

(UNOFFICIAL TRANSLATION)
AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

TO: THE SHAREHOLDERS OF THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED

The Office of the Auditor General of Thailand has reviewed the accompanying consolidated and separate statements of financial position as at March 31, 2015, the related consolidated and separate statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the three-month periods then ended and condensed notes to interim financial statements of Thai Airways International Public Company Limited and its subsidiaries and of Thai Airways International Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". The responsibility of the Office of the Auditor General of Thailand is to express a conclusion on this interim financial information based on the review.

Scope of the Review

The Office of the Auditor General of Thailand conducted the review in accordance with Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review 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 Standards on Auditing and consequently does not enable the Office of the Auditor General of Thailand to obtain assurance that the Office of the Auditor General of Thailand would become aware of all significant matters that might be identified in an audit. Accordingly, the Office of the Auditor General of Thailand does not express an audit opinion.

Conclusion

Based on the review, nothing has come to the attention that causes the Office of the Auditor General of Thailand to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Signed)

Poungchomnad Jariyajinda
(Poungchomnad Jariyajinda)
Deputy Auditor General

(Signed)

Roongnapa Charoenkunwiwat
(Roongnapa Charoenkunwiwat)
Director of Audit Office No.4

Office of the Auditor General
May 7, 2015

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2015

Unit : Baht

	Notes	<u>CONSOLIDATED FINANCIAL STATEMENTS</u>		<u>SEPARATE FINANCIAL STATEMENTS</u>	
		<u>MARCH 31, 2015</u>	<u>DECEMBER 31, 2014</u>	<u>MARCH 31, 2015</u>	<u>DECEMBER 31, 2014</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
ASSETS					
Current Assets					
Cash and cash equivalents	7.1	17,099,612,172	23,346,551,299	16,321,826,060	22,605,700,442
Temporary investments		160,000,000	120,000,000	-	-
Trade receivables	7.2	13,549,298,619	12,693,156,288	13,301,047,066	12,421,448,355
Prepaid expenses and deposits		9,017,796,549	8,973,291,938	9,240,951,026	9,247,752,662
Inventories and supplies		6,035,247,408	6,394,407,798	6,027,306,801	6,390,435,351
Other current assets	7.3	8,296,223,597	7,931,830,092	12,717,546,464	11,118,182,978
Non-current assets classified as held for sale	7.4	13,297,444,185	4,825,624,336	13,297,444,185	4,825,624,336
Total Current Assets		67,455,622,530	64,284,861,751	70,906,121,602	66,609,144,124
Non-Current Assets					
Investments in associates	7.5.1	4,907,362,684	4,771,142,799	1,083,520,500	1,083,520,500
Investments in subsidiaries	7.5.1	-	-	810,209,893	810,209,893
Other long-term investments	7.5.2	80,001,503	80,940,004	80,001,503	80,940,004
Property, plant and equipment	7.7	203,189,650,349	224,021,451,558	203,182,944,003	224,013,693,009
Intangible assets	7.8	1,153,918,546	1,263,035,882	1,136,054,512	1,233,074,265
Deferred tax assets	7.9.1	9,317,992,776	7,008,807,127	9,299,996,534	6,991,941,202
Other non-current assets	7.10	6,059,940,698	5,836,938,847	6,054,986,497	5,831,235,015
Total Non-Current Assets		224,708,866,556	242,982,316,217	221,647,713,442	240,044,613,888
Total Assets		292,164,489,086	307,267,177,968	292,553,835,044	306,653,758,012

Notes to interim financial statements are an integral part of these financial statements.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2015

Unit : Baht

	<u>CONSOLIDATED FINANCIAL STATEMENTS</u>		<u>SEPARATE FINANCIAL STATEMENTS</u>		
	<u>Notes</u>	<u>MARCH 31, 2015</u> (Unaudited but reviewed)	<u>DECEMBER 31, 2014</u> (Audited)	<u>MARCH 31, 2015</u> (Unaudited but reviewed)	<u>DECEMBER 31, 2014</u> (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Trade payables		4,633,859,249	4,874,561,680	4,589,239,610	4,856,382,197
Accrued expenses		16,695,862,732	20,762,483,571	20,637,986,205	24,095,946,587
Current portion of long-term liabilities					
Long-term borrowings from financial institutions		7,419,789,317	7,471,449,581	7,419,789,317	7,471,449,581
Long-term borrowings from related parties		425,000,000	568,000,000	425,000,000	568,000,000
Liabilities under finance leases		9,851,394,177	10,638,027,281	9,851,394,177	10,638,027,281
Debentures		3,300,000,000	3,000,000,000	3,300,000,000	3,000,000,000
Short-term borrowings from financial institutions		10,000,000,000	13,300,000,000	10,000,000,000	13,300,000,000
Short-term borrowings from related parties		7,000,000,000	10,000,000,000	7,000,000,000	10,000,000,000
Short-term provisions		87,244,111	135,235,892	-	-
Income tax payable		15,857,602	10,420,267	-	-
Other current liabilities					
Accrued dividends		54,913,928	54,901,142	54,799,430	54,809,341
Unearned transportation revenues		20,961,350,886	22,602,110,933	20,961,350,886	22,452,816,806
Others		9,133,669,227	8,691,920,949	9,024,786,294	8,549,157,255
Total Current Liabilities		89,578,941,229	102,109,111,296	93,264,345,919	104,986,589,048
Non-Current Liabilities					
Long-term liabilities					
Long-term borrowings from financial institutions		26,348,104,861	28,414,617,915	26,348,104,861	28,414,617,915
Long-term borrowings from related parties		13,617,965,036	15,471,246,741	13,617,965,036	15,471,246,741
Liabilities under finance leases		58,265,767,130	61,388,824,147	58,265,767,130	61,388,824,147
Debentures		41,300,000,000	41,600,000,000	41,300,000,000	41,600,000,000
Deferred tax liabilities	7.9.2	136,520,736	127,934,346	136,520,736	127,934,346
Staff pension fund	7.11	4,770,030,630	4,763,145,821	4,770,030,630	4,763,145,821
Employee benefit obligations	7.12	11,752,039,775	11,508,912,107	11,693,862,689	11,456,349,347
Long-term provisions		398,171,500	412,959,915	395,730,696	410,519,111
Other non-current liabilities		152,155,457	174,493,302	150,583,427	172,982,273
Total Non-Current Liabilities		156,740,755,125	163,862,134,294	156,678,565,205	163,805,619,701
Total Liabilities		246,319,696,354	265,971,245,590	249,942,911,124	268,792,208,749
Shareholders' Equity					
Share capital	7.13				
Authorized share capital					
2,698.90 million ordinary shares par value of Baht 10 each		26,989,009,500	26,989,009,500	26,989,009,500	26,989,009,500
Issued and paid-up share capital					
2,182.77 million ordinary shares par value of Baht 10 each		21,827,719,170	21,827,719,170	21,827,719,170	21,827,719,170
Premium on ordinary shares		25,545,316,308	25,545,316,308	25,545,316,308	25,545,316,308
Retained earnings					
Appropriated					
Legal reserve		2,691,275,568	2,691,275,568	2,691,275,568	2,691,275,568
Unappropriated		(4,308,063,634)	(8,849,195,269)	(7,453,387,126)	(12,202,761,783)
Total Company Shareholders' Equity		45,756,247,412	41,215,115,777	42,610,923,920	37,861,549,263
Non-controlling Interests		88,545,320	80,816,601	-	-
Total Shareholders' Equity		45,844,792,732	41,295,932,378	42,610,923,920	37,861,549,263
Total Liabilities and Shareholders' Equity		292,164,489,086	307,267,177,968	292,553,835,044	306,653,758,012

Notes to interim financial statements are an integral part of these financial statements.

(Signed) *Charamporn Jotikasathira*
(Charamporn Jotikasathira)
President

(Signed) *Charita Leelayudth*
(Charita Leelayudth)
Vice President, Investor Relations Management Department
Acting Executive Vice President, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

Unit : Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2015	2014	2015	2014
Revenues					
Revenues from Sales or Revenues from Services					
Passenger and excess baggage		43,522,610,241	41,034,719,181	42,422,788,006	41,034,719,181
Freight		4,752,445,735	5,824,417,641	4,752,445,735	5,824,417,641
Mail		152,483,087	199,038,367	152,483,087	199,038,367
Other activities		2,788,139,071	2,474,668,762	2,955,559,843	2,373,842,375
Total Revenues from Sales or Revenues from Services		51,215,678,134	49,532,843,951	50,283,276,671	49,432,017,564
Other Income					
Interest income		82,099,189	71,600,831	80,105,022	68,739,000
Gains on foreign currency exchange		9,653,911,637	989,983,120	9,641,122,423	989,773,683
Other income - Others	7.14	351,129,957	377,176,769	416,098,236	497,338,266
Total Other Income		10,087,140,783	1,438,760,720	10,137,325,681	1,555,850,949
Total Revenues		61,302,818,917	50,971,604,671	60,420,602,352	50,987,868,513
Expenses					
Fuel and oil		14,479,644,923	20,742,243,601	14,153,012,813	20,742,243,601
Employee benefit expenses	7.15	7,502,326,487	7,675,426,287	7,443,283,372	7,684,572,035
Flight service expenses		5,333,277,505	5,621,719,464	5,196,274,364	5,621,719,464
Crew expenses		1,381,787,533	1,470,284,092	1,340,241,141	1,470,284,092
Aircraft maintenance and overhaul costs		3,351,807,200	3,361,463,316	3,171,734,216	3,361,463,316
Depreciation and amortisation expenses		5,092,297,184	5,105,773,144	5,091,013,333	5,104,713,236
Lease of aircraft and spare parts		2,040,058,188	1,418,357,343	1,733,789,615	1,414,183,653
Inventories and supplies		2,233,709,837	2,170,380,414	2,187,076,652	2,170,345,557
Selling and advertising expenses		2,301,910,174	1,998,360,983	2,274,148,233	1,977,251,281
Insurance expenses		146,926,185	117,906,267	141,392,366	117,906,267
Impairment loss of assets		-	40,428,402	-	40,428,402
Impairment loss of aircraft	7.16	11,804,161,695	43,273,541	11,804,161,695	43,273,541
Other expenses	7.17	2,096,824,856	2,322,220,585	2,018,016,492	2,293,791,823
Finance costs		1,409,110,700	1,423,081,623	1,409,110,700	1,423,081,623
Share of profit of associates		(136,219,885)	(158,072,381)	-	-
Total Expenses		59,037,622,582	53,352,846,681	57,963,254,992	53,465,257,891
Profit (Loss) before Income Tax Expense		2,265,196,335	(2,381,242,010)	2,457,347,360	(2,477,389,378)
Income tax expense (income)	7.18	(2,283,686,717)	238,022,067	(2,292,027,297)	224,453,899
Profit (Loss) for the Period		4,548,883,052	(2,619,264,077)	4,749,374,657	(2,701,843,277)
Other Comprehensive Income		-	-	-	-
Total Comprehensive Income for the Period		4,548,883,052	(2,619,264,077)	4,749,374,657	(2,701,843,277)
Profit (Loss) Attributable to:					
Owners of the Parent		4,541,131,635	(2,634,110,742)	4,749,374,657	(2,701,843,277)
Non-controlling interests		7,751,417	14,846,665	-	-
		4,548,883,052	(2,619,264,077)	4,749,374,657	(2,701,843,277)
Total Comprehensive Income Attributable to:					
Owners of the Parent		4,541,131,635	(2,634,110,742)	4,749,374,657	(2,701,843,277)
Non-controlling interests		7,751,417	14,846,665	-	-
		4,548,883,052	(2,619,264,077)	4,749,374,657	(2,701,843,277)
Earning (Loss) per Share	7.19				
Basic earning (loss) per share		2.08	(1.21)	2.18	(1.24)

Notes to interim financial statements are an integral part of these financial statements.

(Signed) *Charamporn Jotikasathira*
(Charamporn Jotikasathira)
President

(Signed) *Charita Leelayudth*
(Charita Leelayudth)
Vice President, Investor Relations Management Department
Acting Executive Vice President, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

Unit : Baht

CONSOLIDATED FINANCIAL STATEMENTS

	Owners of the parent						Total Owners of the Parent	Non-controlling Interests	Total Shareholders' Equity
	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings	Other Components of Equity					
				Other Comprehensive Income					
				Actuarial Gains on Employee Benefit Obligations	Income Tax Relating to Components of Other Comprehensive Income	Total Other Components of Equity			
Balance as at January 1, 2014	21,827,719,170	25,548,223,951	8,408,289,694	1,306,764,248	(261,352,850)	1,045,411,398	56,829,644,213	89,094,864	56,918,739,077
Reclassification									
Actuarial gains on employee benefit and income tax	-	-	1,045,411,398	(1,306,764,248)	261,352,850	<i>(1,045,411,398)</i>	-	-	-
Changes in Shareholders' Equity									
<u>Less</u> Dividends paid to cumulative preferred shares	-	-	-	-	-	-	-	(22,699)	(22,699)
<u>Add</u> Adjustment of share offering expense	-	2,325,070	-	-	-	-	2,325,070	-	2,325,070
<u>Add</u> Total comprehensive income for the period	-	-	(2,634,110,742)	-	-	-	(2,634,110,742)	14,846,665	(2,619,264,077)
Balance as at March 31, 2014	21,827,719,170	25,550,549,021	6,819,590,350	-	-	-	54,197,858,541	103,918,830	54,301,777,371
Balance as at January 1, 2015	21,827,719,170	25,545,316,308	(6,157,919,701)	-	-	-	<i>41,215,115,777</i>	<i>80,816,601</i>	41,295,932,378
Changes in Shareholders' Equity									
<u>Less</u> Dividends paid to cumulative preferred shares	-	-	-	-	-	-	-	(22,698)	(22,698)
<u>Add</u> Total comprehensive income for the period	-	-	4,541,131,635	-	-	-	<i>4,541,131,635</i>	7,751,417	4,548,883,052
Balance as at March 31, 2015	21,827,719,170	25,545,316,308	(1,616,788,066)	-	-	-	45,756,247,412	88,545,320	45,844,792,732

Notes to interim financial statements are an integral part of these financial statements.

(Signed) *Charamporn Jotikasathira*
(Charamporn Jotikasathira)
President

(Signed) *Charita Leelayudth*
(Charita Leelayudth)
Vice President, Investor Relations Management Department
Acting Executive Vice President, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

Unit : Baht

SEPARATE FINANCIAL STATEMENTS

	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings	Other Components of Equity			Total Shareholders' Equity
				Other Comprehensive Income			
				Actuarial Gains on Employee Benefit Obligations	Income Tax Relating to Components of Other Comprehensive Income	Total Other Components of Equity	
Balance as at January 1, 2014	21,827,719,170	25,548,223,951	4,338,174,443	1,307,925,659	(261,585,132)	1,046,340,527	52,760,458,091
Changes in Shareholders' Equity							
Reclassification							
Actuarial gains on employee benefit and income tax	-	-	1,046,340,527	(1,307,925,659)	261,585,132	(1,046,340,527)	-
<u>Add</u> Adjustment of share offering expense	-	2,325,070	-	-	-	-	2,325,070
<u>Less</u> Total comprehensive income for the period	-	-	(2,701,843,277)	-	-	-	(2,701,843,277)
Balance as at March 31, 2014	21,827,719,170	25,550,549,021	2,682,671,693	-	-	-	50,060,939,884
Balance as at January 1, 2015	21,827,719,170	25,545,316,308	(9,511,486,215)	-	-	-	37,861,549,263
Changes in Shareholders' Equity							
<u>Less</u> Total comprehensive income for the period	-	-	4,749,374,657	-	-	-	4,749,374,657
Balance as at March 31, 2015	21,827,719,170	25,545,316,308	(4,762,111,558)	-	-	-	42,610,923,920

Notes to interim financial statements are an integral part of these financial statements.

(Signed) *Charnporn Jotikasathira*
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Vice President, Investor Relations Management Department
Acting Executive Vice President , Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

	<u>CONSOLIDATED FINANCIAL STATEMENTS</u>		<u>SEPARATE FINANCIAL STATEMENTS</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Unit : Baht				
Cash Flows from Operating Activities				
Profit (losses) before income tax expenses	2,265,196,335	(2,381,242,010)	2,457,347,360	(2,477,389,378)
Adjustment to reconcile profit (loss) before income tax expense to cash received (paid) from operating activities :				
Depreciation and amortisation expenses	5,092,297,184	5,105,773,144	5,091,013,333	5,104,713,236
Aircraft lease fee	42,604,030	35,145,806	42,604,030	35,145,806
Dividends received	-	-	-	(120,050,000)
Share of profits of investments by equity method	(136,219,885)	(158,072,381)	-	-
Interest income	(82,099,189)	(71,600,831)	(80,105,022)	(68,739,000)
Interest expenses	1,409,110,700	1,423,081,623	1,409,110,700	1,423,081,623
Gains on sales of assets	(2,078,541)	(3,626,716)	(2,078,541)	(3,626,716)
Loss on sales of aircraft	2,492,736	-	2,492,736	-
Gains on reversal of current liabilities in prior period	(585,350)	-	-	-
Gains on foreign currency exchange	(9,899,634,927)	(766,777,664)	(9,886,364,938)	(766,911,118)
Employee benefit obligations	243,127,668	237,527,088	237,513,342	232,889,381
Provision for obsolete inventories and supplies	145,148,360	173,314,388	145,148,360	173,314,388
Doubtful accounts	(219,507,696)	26,529,819	(219,845,864)	25,408,475
Impairment loss of aircraft	11,804,161,695	43,273,541	11,804,161,695	43,273,541
Impairment gains of assets	-	40,428,402	-	40,428,402
Operating profits before changes in operating assets and liabilities	10,664,013,120	3,703,754,209	11,000,997,191	3,641,538,640
Decrease (increase) in operating assets :				
Trade receivables	(1,011,656,750)	(717,795,727)	(1,034,701,130)	(628,220,796)
Inventories and supplies	214,012,029	(190,964,142)	217,980,189	(190,964,142)
Prepaid expenses and deposits	(125,441,091)	(218,012,576)	(74,134,844)	(231,737,871)
Other current assets	(74,378,260)	(199,893,562)	(1,310,815,029)	246,384,404
Assets for sales	(60,433,241)	(43,733,062)	(60,433,241)	(43,733,062)
Other assets	46,063,040	53,750,267	45,313,408	53,750,266
Deferred charges	(423,256,753)	(158,016,498)	(423,256,753)	(158,016,498)
Increase (decrease) in operating liabilities :				
Trade payables	(117,617,810)	(178,761,213)	(176,211,869)	(183,615,358)
Accrued expenses and other current liabilities	(3,782,442,171)	(2,897,745,010)	(2,993,717,138)	(3,390,518,547)
Staff pension fund	6,884,809	33,266,330	6,884,809	33,266,330
Unearned transportation revenues	(1,480,817,887)	(1,227,754,852)	(1,480,817,887)	(1,227,754,852)
Other non-current liabilities	(81,137,163)	26,942,661	(33,206,381)	26,942,661
Proceeds from operations	3,773,791,872	(2,014,963,175)	3,683,881,325	(2,052,678,825)
Payment of income tax	(57,689,386)	(60,056,271)	(52,678,383)	(52,699,996)
Net Cash provided by (used in) Operating Activities	3,716,102,486	(2,075,019,446)	3,631,202,942	(2,105,378,821)

Notes to interim financial statements are an integral part of these financial statements.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

Unit : Baht

	<u>CONSOLIDATED FINANCIAL STATEMENTS</u>		<u>SEPARATE FINANCIAL STATEMENTS</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash Flows from Investing Activities				
Cash paid for acquisition of fixed assets	(802,406,025)	(2,441,342,521)	(802,395,165)	(2,440,798,045)
Cash paid for intangible assets	(39,023,449)	(113,069,991)	(29,738,279)	(113,069,991)
Proceeds from transferring the rights for advance payment of aircraft and aircraft equipment	480,436,801	475,408,381	480,436,801	475,408,381
Proceeds from sales of assets	335,752,960	7,388,111	335,752,960	7,388,111
Interest income	64,617,062	71,703,455	63,285,321	69,677,020
Investment decrease (increase)	(627)	50,000,000	(627)	-
Temporary investment increase	(40,000,000)	-	-	-
Net Cash provided by (used in) Investing Activities	(623,278)	(1,949,912,565)	47,341,011	(2,001,394,524)
Cash Flows from Financing Activities				
Proceeds from debentures	-	3,200,000,000	-	3,200,000,000
Proceeds from short-term borrowings	4,700,000,000	6,000,000,000	4,700,000,000	6,000,000,000
Proceeds from long-term borrowings	1,826,941,316	1,339,099,035	1,826,941,316	1,339,099,035
Proceeds from issued share capital	-	449,999,993	-	-
Cash paid for repayment of short-term borrowings	(11,000,000,000)	(2,000,000,000)	(11,000,000,000)	(2,000,000,000)
Cash paid for repayment of debentures	-	(720,000,000)	-	(720,000,000)
Cash paid for repayment of long-term borrowings	(4,663,653,183)	(4,760,507,326)	(4,663,653,183)	(4,760,507,326)
Cash paid for borrowings interest	(1,216,987,126)	(1,283,466,901)	(1,216,987,126)	(1,283,466,901)
Dividends paid	(9,912)	(84,851)	(9,912)	(84,851)
Net Cash provided by (used in) Financing Activities	(10,353,708,905)	2,225,039,950	(10,353,708,905)	1,775,039,957
Net decrease in cash and cash equivalents	(6,638,229,697)	(1,799,892,061)	(6,675,164,952)	(2,331,733,388)
Cash and cash equivalents at the beginning of the period	23,346,551,299	11,757,473,084	22,605,700,442	11,649,734,484
	16,708,321,602	9,957,581,023	15,930,535,490	9,318,001,096
Effect from changing in exchange rate on cash and cash at banks increase (decrease)	391,290,570	(166,324,599)	391,290,570	(166,324,599)
Cash and Cash Equivalents at the End of the Period	17,099,612,172	9,791,256,424	16,321,826,060	9,151,676,497
Additional Information for Cash Flow				
Non-cash Transactions				
Fixed assets unpaid	111,232,834	236,391,192	111,232,834	236,391,192
Assets under finance leases	3,962,792,236	2,998,330,131	3,962,792,236	2,998,330,131

Notes to interim financial statements are an integral part of these financial statements.

(Signed) *Charnporn Jotikasathira*
(Charnporn Jotikasathira)
President

(Signed) *Charita Leelayudth*
(Charita Leelayudth)
Vice President, Investor Relations Management Department
Acting Executive Vice President, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

Note to Statements of Cash Flows

A. Tax Refund - Consolidated and Separate Financial Statements

	Unit : Million Baht
	<u>2014</u>
Proceeds from P.N.D.50 for the year 2012	266.29
Adjustment of tax refund for the year 2013	(6.76)
	<u>259.53</u>
	<u>2013</u>
Proceeds from P.N.D.50 for the year 2011	244.04
Proceeds from P.N.D.50 for the year 2007	19.60
Adjustment of tax refund for the year 2012	(40.05)
	<u>223.59</u>

B. Property, Plant and Equipment

Consolidated financial statements

During the year 2014, the Company bought property, plant and equipment under finance leases amount of THB 7,733.89 million and cash payment amount of THB 7,983.65 million, total cost amount of THB 15,717.35 million.

During the year 2013, the Company bought property, plant and equipment under finance leases amount of THB 9,285.22 million and cash payment amount of THB 28,803.21 million, total cost amount of THB 38,088.43 million.

Separate financial statements

During the year 2014, the Company bought property, plant and equipment under finance leases amount of THB 7,733.89 million and cash payment amount of THB 7,980.86 million, total cost amount of THB 15,714.75 million.

During the year 2013, the Company bought property, plant and equipment under finance leases amount of THB 9,285.22 million and cash payment amount of THB 28,800.66 million, total cost amount of THB 38,085.88 million.

C. Cash and Cash Equivalents

	Unit : Million Baht			
	<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash on hand and outstanding bank balances	23,853.04	10,198.67	23,112.19	10,090.93
Short-term investments	-	1,000.00	-	1,000.00
Cash and cash equivalents as previously reported	23,853.04	11,198.67	23,112.19	11,090.93
Effect of exchange rate changes	(506.49)	558.80	(506.49)	558.80
Cash and cash equivalents as reported	<u>23,346.55</u>	<u>11,757.47</u>	<u>22,605.70</u>	<u>11,649.73</u>

(Signed) *Charamporn Jotikasathira*
 (Charamporn Jotikasathira)
 President

(Signed) *Charita Leelayudth*
 (Charita Leelayudth)
 Vice President, Investor Relations Management Department
 Acting Executive Vice President, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE – MONTH PERIOD ENDED MARCH 31, 2015 (unaudited but reviewed)

1. GENERAL INFORMATION

Thai Airways International Public Company Limited (“the Company”) is incorporated as a public limited company in Thailand and is listed on the Stock Exchange of Thailand. The address of its incorporated and registered office is as follow:

The head office of the Company is located at 89 Vibhavadee Rungsit Road, Chom Phon, Chatuchak, Bangkok, Thailand.

The Company’s principal activity is the operation of airline business and business units which concern directly with transportation.

As at March 31, 2015, the Company has the routes network servicing to 73 destinations in 33 countries all over the world, whereas 7 routes are domestic (excluding Bangkok).

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

The consolidated and the separate financial statements have been prepared in accordance with generally accepted accounting principles under the Accounting Act B.E. 2543 (2000) being those Thai Accounting Standards which issued by the Accounting Profession Act B.E. 2547 (2004) and the Financial Reporting Requirements of the Securities and Exchange Commission, Thailand under the Securities and Exchange Act B.E. 2535 (1992).

The Company’s financial statements consist of Thai Airways International Public Company Limited and the Company’s staff pension fund.

The consolidated financial statements consist of the Company and its subsidiaries as follows:

Company’s Name	Type of Business	Located Country	Percentage of Share Holding	
			<u>2015</u>	<u>2014</u>
Held by the Company:				
1. Thai-Amadeus Southeast Asia Company Limited	Information technology Company for travel services	Thailand	55%	55%
2. WingSpan Services Company Limited	Providing special personnel services to the Company	Thailand	49%	49%
3. Thai Flight Training Company Limited	Aviation training services	Thailand	49%	49%
4. Thai Smile Airways Company Limited	Air transportation services	Thailand	100%	100%
Held by the Subsidiary of the Company				
A subsidiary held by WingSpan Services Company Limited				
- Tour Eung Luang Company Limited	Tourism Business	Thailand	49%	49%

Thai Smile Airways Co., Ltd. received the Airline Operator License (AOL), Airline Operator Certificate (AOC) as well as Airline Designator Code from IATA on January 10, March 31 and April 1, 2014, respectively. So, Thai Smile Airways Co., Ltd. commenced its business operations on April 10, 2014.

The subsidiaries are controlled by the Company, directly or indirectly, in determining the financial policies and operations of such subsidiaries. Significant accounting transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

An English language version of the financial statements has been translated from the statutory financial statements that were issued in Thai language. In case of conflict or difference in understanding, the financial statements in Thai language shall prevail.

These financial statements are prepared by the historical cost basis to measure the component of financial statements except for the other disclosures in the accounting policies.

Interim Financial Statements Preparation

The interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2014) Interim Financial Reporting. The Company presents items in the statements of financial position, statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows which complied with TAS No. 1 (revised 2014) Presentation of Financial Statements, which are effective on January 1, 2015 onwards, and discloses only significant supplementary information in the condensed notes to the interim financial statements.

The preparation of these interim financial statements is to provide additional information to that included in the latest financial statements for the year ended December 31, 2014. Accordingly, the interim financial statements focus on supporting of new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the financial statements for the year ended December 31, 2014.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Accounting Policies applied in these interim financial statements are consistent with those applied in the financial statements for the year ended December 31, 2014 except that the Company has adopted all the new and revised TFRS that are effective for the fiscal years beginning on or after January 1, 2015. The adoption of these new and revised TFRS did not have any material effect on the accounting policies and operating result or financial position of the Company.

4. FINANCIAL REPORTING STANDARD BEING EFFECTIVE IN THE FUTURE

4.1 The Financial Reporting Standard which will be effective for the fiscal years beginning on or after January 1, 2016 :

TFRS No. 4 (Revised 2014) Insurance Contracts

For adopting of Financial Reporting Standard, the management of the Company has assessed that the above standard has no material impact to the consolidated and the separate financial statements.

5. IMPLEMENTING THE TRANSFORMATION PLAN

During the first quarter of 2015, The Company launched its transformation plan with the first stage designed to stop the bleeding by discontinuing routes - Bangkok - Johannesburg since mid-January 2015, Bangkok – Moscow and Phuket – Seoul since March 29, 2015 as per Summer TPI 2015. Adjustment in aircraft type was made to suit market demand, and also implemented Fleet Strategy Plan.

In regards to managing liquidity during the first quarter of 2015, the Board of Directors approved long-term finance lease for 2 B777-300ER aircraft to be delivered to the Company in June and September of 2015. The Board also approved the issuance of a 6 - month THB 3,000 million Bill of Exchange (BE) with a greenshoe option of another THB 3,000 million to be issued in June of 2015. In addition, support from the Ministry of Finance is in the form of an on-lend facility under the European Commercial Paper (ECP) program to be used to buy out the 6 A340-600 aircraft which have designated for sale. The facility was approved by the Cabinet on March 17, 2015 as part of the 2nd revision of the public debt management plan for the 2015 budget year. In addition to the above financing activities, the Company also successfully raised THB7,000 million in debentures (1/2558) on April 30, 2015 which is part of the total planned debt issuance of THB15,000 million for 2015. The Company will determine the necessity and the timing to raise the remaining THB 8,000 million and taking into account market conditions at the time of issuance. Commercial banks have also supported The Company through the extension of committed revolving credit line that expired in the first quarter of 2015. Internal cash projections for 2015 are updated regularly and based on conservative assumptions while ensuring a minimum cash level to cushion against potential unforeseen events and ensure business continuity. Liquidity ratio stands at 0.98 times (excluding unearned transport revenue). The interest bearing debt to equity ratio stands at 4.17 times as at March 31, 2015.

6. POTENTIAL IMPACT FROM THE THAI DEPARTMENT OF CIVIL AVIATION (DCA) NOT PASSING ICAO'S SAFETY STANDARDS

The Company has developed a plan to mitigate any potential impact from the potential action to be taken by ICAO against the Thai DCA. Internally, a war room has been established to closely monitor the progress of every aspect in relation to ICAO's safety requirements, provide awareness and understanding to those relevant persons whose actions and activities relate to the safety requirements and inspections to be made and extending to rigorous self-inspection of aircraft and maintenance. Externally, the AOC Evaluation plan was launched whereby authorities from the Thai DCA along with personnel from internationally recognized safety organization to undertake inspection of the Company's operations. The Company's safety benchmark reflects that of international safety standards.

The biggest impact to The Company's operations so far from the various countries for which the Company currently serves is Japan whereby the impact has been limited to charter flights operated by the Company where no new cities can be added. The impact to the Company in this respect is minimal.

7. SUPPLEMENTARY INFORMATION

7.1 Cash and Cash Equivalents

	<u>Consolidated Financial Statements</u>		<u>Unit : Million Baht</u> <u>Separate Financial Statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash - Domestic	19.52	10.96	19.52	10.96
Cash - Abroad	32.70	14.51	32.70	14.51
Cash at Banks - Domestic	5,282.38	11,982.90	4,504.60	11,242.05
Cash at Banks - Abroad	<u>11,765.01</u>	<u>11,338.18</u>	<u>11,765.01</u>	<u>11,338.18</u>
Total	<u>17,099.61</u>	<u>23,346.55</u>	<u>16,321.83</u>	<u>22,605.70</u>

7.2 Trade Receivables aging analysis is as follows:

	<u>Consolidated Financial Statements</u>		<u>Unit : Million Baht</u> <u>Separate Financial Statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Aging Periods:				
Not over 6 months	13,359.67	12,425.82	13,114.56	12,156.81
Over 6 months to 1 year	186.29	334.55	184.82	328.69
Over 1 year to 2 years	271.54	252.65	267.51	252.65
Over 2 years	<u>895.00</u>	<u>849.27</u>	<u>867.82</u>	<u>823.23</u>
	14,712.50	13,862.29	14,434.71	13,561.38
<u>Less Allowance for doubtful accounts</u>	<u>(1,163.20)</u>	<u>(1,169.13)</u>	<u>(1,133.66)</u>	<u>(1,139.93)</u>
Trade receivables - net	<u>13,549.30</u>	<u>12,693.16</u>	<u>13,301.05</u>	<u>12,421.45</u>

7.3 Other Current Assets

	<u>Consolidated Financial Statements</u>		<u>Unit : Million Baht</u> <u>Separate Financial Statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Tax refund	436.22	390.99	436.22	390.99
Cash and cash at bank of pension fund	4,901.56	4,883.18	4,901.56	4,883.18
Others	<u>2,958.44</u>	<u>2,657.66</u>	<u>7,379.77</u>	<u>5,844.01</u>
Total	<u>8,296.22</u>	<u>7,931.83</u>	<u>12,717.55</u>	<u>11,118.18</u>

7.4 Non-current assets classified as held for sale Separate financial statements

As at January 1, 2015, Non-current assets classified as held for sale composed of 8 A300-600, 4 A340-500, 4 B737-400, 1 B747-400, 2 ATR 72 and 3 A330-300 aircraft, totaling of 22 aircraft in an aggregate of THB 4,791.04 million. As well as other fixed assets, amount of THB 34.59 million, which made a grand total of THB 4,825.63 million. During the three-month period ended March 31, 2015, the non-current assets classified as held for sale increased by THB 8,747.55 million which consisting of 4 A330-300, 6 A340-600 and 2 B747-400, totaling of 12 aircraft as well as by THB 60.43 million from other fixed assets, the total increase in this period is THB 8,807.98 million. Therefore, the Company has a total of 34 aircraft as held for sale, amount of THB 13,538.59 million and already transferred the two title of aircraft, 1 A300-600 and 1 B747-400 aircraft, amount of THB 336.17 million to the buyer. As at March 31, 2015, there are the remaining of 32 aircraft as held for sale amount of THB 13,202.42 million as well as other fixed assets amount of THB 95.02 million, which made a grand total of Non-current assets classified as held for sale amount of THB 13,297.44 million .

As at March 31, 2015, non-current assets classified as held for sale composed of 7 A300-600, 4 A340-500, 6 A340-600, 4 B737-400, 2 B747-400, 2 ATR72, and 7 A330-300 aircraft, totaling of 32 aircraft in an aggregate of THB 13,202.42 million, as well as other fixed assets amount of THB 95.02 million, which made a grand total of THB 13,297.44 million.

In concerning with selling of aircraft, in the first quarter ended March 31, 2015, the Company has sold 1 B747-400 and 1 A300-600 aircraft, totaling of 2 aircraft, amount of THB 336.17 million. The Company has transferred the title of these 2 aircraft to the buyer on January 28, 2015 and February 20, 2015, respectively.

7.5 Investments

Consolidated Financial Statements

Unit : Million Baht

Name of Company	Percentage of Shareholding		Investments				Income on Investments	
	Mar 31, 2015	Dec 31, 2014	Cost Method		Equity Method		Mar 31, 2015	Mar 31, 2014
			Mar 31, 2015	Dec 31, 2014	Mar 31, 2015	Dec 31, 2014		
7.5.1 Investments in associated companies recorded by equity method								
Royal Orchid Hotel (Thailand) Public Company Limited (Fair value as at March 31, 2015 amount of THB 544.50 million and as at December 31, 2014 amount of THB 544.50 million)	24.00	24.00	225.00	225.00	232.33	231.06	1.27	(10.33)
Donmuang International Airport Hotel Company Limited	40.00	40.00	48.00	48.00	121.26	115.08	6.18	7.41
Bangkok Aviation Fuel Services Public Company Limited (Fair value as at March 31, 2015 amount of THB 3,657.17 million and as at December 31, 2014 amount of THB 3,599.58 million)	22.59	22.59	115.19	115.19	989.46	920.66	68.79	80.37
Phuket Air Catering Company Limited	30.00	30.00	30.00	30.00	324.82	292.05	32.78	42.36
Suvarnabhumi Airport Hotel Company Limited	30.00	30.00	305.33	305.33	160.57	155.15	5.42	22.12
Nok Airlines Public Company Limited (Fair value as at March 31, 2015 amount of THB 2,719.50 million and as at December 31, 2014 amount of THB 3,209.50 million)	39.20	39.20	360.00	360.00	<u>3,078.92</u>	<u>3,057.14</u>	<u>21.78</u>	<u>16.14</u>
Total investments recorded by equity method					<u>4,907.36</u>	<u>4,771.14</u>	<u>136.22</u>	<u>158.07</u>
7.5.2 Other long-term investments recorded by cost method								
Fuel Pipeline Transportation Limited	0.00026	0.00026	0.00067	0.00067			-	-
Aeronautical Radio of Thailand Limited	1.42	1.42	9.37	9.37			-	-
SITA Investment Certificate	-	-	35.61	36.06			-	-
Trade Siam Company Limited (paid 25% of authorized share capital)	3.50	3.50	1.75	1.75			-	-
SITA Information Networking Computing	-	-	29.63	30.00			-	-
Other Shares	-	-	2.64	2.76			-	-
Investment in Debentures	-	-	-	-			-	-
Investment in Vayupak Fund	-	-	<u>1.00</u>	<u>1.00</u>			<u>-</u>	<u>-</u>
Total other long-term investments			<u>80.00</u>	<u>80.94</u>			<u>-</u>	<u>-</u>

Separate Financial Statements

Unit : Million Baht

Name of Company	Percentage of Shareholding		Investments		Dividend Income	
			Cost Method			
	Mar 31, 2015	Dec 31, 2014	Mar 31, 2015	Dec 31, 2014	Mar 31, 2015	Mar 31, 2014
7.5.1 Investments recorded by cost method						
Subsidiary Companies						
Thai-Amadeus Southeast Asia Company Limited	55.00	55.00	8.25	8.25	-	-
Wing Span Services Company Limited	49.00	49.00	0.98	0.98	-	-
Thai Flight Training Company Limited	49.00	49.00	0.98	0.98	-	-
Thai Smile Airways Company Limited	100.00	100.00	800.00	800.00	-	-
Total			810.21	810.21	-	-
Associated Companies						
Royal Orchid Hotel (Thailand) Public Company Limited (Fair value as at March 31, 2015 amount of THB 544.50 million and as at December 31, 2014 amount of THB 544.50 million)	24.00	24.00	225.00	225.00	-	-
Donmuang International Airport Hotel Company Limited	40.00	40.00	48.00	48.00	-	-
Bangkok Aviation Fuel Services Public Company Limited (Fair value as at March 31, 2015 amount of THB 3,657.17 million and as at December 31, 2014 amount of THB 3,599.58 million)	22.59	22.59	115.19	115.19	-	-
Phuket Air Catering Company Limited	30.00	30.00	30.00	30.00	-	-
Suvarnabhumi Airport Hotel Company Limited	30.00	30.00	305.33	305.33	-	-
Nok Airlines Public Company Limited (Fair value as at March 31, 2015 amount of THB 2,719.50 million and as at December 31, 2014 amount of THB 3,209.50 million)	39.20	39.20	360.00	360.00	-	120.05
Total			1,083.52	1,083.52	-	120.05
Total investments recorded by cost method			1,893.73	1,893.73	-	120.05
7.5.2 Other long-term investments recorded by cost method						
Fuel Pipeline Transportation Limited	0.00026	0.00026	0.00067	0.00067	-	-
Aeronautical Radio of Thailand Limited	1.42	1.42	9.37	9.37	-	-
SITA Investment Certificate	-	-	35.61	36.06	-	-
TRADESIAM Company Limited (paid 25% of authorized share capital)	3.50	3.50	1.75	1.75	-	-
SITA Information Networking Computing	-	-	29.63	30.00	-	-
Other Shares	-	-	2.64	2.76	-	-
Investment in Vayupak Fund	-	-	1.00	1.00	-	-
Total other long-term investments			80.00	80.94	-	-

7.5.3 Financial Information Summary of Subsidiaries

Unit : Million Baht

Name of Company	Assets	Liabilities	Income	Gains (Losses)
Subsidiary Companies				
Thai-Amadeus Southeast Asia Company Limited	283.25	89.91	71.31	17.17
WingSpan Services Company Limited	585.37	414.56	237.47	17.09
Thai Flight Training Company Limited	11.62	4.50	5.22	0.83
Tour Eurng Luang Company Limited	11.20	8.38	0.49	0.07
Thai Smile Airways Company Limited	4,835.41	4,987.86	1,122.98	(371.86)

The Company used the financial statements of subsidiary and associated companies, some of which are unreviewed by the CPA, as at March 31, 2015 to record the investment by equity method in the consolidated financial statement and by cost method in the separate financial statement.

7.6 Significant Transactions with Related Parties

7.6.1 Related Transactions with Major Shareholders

7.6.1.1 Short-term borrowings from related parties

Unit : Million Baht

	Mar 31, 2015	Dec 31, 2014
Government Saving Bank	7,000.00	7,000.00
Islamic Bank of Thailand	-	<u>3,000.00</u>
Total	<u>7,000.00</u>	<u>10,000.00</u>

7.6.1.2 Long-term borrowings from related parties

Unit : Million Baht

	Mar 31, 2015	Dec 31, 2014
Foreign borrowings via the Ministry of Finance	13,617.97	15,471.25
Government Saving Bank	<u>425.00</u>	<u>568.00</u>
Total	<u>14,042.97</u>	<u>16,039.25</u>

7.6.2 Related Transactions with Subsidiary Companies

7.6.2.1 Loans to Subsidiary

Unit : Million Baht

	Mar 31, 2015	Dec 31, 2014
WingSpan Services Company Limited	<u>20.00</u>	<u>20.00</u>
Total	<u>20.00</u>	<u>20.00</u>

7.6.2.2 Sales and Purchases

	Unit : Million Baht			
	Mar 31, 2015		Mar 31, 2014	
	Sales	Purchases	Sales	Purchases
Thai-Amadeus Southeast Asia Company Limited	0.44	-	0.67	-
WingSpan Services Company Limited	0.86	165.98	2.90	253.05
Thai Flight Training Company Limited	2.08	-	6.70	-
Tour Eurng Luang Company Limited	18.47	-	18.36	8.24
Thai Smile Airways Company Limited	1,211.62	7.10	-	-

7.6.2.3 Account Receivables and Account Payables

	Unit : Million Baht			
	Mar 31, 2015		Dec 31, 2014	
	Account Receivables	Account Payables	Account Receivables	Account Payables
Thai-Amadeus Southeast Asia Company Limited	0.23	0.16	0.14	0.16
WingSpan Services Company Limited	325.05	578.66	320.59	412.10
Thai Flight Training Company Limited	0.84	-	4.46	-
Tour Eurng Luang Company Limited	7.55	-	9.56	-
Thai Smile Airways Company Limited	4,068.93	2,556.16	2,825.91	2,549.06

Related account receivables and account payables of WingSpan Service Co., Ltd. have included prepaid and accrued expenses amount of THB 324.67 million and THB 575.62 million.

Related account receivables and account payables of Thai Smile Airways Co., Ltd. have included accrued income amount of THB 107.29 million and total amount of accrued expenses.

7.6.2.4 Aircraft Lease Between Related Parties

The Company signed A320-200 aircraft sublease agreements with Thai Smile Airways Co., Ltd. for a period of 3 years for which such contracts can be extended for another 3 years. As at March 31, 2015, a total of such aircraft are 13 aircraft consisting of 10 of the A320-200 aircraft which were back to back operating leases while 3 were aircraft for which the Company acquired under finance lease and were quarterly subleased to Thai Smile.

7.6.3 Related Transactions with Associated Companies

7.6.3.1 Sales and Purchases

	Unit : Million Baht			
	Mar 31, 2015		Mar 31, 2014	
	Sales	Purchases	Sales	Purchases
Royal Orchid Hotel (Thailand) Public Company Limited	-	0.34	-	0.78
Donmuang International Airport Hotel Company Limited	-	0.05	-	0.01
Bangkok Aviation Fuel Services Public Company Limited	0.01	76.24	0.01	83.94
Phuket Air Catering Company Limited	0.52	8.68	0.35	8.74
Suvarnabhumi Airport Hotel Company Limited	-	4.97	-	3.79
Nok Airlines Public Company Limited	37.83	0.09	20.03	4.12

7.6.3.2 Account Receivables and Account Payables

	Unit : Million Baht			
	Mar 31, 2015		Dec 31, 2014	
	Account Receivables	Account Payables	Account Receivables	Account Payables
Royal Orchid Hotel (Thailand) Public Company Limited	-	0.05	-	0.01
Donmuang International Airport Hotel Company Limited	-	0.03	-	-
Bangkok Aviation Fuel Services Public Company Limited	-	26.86	-	30.96
Phuket Air Catering Company Limited	0.14	0.42	0.004	0.07
Suvarnabhumi Airport Hotel Company Limited	-	0.73	-	0.43
Nok Airlines Public Company Limited	66.74	0.01	46.56	0.08

The Company's pricing policy is to purchases goods and services at market price from related parties on normal commercial term as unrelated parties.

7.6.4 Key Executives Separate financial statements

	Unit : Million Baht	
	Mar 31, 2015	Mar 31, 2014
Remuneration for Management Executives	19.48	16.40
Remuneration for Board of Directors	<u>4.23</u>	<u>3.59</u>
Total	<u>23.71</u>	<u>19.99</u>

The Company's Executives are the same criteria as Note No. 7.15, employee benefits expenses.

7.7 Property, Plant and Equipment

**Consolidated Financial Statements
As at March 31, 2015**

Unit : Million Baht

	Prepaid Aircraft and Spare Engines	Aircraft	Aircraft under Finance Leases	Aircraft Spare Parts	Work in Progress	Land	Buildings	Leasehold Buildings	Building Improvement	Other Plant and Equipment	Total
Cost											
As at January 1, 2015	12,367.65	136,691.33	188,545.91	36,754.25	1,273.70	936.30	2,514.52	10,791.51	4,801.44	31,143.56	425,820.17
- Adjust/Transfers	(3,786.29)	(19,013.23)	(29,864.80)	848.66	-	-	-	-	0.23	34.90	(51,780.53)
- Additions	319.75	42.47	4,374.05	151.72	(796.71)	-	-	-	9.05	705.48	4,805.81
- Disposals/Amortized	-	(44.30)	(72.43)	(230.39)	-	-	-	-	(1.80)	(127.67)	(476.59)
As at March 31, 2015	8,901.11	117,676.27	162,982.73	37,524.24	476.99	936.30	2,514.52	10,791.51	4,808.92	31,756.27	378,368.86
Accumulated depreciation											
As at January 1, 2015	-	85,369.19	53,935.09	23,563.13	-	-	2,410.50	5,784.11	4,398.91	26,337.79	201,798.72
- Depreciation	-	1,620.15	2,378.41	492.09	-	-	9.92	56.75	39.52	356.98	4,953.82
- Adjust/Transfers	-	(14,828.10)	(16,334.19)	(37.70)	-	-	-	-	0.23	34.73	(31,165.03)
- Disposals/Amortized	-	(44.30)	(72.42)	(164.16)	-	-	-	-	(1.58)	(125.84)	(408.30)
As at March 31, 2015	-	72,116.94	39,906.89	23,853.36	-	-	2,420.42	5,840.86	4,437.08	26,603.66	175,179.21
Net book value											
As at December 31, 2014	12,367.65	51,322.14	134,610.82	13,191.12	1,273.70	936.30	104.02	5,007.40	402.53	4,805.77	224,021.45
As at March 31, 2015	8,901.11	45,559.33	123,075.84	13,670.88	476.99	936.30	94.10	4,950.65	371.84	5,152.61	203,189.65

Consolidated Financial Statements
As at March 31, 2014

Unit : Million Baht

	Prepaid Aircraft and Spare Engines	Aircraft	Aircraft under Finance Leases	Aircraft Spare Parts	Work in Progress	Land	Buildings	Leasehold Buildings	Building Improvement	Other Plant and Equipment	Total
Cost											
As at January 1, 2014	17,986.26	157,455.89	169,334.64	34,878.89	1,112.72	935.74	2,513.10	10,791.51	4,663.51	30,657.47	430,329.73
- Adjust/Transfers	(2,209.83)	(7,093.49)	2,209.83	(172.84)	-	0.56	1.42	-	62.80	40.90	(7,160.65)
- Additions	1,535.04	329.32	3,419.56	642.60	(228.04)	-	-	-	17.18	238.32	5,953.98
- Disposals/Amortized	-	-	-	(206.48)	-	-	-	-	(72.61)	(244.67)	(523.76)
As at March 31, 2014	17,311.47	150,691.72	174,964.03	35,142.17	884.68	936.30	2,514.52	10,791.51	4,670.88	30,692.02	428,599.30
Accumulated Depreciation											
As at January 1, 2014	-	93,365.17	45,243.35	22,375.17	-	-	2,368.20	5,553.95	4,270.26	25,704.90	198,881.00
- Depreciation	-	1,950.07	2,132.71	505.88	-	-	10.24	56.75	36.32	328.54	5,020.51
- Adjust/Transfers	-	(6,034.32)	-	(124.42)	-	-	1.42	-	62.65	42.09	(6,052.58)
- Disposals/Amortized	-	-	-	(193.74)	-	-	-	-	(72.46)	(244.55)	(510.75)
As at March 31, 2014	-	89,280.92	47,376.06	22,562.89	-	-	2,379.86	5,610.70	4,296.77	25,830.98	197,338.18
Net book value											
As at December 31, 2013	17,986.26	64,090.72	124,091.29	12,503.72	1,112.72	935.74	144.90	5,237.56	393.25	4,952.57	231,448.73
As at March 31, 2014	17,311.47	61,410.80	127,587.97	12,579.28	884.68	936.30	134.66	5,180.81	374.11	4,861.04	231,261.12

**Separate Financial Statements
As at March 31, 2015**

Unit : Million Baht

	Prepaid Aircraft and Spare Engines	Aircraft	Aircraft under Finance Leases	Aircraft Spare Parts	Work in Progress	Land	Buildings	Leasehold Buildings	Building Improvement	Other Plant and Equipment	Total
Cost											
As at January 1, 2015	12,367.65	136,691.33	188,545.91	36,754.25	1,273.70	936.30	2,514.52	10,791.51	4,801.44	31,045.29	425,721.90
- Adjust/Transfers	(3,786.29)	(19,013.23)	(29,864.80)	848.66	-	-	-	-	0.23	34.90	(51,780.53)
- Additions	319.75	42.47	4,374.05	151.72	(796.71)	-	-	-	9.05	704.38	4,804.71
- Disposals/Amortized	-	(44.30)	(72.43)	(230.39)	-	-	-	-	(1.80)	(126.24)	(475.16)
As at March 31, 2015	8,901.11	117,676.27	162,982.73	37,524.24	476.99	936.30	2,514.52	10,791.51	4,808.92	31,658.33	378,270.92
Accumulated Depreciation											
As at January 1, 2015	-	85,369.19	53,935.09	23,563.13	-	-	2,410.50	5,784.11	4,398.91	26,247.28	201,708.21
- Depreciation	-	1,620.15	2,378.41	492.09	-	-	9.92	56.75	39.52	356.26	4,953.10
- Adjust/Transfers	-	(14,828.10)	(16,334.19)	(37.70)	-	-	-	-	0.23	34.73	(31,165.03)
- Disposals/Amortized	-	(44.30)	(72.42)	(164.16)	-	-	-	-	(1.58)	(125.84)	(408.30)
As at March 31, 2015	-	72,116.94	39,906.89	23,853.36	-	-	2,420.42	5,840.86	4,437.08	26,512.43	175,087.98
Net book value											
As at December 31, 2014	12,367.65	51,322.14	134,610.82	13,191.12	1,273.70	936.30	104.02	5,007.40	402.53	4,798.01	224,013.69
As at March 31, 2015	8,901.11	45,559.33	123,075.84	13,670.88	476.99	936.30	94.10	4,950.65	371.84	5,145.90	203,182.94

**Separate Financial Statements
As at March 31, 2014**

Unit : Million Baht

	Prepaid Aircraft and Spare Engines	Aircraft	Aircraft under Finance Leases	Aircraft Spare Parts	Work in Progress	Land	Buildings	Leasehold Buildings	Building Improvement	Other Plant and Equipment	Total
Cost											
As at January 1, 2014	17,986.26	157,455.89	169,334.64	34,878.89	1,112.72	935.74	2,513.10	10,791.51	4,663.51	30,467.53	430,139.79
- Adjust/Transfers	(2,209.83)	(7,093.49)	2,209.83	(172.84)	-	0.56	1.42	-	62.80	40.90	(7,160.65)
- Additions	1,535.04	329.32	3,419.56	642.60	(228.04)	-	-	-	17.18	237.77	5,953.43
- Disposals/Amortized	-	-	-	(206.48)	-	-	-	-	(72.61)	(244.67)	(523.76)
As at March 31, 2014	17,311.47	150,691.72	174,964.03	35,142.17	884.68	936.30	2,514.52	10,791.51	4,670.88	30,501.53	428,408.81
Accumulated depreciation											
As at January 1, 2014	-	93,365.17	45,243.35	22,375.17	-	-	2,368.20	5,553.95	4,270.26	25,522.88	198,698.98
- Depreciation	-	1,950.07	2,132.71	505.88	-	-	10.24	56.75	36.32	327.72	5,019.69
- Adjust/Transfers	-	(6,034.32)	-	(124.42)	-	-	1.42	-	62.65	42.09	(6,052.58)
- Disposals/Amortized	-	-	-	(193.74)	-	-	-	-	(72.46)	(244.55)	(510.75)
As at March 31, 2014	-	89,280.92	47,376.06	22,562.89	-	-	2,379.86	5,610.70	4,296.77	25,648.14	197,155.34
Net book value											
As at December 31, 2013	17,986.26	64,090.72	124,091.29	12,503.72	1,112.72	935.74	144.90	5,237.56	393.25	4,944.65	231,440.81
As at March 31, 2014	17,311.47	61,410.80	127,587.97	12,579.28	884.68	936.30	134.66	5,180.81	374.11	4,853.39	231,253.47

In this period, there are 95 aircraft represented in the Company's fleet consisting of 28 own aircraft, 34 aircraft under finance leases, and 33 aircraft under operating leases which excluded 32 aircraft for sales with a carrying amount of THB 13,202.42 million.

Aircraft spare parts consist of aircraft engines and other aircraft spare parts.

The Company uses buildings and equipment that are now fully depreciated with historical cost of THB 56,335.04 million including the leasehold buildings amount of THB 3,924.94 million.

Leasehold buildings are leased from Airports of Thailand Public Company Limited at Suvarnabhumi Airport with a lease term of 30 years starting from September 28, 2006 to September 29, 2036 and at Donmuang Airport with a lease term of 3 years starting from September 27, 2009 to September 28, 2012. The title of the buildings and elements will be passed to the Ministry of Finance at the end of the lease term. On August 10, 2012, the Company has issued the letter of intent to Airports of Thailand Public Company Limited for such leasehold buildings at Donmuang Airport with a lease term of 3 years starting from September 28, 2012 to September 27, 2015, and the proposal is under the negotiation. In this regard, Airports of Thailand Public Company Limited has collected aforementioned rental at the same rate of previous agreement.

The Company has provided a land located in Bangkok for security meanwhile the Company is now in the procedure of appealing against the judgement of the court of first instance who has made a decision that compelled the Company to provide compensation in the amount of THB 27.63 million with interest due to ceasing of wine purchase.

At present, the official appraisal value of the Company's domestic land is THB 4,216.29 million consisting of land in Bangkok amount of THB 3,981.09 million and land in provinces amount of THB 235.20 million.

Assets under finance leases are aircraft under finance leases which the acquisition contracts were made in USD currency but the finance leases were made in EUR, USD, and JPY currency.

7.8 Intangible Assets

	Unit : Million Baht	
	Consolidated Financial Statements	Separate Financial Statements
Cost		
As at January 1, 2015	3,323.80	3,285.25
- Additions	23.52	35.07
As at March 31, 2015	3,347.32	3,320.32
Accumulated amortization		
As at January 1, 2015	2,060.76	2,052.18
- Amortization	132.64	132.09
As at March 31, 2015	2,193.40	2,184.27
Net book value		
As at December 31, 2014	1,263.04	1,233.07
As at March 31, 2015	1,153.92	1,136.05

7.9 Deferred Tax Assets , Deferred Tax Liabilities

7.9.1 Deferred tax assets arising from the temporary differences between the book values and tax base of assets and liabilities in the statements of financial position are as follows:

	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>
Contribution to staff provident fund	68.33	68.90	68.33	68.90
Contribution to staff pension fund	426.45	431.03	426.45	431.03
Allowance for obsolete inventories	623.80	594.77	623.80	594.77
Allowance for doubtful accounts	283.67	329.56	279.42	325.31
Allowance for impairment in value of assets	4,784.78	2,561.08	4,784.78	2,561.08
Estimated accrual expenses	723.91	659.48	723.42	658.99
Intangible assets	55.03	60.59	55.03	60.59
Employee benefits obligation	2,350.40	2,301.78	2,338.77	2,291.27
Others	<u>1.62</u>	<u>1.62</u>	<u>-</u>	<u>-</u>
Total	<u>9,317.99</u>	<u>7,008.81</u>	<u>9,300.00</u>	<u>6,991.94</u>

7.9.2 Deferred Tax Liabilities

	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>
Intangible assets	136.52	127.93	136.52	127.93

Tax rates used for measuring asset value and deferred tax income are 20%.

7.10 Other Non-Current Assets

	Unit : Million Baht			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>Financial Statements</u>		<u>Financial Statements</u>	
	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>
Deferred charges	5,377.36	5,108.29	5,377.36	5,108.29
Others	<u>682.58</u>	<u>728.65</u>	<u>677.63</u>	<u>722.94</u>
Total	<u>6,059.94</u>	<u>5,836.94</u>	<u>6,054.99</u>	<u>5,831.23</u>

Deferred charges consist of aircraft overhaul costs (D-check) for aircraft under operating lease, which are amortized as expenses over an estimated useful life of 4-7 years but not over the lease term, and loans guarantee premiums for purchasing of aircraft are amortized as expenses over the period of due payment loans in each accounting period.

7.11 Staff Pension Fund Consolidated and Separate Financial Statements

The Company has established a staff pension fund, contributing 10% of employee salaries to the fund each month. The fund's assets, liabilities and balance are presented in the Company's statements of financial position. Interest and expenses arising from fund operations are recognized as income and expenses of the Company. The details are as follows:

	Unit : Million Baht	
	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>
Current assets	4,901.56	4,883.18
Others	<u>79.72</u>	<u>73.87</u>
Total	<u>4,981.28</u>	<u>4,957.05</u>
Other current liabilities	211.25	193.90
Pension fund	<u>4,770.03</u>	<u>4,763.15</u>
Total	<u>4,981.28</u>	<u>4,957.05</u>

As at March, 2015, the fund balance was THB 4,770.03 million and was equal to the Company's obligation to its staff under the fund. (The total Company contribution to the fund in this accounting periods was THB 16.80 million, which came from contributions at a rate equivalent to 10% of employee salaries in the amount of THB 51.59 million less the amount to match the Company's obligation of THB 34.79 million.)

7.12 Employee Benefit Obligations

	Consolidated		Unit : Million Baht	
	Financial Statements		Separate	
	Mar 31, 2015	Dec 31, 2014	Mar 31, 2015	Dec 31, 2014
Beginning balance - Employee benefit obligations	11,508.91	10,545.97	11,456.35	10,511.75
Current service cost	125.11	498.87	119.98	481.54
Interest cost	118.02	451.03	117.53	450.02
Benefits paid	-	13.04	-	13.04
Ending Balance - Employee Benefit Obligations	<u>11,752.04</u>	<u>11,508.91</u>	<u>11,693.86</u>	<u>11,456.35</u>

7.13 Share Capital

As at March 31, 2015, the Company has authorized ordinary shares amount of 2,698.90 million shares at par value THB 10 each for an aggregate of THB 26,989.01 million, issued and paid-up ordinary shares amount of THB 21,827.72 million.

7.14 Other Income - Others

	Unit : Million Baht			
	Consolidated		Separate	
	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
Gains on sales of assets	2.08	3.63	2.08	3.63
Dividends from associated and subsidiary companies	-	-	-	120.05
Revenue from other services of Aircraft Maintenance Department	148.78	194.16	148.78	194.16
Other fine revenues	20.05	28.45	20.05	28.45
Insurance compensation from the flood disaster	-	34.15	-	34.15
Revenue from Royal Orchid Lounge service	29.31	20.57	29.31	20.57
Others	150.91	96.22	215.88	96.33
Total	351.13	377.18	416.10	497.34

7.15 Employee Benefits Expenses

	Unit : Million Baht			
	Consolidated		Separate	
	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
Personnel expenses	7,233.82	7,416.33	7,182.06	7,431.70
Employee benefits	243.13	237.53	237.51	232.88
Executive remuneration	20.66	17.34	19.48	16.40
Board of directors remuneration	4.72	4.23	4.23	3.59
Total	7,502.33	7,675.43	7,443.28	7,684.57

Managements refer to the Company's Board of Directors, Chief Executives, persons in the next four executive levels below the chief executives, and in similar position, including accounting or finance department managers or above according to Securities and Exchange Mandate.

Moreover, the Directors of the Company obtain the ticket benefits. For the period as at March 31, 2015 and 2014, they issued the tickets for themselves and their related parties amount of 0 and 66 tickets with the value of THB 0 and THB 6.07 million, respectively, calculating from the full fare tickets in those traveling classes.

7.16 Impairment Loss of Aircraft Separate Financial Statements

In the three-month period ended March 31, 2015, the Company has phased out 12 aircraft from the fleet and are under the selling process (Notes 7.4), when comparing the net book value with the fair value less cost to sell, it appears that the fair value less cost to sell is lower than the net book value of 4 A330-300, 6 A340-600 and 2 B747-400 amount of THB 11,804.16 million. Therefore, the Company recognized the mentioned amount impairment loss of such aircraft in the statements of comprehensive income in this period.

7.17 Other Expenses

	Unit : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
Rentals and utilities	640.10	720.05	640.10	720.05
Office supplies	28.18	41.73	28.18	41.73
Repair of building and equipment	119.51	154.00	119.51	154.00
Outsource services	386.46	315.19	386.46	315.19
Consultant and service fees	177.63	163.94	177.63	163.94
Legal fee for Antitrust/ Competition Law	4.96	17.27	4.96	17.27
Computer service expenses	145.75	75.04	145.75	75.04
Rental of communication devices and office equipment	64.46	109.86	64.46	109.86
Travelling and transportation expenses	126.35	149.60	126.35	149.60
Concession fees	106.17	105.82	106.17	105.82
Passenger claim expenses	62.25	50.51	62.25	50.51
Damages from flood disaster	-	34.15	-	34.15
Provision for disposal and unused spare parts	137.17	173.35	137.17	173.35
Service cargo expenses	29.96	38.82	29.96	38.82
Joint venture expenses in STAR Alliance	2.64	9.99	2.64	9.99
Company business and municipal taxes	35.97	41.68	35.97	41.68
Bad debts and provision for bad debts	(219.51)	26.53	(219.84)	25.41
Others	248.77	94.69	170.30	67.38
Total	2,096.82	2,322.22	2,018.02	2,293.79

7.18 Income Tax Expense (Income)

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
Tax expense from taxable profit for the period	16.91	22.86	7.44	8.37
Add(less): deferred tax asset/ liability from temporary different increase/ decrease	(2,300.60)	215.16	(2,299.47)	216.08
Net tax expenses (income)	(2,283.69)	238.02	(2,292.03)	224.45

7.19 Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated by dividing profit or loss attributable to owners of the parent for the period by the weighted average number of ordinary shares outstanding during the periods.

Consolidated Financial Statements For the three-month period ended March 31, 2015

	<u>Profit (Loss)</u>		<u>Number of Shares</u>		<u>Earnings(Loss) per Share</u>	
	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>
	Million Baht	Million Baht	Million Share	Million Share	Baht	Baht
Basic Earnings (Loss) per Share						
Profits (loss) attributable to owners of the parent	4,541.13	(2,634.11)	2,182.77	2,182.77	2.08	(1.21)

Separate Financial Statements For the three-month period ended March 31, 2015

	<u>Profit (Loss)</u>		<u>Number of Shares</u>		<u>Earnings(Loss) per Share</u>	
	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>
	Million Baht	Million Baht	Million Share	Million Share	Baht	Baht
Basic Earnings (Loss) per Share						
Profits (loss) attributable to owners of the parent	4,749.37	(2,701.84)	2,182.77	2,182.77	2.18	(1.24)

7.20 Financial Information by Segment Consolidated financial statements

7.20.1 Business segments

Statements of Income For the three-month period ended March 31, 2015

	Unit : Million Baht							
	<u>Air Transportation</u>		<u>Business Units</u>		<u>Other Activities</u>		<u>Total</u>	
	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Mar 31, 2014</u>
External Revenues	48,427.54	47,058.18	2,316.98	1,887.77	471.16	586.88	51,215.68	49,532.83
Inter - segment revenues	-	-	2,326.18	2,371.62	1,204.23	1,475.25	3,530.41	3,846.87
Interest income	80.11	68.74	-	-	1.99	2.86	82.10	71.60
Finance costs	(1,409.11)	(1,423.08)	-	-	-	-	(1,409.11)	(1,423.08)
Finance costs - net	(1,329.00)	(1,354.34)	-	-	1.99	2.86	(1,327.01)	(1,351.48)
Depreciation and amortization expenses	(4,625.63)	(4,727.50)	(193.04)	(187.18)	(273.63)	(191.09)	(5,092.30)	(5,105.77)
Fuel and oil	(14,153.01)	(20,742.24)	-	-	(326.63)	-	(14,479.64)	(20,742.24)
Employee benefits expenses	(4,313.32)	(4,585.66)	(1,824.36)	(1,851.40)	(1,364.64)	(1,238.36)	(7,502.32)	(7,675.42)
Tax income (expenses)	2,292.03	(224.45)	-	-	(8.34)	(13.57)	2,283.69	(238.02)
Profit on investment in associates	136.22	158.07	-	-	-	-	136.22	158.07
Gain on foreign currency exchange	9,641.12	989.77	-	-	12.79	0.21	9,653.91	989.98
Impairment loss of aircraft	(11,804.16)	(83.70)	-	-	-	-	(11,804.16)	(83.70)
Gain on Disposal of the Controlling Interest	-	-	-	-	-	-	-	-
Gain (loss) by segments	2,597.13	(3,428.67)	1,021.83	616.22	(1,353.76)	431.21	2,265.20	(2381.24)

Assets and Liabilities As at March 31, 2015

	Unit : Million Baht							
	<u>Air Transportation</u>		<u>Business Units</u>		<u>Other Activities</u>		<u>Total</u>	
	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>
Current assets	57,325.71	54,615.59	588.50	603.99	5,735.52	4,999.65	63,649.73	60,219.23
Investments	4,986.35	4,851.06	-	-	1.02	1.02	4,987.37	4,852.08
Property, plant and equipment	194,895.40	215,510.01	4,681.90	4,802.08	3,612.35	3,709.36	203,189.65	224,021.45
Other non-current assets	16,478.42	14,041.80	1.19	1.54	52.24	65.45	16,531.85	14,108.79
Non-allocated assets	-	-	-	-	-	-	<u>3,805.89</u>	<u>4,065.63</u>
Total assets							<u>292,164.49</u>	<u>307,267.18</u>
Current liabilities	82,956.18	96,252.69	175.37	234.67	5,444.62	4,403.09	88,576.17	100,890.45
Non-current liabilities	156,678.57	163,805.62	-	-	62.19	56.52	156,740.76	163,862.14
Non-allocated liabilities	-	-	-	-	-	-	<u>1,002.77</u>	<u>1,218.66</u>
Total Liabilities							<u>246,319.70</u>	<u>265,971.25</u>

The Company has 3 reported segments, consisting of air transportation activities segment, business units segment, and other activities segment. Air transportation activities segment composed of passenger, freight, and mail services. The business units segments related directly to transportation activities, which include cargo and mail commercial, ground customer services, ground support equipment services, and catering services. Other activities segment are transportation supporting activities, which include dispatch services, sales on board, THAI shop, technical services and operation of subsidiaries.

Total gain (loss) before income tax by segments was derived from revenues net of costs and operating expenses.

The Company records inter-segment revenue transfers at market price charged to its unaffiliated customer net of discount, for ground customer services segment recorded at cost net of discount, and for other activities segment and technical services recorded at budget cost. Those transferred transaction will be eliminated in consolidated financial statements.

Segment assets are the assets used for the operation or related to such activity.

Segment liabilities are the liabilities used for the operation or related to such activity.

7.20.2 Geographical Segments

Unit : Million Baht

	Domestic Revenues			Foreign Revenues					Charter Revenues and Others	Other Income			Total
	Transportation	Business Unit	Others	Regional Asia	Europe	North Pacific	Australia & New Zealand	Africa		Interest Income	Other Income	Gain on Foreign Currency Exchange	
<u>For the Three-month periods</u>													
Jan-Mar 2015	3,450.59	2,316.98	471.16	24,988.37	14,514.84	721.92	4,267.16	56.00	428.66	82.10	351.13	9,653.91	61,302.82
Jan-Mar 2014	3,716.92	1,887.77	586.90	21,676.44	15,770.65	708.17	4,425.98	283.25	476.76	71.60	377.18	989.98	50,971.60

7.21 Staff Provident Fund

The Company contributes to the provident fund at the rate of 9% for members having not more than 20 years of services and 10% for members having more than 20 years of services, representing amount of THB 310.99 million for this fiscal year.

The Company's provident fund is managed by UOB Asset Management (Thailand) Company Limited, Krungthai Asset Management Public Company Limited, and One Asset Management Limited, which are permitted by the Securities and Exchange Commission, Thailand (SEC).

7.22 Contingent Liabilities

7.22.1 The Company has contingent liabilities, not presented in the financial statement, as follows:

	Unit : Million Baht	
	<u>Mar 31, 2015</u>	<u>Dec 31, 2014</u>
Letters of guarantee issued by banks - Domestic	28.75	37.24
Letters of guarantee issued by banks - Abroad	274.51	357.37
The Company as defendant in		
Labor dispute cases	1,322.41	1,321.01
Damage claims cases	<u>1,689.00</u>	<u>2,247.42</u>
Total	<u>3,314.67</u>	<u>3,963.04</u>

7.22.2 There are antitrust cases which have been filed alleged and conducted a criminal investigation against the Company as follows:

1. Regarding a Passenger US DOJ Investigation conducted by the United States' Department of Justice (DOJ), it can be divided into 2 cases.

1.1 Cargo US DOJ Investigation: The Company was unofficially informed that DOJ has already terminated the investigation.

1.2 Passenger US DOJ Investigation: The Company has not been contacted by DOJ and therefore it is assumed that DOJ should terminate any proceedings against the Company.

2. With respect to the investigation by the Australian Competition and Consumer Commission (ACCC).

On October 28, 2009, the ACCC has subsequently filed a lawsuit against the Company for violating Trade Practices Act 1974. The amount of fines and expenses has not yet been specified by the ACCC in the lawsuit.

At present, the Company has already entered into a settlement with ACCC in order to pay a fine in the amount of AUD 7.5 million including the legal fees of ACCC in the amount of AUD 0.5 million, the total amount is AUD 8 million. On December 14, 2012, the court rendered a judgment as per the settlement agreed between the Company and ACCC. The Company can pay the fine by 7 installments within 3 years period.

The Company has already paid for the fine of the first to the fifth installments as per the settlement agreement.

3. On the subject of an investigation by the Korean Fair Trade Commission (KFTC), the Company received an official decision of the KFTC.

On November 30, 2010 imposing a fine in the total amount of KRW 2,877,000,000 yet dropping the criminal charges against the Company and the relevant staff. The Company had therefore appealed the KFTC Commissioners' decision to the competent court. Nonetheless, the court dismissed the appeal of the Company for both ex Korea route and ex Hong Kong to Korea route. The Company had appealed to the Supreme Court in this respect.

At present, the Supreme Court of the Republic of Korea has upheld the decision of the Seoul High Court with regard to both the ex Korea and ex Hong Kong to Korea route. As a result, the Company shall pay a fine in the amount of KRW 2,198,000,000 for ex Korea route and KRW 679,000,000 for ex Hong Kong to Korea route. And paid the litigation expenses in respect of the court of appeal and the supreme court procedures to KFTC in the amount of KRW 36,611,290. In this regard, the Company has completely paid the fines under the court's decision.

4. As for the case involving the New Zealand Commerce Commission (NZCC)

NZCC had filed a lawsuit against the Company and other 13 airlines at the Auckland High Court and alleging that the Company, jointly with other airlines, fixed the fuel surcharge and security surcharge, constituting a violation against the Commerce Act of New Zealand, the NZCC requested the court to impose a fine and expenses to the Company according to the law. However, these fine and expenses remained unspecified at the time of filing the lawsuit.

At present, the Company has already entered into a settlement with NZCC. On April 22, 2013, the court in New Zealand rendered a judgment as per the settlement agreed between the Company and NZCC. The Company was allowed by the court to pay the fine in the amount of NZD 2.7 million and pay the legal fess of NZCC in the amount of NZD 259,079.18, the total amount is NZD 2,959,079.18 by 4 installments within 18 months period.

The Company has already paid for the fine of all installments as per the settlement agreement.

5. For the case where lawsuits were filed against the Company at the Superior Court of Los Angeles and the San Francisco County Superior Court alleging that the Company had violated the Antitrust law of the United States by committing fares and surcharges fixing conspiracy. Presently, the Judicial Panel on Multi-district Litigation has ordered to combine the cases to be considered by the court at San Francisco as a single case, however, the disputed amount of claims has not yet been determined until the court makes a final decision that the Company is guilty.

At present, the Company has agreed to settle with the plaintiffs in the amount of USD 9.7 million including expenses for delivery of notice to class action members and legal fees of the plaintiffs' lawyers. The Company can pay for the settlement amount by 2 installments. However, the settlement agreement has to be approved by the Federal Court of San Francisco, California, the United States before the settlement can be legally enforced. With respect to the payment of the settlement amount according to the settlement agreement, the payment shall be made to an escrow account in which an escrow agent will transfer the settlement amount to the plaintiffs once the Court renders a judgment as per the settlement agreement. In case that the Court does not do so, the settlement amount shall be transferred back to the Company.

In this regard, the Company has already paid the first and second installment of the settlement amount into the escrow account as per the settlement agreement. At the present, the case is waiting for the court's decision under the settlement agreement.

6. The case where the respondents in Cargo Civil Class Action Case in Australia filed a cross claim application against the Company:

British Airways, Singapore Airlines (together with Singapore Airlines Cargo), Cathay Pacific Airways and Lufthansa Cargo had filed an application to the court in order to bring the Company into the Class Action as a cross-respondent. On September 18, 2013, the court made the order granting those respondents to file a cross claim application against the Company and other airlines for proportional contribution in the event that damages are awarded by the court against the respondents.

Presently, the Company has already agreed to settle with the applicant group members and the respondents in the amount of AUD 500,000. The court has also approved the settlement agreement between the applicant group members, respondents and cross-respondents (including the Company). The case is currently pending the preparation of the written order of the court approving the settlement.

7. The case where British Airways, which is a defendant in Cargo Civil Class Action Case in the UK, issued a cross claim against the Company:

On February 4, 2014, the Company has received a notice from an English lawyer representing British Airways informed that British Airways, who is the defendant in the Cargo Civil Class Action Case in the UK and being claimed for damages arisen from fuel and security surcharges fixing during 1999-2007 under such case, has issued a cross claim against 18 airlines, including the Company on November 28, 2013. The Company is not the main party to the proceedings. The case is currently undergoing the process of disclosure.

8. The Cargo Civil Case filed against the Company in the Republic of Korea:

The Company has been informed by the branch office in the Republic of Korea on January 22, 2014 that LG Group Companies, including LG Chemical, LG Electronics, LG Display and LG Life Science, have filed a civil lawsuit against 12 airlines, including the Company, on November 27, 2013 in order to claim damages arisen from the conduct of conspiracy to fix fuel and security surcharges during 2003-2007. LG Group Companies have asserted the amount of claim at KRW 404,000,000 with interest or approximately THB 12.28 million and reserved their rights to amend the Plaintiff to increase the amount of claim if they can prove their claims to the court later on. The case is currently undergoing the court procedures.

7.23 Actions Taken in Relation to Entering to Block Space Agreement With Southern Air Inc., (SAI)

Since Southern Air Inc. (SAI) has files an application for the rehabilitation (Chapter 11) with the bankruptcy court in Delaware, the United States of America, on November 28, 2012, the Company filed a debt repayment application in the case where Southern Air Inc., (SAI) requested for the rehabilitation by assigning SKADDEN, ARPS, SLATE, MEAGHER & FLOM to be a local lawyer of the Company. The case is currently undergoing the court's consideration.

On June 12, 2014, Southern Air Inc.,(SAI) filed civil law suit case against the Company claiming damages for the breach of the Block Space Agreement. SKADDEN, ARPS, SLATE, MEAGHER & FLOM, the law firm representing the Company has filed a motion to dismiss the case on September 12, 2014. The case is now under the process of the court.

7.24 Actions Taken in Relation to Claiming for Damages Arising from the Delay of KOITO Economy Class Seats Delivery

On December 9, 2011, Macfarlanes LLP, the Company's lawyer, filed a lawsuit against Koito Industries Limited and Asia Fleet Services(s) Pte., Ltd. at the court in England for breaching of general terms agreements (economy class seats) for A330-300, A380-800 and B777-300 aircraft. At present, Koito Industries Limited (KI Holding Limited) and Asia Fleet Services(s) Pte., Ltd. has already files their defence and counter claim. At the present, the case is waiting for the court's decision. However, The court has not set an exact date.

7.25 Contractual Obligations

7.25.1 Obligation to Purchase Aircraft

The Company has a payment obligation to purchase, 2 A320-200, 4 A350-900XWB, and 2 B777-300ER aircraft amount of THB 28,257.37 million, expected to take delivery during the year 2015-2018 which consisted of:

Obligation	Unit : Million Baht	
	Within 1 year	Over 1 year – 5 years
Purchase of aircraft	9,249.85	19,007.52

7.25.2 Leases and Obligations of Aircraft

The Company has obligations from entering into operating leases for 45 aircraft amount of USD 4,531.43 million or approximately to THB 148,190.40 million consisting of 15 A320-200, 2 A330-300, 8 A350-900, 2 B737-400, 2 B777-200, 8 B777-300ER, 6 B787-8, and 2 B787-9 aircraft. As at March 31, 2015, there are 33 aircraft which have been already taken the delivery. In addition, there are the 12 aircraft which have not been taken deliver yet.

Also, there are 2 B737-400 aircraft which the lease will expire in 2015 and there are 8 and 35 aircraft which the lease will expire in 2016 - 2019 and 2020 - 2030, respectively.

Lease obligation for 45 aircraft operating leases can be classified as follows:

Obligation	Unit : Million Baht		
	Within 1 year	Over 1 year – 5 years	Over 5 years
Rent	8,385.96	47,828.92	91,975.52

7.26 Damages from the Flood Disaster

On October 26, 2011, the flood reached Don Muang Airport and Headquarters causing the damages to the Company's assets which the insurance will cover for such damages.

The Company has recorded the damages from flood disaster, which consisted of two Airbus A300-600 aircraft, consumable parts and supplies of Technical Department, tool repairment of Technical Department and raw material of Catering. As at March 31, 2015, the Company received the insurance compensation amount of THB 1,759.02 million. The Company recognized the insurance compensation from the flood disaster as an income amount of THB 1,759.02 million. Such compensation has been recognized in the statements of comprehensive income for the year 2011, 2012, 2013 and 2014 at the amount of THB 175 million, THB 284.23 million, THB 1,135.09 million and THB 164.70 million, respectively. However, all the damaged assets which are covered by the insurance policy are under claiming process with the insurance company.

7.27 Damages from the Aircraft Flights TG679

On September 8, 2013, Flight TG697 (Aircraft Type Airbus A330-300/Registration HS-TEF) skidded off run-way after landing at Suvarnabhumi International Airport. 80 passengers were reported injury and there was no fatality in this incident. Aircraft sustained severe damage. The aircraft is insured with the Agreed Value of USD 32.45 million or approximately to THB 1,014.01 million.

In this cases, the Company's Aviation Insurers are fully aware of the matter and already appointed Lawyers and Loss Adjusters to coordinate and work with THAI in respect of claims, litigation and settlement for passengers. The Team appointed by Insurers shall also make assessment for the damage of the aircraft under these cases. On September 18, 2013, the Company received the first interim payment from Insurers in the amount of USD 250,000 or approximately to THB 7.92 million.

At the present, the Company and Insurers' Loss Adjusters work together on the assessment for costs and expenses related to the repair of the aircraft. The manufacturer of the aircraft, Airbus Industries, is also engaged for "Full Repair Assessment" and it comes to the conclusion that the repair costs and expenses is higher than the insured value of the aircraft. Therefore, this case is considered to be "Constructive Total Loss (CTL)" under terms and conditions of the Company's aviation insurance policy. As the consequence of the above, the Company already received an insurance compensation in related to the damage of the aircraft from Insurers in the total amount of USD 33.54 million or approximately THB 1,087.28 million consisting of the full insured value of the aircraft agreed under the Insurance Policy at USD 32.45 million plus additional costs of working and inflight entertainment in the total amount of USD 1.09 million.

Till date, the Company has received more than 30 claims from Thai and Chinese passengers including claims from Airport Authority of Thailand Public Company Limited. All claims are being handled by the Company with close coordination with the lawyers appointed by aviation insurers. Costs and expenses in this respect will be absorbed by aviation insurers.

7.28 Events after the Reporting Period

7.28.1 On April 17, 2015, the Company has been already taken the delivery of 1 B787-8 under the operating leases with the lease term of 12 years.

7.28.2 According to the Resolution of the 2015 Annual General Shareholders' Meeting held on April 24, 2015 approved the Company to abstain from dividend payment for 2014 operating result to the Shareholders of the Company.

7.28.3 The Company has issued debentures No.1/2015 amount of THB 7,000 million which was offered to institution investors and/ or high net worth investors. The Company has already received the proceeds from issuing debentures on April 30, 2015.

7.29 Approval of Financial Statements

These financial statements were approved by the Audit Committee, the Authorized Board of Directors, on May 7, 2015.
