

Siamgas and Petrochemicals PLC



Presentation

for investor & analyst

2Q'11



“Toward a New Horizon”

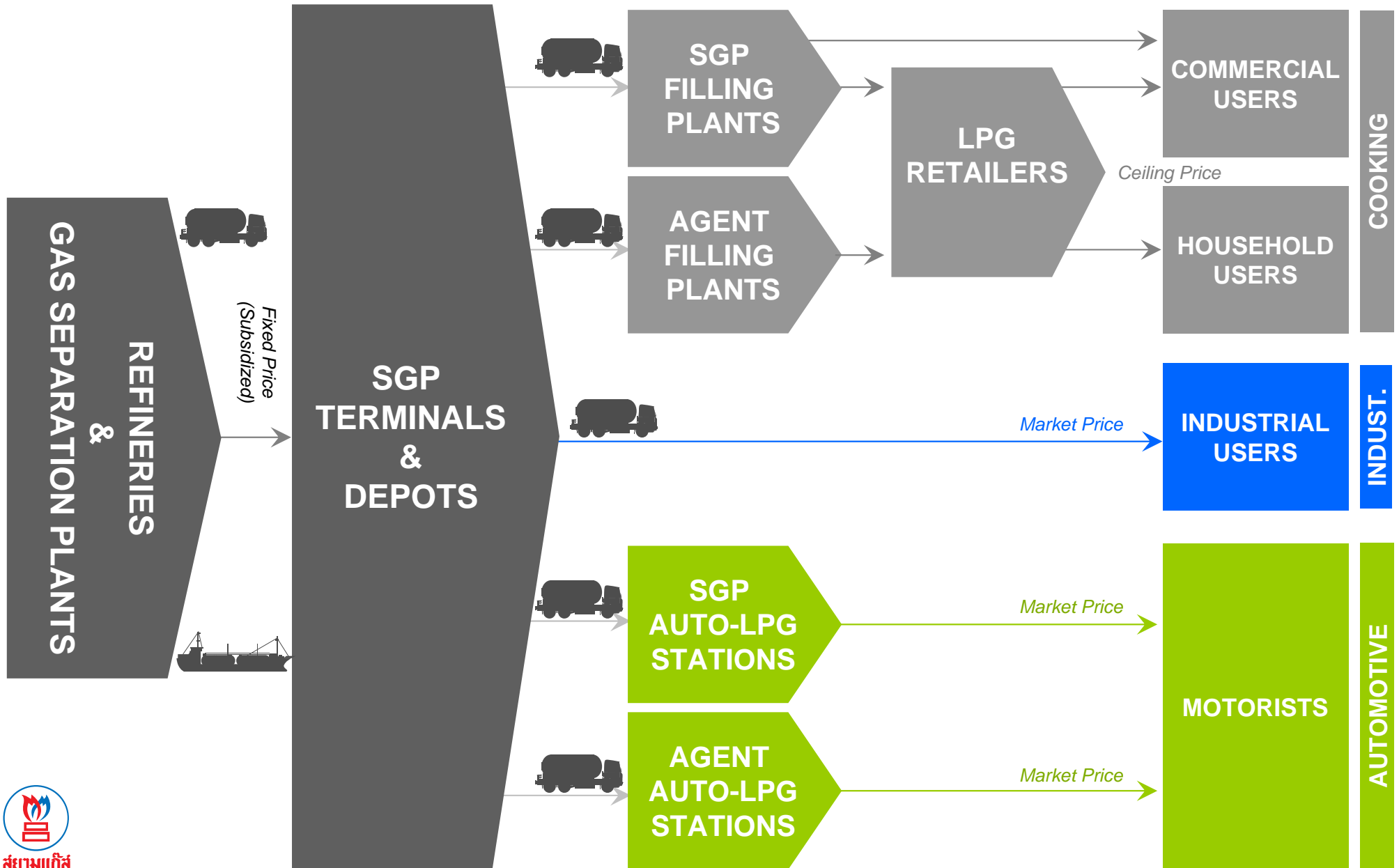
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- Thailand LPG Market Review
- Business Expansion Project Updates
- Financial Results
- Q & A

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- The government lifted LPG subsidy by THB 3/kg for industrial sector starting July 19, 2011, and plans to lift THB 9/kg in the next 3 quarters.
- Growing LPG consumption due to the rising oil price and improving economic situation

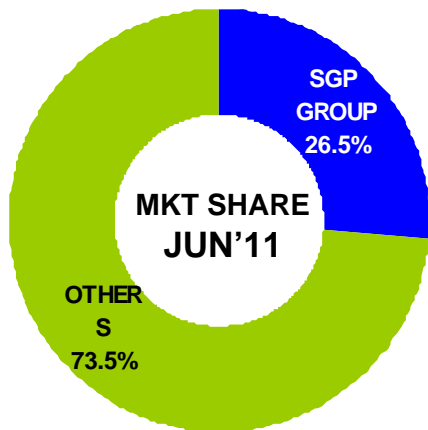
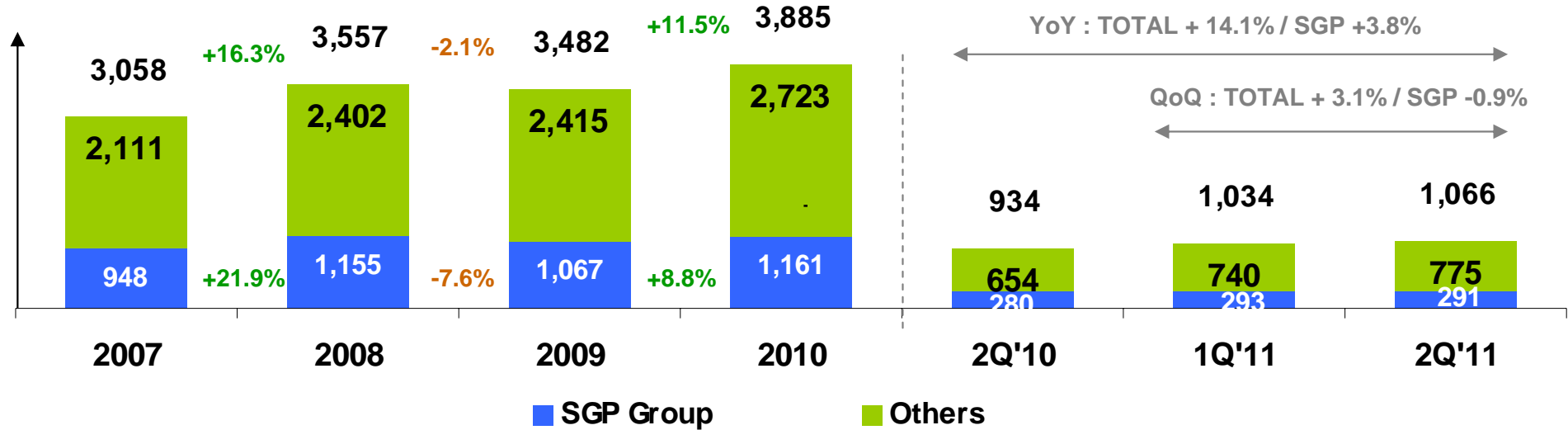
SGP – Domestic LPG Distribution



Thailand LPG Market Highlights

[All Sectors] ⁷

Sales Vol ('1000 tons)



Total market size 3.89 million TPA (2010)

- Cooking 2.44 million TPA (63%)
- Automotive 0.68 million TPA (17%)
- Industrial 0.77 million TPA (20%)

Average growth ('06-'10) 9.6%

Factors affecting LPG Market

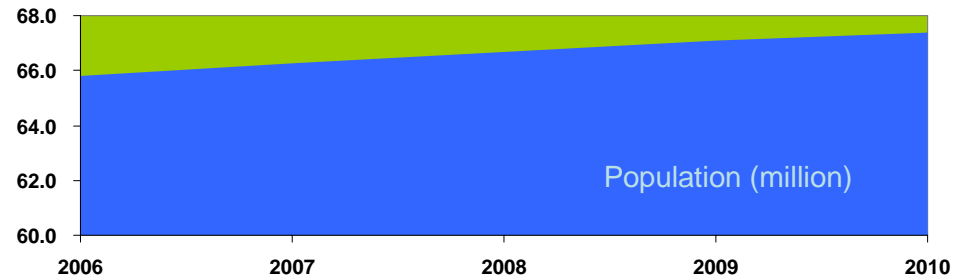
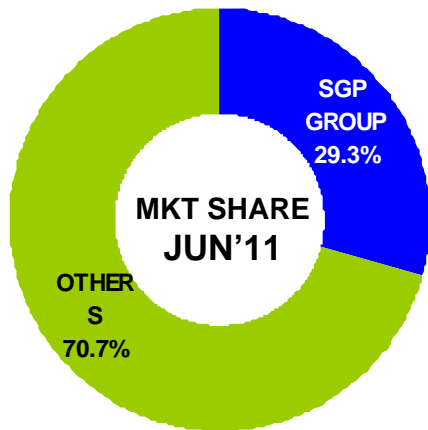
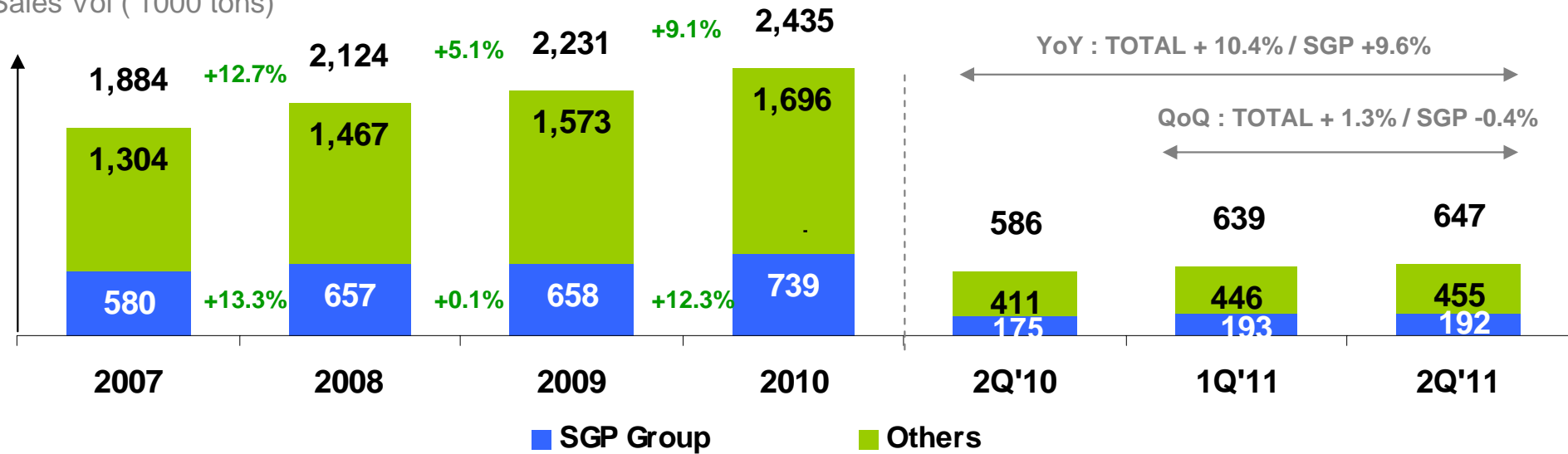
- Oil Price
- Global & National Economic Situation
- Population Growth
- Government's Energy Policy

Data Source : Department of Energy Business



Thailand LPG Market Highlights

Sales Vol ('1000 tons)



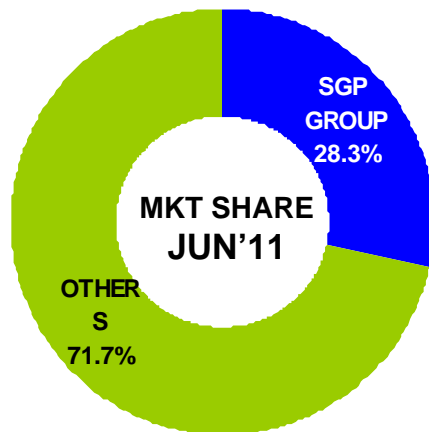
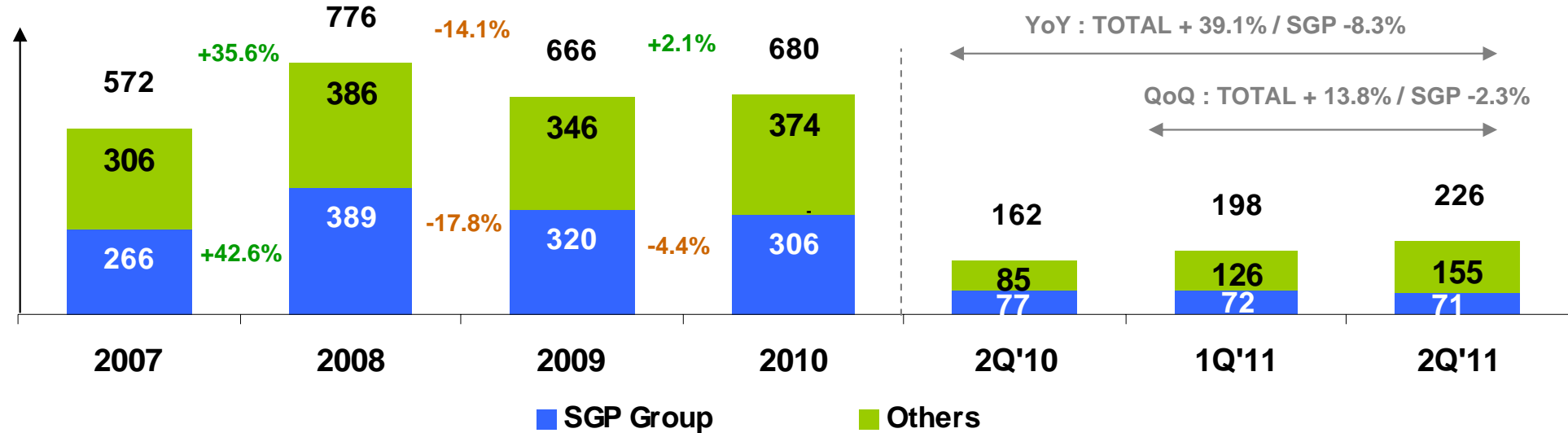
- Continuous and steady growth
- Higher demand in commercial sector
- Few substituted energy sources

Data Source : Department of Energy Business

Thailand LPG Market Highlights

[Automotive Sector]

Sales Vol ('1000 tons)



Ref. Bangkok retail oil price as of Aug 30, 11 / CP Price of Aug'11 – USD 860/Ton

ENERGY	UNIT	RETAIL PRICE	CONS. KM/LT	COST THB/KM
NGV	THB/KG	8.50	10.69	0.80
LPG	THB/LT	11.30	7.41	1.52
LPG WORLD PRICE	THB/LT	17.40	7.41	2.35
E85	THB/LT	21.92	6.13	3.57
GASOHOL 91 (E10)	THB/LT	33.94	7.91	4.29
GASOHOL 95 (E10)	THB/LT	36.44	7.91	4.61
UGR 91	THB/LT	34.77	8.76	3.97

- Rising oil price – growing LPG consumption
- Competition became more intense.

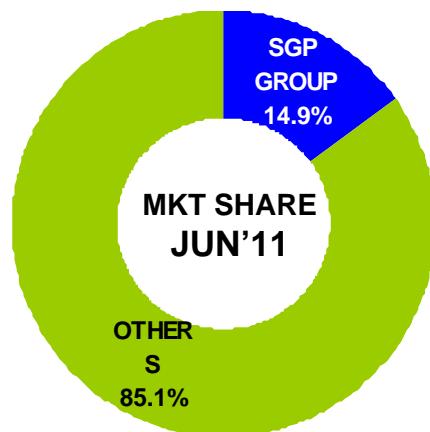
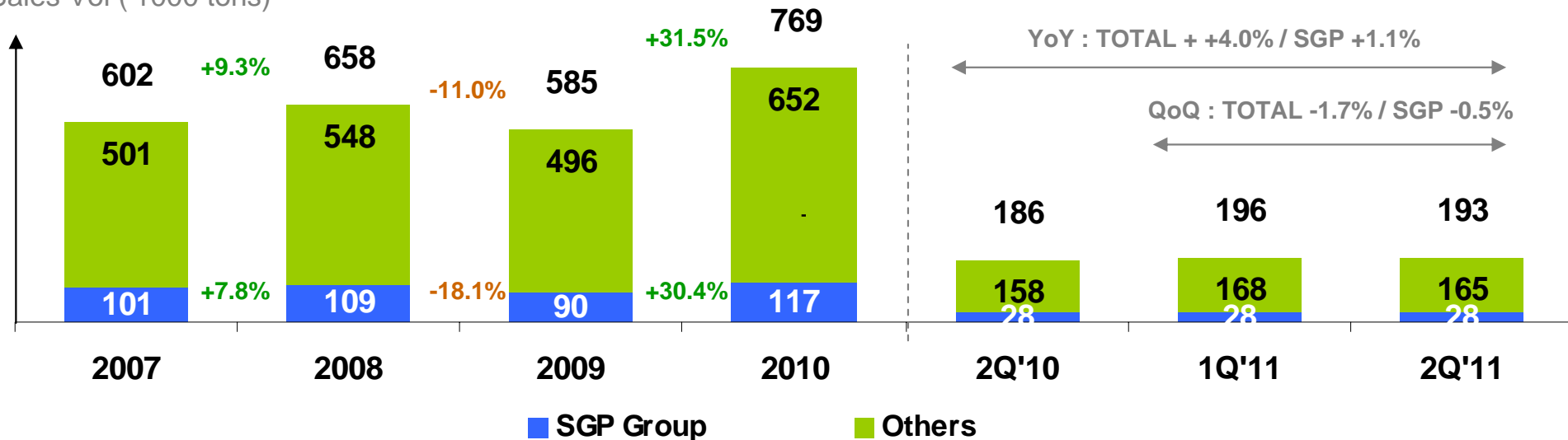
Data Source : Department of Energy Business



Thailand LPG Market Highlights

[Industrial Sector] ¹⁰

Sales Vol ('1000 tons)



Ref. LPG price – after THB 3/kg 1st adjustment on July 19, 2011 // CP Price of Aug'11 – USD 860/Ton

ENERGY	UNIT	PRICE (Exc.VAT)	HEATING VALUE (BTU)	PRICE/ Mil BTU
COAL	THB/KG	2.70	23,003	117.38
NG	THB/Mil BTU	340.00	1,000,000	340.00
LPG	THB/KG	20.12	47,300	425.37
FUELOIL	THB/LT	24.00	39,600	606.06
LPG WORLD PRICE	THB/KG	29.21	47,300	617.53
DIESEL OIL	THB/LT	26.99	36,700	735.42

- Favorable economic outlook for 2011
- Expected continual growth of manufacturing sector
- Govt' policy in lifting LPG price for industrial usage

Data Source : Department of Energy Business



- Thailand LPG Market Review
- **Business Expansion Project Updates**
- Financial Results
- Q & A

"Toward a New Horizon"

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to be a leading energy operator in East Asia

Growth Strategies

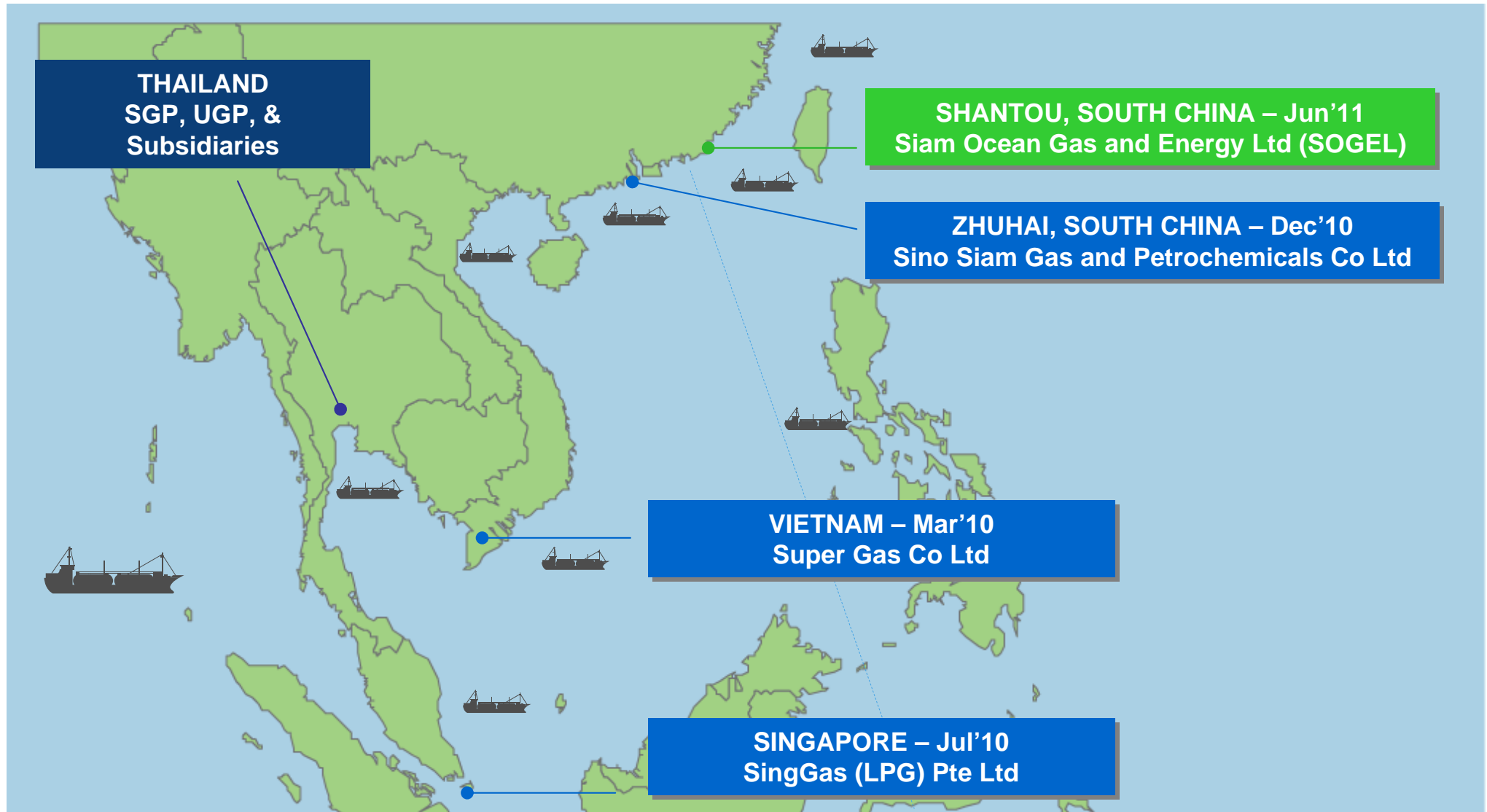


- **Domestic business**
 - Catch up with Thailand market growth, 9-10%
 - Expand network and improve logistics efficiency
- **Geographical Expansion**
 - Focus on core business, LPG and related energy businesses
 - Focus on reachable regions, Southeast Asia -> East Asia -> Asia
 - Mainly expand through Merger & Acquisition projects
 - Trend of major oil companies in divesting downstream business
 - Cost efficiency management
 - Strengthen logistics and supply chain
 - Utilize synergies from acquired assets



สยามแก๊ส

SGP's operations in East Asia



- Existing Assets
- Acquisitions in 2010
- Acquisition closing in 2Q'11



Overseas Business Operations

Super Gas Co Ltd



Vietnam

March 2010

LPG Business
 Acquired Super Gas Co.,Ltd.
 USD 11.5 mil
 LPG Terminal & Filling Plant
 Storage. Cap 2,000 tons



SingGas (LPG) Pte Ltd



Singapore

July 2010

LPG Business
 Acquired from Shell Gas (LPG)
 SGD 15 mil
 LPG Filling Plant
 Storage. Cap 75 tons



Sino Siam Gas & Petrochemicals Co Ltd



Zhuhai, China

Dec 2010

LPG Business
 Acquired from BP Zhuhai (LPG)
 USD 101 mil
 LPG Terminal (Bulk-Breaking)
 LPG Filling Plant
 LPG Retail Outlets
 Storage. Cap 200,000 tons
 (Underground Storage Caverns)



Siam Gas Ocean & Energy Ltd



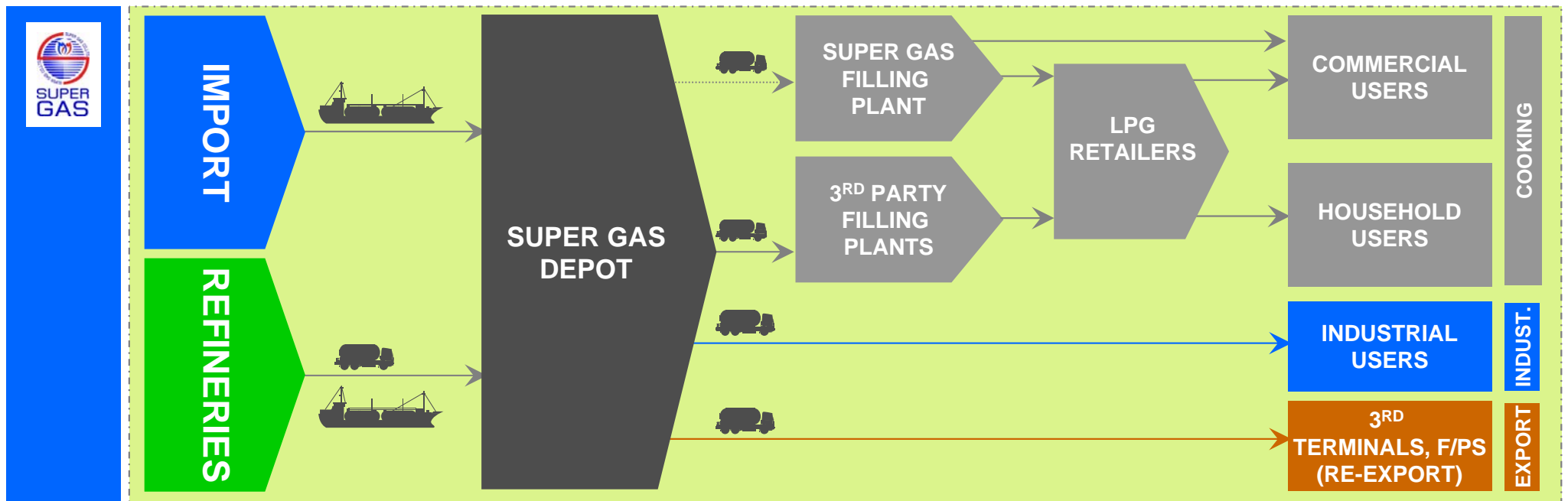
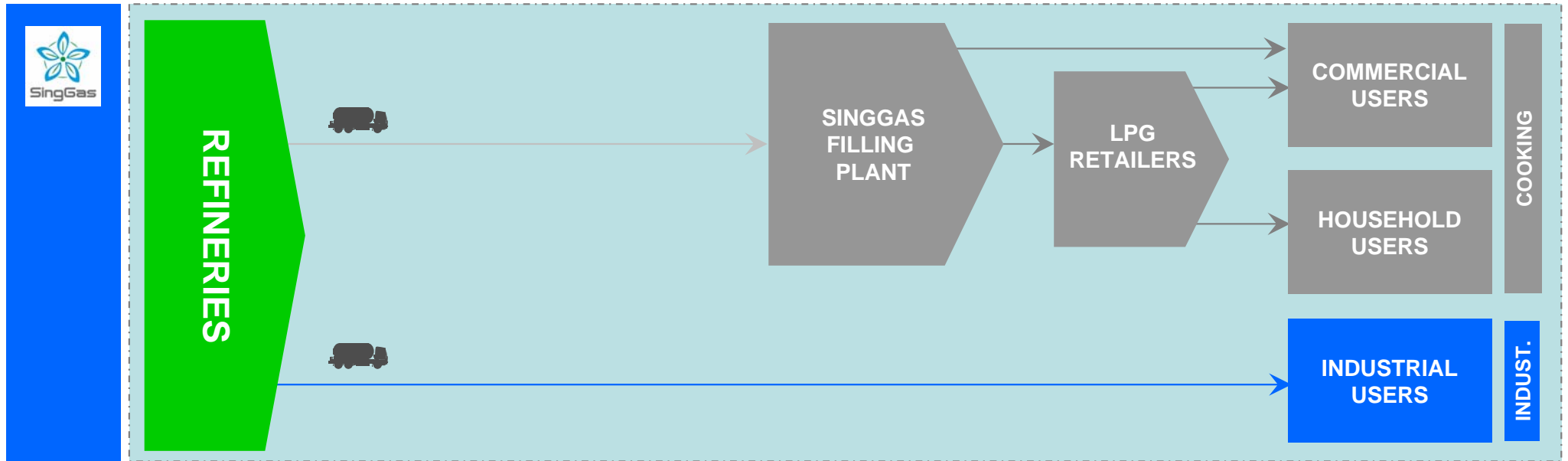
Shantou, China

Jun 2011

LPG Business
 Acquired from Chevron China
 USD 51 mil
 LPG Terminal (Bulk-Breaking)
 Storage. Cap 100,000 tons
 (Underground Storage Caverns)



Business Model – Singapore & Vietnam



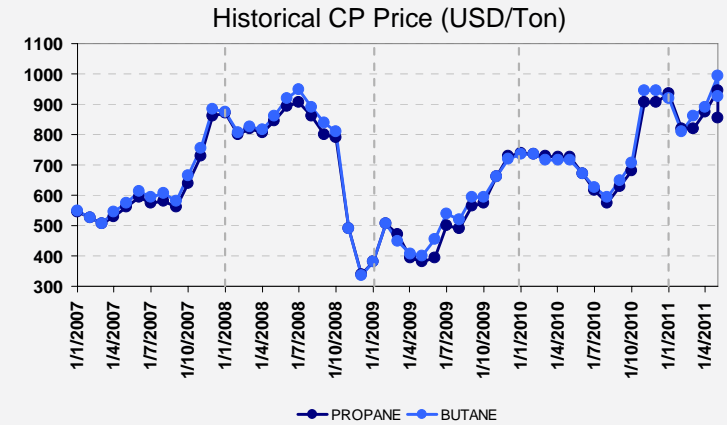
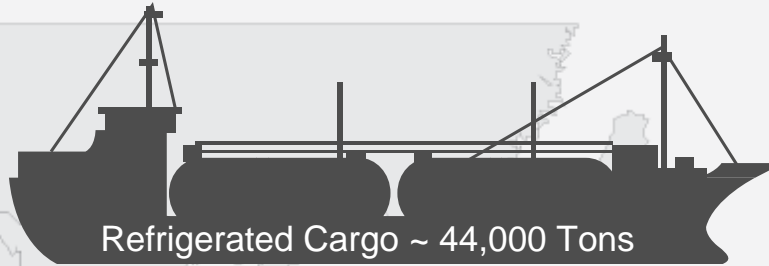
SGP's South China Business Model

Bulk Breaking Distribution & Cost/Price Structure



Middle East

Cost :
CP + X



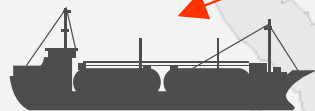
Bulk Breaking Terminal

- Zhuhai
- Shantou



Selling Price : CP + X + Y

Selling Price : CP + X + Y



~2,000 Tons



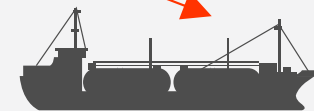
~2,000 Tons



~2,000 Tons



~2,000 Tons



~2,000 Tons

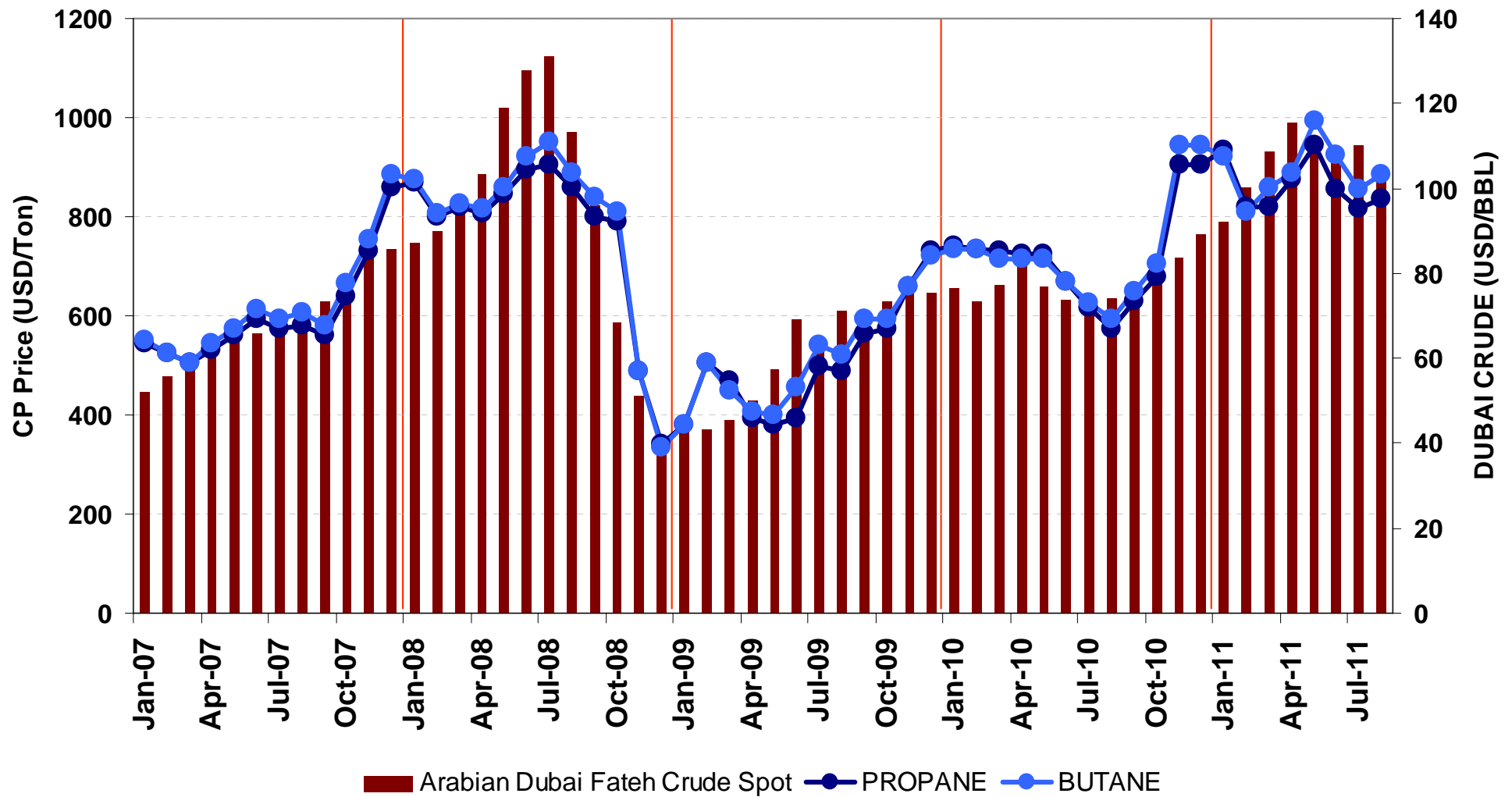
Re-Export

70-80%

Domestic Sales

20-30%

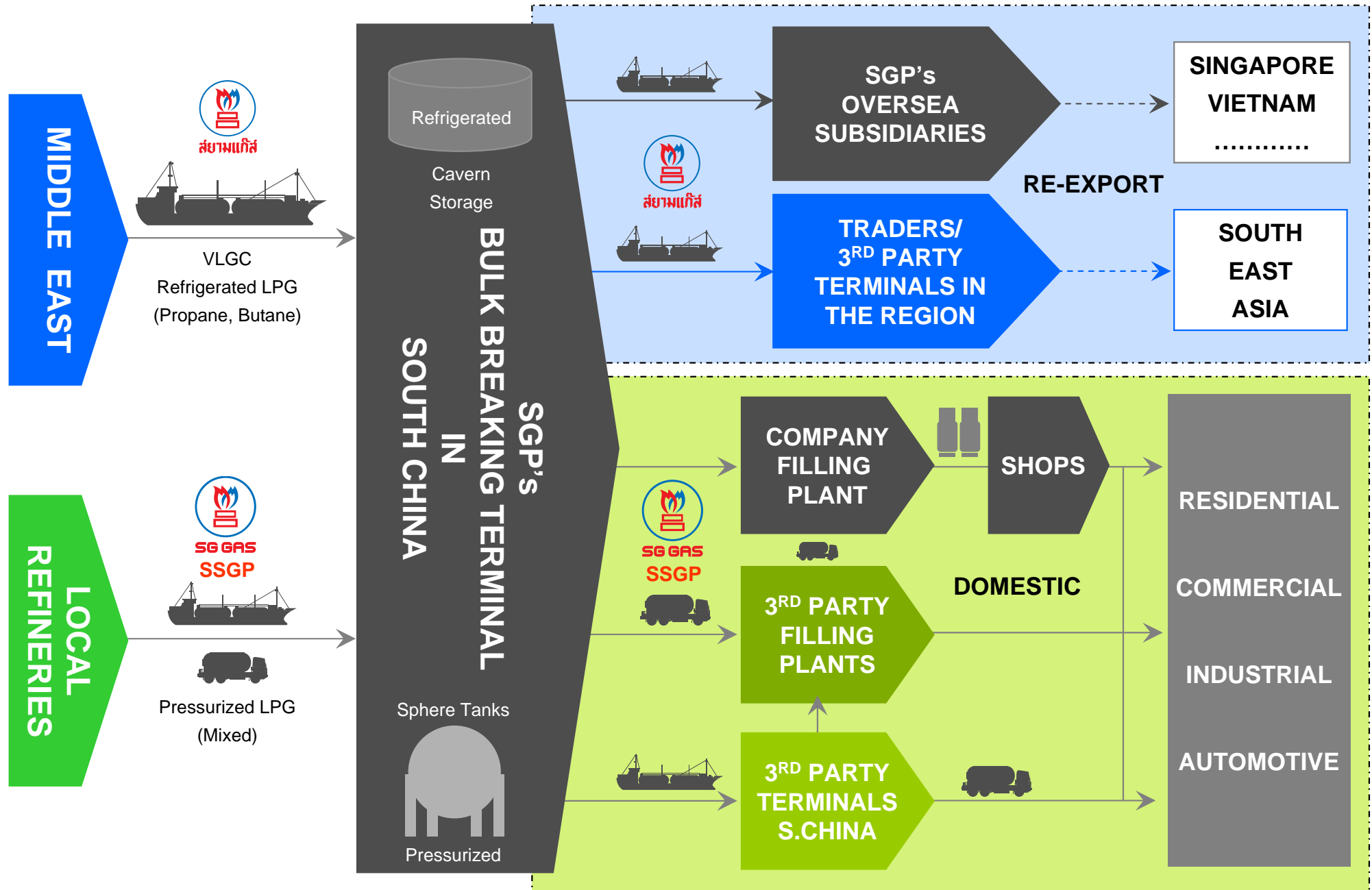
Historical LPG CP Price vs. Dubai Crude Oil Price



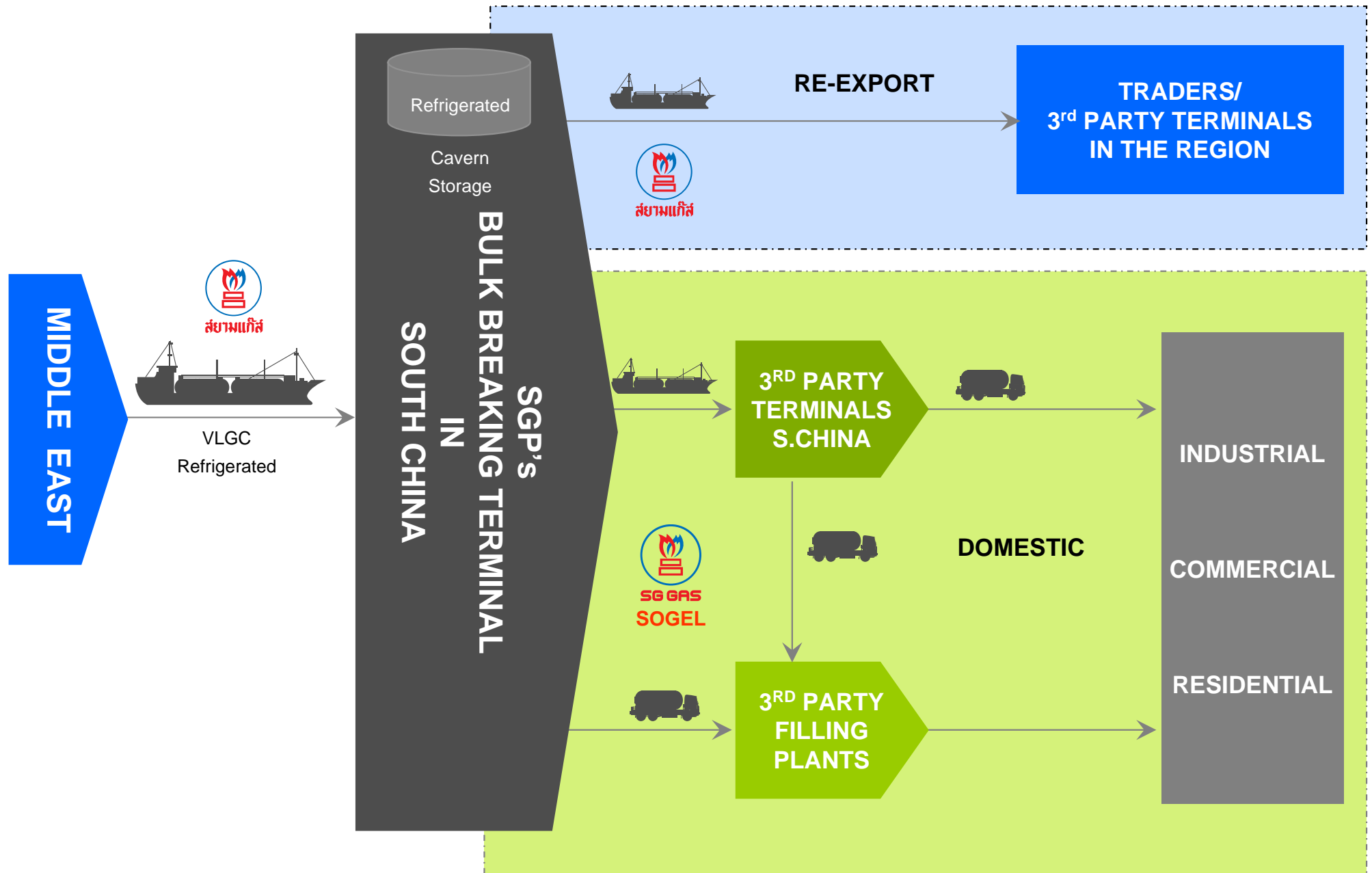
CP PRICE = LPG World Price of Saudi Aramco



Business Model – Zhuhai, South China

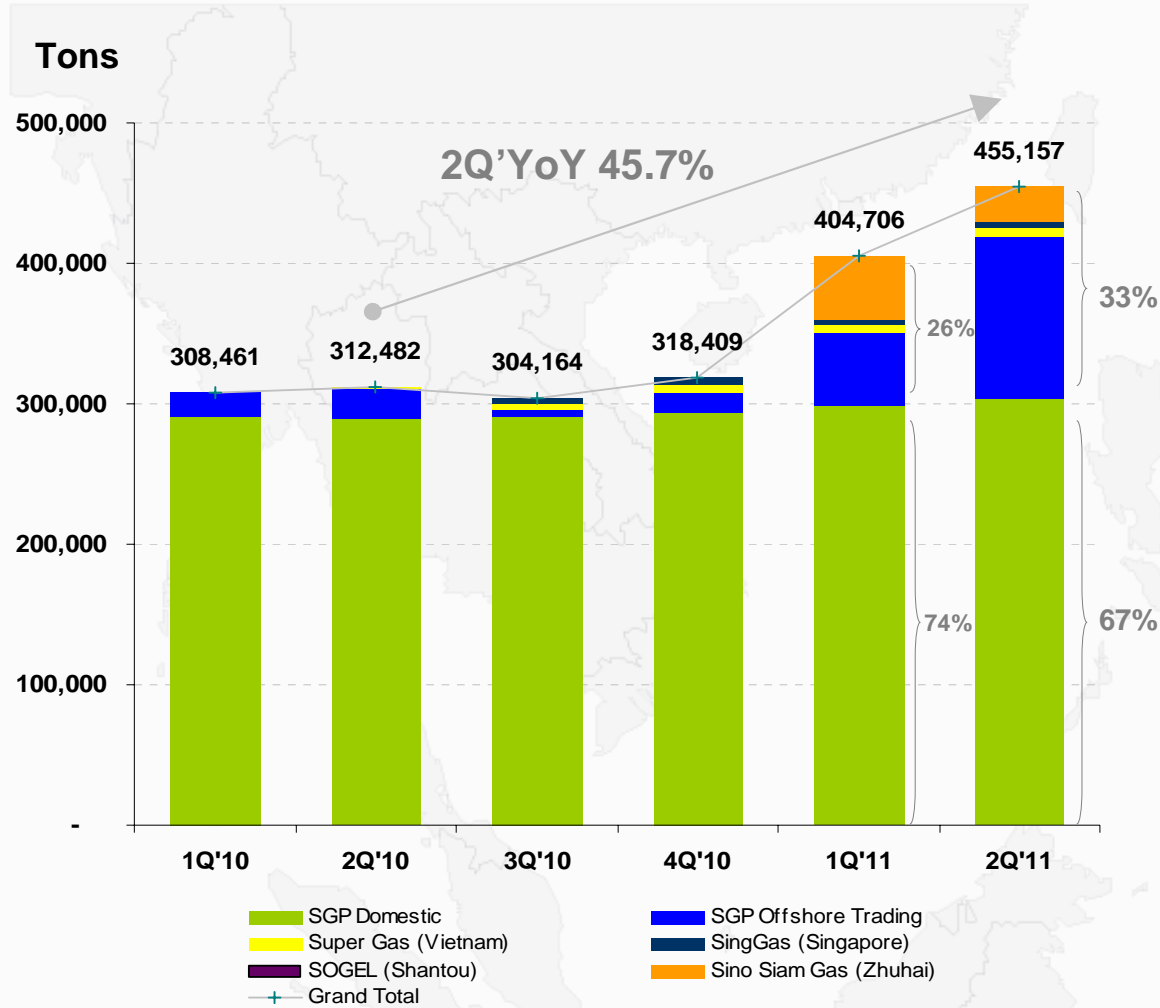


Business Model – Shantou, South China

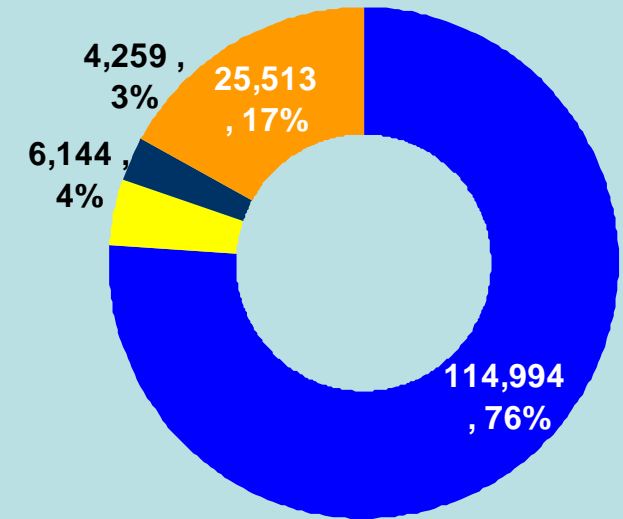


LPG Business Growth 2010-2011

Domestic vs Offshore



2Q'11 Oversea Volume Breakdown (Tons)

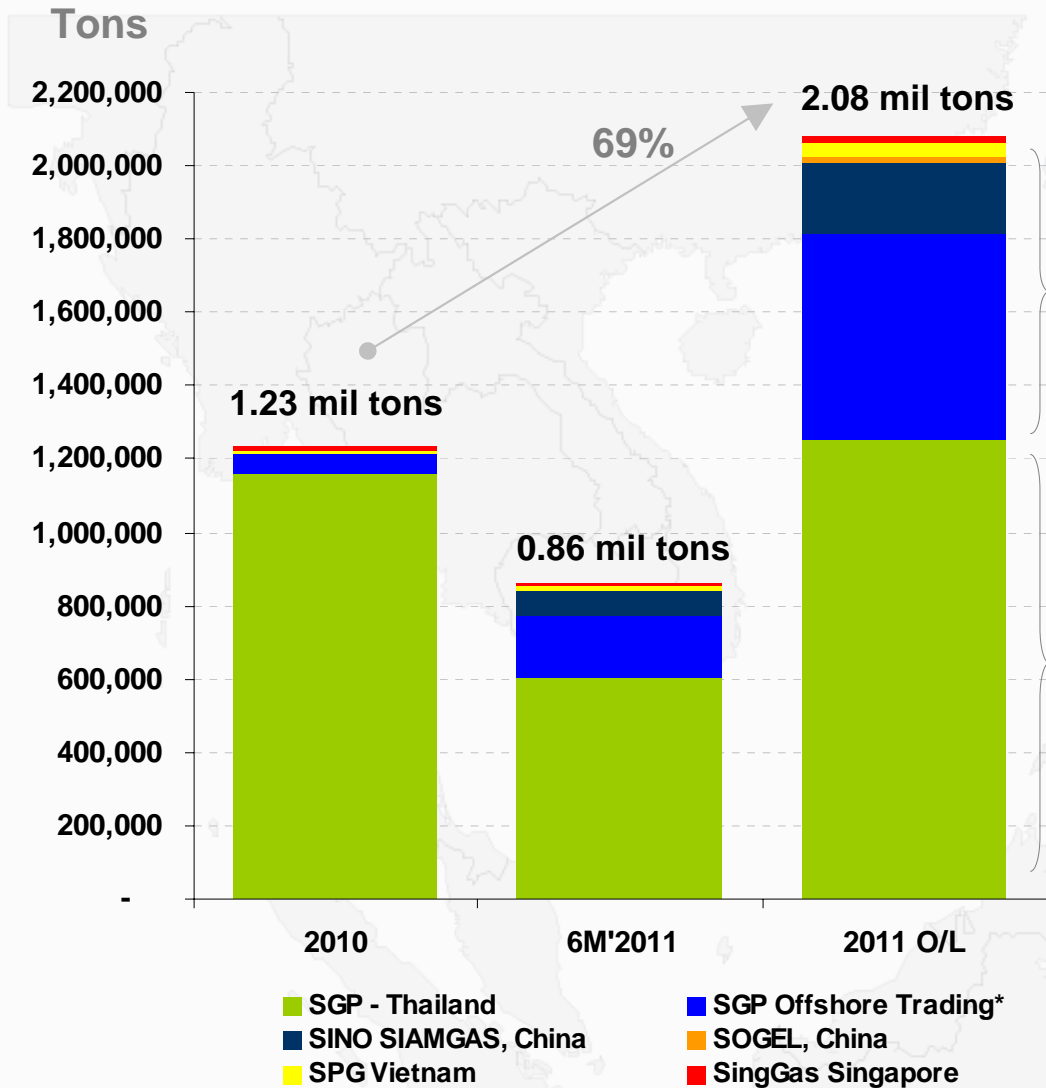


- SGP Offshore Trading
- Super Gas (Vietnam)
- SingGas (Singapore)
- Sino Siam Gas (Zhuhai)

**SGP Group – LPG Volume
2010 – 2011**



2011 LPG Volume Outlook



Sales Volume (tons)	2010	6M'2011	2011 O/L
SGP - Thailand	1,161,323	602,530	1,250,000
SGP Offshore Trading*	51,526	167,597	566,000
SINO SIAMGAS, China	-	69,846	188,000
SOGEL, China	-	-	24,000
SPG Vietnam	11,455	10,816	36,000
SingGas Singapore	8,792	9,074	20,400
Total	1,233,096	859,863	2,084,400
Total Growth			69%
Overseas portion		6%	30%

Note:

SG Gas = Sino Siam Gas, Zhuhai

SGP's Offshore Trading Markets* :

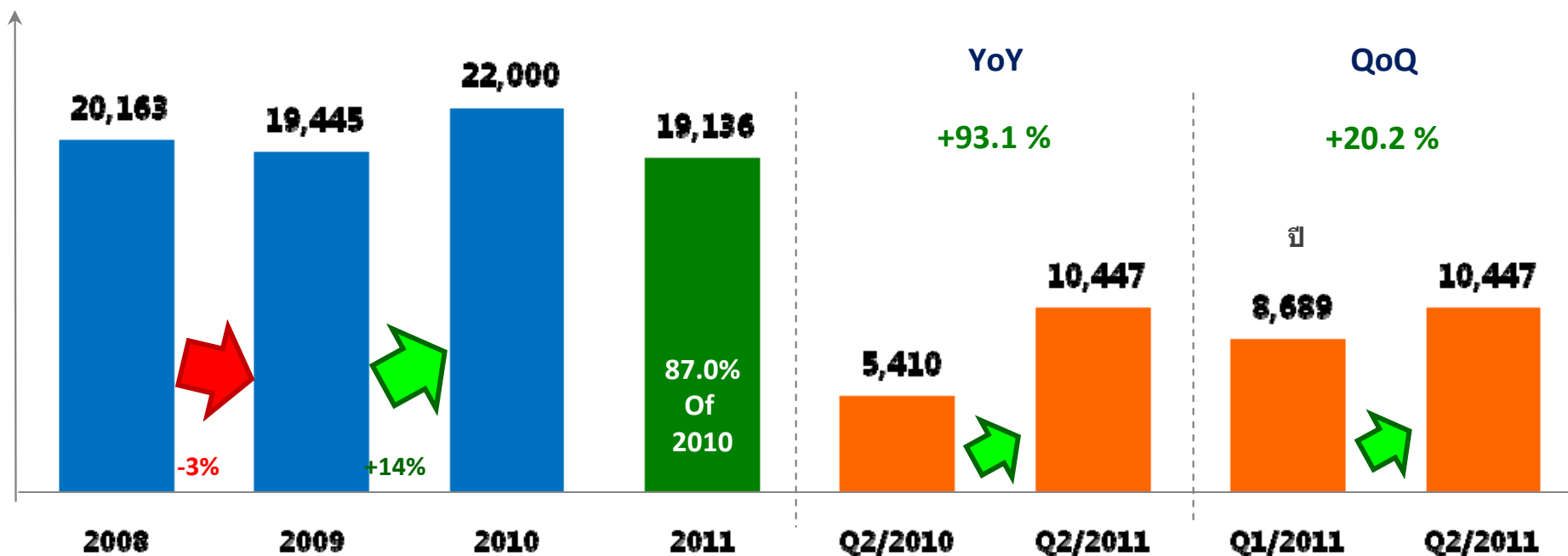
Macao, Hongkong, Vietnam, Malaysia, Thailand



- Thailand LPG Market Review
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- Q & A

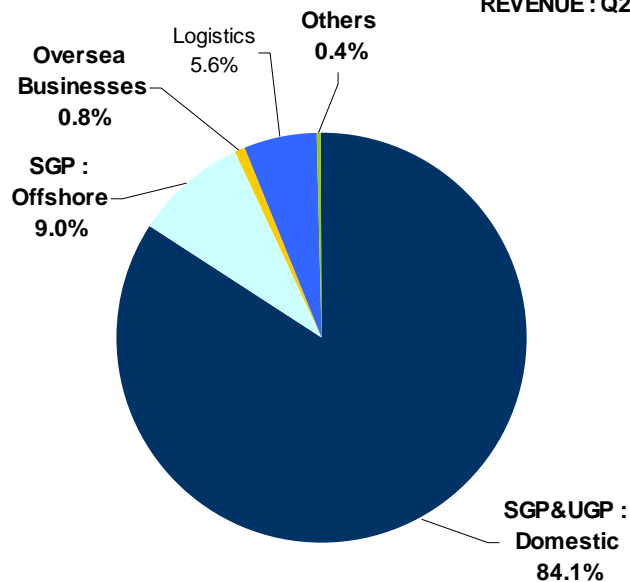
Financial Highlights - Revenue

Million Baht

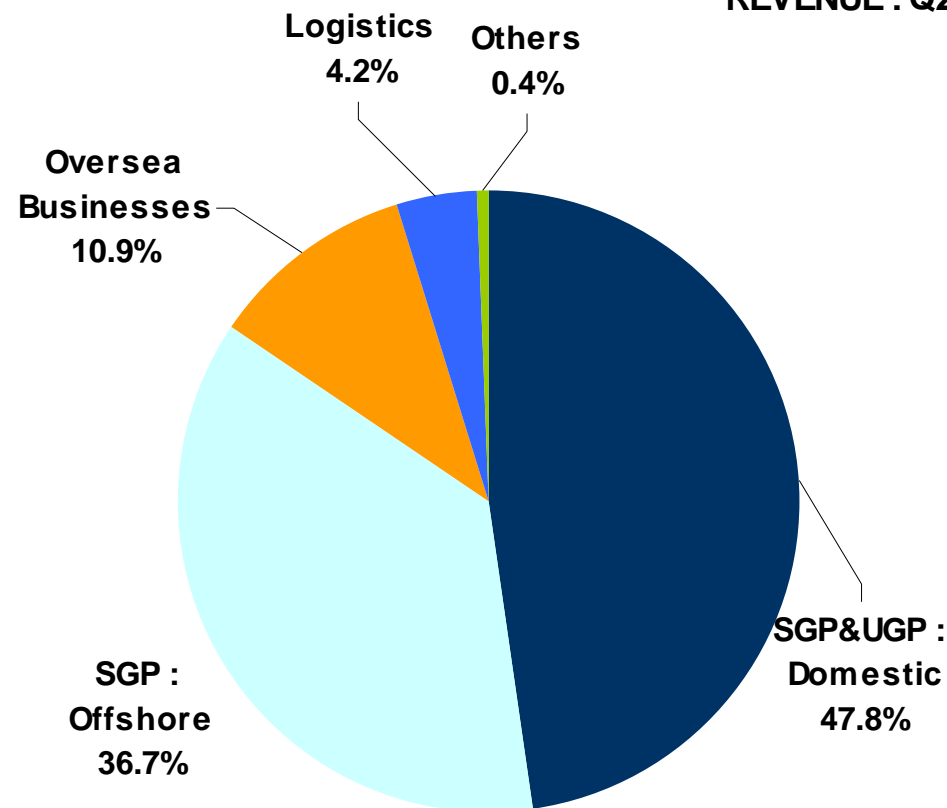


REVENUE : 2Q'11 vs. 1Q'11 & 2Q'10

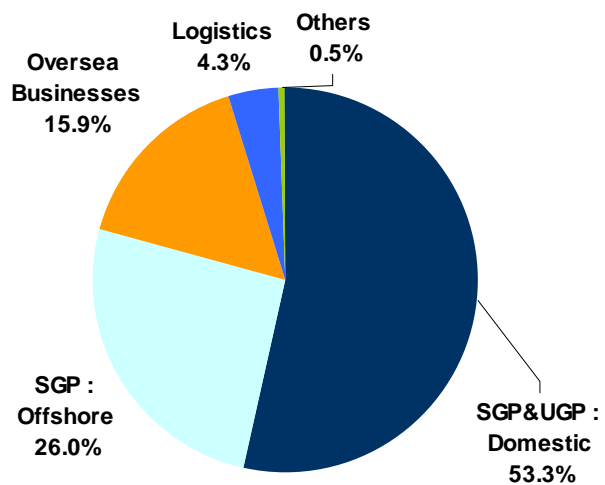
REVENUE : Q2'10



REVENUE : Q2'11



REVENUE : Q1'11

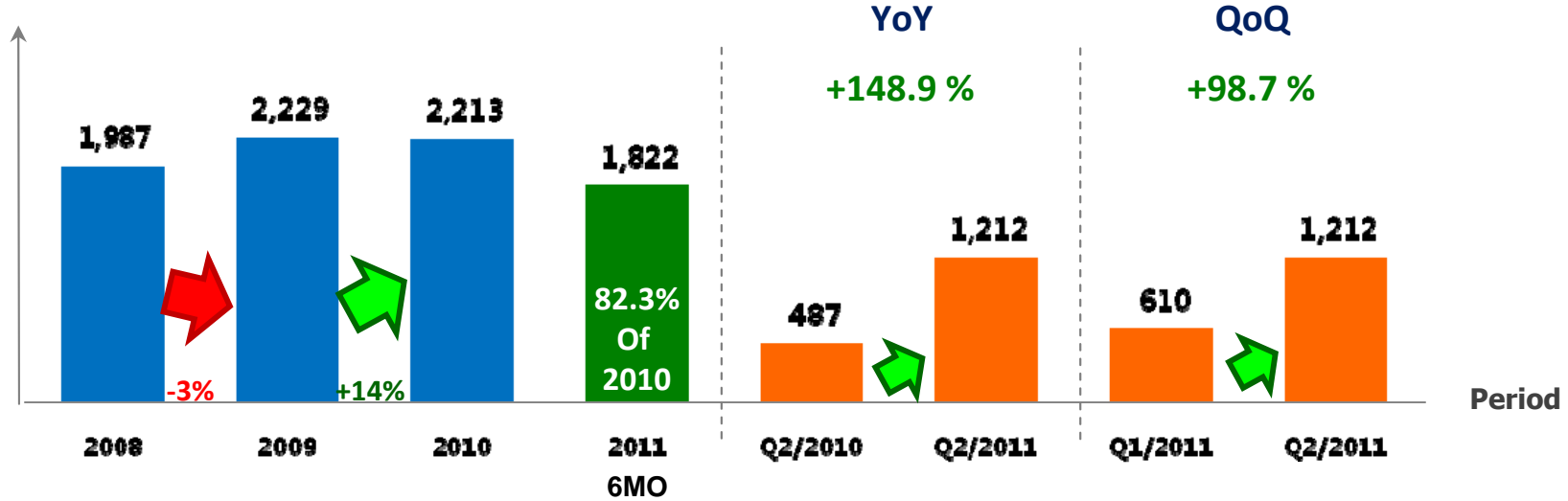


Remarks : Revenue before elimination

Financial Highlights – EBITDA & NET PROFIT

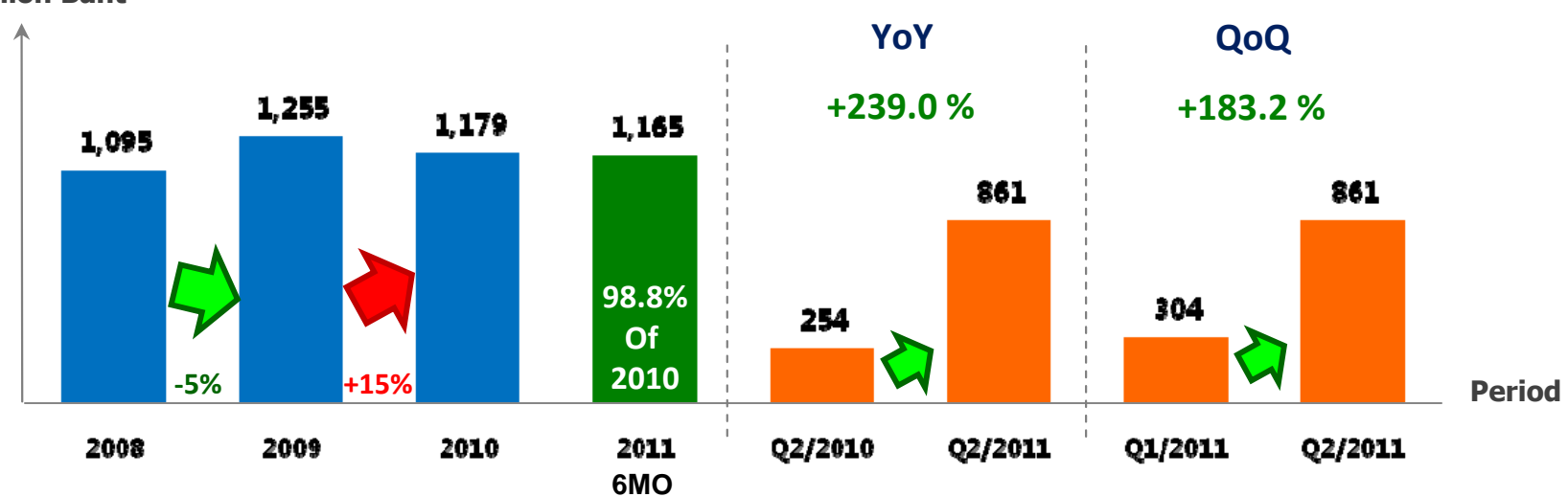
EBITDA

Million Baht



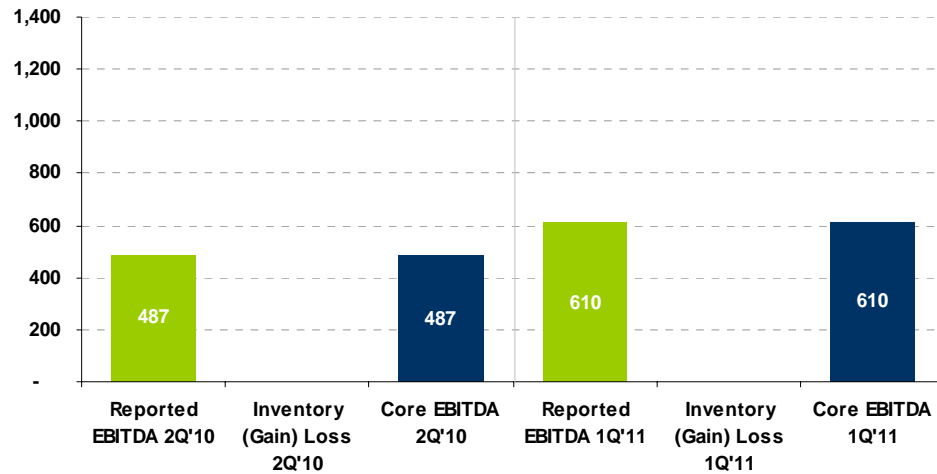
NET PROFIT

Million Baht

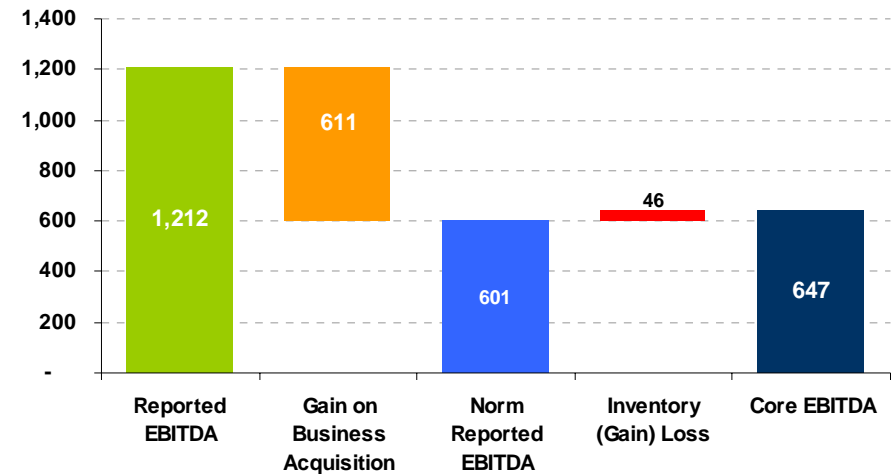


EBITDA & Net Profit : 2Q'11 vs 1Q'11 and 2Q'10

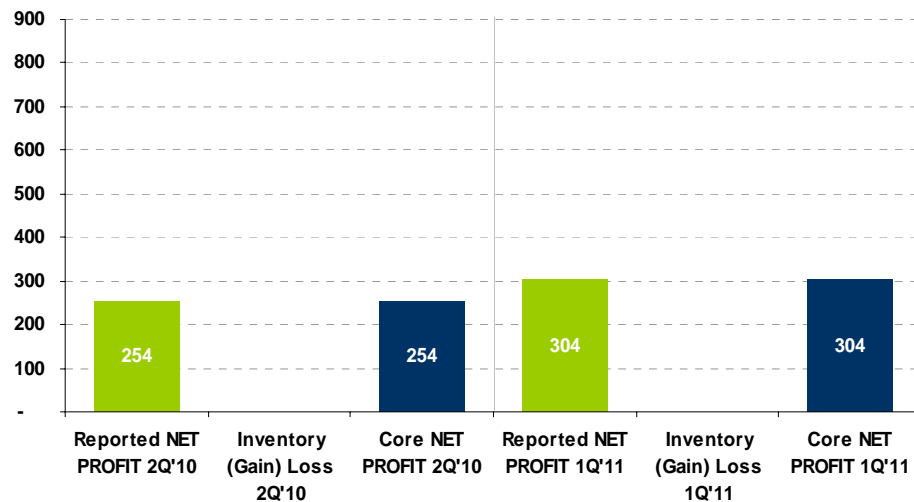
EBITDA 2Q'10 & 1Q'11



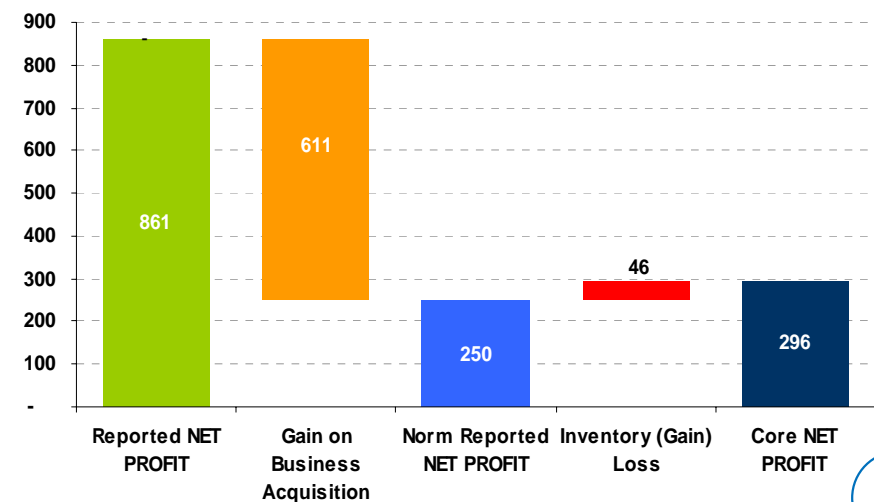
EBITDA 2Q'11



NET PROFIT 2Q'10 & 1Q'11

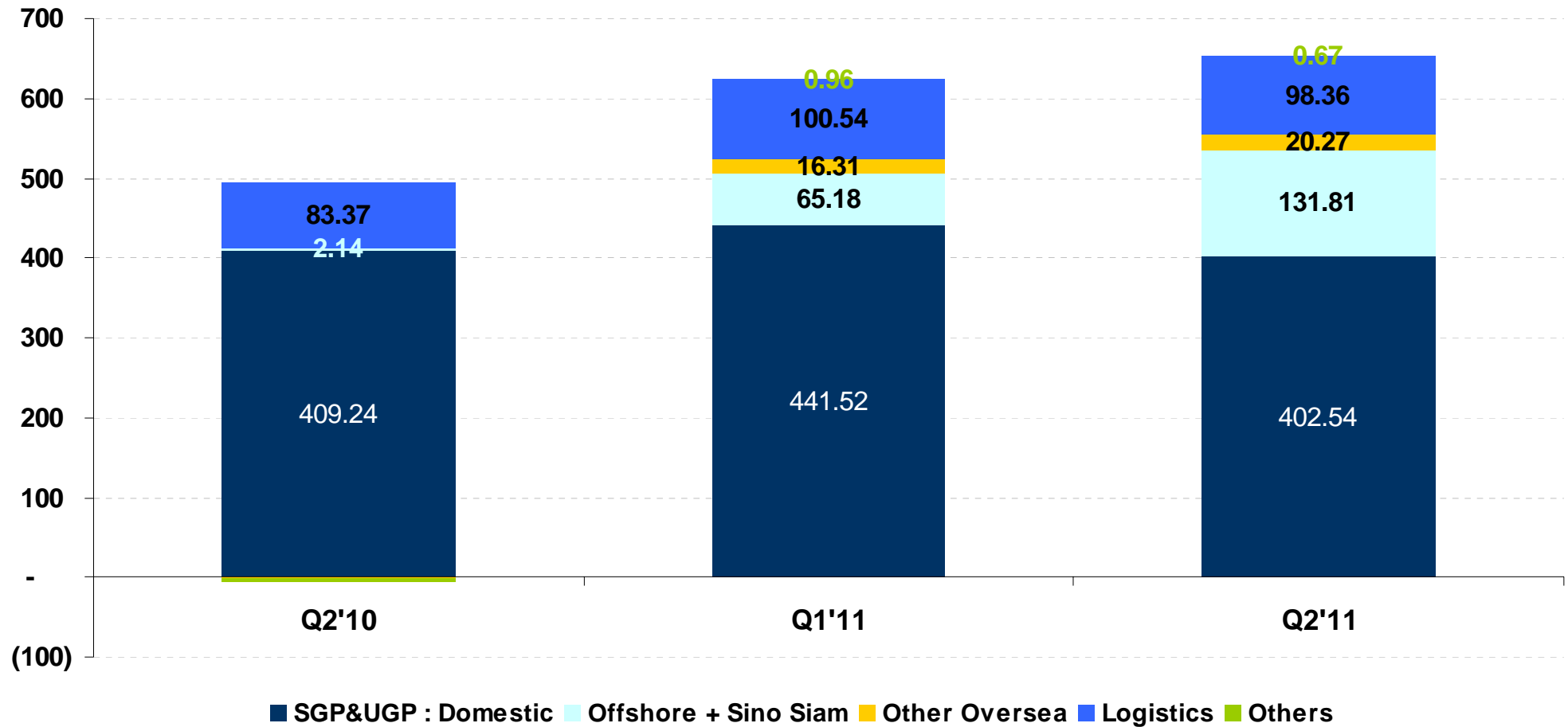


NET PROFIT 2Q'11



EBITDA Portion : 2Q'11 vs. 1Q'11 and 2Q'10

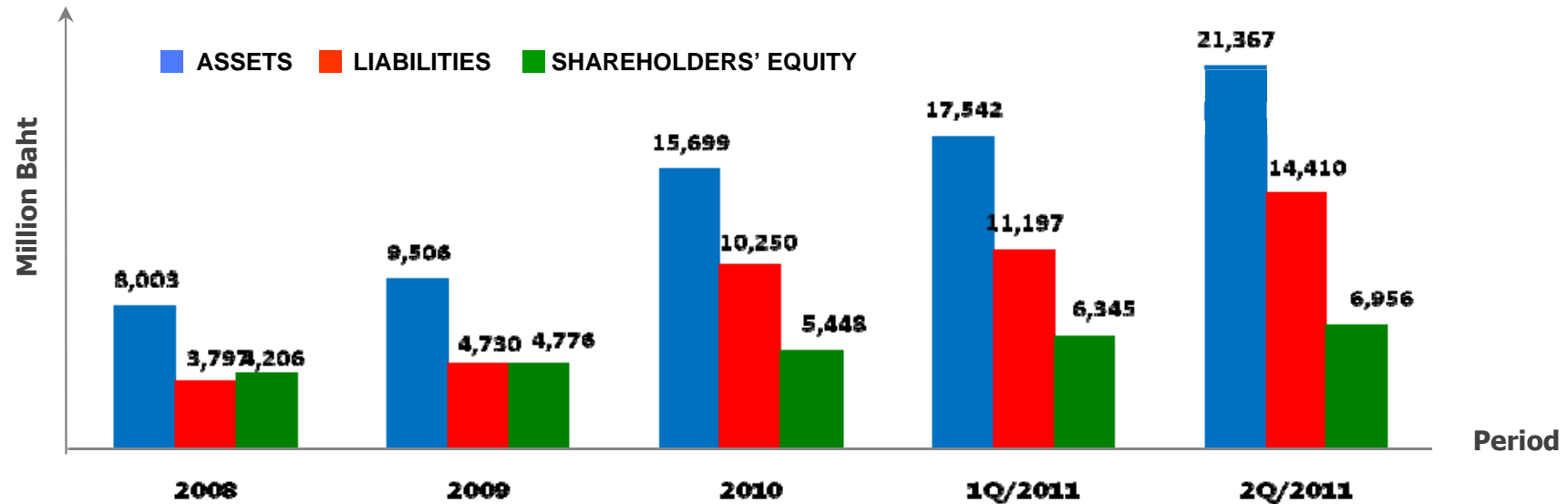
Norm. EBITDA (MB) / by Individual Business



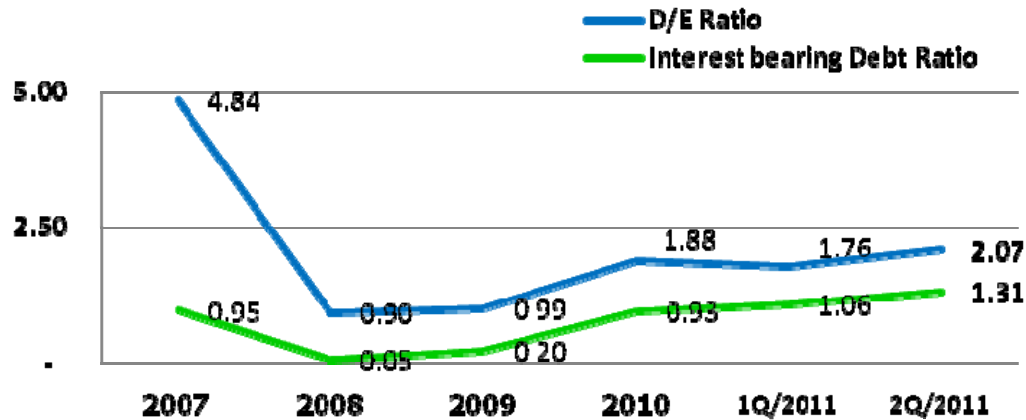
Remarks : Excluding accounting stock gain/loss



BALANCE SHEET



GEARING RATIO



D/E Ratio

2.07x

Interest Bearing Debt

1.31x

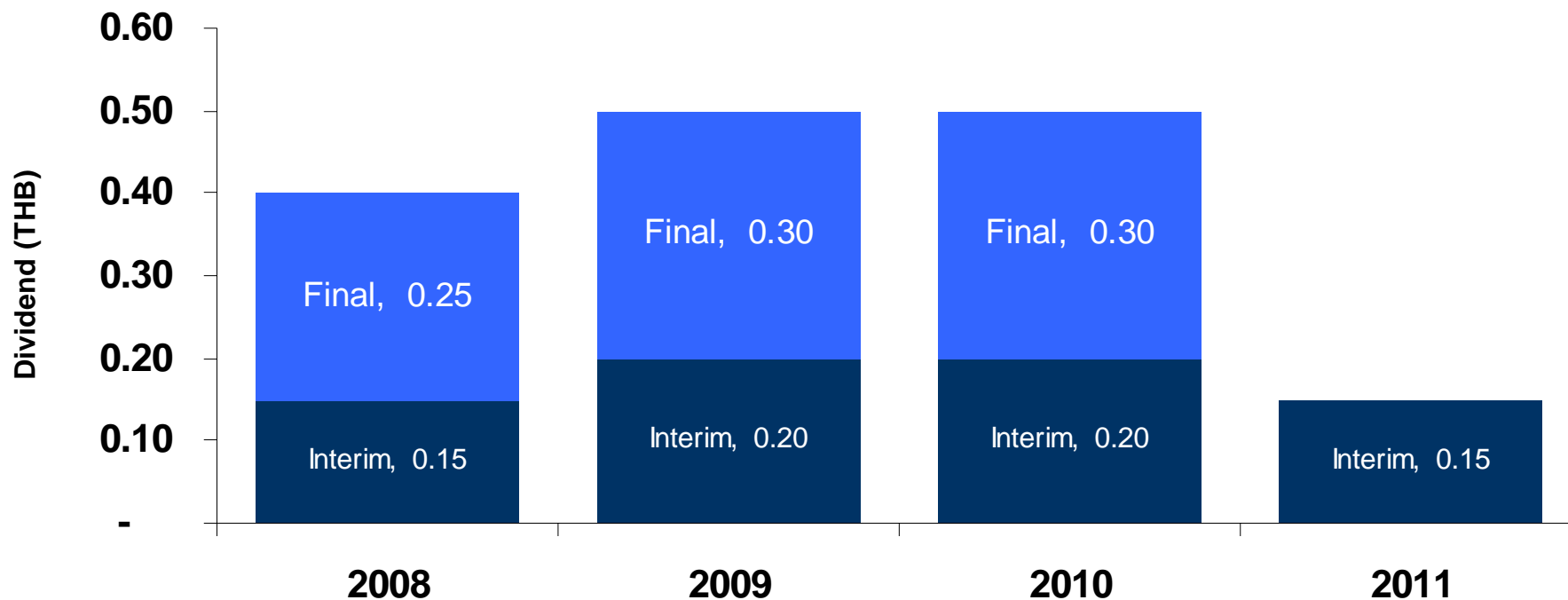


Dividend Payment

- **Dividend Policy**

- Not less than 40% of net profit after corporate income tax of the company's financial statement and after deduction of statutory reserve.

- **Historical Dividend Payments**



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Questions are welcomed !

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