

## PTT's five-year plan

PTT group plans a 1-trillion-baht investment strategy.

**Business, B1**

# PTT unveils B1-trillion blueprint

## Five-year plan to focus on region

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The PTT group plans to invest 1 trillion baht under its five-year investment plan through 2017, says chief executive Pailin Chuchottaworn.

Over half of the planned capital expenditure will cover upstream to downstream energy businesses overseas. The amount does not include potential investments in terms of mergers and acquisitions, he said.

"Most of the overseas investments will be allocated to Southeast Asia to prepare for the establishment of the Asean Economic Community [AEC] in 2016," Mr Pailin said on the sidelines of an AEC forum yesterday.

As a group, PTT has so far invested in upstream petroleum businesses in Indonesia, Myanmar and Vietnam, together with coal and biofuel production in Indonesia.

It is planning to establish retail and wholesale operations in Myanmar and is conducting a feasibility study to jointly invest with national oil conglomerate Petronas in a petrochemical complex in Malaysia.

The investments include those planned by subsidiaries including PTT Global Chemical and IRPC Plc. Earlier, PTT's board of directors approved capital expenditure of nearly 400 billion baht for 2013 to 2017 only for the PTT parent company.

Mr Pailin added that the company is looking at the opportunity to invest in liquefied natural gas (LNG) and shale gas in North America.

According to Thailand's Mineral Fuels Department, shale gas reserves in this region are estimated as high as 500 trillion cubic feet (tcf) which is 50 times Thailand's gas reserves of 10 tcf.

Mr Pailin said details of upcoming investments have not yet been finalised.

The government wants to see PTT build up its reserve, as the country's energy consumption is growing sharply each year due to economic growth.

PTT aims to triple oil and gas production to 900,000 barrel per day by 2020, from the current 285,000, through PTT Exploration and Production Plc.

The department reported that natural gas from domestic sources and imports have reached a record high of nearly 5,000 million standard cubic feet per day.

Meanwhile, Thailand is trying to kick-start development of an overlapping petroleum field with Cambodia, but there has been no progress in talks between the two countries.

"Conflicts over border areas will worsen relations between countries and it will affect the success of the AEC," Mr Pailin said.

Shares of PTT closed yesterday on the Stock Exchange of Thailand at 333 baht, up seven baht, in trade worth 1.47 billion baht.