

(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 March 31, 2006, the related consolidated and the Company statements of income, changes in shareholders' equity and cash flows for the three and six - month periods ended March 31, 2006 and 2005, 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, 2005 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 17, 2005. The consolidated and the Company balance sheets as at September 30, 2005, 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) *Boobpha Anuntawat*
(Boobpha Anuntawat)
Deputy Auditor General

(Signed) *Bobpha Kingsak*
(Bobpha Kingsak)
Director of Audit Office

May 8, 2006

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

AS AT MARCH 31, 2006 AND SEPTEMBER 30, 2005

Unit : Baht

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>31 March 2006</u> (reviewed)	<u>30 September 2005</u> (audited)	<u>31 March 2006</u> (reviewed)	<u>30 September 2005</u> (audited)
ASSETS					
Current Assets					
Cash and cash equivalents	3.2	6,250,030,705	9,930,000,904	5,934,596,349	9,589,521,953
Trade account receivables-net	3.3	16,601,839,355	15,468,179,546	16,558,570,969	15,423,035,075
Inventories and supplies-net		5,341,029,950	5,095,985,028	5,341,029,950	5,095,985,028
Other current assets	3.4	15,146,524,327	13,654,129,844	15,112,888,280	13,630,866,502
Total Current Assets		43,339,424,337	44,148,295,322	42,947,085,548	43,739,408,558
Non-Current Assets					
Investments by the equity method	3.5.1	1,475,698,055	1,402,118,521	1,746,486,843	1,667,828,330
Other long-term investments	3.5.2	192,533,886	190,010,922	89,684,072	88,376,676
Property, Plant and Equipment-Net	3.7	197,827,418,274	180,983,297,860	197,758,092,239	180,940,866,547
Intangible Assets-net	3.8	143,114,526	-	142,866,356	-
Others	3.9	5,061,382,513	4,914,554,188	5,050,809,507	4,905,245,319
Total Non-Current Assets		204,700,147,254	187,489,981,491	204,787,939,017	187,602,316,872
Total Assets		248,039,571,591	231,638,276,813	247,735,024,565	231,341,725,430

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

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

AS AT MARCH 31, 2006 AND SEPTEMBER 30, 2005

Unit : Baht				
CONSOLIDATED				
THE COMPANY				
Notes	31 March 2006	30 September 2005	31 March 2006	30 September 2005
	(reviewed)	(audited)	(reviewed)	(audited)
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Trade account payables	7,708,722,694	7,993,856,108	7,691,687,311	7,981,405,194
Short-term loans	5,555,347,200	-	5,555,347,200	-
Current portion of long-term loans				
Long-term loans	8,455,245,414	6,117,198,306	8,455,245,414	6,117,198,306
Liabilities under financial leases	8,675,933,561	6,587,594,104	8,675,933,561	6,587,594,104
Promissory notes	1,050,000,000	1,050,000,000	1,050,000,000	1,050,000,000
Provision for contingent liabilities	141,049,404	141,049,404	141,049,404	141,049,404
Other current liabilities				
Accrued expenses	12,656,331,309	16,273,774,116	12,640,036,113	16,256,628,995
Accrued dividends	59,678,812	52,475,790	59,678,781	52,475,759
Accrued income taxes	3,844,976,556	28,411,385	3,817,015,824	-
Unearned transportation revenues	18,589,659,792	17,953,215,464	18,589,659,792	17,953,215,464
Others	4,464,618,223	4,575,376,372	4,442,917,002	4,554,231,374
Total Current Liabilities	71,201,562,965	60,772,951,049	71,118,570,402	60,693,798,600
Non-Current Liabilities				
Long-term debts				
Debentures	40,000,000,000	40,000,000,000	40,000,000,000	40,000,000,000
Long-term loans	4,554,002,000	13,809,393,871	4,554,002,000	13,809,393,871
Liabilities under financial leases	57,665,833,920	49,101,100,338	57,665,833,920	49,101,100,338
Promissory notes	3,675,000,000	4,200,000,000	3,675,000,000	4,200,000,000
Staff pension fund	3.14 4,260,878,880	4,542,741,371	4,260,878,880	4,542,741,371
Total Non-Current Liabilities	110,155,714,800	111,653,235,580	110,155,714,800	111,653,235,580
Total Liabilities	181,357,277,765	172,426,186,629	181,274,285,202	172,347,034,180
Shareholders' Equity				
Share capital	3.11			
Authorized				
1,700.00 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				
1,698.89 million ordinary shares par value of Baht 10 each	16,988,949,500	16,988,881,500	16,988,949,500	16,988,881,500
Premium on share capital	15,646,795,354	15,646,761,354	15,646,795,354	15,646,761,354
Proceeds from ESOP offering	7,500	12,000	7,500	12,000
Unrealised losses on current investment-available-for-sale securities	(581,396)	(477,805)	(581,396)	(477,805)
Retained earnings				
Appropriated				
Legal reserve	1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
Unappropriated	32,125,568,405	24,659,514,201	32,125,568,405	24,659,514,201
Total Company Shareholders' Equity	66,460,739,363	58,994,691,250	66,460,739,363	58,994,691,250
Minority interests	221,554,463	217,398,934	-	-
Total Shareholders' Equity	66,682,293,826	59,212,090,184	66,460,739,363	58,994,691,250
Total Liabilities and Shareholders' Equity	248,039,571,591	231,638,276,813	247,735,024,565	231,341,725,430

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

(Signed) *Flg.Off.Apinan Sumanaseni*
(Apinan Sumanaseni)
President

(Signed) *Ngamnit Sombutpibool*
(Ngamnit Sombutpibool)
Executive Vice President
Finance and Accounting

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the three - month periods ended March 31, 2006 and 2005

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2006</u>	<u>2005</u> (restated)	<u>2006</u>	<u>2005</u> (restated)
Revenues from the Sale of Goods and the Rendering of Services				
Passenger and excess baggage	37,396,660,983	30,948,149,760	37,396,660,983	30,948,149,760
Freight	6,254,754,326	5,591,842,770	6,254,754,326	5,591,842,770
Mail	224,993,926	257,797,530	224,993,926	257,797,530
Other activities	2,232,241,171	1,933,236,654	2,133,428,462	1,820,653,253
Total Revenues from the Sale of Goods and the Rendering of Services	46,108,650,406	38,731,026,714	46,009,837,697	38,618,443,313
Operating expenses				
Personnel	6,638,021,025	6,439,871,412	6,630,068,725	6,433,930,337
Fuel and oil	14,341,021,194	8,953,399,751	14,341,021,194	8,953,399,751
Inventories and supplies	2,653,418,451	2,645,603,866	2,653,418,451	2,645,603,866
Lease of aircraft and spare parts	1,349,300,128	1,289,104,543	1,349,300,128	1,289,104,543
Flight operations	9,140,826,091	8,823,843,105	9,140,826,091	8,823,843,105
Depreciation	3,913,935,954	3,195,066,011	3,906,918,485	3,186,481,716
Marketing	823,761,131	725,031,165	814,530,238	717,342,443
Insurance	337,604,919	451,109,817	337,604,919	451,109,817
Remuneration to board of directors	2,242,803	4,982,040	1,965,167	4,759,290
Other operating expenses	1,323,617,937	1,289,633,509	1,301,819,973	1,263,536,999
Total operating expenses	40,523,749,633	33,817,645,219	40,477,473,371	33,769,111,867
Profit from the Sale of Goods and the Rendering of Services	5,584,900,773	4,913,381,495	5,532,364,326	4,849,331,446

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

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the three - month periods ended March 31, 2006 and 2005

Unit : Baht

	Notes	CONSOLIDATED		THE COMPANY	
		2006	2005 (restated)	2006	2005 (restated)
Profits from the Sale of Goods and the Rendering of Services		5,584,900,773	4,913,381,495	5,532,364,326	4,849,331,446
Other Income					
Interest income		60,771,727	62,578,703	60,321,511	62,397,544
Others		680,418,449	386,549,637	680,125,595	387,263,586
Total Other Income		741,190,176	449,128,340	740,447,106	449,661,130
Other Expenses					
Gains on foreign currency exchange		(3,862,850,285)	(712,638,710)	(3,862,850,285)	(712,638,710)
Yields from pension fund		15,194,208	10,054,828	15,194,208	10,054,828
Others		230,329,758	131,237,361	229,072,381	130,203,934
Total Other Expenses		(3,617,326,319)	(571,346,521)	(3,618,583,696)	(572,379,948)
Profits from Operations		9,943,417,268	5,933,856,356	9,891,395,128	5,871,372,524
Share of Profits from Investments by the Equity Method					
Share of net profit from subsidiary companies		-	-	20,062,868	24,040,515
Share of net profit from associated companies		65,959,719	38,256,773	65,959,719	38,256,773
Total Share of Profits from Investments by the Equity Method		65,959,719	38,256,773	86,022,587	62,297,288
Profits before Interest and Income Tax Expenses		10,009,376,987	5,972,113,129	9,977,417,715	5,933,669,812
Interest expenses		1,177,828,254	915,137,900	1,177,828,254	915,137,900
Income tax expenses		2,610,314,804	1,546,698,026	2,594,770,606	1,527,924,221
Profits after Tax		6,221,233,929	3,510,277,203	6,204,818,855	3,490,607,691
Net profit of minority interest		16,415,074	19,669,512	-	-
Net profits		6,204,818,855	3,490,607,691	6,204,818,855	3,490,607,691
Basic earnings per share	3.12				
Net profits		3.65	2.06	3.65	2.06
Diluted earnings per share	3.12				
Net profits		3.65	2.06	3.65	2.06

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

(Signed) *Flg.Off.Apinan Sumanaseni*
(Apinan Sumanaseni)
President

(Signed) *Ngamnit Sombutpibool*
(Ngamnit Sombutpibool)
Executive Vice President
Finance and Accounting

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the six - month periods ended March 31, 2006 and 2005

Unit : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2006</u>	<u>2005</u> (restated)	<u>2006</u>	<u>2005</u> (restated)
Revenues from the Sale of Goods and the Rendering of Services				
Passenger and excess baggage	73,807,964,566	65,390,354,522	73,807,964,566	65,390,354,522
Freight	13,158,845,881	11,940,768,512	13,158,845,881	11,940,768,512
Mail	529,042,637	570,967,042	529,042,637	570,967,042
Other activities	4,491,150,197	3,891,555,925	4,309,874,897	3,680,488,423
Total Revenues from the Sale of Goods and the Rendering of Services	91,987,003,281	81,793,646,001	91,805,727,981	81,582,578,499
Operating expenses				
Personnel	13,303,472,015	13,650,160,528	13,288,075,301	13,638,388,554
Fuel and oil	28,826,007,940	20,153,010,500	28,826,007,940	20,153,010,500
Inventories and supplies	5,145,212,846	4,844,119,023	5,145,212,846	4,844,119,023
Lease of aircraft and spare parts	2,777,790,884	2,862,798,739	2,777,790,884	2,862,798,739
Flight operations	18,461,236,349	17,767,022,132	18,461,236,349	17,767,022,132
Depreciation	7,746,935,380	6,231,135,193	7,732,700,039	6,213,976,161
Marketing	1,496,809,311	1,517,707,494	1,480,125,496	1,496,833,434
Insurance	847,117,425	950,747,928	847,117,425	950,747,928
Remuneration to board of directors	18,065,206	30,497,421	17,665,570	30,071,421
Other operating expenses	2,487,077,010	2,616,284,237	2,445,955,062	2,569,010,054
Total operating expenses	81,109,724,366	70,623,483,195	81,021,886,912	70,525,977,946
Profit from the Sale of Goods and the Rendering of Services	10,877,278,915	11,170,162,806	10,783,841,069	11,056,600,553

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

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the six - month periods ended March 31, 2006 and 2005

Unit : Baht

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>2006</u>	<u>2005</u> (restated)	<u>2006</u>	<u>2005</u> (restated)
Profits from the Sale of Goods and the Rendering of Services		10,877,278,915	11,170,162,806	10,783,841,069	11,056,600,553
Other Income					
Interest income		135,985,664	172,859,868	135,083,197	172,487,583
Others		700,537,073	1,169,504,128	700,293,053	1,168,403,728
Total Other Income		836,522,737	1,342,363,996	835,376,250	1,340,891,311
Other Expenses					
Gains on foreign currency exchange		(5,246,671,521)	(2,768,080,401)	(5,246,671,521)	(2,768,080,401)
Yields from pension fund		32,914,111	20,150,814	32,914,111	20,150,814
Others		410,766,844	280,945,003	406,328,907	277,412,606
Total Other Expenses		(4,802,990,566)	(2,466,984,584)	(4,807,428,503)	(2,470,516,981)
Profits from Operations		16,516,792,218	14,979,511,386	16,426,645,822	14,868,008,845
Share of Profits from Investments by the Equity Method					
Share of net profit from subsidiary companies		-	-	34,882,571	42,896,957
Share of net profit from associated companies		92,779,534	90,028,317	92,779,534	90,028,317
Total Share of Profits from Investments by the Equity Method	3.5.1	92,779,534	90,028,317	127,662,105	132,925,274
Profits before Interest and Income Tax Expenses		16,609,571,752	15,069,539,703	16,554,307,927	15,000,934,119
Interest expenses		2,325,887,911	1,840,543,035	2,325,887,911	1,840,543,035
Income tax expenses		4,240,754,726	3,986,320,115	4,214,031,187	3,952,812,041
Profits after Tax		10,042,929,115	9,242,676,553	10,014,388,829	9,207,579,043
Net profit of minority interest		28,540,286	35,097,510	-	-
Net profits		10,014,388,829	9,207,579,043	10,014,388,829	9,207,579,043
Basic earnings per share	3.12				
Net profits		5.89	5.44	5.89	5.44
Diluted earnings per share	3.12				
Net profits		5.89	5.43	5.89	5.43

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

(Signed) *Flg.Off.Apinan Sumanaseni*
(Apinan Sumanaseni)
President

(Signed) *Ngamnit Sombutpibool*
(Ngamnit Sombutpibool)
Executive Vice President
Finance and Accounting

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six - month periods ended March 31, 2006 and 2005

Unit : Baht

		CONSOLIDATED						
Notes	Share Capital issued and fully paid	Premium on share capital	Proceeds from ESOP offering	Unrealised gain (losses) on available- for-sale securities	Legal Reserve	Retained Earnings Unappropriated	Minority Interest	Total
Balance as at October 1, 2004	16,850,000,000	15,580,550,482	96,732,486	317,143,675	1,700,000,000	19,574,938,937	204,390,852	54,323,756,432
- Sales on current investment				(317,108,578)				(317,108,578)
- Unrealised loss on current investment - available-for-sale securities	-	-	-	(111,998)	-	-	(91,634)	(203,632)
<u>Add</u> Net Profits	-	-	-	-	-	9,207,579,043	35,097,510	9,242,676,553
<u>Less</u> Dividends paid	-	-	-	-	-	(1,692,076,200)	(35,100,000)	(1,727,176,200)
<u>Add</u> Issued share capital	70,795,500	32,336,474	-	-	-	-	-	103,131,974
<u>Add</u> Proceeds from ESOP offering	-	-	(5,437,236)	-	-	-	-	(5,437,236)
Balance as at March 31, 2005	16,920,795,500	15,612,886,956	91,295,250	(76,901)	1,700,000,000	27,090,441,780	204,296,728	61,619,639,313
Balance as at October 1, 2005	16,988,881,500	15,646,761,354	12,000	(477,805)	1,700,000,000	24,659,514,201	217,398,934	59,212,090,184
- Unrealised loss on current investment - available-for-sale securities	-	-	-	(103,591)	-	-	(84,757)	(188,348)
<u>Add</u> Net Profits	-	-	-	-	-	10,014,388,829	28,540,286	10,042,929,115
<u>Less</u> Dividends paid	3.10	-	-	-	-	(2,548,334,625)	(24,300,000)	(2,572,634,625)
<u>Add</u> Issued share capital	3.11	68,000	34,000	-	-	-	-	102,000
<u>Add</u> Proceeds from ESOP offering	-	-	(4,500)	-	-	-	-	(4,500)
Balance as at March 31, 2006	16,988,949,500	15,646,795,354	7,500	(581,396)	1,700,000,000	32,125,568,405	221,554,463	66,682,293,826

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

(Signed) *Flg.Off.Apinan Sumanaseni*
 (Apinan Sumanaseni)
 President

(Signed) *Ngamnit Sombutpibool*
 (Ngamnit Sombutpibool)
 Executive Vice President
 Finance and Accounting

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six - month periods ended March 31, 2006 and 2005

Unit : Baht

	THE COMPANY						Total
	Share Capital issued and fully paid	Premium on share capital	Proceeds from ESOP offering	Unrealised gain (loss) on available- for-sale securities	Legal Reserve	Retained Earnings Unappropriated	
Balance as at October 1, 2004	16,850,000,000	15,580,550,482	96,732,486	317,143,675	1,700,000,000	19,574,938,937	54,119,365,580
- Sales on current investment				(317,108,578)			(317,108,578)
- Unrealised gain on current investment - available-for-sale securities	-	-	-	(111,998)	-	-	(111,998)
<u>Add</u> Net Profits	-	-	-	-	-	9,207,579,043	9,207,579,043
<u>Less</u> Dividends paid	-	-	-	-	-	(1,692,076,200)	(1,692,076,200)
<u>Add</u> Issued share capital	70,795,500	32,336,474	-	-	-	-	103,131,974
<u>Add</u> Proceeds from ESOP offering	-	-	(5,437,236)	-	-	-	(5,437,236)
Balance as at March 31, 2005	16,920,795,500	15,612,886,956	91,295,250	(76,901)	1,700,000,000	27,090,441,780	61,415,342,585
Balance as at October 1, 2005	16,988,881,500	15,646,761,354	12,000	(477,805)	1,700,000,000	24,659,514,201	58,994,691,250
- Unrealised gains on current investment - available-for-sale securities	-	-	-	(103,591)	-	-	(103,591)
<u>Add</u> Net Profits	-	-	-	-	-	10,014,388,829	10,014,388,829
<u>Less</u> Dividends paid	3.10	-	-	-	-	(2,548,334,625)	(2,548,334,625)
<u>Add</u> Issued share capital	3.11	68,000	34,000	-	-	-	102,000
<u>Add</u> Proceeds from ESOP offering	-	-	(4,500)	-	-	-	(4,500)
Balance as at March 31, 2006	16,988,949,500	15,646,795,354	7,500	(581,396)	1,700,000,000	32,125,568,405	66,460,739,363

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

(Signed) *Flg.Off.Apinan Sumanaseni*
(Apinan Sumanaseni)
President

(Signed) *Ngamnit Sombutpibool*
(Ngamnit Sombutpibool)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

For the six - month periods ended March 31, 2006 and 2005

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
		(restated)		(restated)
				Unit : Baht
Cash flows from operating activities				
Net profit	10,014,388,829	9,207,579,043	10,014,388,829	9,207,579,043
Adjustment to reconcile net profit to cash provided by (paid from) operating activities :				
Depreciation	7,746,935,380	6,231,135,193	7,732,700,039	6,213,976,161
Income from investments by the equity method	(92,779,534)	(90,028,317)	(127,662,105)	(132,925,274)
Losses on sales of assets	152,497,082	60,298,173	152,493,399	59,877,492
Gain on current investments-available-for-sale securities	(1,507,508)	(372,622,913)	(103,591)	(371,486,133)
Amortisation of deferred charges	85,738,162	59,556,700	85,738,162	59,556,700
Gains on foreign currency exchange	(4,857,568,349)	(2,519,487,006)	(4,857,568,349)	(2,519,487,006)
Net profit of minority interests	28,540,286	35,097,510	-	-
Reserve for obsolete inventories	22,410,421	116,684,751	22,410,421	116,684,751
Allowance for doubtful accounts and impairment in value of assets	82,455,243	(17,125,807)	78,061,455	(20,632,419)
Operating profit before changes in operating assets and liabilities	13,181,110,012	12,711,087,327	13,100,458,260	12,613,143,315
Decrease (increase) in operating assets :				
Trade account receivables	(1,537,504,650)	(3,758,364)	(1,534,986,946)	(396,432)
Inventories and supplies	(267,455,343)	(731,497,198)	(267,455,343)	(731,497,198)
Prepaid expenses and deposits	88,949,505	1,043,500,760	91,863,955	1,043,711,931
Tax refund	(14,586,749)	-	(14,586,749)	-
Other current assets	(1,658,499,169)	(572,652,679)	(1,651,040,915)	(589,035,959)
Deferred income taxes	313,707,493	7,541,865	314,971,629	8,599,848
Deferred charges	(506,842,018)	-	(506,842,018)	-
Increase (decrease) in operating liabilities :				
Trade account payables	(253,087,768)	464,219,873	(257,672,236)	459,476,297
Accrued expenses and other current liabilities	78,218,471	127,610,447	78,962,825	136,408,650
Staff pension fund	(281,862,491)	235,589,511	(281,862,491)	235,589,511
Unearned transportation revenue	680,067,313	(594,101,270)	680,067,313	(594,101,270)
Net cash from operating activities	9,822,214,606	12,687,540,272	9,751,877,284	12,581,898,693

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

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

For the six - month periods ended March 31, 2006 and 2005

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2006</u>	<u>2005</u> (restated)	<u>2006</u>	<u>2005</u> (restated)
Cash flows from investing activities				
Cash paid for acquisition of fixed assets	(9,929,945,981)	(32,139,775,982)	(9,888,564,064)	(32,120,158,723)
Cash paid for intangible assets	(147,345,138)	-	(147,345,138)	-
Cash received from transferring down payment of aircraft and aircraft spare parts	2,065,589,465	-	2,065,589,465	-
Cash received from sales of assets	61,385,857	119,356,686	61,385,857	119,356,686
Investments decrease	13,236,449	125,730,122	42,936,449	168,630,105
Cash received from current investments-available-for-sale securities	-	377,721,557	-	377,721,557
Net cash used in investing activities	(7,937,079,348)	(31,516,967,617)	(7,865,997,431)	(31,454,450,375)
Cash flows from financing activities				
Cash received from debentures	-	15,000,000,000	-	15,000,000,000
Cash received from short-term loans	5,512,267,800	-	5,512,267,800	-
Cash received from long-term loans	1,259,525,538	-	1,259,525,538	-
Cash received from issuing ordinary shares	60,000	6,332,950	60,000	6,332,950
Cash received from premium on ordinary shares	30,000	66,538	30,000	66,538
Cash received from subscription of ESOP	7,500	91,295,250	7,500	91,295,250
Cash paid for repayment of long-term loans	(9,328,887,796)	(5,561,553,267)	(9,328,887,796)	(5,561,553,267)
Cash paid for repayment of promissory notes	(525,000,000)	(525,000,000)	(525,000,000)	(525,000,000)
Dividends paid	(2,565,431,603)	(1,723,473,543)	(2,541,131,603)	(1,688,373,557)
Net cash from (used in) financing activities	(5,647,428,561)	7,287,667,928	(5,623,128,561)	7,322,767,914
Decrease in cash and cash equivalents	(3,762,293,303)	(11,541,759,417)	(3,737,248,708)	(11,549,783,768)
Increase in the effect from changing in exchange rate on cash and cash equivalents	82,323,104	123,609,709	82,323,104	123,609,709
Cash and cash equivalents at the beginning of the periods	9,930,000,904	20,888,514,393	9,589,521,953	20,618,162,278
Cash and cash equivalents at the end of the periods	6,250,030,705	9,470,364,685	5,934,596,349	9,191,988,219
Supplementary cash flows information :				
Cash paid during the year for				
Interest expenses	2,398,970,184	1,448,643,928	2,398,970,184	1,448,643,928
Corporate income tax	138,813,993	152,957,137	110,375,665	111,605,185
Non - cash item				
Assets under financial lease	16,975,783,568	-	16,975,783,568	-

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

(Signed) *Flg.Off.Apinan Sumanaseni*
(Apinan Sumanaseni)
President(Signed) *Ngamnit Sombutpibool*
(Ngamnit Sombutpibool)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS

For the three and six month periods ended March 31, 2006 (reviewed)
and for the year ended September 30, 2005 (audited)

1. BASIC OF FINANCIAL STATEMENT 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 its subsidiary, Thai-Amadeus Southeast Asia Company Limited, in which the Company holds equity interests of 55%. Significant transactions between the Company and its subsidiary 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, 2005. So, the use of these interim financial statements should be applied together with the year financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In preparation of the interim financial statements, the Company applies the accounting policies and the calculation methods which are similar to the annual financial statements ended September 30, 2005.

3. SUPPLEMENTARY INFORMATION

3.1 In this fiscal year, the Company applies the accounting policy regarding to an intangible asset for a computer software which can be separated from the related hardware and amortised as expense on a straight-line basis over an estimated useful life of 5 years.

3.2 Cash and Cash Equivalents

	Consolidated		Unit : Million Baht The Company	
	31-Mar-06	30-Sep-05	31-Mar-06	30-Sep-05
	Cash - Domestic	12.71	13.27	12.71
Cash - Abroad	24.46	27.50	24.46	27.50
Bank Deposits - Domestic	2,707.60	3,907.86	2,392.17	3,567.38
Bank Deposits - Abroad	<u>3,505.26</u>	<u>5,981.37</u>	<u>3,505.26</u>	<u>5,981.37</u>
Total	<u>6,250.03</u>	<u>9,930.00</u>	<u>5,934.60</u>	<u>9,589.52</u>

3.3 Trade Account Receivables - Net

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

	Consolidated		Unit : Million Baht The Company	
	31-Mar-06	30-Sep-05	31-Mar-06	30-Sep-05
	Period of overdue			
Not over 6 months	16,495.11	15,398.90	16,455.58	15,358.19
Over : 6 months to 1 year	168.16	109.04	164.46	106.31
Over : 1 year to 2 years	90.58	59.04	83.04	46.75
Over : 2 years	<u>1,139.54</u>	<u>1,110.20</u>	<u>1,124.23</u>	<u>1,102.37</u>
	17,893.39	16,677.18	17,827.31	16,613.62
<u>Less</u> Allowance for doubtful accounts	<u>(1,291.55)</u>	<u>(1,209.00)</u>	<u>(1,268.74)</u>	<u>(1,190.58)</u>
Trade account receivables - net	<u>16,601.84</u>	<u>15,468.18</u>	<u>16,558.57</u>	<u>15,423.04</u>

3.4 Other Current Assets

	Consolidated		Unit : Million Baht The Company	
	31-Mar-06	30-Sep-05	31-Mar-06	30-Sep-05
	Prepaid expenses and deposits	4,730.59	4,920.62	4,724.50
Tax refund	2,314.10	2,289.84	2,314.10	2,289.84
Cash and fixed deposits of pension fund	3,718.23	4,126.62	3,718.23	4,126.62
Others	<u>4,383.60</u>	<u>2,317.05</u>	<u>4,356.06</u>	<u>2,296.97</u>
Total	<u>15,146.52</u>	<u>13,654.13</u>	<u>15,112.89</u>	<u>13,630.87</u>

3.5 Investments

Consolidated

Unit : Million Baht

Name of Company	Percentage of Shareholding		Investments				Income on Investments for the six - month periods	
			Cost method		Equity method			
	31-Mar-06	30-Sep-05	31-Mar-06	30-Sep-05	31-Mar-06	30-Sep-05	31-Mar-06	31-Mar-05
3.5.1 Investments using the equity method								
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at March 31, 2006 amount of THB 765.00 Million and September 30, 2005 amount of THB 630.00 million)	24	24	225.00	225.00	330.39	294.72	35.66	37.13
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	187.87	175.69	31.38	29.93
Bangkok Aviation Fuel Services Public Company Limited (Market value as at March 31, 2006 amount of THB 873.50 Million and September 30, 2005 amount of THB 863.90 million)	22.6	22.6	76.79	76.79	472.32	424.88	47.44	45.78
Phuket Air Catering Company Limited	30	30	30.00	30.00	40.53	44.45	(3.92)	3.38
Suvarnabhumi Airport Hotel Company Limited	30	30	305.33	305.33	282.95	297.77	(14.81)	(2.58)
Sky Asia Company Limited	39	39	195.00	195.00	<u>161.64</u>	<u>164.61</u>	<u>(2.97)</u>	<u>(23.61)</u>
Total investments using the equity method					<u>1,475.70</u>	<u>1,402.12</u>	<u>92.78</u>	<u>90.03</u>
3.5.2 Other long-term investments stated at cost								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	2.9	2.9	19.17	19.17			-	-
SITA Investment Certificate TRADESIAM Company Limited (paid 25% of authorized share capital)	-	-	30.39	28.29			-	-
SITA Information Networking Computing	3.5	3.5	1.75	1.75			-	-
Other Shares	-	-	35.43	36.19			-	-
Investment in private fund	-	-	2.94	2.98			-	-
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited	-	-	102.85	101.63			-	-
			<u>(133.00)</u>	<u>(133.00)</u>			<u>-</u>	<u>-</u>
Total other long-term investments			<u>192.53</u>	<u>190.01</u>			<u>-</u>	<u>-</u>

The Company

Unit : Million Baht

Name of Company	Percentage of Shareholding		Investments				Income on Investments for the six - month periods	
	31-Mar-06	30-Sep-05	Cost method		Equity method		31-Mar-06	31-Mar-05
			31-Mar-06	30-Sep-05	31-Mar-06	30-Sep-05		
3.5.1 Investments using the equity method								
Subsidiary Companies								
Thai-Amadeus Southeast Asia Company Limited	55	55	8.25	8.25	<u>270.79</u>	<u>265.71</u>	<u>34.88</u>	<u>42.90</u>
Associated Companies								
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at March 31, 2006 amount of THB 765.00 Million and September 30, 2005 amount of THB 630.00 million)	24	24	225.00	225.00	330.39	294.72	35.66	37.13
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	187.87	175.69	31.38	29.93
Bangkok Aviation Fuel Services Public Company Limited (Market value as at March 31, 2006 amount of THB 873.50 Million and September 30, 2005 amount of THB 863.90 million)	22.6	22.6	76.79	76.79	472.32	424.88	47.44	45.78
Phuket Air Catering Company Limited	30	30	30.00	30.00	40.53	44.45	(3.92)	3.38
Suvarnabhumi Airport Hotel Company Limited	30	30	305.33	305.33	282.95	297.77	(14.81)	(2.58)
Sky Asia Company Limited	39	39	195.00	195.00	<u>161.64</u>	<u>164.61</u>	<u>(2.97)</u>	<u>(23.61)</u>
Total					<u>1,475.70</u>	<u>1,402.12</u>	<u>92.78</u>	<u>90.03</u>
Total investments using the equity method					<u>1,746.49</u>	<u>1,667.83</u>	<u>127.66</u>	<u>132.93</u>
3.5.2 Other long-term investments stated at cost								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	2.9	2.9	19.17	19.17			-	-
SITA Investment Certificate	-	-	30.39	28.29			-	-
TRADESIAM Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75			-	-
SITA Information Networking Computing	-	-	35.43	36.19			-	-
Other Shares	-	-	2.94	2.98			-	-
Less Allowance for impairment of Fuel Pipeline Transportation Limited			<u>(133.00)</u>	<u>(133.00)</u>			-	-
Total other long-term investments			<u>89.68</u>	<u>88.38</u>			-	-

3.6 Related Parties The Company

3.6.1 Major shareholders

	Unit : Million Baht	
	<u>31-Mar-06</u>	<u>30-Sep-05</u>
Ministry of Finance		
Guaranteed loans	300.00	450.00
Loans via the Ministry of Finance	18,264.59	19,476.59

3.6.2 Subsidiary companies

	Unit : Million Baht			
	Sales			
	Three-month periods		Six-month periods	
	<u>Jan-Mar'06</u>	<u>Jan-Mar'05</u>	<u>Oct'05-Mar'06</u>	<u>Oct'04-Mar'05</u>
Thai-Amadeus Southeast Asia Company Limited	13.90	18.57	28.40	22.58

	Unit : Million Baht			
	Trade Account		Other Account	
	Receivables		Receivables	
	<u>31-Mar-06</u>	<u>30-Sep-05</u>	<u>31-Mar-06</u>	<u>30-Sep-05</u>
Thai-Amadeus Southeast Asia Company Limited	0.32	0.14	8.55	15.44

The Company purchases goods and services from related parties on normal commercial terms.

3.7 Property, Plant and Equipment - Net

Consolidated

Unit : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land and buildings	Other plant and equipment	Total
Cost						
As at October 1, 2005	158,772.65	87,301.66	29,139.57	10,330.67	30,852.13	316,396.68
- Adjust/Transfer	(7,894.78)	(23.35)	(745.11)	40.57	229.19	(8,393.48)
- Increased asset	7,172.80	21,854.82	2,107.95	71.95	1,293.93	32,501.45
- Sold	(73.11)	(28.79)	(480.98)	(75.15)	(192.07)	(850.10)
As at March 31, 2006	157,977.56	109,104.34	30,021.43	10,368.04	32,183.18	339,654.55
Accumulated depreciation						
As at October 1, 2005	80,237.36	14,058.49	17,250.30	7,817.29	16,049.94	135,413.38
- Depreciation	3,383.49	2,524.69	1,098.24	190.97	545.06	7,742.45
- Adjust/Transfer	(558.80)	-	(128.24)	-	(5.43)	(692.47)
- Sold	(73.11)	(24.00)	(272.86)	(74.62)	(191.63)	(636.22)
As at March 31, 2006	82,988.94	16,559.18	17,947.44	7,933.64	16,397.94	141,827.14
Net book value						
As at September 30, 2005	78,535.29	73,243.17	11,889.27	2,513.38	14,802.19	180,983.30
As at March 31, 2006	74,988.62	92,545.16	12,073.99	2,434.40	15,785.24	197,827.41

The Company

Unit : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land and buildings	Other plant and equipment	Total
Cost						
As at October 1, 2005	158,772.65	87,301.66	29,139.57	10,330.67	30,671.32	316,215.87
- Adjust/Transfer	(7,894.78)	(23.35)	(745.11)	40.57	234.63	(8,388.04)
- Increased asset	7,172.80	21,854.82	2,107.95	71.95	1,252.80	32,460.32
- Sold	(73.11)	(28.79)	(480.98)	(75.15)	(192.07)	(850.10)
As at March 31, 2006	157,977.56	109,104.34	30,021.43	10,368.04	31,966.68	339,438.05
Accumulated depreciation						
As at October 1, 2005	80,237.36	14,058.49	17,250.30	7,817.29	15,911.56	135,275.00
- Depreciation	3,383.49	2,524.69	1,098.24	190.97	530.83	7,728.22
- Adjust/Transfer	(558.80)	-	(128.24)	-	-	(687.04)
- Sold	(73.11)	(24.00)	(272.86)	(74.62)	(191.63)	(636.22)
As at March 31, 2006	82,988.94	16,559.18	17,947.44	7,933.64	16,250.76	141,679.96
Net book value						
As at September 30, 2005	78,535.29	73,243.17	11,889.27	2,513.38	14,759.76	180,940.87
As at March 31, 2006	74,988.62	92,545.16	12,073.99	2,434.40	15,715.92	197,758.09

In this fiscal year, there are 91 aircraft in the Company's fleet consisting of 59 own aircraft which 5 aircraft are leased by other company, 20 aircraft under financial leases and 12 aircraft under operating leases.

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

Other plants and equipment-net amount of THB 15,785.24 million (consolidated) and THB 15,715.92 millions (the Company) have already included the work in progress of Suvarnabhumi project amount of THB 10,879.17 million consisting of building, facilities, equipment and information technology which support to the services in Suvarnabhumi Airport.

The Company uses buildings and equipment of THB 37,117.43 million that are now fully depreciated.

3.8 Intangible Assets-net

	Unit : Million Baht	
	Consolidated	The Company
Cost		
As at October 1, 2005	-	-
- Assets increase	147.60	147.35
As at March 31, 2006	147.60	147.35
Accumulated depreciation		
As at October 1, 2005	-	-
- Depreciation	4.48	4.48
As at March 31, 2006	4.48	4.48
Net book value		
As at September 30, 2005	-	-
As at March 31, 2006	143.12	142.87

3.9 Non - Current Assets - Others

	Unit : Million Baht			
	<u>Consolidated</u>		<u>The Company</u>	
	<u>31-Mar-06</u>	<u>30-Sep-05</u>	<u>31-Mar-06</u>	<u>30-Sep-05</u>
Deferred charges	1,235.60	775.06	1,235.60	775.06
Deferred income taxes	<u>3,825.78</u>	<u>4,139.49</u>	<u>3,815.21</u>	<u>4,130.19</u>
Total	<u>5,061.38</u>	<u>4,914.55</u>	<u>5,050.81</u>	<u>4,905.25</u>

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

3.10 Dividends the Company

According to the Annual General Shareholders' Meeting for the year 2005 held on December 23, 2005 approved the Company to pay the dividends for the year 2005 operation at THB 1.50 per share for an aggregate of THB 2,548.33 million.

3.11 Share Capital

As at March 31, 2006, the Company has authorized ordinary shares amount of 1,700 million shares at par value THB 10 each for an aggregate of THB 17 billion, issued and paid-up ordinary shares amount of THB 16,988.95 million. The details are as follows:

	Issued and Paid-up Shares	
	No. of Shares	THB
As at September 30, 2005	1,698,888,150	16,988,881,500
On October 17, 2005, the employees 5 th exercised type - one warrants and 3 rd exercised type-two warrants.	1,600	16,000
On January 18, 2006, the employees 6 th exercised type - one warrants and 4 th exercised type-two warrants.	5,200	52,000
Total	<u>1,698,894,950</u>	<u>16,988,949,500</u>

The Company determined the 7th exercise of type-one warrants and 5th exercise of type-two warrants to purchase ordinary shares during March 28 - April 3, 2006. As at March 31, 2006, the proceeds from these shares are THB 7,500 presented in shareholders' equity under "the proceeds from ESOP offering".

3.12 Earnings Per Share Consolidated and the Company

Basic earnings per share is calculated by dividing net profit for the period by the weighted average number of ordinary shares outstanding during the periods.

Diluted earnings per share is calculated by dividing net profit for the period by the weighted average number of ordinary shares outstanding during the period adjusted by all dilutive potential ordinary shares under the assumptions that all dilutive potential ordinary shares are converted into ordinary shares. The dilutive potential ordinary shares of the Company are ordinary shares and warrants to purchase the ordinary shares under ESOP.

Consolidated and the Company

For the three-month periods ended March 31, 2006 and 2005

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
Basic earnings per share						
Net Profits attributable to ordinary shareholders	6,204.82	3,490.61	1,698.89	1,691.53	3.65	2.06
Effects of dilutive potential ordinary shares						
Ordinary shares not exercising the rights	-	-	-	5.03		
Warrants to purchase ordinary shares not exercising the rights	-	-	0.01	0.11		
Diluted earnings per share						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>6,204.82</u>	<u>3,490.61</u>	<u>1,698.90</u>	<u>1,696.67</u>	3.65	2.06

Consolidated and the Company

For the six-month periods ended March 31, 2006 and 2005

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
Basic earnings per share						
Net Profits attributable to ordinary shareholders	10,014.39	9,207.58	1,698.89	1,691.53	5.89	5.44
Effects of dilutive potential ordinary shares						
Ordinary shares not exercising the rights	-	-	-	5.03		
Warrants to purchase ordinary shares not exercising the rights	-	-	0.01	0.11		
Diluted earnings per share						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>10,014.39</u>	<u>9,207.58</u>	<u>1,698.90</u>	<u>1,696.67</u>	5.89	5.43

3.13 Financial Information by Segment Consolidated

3.13.1 Business segments

Statements of Income

For the three-month periods ended March 31, 2006 and 2005

Unit : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>
								(restated)
Air transportation	43,876.41	36,797.79	-	-	43,876.41	36,797.79	4,444.17	4,183.22
Business Units	1,952.67	1,658.29	3,302.02	3,118.40	5,254.69	4,776.69	1,015.90	626.17
Other activities	279.57	274.94	108.44	85.29	388.01	360.23	124.83	103.99
Eliminations	-	-	(3,410.46)	(3,203.69)	-	-	-	-
Operating profits							5,584.90	4,913.38
Share of net profit from subsidiary and associated companies							65.96	38.26
Interest expenses-net							(1,117.06)	(852.56)
Gains on foreign currency exchange							3,862.85	712.64
Other revenues (expenses)							434.89	245.26
Minority interests							(16.41)	(19.67)
Income taxes							(2,610.31)	(1,546.70)
Net profits							<u>6,204.82</u>	<u>3,490.61</u>

Statements of Income

For the six-month periods ended March 31, 2006 and 2005

Unit : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>	<u>31-Mar-06</u>	<u>31-Mar-05</u>
								(restated)
Air transportation	87,495.85	77,902.09	-	-	87,495.85	77,902.09	8,279.38	9,571.08
Business Units	3,944.16	3,334.36	6,736.71	6,466.72	10,680.87	9,801.08	2,371.18	1,395.45
Other activities	546.99	557.20	181.96	159.00	728.95	716.20	226.72	203.63
Eliminations	-	-	(6,918.67)	(6,625.72)	-	-	-	-
Operating profits							10,877.28	11,170.16
Share of net profit from subsidiary and associated companies							92.78	90.03
Interest expenses-net							(2,189.90)	(1,667.69)
Gains on foreign currency exchange							5,246.67	2,768.08
Other revenues (expenses)							256.85	868.41
Minority interests							(28.54)	(35.09)
Income taxes							(4,240.75)	(3,986.32)
Net profits							<u>10,014.39</u>	<u>9,207.58</u>

Assets and Liabilities

As at March 31, 2006 and September 30, 2005

	<u>Current Assets</u>		<u>Non-Current Assets</u>		<u>Unit : Million Baht Total Assets</u>	
	<u>31-Mar-06</u>	<u>30-Sep-05</u>	<u>31-Mar-06</u>	<u>30-Sep-05</u>	<u>31-Mar-06</u>	<u>30-Sep-05</u>
	Air transportation	39,893.00	40,679.67	202,422.14	185,118.28	242,315.14
Business Units	477.34	882.63	2,095.01	2,218.33	2,572.35	3,100.96
Other activities	401.20	424.47	183.00	153.37	584.20	577.84
Non-allocated assets	<u>2,567.88</u>	<u>2,161.53</u>	-	-	<u>2,567.88</u>	<u>2,161.53</u>
Total	<u>43,339.42</u>	<u>44,148.30</u>	<u>204,700.15</u>	<u>187,489.98</u>	<u>248,039.57</u>	<u>231,638.28</u>

	<u>Current Liabilities</u>		<u>Non-Current Liabilities</u>		<u>Unit : Million Baht Total Liabilities</u>	
	<u>31-Mar-06</u>	<u>30-Sep-05</u>	<u>31-Mar-06</u>	<u>30-Sep-05</u>	<u>31-Mar-06</u>	<u>30-Sep-05</u>
	Air transportation	70,638.98	60,198.68	110,026.72	111,572.45	180,665.70
Business Units	207.08	214.83	129.00	80.79	336.08	295.62
Other activities	91.86	94.73	-	-	91.86	94.73
Non-allocated liabilities	<u>263.64</u>	<u>264.71</u>	-	-	<u>263.64</u>	<u>264.71</u>
Total	<u>71,201.56</u>	<u>60,772.95</u>	<u>110,155.72</u>	<u>111,653.24</u>	<u>181,357.28</u>	<u>172,426.19</u>

Segment results derive from segment revenues net of segment expenses excluding interest expenses, gains(losses) on foreign currency exchange, other expenses, and income taxes.

Segment current and non-current assets are those operating assets that are employed by a segment in its operating activities.

Segment current and non-current liabilities are those operating liabilities that result from the operating activities of a segment.

The Company records inter-segment revenue transfers at market price charged to its unaffiliated customer net of discount. Those transfers are eliminated in consolidation.

3.13.2 Geographical segments

	<u>Unit : Million Baht</u>			
	<u>Three -month Periods</u>		<u>Six -month Periods</u>	
	<u>Jan-Mar'06</u>	<u>Jan-Mar'05</u>	<u>Oct'05-Mar'06</u>	<u>Oct'04-Mar'05</u>
Domestic Revenues				
Transportation	3,086.97	2,582.06	6,072.76	5,632.09
Business units	1,952.67	1,658.29	3,944.16	3,334.36
Other activities	<u>279.57</u>	<u>274.94</u>	<u>546.99</u>	<u>557.20</u>
Total domestic revenues	<u>5,319.21</u>	<u>4,515.29</u>	<u>10,563.91</u>	<u>9,523.65</u>
Foreign Transportation Revenues				
Regional Asia	18,129.50	16,524.85	36,340.67	35,369.58
Europe	12,701.19	11,418.64	24,509.39	23,500.70
North Pacific	1,034.28	725.19	2,424.56	1,549.52
Australia & New Zealand	<u>3,132.64</u>	<u>3,063.01</u>	<u>6,427.73</u>	<u>6,571.11</u>
Total foreign transportation revenues	<u>34,997.61</u>	<u>31,731.69</u>	<u>69,702.35</u>	<u>66,990.91</u>
Charter revenues and others	1,554.88	1,070.33	3,258.19	2,200.06
Insurance surcharge from passengers	622.57	583.03	1,269.99	1,274.64
Fuel surcharge from passengers	<u>3,614.38</u>	<u>830.68</u>	<u>7,192.56</u>	<u>1,804.39</u>
Total	<u>46,108.65</u>	<u>38,731.02</u>	<u>91,987.00</u>	<u>81,793.65</u>

3.14 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	
	<u>31-Mar-06</u>	<u>30-Sep-05</u>
Other current assets	<u>3,736.61</u>	<u>4,142.05</u>
Other current liabilities	20.49	14.49
Pension fund	<u>4,260.88</u>	<u>4,542.74</u>
	<u>4,281.37</u>	<u>4,557.23</u>

As at March 31, 2006, the fund balance was THB 4,260.88 million, equal to the Company's obligation to its staff under the fund. The total Company contribution to the fund in this fiscal year was THB 253.15 million, consisting of contributions at a rate equivalent to 10% of employee salaries in the amount of THB 123.58 million, and additional amounts to match the Company's obligation of THB 129.57 million.

3.15 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 443.84 million in this fiscal year.

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

3.16 Contingent Liabilities

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

	Unit : Million Baht	
	<u>The Company</u>	
	<u>31-Mar-06</u>	<u>30-Sep-05</u>
Letters of guarantee issued by banks	8.41	11.06
The Company as defendant in		
Labour dispute cases	484.09	519.74
Damage claims cases	<u>289.18</u>	<u>288.58</u>
Total	<u>781.68</u>	<u>819.38</u>

3.17 Events After the Balance Sheet Date

The Company has registered the increase in paid-up share capital from THB 16,988.95 million to THB 16,988.96 million on April 18, 2006 for the exercise of warrants amount of 1,200 shares.

3.18 Contractual Obligations

3.18.1 Obligation to Purchase Aircraft

The Company has a payment obligation to purchase aircraft amount of THB 82,363.51 million.

3.18.2 Leases and Obligations of aircraft

The Company has entered into operating leases amount of USD 303.36 million or approximately THB 11,813.35 million (exchange rate USD 1 : THB 38.9417).

3.18.3 Contractual Obligation and Memorandum Agreement in Suvarnabhumi Airport Project

The Company has entered into a contractual and memorandum agreement in Suvarnabhumi Airport project for an aggregate of THB 13,558.17 million. The Company recorded this item as work in progress amount of THB 10,879.17 million consisting of building, facilities, equipment and information technology with support to the services in Suvarnabhumi Airport, leaving the payment obligation of THB 2,679.00 million.

3.19 Accounting Presentation in Financial Statement

The Company has reclassified some accounting items in financial statements for the three and six - month periods ended March 31, 2005 to conform with the classification of accounting items in the current period which has no impact to net profit or shareholders' equity as follows:

3.19.1 Expenses for financing of aircraft which used to present in lease of aircraft and spare parts are included in interest expenses item.

3.19.2 An obligation of the Company's pension fund formerly shown in other expenses are presented in personnel expenses item.
