

**(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, 2007, 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, 2007 and 2006, of Thai Airways International Public Company Limited and its subsidiary and the separate financial statements of Thai Airways International Public Company Limited. 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 previously audited the consolidated and the Company's financial statements for the year ended September 30, 2006 of Thai Airways International Public Company Limited and its subsidiary in conformity with the Generally Accepted Accounting Standards and expressed an unqualified opinion according to the report dated November 20, 2006. The consolidated and the Company's balance sheets as at September 30, 2006, presented here in for comparative purposes, 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 except for the following paragraph.

According to Note 3 to the financial statements in the three - month periods ended March 31, 2007, the Company has changed the accounting policy for the investment in a subsidiary from equity method to cost method in the Company' s financial statement. This is to comply with the Announcement of Federation of Accounting Profession. Also, the Company restated the Company's statement of income for the three - month periods end March 31, 2006 and the Company's balance sheet as at September 30, 2006. For the change in this accounting policy, the Office of the Auditor General has audited the adjusting entry applied to prepare the Company's financial statements for the year ended September 30, 2006. In the Office of the Audited General's opinion, the adjusting entry has properly adjust in the Company's financial statements.

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

(Signed) *Rungravee Sahsomswan*  
(Rungravee Sahsomswan)  
Director of Auditor Office

May 4, 2007

**THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**BALANCE SHEETS**

**AS AT MARCH 31, 2007 AND SEPTEMBER 30, 2006**

Units : Baht

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>31 March 2007</u> (unaudited but reviewed)	<u>30 September 2006</u> (audited)	<u>31 March 2007</u> (unaudited but reviewed)	<u>30 September 2006</u> (restated)
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	4.1	11,858,875,505	9,175,267,322	11,550,477,120	8,937,827,934
Current investment-available-for-sale		41,796,878	102,256,496	-	-
Trade account receivables-net	4.2	17,785,078,809	16,613,734,289	17,749,433,560	16,576,817,194
Inventories and supplies-net		5,288,806,871	5,255,350,885	5,288,806,871	5,255,350,885
Other current assets	4.3	15,563,998,071	14,556,067,780	15,524,532,184	14,524,282,369
<b>Total Current Assets</b>		<b>50,538,556,134</b>	<b>45,702,676,772</b>	<b>50,113,249,735</b>	<b>45,294,278,382</b>
<b>Non-Current Assets</b>					
Investments in associated and subsidiary companies	4.4.1	1,578,437,714	1,523,006,071	907,572,750	907,572,750
Other long-term investments	4.4.2	143,641,583	191,846,188	86,304,827	86,534,540
Property, Plant and Equipment-Net	4.6	204,072,691,169	196,030,545,530	203,995,815,887	195,937,578,431
Intangible Assets-net	4.7	511,499,064	421,211,394	508,010,099	418,776,627
Others	4.8	5,497,215,226	5,165,110,593	5,485,309,206	5,153,503,850
<b>Total Non-Current Assets</b>		<b>211,803,484,756</b>	<b>203,331,719,776</b>	<b>210,983,012,769</b>	<b>202,503,966,198</b>
<b>Total Assets</b>		<b>262,342,040,890</b>	<b>249,034,396,548</b>	<b>261,096,262,504</b>	<b>247,798,244,580</b>

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, 2007 AND SEPTEMBER 30, 2006**

	Units : Baht			
	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
<u>Notes</u>	<u>31 March 2007</u>	<u>30 September 2006</u>	<u>31 March 2007</u>	<u>30 September 2006</u>
	<u>(unaudited but reviewed)</u>	<u>(audited)</u>	<u>(unaudited but reviewed)</u>	<u>(restated)</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>Current Liabilities</b>				
Trade account payables	7,283,920,671	9,423,137,305	7,278,228,538	9,411,603,172
Short-term loans	12,028,025,800	5,606,417,700	12,028,025,800	5,606,417,700
Current portion of long-term loans				
Long-term loans	-	8,023,757,350	-	8,023,757,350
Liabilities under financial leases	7,845,678,168	8,314,392,593	7,845,678,168	8,314,392,593
Promissory notes	1,050,000,000	1,050,000,000	1,050,000,000	1,050,000,000
Other current liabilities				
Accrued expenses	13,921,229,377	16,417,248,467	13,907,776,379	16,398,217,085
Accrued dividends	65,830,769	57,863,117	65,830,769	57,863,117
Accrued income taxes	3,427,331,738	20,613,157	3,400,856,488	-
Unearned transportation revenues	26,946,895,491	24,287,909,663	26,946,895,491	24,287,909,663
Others	3,663,546,759	4,627,275,264	3,641,278,144	4,605,732,387
<b>Total Current Liabilities</b>	<b><u>76,232,458,773</u></b>	<b><u>77,828,614,616</u></b>	<b><u>76,164,569,777</u></b>	<b><u>77,755,893,067</u></b>
<b>Non-Current Liabilities</b>				
Long-term debts				
Debentures	40,000,000,000	40,000,000,000	40,000,000,000	40,000,000,000
Long-term loans	4,100,349,000	4,393,142,000	4,100,349,000	4,393,142,000
Liabilities under financial leases	63,582,757,076	53,485,647,432	63,582,757,076	53,485,647,432
Promissory notes	2,625,000,000	3,150,000,000	2,625,000,000	3,150,000,000
Staff pension fund	4.13 4,681,799,232	4,495,820,618	4,681,799,232	4,495,820,618
<b>Total Non-Current Liabilities</b>	<b><u>114,989,905,308</u></b>	<b><u>105,524,610,050</u></b>	<b><u>114,989,905,308</u></b>	<b><u>105,524,610,050</u></b>
<b>Total Liabilities</b>	<b><u>191,222,364,081</u></b>	<b><u>183,353,224,666</u></b>	<b><u>191,154,475,085</u></b>	<b><u>183,280,503,117</u></b>
<b>Shareholders' Equity</b>				
Share capital	4.10			
Authorized				
1,700.00 million ordinary shares par value of Baht 10 each	<u>17,000,000,000</u>	<u>17,000,000,000</u>	<u>17,000,000,000</u>	<u>17,000,000,000</u>
Issued and paid-up				
1,698.89 million ordinary shares par value of Baht 10 each	16,988,961,500	16,988,961,500	16,988,961,500	16,988,961,500
Premium on share capital	15,643,804,984	15,642,835,031	15,643,804,984	15,642,835,031
Proceeds from ESOP offering	72,000	-	72,000	-
Unrealised losses on current investment-available-for-sale securities	232,460	-	-	-
Retained earnings				
Appropriated				
Legal reserve	1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
Unappropriated	36,558,444,873	31,102,776,657	35,608,948,935	30,185,944,932
<b>Total Company Shareholders' Equity</b>	<b><u>70,891,515,817</u></b>	<b><u>65,434,573,188</u></b>	<b><u>69,941,787,419</u></b>	<b><u>64,517,741,463</u></b>
<b>Minority interests</b>	<b><u>228,160,992</u></b>	<b><u>246,598,694</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Shareholders' Equity</b>	<b><u>71,119,676,809</u></b>	<b><u>65,681,171,882</u></b>	<b><u>69,941,787,419</u></b>	<b><u>64,517,741,463</u></b>
<b>Total Liabilities and Shareholders' Equity</b>	<b><u>262,342,040,890</u></b>	<b><u>249,034,396,548</u></b>	<b><u>261,096,262,504</u></b>	<b><u>247,798,244,580</u></b>

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

unaudited  
but reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the three - month periods ended March 31, 2007 and 2006

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(restated)
Units : Baht				
<b>Revenues from the Sale of Goods and the Rendering of Services</b>				
Passenger and excess baggage	40,757,547,124	37,396,660,983	40,757,547,124	37,396,660,983
Freight	6,170,582,139	6,254,754,326	6,170,582,139	6,254,754,326
Mail	221,289,223	224,993,926	221,289,223	224,993,926
Other activities	2,447,743,337	2,232,241,171	2,350,131,329	2,133,428,462
<b>Total Revenues from the Sale of Goods and the Rendering of Services</b>	<b>49,597,161,823</b>	<b>46,108,650,406</b>	<b>49,499,549,815</b>	<b>46,009,837,697</b>
<b>Operating expenses</b>				
Personnel	7,056,508,747	6,638,021,025	7,047,402,252	6,630,068,725
Fuel and oil	14,016,483,844	14,341,021,194	14,016,483,844	14,341,021,194
Inventories and supplies	2,694,912,603	2,653,418,451	2,694,912,603	2,653,418,451
Lease of aircraft and spare parts	1,709,434,199	1,349,300,128	1,709,434,199	1,349,300,128
Flight operations	10,879,072,039	9,140,826,091	10,879,072,039	9,140,826,091
Depreciation	4,383,350,284	3,913,935,954	4,374,354,979	3,906,918,485
Marketing	756,177,274	823,761,131	740,084,804	814,530,238
Insurance	342,639,166	337,604,919	342,639,166	337,604,919
Remuneration to board of directors	3,242,375	2,242,803	3,001,547	1,965,167
Other operating expenses	1,578,472,179	1,323,617,937	1,557,005,761	1,301,819,973
<b>Total operating expenses</b>	<b>43,420,292,710</b>	<b>40,523,749,633</b>	<b>43,364,391,194</b>	<b>40,477,473,371</b>
<b>Profit from the Sale of Goods and the Rendering of Services</b>	<b>6,176,869,113</b>	<b>5,584,900,773</b>	<b>6,135,158,621</b>	<b>5,532,364,326</b>

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

unaudited  
but reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the three - month periods ended March 31, 2007 and 2006

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
					(restated)
					Units : Baht
<b>Profits from the Sale of Goods and the Rendering of Services</b>		<b>6,176,869,113</b>	<b>5,584,900,773</b>	<b>6,135,158,621</b>	<b>5,532,364,326</b>
<b>Other Income</b>					
Interest income		146,537,418	60,771,727	144,023,996	60,321,511
Others		290,184,672	680,418,449	288,067,364	699,325,594
<b>Total Other Income</b>		<b>436,722,090</b>	<b>741,190,176</b>	<b>432,091,360</b>	<b>759,647,105</b>
<b>Other Expenses</b>					
Gains on foreign currency exchange		(1,465,444,840)	(3,862,850,285)	(1,465,444,840)	(3,862,850,285)
Yields from pension fund		25,768,785	15,194,208	25,768,785	15,194,208
Others		912,709,088	230,329,758	912,436,447	229,072,381
<b>Total Other Expenses</b>		<b>(526,966,967)</b>	<b>(3,617,326,319)</b>	<b>(527,239,608)</b>	<b>(3,618,583,696)</b>
<b>Profits from Operations</b>		<b>7,140,558,170</b>	<b>9,943,417,268</b>	<b>7,094,489,589</b>	<b>9,910,595,127</b>
<b>Share of Profits from Investments by the Equity Method</b>					
Share of net profit from associated companies		62,902,589	65,959,719	-	-
<b>Total Share of Profits from Investments by the Equity Method</b>	4.4.1	<b>62,902,589</b>	<b>65,959,719</b>	-	-
<b>Profits before Interest and Income Tax Expenses</b>		<b>7,203,460,759</b>	<b>10,009,376,987</b>	<b>7,094,489,589</b>	<b>9,910,595,127</b>
Interest expenses		1,119,872,880	1,177,828,254	1,119,872,880	1,177,828,254
Income tax expenses		1,835,880,894	2,610,314,804	1,822,197,575	2,594,770,606
<b>Profits after Tax</b>		<b>4,247,706,985</b>	<b>6,221,233,929</b>	<b>4,152,419,134</b>	<b>6,137,996,267</b>
Net profit of minority interest		14,573,368	16,415,074	-	-
<b>Net profits</b>		<b>4,233,133,617</b>	<b>6,204,818,855</b>	<b>4,152,419,134</b>	<b>6,137,996,267</b>
<b>Basic earnings per share</b>	4.11				
Net profits		2.49	3.65	2.44	3.61
<b>Diluted earnings per share</b>	4.11				
Net profits		2.49	3.65	2.44	3.61

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

**unaudited  
but reviewed**

**THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**STATEMENTS OF INCOME**

**For the six - month periods ended March 31, 2007 and 2006**

Units : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u> (restated)
<b>Revenues from the Sale of Goods and the Rendering of Services</b>				
Passenger and excess baggage	79,921,304,042	73,807,964,566	79,921,304,042	73,807,964,566
Freight	12,959,606,099	13,158,845,881	12,959,606,099	13,158,845,881
Mail	505,474,602	529,042,637	505,474,602	529,042,637
Other activities	4,583,779,773	4,491,150,197	4,399,498,119	4,309,874,897
<b>Total Revenues from the Sale of Goods and the Rendering of Services</b>				
<b>Rendering of Services</b>	<b>97,970,164,516</b>	<b>91,987,003,281</b>	<b>97,785,882,862</b>	<b>91,805,727,981</b>
<b>Operating expenses</b>				
Personnel	14,747,056,927	13,303,472,015	14,730,691,154	13,288,075,301
Fuel and oil	28,724,414,236	28,826,007,940	28,724,414,236	28,826,007,940
Inventories and supplies	5,238,494,660	5,145,212,846	5,238,494,660	5,145,212,846
Lease of aircraft and spare parts	3,408,505,950	2,777,790,884	3,408,505,950	2,777,790,884
Flight operations	20,267,779,298	18,461,236,349	20,267,779,298	18,461,236,349
Depreciation	8,657,112,254	7,746,935,380	8,638,807,886	7,732,700,039
Marketing	1,563,466,034	1,496,809,311	1,537,881,404	1,480,125,496
Insurance	691,258,402	847,117,425	691,258,402	847,117,425
Remuneration to board of directors	19,583,722	18,065,206	19,216,206	17,665,570
Other operating expenses	3,034,245,290	2,487,077,010	2,992,001,359	2,445,955,062
<b>Total operating expenses</b>	<b>86,351,916,773</b>	<b>81,109,724,366</b>	<b>86,249,050,555</b>	<b>81,021,886,912</b>
<b>Profit from the Sale of Goods and the Rendering of Services</b>	<b>11,618,247,743</b>	<b>10,877,278,915</b>	<b>11,536,832,307</b>	<b>10,783,841,069</b>

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

unaudited  
but reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the six - month periods ended March 31, 2007 and 2006

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u> (restated)
<b>Profits from the Sale of Goods and the Rendering of Services</b>		<b>11,618,247,743</b>	<b>10,877,278,915</b>	<b>11,536,832,307</b>	<b>10,783,841,069</b>
<b>Other Income</b>					
Interest income		261,592,176	135,985,664	256,631,981	135,083,197
Others		376,476,316	700,537,073	443,885,593	749,193,053
<b>Total Other Income</b>		<b>638,068,492</b>	<b>836,522,737</b>	<b>700,517,574</b>	<b>884,276,250</b>
<b>Other Expenses</b>					
Gains on foreign currency exchange		(3,129,598,558)	(5,246,671,521)	(3,129,598,558)	(5,246,671,521)
Yields from pension fund		50,432,830	32,914,111	50,432,830	32,914,111
Others		1,235,337,403	410,766,844	1,234,211,478	406,328,907
<b>Total Other Expenses</b>		<b>(1,843,828,325)</b>	<b>(4,802,990,566)</b>	<b>(1,844,954,250)</b>	<b>(4,807,428,503)</b>
<b>Profits from Operations</b>		<b>14,100,144,560</b>	<b>16,516,792,218</b>	<b>14,082,304,131</b>	<b>16,475,545,822</b>
<b>Share of Profits from Investments by the Equity Method</b>					
Share of net profit from associated companies		69,831,643	92,779,534	-	-
<b>Total Share of Profits from Investments by the Equity Method</b>	4.4.1	<b>69,831,643</b>	<b>92,779,534</b>	-	-
<b>Profits before Interest and Income Tax Expenses</b>		<b>14,169,976,203</b>	<b>16,609,571,752</b>	<b>14,082,304,131</b>	<b>16,475,545,822</b>
Interest expenses		2,287,165,445	2,325,887,911	2,287,165,445	2,325,887,911
Income tax expenses		3,595,341,791	4,240,754,726	3,568,956,036	4,214,031,187
<b>Profits after Tax</b>		<b>8,287,468,967</b>	<b>10,042,929,115</b>	<b>8,226,182,650</b>	<b>9,935,626,724</b>
Net profit of minority interest		28,622,103	28,540,286	-	-
<b>Net profits</b>		<b>8,258,846,864</b>	<b>10,014,388,829</b>	<b>8,226,182,650</b>	<b>9,935,626,724</b>
<b>Basic earnings per share</b>	4.11				
Net profits		4.86	5.89	4.84	5.85
<b>Diluted earnings per share</b>	4.11				
Net profits		4.86	5.89	4.84	5.85

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



unaudited  
but reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
For the six - month periods ended March 31, 2007 and 2006

Units : 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	
<b>Balance as at October 1, 2005</b>	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	-	-	-	-	-	(2,548,334,625)	(24,300,000)	(2,572,634,625)	
<u>Add</u> Proceeds from ESOP offering	-	-	7,500	-	-	-	-	7,500	
<u>Add</u> Issued share capital	68,000	34,000	(12,000)	-	-	-	-	90,000	
<b>Balance as at March 31, 2006</b>	<b>16,988,949,500</b>	<b>15,646,795,354</b>	<b>7,500</b>	<b>(581,396)</b>	<b>1,700,000,000</b>	<b>32,125,568,405</b>	<b>221,554,463</b>	<b>66,682,293,826</b>	
<b>Balance as at October 1, 2006</b>	16,988,961,500	15,642,835,031	-	-	1,700,000,000	31,102,776,657	246,598,694	65,681,171,882	
- Unrealised loss on current investment - available-for-sale securities	-	-	-	232,460	-	-	190,195	422,655	
<u>Add</u> Net Profits	-	-	-	-	-	8,258,846,864	28,622,103	8,287,468,967	
<u>Less</u> Dividends paid	4.9	-	-	-	-	(2,803,178,648)	(47,250,000)	(2,850,428,648)	
<u>Add</u> Proceeds from ESOP offering	4.10	-	72,000	-	-	-	-	72,000	
<u>Add</u> Issued share capital	-	969,953	-	-	-	-	-	969,953	
<b>Balance as at March 31, 2007</b>	<b>16,988,961,500</b>	<b>15,643,804,984</b>	<b>72,000</b>	<b>232,460</b>	<b>1,700,000,000</b>	<b>36,558,444,873</b>	<b>228,160,992</b>	<b>71,119,676,809</b>	

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

unaudited  
but reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
For the six - month periods ended March 31, 2007 and 2006

Units : Baht

	THE COMPANY						Total
	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	
<b>Balance as at October 1, 2005 (before adjustment)</b>	16,988,881,500	15,646,761,354	12,000	(477,805)	1,700,000,000	24,659,514,201	58,994,691,250
- Cumulative effect of change in accounting policy for investment by cost method	-	-	-	477,805	-	(760,733,384)	(760,255,579)
Balance as at October 1, 2005 (after adjustment)	16,988,881,500	15,646,761,354	12,000	-	1,700,000,000	23,898,780,817	58,234,435,671
<u>Add</u> Net Profits	-	-	-	-	-	9,935,626,724	9,935,626,724
<u>Less</u> Dividends paid	-	-	-	-	-	(2,548,334,625)	(2,548,334,625)
<u>Add</u> Proceeds from ESOP offering	-	-	7,500	-	-	-	7,500
<u>Add</u> Issued share capital	68,000	34,000	(12,000)	-	-	-	90,000
<b>Balance as at March 31, 2006</b>	<b>16,988,949,500</b>	<b>15,646,795,354</b>	<b>7,500</b>	<b>-</b>	<b>1,700,000,000</b>	<b>31,286,072,916</b>	<b>65,621,825,270</b>
<b>Balance as at October 1, 2006 (before adjustment)</b>	16,988,961,500	15,642,835,031	-	-	1,700,000,000	31,102,776,657	65,434,573,188
- Cumulative effect of change in accounting policy for investment by cost method	-	-	-	-	-	(916,831,724)	(916,831,724)
Balance as at October 1, 2006 (after adjustment)	16,988,961,500	15,642,835,031	-	-	1,700,000,000	30,185,944,933	64,517,741,464
<u>Add</u> Net Profits	-	-	-	-	-	8,226,182,650	8,226,182,650
<u>Less</u> Dividends paid	4.9	-	-	-	-	(2,803,178,648)	(2,803,178,648)
<u>Add</u> Proceeds from ESOP offering	4.10	-	72,000	-	-	-	72,000
<u>Add</u> Issued share capital	-	969,953	-	-	-	-	969,953
<b>Balance as at March 31, 2007</b>	<b>16,988,961,500</b>	<b>15,643,804,984</b>	<b>72,000</b>	<b>-</b>	<b>1,700,000,000</b>	<b>35,608,948,935</b>	<b>69,941,787,419</b>

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

unaudited  
but reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

For the six - month periods ended March 31, 2007 and 2006

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u> (restated)
				Units : Baht
<b>Cash flows from operating activities</b>				
Net profit	8,258,846,864	10,014,388,829	8,226,182,650	9,935,626,724
Adjustment to reconcile net profit to cash provided by (paid from) operating activities :				
Depreciation	8,657,112,254	7,746,935,380	8,638,807,886	7,732,700,039
Income from investments by the equity method	(69,831,643)	(92,779,534)	-	-
Losses on sales of assets	33,220,265	152,497,082	33,220,265	152,493,399
Gain on current investments-available-for-sale securities	(4,632,834)	(1,507,508)	-	(103,591)
Amortisation of deferred charges	102,365,189	85,738,162	102,365,189	85,738,162
Gains on foreign currency exchange	(2,655,877,451)	(4,857,568,349)	(2,655,877,451)	(4,857,568,349)
Net profit of minority interests	28,622,103	28,540,286	-	-
Provision for obsolete inventories and supplies	2,167,412	22,410,421	2,167,412	22,410,421
Allowance for doubtful accounts and impairment in value of assets	618,776,600	82,455,243	617,699,005	78,061,455
Operating profit before changes in operating assets and liabilities	14,970,768,759	13,181,110,012	14,964,564,956	13,149,358,260
Decrease (increase) in operating assets :				
Trade account receivables	(1,400,285,672)	(1,537,504,650)	(1,400,479,923)	(1,534,986,946)
Inventories and supplies	(35,623,398)	(267,455,343)	(35,623,398)	(267,455,343)
Prepaid expenses and deposits	(546,516,894)	88,949,505	(545,242,834)	91,863,955
Tax refund	2,282,653,053	(14,586,749)	2,282,653,053	(14,586,749)
Other current assets	(3,427,473,984)	(1,658,499,169)	(3,421,067,569)	(1,651,040,915)
Deferred income taxes	66,809,323	313,707,493	67,108,602	314,971,629
Deferred charges	(501,279,146)	(506,842,018)	(501,279,146)	(506,842,018)
Increase (decrease) in operating liabilities :				
Trade account payables	(2,115,060,736)	(253,087,768)	(2,109,218,736)	(257,672,236)
Accrued expenses and other current liabilities	13,340,124	78,218,471	12,330,678	78,962,825
Staff pension fund	185,978,614	(281,862,491)	185,978,614	(281,862,491)
Unearned transportation revenue	2,614,739,101	680,067,313	2,614,739,101	680,067,313
<b>Net cash from operating activities</b>	<b>12,108,049,144</b>	<b>9,822,214,606</b>	<b>12,114,463,398</b>	<b>9,800,777,284</b>

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

unaudited  
but reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

For the six - month periods ended March 31, 2007 and 2006

Units : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u> (restated)
<b>Cash flows from investing activities</b>				
Cash paid for acquisition of fixed assets	(17,214,539,830)	(9,929,945,981)	(17,212,500,581)	(9,888,564,064)
Cash paid for intangible assets	(132,513,310)	(147,345,138)	(131,285,810)	(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	524,287,312	61,385,857	524,287,312	61,385,857
Investments decrease (increase)	61,009,673	13,236,449	(4,338,327)	(5,963,551)
Cash received from current investments-available-for-sale securities	62,542,000	-	-	-
<b>Net cash used in investing activities</b>	<b>(16,699,214,155)</b>	<b>(7,937,079,348)</b>	<b>(16,823,837,406)</b>	<b>(7,914,897,431)</b>
<b>Cash flows from financing activities</b>				
Cash received from short-term loans	21,798,454,814	5,512,267,800	21,798,454,814	5,512,267,800
Cash received from long-term loans	17,173,324,732	1,259,525,538	17,173,324,732	1,259,525,538
Cash received from issuing ordinary shares	-	60,000	-	60,000
Cash received from premium on ordinary shares	969,953	30,000	969,953	30,000
Cash received from subscription of ESOP	72,000	7,500	72,000	7,500
Cash paid for repayment of short-term loans	(15,231,608,114)	-	(15,231,608,114)	-
Cash paid for repayment of long-term loans	(12,996,610,778)	(9,328,887,796)	(12,996,610,778)	(9,328,887,796)
Cash paid for repayment of promissory notes	(525,000,000)	(525,000,000)	(525,000,000)	(525,000,000)
Dividends paid	(2,842,460,996)	(2,565,431,603)	(2,795,210,996)	(2,541,131,603)
<b>Net cash from (used in) financing activities</b>	<b>7,377,141,611</b>	<b>(5,647,428,561)</b>	<b>7,424,391,611</b>	<b>(5,623,128,561)</b>
Increase (decrease) in cash and cash equivalents	2,785,976,600	(3,762,293,303)	2,715,017,603	(3,737,248,708)
Increase (decrease) in the effect from changing in exchange rate on cash and cash equivalents	(102,368,417)	82,323,104	(102,368,417)	82,323,104
Cash and cash equivalents at the beginning of the periods	9,175,267,322	9,930,000,904	8,937,827,934	9,589,521,953
<b>Cash and cash equivalents at the end of the periods</b>	<b>11,858,875,505</b>	<b>6,250,030,705</b>	<b>11,550,477,120</b>	<b>5,934,596,349</b>
<b>Supplementary cash flows information :</b>				
Cash paid during the year for				
Interest expenses	2,790,079,163	2,398,970,184	2,790,079,163	2,398,970,184
Corporate income tax	143,131,435	138,813,993	122,308,494	110,375,665
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, 2007 (unaudited but reviewed)**  
**and for the year ended September 30, 2006 (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, 2006. 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, 2006 except for the policy mention in Note No.3.

**3. CHANGE IN ACCOUNTING POLICY**

Since October 1, 2006, the Company has changed its accounting policy regarding the investment in subsidiary and associated companies of the Company's financial statements which formerly recorded by equity method to record by cost method. This is to comply with the Announcement of Federation of Accounting Profession No. 26/2549 and 32/2549. The Company restated its 2006 financial statement by using the historical cost as the initial cost of the investment in associated and subsidiary companies of the Company's financial statement. This adjustment caused the book value of the investment in associated and subsidiary companies presented the Company's financial statement as at March 31, 2007 was THB 907.57 million, a decrease of THB 949.73 million. Also, net profit for the three and six - month periods of the Company's financial statement ended March 31, 2007 decreased by THB 80.71 million and THB 32.66 million, respectively. Net profit for the three and six - month periods end

March 31, 2006 decreased by THB 66.82 million and THB 78.76 million, respectively. As a result, the cumulative effect of change in accounting policy presented under the heading of “Cumulative effect of change in accounting policy for investment by cost method” in the statement of changes in shareholders’ equity of the Company as at October 1, 2006 and 2005 decreased by THB 916.83 million and THB 760.26 million, respectively.

#### 4. SUPPLEMENTARY INFORMATION

##### 4.1 Cash and Cash Equivalents

	<u>Consolidated</u>		<u>Units : Million Baht The Company</u>	
	<u>31-Mar-07</u>	<u>30-Sep-06</u>	<u>31-Mar-07</u>	<u>30-Sep-06</u>
Cash - Domestic	15.52	18.13	15.52	18.13
Cash - Abroad	29.27	18.91	29.27	18.91
Bank Deposits - Domestic	2,866.08	2,486.93	2,557.68	2,249.49
Bank Deposits - Abroad	<u>8,948.01</u>	<u>6,651.30</u>	<u>8,948.01</u>	<u>6,651.30</u>
<b>Total</b>	<b><u>11,858.88</u></b>	<b><u>9,175.27</u></b>	<b><u>11,550.48</u></b>	<b><u>8,937.83</u></b>

##### 4.2 Trade Account Receivables - Net

	<u>Consolidated</u>		<u>Units : Million Baht The Company</u>	
	<u>31-Mar-07</u>	<u>30-Sep-06</u>	<u>31-Mar-07</u>	<u>30-Sep-06</u>
Period of overdue				
Not over 6 months	17,675.57	16,522.50	17,641.46	16,488.21
Over : 6 months to 1 year	144.76	109.19	144.74	107.50
Over : 1 year to 2 years	148.52	146.57	142.44	139.42
Over : 2 years	<u>1,184.49</u>	<u>1,141.78</u>	<u>1,161.65</u>	<u>1,121.66</u>
	19,153.34	17,920.04	19,090.29	17,856.79
Less Allowance for doubtful accounts	<u>(1,368.27)</u>	<u>(1,306.30)</u>	<u>(1,340.86)</u>	<u>(1,279.97)</u>
<b>Trade account receivables - net</b>	<b><u>17,785.07</u></b>	<b><u>16,613.74</u></b>	<b><u>17,749.43</u></b>	<b><u>16,576.82</u></b>

##### 4.3 Other Current Assets

	<u>Consolidated</u>		<u>Units : Million Baht The Company</u>	
	<u>31-Mar-07</u>	<u>30-Sep-06</u>	<u>31-Mar-07</u>	<u>30-Sep-06</u>
Prepaid expenses and deposits	4,790.73	4,366.85	4,783.82	4,361.21
Tax refund	455.97	2,738.62	455.97	2,738.62
Cash and fixed deposits of pension fund	4,272.42	4,270.00	4,272.42	4,270.00
Others	<u>6,044.88</u>	<u>3,180.60</u>	<u>6,012.32</u>	<u>3,154.45</u>
<b>Total</b>	<b><u>15,564.00</u></b>	<b><u>14,556.07</u></b>	<b><u>15,524.53</u></b>	<b><u>14,524.28</u></b>

## 4.4 Investments

### Consolidated

Units : Million Baht

Name of Company	Percentage of Shareholding		Investments				Income on Investments	
	31-Mar-07	30-Sep-06	Cost method		Equity method		31-Mar-07	31-Mar-06
			31-Mar-07	30-Sep-06	31-Mar-07	30-Sep-06		
<b>4.4.1 Investments using the equity method</b>								
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at March 31, 2007 amount of THB 877.50 Million and September 30, 2006 amount of THB 810.00 million)	24	24	225.00	225.00	347.12	313.81	33.31	35.66
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	201.98	219.97	(3.59)	31.38
Bangkok Aviation Fuel Services Public Company Limited (Market value as at March 31, 2007 amount of THB 1,055.88 Million and September 30, 2006 amount of THB 1,084.67 million)	22.6	22.6	95.99	95.99	521.85	469.13	52.72	47.44
Phuket Air Catering Company Limited	30	30	30.00	30.00	47.27	44.81	2.45	(3.92)
Suvarnabhumi Airport Hotel Company Limited	30	30	305.33	305.33	245.99	278.40	(32.40)	(14.81)
Nok Airlines Co., Ltd.	39	39	195.00	195.00	214.23	196.89	17.34	(2.97)
<b>Total investments using the equity Method</b>					<b>1,578.44</b>	<b>1,523.01</b>	<b>69.83</b>	<b>92.78</b>
<b>4.4.2 Other long-term investments stated at cost</b>								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	2.8	2.8	18.27	18.27			-	-
SITA Investment Certificate TRADESIAM Company Limited (paid 25% of authorized share capital)	-	-	31.44	29.32			-	-
SITA Information Networking Computing	3.5	3.5	1.75	1.75			-	-
Other Shares	-	-	31.91	34.24			-	-
Investment in private fund	-	-	2.93	2.95			0.53	-
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited	-	-	57.34	105.32			-	-
			(133.00)	(133.00)			-	-
<b>Total other long-term investments</b>			<b>143.64</b>	<b>191.85</b>			<b>0.53</b>	<b>-</b>

The Company

Units : Million Baht

Name of Company	Percentage of Shareholding		Investments		Dividend Income	
			Cost method			
	31-Mar-07	30-Sep-06	31-Mar-07	30-Sep-06	31-Mar-07	31-Mar-06
<b>4.4.1 Investments using the cost method</b>						
<b>Subsidiary Company</b>						
Thai-Amadeus Southeast Asia Company Limited	55	55	8.25	8.25	<u>57.75</u>	<u>29.70</u>
<b>Associated Companies</b>						
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at March 31, 2007 amount of THB 877.50 Million and September 30, 2006 amount of THB 810.00 million)	24	24	225.00	225.00	-	-
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	14.40	19.20
Bangkok Aviation Fuel Services Public Company Limited (Market value as at March 31, 2007 amount of THB 1,055.88 Million and September 30, 2006 amount of THB 1,084.67 million)	22.6	22.6	95.99	95.99	-	-
Phuket Air Catering Company Limited	30	30	30.00	30.00	-	-
Suvarnabhumi Airport Hotel Company Limited	30	30	305.33	305.33	-	-
Nok Airlines Co., Ltd.	39	39	<u>195.00</u>	<u>195.00</u>	-	-
<b>Total</b>			<b><u>899.32</u></b>	<b><u>899.32</u></b>	<b><u>14.40</u></b>	<b><u>19.20</u></b>
<b>Total investments using the cost method</b>			<b><u>907.57</u></b>	<b><u>907.57</u></b>	<b><u>72.15</u></b>	<b><u>48.90</u></b>
<b>4.4.2 Other long-term investments stated at cost</b>						
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00	-	-
Aeronautical Radio of Thailand Limited	2.8	2.8	18.27	18.27	-	-
SITA Investment Certificate	-	-	31.44	29.32	-	-
TRADESIAM Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75	-	-
SITA Information Networking Computing	-	-	31.91	34.24	-	-
Other Shares	-	-	2.93	2.95	0.53	-
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited			<u>(133.00)</u>	<u>(133.00)</u>	-	-
<b>Total other long-term investments</b>			<b><u>86.30</u></b>	<b><u>86.53</u></b>	<b><u>0.53</u></b>	<b><u>-</u></b>



#### 4.5 Related Parties The Company

##### 4.5.1 Major shareholders

	<b>Units : Million Baht</b>	
	<b><u>31-Mar-07</u></b>	<b><u>30-Sep-06</u></b>
Ministry of Finance		
Guaranteed loans	-	150.00
Foreign loans via the Ministry of Finance	16,128.37	17,873.32

##### 4.5.2 Subsidiary company

	<b>Units : Million Baht</b>			
	<b>Three-month periods</b>		<b>Six-month periods</b>	
	<b><u>Jan-Mar'07</u></b>	<b><u>Jan-Mar'06</u></b>	<b><u>Oct'06-Mar'07</u></b>	<b><u>Oct'05-Mar'06</u></b>
Thai-Amadeus Southeast Asia Company Limited	7.06	13.90	15.71	28.40

	<b>Units : Million Baht</b>			
	<b>Trade Account</b>		<b>Other Account</b>	
	<b>Receivables</b>		<b>Receivables</b>	
	<b><u>31-Mar-07</u></b>	<b><u>30-Sep-06</u></b>	<b><u>31-Mar-07</u></b>	<b><u>30-Sep-06</u></b>
Thai-Amadeus Southeast Asia Company Limited	0.07	0.02	4.65	10.61

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

#### 4.6 Property, Plant and Equipment - Net

##### Consolidated

Units : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land buildings and development	Other plant and equipment	Total
<b>Cost</b>						
As at October 1, 2006	154,518.30	108,895.50	28,238.39	17,018.88	27,960.26	<b>336,631.33</b>
- Adjust/Transfer	(9,941.54)	8,205.48	(1,366.12)	(829.12)	(1,598.49)	<b>(5,529.79)</b>
- Increased asset	5,477.47	9,690.87	1,859.63	752.77	2,495.66	<b>20,276.40</b>
- Sold	(1,540.35)	-	(726.04)	(23.18)	(103.48)	<b>(2,393.05)</b>
As at March 31, 2007	<b>148,513.88</b>	<b>126,791.85</b>	<b>28,005.86</b>	<b>16,919.35</b>	<b>28,753.95</b>	<b>348,984.89</b>
<b>Accumulated depreciation</b>						
As at October 1, 2006	79,511.41	19,205.06	16,989.67	8,125.01	16,769.63	<b>140,600.78</b>
- Depreciation	3,408.80	2,952.73	977.18	378.54	897.64	<b>8,614.89</b>
- Adjust/Transfer	253.25	(1,976.54)	(744.65)	-	-	<b>(2,467.94)</b>
- Sold	(1,396.01)	-	(320.09)	(17.09)	(102.35)	<b>(1,835.54)</b>
As at March 31, 2007	<b>81,777.45</b>	<b>20,181.25</b>	<b>16,902.11</b>	<b>8,486.46</b>	<b>17,564.92</b>	<b>144,912.19</b>
<b>Net book value</b>						
As at September 30, 2006	<b>75,006.89</b>	<b>89,690.44</b>	<b>11,248.72</b>	<b>8,893.87</b>	<b>11,190.63</b>	<b>196,030.55</b>
As at March 31, 2007	<b>66,736.43</b>	<b>106,610.60</b>	<b>11,103.75</b>	<b>8,432.89</b>	<b>11,189.03</b>	<b>204,072.70</b>

##### The Company

Units : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land buildings and development	Other plant and equipment	Total
<b>Cost</b>						
As at October 1, 2006	154,518.30	108,895.50	28,238.39	17,018.88	27,713.08	<b>336,384.15</b>
- Adjust/Transfer	(9,941.54)	8,205.48	(1,366.12)	(829.12)	(1,582.72)	<b>(5,514.02)</b>
- Increased asset	5,477.47	9,690.87	1,859.63	752.77	2,477.85	<b>20,258.59</b>
- Sold	(1,540.35)	-	(726.04)	(23.18)	(103.48)	<b>(2,393.05)</b>
As at March 31, 2007	<b>148,513.88</b>	<b>126,791.85</b>	<b>28,005.86</b>	<b>16,919.35</b>	<b>28,504.73</b>	<b>348,735.67</b>
<b>Accumulated depreciation</b>						
As at October 1, 2006	79,511.41	19,205.06	16,989.67	8,125.01	16,615.42	<b>140,446.57</b>
- Depreciation	3,408.80	2,952.73	977.18	378.54	879.51	<b>8,596.76</b>
- Adjust/Transfer	253.25	(1,976.54)	(744.65)	-	-	<b>(2,467.94)</b>
- Sold	(1,396.01)	-	(320.09)	(17.09)	(102.35)	<b>(1,835.54)</b>
As at March 31, 2007	<b>81,777.45</b>	<b>20,181.25</b>	<b>16,902.11</b>	<b>8,486.46</b>	<b>17,392.58</b>	<b>144,739.85</b>
<b>Net book value</b>						
As at September 30, 2006	<b>75,006.89</b>	<b>89,690.44</b>	<b>11,248.72</b>	<b>8,893.87</b>	<b>11,097.66</b>	<b>195,937.58</b>
As at March 31, 2007	<b>66,736.43</b>	<b>106,610.60</b>	<b>11,103.75</b>	<b>8,432.89</b>	<b>11,112.15</b>	<b>203,995.82</b>

In this fiscal year, there are 90 aircraft in the Company's fleet consisting of 55 own aircraft which 5 aircraft are leased by other company, 23 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 11,189.03 million (consolidated) and THB 11,112.15 millions (the Company) have already included the work in progress of Suvarnabhumi project amount of THB 3,043.33 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 38,153.77 million that are now fully depreciated.

#### 4.7 Intangible Assets-net

	Units : Million Baht	
	Consolidated	The Company
<b>Cost</b>		
As at October 1, 2006	455.61	453.13
- Assets increase	132.51	131.28
As at March 31, 2007	588.12	584.41
<b>Accumulated depreciation</b>		
As at October 1, 2006	34.40	34.35
- Depreciation	42.22	42.05
As at March 31, 2007	76.62	76.40
<b>Net book value</b>		
As at September 30, 2006	<b>421.21</b>	<b>418.78</b>
As at March 31, 2007	<b>511.50</b>	<b>508.01</b>

#### 4.8 Non - Current Assets - Others

	Units : Million Baht			
	Consolidated		The Company	
	<u>31-Mar-07</u>	<u>30-Sep-06</u>	<u>31-Mar-07</u>	<u>30-Sep-06</u>
Deferred charges	1,543.71	1,144.79	1,543.71	1,144.79
Deferred income taxes	<u>3,953.51</u>	<u>4,020.32</u>	<u>3,941.60</u>	<u>4,008.71</u>
<b>Total</b>	<b><u>5,497.22</u></b>	<b><u>5,165.11</u></b>	<b><u>5,485.31</u></b>	<b><u>5,153.50</u></b>

Deferred charges consisted 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 loan guarantee premiums for purchasing of aircraft are amortized as expenses over the period of due payment loans in each accounting period.

#### 4.9 Dividends the Company

According to the Annual General Shareholders' Meeting for the year 2006 held on December 27, 2006 approved the Company to pay the dividends for the year 2006 operation at THB 1.65 per share for an aggregate of THB 2,803.18 million.

#### 4.10 Share Capital

As at March 31, 2007, 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 16,988.96 million.

The Company determined the 11<sup>th</sup> and 9<sup>th</sup> exercise for type-one and type two warrants to purchase ordinary shares during March 27, 2007 to April 2, 2007. As at March 31, 2007, the proceeds from ESOP offering were THB 0.07 million presented in shareholders' equity under "the proceeds from ESOP offering" item.

#### 4.11 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

##### For the three-month periods ended March 31, 2007 and 2006

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net Profits attributable to ordinary shareholders	4,233.13	6,204.82	1,698.89	1,698.89	2.49	3.65
<b>Effects of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares not exercising the rights	-	-	0.01	0.01		
<b>Diluted earnings per share</b>						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>4,233.13</u>	<u>6,204.82</u>	<u>1,698.90</u>	<u>1,698.90</u>	2.49	3.65

**The Company**

**For the three-month periods ended March 31, 2007 and 2006**

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net Profits attributable to ordinary shareholders	4,152.42	6,138.00	1,698.89	1,698.89	2.44	3.61
<b>Effects of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares not exercising the rights	-	-	0.01	0.01		
<b>Diluted earnings per share</b>						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>4,152.42</u>	<u>6,138.00</u>	<u>1,698.90</u>	<u>1,698.90</u>	2.44	3.61

**Consolidated**

**For the six-month periods ended March 31, 2007 and 2006**

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net Profits attributable to ordinary shareholders	8,258.85	10,014.39	1,698.89	1,698.89	4.86	5.89
<b>Effects of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares not exercising the rights	-	-	0.01	0.01		
<b>Diluted earnings per share</b>						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>8,258.85</u>	<u>10,014.39</u>	<u>1,698.90</u>	<u>1,698.90</u>	4.86	5.89

**The Company**

**For the six-month periods ended March 31, 2007 and 2006**

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net Profits attributable to ordinary shareholders	8,226.18	9,935.63	1,698.89	1,698.89	4.84	5.85
<b>Effects of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares not exercising the rights	-	-	0.01	0.01		
<b>Diluted earnings per share</b>						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>8,226.18</u>	<u>9,935.63</u>	<u>1,698.90</u>	<u>1,698.90</u>	4.84	5.85

## 4.12 Financial Information by Segment Consolidated

### 4.12.1 Business segments

#### Statements of Income

For the three-month periods ended March 31, 2007 and 2006

Units : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>
	Air transportation	47,149.42	43,876.41	-	-	47,149.42	43,876.41	5,225.64
Business Units	2,139.75	1,952.67	4,048.99	3,302.02	6,188.74	5,254.69	843.97	1,015.90
Other activities	307.99	279.57	99.64	108.44	407.63	388.01	107.26	124.83
Eliminations	-	-	(4,148.63)	(3,410.46)	-	-	-	-
Operating profits							6,176.87	5,584.90
Share of net profit from subsidiary and associated companies							62.90	65.96
Interest expenses-net							(973.34)	(1,117.06)
Gain on foreign currency exchange							1,465.44	3,862.85
Other revenues (expenses)							(648.29)	434.89
Minority interests							(14.57)	(16.41)
Income taxes							<u>(1,835.88)</u>	<u>(2,610.31)</u>
<b>Net profits</b>							<b><u>4,233.13</u></b>	<b><u>6,204.82</u></b>

#### Statements of Income

For the six-month periods ended March 31, 2007 and 2006

Units : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>	<u>31-Mar-07</u>	<u>31-Mar-06</u>
	Air transportation	93,386.38	87,495.85	-	-	93,386.38	87,495.85	10,027.67
Business Units	3,974.47	3,944.16	8,067.63	6,736.71	12,042.10	10,680.87	1,450.16	2,371.18
Other activities	609.31	546.99	195.00	181.96	804.31	728.95	140.42	226.72
Eliminations	-	-	(8,262.63)	(6,918.67)	-	-	-	-
Operating profits							11,618.25	10,877.28
Share of net profit from subsidiary and associated companies							69.83	92.78
Interest expenses-net							(2,025.57)	(2,189.90)
Gains on foreign currency exchange							3,129.60	5,246.67
Other revenues (expenses)							(909.30)	256.85
Minority interests							(28.62)	(28.54)
Income taxes							<u>(3,595.34)</u>	<u>(4,240.75)</u>
<b>Net profits</b>							<b><u>8,258.85</u></b>	<b><u>10,014.39</u></b>

**Assets and Liabilities**

**As at March 31, 2007 and September 30, 2006**

	<u>Current Assets</u>		<u>Non-Current Assets</u>		<u>Units : Million Baht Total Assets</u>	
	<u>31-Mar-07</u>	<u>30-Sep-06</u>	<u>31-Mar-07</u>	<u>30-Sep-06</u>	<u>31-Mar-07</u>	<u>30-Sep-06</u>
	Air transportation	47,404.55	42,633.50	204,223.39	196,444.79	251,627.94
Business Units	482.47	487.28	7,430.48	6,674.61	7,912.95	7,161.89
Other activities	430.02	419.02	149.61	212.32	579.63	631.34
Non-allocated assets	<u>2,221.52</u>	<u>2,162.88</u>	<u>-</u>	<u>-</u>	<u>2,221.52</u>	<u>2,162.88</u>
<b>Total</b>	<b><u>50,538.56</u></b>	<b><u>45,702.68</u></b>	<b><u>211,803.48</u></b>	<b><u>203,331.72</u></b>	<b><u>262,342.04</u></b>	<b><u>249,034.40</u></b>

	<u>Current Liabilities</u>		<u>Non-Current Liabilities</u>		<u>Units : Million Baht Total Liabilities</u>	
	<u>31-Mar-07</u>	<u>30-Sep-06</u>	<u>31-Mar-07</u>	<u>30-Sep-06</u>	<u>31-Mar-07</u>	<u>30-Sep-06</u>
	Air transportation	74,744.56	77,224.84	114,903.24	105,469.87	189,647.80
Business Units	1,100.20	248.04	86.67	54.74	1,186.87	302.78
Other activities	72.61	83.35	-	-	72.61	83.35
Non-allocated liabilities	<u>315.09</u>	<u>272.38</u>	<u>-</u>	<u>-</u>	<u>315.09</u>	<u>272.38</u>
<b>Total</b>	<b><u>76,232.46</u></b>	<b><u>77,828.61</u></b>	<b><u>114,989.91</u></b>	<b><u>105,524.61</u></b>	<b><u>191,222.37</u></b>	<b><u>183,353.22</u></b>

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.

4.12.2 Geographical segments

	<u>The three -month Periods</u>		<u>Units : Million Baht The six -month Periods</u>	
	<u>Jan-Mar'07</u>	<u>Jan-Mar'06</u>	<u>Oct'06-Mar'07</u>	<u>Oct'05-Mar'06</u>
	Domestic Revenues			
Transportation	3,076.89	3,086.97	6,000.15	6,072.76
Business units	2,139.75	1,952.67	3,974.47	3,944.16
Other activities	<u>307.99</u>	<u>279.57</u>	<u>609.31</u>	<u>546.99</u>
Total domestic revenues	<u>5,524.63</u>	<u>5,319.21</u>	<u>10,583.93</u>	<u>10,563.91</u>
Foreign Transportation Revenues				
Regional Asia	17,690.46	18,129.50	35,924.02	36,340.67
Europe	13,594.01	12,701.19	26,207.54	24,509.39
North Pacific	1,510.08	1,034.28	2,870.15	2,424.56
Australia & New Zealand	4,165.64	3,132.64	8,062.87	6,427.73
Africa	<u>306.55</u>	<u>-</u>	<u>525.85</u>	<u>-</u>
Total foreign transportation revenues	<u>37,266.74</u>	<u>34,997.61</u>	<u>73,590.43</u>	<u>69,702.35</u>
Charter revenues and others	1,755.81	1,554.88	3,692.48	3,258.19
Insurance surcharge from passengers	626.60	622.57	1,266.16	1,269.99
Fuel surcharge from passengers	<u>4,423.38</u>	<u>3,614.38</u>	<u>8,837.17</u>	<u>7,192.56</u>
<b>Total</b>	<b><u>49,597.16</u></b>	<b><u>46,108.65</u></b>	<b><u>97,970.17</u></b>	<b><u>91,987.00</u></b>

#### 4.13 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:

	<b>Units : Million Baht</b>	
	<b><u>31-Mar-07</u></b>	<b><u>30-Sep-06</u></b>
Current assets	4,656.78	4,485.25
Other	<u>52.35</u>	<u>45.79</u>
Total	<u>4,709.13</u>	<u>4,531.04</u>
Other current liabilities	27.33	35.22
Pension fund	<u>4,681.80</u>	<u>4,495.82</u>
Total	<u>4,709.13</u>	<u>4,531.04</u>

As at March 31, 2007, the fund balance was THB 4,681.80 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 293.11 million, consisting of contributions at a rate equivalent to 10% of employee salaries in the amount of THB 124.02 million and additional amounts to match the Company's obligation of THB 169.09 million.

#### 4.14 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 495.80 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).

#### 4.15 Contingent Liabilities

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

	<b>Units : Million Baht</b>	
	<b><u>Consolidate and the Company</u></b>	
	<b><u>31-Mar-07</u></b>	<b><u>30-Sep-06</u></b>
Letters of guarantee issued by banks	3.05	6.07
The Company as defendant in		
Labour dispute cases	540.44	515.70
Damage claims cases	<u>714.36</u>	<u>290.63</u>
<b>Total</b>	<b><u>1,257.85</u></b>	<b><u>812.40</u></b>



#### **4.16 Contractual Obligations**

##### **4.16.1 Obligation to Purchase Aircraft**

The Company has a payment obligation to purchase aircraft amount of THB 55,456.10 million.

##### **4.16.2 Leases and Obligations of aircraft**

The Company has entered into operating leases amount of USD 292.02 million or approximately THB 10,260.23 million (exchange rate USD 1 : THB 35.1354).

##### **4.16.3 Contractual Obligation and Memorandum Agreement in Suvarnabhumi Airport Project**

On January 18, 2006, there was a fire incident at Thai's Catering building at Suvarnabhumi Airport which was under a construction. This caused the damage on some parts of building, system, and assets of the Company. Such Catering building is under a recovery process. From the fire incident, the Company received a compensation from Dhipaya Insurance Public Company Limited amount of THB 1,150.00 million on September 21, 2006. These are an indemnity for the Company's asset amount of THB 506.75 million and the damage under the constructors' responsibility amount of THB 643.25 million which will use to recovery the building.

The Company has an payment obligation to the constructors according to the contracts approximately of THB 226.49 million for recovering which is expected to be finished in April 2007.

#### **4.17 Approval of Financial Statements**

These financial statements were approved by the Authorized Board of Directors on May 4, 2007.

---