¹⁾ (%)	64%	79%	(15%)	95%	(31%)	79%	88%	(9%)
Aromatics Production (kTon)	136	164	(28)	198	(62)	497	552	(55)
Product-to-Feed margin ⁽²⁾ (US\$/Ton)	66	37	29	142	(76)	55	142	(87)

Remark (1) Based on a nameplate capacity of 838,000 Tons/year (527,000 tons of paraxylene per year, 259,000 tons of benzene per year and 52,000 tons of mixed xylene per year)

(2) Calculated from gross margin divided by feedstock volume (Ton)

In Q3/14, TPX completed its major turnaround and fully resumed its operations in August 2014. Recovered PX-ULG95 spread from Q2/14 resulted in improved product-to-feed margin, and accordingly aromatics group had better performance in this quarter.

For 9M/14, TPX still reported net loss from PX-ULG95 spread which decreased over 200 US\$/Ton, squeezing product-to-feed margin by 87 US\$/Ton.

In Q3/14, TPX had a 64% aromatics utilization rate owing to the planned maintenance shutdown of its Aromatics Complex from mid-June 2014 to late July 2014. This resulted in sales revenue fallen by Baht 4,145 million from Q2/14 to Baht 11,326 million. Nonetheless, a decrease in aromatics supply, after some producers cut runs and suspended their plants for maintenances, led to improved aromatics product spreads over ULG95 and boosted product-to-feed margin to 66 US\$/Ton. Thus, TPX recorded EBITDA of Baht 49 million in Q3/14, compared with loss on EBITDA of Baht 110 million in Q2/14. Furthermore, TPX had foreign exchange gain of Baht 20 million. Offsetting with operating expenses and depreciation, TPX posted net loss of Baht 242 million in Q3/14.

Compared Q3/14 with Q3/13, TPX had sales revenue dropped by Baht 6,056 million or 35% because of lower aromatics sales volume from maintenance shutdown. Moreover, a decrease in PX price, owing to softened polyester demand and additional supply from new producers, pressured PX-ULG95 spread by 105 US\$/Ton, and squeezed product-to-feed margin by 52 US\$/Ton. TPX therefore reported net loss in Q3/14 in contrast to net profit of Baht 1,062 million in Q3/13.

Compared 9M/14 with 9M/13, TPX had sales revenue declined by Baht 3,780 million or 8% from a 11% contraction in aromatics sales volume and falling PX price. EBITDA fell to Baht 196 million because product-to-feed margin dropped by 87 US\$/Ton to 55 US\$/Ton tracking lower PX-ULG95 spread which dropped over 211 US\$/Ton. Besides, TPX had other income of Baht 261 million and foreign exchange gain of Baht 61 million. Offsetting with operating expenses and depreciation, TPX posted net loss of Baht 639 million.

For LABIX (TPX holds 75% shares), it was under construction and expected to be completed in late 2015, therefore, net loss of Baht 45 million in Q3/14 and net loss of Baht 260 million in 9M/14 were recorded.

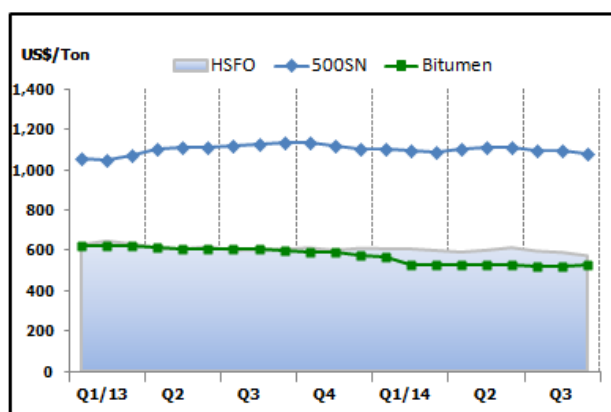
On a consolidation basis, aromatics group had EBITDA of Baht 38 million and net loss of Baht 276 million in Q3/14; whereas showing EBITDA of Baht 171 million and net loss of Baht 834 million in 9M/14.

2.3 Market Condition and Financial Result of Lube Base Oil Production Business (TLB)

Table 7: Average Prices of Key Lube Base Oil Products

US\$/Ton	Q3/14	Q2/14	+/(−)	Q3/13	+/(−)	9M/14	9M/13	+/(−)
500SN ⁽¹⁾	1,091	1,108	(17)	1,126	(35)	1,098	1,099	(1)
Bitumen	525	529	(4)	604	(79)	531	612	(81)
Spread with Fuel Oil	Q3/14	Q2/14	+/(−)	Q3/13	+/(−)	9M/14	9M/13	+/(−)
500SN ⁽¹⁾ (500SN-HSFO)	500	501	(1)	519	(19)	496	477	19
Bitumen (Bitumen-HSFO)	(66)	(77)	11	(3)	(63)	(71)	(10)	(61)

Remark (1) Based on EX-tank Singapore prices



Lube base oil price in Q3/14 were softer than Q2/14 and Q3/13 resulted from lower demand of lube oil change in rainy season, as well as additional Group II supplies in this quarter from lube base oil producers in the US, with total capacity of 1.2 million tons per annum, and from producers in South Korea, with total capacity of 650,000 tons per annum. This resulted in excess supply of Group II lube base oil and then pressured some lube base oil producers in China to cut runs. However, lube base oil spread over fuel oil in Q3/14 was stable from Q2/14 as fuel oil price considerably declined tracking the decrease in crude oil price, but

the spread was lower than Q3/13.

Bitumen price in Q3/14 slightly dropped from Q2/14, but was significantly lower than Q3/13 because (1) softened demand since the beginning of the quarter from major importers in the region such as Indonesia whose demand was softened during Ramadan and has not yet been recovered after the presidential election in July, as well as Vietnam and Australia whose demands were sluggish in rainy season and in winter season, respectively, and (2) a tendency of less bitumen imports to China after domestic production has been recovered. Bitumen spread over fuel oil in Q3/14 was higher than Q2/14 due to falling fuel oil price; while the spread was significantly lower than Q3/13 because of decreasing bitumen price.

Table 8: Financial Result of TLB

	Q3/14	Q2/14	+/(−)	Q3/13	+/(−)	9M/14	9M/13	+/(−)
Base Oil Production ⁽¹⁾ (%)	88%	99%	(11%)	112%	(24%)	96%	105%	(9%)
Product-to-Feed Margin ⁽²⁾ (US\$/Ton)	107	117	(10)	158	(51)	120	139	(19)

Remark (1) Based on nameplate capacity of 267,015 Tons/year

(2) Calculated from gross margin divided by feedstock volume (Ton)

In Q3/14, TLB had lower performance than Q2/14 owing to the VDU maintenance shutdown in September, lowering base oil production. Also, softened product-to-feed margin pressured its gross profit.

In Q3/14, TLB had a 88% base oil production, dropped by 11% from Q2/14 because there was a maintenance shutdown of Vacuum Distillation Unit ("VDU") from mid-September to early October 2014. This resulted in total product sales volume down by 7%, especially a decrease in base oil sales volume as a consequence of excess supply. TLB therefore reported sales revenue declined by Baht 725 million to Baht 6,588 million, and had product-to-feed margin softened by 10 US\$/Ton, pressuring EBITDA by Baht 169 million to Baht 375 million. However, TLB had foreign exchange gain of Baht 20 million. Offsetting with depreciation and income tax expense, TLB posted net profit of Baht 240 million, declined by Baht 97 million from Q2/14.

For 9M/14, TLB had a significant decrease in bitumen spread over fuel oil, pressuring product-to-feed margin and consequently lowered its net profit compared with 9M/13.

Compared with Q3/13, decreases in lube base oil price, bitumen price as well as base oil and bitumen spreads over fuel oil (feedstock) pressured product-to-feed margin by 51 US\$/Ton. As a result, TLB recorded sales revenue and net profit decreased by Baht 1,211 million and Baht 426 million, respectively, compared with the same period of last year.

Compared 9M/14 with 9M/13, TLB had sales revenue of Baht 20,993 million, up by Baht 448 million following a 4% increase in total product sales volume. Despite better lube base oil spread over fuel oil, bitumen spread over fuel oil considerably weakened owing to lower bitumen demand since early this year. As a result, product-to-feed margin was softened compared with the same period of a year earlier. Consequently, TLB had EBITDA and net profit declined to Baht 1,546 million and Baht 1,014 million, respectively.

2.4 Financial Result of Power Generation Business

Table 9: Financial Result of TP

	Q3/14	Q2/14	+/(-)	Q3/13	+/(-)	9M/14	9M/13	+/(-)
Utilization Rate: TP (%)	83%	87%	(4%)	91%	(8%)	87%	87%	-

In Q3/14, TP had lower electricity and steam sales revenue according to the major turnarounds, causing a slight drop in its net profit. However, Thaioil Group recognized share of profit from the investment in GPSC of Baht 219 million.

For 9M/14, TP had higher sales revenue from rising Ft rate; whereas Thaioil Group recognized share of profit from the investment in GPSC of Baht 502 million.

In Q3/14, TP had total electricity and steam sales revenue of Baht 1,230 million, dropped by Baht 74 million from previous quarter. This was mainly attributable to the major turnarounds of Thaioil Group and TP itself. Hence, TP recorded EBITDA slightly down by Baht 4 million from Q2/14. Offsetting with finance costs, income tax expense and depreciation, TP posted net profit in Q3/14, excluding share of profit from the investment in GPSC, of Baht 70 million, declined by Baht 7 million from the prior quarter. For Q3/14, Thaioil Group recognized, without non-controlling interest, share of profit from the investment in GPSC of Baht 219 million, added by Baht 14 million from last quarter as GPSC had improved operating performance in this quarter.

In comparison with Q3/13, TP had sales revenue fallen by Baht 104 million as a consequence of the major turnarounds of Thaioil Group and TP itself in this year. This reduced EBITDA in Q3/14 by Baht 27 million from Q3/13, in line with a decrease in total revenues. Offsetting with finance costs risen by Baht 12 million, income tax expense, and depreciation, net profit in Q3/14, excluding share of profit from the investment in GPSC, was lower than Q3/13 by Baht 27 million.

Compared 9M/14 with 9M/13, TP had sales revenue of Baht 3,852 million, gained by Baht 54 million because of rising Ft rate. Nonetheless, EBITDA slightly declined by Baht 3 million to Baht 484 million due to the maintenance expenses incurred during TP's major shutdown. TP's net profit, excluding share of profit from the investment in GPSC, also dropped by Baht 34 million to Baht 243 million mainly resulted from higher finance costs of Baht 37 million in this year. For 9M/14, Thaioil Group recognized, without non-controlling interest, share of profit from the investment in GPSC of Baht 502 million, higher than 9M/13 by Baht 160 million.

2.5 Financial Result of Solvent Manufacturing and Distribution Business (Thaioil Solvent)

Table 10: Financial Result of Thaioil Solvent

	Q3/14	Q2/14	+/(−)	Q3/13	+/(−)	9M/14	9M/13	+/(−)
Solvent Utilization Rate ⁽¹⁾ (%)	81%	130%	(49%)	117%	(36%)	108%	127%	(19%)
Solvent Production (kTon)	26	25	1	22	4	76	73	3
Solvent Sales Volume (kTon)	64	66	(2)	64	-	189	191	(2)

Remark (1) Sak Chaisidhi Co., Ltd. (TOP Solvent Co., Ltd. holds 80.52% shares) has completed a hydrocarbon solvent production expansion project and started the commercial operation since 21 July 2014. Nameplate capacity has been increased to 141,000 tons per annum, from 76,000 tons per annum.

In spite of the decrease in solvent sales volume from previous quarter, in Q3/14, Thaioil Solvent had stronger sales revenue resulted from rising average unit selling price, boosting EBITDA and net profit higher than last quarter.

However, in 9M/14, Thaioil Solvent reported net profit lower than the same period of a year earlier.

In Q3/14, Thaioil Solvent (Solvent Manufacturing and Distribution Business) had its solvent utilization rate dropped to 81% (calculated based on new nameplate capacity at 141,000 tons per annum) from 130% (calculated based on previous nameplate capacity at 76,000 tons per annum) in Q2/14, and had solvent sales volume of 64,000 tons declined by 2,000 tons approximately from prior quarter. This was mainly attributable to (1) contracting solvent demand resulted from the fact that buyers delayed their orders after expecting oil prices in downward trend, impacting solvent sales prices in the future, and (2) additional supplies from international markets. However, Thaioil Solvent had sales revenue of Baht 2,549 million, up by Baht 37 million from prior quarter due to rising solvent average unit selling price. This resulted in EBITDA of Baht 126 million, lifted by Baht 12 million from Q2/14. Furthermore, foreign exchange gain was recorded at Baht 6 million, up by Baht 5 million from previous quarter due to Thai Baht depreciation. Offsetting with finance costs of Baht 32 million and income tax expense of Baht 12 million, Thaioil Solvent reported net profit of Baht 56 million, risen by Baht 5 million from last quarter.

In comparison with Q3/13, Thaioil Solvent had a Baht 95 million increase in sales revenue, or 4% growth in Q3/14. This was mainly from solvent average unit selling price higher than Q3/13; while solvent sales volumes stayed at the same level. Nevertheless, the fact that gross profit margin declined to 8% in Q3/14 from 10% in Q3/13 pressured EBITDA by Baht 27 million. Aggregating with rises in finance costs and depreciation but a drop in income tax expense, in Q3/14, Thaioil Solvent posted a Baht 21 million decrease in net profit compared with the same period of a year earlier.

For 9M/14, Thaioil Solvent had a 108% solvent utilization rate, and reported sales revenue and EBITDA of Baht 7,480 million and Baht 341 million, respectively. Offsetting with finance costs and income tax expense, Thaioil Solvent recorded net profit of Baht 151 million, down by Baht 10 million from 9M/13.

In this regard, Sak Chaisidhi Co., Ltd. (TOP Solvent Co., Ltd. holds 80.52% shares) has completed a hydrocarbon solvent production expansion project and started the commercial operation since 21 July 2014. Nameplate capacity has been increased to 141,000 tons per annum, from 76,000 tons per annum.

2.6 Financial Result of Crude, Petroleum and Petrochemical Marine Transportation and Storage, Ship Management Service and Crew & Utility Boat Service Business (TM)

Table 11: Financial Result of TM

	Q3/14	Q2/14	+/(−)	Q3/13	+/(−)	9M/14	9M/13	+/(−)
Petroleum & Petrochemical Product Vessel								
Utilization Rate: TM (%)	83%	91%	(8%)	85%	(2%)	91%	85%	6%
Crude Vessel Utilization Rate: TOP-NYK (%)	0%	67%	(67%)	90%	(90%)	56%	77%	(21%)
Crew and Utility Boat Utilization Rate: TMS (%)	88%	99%	(11%)	94%	(6%)	92%	94%	(2%)

In Q3/14, TM had weakened performance from Q2/14 due to lower utilization rate according to the maintenance and the dry docking of its vessels.

For 9M/14, TM had lowered total services revenue because of less TM's own vessels and the maintenance of its vessels this year. Thus, TM had consolidated net profit lower than the same period of last year.

In Q3/14, TM had a 83% utilization rate, dropped from the previous quarter because of a dry docking of Phubai Amara 1 and a maintenance of Phubai Phatra 3. In addition, TMS's crew and utility boat utilization rate also dropped from dry dockings of some TMS vessels. As a consequence, TM reported total services revenue, including revenues from TMS (a subsidiary which TM holds 55% shares), of Baht 269 million, down by Baht 40 million from Q2/14, and EBITDA declined by Baht 26 million. In Q3/14, TM had share of loss from the investment in TOP-NYK of Baht 33 million, down by Baht 44 million from the previous quarter, resulted from the fact that its VLCC had a dry docking and an upgrading for the entire quarter. Besides, TM recorded shares of profits from the investments in TOP-NTL and TOP-NTL Shipping Trust totally of Baht 1 million, but shares of losses from the investments in TOP Nautical Star and Thome-Thailand totally of Baht 3 million. Offsetting with finance costs, income tax expense and depreciation, TM posted consolidated net loss of Baht 15 million in Q3/14, compared with consolidated net profit of Baht 63 million in Q2/14.

In comparison with Q3/13, TM had services revenue decreased by Baht 40 million as a result of the maintenance and the dry dockings, pressuring EBITDA by Baht 29 million. Moreover, TM had shares of losses of Baht 36 million from the investments in associates; while, reporting shares of profits of Baht 8 million during the same period last year. Offsetting with finance costs, income tax expense and depreciation, TM recorded consolidated net loss of Baht 15 million in Q3/14, compared with consolidated net profit of Baht 61 million in Q3/13.

Compared 9M/14 with 9M/13, TM had lower total services revenue by Baht 54 million and EBITDA down by Baht 42 million because of less TM's own vessels as well as the maintenance and the dry dockings of both TM's and TMS's vessels. In addition, due primarily to the fact that VLCC had the dry docking, TM recorded shares of losses from the investments in associates of Baht 8 million, compared with the shares of profits of Baht 13 million from the same period of last year. Offsetting with finance costs, income tax expense and depreciation, TM reported consolidated net profit of Baht 87 million, declined by Baht 66 million from the same period of a year earlier.

2.7 Financial Result of Ethanol Business (TET)

Table 12: Financial Result of TET

	Q3/14	Q2/14	+/(−)	Q3/13	+/(−)	9M/14	9M/13	+/(−)
Ethanol Utilization Rate (%)								
- Sapthip	109%	75%	34%	99%	10%	92%	80%	12%
- Maesod Clean Energy ⁽¹⁾	86%	90%	(4%)	63%	23%	95%	79%	16%
- Ubon Bio Ethanol ⁽²⁾	40%	67%	(27%)	73%	(33%)	62%	63%	(1%)

Remark (1) Retrospective adjustment for ethanol utilization rates (%) of Maesod Clean Energy Co., Ltd. for 2013 performance due to a change of its production plan in using molasses as its main raw materials.

(2) Ubon Bio Ethanol Co., Ltd. has started its commercial operation since January 2013.

Thanks to the efficient operation and wider spread between ethanol selling price and feedstock cost per unit, TET had improved performance from previous quarter.

For 9M/14, TET had higher net profit from the same period of prior year.

In Q3/14, TET had consolidated sales revenue from Sapthip Co., Ltd. (TET holds 50% shares) of Baht 404 million, up by Baht 23 million from Q2/14. This was mainly attributable to (1) Sapthip's higher ethanol sales volume following a 34% increase in ethanol utilization rate, thanks to efficient operation which helped lower its feedstock cost per unit, and (2) a 20-day planned operational suspension in Q2/14. As a consequence of wider spread between ethanol selling price and feedstock cost per unit resulted from the mentioned lowered unit cost, TET had EBITDA of Baht 65 million, added by Baht 38 million from Q2/14. However, in Q3/14, TET had share of loss of Baht 5 million from the investment in Maesod Clean Energy Co., Ltd., compared with the share of profit of Baht 3 million in Q2/14. In addition, TET had share of loss of Baht 10 million from the investment in Ubon Bio Ethanol Co., Ltd., up by Baht 4 million from Q2/14. Offsetting with finance costs of Baht 15 million, TET posted net loss of Baht 4 million in Q3/14, improved by Baht 9 million from previous quarter.

In comparison with Q3/13, TET reported stable consolidated sales revenue from Sapthip Co., Ltd. at Baht 404 million in Q3/14, with higher ethanol sales volume. However, unit selling price in Q3/14 was lower than Q3/13 because, in 2014, there was no certain requirement like last year for the proportions of cassava-based and molasses-based ethanol purchases. This resulted in softened gross profit margin and TET having EBITDA reduced by Baht 35 million. In Q3/14, TET had total shares of losses from the investments in both associated companies down by Baht 5 million. Therefore, TET posted net loss of Baht 4 million in Q3/14, compared with net profit of Baht 9 million in Q3/13.

For 9M/14, TET had consolidated sales revenue of Baht 1,269 million and EBITDA of Baht 205 million. TET also had share of profit of Baht 11 million the investment in Maesod Clean Energy Co., Ltd. and share of loss of Baht 5 million from the investment in Ubon Bio Ethanol Co., Ltd. Offsetting with finance costs of Baht 49 million, TET recorded net profit of Baht 47 million, up by Baht 1 million from the same period of last year.

3. Analysis of Consolidated Financial Position

3.1 Statements of Financial Position

The financial position of the Company and subsidiaries as of 30 September 2014 compared with 31 December 2013 was summarized as follows:

Table 13: Condensed Consolidated Statements of Financial Position

(Million Baht)	30 Sep 2014	31 Dec 2013 (Restated)	+ / (-)	% + / (-)
Assets				
Cash and cash equivalents and Current investment	37,273	43,815	(6,542)	(14.9%)
Other current assets	77,347	83,334	(5,987)	(7.2%)
Non-current assets	93,794	81,513	12,281	15.1%
Total assets	208,414	208,662	(248)	(0.1%)
Liabilities				
Current liabilities	34,658	36,761	(2,103)	(5.7%)
Long-term borrowings and debentures (including current portion)	77,449	74,199	3,250	4.4%
Other non-current liabilities	2,905	2,721	184	6.8%
Total liabilities	115,012	113,681	1,331	1.2%
Equity				
Equity attributable to owners of the company	89,170	90,927	(1,757)	(1.9%)
Non-controlling interests	4,232	4,054	178	4.4%
Total equity	93,402	94,981	(1,579)	(1.7%)
Total liabilities and equity	208,414	208,662	(248)	(0.1%)

Total Assets

As of 30 September 2014, the Company and subsidiaries had total assets of Baht 208,414 million, down by Baht 248 million or 0.1% from 31 December 2013 due mainly to the following major reasons:

- Cash and cash equivalents as well as current investment decreased by Baht 6,542 million mainly resulted from purchases of plant, property and equipment of Baht 15,465 million, and net cash receipts of Baht 3,847 million from debentures issuance and long-term borrowings.
- Other current assets dropped by Baht 5,987 million due primarily to trade accounts receivable declined by Baht 747 million and inventories reduced by Baht 4,286 million because of weakened crude oil and petroleum product prices.
- Non-current assets rose by Baht 12,281 million as a result of additions of property, plant, and equipment of Baht 11,324 million from several project investments.

Total Liabilities

As of 30 September 2014, the Company and subsidiaries had total liabilities of Baht 115,012 million, increased by Baht 1,331 million or 1.2% from 31 December 2013 due to major reasons as follows:

- Current liabilities reduced by Baht 2,103 million from trade accounts payable and income tax payable declined by Baht 1,606 million and Baht 615 million, respectively, and other payables up by Baht 387 million.
- Long-term borrowings and debentures (including current portions) increased by Baht 3,250 million mainly because:

- : The Company issued Baht-denominated debentures of Baht 15,000 million in March 2014, consisted of 3-year debenture of Baht 2,000 million, 5-year debenture of Baht 3,000 million, 7-year debenture of Baht 3,000 million, and 10-year debenture of Baht 7,000 million, as a liquidity enhancement for capital expenditure and/or working capital.
- : The Company repaid its Baht-denominated debentures of Baht 12,000 million in February 2014.
- : LABIX Co., Ltd. had Baht-denominated borrowings of Baht 981 million in Q3/14 for its plant construction.

Table 14: Consolidated Long-term Loans

(Million Baht)	TOP	TS	TP	TM	TET	LABIX	Total
Debentures : US\$-denominated	45,973	-	-	-	-	-	45,973
: Baht-denominated	25,500	-	-	-	-	-	25,500
Borrowings : Baht-denominated	-	1,128	1,114	2,465	288	981	5,976
As of 30 September 2014	71,473	1,128	1,114	2,465	288	981	77,449
As of 31 December 2013	69,400	950	1,200	2,324	325	-	74,199
+ / (-)	2,073	178	(86)	141	(37)	981	3,250

Total Equity

As of 30 September 2014, the Company and subsidiaries had total equity of Baht 93,402 million, decreased by Baht 1,579 million or 1.7% from 31 December 2013. This was mainly resulted from total comprehensive income in 9M/14 of Baht 2,663 million, deducted by dividends paid of Baht 4,242 million.

3.2 Statements of Cash Flows

As of 30 September 2014, the Company and subsidiaries had cash and cash equivalents of Baht 10,683 million. The Company had cash and cash equivalents of Baht 8,225 million. Cash flows by each activity are detailed as presented below:

Table 15: Cash Flows for 9M/14

(Million Baht)	Consolidated	Separated
Net cash provided by operating activities	12,852	10,906
Net cash used in investing activities	(13,422)	(2,929)
Net cash used in financing activities	(3,894)	(8,670)
Net decrease in cash and cash equivalents	(4,464)	(693)
Effect of exchange rate changes on balance held in foreign currencies at the end of period	(155)	(157)
Cash and cash equivalents at the beginning of period	15,302	9,075
Cash and cash equivalents at the end of period	10,683	8,225

The Company and subsidiaries had cash flows provided by operating activities of Baht 12,852 million, and cash flows used in investing activities of Baht 13,422 million as a consequence of purchases of plant, property and equipment of Baht 15,465 million. The company itself spent Baht 7,761 million in main projects such as Emission Improvement, CDU-3 Crude Preheat Train Improvement and HVU-2 Revamp. The remaining Baht 7,704 million was used by subsidiaries for LAB production project, and new small power plants construction project (New SPPs). Besides, there were cash receipts from the disposal of current investments of Baht 1,923 million and from the disposal of vessel (Thaioil 12) of Baht 251 million.

Meanwhile, cash flows used in financing activities was Baht 3,894 million which was for finance costs payment of Baht 3,324 million, for dividends payment of Baht 4,242 million and for net short-term borrowings repayment of Baht 175 million, while there were net cash receipts of Baht 3,847 million from long-term borrowings and debentures issuance.

According to the mentioned cash flows activities, the Company and subsidiaries reported the reduction in cash and cash equivalents of Baht 4,464 million. In addition, the Company and subsidiaries recorded an effect of exchange rate changes on balance held in foreign currencies at the end of period of Baht 155 million. Hence, the Company and subsidiaries had cash and cash equivalents of Baht 10,683 million as of 30 September 2014.

3.3 Financial Ratios

Table 16: Financial Ratios (Consolidated) for Q3/14

Profitability Ratios	Q3/14	Q2/14	+/(-)	Q3/13 (restated)	+/(-)
Quality of earnings ratio (%)	(1%)	4%	(5%)	10%	(11%)
Gross profit margin ratio (%)	(1%)	4%	(5%)	10%	(11%)
Net profit margin ratio (%)	(2%)	2%	(4%)	7%	(9%)

Liquidity Ratios	Q3/14	Q2/14	+/(-)	Q3/13 (restated)	+/(-)
Current ratio (times)	2.5	3.2	(0.7)	2.6	(0.1)
Quick ratio (times)	1.4	1.9	(0.5)	1.6	(0.2)

Financial Policy Ratios	Q3/14	Q2/14	+/(-)	Q3/13 (restated)	+/(-)
Total liability/ Total equity (times)	1.2	1.0	0.2	1.3	(0.1)
Long-term loan/ Total equity (times)	0.8	0.8	-	0.8	-
Interest coverage ratio (times)	(0.5)	4.4	(4.9)	10.8	(11.3)
Long-term loan/ Total capitalization (%)	45%	44%	1%	46%	(1%)
Net debt to equity ratio (times)	0.4	0.3	0.1	0.2	0.2

Financial Ratios Calculation

Quality of Earnings ratio (%)	=	EBITDA / Sales Revenue
Gross Profit Margin ratio (%)	=	Gross Profit / Sales Revenue
Net Profit (Net Loss) Margin ratio (%)	=	Net Profit (Net Loss)/ Total Revenue
Current ratio (times)	=	Current Assets / Current Liabilities
Quick ratio (times)	=	(Cash and Cash equivalent + Current investments + Accounts Receivable) / Current Liabilities
Total Liabilities / Total Equity (times)	=	Total Liabilities / Total Equity
Long term loan/ Total Equity (times)	=	Long Term Loan / Total Equity
Long term loan	=	Long-term borrowings from financial institutions + Debentures (includes current portion)
Interest Coverage ratio (times)	=	EBITDA/ Finance costs
Long term loan/ Total Capitalization (%)	=	Long Term Loan / Total Capitalization
Total Capitalization	=	Long Term Loan + Total Equity
Net Debt to Equity ratio (times)	=	Net Debt / Total Equity
Net Debt	=	Interest bearing debt - Cash and cash equivalent - Current investments

**Thai Oil Public Company Limited
and its Subsidiaries**

Interim financial statements
for the three-month and nine-month periods ended
30 September 2014

and

Independent auditor's report on
review of interim financial information

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Thai Oil Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Thai Oil Public Company Limited and its subsidiaries, and of Thai Oil Public Company Limited, respectively, as at 30 September 2014; the consolidated and separate statements of income, comprehensive income for the three-month and nine-month periods ended 30 September 2014, changes in equity and cash flows for the nine-month period ended 30 September 2014; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 (revised 2012), "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 (revised 2012), "Interim Financial Reporting".

Emphasis of Matter

Without qualifying my conclusion, I draw attention to note 3 to the interim financial information describing the effect of the Company and its subsidiaries' adoption from 1 January 2014 of certain new accounting policies. The consolidated and separate statements of financial position as at 31 December 2013, which are included as comparative information, are components of the audited consolidated and separate financial statements as at and for the year ended 31 December 2013 after making the adjustments described in note 3. Furthermore, the consolidated and separate statements of income, comprehensive income for the three-month and nine-month periods ended 30 September 2013, changes in equity and cash flows for the nine-month period ended 30 September 2013, which are included as comparative information, have also been adjusted as described in note 3.

(Winid Silamongkol)
Certified Public Accountant
Registration No. 3378

KPMG Phoomchai Audit Ltd.
Bangkok
31 October 2014

Thai Oil Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
Assets	Note	30 September	31 December	30 September	31 December
		2014	2013	2014	2013
		(Unaudited)	(Restated)	(Unaudited)	
		(in thousand Baht)			
Current assets					
Cash and cash equivalents		10,683,465	15,302,596	8,224,363	9,074,890
Current investments		26,589,000	28,512,000	26,500,000	28,500,000
Trade accounts receivable	5, 6	27,999,269	28,746,178	27,766,661	28,289,142
Other receivable	5	1,225,810	1,322,847	1,798,540	1,282,403
Short-term loans to related parties	5	90,000	90,000	3,373,394	2,923,000
Inventories	5	44,222,345	48,508,808	37,680,919	42,361,363
Prepaid corporate income tax		180,427	9,015	165,567	-
Value added tax receivable		2,629,072	3,088,565	1,157,742	2,075,108
Receivable from Oil Fuel Fund		982,064	1,318,658	982,064	1,318,658
Other current asset		18,189	-	-	-
Non-current asset held for sale		-	250,281	-	-
Total current assets		114,619,641	127,148,948	107,649,250	115,824,564
Non-current assets					
Investments in subsidiaries	7	-	-	14,545,419	11,920,419
Investments in associates	8	11,899,583	11,299,350	1,260,605	1,260,605
Investments in jointly-controlled entities	8	428,032	422,154	-	-
Other long-term investments		947,101	940,260	947,101	940,260
Investment properties		82,383	82,383	777,794	777,697
Property, plant and equipment		76,791,206	65,467,629	40,956,554	36,558,279
Intangible assets		1,945,697	1,970,634	428,675	432,424
Deferred tax assets		367,528	174,316	333,361	142,536
Other non-current assets		1,332,486	1,156,606	1,255,229	1,106,778
Total non-current assets		93,794,016	81,513,332	60,504,738	53,138,998
Total assets		208,413,657	208,662,280	168,153,988	168,963,562

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

Thai Oil Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
Liabilities and equity	Note	30 September	31 December	30 September	31 December
		2014	2013	2014	2013
		(Unaudited)	(Restated)	(Unaudited)	
<i>(in thousand Baht)</i>					
Current liabilities					
Short-term borrowings		488,947	663,559	-	-
Trade accounts payable	5, 11	29,948,374	31,554,321	30,897,502	32,138,993
Other payable	5	3,685,522	3,298,065	2,434,822	2,853,632
Short-term borrowings from related parties	5	-	-	1,847,557	5,836,251
Current portion of long-term borrowings from financial institutions		653,687	484,646	-	-
Current portion of debentures		11,379,549	12,329,717	11,379,549	12,329,717
Excise duty payable		402,070	496,947	402,070	496,948
Income tax payable		133,396	748,349	-	182,445
Total current liabilities		46,691,545	49,575,604	46,961,500	53,837,986
Non-current liabilities					
Long-term borrowings from financial institutions		5,321,858	4,314,379	-	-
Debentures	10	60,093,832	57,070,452	60,093,832	57,070,452
Employee benefit obligations	12	2,789,655	2,635,001	2,596,799	2,454,851
Other non-current liabilities		114,943	85,553	236,173	263,592
Total non-current liabilities		68,320,288	64,105,385	62,926,804	59,788,895
Total liabilities		115,011,833	113,680,989	109,888,304	113,626,881

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

Thai Oil Public Company Limited and its Subsidiaries

Statement of financial position

	Consolidated		Separate	
	financial statements		financial statements	
Liabilities and equity	30 September	31 December	30 September	31 December
	2014	2013	2014	2013
	(Unaudited)	(Restated)	(Unaudited)	
	(in thousand Baht)			
Equity				
Share capital				
Authorised share capital	20,400,279	20,400,279	20,400,279	20,400,279
Issued and paid-up share capital	20,400,279	20,400,279	20,400,279	20,400,279
Additional paid-in capital				
Premium on ordinary shares	2,456,261	2,456,261	2,456,261	2,456,261
Retained earnings				
Appropriated				
Legal reserve	2,040,028	2,040,028	2,040,028	2,040,028
Other	244,500	244,500	244,500	244,500
Unappropriated	64,344,165	66,088,839	33,206,961	30,286,676
Other components of equity	(315,210)	(302,952)	(82,345)	(91,063)
Equity attributable to owners of the Company	89,170,023	90,926,955	58,265,684	55,336,681
Non-controlling interests	4,231,801	4,054,336	-	-
Total equity	93,401,824	94,981,291	58,265,684	55,336,681
Total liabilities and equity	208,413,657	208,662,280	168,153,988	168,963,562

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

Thai Oil Public Company Limited and its Subsidiaries

Statement of income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Three-month period ended		Three-month period ended	
		30 September		30 September	
<i>Note</i>		2014	2013	2014	2013
		(Restated)			
		<i>(in thousand Baht)</i>			
Revenue from sale of goods and rendering of services	5, 13	88,254,090	108,500,386	89,301,254	108,636,685
Cost of sale of goods and rendering of services	5	<u>(90,829,081)</u>	<u>(99,585,606)</u>	<u>(92,542,116)</u>	<u>(102,497,370)</u>
Gross (loss) profit		(2,574,991)	8,914,780	(3,240,862)	6,139,315
Dividend income	5	-	-	878,945	878,945
Net derivative gain on hedging		695,072	431,576	695,072	431,576
Net foreign exchange gain (loss)		561,369	(249,408)	514,939	(289,941)
Other income	5	428,660	537,052	709,369	799,630
Selling expenses		(125,440)	(121,543)	(51,808)	(92,045)
Administrative expenses	5	(416,917)	(421,103)	(391,723)	(398,256)
Share of profit of associates and jointly-controlled entities		<u>229,474</u>	<u>163,657</u>	<u>-</u>	<u>-</u>
Profit (loss) before finance costs and income tax expense		(1,202,773)	9,255,011	(886,068)	7,469,224
Finance costs	5	<u>(1,004,109)</u>	<u>(965,200)</u>	<u>(946,758)</u>	<u>(963,771)</u>
Profit (loss) before income tax expense	13	(2,206,882)	8,289,811	(1,832,826)	6,505,453
Reversal of income tax (expense)		<u>117,885</u>	<u>(554,984)</u>	<u>211,986</u>	<u>(120,666)</u>
Profit (loss) for the period		<u>(2,088,997)</u>	<u>7,734,827</u>	<u>(1,620,840)</u>	<u>6,384,787</u>
Profit (loss) for the period attributable to:					
Owners of the Company		(2,175,246)	7,629,015	(1,620,840)	6,384,787
Non-controlling interests		<u>86,249</u>	<u>105,812</u>	<u>-</u>	<u>-</u>
Profit (loss) for the period		<u>(2,088,997)</u>	<u>7,734,827</u>	<u>(1,620,840)</u>	<u>6,384,787</u>
Basic earnings (loss) per share (Baht)	14	<u>(1.07)</u>	<u>3.74</u>	<u>(0.79)</u>	<u>3.13</u>

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

Thai Oil Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended		Three-month period ended	
	30 September		30 September	
<i>Note</i>	2014	2013	2014	2013
	(Restated)			
	<i>(in thousand Baht)</i>			
Profit (loss) for the period	(2,088,997)	7,734,827	(1,620,840)	6,384,787
Other comprehensive income (loss)				
Net change in fair value of available-for-sale investments	6,284	(5,852)	6,284	(5,805)
Foreign currency translation differences	1,807	15,660	-	-
Share of other comprehensive income of associate	92	53	-	-
Other comprehensive income (loss) for the period, net of income tax	8,183	9,861	6,284	(5,805)
Total comprehensive income (loss) for the period	(2,080,814)	7,744,688	(1,614,556)	6,378,982
Total comprehensive income (loss) attributable to:				
Owners of the Company	(2,167,063)	7,638,899	(1,614,556)	6,378,982
Non-controlling interests	86,249	105,789	-	-
Total comprehensive income (loss) for the period	(2,080,814)	7,744,688	(1,614,556)	6,378,982

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

Thai Oil Public Company Limited and its Subsidiaries

Statement of income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
	<i>Note</i>	2014	2013	2014	2013
		(Restated)			
		<i>(in thousand Baht)</i>			
Revenue from sale of goods and rendering of services	5, 13	301,545,137	306,623,326	301,548,951	302,285,761
Cost of sale of goods and rendering of services	5	(299,034,994)	(292,580,729)	(301,529,508)	(294,552,764)
Gross profit		2,510,143	14,042,597	19,443	7,732,997
Dividend income	5, 7, 8	-	-	5,963,350	3,039,021
Net derivative gain on hedging		1,890,779	903,841	1,890,779	903,841
Net foreign exchange gain (loss)		1,543,989	(1,296,507)	1,565,787	(1,429,785)
Other income	5	1,242,555	1,631,082	2,059,821	2,336,491
Selling expenses		(372,489)	(359,936)	(241,703)	(304,646)
Administrative expenses	5	(1,290,017)	(1,346,414)	(1,181,346)	(1,231,586)
Loss on disposal of investment	4	-	(897,540)	-	-
Share of profit of associates and jointly-controlled entities	8	648,116	476,642	-	-
Profit before finance costs and income tax expense		6,173,076	13,153,765	10,076,131	11,046,333
Finance costs	5	(2,973,542)	(2,818,481)	(2,800,111)	(2,803,219)
Profit before income tax expense	13	3,199,534	10,335,284	7,276,020	8,243,114
Income tax expense		(531,034)	(943,345)	(154,691)	(23,853)
Profit for the period		2,668,500	9,391,939	7,121,329	8,219,261
Profit for the period attributable to:					
Owners of the Company		2,452,992	9,306,537	7,121,329	8,219,261
Non-controlling interests		215,508	85,402	-	-
Profit for the period		2,668,500	9,391,939	7,121,329	8,219,261
Basic earnings per share (Baht)	14	1.20	4.56	3.49	4.03

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

Thai Oil Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
<i>Note</i>	2014	2013	2014	2013
	(Restated)			
	<i>(in thousand Baht)</i>			
Profit for the period	2,668,500	9,391,939	7,121,329	8,219,261
Other comprehensive income (loss)				
Net change in fair value of available-for-sale investments	8,718	(59,081)	8,718	(59,081)
Foreign currency translation differences	(21,207)	7,824	-	-
Defined benefit plan actuarial gain	6,773	-	-	-
Share of other comprehensive income of associate	231	53	-	-
Other comprehensive income (loss) for the period, net of income tax	(5,485)	(51,204)	8,718	(59,081)
Total comprehensive income for the period	2,663,015	9,340,735	7,130,047	8,160,180
Total comprehensive income attributable to:				
Owners of the Company	2,444,112	9,255,333	7,130,047	8,160,180
Non-controlling interests	218,903	85,402	-	-
Total comprehensive income for the period	2,663,015	9,340,735	7,130,047	8,160,180

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

Thai Oil Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

Consolidated financial statements													
Retained earnings						Other components of equity							
						Other comprehensive income (loss)			Deficit from	Equity	Non-	Total	
	Issued and	Premium on	Legal	Other	Unappropriated	Fair value	Currency	Share of other	the change in	attributable to	controlling		
Note	paid-up	ordinary shares	reserve			changes in	translation	comprehensive	the ownership	owners of	interests		
	share capital					available-for-sale	differences	income of	interests in	the Company	interests	equity	
						investments		associate	subsidiary				
(in thousand Baht)													
Nine-month period ended 30 September 2013													
Balance at 1 January 2013 - as reported	20,400,279	2,456,261	2,040,028	244,500	61,694,846	(30,018)	(143,148)	-	(127,795)	86,534,953	4,188,870	90,723,823	
Impact of change in accounting policy	3	-	-	-	1,194,168	-	-	-	-	1,194,168	630,817	1,824,985	
Balance at 1 January 2013 - restated	20,400,279	2,456,261	2,040,028	244,500	62,889,014	(30,018)	(143,148)	-	(127,795)	87,729,121	4,819,687	92,548,808	
Dividend	17	-	-	-	(6,116,409)	-	-	-	-	(6,116,409)	(153,130)	(6,269,539)	
Loss of non-controlling interests with a change in control													
from disposal of investment in subsidiary		-	-	-	-	-	-	-	-	-	(3,255,645)	(3,255,645)	
Acquisition of subsidiary's non-controlling interests													
from investment in associate		-	-	-	-	-	-	-	-	-	1,217,459	1,217,459	
Acquisition of subsidiary's non-controlling interests													
from investment in subsidiary		-	-	-	-	-	-	-	-	-	465,497	465,497	
Comprehensive income (loss) for the period													
Profit for the period - restated		-	-	-	9,306,537	-	-	-	-	9,306,537	85,402	9,391,939	
Other comprehensive income (loss)		-	-	-	-	(59,081)	7,824	53	-	(51,204)	-	(51,204)	
Total comprehensive income (loss) for the period		-	-	-	9,306,537	(59,081)	7,824	53	-	9,255,333	85,402	9,340,735	
Balance at 30 September 2013		20,400,279	2,456,261	2,040,028	244,500	66,079,142	(89,099)	(135,324)	53	(127,795)	90,868,045	3,179,270	94,047,315

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

Thai Oil Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

Consolidated financial statements													
Retained earnings						Other components of equity							
Note	Issued and paid-up share capital	Premium on ordinary shares	Legal reserve	Other	Unappropriated	Other comprehensive income (loss)			Deficit from the change in the ownership interests in subsidiary	Equity attributable to owners of the Company	Non- controlling interests	Total equity	
						Fair value changes in available-for-sale investments	Currency translation differences	Share of other comprehensive income of associate					
(in thousand Baht)													
Nine-month period ended 30 September 2014													
	20,400,279	2,456,261	2,040,028	244,500	65,971,964	(91,063)	(84,211)	117	(127,795)	90,810,080	4,028,323	94,838,403	
Impact of change in accounting policy	3	-	-	-	116,875	-	-	-	-	116,875	26,013	142,888	
Balance at 1 January 2014 - restated		20,400,279	2,456,261	2,040,028	244,500	66,088,839	(91,063)	(84,211)	117	(127,795)	90,926,955	4,054,336	94,981,291
Dividend	17	-	-	-	-	(4,201,044)	-	-	-	-	(4,201,044)	(41,438)	(4,242,482)
Comprehensive income (loss) for the period													
Profit for the period		-	-	-	-	2,452,992	-	-	-	-	2,452,992	215,508	2,668,500
Other comprehensive income (loss)		-	-	-	-	3,378	8,718	(21,207)	231	-	(8,880)	3,395	(5,485)
Total comprehensive income (loss) for the period		-	-	-	-	2,456,370	8,718	(21,207)	231	-	2,444,112	218,903	2,663,015
Balance at 30 September 2014		20,400,279	2,456,261	2,040,028	244,500	64,344,165	(82,345)	(105,418)	348	(127,795)	89,170,023	4,231,801	93,401,824

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

Thai Oil Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

Separate financial statements								
			Retained earnings			Other components of equity		
	Note	Issued and paid-up share capital	Premium on ordinary shares	Legal reserve	Other	Unappropriated	Fair value changes in available-for-sale investments	Total equity
(in thousand Baht)								
Nine-month period ended 30 September 2013								
Balance at 1 January 2013		20,400,279	2,456,261	2,040,028	244,500	30,352,205	(30,018)	55,463,255
Dividend	17	-	-	-	-	(6,116,409)	-	(6,116,409)
Comprehensive income (loss) for the period								
Profit for the period		-	-	-	-	8,219,261	-	8,219,261
Other comprehensive loss		-	-	-	-	-	(59,081)	(59,081)
Total comprehensive income (loss) for the period		-	-	-	-	8,219,261	(59,081)	8,160,180
Balance at 30 September 2013		20,400,279	2,456,261	2,040,028	244,500	32,455,057	(89,099)	57,507,026
Nine-month period ended 30 September 2014								
Balance at 1 January 2014		20,400,279	2,456,261	2,040,028	244,500	30,286,676	(91,063)	55,336,681
Dividend	17	-	-	-	-	(4,201,044)	-	(4,201,044)
Comprehensive income for the period								
Profit for the period		-	-	-	-	7,121,329	-	7,121,329
Other comprehensive income		-	-	-	-	-	8,718	8,718
Total comprehensive income for the period		-	-	-	-	7,121,329	8,718	7,130,047
Balance at 30 September 2014		20,400,279	2,456,261	2,040,028	244,500	33,206,961	(82,345)	58,265,684

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

Thai Oil Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
Note	2014	2013	2014	2013
	(Restated)			
	(in thousand Baht)			
Cash flows from operating activities				
Profit for the period	2,668,500	9,391,939	7,121,329	8,219,261
Adjustments for				
(Reversal of) allowance for decline in value of inventories adjusted to net realisable value	726,781	(15,137)	652,977	-
Depreciation and amortisation	4,910,531	4,501,935	3,266,293	2,845,762
Finance costs	2,973,542	2,818,481	2,800,111	2,803,219
Unrealised (gain) loss on foreign exchange	(321,966)	2,093,105	(453,040)	2,074,137
Share of profit of associates and jointly-controlled entities	8 (648,116)	(476,642)	-	-
Dividend income	7, 8 -	-	(5,963,350)	(3,039,021)
(Gain) loss on disposal of property, plant and equipment	(3,722)	15,381	(2,673)	16,011
Loss on disposal of investment	-	897,540	-	210
Realisation of deferred land lease and other income	(19,821)	(9,232)	(97,876)	(92,923)
Income tax expense	531,034	943,345	154,691	23,853
	10,816,763	20,160,715	7,478,462	12,850,509
Changes in operating assets and liabilities				
Trade accounts receivable	805,285	(1,483,799)	569,366	(1,813,047)
Other receivable	(3,891,572)	(2,800,393)	(2,977,620)	(2,010,217)
Inventories	3,559,682	(8,796,050)	4,027,466	(9,263,012)
Other non-current assets	(223,499)	(18,282)	(925)	(244)
Trade accounts payable	(1,654,858)	8,183,287	(1,290,965)	8,514,297
Other payable	144,970	(428,045)	314,303	169,653
Excise duty payable	(94,877)	(243,447)	(94,877)	(243,447)
Other non-current liabilities	195,985	158,711	167,477	221,129
Cash generated from operating activities	9,657,879	14,732,697	8,192,687	8,425,621
Income tax paid	(1,517,337)	(1,637,038)	(693,528)	(752,185)
Income tax and value added tax received	4,711,387	3,120,965	3,406,922	1,959,211
Net cash from operating activities	12,851,929	16,216,624	10,906,081	9,632,647

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

Thai Oil Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
	Note	2014	2013	2014	2013
			(Restated)		
		(in thousand Baht)			
Cash flows from investing activities					
Dividends received	7, 8	-	-	5,963,350	3,039,021
Purchase of current investments		-	(24,499,307)	-	(24,800,000)
Sale of current investments		1,923,000	-	2,000,000	-
Sale of other long-term investment		1,221	407	1,221	407
Cash outflows on short-term loans to related parties	5	-	-	(1,268,394)	(228,500)
Cash inflows on short-term loans to related parties	5	-	-	818,000	492,500
Cash outflows on investment in jointly-controlled entities	4	(37,500)	(19,295)	-	-
Cash outflows on investment in subsidiary company	4	-	-	(2,625,000)	-
Cash outflows on long-term loans to savings co-operative of employees		(32,807)	(55,660)	(32,807)	(55,660)
Purchase of investment properties		-	-	-	(4,977)
Purchase of property, plant and equipment		(15,464,921)	(7,947,421)	(7,760,753)	(6,498,181)
Sale of property, plant and equipment		3,817	3,091	2,673	2,150
Sale of asset held for sale		250,849	-	-	-
Purchase of intangible assets		(65,346)	(51,790)	(27,417)	(51,462)
Currency translation differences		(490)	(10,747)	-	-
Net cash used in investing activities		(13,422,177)	(32,580,722)	(2,929,127)	(28,104,702)

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

Thai Oil Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Nine-month period ended 30 September		Nine-month period ended 30 September	
	Note	2014	2013	2014	2013
			(Restated)		
		(in thousand Baht)			
Cash flows from financing activities					
Finance costs paid		(3,324,048)	(2,362,393)	(3,150,601)	(2,347,130)
Dividends paid		(4,242,482)	(6,269,539)	(4,201,044)	(6,116,409)
Repayment of short-term borrowings		(516,334)	(450,000)	-	-
Proceeds from short-term borrowings		341,721	235,699	-	-
Repayment of short-term borrowings from related parties	5	-	-	(3,988,694)	-
Proceeds from short-term borrowings from related parties	5	-	-	-	1,127,020
Repayment of long-term borrowings from financial institutions		(21,495,480)	(9,059,850)	(21,148,000)	(8,847,750)
Proceeds from long-term borrowings from financial institutions		22,672,000	11,840,863	21,148,000	10,515,500
Redemption of debenture		(12,329,717)	-	(12,329,717)	-
Proceeds from issue of debentures		15,000,000	29,356,029	15,000,000	29,356,029
Proceed of subsidiaries's shares from non-controllers		-	465,497	-	-
Net cash from (used in) financing activities		(3,894,340)	23,756,306	(8,670,056)	23,687,260
Net increase (decrease) in cash and cash equivalents					
Effect of exchange rate change on balance held in foreign currencies at end of period		(154,543)	(53,686)	(157,425)	(65,112)
Decrease in cash and cash equivalents from the disposal of a subsidiary during the period		-	(1,878,724)	-	-
Cash and cash equivalents at beginning of period		15,302,596	10,459,746	9,074,890	6,738,889
Cash and cash equivalents at end of period		10,683,465	15,919,544	8,224,363	11,888,982
Non-cash transaction					
Payables on purchase of property, plant and equipment		1,237,161	1,201,449	352,129	707,998
Payables on purchase of intangible assets		-	271,855	-	-

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

Thai Oil Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

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These notes form an integral part of the interim financial statements.

The interim financial statements were authorised for issue by the Board of Directors on 31 October 2014.

1 General information

Thai Oil Public Company Limited, the “Company”, is incorporated in Thailand and has its registered offices and refinery plant as follows:

Head office	:	555/1 Energy Complex Building A, 11 th Floor, Vibhavadi Rangsit Road, Kwang Chatuchak, Khet Chatuchak, Bangkok 10900, Thailand
Sriracha office and refinery plant	:	42/1 Moo 1, Sukhumvit Road Km. 124, Tambol Tungsukla, Amphur Sriracha, Chonburi 20230, Thailand

The Company was listed on the Stock Exchange of Thailand on 26 October 2004.

The Company is an entity in the PTT Public Company Limited (“PTT”) group of companies. PTT is incorporated in Thailand and is the major shareholder of the Company and owned 49.1% of the Company’s issued and paid-up share capital as at 30 September 2014 (31 December 2013: 49.1%).

The principal businesses of the Company are oil refining and distributions. Details of the Company’s direct and indirect subsidiaries as at 30 September 2014 and 31 December 2013 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2014	31 December 2013
Direct subsidiaries				
Thai Paraxylene Co., Ltd.	Paraxylene manufacturing	Thailand	99.99	99.99
Thai Lube Base Public Company Limited	Lube base oil refining and distribution	Thailand	99.99	99.99
Thaioil Marine Co., Ltd.	Providing marine transportation services for petroleum and liquid chemical products	Thailand	99.99	99.99
Thaioil Energy Services Co., Ltd.	Providing of management and general services	Thailand	99.99	99.99
Thaioil Solvent Co., Ltd.	Investment in solvent and chemical businesses	Thailand	99.99	99.99
Thaioil Ethanol Co., Ltd.	Investment in ethanol business and alternative energy products	Thailand	99.99	99.99

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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2014	31 December 2013
Thaioil Power Co., Ltd.	Power and steam generation	Thailand	73.99	73.99
TOP SPP Co., Ltd.	Power and steam generation	Thailand	99.99	99.99
Indirect subsidiaries				
TOP Solvent Co., Ltd.	Distribution of solvent and chemical products	Thailand	99.99	99.99
Sak Chaisidhi Co., Ltd.	Solvent and chemical products manufacturing and distribution	Thailand	80.52	80.52
TOP Solvent (Vietnam) LLC.	Distribution of solvent and chemical products	Vietnam	100.00	100.00
Sapthip Co., Ltd.	Ethanol products manufacturing and distribution	Thailand	50.00	50.00
Thaioil Marine International Pte. Ltd.	Investment in marine transportation for crude oil and petroleum product business	Singapore	100.00	100.00
TOP Maritime Service Co., Ltd.	Providing marine transportation service for crew and utilities in Gulf of Thailand	Thailand	55.00	55.00
LABIX Co., Ltd.	Linear Alkyl Benzene manufacturing and distribution	Thailand	75.00	75.00

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 (revised 2012) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

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The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2013. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2013.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2013 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2014. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group except as disclosed in note 3.

(b) Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statement to the nearest million unless otherwise stated.

(c) Use of estimates and judgements

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2013 and are included in the following note to the financial statements:

Note 12 Discount rate, salary increase rate, employee turnover rate and mortality rate

3 Changes in accounting policies

The Group has adopted the accounting policies and calculation method in the interim financial statements for the three-month and nine-month periods ended 30 September 2014 same as preparing the financial statement as of 31 December 2013 except as below:

(a) Presentation

From 1 January 2014, the Group has started to present all items of income and expense recognized in a period in two statements: statements of income and statements of comprehensive income as to align with the major shareholder's accounting policies. Comparative information has been re-presented so that it also is in conformity with the change. Since the change in accounting policy only impacts presentation aspects, there is no impact on reported profit or earnings per share.

(b) Accounting for employee benefits

Effective from 1 January 2014, the Group will change to immediately recognising an actuarial gains and losses in other comprehensive income, and no longer recording in profit and loss. This change in policy has not had a material impact on the Group.

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(c) Accounting for arrangements containing a lease

From 1 January 2014, the Group has adopted TFRIC 4 - Determining whether an Arrangement contains a Lease.

TFRIC 4 addresses arrangements that do not take the legal form of a lease, but convey rights to use items for agreed periods of time in return for a payment or series of payments. TFRIC 4 provides guidance for evaluating whether such arrangements are, or contain, leases should be accounted for under TAS 17 Leases. If an agreement is determined to contain a lease, then TFRIC 4 requires TAS 17 to be applied to classify and account for the lease.

Management has reviewed the Group's arrangements and has determined the impact of TFRIC 4 adoption on assets, liabilities, and retained earnings of the Group as an associate (Global Power Synergy Company Limited) has a power purchase agreement with an entity which determined to be an agreement containing a finance lease. The effects of the change are recognised retrospectively in the financial statements. The impact of the change on the financial statements is as follows:

	Consolidated financial statements as at 1 January	
	2014	2013
	<i>(in million Baht)</i>	
Statements of financial position		
Increase in finance lease receivable	-	8,304
Increase in investment in associates	143	-
Decrease in property, plant and equipment	-	(6,023)
Increase in deferred tax liabilities	-	456
Increase in unappropriated retained earning	117	1,194
Increase in non-controlling interests	26	631
	Consolidated financial statements	
	For the three- month period ended	For the nine- month period ended
	30 September 2013	30 September 2013
	<i>(in million Baht)</i>	
Statements of income		
Decrease in revenue from sale of goods and rendering of services	-	(24)
Decrease in cost of sales of goods and rendering of services	-	(14)
Increase in other income	-	19
Increase in loss on disposal of investment	-	1,466
Increase in share of profit of associates and jointly-controlled entities	25	114
Increase in income tax expense	-	2
Increase (decrease) in profit for the period	25	(1,345)
Increase (decrease) in basic earnings per share (Baht)	0.01	(0.54)

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4 Acquisitions of subsidiaries, associate and jointly-controlled entities

Subsidiaries

TOP SPP

On 26 December 2013, the Company invested in TOP SPP Co., Ltd.. The Company, in which the Company owned 99.99%, has a share capital of 350 million ordinary shares with a par value of Baht 10 each, totalling Baht 3,500 million. The first call was 25% of par value, amounted to Baht 875 million. Subsequently, on 8 April 2014, the Company fully paid for the remaining paid-up capital in proportion to its shareholding, amounting to Baht 2,625 million. The total investment amounted to Baht 3,500 million.

LABIX

On 11 July 2013, a subsidiary (Thai Paraxylene Co., Ltd.) invested in LABIX Co., Ltd. together with Mitsui & Co., Ltd.. The company, in which TPX owned 75%, has a share capital of 465 million ordinary shares with a par value of Baht 10 each, totalling Baht 4,655 million. The first call was 40% of par value, amounted to Baht 1,396 million. Subsequently, on 20 December 2013, a subsidiary fully paid for the remaining paid-up capital in proportion to its shareholding, amounting to Baht 2,095 million. The total investment amounted to Baht 3,491 million.

Associate

GPSC

On 10 January 2013, Independent Power (Thailand) Company Limited ("IPT") and PTT Utility Company Limited ("PTTUT") formed the new amalgamated company and registered the new company namely Global Power Synergy Company Limited ("GPSC") with The Ministry of Commerce.

Pursuant to the amalgamation, the Group as shareholders of IPT swapped all existing ordinary shares held in IPT for new ordinary shares issued by GPSC, resulting in the Group obtaining ownership interests of (a) directly owned by the Company (11.88%) and (b) indirectly owned via Thailoil Power Co., Ltd. (27.71%). Upon the completion of the share swap, the Group derecognised its investment in IPT and recognised the investment in GPSC as an investment in associate accounted for on an equity basis in the consolidated financial statements.

In the separate financial statements, the Company recorded the initial value of investment in GPSC, which is accounted for using the cost method, at the book value of IPT at the amalgamation date.

In the consolidated financial statements, the Group recorded the initial value of the investment in GPSC, which is accounted for using the equity method, at the fair value of GPSC shares received at the amalgamation date and consequently recognised the difference between the fair value of GPSC shares received at the amalgamation date and the Group's interest in IPT on that date as gain on investment disposal in the consolidated statement of income. From 1 January 2014, the Group has adopted TFRIC 4 - Determining whether an Arrangement contains a Lease. The effects of the change are recognised retrospectively in the financial statements as disclosed in note 3(c). The impact of the change on the financial statements as at 30 September 2013 is as follows:

Thai Oil Public Company Limited and its Subsidiaries
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	Consolidated financial statements		
	As previously reported	Impact of change in accounting policy (in million Baht)	As restated
Statement of income for the nine-month period ended 30 September 2013			
Profit (loss) on disposal of investment	568	(1,466)*	(898)**

*Attributable to the Group and the non-controlling interest amount to Baht 1,199 million and 267 million, respectively.

**Attributable to the Group and the non-controlling interest amount to Baht 749 million and 149 million, respectively.

Jointly-controlled entities

TOP-NTL Shipping Trust

During 2013, at the TOP-NTL Shipping Trust's Extraordinary General Meeting of the unitholders, the unitholders passed a resolution to issue additional units on two occasions totalling 950,000 units. The subsidiary (Thaioil Marine Co., Ltd.) fully paid SGD 475,000 or equivalent to Baht 12 million for these additional units on 1 August 2013 and 30 October 2013 in proportion to its unitholding. Subsequently, on 27 June 2014, at the Annual General Meeting of the unitholders, there was a resolution to issue additional units totalling 864,400 units or totalling SGD 432,000 or equivalent to Baht 11.25 million. The subsidiary fully paid for these additional shares in proportion to their shareholding on 9 July 2014.

TOP Nautical Star

On 2 August 2013, a subsidiary (Thaioil Marine Co., Ltd. ("TM")) invested in TOP Nautical Star Co., Ltd. together with Nathalin Co., Ltd. ("Nathalin") and TOP-NTL Shipping Trust ("TOP-NTL"), owned equally by TM and Nathalin. The shareholding portion of TM, Nathalin and TOP-NTL is 35%, 35% and 30% respectively. The company has a share capital of 1.5 million ordinary shares with a par value of Baht 100 each, totalling Baht 150 million. The first call was 25% of par value. Later, TM and TOP-NTL paid for the additional 25% paid-up capital on 30 October 2013, totalling Baht 26.25 million and Baht 22.50 million respectively. Subsequently, on 9 July 2014, TM and TOP-NTL fully paid the remaining 50% of the registered capital, amounted to Baht 26.25 million and Baht 22.50 million respectively.

5 Related parties

Related parties are those parties linked to the Group as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that control or jointly control the Group or are being controlled or jointly controlled by the Group or have transactions with the Group are as follows:

Name of entities	Country of incorporation	Nature of relationships
PTT Public Company Limited	Thailand	Major shareholder
Thai Paraxylene Co., Ltd.	Thailand	Subsidiary and/or common directors
Thai Lube Base Public Company Limited	Thailand	Subsidiary and/or common directors
Thaioil Marine Co., Ltd.	Thailand	Subsidiary and/or common directors
Thaioil Energy Services Co., Ltd.	Thailand	Subsidiary and/or common directors

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Name of entities	Country of incorporation	Nature of relationships
Thaioil Solvent Co., Ltd.	Thailand	Subsidiary and/or common directors
Thaioil Ethanol Co., Ltd.	Thailand	Subsidiary and/or common directors
Thaioil Power Co., Ltd.	Thailand	Subsidiary and/or common directors
TOP SPP Co., Ltd.	Thailand	Subsidiary and/or common directors
TOP Solvent Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Sak Chaisidhi Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
TOP Solvent (Vietnam) LLC.	Vietnam	Indirect subsidiary and/or the Company's management as a director
Sapthip Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Thaioil Marine International Pte. Ltd.	Singapore	Indirect subsidiary and/or common directors
TOP Maritime Service Co., Ltd.	Thailand	Indirect subsidiary and/or the Company's management as a director
LABIX Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
TOP-NTL Pte. Ltd.	Singapore	Jointly-controlled entity of subsidiary
TOP- NTL Shipping Trust	Singapore	Jointly-controlled entity of subsidiary
TOP Nautical Star Co., Ltd.	Thailand	Jointly-controlled entity of subsidiary and/or the Company's management as a director
TOP-NYK MarineOne Pte. Ltd.	Singapore	Jointly-controlled entity of indirect subsidiary and/or the Company's management as a director
PTT ICT Solutions Co., Ltd.	Thailand	Associate and/or the Company's management as a director
PTT Energy Solutions Co., Ltd.	Thailand	Associate and/or the Company's management as a director
Global Power Synergy Co., Ltd.*	Thailand	Indirect associate and/or common directors
Maesod Clean Energy Co., Ltd.	Thailand	Indirect associate and/or the Company's management as a director
Ubon Bio Ethanol Co., Ltd.	Thailand	Indirect associate and/or common directors
Thome Ship Management (Thailand) Co., Ltd.	Thailand	Indirect associate and/or the Company's management as a director
PTT International Trading Pte. Ltd.	Singapore	Subsidiary of major shareholder
PTT Exploration and Production Public Company Limited	Thailand	Subsidiary of major shareholder
PTTEP International Limited	Thailand	Subsidiary of major shareholder
Energy Complex Co., Ltd.	Thailand	Subsidiary of major shareholder
Star Petroleum Refining Public Company Limited	Thailand	Associate of major shareholder
IRPC Public Company Limited	Thailand	Associate of major shareholder
Bangchak Petroleum Public Company Limited	Thailand	Associate of major shareholder
PTT Global Chemical Public Company Limited	Thailand	Associate of major shareholder
PTT Maintenance and Engineering Co., Ltd.	Thailand	Associate of major shareholder
PTT Phenol Co., Ltd.	Thailand	Associate of major shareholder
Thai Petroleum Pipeline Co., Ltd.	Thailand	Related company and/or the Company's management as a director

* On 10 January 2013, Global Power Synergy Company Limited, the amalgamated company resulting from the amalgamation of Independent Power (Thailand) Company Limited and PTT Utility Company Limited.

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The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenue from sale of goods and rendering of services, lease income, purchase of goods and assets	Market prices or, where no market price exists, at contractually agreed prices
Interest income and expense	Agreed rates stipulated in the agreements
Dividend income	Right to receive dividends
Other income and expenses	Contractually agreed prices
Directors' remuneration	Amounts approved by the Group's shareholders

Significant transactions for the three-month and nine-month periods ended 30 September 2014 and 2013 with related parties were as follows:

Three-month periods ended 30 September 2014 and 2013

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
Major shareholder				
Revenue from sale of goods and rendering of services	35,995	47,519	34,398	46,046
Purchase of crude oil and feedstock	38,737	46,300	37,528	45,203
Other income	39	8	39	8
Other expenses	11	11	9	8
Subsidiaries				
Revenue from sale of goods and rendering of services	-	-	12,327	17,657
Purchase of crude oil and feedstock	-	-	8,760	11,511
Purchase-sale of crude oil and feedstock for legal reserve*	-	-	-	308
Interest income	-	-	31	30
Dividend income	-	-	879	879
Land lease income	-	-	14	13
Other income	-	-	267	254
Interest expense	-	-	18	34
Other expenses	-	-	160	188
Purchase of assets	-	-	-	5
Jointly-controlled entities				
Other income	6	-	-	-
Other expenses	231	157	189	155

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	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
Associates				
Purchase of crude oil and feedstock	56	201	42	188
Interest income	1	1	-	-
Land lease income	2	2	2	2
Other income	10	9	9	9
Other expenses	47	55	40	49
Purchase of assets	66	19	66	19
Other related parties				
Revenue from sale of goods and rendering of services	5,491	5,734	4,419	4,574
Purchase of crude oil and feedstock	4,843	3,494	1,508	1,752
Purchase-sale of crude oil and feedstock for legal reserve*	-	702	-	702
Other income	2	9	2	4
Other expenses	50	25	50	25
Directors' remuneration	7	6	4	3

Nine-month periods ended 30 September 2014 and 2013

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
Major shareholder				
Revenue from sale of goods and rendering of services	132,672	143,803	127,831	139,130
Purchase of crude oil and feedstock	120,234	122,438	116,597	118,787
Purchase-sale of crude oil and feedstock for legal reserve*	-	2,380	-	2,380
Other income	90	21	90	21
Other expenses	34	33	28	24
Subsidiaries				
Revenue from sale of goods and rendering of services	-	-	45,980	45,861
Purchase of crude oil and feedstock	-	-	30,911	29,640
Purchase-sale of crude oil and feedstock for legal reserve*	-	-	-	4,962
Interest income	-	-	89	92
Dividend income	-	-	5,936	3,024
Land lease income	-	-	41	36
Other income	-	-	801	717
Interest expense	-	-	72	101
Other expenses	-	-	505	561
Purchase of assets	-	-	-	7

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	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
Jointly-controlled entities				
Other income	21	-	-	-
Other expenses	911	416	765	410
Associates				
Revenue from sale of goods and rendering of services	5	11	3	7
Purchase of crude oil and feedstock	655	503	620	469
Interest income	3	3	-	-
Dividend income	-	-	27	15
Land lease income	5	5	5	5
Other income	60	53	27	29
Other expenses	139	131	123	115
Purchase of assets	108	71	108	71
Other related parties				
Revenue from sale of goods and rendering of services	14,364	13,479	10,442	9,783
Purchase of crude oil and feedstock	10,141	7,825	2,430	1,981
Purchase-sale of crude oil and feedstock for legal reserve*	-	1,379	-	1,379
Other income	8	10	8	5
Other expenses	160	105	159	105
Directors' remuneration	52	84	43	48

* Purchase-sale of crude oil and feedstock transactions entered for the purpose of maintaining the legal minimum reserve levels of crude oil inventory are transacted with related parties and have already been reversed in the interim financial statements for the three-month and nine-month periods ended 30 September 2014 and 2013.

Balances as at 30 September 2014 and 31 December 2013 with related parties were as follows:

Trade accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Major shareholder				
PTT Public Company Limited	9,797	12,436	9,543	11,566

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	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Subsidiaries				
Thai Paraxylene Co., Ltd.	-	-	5,265	5,709
Thai Lube Base Public Company Limited	-	-	109	573
Thaioil Power Co., Ltd.	-	-	47	53
Jointly-controlled entities				
TOP Nautical Star Co., Ltd.	7	-	-	-
Other related parties				
IRPC Public Company Limited	146	66	-	-
Bangchak Petroleum Public Company Limited	217	370	206	310
PTT Exploration and Production Public Company Limited	19	19	-	-
PTT International Trading Pte. Ltd	1,943	134	1,608	-
PTT Global Chemical Public Company Limited	38	20	-	-
	<u>12,167</u>	<u>13,045</u>	<u>16,778</u>	<u>18,211</u>
Less allowance for doubtful accounts	-	-	-	-
Total	<u>12,167</u>	<u>13,045</u>	<u>16,778</u>	<u>18,211</u>

Other accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Major shareholder				
PTT Public Company Limited	8	9	8	9
Subsidiaries				
Thai Paraxylene Co., Ltd.	-	-	27	39
Thai Lube Base Public Company Limited	-	-	27	43
Thaioil Marine Co., Ltd.	-	-	1	1
Thaioil Energy Services Co., Ltd.	-	-	-	4
Thaioil Solvent Co., Ltd.	-	-	18	17
Thaioil Ethanol Co., Ltd.	-	-	4	4
Thaioil Power Co., Ltd.	-	-	38	38
TOP SPP Co., Ltd.	-	-	25	-
TOP Solvent Co., Ltd.	-	-	-	2
Sak Chaisidhi Co., Ltd.	-	-	3	-
LABIX Co., Ltd.	-	-	30	24
Associates				
PTT ICT Solutions Co., Ltd.	2	4	2	4
Maesod Clean Energy Co., Ltd.	2	1	-	-
Global Power Synergy Co., Ltd.	15	2	15	2
Thome Ship Management (Thailand) Co., Ltd.	12	1	-	-

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	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Other related parties				
Bangchak Petroleum Public Company Limited	2	-	2	-
PTT Maintenance and Engineering Co., Ltd.	1	2	1	2
Total	42	19	201	189

Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Subsidiaries				
Thai Paraxylene Co.,Ltd.	-	-	352	-
Thaioil Solvent Co., Ltd.	-	-	2,568	2,486
Thaioil Ethanol Co., Ltd.	-	-	453	437
Associate				
Maesod Clean Energy Co., Ltd.	90	90	-	-
Total	90	90	3,373	2,923

Interest rates during the nine-month periods ended 30 September 2014 and 2013 were charged at money market rate (MMR) but not exceeding the average minimum loan rates (MLR) of 5 financial institutions less margin.

Movements of short-term loans to related parties during the nine-month periods ended 30 September 2014 and 2013 were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
At 1 January	90	90	2,923	3,184
Increases	-	-	1,268	229
Decreases	-	-	(818)	(493)
At 30 September	90	90	3,373	2,920

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Trade accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Major shareholder				
PTT Public Company Limited	13,955	15,873	13,591	14,918
Subsidiaries				
Thai Paraxylene Co., Ltd.	-	-	2,978	3,157
Thai Lube Base Public Company Limited	-	-	109	583
Thaioil Marine Co., Ltd.	-	-	8	57
Thaioil Power Co., Ltd.	-	-	191	193
Sak Chaisidhi Co., Ltd.	-	-	8	2
Sapthip Co., Ltd.	-	-	28	10
Jointly-controlled entity				
TOP Nautical Star Co., Ltd.	15	-	-	-
Associates				
Maesod Clean Energy Co., Ltd.	8	49	8	49
PTT ICT Solutions Co., Ltd.	-	6	-	-
Ubon Bio Ethanal Co., Ltd.	6	54	6	54
Global Power Synergy Co., Ltd.	5	5	-	-
Other related parties				
IRPC Public Company Limited	346	411	7	-
Bangchak Petroleum Public Co.,Ltd.	2	-	2	-
PTT Global Chemical Public Company Limited	157	243	-	-
PTT Phenol Co., Ltd.	10	12	-	-
Total	14,504	16,653	16,936	19,023

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Other accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Major shareholder				
PTT Public Company Limited	4	4	3	3
Subsidiaries				
Thai Paraxylene Co., Ltd.	-	-	-	2
Thai Lube Base Public Company Limited	-	-	3	3
Thaioil Marine Co., Ltd.	-	-	13	5
Thaioil Energy Services Co., Ltd.	-	-	40	107
Associates				
PTT ICT Solutions Co., Ltd.	41	63	41	60
PTT Energy Solutions Co., Ltd.	1	-	1	-
Thome Ship Management (Thailand) Co., Ltd.	16	-	-	-
Other related parties				
Energy Complex Co., Ltd.	1	1	1	1
IRPC Public Company Limited	9	16	9	16
PTT International Trading Pte. Ltd.	1	-	-	-
Thai Petroleum Pipeline Co., Ltd.	4	3	4	3
Total	77	87	115	200

Short-term borrowings from related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Subsidiaries				
Thai Paraxylene Co., Ltd.	-	-	-	2,171
Thai Lube Base Public Company Limited	-	-	1,769	3,481
Thaioil Marine Co., Ltd.	-	-	79	184
Total	-	-	1,848	5,836

Interest rates during the nine-month periods ended 30 September 2014 and 2013 were charged at money market rate (MMR) but not exceeding the average minimum loan rates (MLR) of 5 financial institutions less margin.

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Movements of short-term borrowings from related parties during the nine-month periods ended 30 September 2014 and 2013 were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
At 1 January	-	-	5,836	5,020
Increases	-	-	-	1,127
Decrease	-	-	(3,988)	-
At 30 September	-	-	1,848	6,147

Significant agreements with related parties

As at 30 September 2014 the Group had the following significant agreements with related parties.

Raw Materials and Oil-Products Purchases and Sales Agreements

The Company has raw materials and oil products purchase and sale agreements with a subsidiary, whereby the purchase and sale volumes and prices of raw materials and oil products are specified in the agreements. These agreements are effective on the agreement date and shall be terminated by either party giving at least 6 months notice in writing to the other party.

Oil-Products Sale and Purchase Agreements

The Company has oil products purchase and sale agreements with a subsidiary, whereby the purchase and sale volumes and prices are specified in the agreements. These agreements are effective on the agreement date and shall be terminated if either party does not comply with the terms stipulated in the agreements.

By-Product Sale and Purchase Agreement

The Company has a by-product purchase and sale agreement with a subsidiary, whereby the purchase and sale volumes and prices of the by-product are specified in the agreement. The agreement is for a period of 10 years expiring in September 2014, or until the termination by mutual consent.

Technology and Communication Service Agreement

The Company has a technology and communication service agreement with an associate, whereby the service fees are specified in the agreement. The agreement is for a period of 4 years 6 months expiring in December 2015 and is renewable for additional periods of 5 years.

Crack Spread Swap Agreements

The Company has crack spread swap agreements with a related company ("counterparty"). The Company or the counterparty has commitments to make payments for the differences between the fixed price and floating price for each period.

As at 30 September 2014, the Company had oil volume under the agreements with the related company of 0.2 million barrels (31 December 2013: 0.3 million barrels).

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Product Offtake and Crude Oil Supply Agreement

The Company has a product off take and crude oil supply agreement with a related company, whereby (a) the Company will sell and the related company will purchase refined petroleum products produced by the refinery for 49.99% of 270,000 barrels per day; and (b) the related party will supply and the Company will purchase crude oil and/or feedstock for the refinery required to produce 49.99% of 270,000 barrels per day. The credit term for crude oil shall be mutually agreed.

Feedstock Throughput Agreement

The Company has an agreement with a related company to use the Company's single buoy mooring facility for receiving its feedstock. The agreement is for a period of 15 years expiring in 2023 and the throughput fee is stipulated in the agreement.

Throughput Agreement

The Company has a throughput agreement with a related company, whereby the tariff fee is specified in the agreement. The agreement is for a period of 20 years expiring in 2014 and is renewable.

Natural Gas Supply Agreements

The Company and two subsidiaries have natural gas supply agreements with a related company, whereby the related company agrees to supply the natural gas to the Company and the subsidiaries at quantities and prices as stipulated in the agreements. These agreements are effective for periods of 5 to 25 years expiring during 2016 and 2023.

Cost Reimbursement Agreements

A subsidiary and an associate have cost reimbursement agreements with the Company covering the reimbursement of construction costs of natural gas pipeline facilities and the use of the pipeline facilities, raw water pipeline and the use of land for the construction of a transmission line connecting the subsidiaries and the associate to the Electricity Generating Authority of Thailand (EGAT). Under the terms of the agreements, the subsidiary and the associate agree to share the cost of investments with the Company on the basis and conditions stipulated in the agreement. This agreement is effective for a period of 25 years, or until the termination of the power purchase agreements entered into by the subsidiary and the associate with EGAT, whichever is sooner.

Power and Steam Purchase Agreements

Certain subsidiaries ("sellers") have power and steam purchase agreements with the Company and two subsidiaries for periods of 20 and 25 years expiring in 2023 and 2027, whereby the sellers will sell power and steam energy to the Company and the subsidiaries at the agreed quantities and prices as stipulated in the agreements.

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Services and Supplies Agreements

Certain subsidiaries and an associate have services and supplies agreements with the Company, whereby the Company provides the subsidiaries and the associate for the operating, repair and maintenance, management, controlling and administration, procurement, fuel transmission, waste water treatment and utilities, information technology, financial, accounting and human resource services. The subsidiaries and the associate agree to pay certain fees as stipulated in the agreements. These agreements are for periods of 3 year to 24 years or until the termination of the land lease agreement entered into by a subsidiary with the Company, whichever is sooner or until the termination of the power purchase agreement entered into by the associate with EGAT.

A subsidiary has services and supplies agreement with the Company, whereby the subsidiary provides the Company for human resource services, whereby the service fees are specified in the agreement. This agreement is for a period of 2 year expiring in December 2015.

Land Lease Agreements

Certain subsidiaries and an associate have land lease agreements with the Company to lease/sublease certain parcels of land ending in September 2022 and August 2043 with total annual rental for the year 2014 of Baht 62 million, and the rate will be adjusted every 5 years.

The Company has a land lease agreement with a related company to lease certain parcels of land ending in August 2026 with total annual rental for the year 2014 of Baht 2.7 million. If the company does not giving a cancelable notice with in a months before contract end date, the contract shall be renewed for additional 15 years.

Raw Materials and Petrochemical Products Purchase and Sale Agreements

A subsidiary has raw materials and petrochemical products purchase and sale agreements with related companies, whereby the purchase and sale volumes and prices of raw materials and petrochemical products are specified in the agreements. These agreements are for periods of 1 year to 15 years expiring during 2014 and 2017.

Technical Service Agreements

A subsidiary has technical service agreements with the Company and three subsidiaries to provide a consultancy technical solutions service for energy-related and petrochemical businesses, whereby the service fees are specified in the agreements. These agreements are for a period of at least 3 years and shall be terminated by either party giving at least 30 days notice in writing to the other party.

An associate has a technical service agreement with the Company to provide a consultancy technical solutions service for energy-related and petrochemical businesses, whereby the service fees are specified in the agreements. This agreement is for a period of 5 years expiring in August 2016 and shall be automatically renewed for another a period of 5 years until either party giving at least 6 months notice in writing to the other party.

Time Charter and Affreightment Agreements

A subsidiary has time charter and affreightment agreements with the Company and another subsidiary, whereby the freight rate is specified in the agreement. The agreements are for periods of 1 year expiring during 2015.

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Two jointly-controlled entities have time charter agreements with the Company, whereby the freight rate is specified in the agreement. The agreements are for periods of 10 years expiring in 2021 and 2022.

Charter of Crew Boat Agreements

An indirect subsidiary has charter of crew boat agreements with a related company, whereby the service fees are specified in the agreements. The agreements are for period of 3 and 5 years expiring in 2016 and 2017 and shall be renewed for period of 2 years by either party giving at least 3 days before contract end date notice in writing to the other party.

Office Rental Agreements

A subsidiary has office rental agreements with a related company, whereby the rental fees are specified in the agreements. These agreements have no specified expiry date so the compliance with conditions specified in the agreements is ongoing until either party giving at least 30 days written notice of termination to the other party.

The Company has office rental and service agreements with a related party, whereby the rental and service fees are specified in the agreements. The agreements are for the periods of 3 years expiring in November 2015 and are renewable for additional periods of 3 years.

Ethanol Products Purchase and Sale Agreements

A subsidiary and an associate have ethanol products purchase and sale agreements with the Company, whereby the purchase and sale volumes and prices of the ethanol products are specified in the agreement. The agreement expired in December 2010 and the other one expired in December 2013. These agreements shall be automatically renewed for additional period of 1 year until either party giving at least 30 days notice in writing to the other party.

A subsidiary has an ethanol products purchase and sale agreement with a related company, whereby the purchase and sale volumes and prices of the ethanol products are specified in the agreement. The agreement is for a period of 10 years expiring in June 2021 and shall be renewed by either party giving at least 6 months before contract end date notice in writing to the other party.

Service Agreement

A subsidiary has a service agreement with the Company, whereby the service fees are specified in the agreement. This agreement is for a period of 2 year expiring in December 2014.

The Company has a service agreement with a subsidiary, whereby the service fees are specified in the agreement. This agreement is for a period of 2 years and 6 months expiring in December 2015.

The Company has a service agreement with a subsidiary, whereby the Company provides the subsidiary for the management, controlling and administration services at the service fee as specified in the agreement. This agreement is for a period of not exceeding 27 months or until the termination of the land lease agreement entered into by the subsidiary with the Company, whichever is sooner.

Ship Management Agreements

An indirect associate has ship management agreements with a subsidiary, whereby the service fees are specified in the agreements. These agreements are for a period of at least 1 year and shall be terminated by either party giving 3 months notice in writing to the other party.

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Crude Oil Storage Tank Service Agreement

A related company has a crude oil storage tank service agreement with the Company, whereby the service fees are specified in the agreement. This agreement is for a period of 3 years expiring in September 2016.

The Company has a crude oil storage tank service agreement with a related company, whereby the service fees are specified in the agreement. This agreement is for a period of 1 year and 1 month expiring in December 2014.

Loan Agreement

The Company has uncommitted unsecured short term inter-company borrowing and lending agreements with a related company to manage liquidity. Each of the borrowing credit line and lending credit line is not exceeding Baht 2,000 million, bearing the interest rate reference by BIBOR or LIBOR, plus interest rate margin by taking into account on the short term borrowing interest rate, the return on short term investment and credit rating of the Company and the counterparty. These agreements are for a period of 1 year expiring in December 2014.

6 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	30 September 2014	31 December 2013	30 September 2014	31 December 2013
		<i>(in million Baht)</i>			
Related parties	5	12,167	13,045	16,778	18,211
Other parties		15,833	15,702	10,989	10,078
		28,000	28,747	27,767	28,289
Less allowance for doubtful accounts		1	1	-	-
Total		27,999	28,746	27,767	28,289

		Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		<i>(in million Baht)</i>			
Bad and doubtful debts expense for the nine-month period ended 30 September		-	-	-	-

Aging analyses for trade accounts receivable are as follows:

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	30 September 2014	31 December 2013	30 September 2014	31 December 2013
		<i>(in million Baht)</i>			
Related parties					
Within credit terms		12,164	13,040	16,778	18,211
Overdue:					
3 – 6 months		3	5	-	-
		12,167	13,045	16,778	18,211
Less allowance for doubtful accounts		-	-	-	-
Net	5	12,167	13,045	16,778	18,211

Thai Oil Public Company Limited and its Subsidiaries
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	Consolidated financial statements		Separate financial statements	
<i>Note</i>	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Other parties				
Within credit terms	15,816	15,682	10,989	10,078
Overdue:				
Less than 3 months	8	13	-	-
3 - 6 months	5	2	-	-
6 - 12 months	2	2	-	-
Over 12 months	2	3	-	-
	<u>15,833</u>	<u>15,702</u>	<u>10,989</u>	<u>10,078</u>
Less allowance for doubtful accounts	1	1	-	-
Net	<u>15,832</u>	<u>15,701</u>	<u>10,989</u>	<u>10,078</u>
Total	<u>27,999</u>	<u>28,746</u>	<u>27,767</u>	<u>28,289</u>

The normal credit term granted by the Group ranges from 15 days to 90 days.

7 Investments in subsidiaries

		Separate financial statements	
	<i>Note</i>	2014	2013
		<i>(in million Baht)</i>	
At 1 January		11,920	11,533
Acquisitions	4	2,625	-
Disposal	4, 8	-	(488)
At 30 September		<u>14,545</u>	<u>11,045</u>
At 31 December			<u>11,920</u>

Thai Oil Public Company Limited and its Subsidiaries
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Investments in subsidiaries as at 30 September 2014 and 31 December 2013, and dividend income for the nine-month periods ended 30 September 2014 and 2013 were as follows:

	Separate financial statements						Dividend income	
	Ownership interest		Paid-up capital		Cost method		for nine-month period ended	
	30 September 2014	31 December 2013 (%)	30 September 2014	31 December 2013	30 September 2014	31 December 2013	30 September 2014	30 September 2013
<i>(in million Baht)</i>								
Subsidiaries								
Thai Paraxylene Co., Ltd.	99.99	99.99	2,572	2,572	2,161	2,161	3,087	450
Thai Lube Base Public Company Limited	99.99	99.99	1,758	1,758	1,979	1,979	2,637	2,109
Thaioil Marine Co., Ltd.	99.99	99.99	970	970	970	970	48	49
Thaioil Energy Services Co., Ltd.	99.99	99.99	40	40	40	40	60	-
Thaioil Solvent Co., Ltd.	99.99	99.99	1,250	1,250	1,250	1,250	-	-
Thaioil Ethanol Co., Ltd.	99.99	99.99	1,450	1,450	1,450	1,450	-	-
Thaioil Power Co., Ltd.	73.99	73.99	2,810	2,810	3,195	3,195	104	416
TOP SPP Co., Ltd.	99.99	99.99	3,500	875	3,500	875	-	-
Total			14,350	11,725	14,545	11,920	5,936	3,024

None of the Company's investment in subsidiaries are publicly listed and consequently do not have published price quotations.

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Notes to the interim financial statements
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8 Investments in associates and jointly-controlled entities

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2014	2013 (Restated)	2014	2013
		<i>(in million Baht)</i>			
At 1 January - as reported		11,579	1,286	1,261	60
Impact of change in accounting policy	3	143	-	-	-
At 1 January - restated		11,722	1,286	1,261	60
Share of net gain of investments - equity method		648	477	-	-
Acquisition of associate and jointly-controlled entities	4, 7	38	7,354	-	488
Dividend income		(75)	(15)	-	-
Currency transaction differences		(5)	9	-	-
At 30 September		12,328	9,111	1,261	548
At 31 December			11,722		1,261

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Investments in associates and jointly-controlled entities as at 30 September 2014 and 31 December 2013, and dividend income for the nine-month periods ended 30 September 2014 and 2013 were as follows:

	Consolidated financial statements								Dividend income for nine-month period ended	
	Ownership interest		Paid-up capital		Cost method		Equity method		30	30
	30	31	30	31	30	31	30	31	30	30
	September	December	September	December	September	December	September	December	September	September
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
								(Restated)		
	(%)		(in million Baht)							
Associates										
PTT ICT Solutions Co., Ltd.	20.00	20.00	150	150	30	30	171	152	12	15
PTT Energy Solutions Co., Ltd.	20.00	20.00	150	150	30	30	40	37	2	-
Global Power Synergy Co., Ltd.	39.59*	39.59*	11,237	11,237	3,855	3,855	10,852	10,283	45	-
Maesod Clean Energy Co., Ltd.	30.00	30.00	675	675	203	203	69	58	-	-
Ubon Bio Ethanol Co., Ltd.	21.28	21.28	2,740	2,740	769	769	758	763	-	-
Thome Ship Management (Thailand) Co., Ltd.	33.33	33.33	3	3	1	1	10	7	-	-
			14,955	14,955	4,888	4,888	11,900	11,300	59	15
Jointly-controlled entities										
TOP-NTL Pte. Ltd.	50.00	50.00	1	1	-	-	5	3	-	-
TOP-NTL Shipping Trust	50.00	50.00	48	26	24	13	21	11	-	-
TOP Nautical Star Co., Ltd.	35.00	35.00	150	75	53	26	32	16	-	-
TOP-NYK MarineOne Pte. Ltd.	50.00	50.00	548	548	274	274	370	392	16	-
			747	650	351	313	428	422	16	-
Total			15,702	15,605	5,239	5,201	12,328	11,722	75	15

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	Separate financial statements							
	Ownership interest		Paid-up capital		Cost method		Dividend income	
	30 September 2014	31 December 2013 (%)	30 September 2014	31 December 2013	30 September 2014	31 December 2013 (in million Baht)	for nine-month period ended 30 September 2014	30 September 2013
PTT ICT Solutions Co., Ltd.	20.00	20.00	150	150	30	30	12	15
PTT Energy Solutions Co., Ltd.	20.00	20.00	150	150	30	30	2	-
Global Power Synergy Co., Ltd.	11.88*	11.88*	11,237	11,237	1,201	1,201	13	-
Total			11,537	11,537	1,261	1,261	27	15

* The Company and a subsidiary (Thaioil Power Co., Ltd.) hold a 11.88% and 27.71% interest in Global Power Synergy Co., Ltd. respectively.

None of the group's investment in associates and jointly-controlled entries are publicly listed and consequently do not have published price quotations.

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9 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the nine-month periods ended 30 September 2014 and 2013 were as follows:

<i>Nine-month period ended 30 September</i>	Consolidated financial statements	
	2014	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in million Baht)</i>	
Land	2,164	-
Buildings	3	-
Refinery plant and equipment	9,638	-
Power plants	32	-
Machinery, equipment and plant equipment	1,234	-
Oil and liquid chemical tanker and crew boats	438	-
Furniture, fixtures, office equipment and others	46	-
Vehicles	1	-
Construction in progress	13,430	11,190
Total	26,986	11,190

<i>Nine-month period ended 30 September</i>	Consolidated financial statements		
	2013		
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Transfers out from disposal of subsidiary - net book value
	<i>(in million Baht)</i>		
Land	120	-	-
Buildings	52	4	4
Leasehold improvement	-	-	3
Refinery plant and equipment	282	18	-
Paraxylene plants	20	-	-
Machinery, equipment and plant equipment	56	-	135
Oil and liquid chemical tanker and crew boats	100	-	-
Furniture, fixtures, office equipment and others	39	-	2
Vehicles	-	-	1
Construction in progress	8,313	215	2
Total	8,982	237	147

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<i>Nine-month period ended 30 September</i>	Separate financial statements			
	2014		2013	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value <i>(in million Baht)</i>	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land	2,152*	-	72	135
Building	3	-	44	-
Refinery plant and equipment	9,633	-	281	18
Machinery, equipment and plant equipment	12	-	10	-
Furniture, fixtures, office equipment and others	20	-	27	-
Construction in progress	4,943	9,483	6,667	111
Total	16,763	9,483	7,101	264

*Land purchased for the future project of the Company

10 Debentures

On 12 March 2014, the Company issued debentures to institutional investors and/or high net worth investors totalling Baht 15,000 million as detailed below :

Tranche No. 1: the 3-year principal amount of Baht 2,000 million, maturing on 12 March 2017 at a coupon rate of 3.41% per annum

Tranche No. 2: the 5-year principal amount of Baht 3,000 million, maturing on 12 March 2019 at a coupon rate of 4.13% per annum

Tranche No. 3: the 7-year principal amount of Baht 3,000 million, maturing on 12 March 2021 at a coupon rate of 4.61% per annum

Tranche No. 4: the 10-year principal amount of Baht 7,000 million, maturing on 12 March 2024 at a coupon rate of 4.84% per annum

11 Trade accounts payable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 September 2014	31 December 2013	30 September 2014	31 December 2013
		<i>(in million Baht)</i>			
Related parties	5	14,504	16,653	16,936	19,023
Other parties		15,444	14,901	13,961	13,116
Total		29,948	31,554	30,897	32,139

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12 Employee benefit obligations

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
Defined benefit obligations at 1 January	2,635	2,473	2,455	2,305
Actuarial gain	(7)	-	-	-
Benefits paid by the plan	(44)	(29)	(44)	(28)
Current service costs and interest	206	203	186	183
Decrease from disposal of subsidiary	-	(10)	-	-
Defined benefit obligations at 30 September	<u>2,790</u>	<u>2,637</u>	<u>2,597</u>	<u>2,460</u>

The expense is recognised in the following line items in the statements of income:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in million Baht)			
Three-month period ended 30 September				
Cost of sale of goods and rendering of services	49	49	44	43
Administrative expenses	19	19	18	18
Total	68	68	62	61
Nine-month period ended 30 September				
Cost of sale of goods and rendering of services	148	145	132	129
Selling expenses	1	1	-	-
Administrative expenses	57	57	54	54
Total	206	203	186	183

Principal actuarial assumptions at 30 September 2014 and 31 December 2013.

	Consolidated financial statements and Separate financial statements (% per annum)
Discount rate	Interest rate of long-term Thai Government Bond
Salary increases rate	4.0-10.0
Employee turnover	0.0-1.5
Mortality rate	Based on Thailand Mortality Ordinary 2008 (TMO08)

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13 Segment information

Segment information is presented in respect of the Group's operating segments. The primary format, business segments, is based on the Group's management and the internal reporting structure provided to the chief operating decision maker.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Reportable segments

The Group comprises the following main business segments:

Segment 1:	Oil refinery
Segment 2:	Lube base oil refinery
Segment 3:	Petrochemical
Segment 4:	Power generation
Segment 5:	Oil and chemical products transportation services
Segment 6:	Solvent
Segment 7:	Ethanol
Segment 8:	Other

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Total asset, revenue and results, based on business segments, in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2014 and 2013 were as follows:

<i>Three-month period ended 30 September 2014</i>										
	Oil refinery	Lube base oil refinery	Petro-chemical	Power generation	Oil and chemical product transportation services (in million Baht)	Solvent	Ethanol	Other	Eliminations	Total
Revenue from sale of goods and rendering of services										
- External	75,198	4,871	5,022	253	165	2,526	219	-	-	88,254
- Inter-segment	14,103	1,717	6,304	977	104	23	184	131	(23,543)	-
Total	89,301	6,588	11,326	1,230	269	2,549	403	131	(23,543)	88,254
Segment profit (loss) before income tax	(1,833)	300	(287)	372	1	69	9	13	851	(2,207)
<i>Three-month period ended 30 September 2013 (Restated)</i>										
	Oil refinery	Lube base oil refinery	Petro-chemical	Power generation	Oil and chemical product transportation services (in million Baht)	Solvent	Ethanol	Other	Eliminations	Total
Revenue from sale of goods and rendering of services										
- External	90,980	5,862	8,546	266	123	2,451	272	-	-	108,500
- Inter-segment	17,657	1,937	8,836	1,068	186	3	130	111	(29,928)	-
Total	108,637	7,799	17,382	1,334	309	2,454	402	111	(29,928)	108,500
Segment profit (loss) before income tax	6,505	812	1,302	280	72	110	41	20	(852)	8,290

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For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

	Nine-month period ended 30 September 2014									
	Oil refinery	Lube base oil refinery	Petro-chemical	Power generation	Oil and chemical product transportation services (in million Baht)	Solvent	Ethanol	Other	Eliminations	Total
Revenue from sale of goods and rendering of services										
- External	255,569	15,475	20,882	782	447	7,445	945	-	-	301,545
- Inter-segment	45,980	5,518	23,259	3,070	424	35	324	352	(78,962)	-
Total	301,549	20,993	44,141	3,852	871	7,480	1,269	352	(78,962)	301,545
Segment profit (loss) before income tax	7,276	1,295	(903)	949	128	201	99	34	(5,879)	3,200
Segment total assets										
At 30 September 2014	168,154	10,605	28,503	14,381	4,203	7,114	2,825	265	(27,636)	208,414
At 31 December 2013 (Restated)	168,963	13,115	31,152	11,539	4,081	6,849	2,998	312	(30,347)	208,662

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Nine-month period ended 30 September 2013 (Restated)										
	Oil refinery	Lube base oil refinery	Petro-chemical	Power generation	Oil and chemical product transportation services (in million Baht)	Solvent	Ethanol	Other	Eliminations	Total
Revenue from sale of goods and rendering of services										
- External	256,424	16,112	24,617	1,051	404	7,200	812	3	-	306,623
- Inter-segment	45,862	4,433	23,303	3,031	520	72	222	321	(77,764)	-
Total	302,286	20,545	47,920	4,082	924	7,272	1,034	324	(77,764)	306,623
Segment profit (loss) before income tax	8,243	1,433	3,186	(139)	173	238	86	79	(2,964)	10,335
Segment total assets										
At 30 September 2013	180,708	12,104	28,865	8,920	3,931	6,486	2,871	307	(29,531)	214,661
At 31 December 2012 (Restated)	135,550	12,699	25,778	17,849	3,681	5,626	2,590	200	(30,883)	173,090

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14 Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the three-month and nine-month periods ended 30 September 2014 and 2013 were based on the profit (loss) for the periods attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the three-month and nine-month periods ended 30 September 2014 and 2013 as follows:

Three-month periods ended 30 September 2014 and 2013

	Consolidated financial statements		Separate financial statements	
	2014	2013 (Restated)	2014	2013
	<i>(in million Baht/million shares)</i>			
Profit (loss) attributable to owners of the Company	(2,175)	7,629	(1,621)	6,385
Weighted average number of ordinary shares outstanding during the period	2,040	2,040	2,040	2,040
Basic earning (loss) per share (Baht)	<u>(1.07)</u>	<u>3.74</u>	<u>(0.79)</u>	<u>3.13</u>

Nine-month periods ended 30 September 2014 and 2013

	Consolidated financial statements		Separate financial statements	
	2014	2013 (Restated)	2014	2013
	<i>(in million Baht/million shares)</i>			
Profit attributable to owners of the Company	2,453	9,307	7,121	8,219
Weighted average number of ordinary shares outstanding during the period	2,040	2,040	2,040	2,040
Basic earnings per share (Baht)	<u>1.20</u>	<u>4.56</u>	<u>3.49</u>	<u>4.03</u>

15 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
Capital commitments				
Projects construction agreements	12,551	22,955	1,845	15,035
License agreement	1,109	1,113	-	-
Other agreement	762	750	-	-
Total	<u>14,422</u>	<u>24,818</u>	<u>1,845</u>	<u>15,035</u>

Thai Oil Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	<i>(in million Baht)</i>			
<i>Non-cancellable operating lease commitments</i>				
Within one year	208	208	201	201
After one year but within five years	869	851	864	842
After five years	679	852	680	852
Total	1,756	1,911	1,745	1,895
<i>Other commitments</i>				
Inventory management services agreements	95	134	-	-
Forward exchange contracts	5,164	599	-	-
Letters of guarantee issued by financial institutions	1,234	584	1,090	404
Crude oil purchase agreements	53,303	45,617	53,303	45,617
Total	59,796	46,934	54,393	46,021

Power Purchase Agreement

A subsidiary has a power purchase agreement for a period of 25 years with the Electricity Generating Authority of Thailand (“EGAT”) expiring in 2023 whereby the subsidiary will supply the electric energy to EGAT at the agreed quantity and price. As the contracted party with EGAT, the subsidiary must comply with conditions and restrictions provided for in the agreement.

16 Contingent liabilities and contingent assets

As at 30 September 2014 the Group had the following contingent liabilities and contingent assets:

- The Company has crack spread swap and time spread swap with foreign companies (“counterparties”). The Company has or the counterparties have commitments to make payments for the differences between the fixed price and floating price for each period.

As at 30 September 2014 the Company had oil volume under the agreements totalling 19.5 million barrels (31 December 2013: 20.7 million barrels).

- The Company has commodity option agreements with foreign companies (“counterparties”). The Company has or the counterparties have commitments to make payments for the differences between the strike price and floating price of the crude oil price at maturity date.

As at 30 September 2014 the Company had crude oil volume under the agreements totalling 3.0 million barrels (31 December 2013: 0.3 million barrels).

Thai Oil Public Company Limited and its Subsidiaries
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17 Dividend

At the meeting of the Board of the Directors of the Company held on 29 August 2014, the Company's Board of Directors approved the appropriation of 2014 interim dividends at Baht 0.56 per share, totalling Baht 1,142 million. The interim dividends were paid to the Company's shareholders in September 2014.

At the annual general meeting of the shareholders of the Company held on 2 April 2014, the Company's shareholders approved the appropriation of 2013 annual dividends at Baht 2.30 per share, totalling Baht 4,692 million. After a deduction of the interim dividends of Baht 0.80 per share which were already paid to the Company's shareholders in September 2013, the remaining dividends of Baht 1.50 per share, totalling Baht 3,060 million, were already paid to the Company's shareholders in April 2014.

At the meeting of the Board of the Directors of the Company held on 31 August 2013, the Company's Board of Directors approved the appropriation of 2013 interim dividends at Baht 0.80 per share, totalling Baht 1,632 million. The interim dividends were paid to the Company's shareholders in September 2013.

At the annual general meeting of the shareholders of the Company held on 2 April 2013, the Company's shareholders approved the appropriation of 2012 annual dividends at Baht 2.70 per share, totalling Baht 5,508 million. After a deduction of the interim dividends of Baht 0.50 per share which were already paid to the Company's shareholders in September 2012, the remaining dividends of Baht 2.20 per share, totalling Baht 4,488 million, were already paid to the Company's shareholders in April 2013.