

(UNOFFICIAL TRANSLATION)
REVIEWED REPORT OF AUDITOR

TO : THE SHAREHOLDERS OF THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED

The Office of the Auditor General has reviewed the accompanying consolidated and the Company balance sheets as at June 30, 2003, the related consolidated and the Company statements of income, changes in shareholders' equity, retained earnings and cash flows for the three - month and nine - month periods ended June 30, 2003 and 2002, of Thai Airways International Public Company Limited and its subsidiaries. These financial statements are the responsibility of the Companies' management as to their correctness and completeness of the presentation. The responsibility of the Office of the Auditor General is to express an opinion on these financial statements based on its reviews.

The Office of the Auditor General conducted the review in accordance with the Auditing Accounting Standards. Those standards require that the Office of the Auditor General plans and performs the review to obtain reasonable assurance about whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical comparison of financial data and thus provides less assurance than an audit according to Generally Accepted Accounting Standards. Therefore, the Office of the Auditor General does not express an opinion to these reviewed financial statements.

Based on this review, nothing has come to the Office of the Auditor General's attention that causes its to believe that these accompanying consolidated and the Company balance sheets are not presented fairly, in all material respects, in accordance with the Generally Accepted Accounting Principles.

The Office of the Auditor General had audited the financial statements for the year ended September 30, 2002 of Thai Airways International Public Company Limited and its subsidiaries in conformity with the Generally Accepted Accounting Standards and expressed an unqualified opinion according to the report dated November 22, 2002. The consolidated and the Company balance sheets as at September 30, 2002, presented here to compare, are one part of the financial statements which were audited and reported by the Office of the Auditor General without applying other auditing methods after the date in those reports.

(Signed) *Jaruvan Maintaka*
(KsunyingJaruvan Maintaka)
Auditor General

(Signed) *Pensri Soranaraks*
(Pensri Soranaraks)
Auditor-in-charge

August 11, 2003

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT JUNE 30, 2003 AND SEPTEMBER 30, 2002

Unit : Baht

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>30 June 2003</u> (reviewed)	<u>30 September 2002</u> (audited)	<u>30 June 2003</u> (reviewed)	<u>30 September 2002</u> (audited)
ASSETS					
Current Assets					
Cash and cash equivalents	3.1	13,332,021,824	20,117,223,571	12,900,849,863	19,889,254,758
Fixed deposits due over 3 months		608,142,000	632,206,185	608,142,000	632,206,185
Current investments	3.2	519,622,226	149,655,337	519,622,226	149,655,337
Trade account receivables-net	3.3	8,974,909,897	13,201,683,343	8,943,384,660	13,199,668,913
Inventories and supplies-net		3,699,480,854	3,530,547,721	3,699,480,854	3,530,547,721
Other current assets					
Prepaid expenses and deposits		4,604,470,106	4,107,639,784	4,604,137,586	4,107,311,092
Tax refund		746,411,126	-	746,411,126	-
Others		1,203,955,742	1,644,888,781	1,304,698,495	1,515,774,884
Total Current Assets		33,689,013,775	43,383,844,722	33,326,726,810	43,024,418,890
Non-Current Assets					
Investments for using the equity method	3.4.1	860,486,900	874,298,101	1,132,370,123	1,129,506,110
Other long-term investments	3.4.2	69,849,991	73,381,486	69,849,991	73,381,486
Loan for investment in aircraft spare parts		26,585,395	27,449,664	26,585,395	27,449,664
Property, Plant and Equipment-Net					
Aircraft		57,957,128,263	55,129,520,462	57,957,128,263	55,129,520,462
Aircraft under capital leases		53,328,136,319	43,072,054,106	53,328,136,319	43,072,054,106
Aircraft spare parts		8,230,619,146	8,385,842,592	8,230,619,146	8,385,842,592
Land, buildings and improvements		2,935,697,627	3,231,407,314	2,935,697,627	3,231,407,314
Other plant and equipment		4,021,468,848	4,348,688,751	3,934,079,888	4,278,249,391
Other Non -Current Assets					
Advance payments for aircraft		-	12,971,766,099	-	12,971,766,099
Concessions for acquisitions of aircraft and engines		281,479,004	260,183,634	281,479,004	260,183,633
Deferred income taxes	3.5	5,960,875,637	6,651,807,517	5,956,067,099	6,647,873,767
Total Non-Current Assets		133,672,327,130	135,026,399,726	133,852,012,855	135,207,234,624
Total Assets		167,361,340,905	178,410,244,448	167,178,739,665	178,231,653,514

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

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT JUNE 30, 2003 AND SEPTEMBER 30, 2002

Unit : Baht

	Notes	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>30 June 2003</u> (reviewed)	<u>30 September 2002</u> (audited)	<u>30 June 2003</u> (reviewed)	<u>30 September 2002</u> (audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Trade account payables		4,134,543,387	3,872,767,705	4,129,136,584	3,869,340,849
Short-term loans		4,211,770,000	12,175,240,000	4,211,770,000	12,175,240,000
Current portion of long-term loans					
Long-term loans		6,048,793,500	10,926,105,121	6,048,793,500	10,926,105,121
Liabilities under capital leases		9,788,222,388	8,651,931,490	9,788,222,388	8,651,931,490
Promissory notes		1,050,000,000	1,050,000,000	1,050,000,000	1,050,000,000
Other current liabilities					
Accrued expenses		10,132,372,202	11,002,519,650	10,124,288,310	10,998,785,010
Accrued dividends		34,430,778	26,870,757	34,430,778	26,870,757
Accrued income taxes		12,824,657	1,799,939,805	-	1,778,010,536
Unearned transportation revenues		11,709,972,883	12,724,493,234	11,709,972,883	12,724,493,234
Others		6,152,512,796	5,021,512,368	6,134,624,255	4,997,078,782
Total Current Liabilities		53,275,442,591	67,251,380,130	53,231,238,698	67,197,855,779
Non-Current Liabilities					
Long-term debts					
Long-term loans		32,636,767,093	36,824,867,614	32,636,767,093	36,824,867,614
Liabilities under capital leases		37,211,818,670	34,800,841,704	37,211,818,670	34,800,841,704
Promissory notes		6,525,000,000	7,350,000,000	6,525,000,000	7,350,000,000
Staff pension fund	3.6	3,686,811,535	3,452,719,890	3,686,811,535	3,452,719,890
Other non-current liabilities		364,550,342	376,367,715	364,550,342	376,367,715
Total Non-Current Liabilities		80,424,947,640	82,804,796,923	80,424,947,640	82,804,796,923
Total Liabilities		133,700,390,231	150,056,177,053	133,656,186,338	150,002,652,702
Shareholders' Equity					
Share capital					
Authorised					
1,700 million ordinary shares par value of Baht 10 each		17,000,000,000	17,000,000,000	17,000,000,000	17,000,000,000
Issued and paid-up					
1,400 million ordinary shares paid-up		14,000,000,000	14,000,000,000	14,000,000,000	14,000,000,000
Premium on common stocks		4,750,000,000	4,750,000,000	4,750,000,000	4,750,000,000
Unrealised gain on change in market valuation	3.2	508,719,698	138,398,377	508,719,698	138,398,377
Retained Earnings (Deficit)					
Appropriated					
Legal reserve		1,541,881,364	1,541,881,364	1,541,881,364	1,541,881,364
Unappropriated		12,721,952,265	7,798,721,071	12,721,952,265	7,798,721,071
Total The Company Shareholders' Equity		33,522,553,327	28,229,000,812	33,522,553,327	28,229,000,812
Minority interest		138,397,347	125,066,583	-	-
Total Shareholders' Equity		33,660,950,674	28,354,067,395	33,522,553,327	28,229,000,812
Total Liabilities and Shareholders' Equity		167,361,340,905	178,410,244,448	167,178,739,665	178,231,653,514

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

SignedSignature.....
(Kanok Abhiradee)
President

SignedSignature.....
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

For three - month periods ended June 30, 2003 and 2002

Unit : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Revenues from the Sale of Goods and the Rendering of Services				
Passenger and excess baggage	17,254,624,524	24,259,714,845	17,254,624,524	24,259,714,845
Freight	5,023,605,722	5,209,402,043	5,023,605,722	5,209,402,043
Mail	208,818,965	168,924,109	208,818,965	168,924,109
Other activities	1,195,276,796	1,605,911,741	1,133,743,236	1,524,659,950
Total Revenues from the Sale of Goods and the Rendering of Services	23,682,326,007	31,243,952,738	23,620,792,447	31,162,700,947
Selling and Administrative Expenses				
Flight operations	6,510,420,050	6,552,837,384	6,510,420,050	6,552,837,384
Maintenance and overhaul	4,254,702,051	3,877,982,768	4,254,702,051	3,877,982,768
Ground operations	4,454,070,000	4,935,849,110	4,454,070,000	4,935,849,110
Passenger services	3,109,470,789	3,702,684,056	3,109,470,789	3,702,684,056
Marketing	2,264,686,182	2,602,257,691	2,264,686,182	2,602,257,691
Administration and general	396,630,461	448,076,380	396,630,461	448,076,380
Remuneration to board of directors	916,750	518,993	720,250	244,693
Lease of aircraft and spare parts	1,866,872,827	1,765,325,483	1,866,872,827	1,765,325,483
Depreciation of aircraft	2,388,310,734	2,133,413,209	2,388,310,734	2,133,413,209
Depreciation of other fixed assets	380,865,516	411,615,001	374,513,622	407,529,909
Other activities	574,431,700	697,779,557	535,237,118	663,506,274
Total Selling and Administrative Expenses	26,201,377,060	27,128,339,632	26,155,634,084	27,089,706,957
Profit from the Sale of Goods and the Rendering of Services Brought Forward	(2,519,051,053)	4,115,613,106	(2,534,841,637)	4,072,993,990

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

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

For three - month periods ended June 30, 2003 and 2002

Unit : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Profit from the Sale of Goods and the Rendering of Services Carried Forward	(2,519,051,053)	4,115,613,106	(2,534,841,637)	4,072,993,990
Other Incomes				
Interest income	65,692,762	95,746,183	65,364,092	95,512,966
Others	191,451,652	591,823,505	189,588,430	591,262,606
Total Other Incomes	257,144,414	687,569,688	254,952,522	686,775,572
Other Expenses				
Losses (Gains) on foreign currency exchange	(1,486,156,593)	(2,131,668,518)	(1,486,156,593)	(2,131,668,518)
Yields from pension fund	8,413,492	11,742,589	8,413,492	11,742,589
Others	82,685,344	835,089,047	82,085,609	834,578,961
Total Other Expenses	(1,395,057,757)	(1,284,836,882)	(1,395,657,492)	(1,285,346,968)
Profit from Operations	(866,848,882)	6,088,019,676	(884,231,623)	6,045,116,530
Share of Profits from Investments for Using the Equity Method				
Share of net profit from subsidiary companies	-	-	6,745,950	16,509,748
Share of net profit from associated companies	49,724,300	32,265,067	49,724,300	32,265,067
Total Share of Profits from Investments for Using the Equity Method	49,724,300	32,265,067	56,470,250	48,774,815
Profit before Interest and Income Tax Expenses	(817,124,582)	6,120,284,743	(827,761,373)	6,093,891,345
Interest expenses	1,007,989,814	1,359,130,758	1,007,989,814	1,359,124,177
Income tax expenses	(557,131,017)	1,295,939,807	(562,352,952)	1,282,956,923
Profit after Tax	(1,267,983,379)	3,465,214,178	(1,273,398,235)	3,451,810,245
Net profit of minority interest	5,414,856	13,403,933	-	-
Net profit	(1,273,398,235)	3,451,810,245	(1,273,398,235)	3,451,810,245
Primary earnings per share				
Net profit	(0.91)	2.47	(0.91)	2.47

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

SignedSignature.....
(Kanok Abhiradee)
President

SignedSignature.....
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

For nine - month periods ended June 30, 2003 and 2002

Unit : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Revenues from the Sale of Goods and the Rendering of Services				
Passenger and excess baggage	75,464,997,036	74,290,806,651	75,464,997,036	74,290,806,651
Freight	16,280,666,704	14,831,406,757	16,280,666,704	14,831,406,757
Mail	644,887,852	545,132,047	644,887,852	545,132,047
Other activities	4,545,717,687	4,696,850,591	4,332,885,073	4,475,740,727
Total Revenues from the Sale of Goods and the Rendering of Services	<u>96,936,269,279</u>	<u>94,364,196,046</u>	<u>96,723,436,665</u>	<u>94,143,086,182</u>
Selling and Administrative Expenses				
Flight operations	22,911,530,444	19,105,543,940	22,911,530,444	19,105,543,940
Maintenance and overhaul	11,684,272,790	12,627,070,005	11,684,272,790	12,627,070,005
Ground operations	15,111,659,083	14,686,213,981	15,111,659,083	14,686,213,981
Passenger services	11,383,345,617	11,066,758,129	11,383,345,617	11,066,758,129
Marketing	7,590,282,946	8,172,098,999	7,590,282,946	8,172,098,999
Administration and general	1,406,770,856	1,321,852,751	1,406,770,856	1,321,852,751
Remuneration to board of directors	3,630,021	3,133,754	2,669,380	2,138,954
Lease of aircraft and spare parts	5,988,055,125	6,271,054,987	5,988,055,125	6,271,054,987
Depreciation of aircraft	6,940,724,785	6,364,484,519	6,940,724,785	6,364,484,519
Depreciation of other fixed assets	1,175,173,321	1,261,884,856	1,157,388,773	1,251,128,429
Other activities	1,507,284,881	1,834,790,070	1,384,702,919	1,730,822,282
Total Selling and Administrative Expenses	<u>85,702,729,869</u>	<u>82,714,885,991</u>	<u>85,561,402,718</u>	<u>82,599,166,976</u>
Profit from the Sale of Goods and the Rendering of Services Brought Forward	<u>11,233,539,410</u>	<u>11,649,310,055</u>	<u>11,162,033,947</u>	<u>11,543,919,206</u>

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

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

For nine - month periods ended June 30, 2003 and 2002

Unit : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Profit from the Sale of Goods and the Rendering of Services Carried Forward	11,233,539,410	11,649,310,055	11,162,033,947	11,543,919,206
Other Incomes				
Interest income	224,838,982	229,357,346	223,969,283	228,675,329
Others	441,506,937	904,901,429	437,307,387	904,321,270
Total Other Incomes	666,345,919	1,134,258,775	661,276,670	1,132,996,599
Other Expenses				
Losses (Gains) on foreign currency exchange	(2,038,734,156)	(6,132,190,954)	(2,038,734,156)	(6,132,190,954)
Yields from pension fund	29,977,680	35,459,190	29,977,680	35,459,190
Others	618,143,628	1,372,765,843	616,899,085	1,371,697,635
Total Other Expenses	(1,390,612,848)	(4,723,965,921)	(1,391,857,391)	(4,725,034,129)
Profit from Operations	13,290,498,177	17,507,534,751	13,215,168,008	17,401,949,934
Share of Profits from Investments for Using the Equity Method				
Share of net profit from subsidiary companies	-	-	29,050,213	40,459,341
Share of net profit from associated companies	122,911,550	13,925,728	122,911,550	13,925,728
Total Share of Profits from Investments for Using the Equity Method	122,911,550	13,925,728	151,961,763	54,385,069
Profit before Interest and Income Tax Expenses	13,413,409,727	17,521,460,479	13,367,129,771	17,456,335,003
Interest expenses	3,386,390,016	4,468,109,331	3,386,390,016	4,468,087,791
Income tax expenses	2,980,332,753	3,795,137,411	2,957,508,561	3,762,826,647
Profit after Tax	7,046,686,958	9,258,213,737	7,023,231,194	9,225,420,565
Net profit of minority interest	23,455,764	32,793,172	-	-
Net profit	7,023,231,194	9,225,420,565	7,023,231,194	9,225,420,565
Primary earnings per share				
Net profit	5.02	6.59	5.02	6.59

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

SignedSignature.....
(Kanok Abhiradee)
President

SignedSignature.....
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the nine - month periods ended June 30, 2003 and 2002

Unit : Baht

	CONSOLIDATED						Total
	Share Capital issued and paid-up	Premium on share capital	Retained Earnings (Deficit) (restated)	Unrealised Gain	Legal Reserve	Minority Interest	
Balance as at October 1, 2001	14,000,000,000	4,750,000,000	(7,255,268,487)	-	1,032,785,577	101,890,963	12,629,408,053
- Adjustment of recording of exemption tax from losses on foreign currency	-	-	5,381,169,610	-	-	-	5,381,169,610
Balance after adjustment	14,000,000,000	4,750,000,000	(1,874,098,877)	-	1,032,785,577	101,890,963	18,010,577,663
<u>Add</u> Net Profit	-	-	9,225,420,565	-	-	32,793,172	9,258,213,737
<u>Less</u> Dividends paid	-	-	-	-	-	(6,750,000)	(6,750,000)
Balance as at June 30, 2002	14,000,000,000	4,750,000,000	7,351,321,688	-	1,032,785,577	127,934,135	27,262,041,400
Balance as at October 1, 2002	14,000,000,000	4,750,000,000	7,798,721,071	138,398,377	1,541,881,364	125,066,583	28,354,067,395
Unrealised gain on change in market valuation	-	-	-	370,321,321	-	-	370,321,321
<u>Add</u> Net Profit	-	-	7,023,231,194	-	-	23,455,764	7,046,686,958
<u>Less</u> Dividends paid	-	-	(2,100,000,000)	-	-	(10,125,000)	(2,110,125,000)
<u>Less</u> Legal reserve	-	-	-	-	-	-	-
Balance as at June 30, 2003	14,000,000,000	4,750,000,000	12,721,952,265	508,719,698	1,541,881,364	138,397,347	33,660,950,674

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

SignedSignature.....
(Kanok Abhiradee)
President

SignedSignature.....
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the nine - month periods ended June 30, 2003 and 2002

Unit : Baht

	THE COMPANY					Total
	Share Capital	Premium	Retained Earnings	Unrealised	Legal	
	issued and paid-up	on share capital	(Deficit) (restated)	Gain	Reserve	
Balance as at October 1, 2001	14,000,000,000	4,750,000,000	(7,255,268,487)	-	1,032,785,577	12,527,517,090
- Adjustment of recording of exemption tax from losses on foreign currency	-	-	5,381,169,610	-	-	5,381,169,610
Balance after adjustment	14,000,000,000	4,750,000,000	(1,874,098,877)	-	1,032,785,577	17,908,686,700
<u>Add</u> Net Profit	-	-	9,225,420,565	-	-	9,225,420,565
<u>Less</u> Dividends paid	-	-	-	-	-	-
Balance as at June 30, 2002	14,000,000,000	4,750,000,000	7,351,321,688	-	1,032,785,577	27,134,107,265
Balance as at October 1, 2002	14,000,000,000	4,750,000,000	7,798,721,071	138,398,377	1,541,881,364	28,229,000,812
Unrealised gain on change in market valuation	-	-	-	370,321,321	-	370,321,321
<u>Add</u> Net Profit	-	-	7,023,231,194	-	-	7,023,231,194
<u>Less</u> Dividends paid	-	-	(2,100,000,000)	-	-	(2,100,000,000)
<u>Less</u> Legal reserve	-	-	-	-	-	-
Balance as at June 30, 2003	14,000,000,000	4,750,000,000	12,721,952,265	508,719,698	1,541,881,364	33,522,553,327

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

SignedSignature.....
(Kanok Abhiradee)
President

SignedSignature.....
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the nine - month periods ended June 30, 2003 and 2002

Unit : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Cash flows from operating activities				
Net profit	7,023,231,194	9,225,420,565	7,023,231,194	9,225,420,565
Adjustment to reconcile net profit to cash provided by (paid from) operating activities :				
Depreciation	8,115,898,106	7,626,369,375	8,098,113,558	7,615,612,947
Incomes from investments for using the equity method	(122,911,549)	(13,925,728)	(151,961,763)	(54,385,069)
Losses on sales of assets	67,015,609	421,905,258	67,015,609	421,905,258
Gains on foreign currency exchange	(1,519,026,565)	(6,245,991,803)	(1,519,026,565)	(6,245,991,803)
Net profit of minority interest	23,455,764	32,793,172	-	-
Reserve for obsolete inventories	145,830,206	256,386,664	145,830,206	256,386,664
Allowance for doubtful accounts, impairment in value of assets	18,978,755	262,574,360	18,142,796	261,207,166
Operating profit before changes in operating assets and liabilities	13,752,471,520	11,565,531,863	13,681,345,035	11,480,155,728
Decrease (increase) in operating assets :				
Trade account receivables	4,149,260,589	(1,150,969,937)	4,179,607,354	(1,150,608,458)
Inventories and supplies	(314,763,338)	(157,805,300)	(314,763,338)	(157,805,300)
Prepaid expenses and deposits	(586,638,042)	105,535,418	(586,634,213)	105,617,538
Tax refund	(746,411,126)	2,785,459,667	(746,411,126)	2,785,459,667
Other current assets	430,285,558	1,511,294,497	200,428,908	1,569,107,623
Deferred income taxes	690,931,880	126,924,800	691,806,668	130,326,378
Concessions for acquisitions of aircraft and engines	(36,850,450)	159,933,221	(36,850,450)	159,933,221
Increase (decrease) in operating liabilities :				
Trade account payables	304,491,988	(13,986,546)	302,512,041	(16,922,800)
Accrued expenses and other current liabilities	(1,554,398,589)	1,102,088,701	(1,543,098,184)	1,071,938,160
Staff pension fund	234,091,645	1,576,338	234,091,645	1,576,338
Unearned transportation revenue	(1,014,520,351)	(940,066,015)	(1,014,520,351)	(940,066,015)
Net cash from operating activities	15,307,951,284	15,095,516,707	15,047,513,989	15,038,712,080

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

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the nine - month periods ended June 30, 2003 and 2002

Unit : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Cash flows from investing activities				
Decrease fixed deposits dued over 3 months	24,064,185	735,484,663	24,064,185	735,484,663
Cash paid for acquisition of fixed assets	(7,643,550,801)	(3,379,678,610)	(7,608,816,654)	(3,352,512,415)
Cash received from sales on assets	126,866,207	267,494,945	126,866,207	267,494,945
Investment	139,085,524	174,736,266	151,460,524	174,736,266
Net cash used in investing activities	(7,353,534,885)	(2,201,962,736)	(7,306,425,738)	(2,174,796,541)
Cash flows from financing activities				
Cash received from short-term loans	4,290,000,000	4,430,000,000	4,290,000,000	4,430,000,000
Cash received from long-term loans	10,302,175,447	8,210,310,000	10,302,175,447	8,210,310,000
Cash paid for repayment of short-term loans	(12,175,240,000)	-	(12,175,240,000)	-
Cash paid for repayment of long-term loans	(13,898,816,705)	(15,041,842,713)	(13,898,816,705)	(15,041,842,713)
Cash paid to promissory notes	(825,000,000)	(825,000,000)	(825,000,000)	(825,000,000)
Dividends paid	(2,102,564,979)	(15,063,600)	(2,092,439,979)	(37,350)
Net cash used in financing activities	(14,409,446,237)	(3,241,596,313)	(14,399,321,237)	(3,226,570,063)
Increase (decrease) in cash and cash equivalents	(6,455,029,838)	9,651,957,658	(6,658,232,986)	9,637,345,476
Effects of exchange rate changes on decreasing in cash and bank balance	(330,171,909)	(248,409,044)	(330,171,909)	(248,409,044)
Cash and cash equivalents at the beginning of the periods	20,117,223,571	8,027,726,204	19,889,254,758	7,774,017,477
Cash and cash equivalents at the end of the periods	13,332,021,824	17,431,274,818	12,900,849,863	17,162,953,909
Supplementary cash flows information :				
Cash paid during the year for				
Interest expenses	3,079,811,894	4,343,250,639	3,079,811,894	4,343,250,639
Corporate income tax	4,751,386,742	1,783,416,631	4,718,627,774	1,783,416,631

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

SignedSignature.....
(Kanok Abhiradee)
President

SignedSignature.....
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

**For the nine - month periods ended June 30, 2003 (reviewed)
and for the year ended September 30, 2002 (audited)**

1. BASIC OF FINANCIAL STATEMENTS PREPARATION

1.1 Consolidated financial statements

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 two subsidiaries, Thai-Amadeus Southeast Asia Company Limited and Thai Information Solution Company Limited, in which the Company holds equity interests of 55% and 100%, respectively. Significant transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

1.2 Interim financial statements

The interim financial statements have been prepared in accordance with the Accounting Standard No. 41, the interim financial statements, by indicating the items in balance sheet, statement of income, changes in shareholders' equity and cash flows which are similar to the annual financial statements. As for the supplementary information, only the crucial ones are indicated.

The purpose of preparation the interim financial statements is to add more information to the year financial statements ended September 30, 2002. So, the use of these interim financial statements should be applied together with the year financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in conformity with the Accounting Standards on a basis consistent with the annual financial statements ended September 30, 2002.

3. SUPPLEMENTARY INFORMATION

3.1 Cash and Cash Equivalents

	Unit : Million Baht			
	<u>Consolidated</u>		<u>The Company</u>	
	30-Jun-03	30-Sep-02	30-Jun-03	30-Sep-02
Cash - Domestic	11.13	11.53	11.13	11.53
Cash - Abroad	21.02	25.72	21.02	25.72
Bank Deposits - Domestic	5,146.81	4,645.91	4,715.64	4,417.94
Bank Deposits - Abroad	8,153.06	15,434.06	8,153.06	15,434.06
Total	13,332.02	20,117.22	12,900.85	19,889.25

3.2 Current Investments

On June 27, 2002, the Company received 508,937 shares in FRANCE TELECOM, listed on the Bourse de Paris and the New York Stock Exchange, from SITA. The details are as follows:

Name of Company	No. of Shares	Market Value/Share (at Bourse de Paris)	Amount (Million)	Amount THB (Million)
		June 30, 2003		
FRANCE TELECOM	508,937	EUR 21.36	EUR 10.87	519.62
Cost value			US\$ 0.26	10.90
Unrealised gain on change in market value				508.72

(Exchange rate EUR 1:THB 47.7994 and US\$ 1:THB 41.9328)

The Company classified these shares as available-for-sale securities. Unrealised gains on changes in market value are presented under shareholders' equity.

3.3 Trade Account Receivables-Net

Trade account receivables are classified according to their stages of delinquency, as expressed in the aging schedule below.

	Unit : Million Baht			
	<u>Consolidated</u>		<u>The Company</u>	
	30-Jun-03	30-Sep-02	30-Jun-03	30-Sep-02
Period overdue				
Not over 6 months	8,847.81	13,086.01	8,816.98	13,085.37
Over 6 months to 1 year	182.84	188.29	182.78	186.54
Over 1 year to 2 years	142.73	86.14	140.03	84.14
Over 2 years	1,165.71	1,186.44	1,164.19	1,186.08
	10,339.09	14,546.88	10,303.98	14,542.13
<u>Less</u> Allowance for doubtful accounts	(1,364.18)	(1,345.20)	(1,360.60)	(1,342.46)
Trade account receivables-net	8,974.91	13,201.68	8,943.38	13,199.67

3.4 Investments

Consolidated

Unit : Million Baht

Name of Company	Percentage of Shareholding		Investments				Incomes on investments	
			Cost method		Equity method		Jun-03	Jun-02
	Jun-03	Sep-02	Jun-03	Sep-02	Jun-03	Sep-02		
3.4.1 Investments using the equity method								
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at June 30, 2003 amount of Baht 652.50 Million and as at September 30, 2002 amount of Baht 675.00 million)	24	24	225.00	225.00	283.32	291.05	32.99	33.23
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	178.93	212.91	42.83	39.53
Bangkok Aviation Fuel Services Public Company Limited (Market value as at June 30, 2003 amount of Baht 671.92 million and September 30, 2002 amount of Baht 622.01 million)	22.6	22.6	76.79	76.79	370.79	349.88	40.10	(59.18)
Phuket Air Catering Company Limited	30	30	30.00	30.00	27.45	20.46	6.99	0.35
Total investments using the equity method					860.49	874.30	122.91	13.93
3.4.2 Other long-term investments stated at cost								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	4.0	4.0	26.18	26.18			-	-
SITA Investment Certificate	-	-	35.15	38.68			-	-
TRADESIAM Company Limited (paid 25% of authorised share capital)	3.5	3.5	1.75	1.75			-	-
Other Shares	-	-	6.77	6.77			0.7	0.07
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited			(133.00)	(133.00)			-	-
Total other long-term investments			69.85	73.38			0.7	0.07

The Company

Unit : Million Baht

Name of Company	Percentage of Shareholding		Investments				Incomes on investments	
	Jun-03	Sep-02	Cost method		Equity method		Jun-03	Jun-02
			Jun-03	Sep-02	Jun-03	Sep-02		
3.4.1 Investments using the equity method								
Subsidiary Companies								
Thai Information Solution Company Limited (paid 25% of authorised share capital)	100	100	125.00	125.00	102.73	102.35	0.38	0.38
Thai-Amadeus Southeast Asia Company Limited	55	55	8.25	8.25	169.15	152.86	28.67	40.08
Total					271.88	255.21	29.05	40.46
Associated Companies								
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at June 30, 2003 amount of Baht 652.50 Million and as at September 30, 2002 amount of Baht 675.00 million)	24	24	225.00	225.00	283.32	291.05	32.99	33.23
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	178.93	212.91	42.83	39.53
Bangkok Aviation Fuel Services Public Company Limited (Market value as at June 30, 2003 amount of Baht 671.92 million and as at September 30, 2002 amount of Baht 622.01 million)	22.6	22.6	76.79	76.79	370.79	349.88	40.10	(59.18)
Phuket Air Catering Company Limited	30	30	30.00	30.00	27.45	20.46	6.99	0.35
Total					860.49	874.30	122.91	13.93
Total investments using the equity method					1,132.37	1,129.51	151.96	54.39
3.4.2 Other long-term investments stated at cost								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	4.0	4.0	26.18	26.18			-	-
SITA Investment Certificate	-	-	35.15	38.68			-	-
TRADESIAM Company Limited (paid 25% of authorised share capital)	3.5	3.5	1.75	1.75			-	-
Other Shares	-	-	6.77	6.77			0.7	0.07
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited			(133.00)	(133.00)			-	-
Total other long-term investments			69.85	73.38			0.7	0.07

3.5 Deferred Income Tax

Temporary differences between net book value and the corresponding tax base are as follows :

	Unit : Million Baht			
	<u>Consolidated</u>		<u>The Company</u>	
	30-Jun-03	30-Sep-02	30-Jun-03	30-Sep-02
Contribution to staff pension funds	908.87	856.30	908.87	856.30
Allowance for obsolete inventories	640.20	596.45	640.20	596.45
Allowance for doubtful debts	490.57	484.88	489.50	484.06
Allowance for impairment in value of securities	39.90	39.90	39.90	39.90
Deposits	3.74	3.11	-	-
Estimated accrual expenses	563.83	480.65	563.83	480.65
Tax exemption from loss on foreign currency exchange	3,313.77	4,190.51	3,313.77	4,190.51
Total	5,960.88	6,651.80	5,956.07	6,647.87

3.6 Staff Pension Fund Consolidated and the Company

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

	Unit : Million Baht	
	30-Jun-03	30-Sep-02
Cash and cash equivalents	3.51	776.19
Fixed deposits	3,563.32	2,570.55
Fixed assets	0.01	0.03
Other current assets	5.98	22.27
	3,572.82	3,369.04
Other current liabilities	8.03	11.43
Pension fund	3,686.81	3,452.72
	3,694.84	3,464.15

As at June 30, 2003, the fund balance was Baht 3,686.81 million, equal to the Company's obligation to its staff under the fund. In the current fiscal year, the Company contributes to the fund at the rate of 10% in the amount of Baht 164.62 million plus an obligation amount of Baht 122.02 million, totalling Baht 286.64 million.

3.7 Contingent Liabilities

The Company has contingent liabilities, not presented in the financial statements, resulting from the following commitments:

	Unit : Million Baht	
	<u>The Company</u>	
	30-Jun-03	30-Sep-02
The Company as defendant in		
Labour dispute cases	384.38	37.42
Damage claims cases	442.43	447.81
Total	826.81	485.23

3.8 Reclassification of Items in Financial Statements

The Company has reclassified items in the income statement for the three - month and nine - month periods ended June 30, 2002 and rearranged a form of the changes in shareholders' equity statement for the nine - month periods ended June 30, 2002 for comparative purpose according to the regulation of the Department of Commercial Registration dated September 14, 2001, issued according to Section 11, clause 3 of the Accounting Act B.E. 2543. This is no impact to the reported net profit or shareholders' equity.
