

THAI AIRWAYS INTERNATIONAL PLC.

Asian Transport Conference 2011

June 27, 2011



The information contained herein is intended to represent the Company's operating and financial position at a given point in time and may also contain forward looking information which only reflects expectations based on the prevailing geo-political, economic and non-controllable factors. Such information has been obtained from sources believed to be most reliable and the means in analyzing and preparation of such information for disclosure are based on approved practices and principles in the investment industry. The views are based on assumptions subject to various risks and uncertainties and no assurance is made as to whether such future events will occur, that projections will be achieved, or that the assumptions here-in are correct. Consequently no assurance is made as to the accuracy or completeness of information presented in this document.

This document should not be construed as an investment guide or as an offer or solicitation of an offer to buy or sell the Company's stock.



THAI in 2010



	MTHB	USD mn Equiv.	% Change
Assets	293,760	9,792	8.1
Total Revenue	180,588	6,020	11.7
Net Profit	15,398	514	107.6

# of Aircraft	90*
Destinations Served	72
Countries Served	35

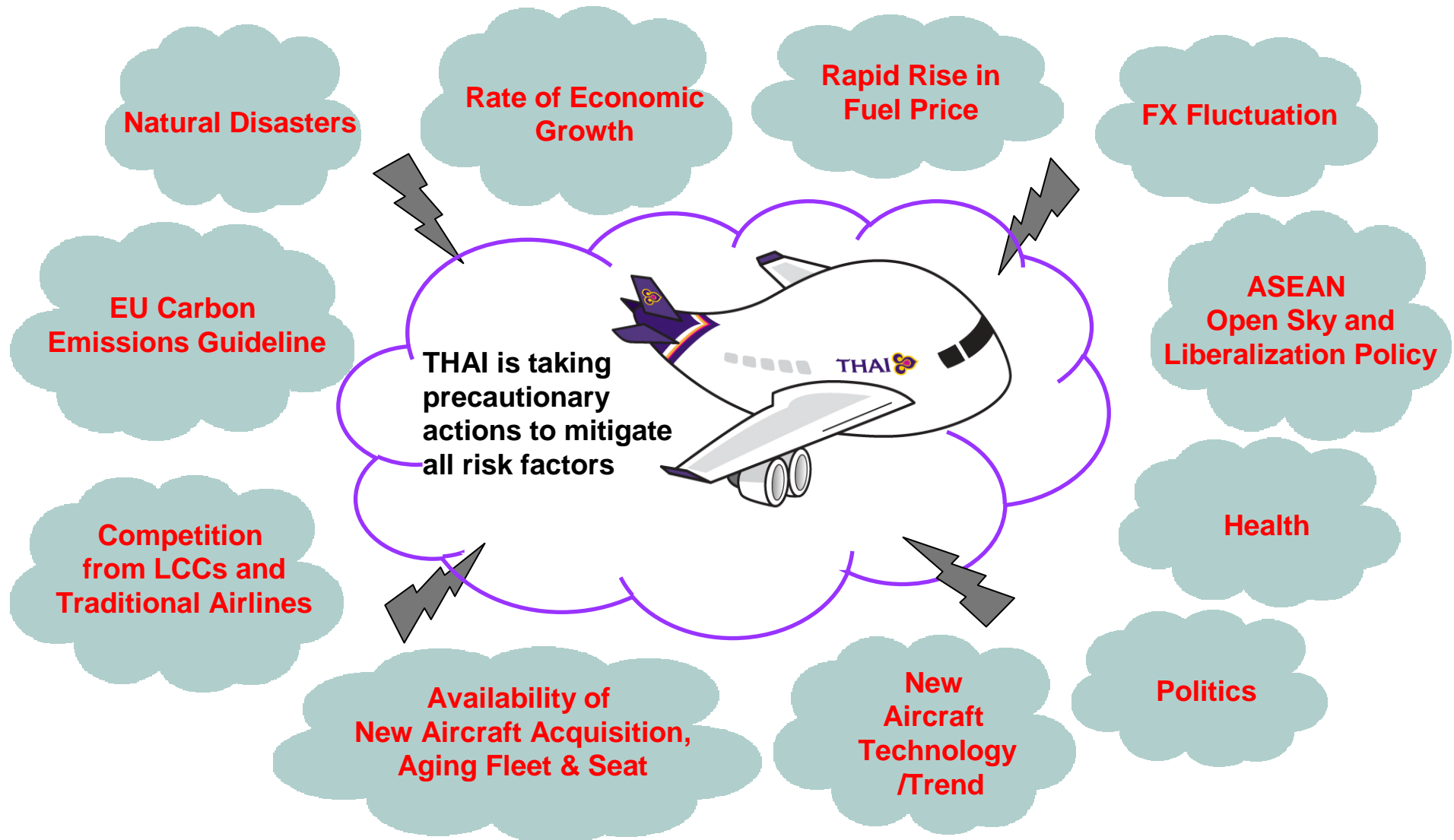


*Excluding 6 B 737-400 leased to Nok Air



	Million	% Change
Passengers carried (# of people)	18.2/annum	-1.7
Available Seat Kilometers (ASK)	55,676	+5.9
Freight Transport (tons)	713.9 /annum	+30.8
Available Ton Kilometer (ATK)	2,895	+38.4

Factors Affecting Aviation Business



	Units	Jan-Apr'11	Jan-Apr'10	% Change
Passenger Production	MASK	25,952	24,927	+4.1
Passenger Traffic	MRPK	19,460	19,666	-1.0
Cabin Factor	%	75.0	78.9	-5.0
Passenger Yield (April)	THB/km	2.82	2.68	+5.2

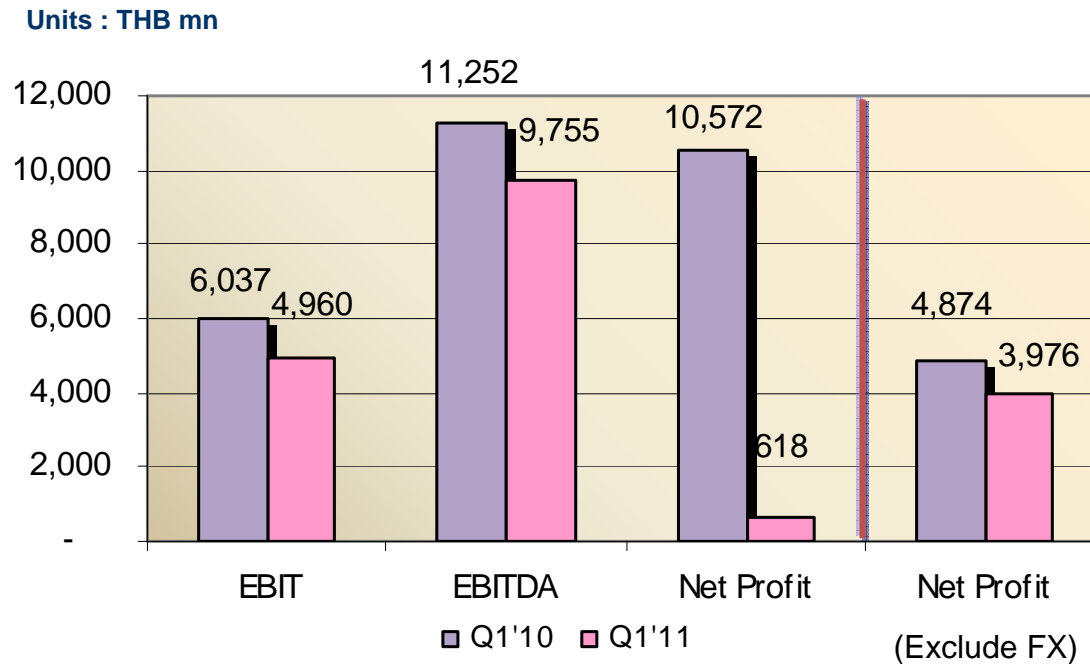
Note : Yield includes fuel surcharge

Freight Production	MADTK	1,659	1,461	+13.6
Freight Traffic	MRFTK	945	881	+7.3
Freight Factor	%	57.0	60.3	-5.5
Freight Yield (April)	THB/km	9.65	9.30	+3.8

Note : Yield includes fuel surcharge

Avg. Fuel Cost	USD/gallon	2.89	2.15	+34.4
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EBIT, EBITDA and Net Profit (Q1/2010 & Q1/2011)



Factors Impacting Q1'11 Results

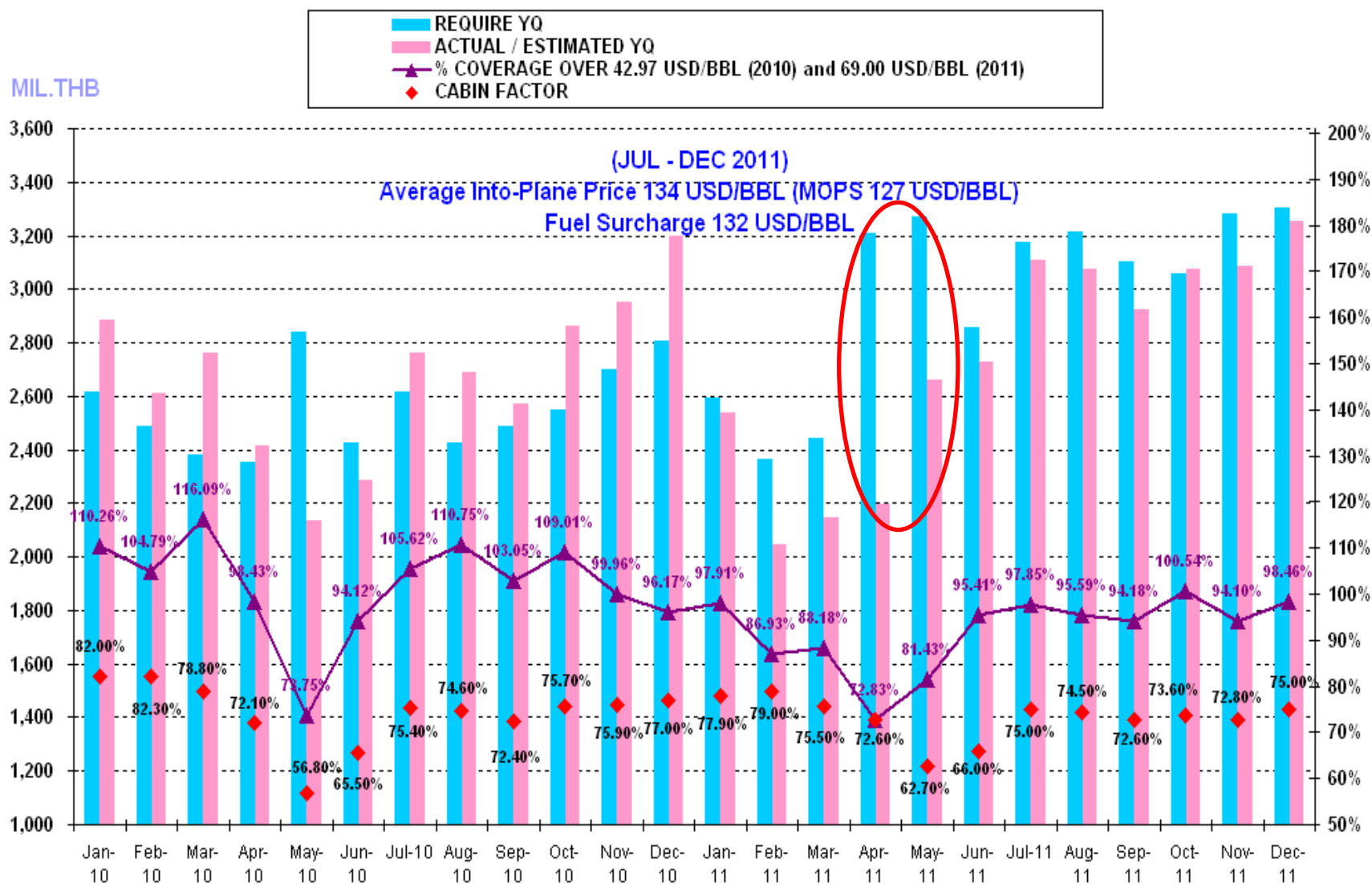
- Stronger contribution from freight business
- Higher average PAX yield
- Effective fuel hedging policy
- Impact from Japan
- High fuel price
- Lower # of passenger

**Price of Jet Fuel (US\$/BBL)
(Singapore Spot Price)**



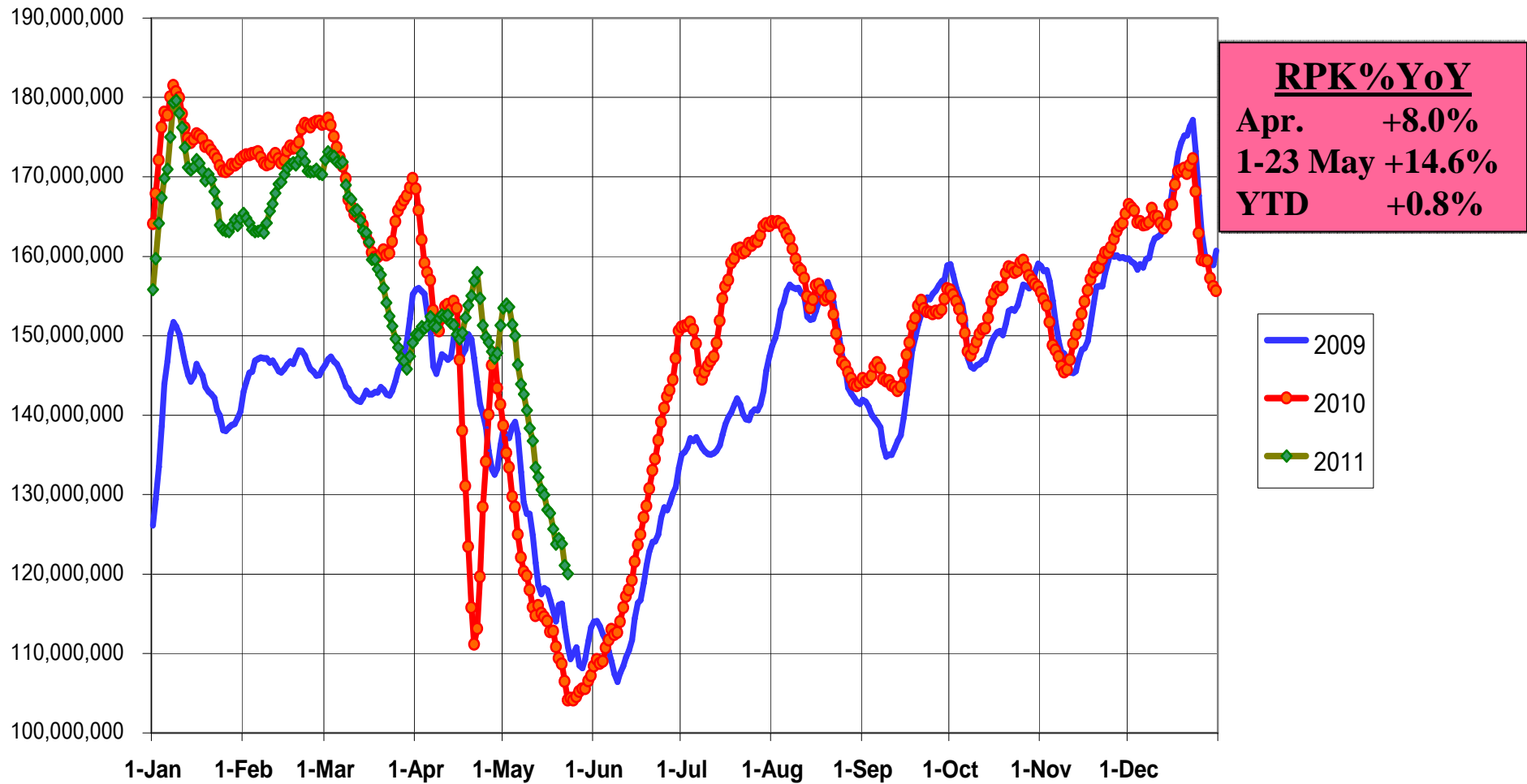
Fuel surcharge now covers fuel cost

Passenger & Cargo Fuel Surcharge Include Hedging / Stock Management



RPK is slightly higher than last year

DAILY REVENUE PASSENGER KILOMETRE (RPK) (7 Days Moving Average up to 23 May 2011)



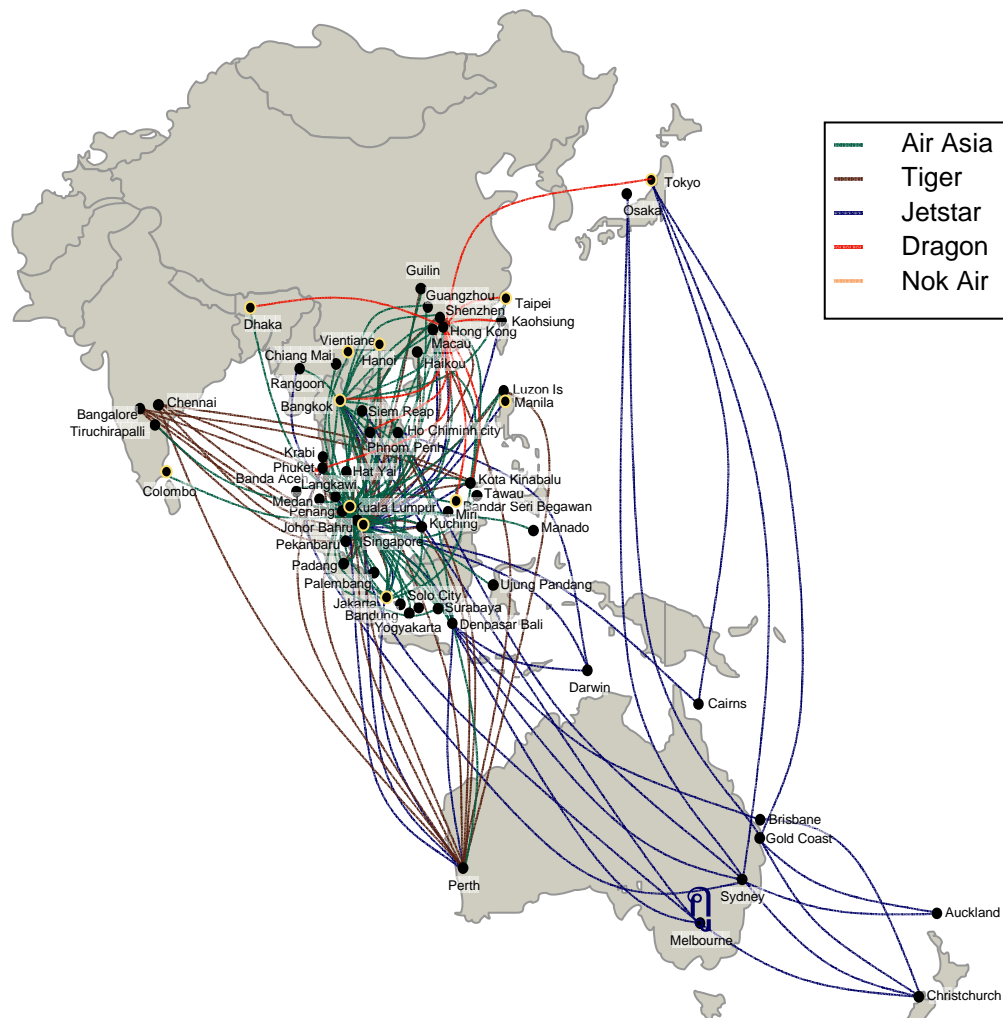
Change in Revenue Passenger Kilometre :RPK (%YoY)

	Total	Domestic	Indo China	Western	Southern	Northern	North Pacific	Europe	Australia	Africa,ME Others
%RPK/day										
Jan-Apr 11	100.0%	5.7%	1.1%	7.2%	4.3%	23.6%	2.8%	39.3%	12.2%	3.8%
%YoY growth										
Jan-11	-3.1%	-15.7%	0.7%	-5.6%	1.8%	1.8%	4.9%	-5.2%	-3.1%	9.6%
Feb-11	-3.0%	-16.1%	8.3%	3.1%	2.1%	1.7%	4.3%	-5.4%	-3.5%	-6.3%
Mar-11	-4.4%	-12.7%	1.5%	4.7%	10.3%	-2.7%	3.7%	-6.6%	-13.3%	12.7%
Apr-11	7.5%	5.6%	18.7%	4.7%	24.0%	-1.8%	-5.1%	10.2%	6.7%	63.4%
May-11	14.1%	18.4%	23.2%	9.3%	39.1%	22.9%	11.4%	1.6%	19.8%	62.8%
1-20 Jun-11	9.5%	25.7%	23.8%	6.6%	9.9%	25.2%	1.7%	-1.9%	13.4%	8.3%
YTD	2.0%	-5.5%	23.8%	3.3%	14.0%	5.2%	3.4%	-1.8%	1.6%	15.6%

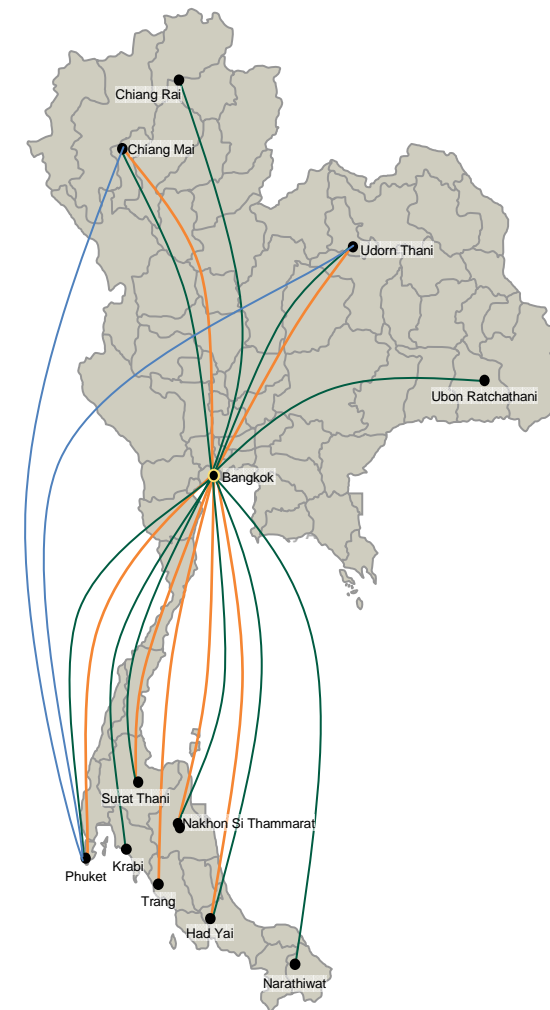
Competitors Have Increased Significantly



International Destinations

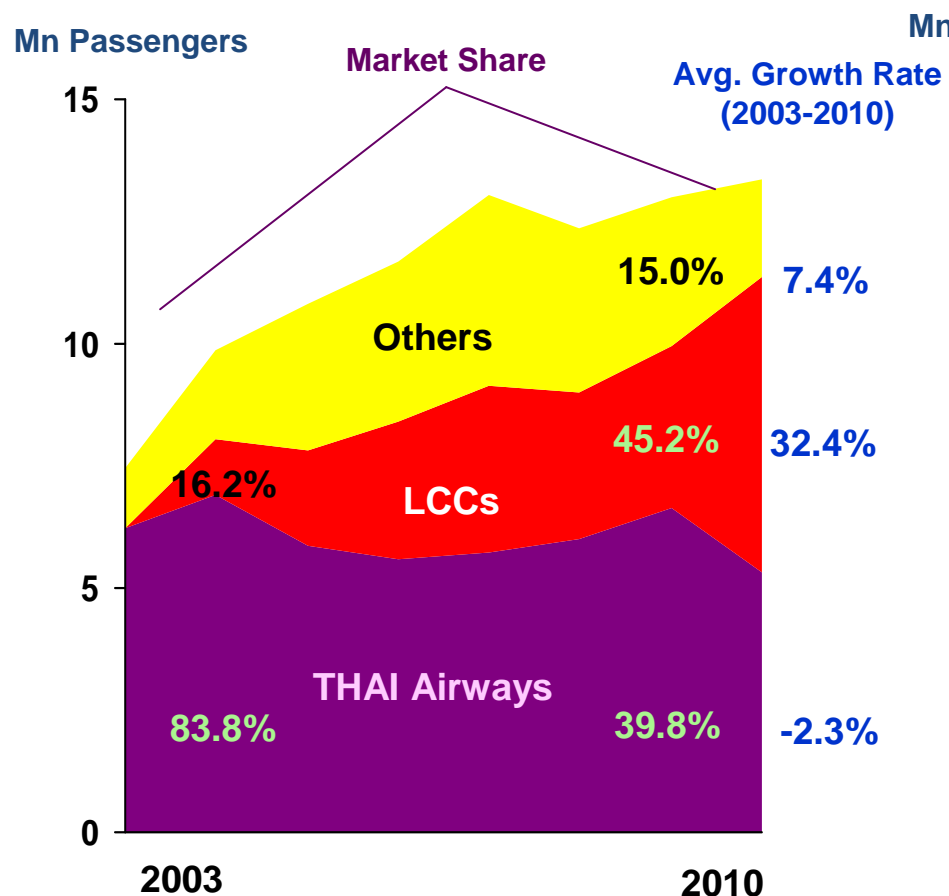


Domestic Destinations

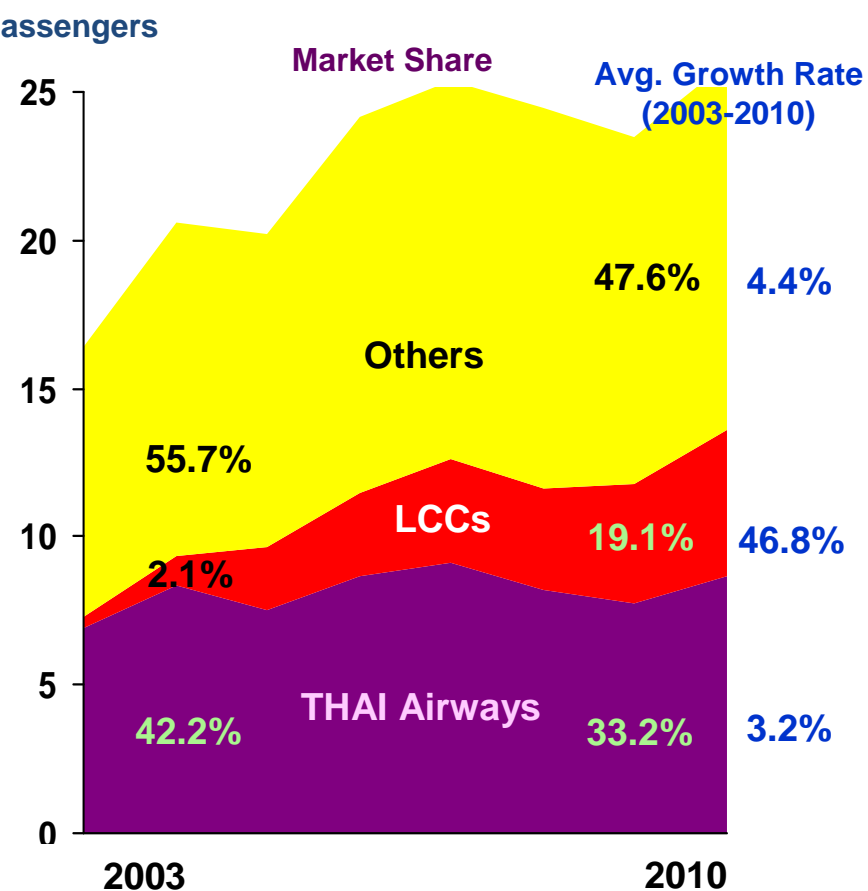


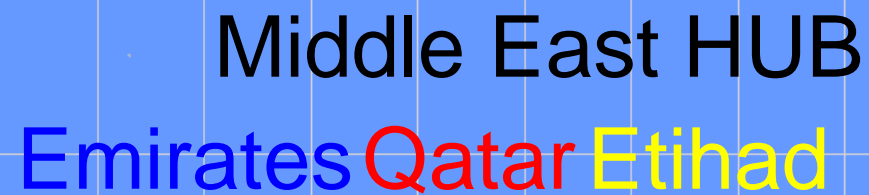
Market Share of LCCs Up Dramatically

Domestic Market



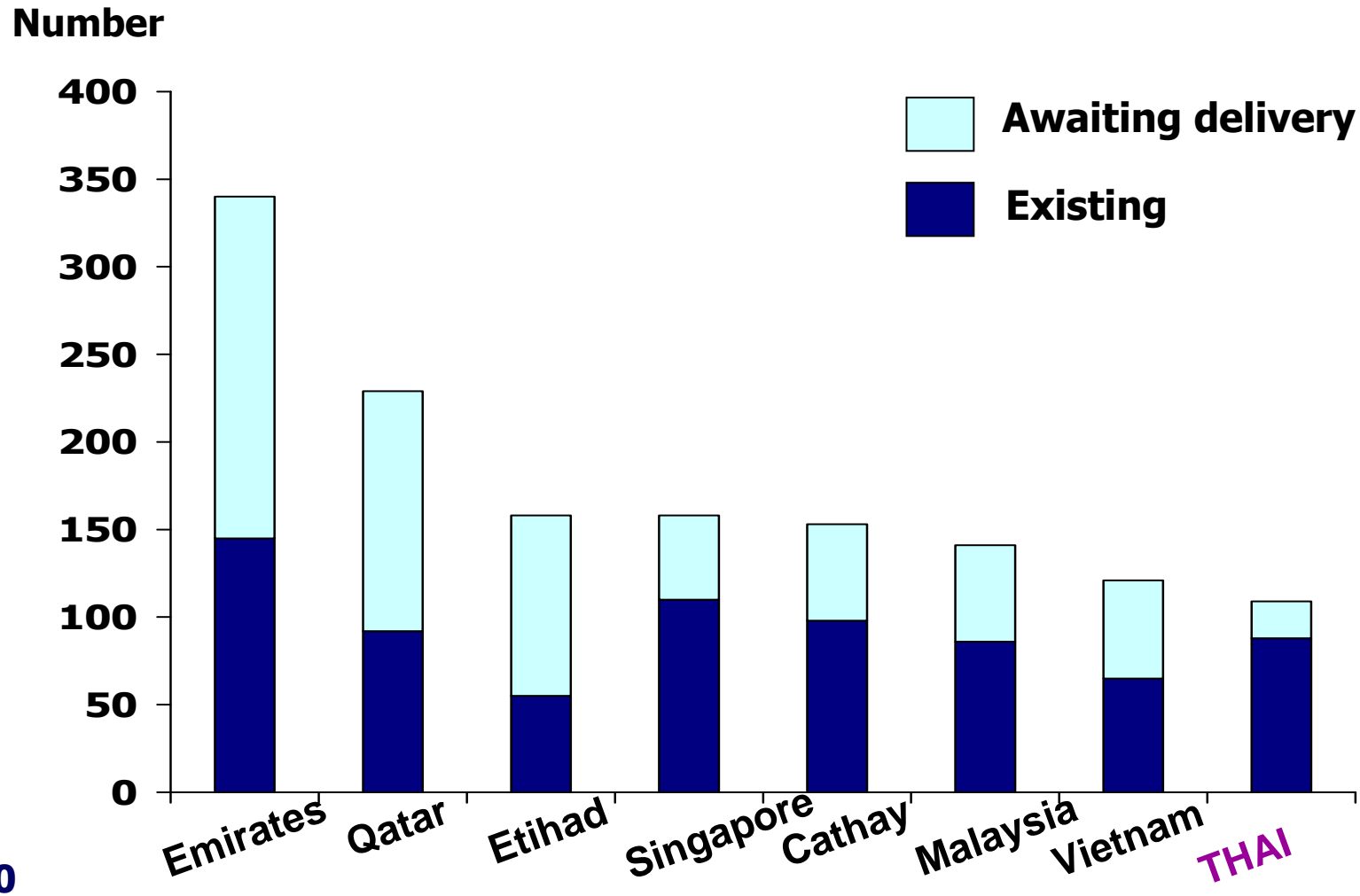
Regional Market



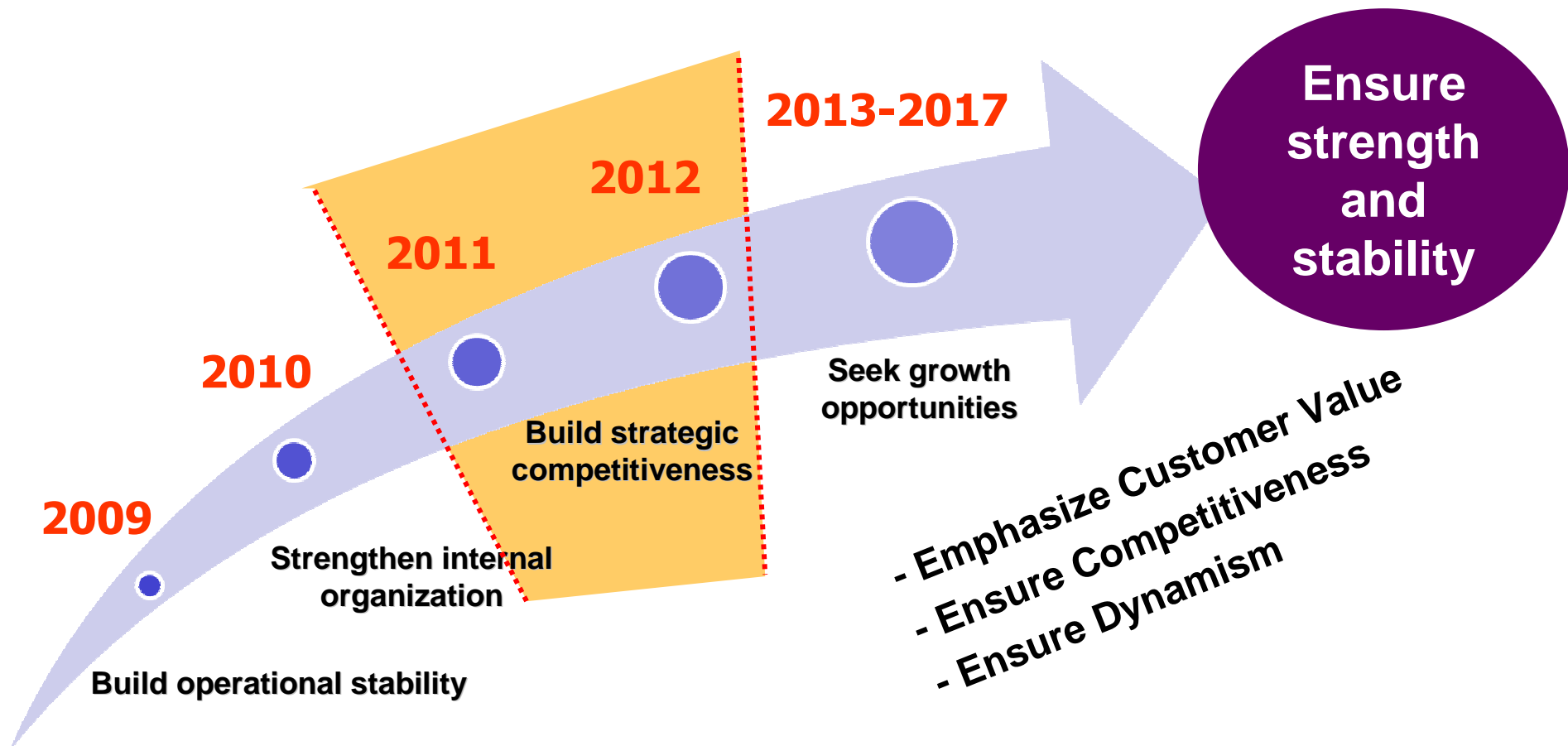


Competitors' Fleet Expansion Plan

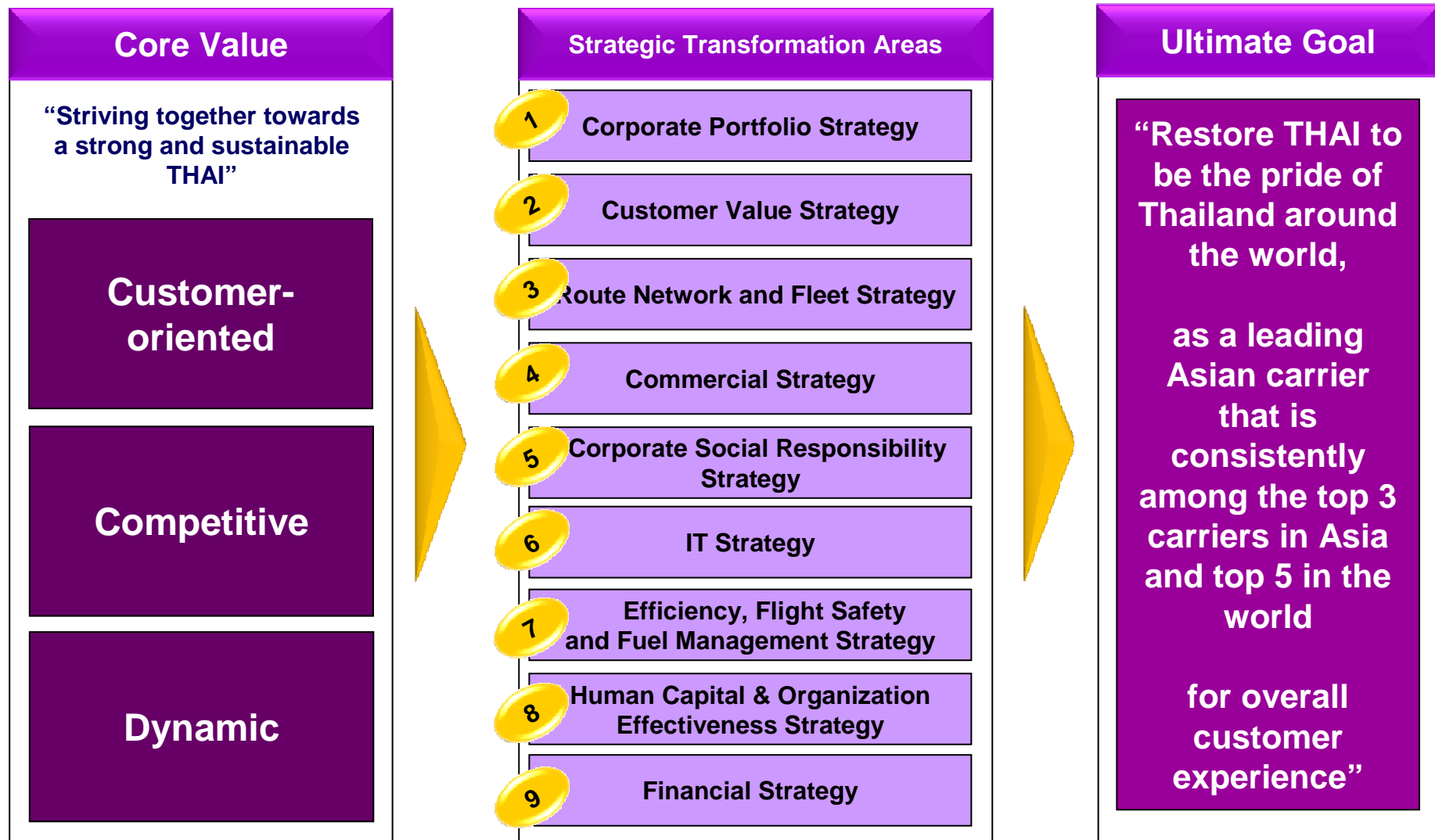
Competitors' Fleet and Expansion Plan



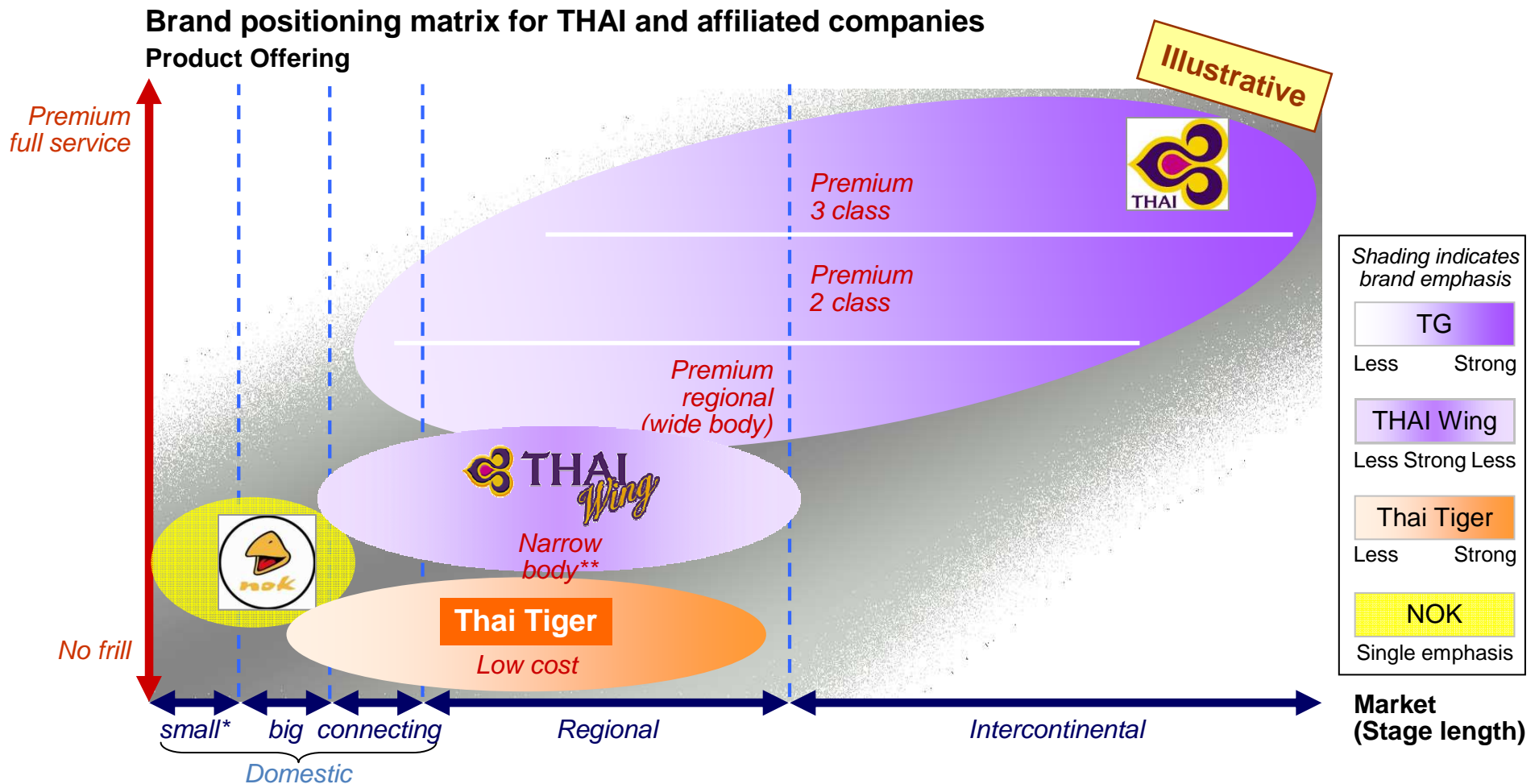
Existing/Awaiting delivery 15/75 -/5 -/10 11/8 - -/6 -/4 -/6



Overall Strategic Roadmap







THAI Wing and Thai Tiger will provide a comprehensive product offering for THAI's product portfolio



Note: * NOK focuses on DMK only; ** Possibilities surrounding expanding fleet to include wide-body aircraft will be evaluated as opportunities arise

Source: Team discussion

Product by Cost Base

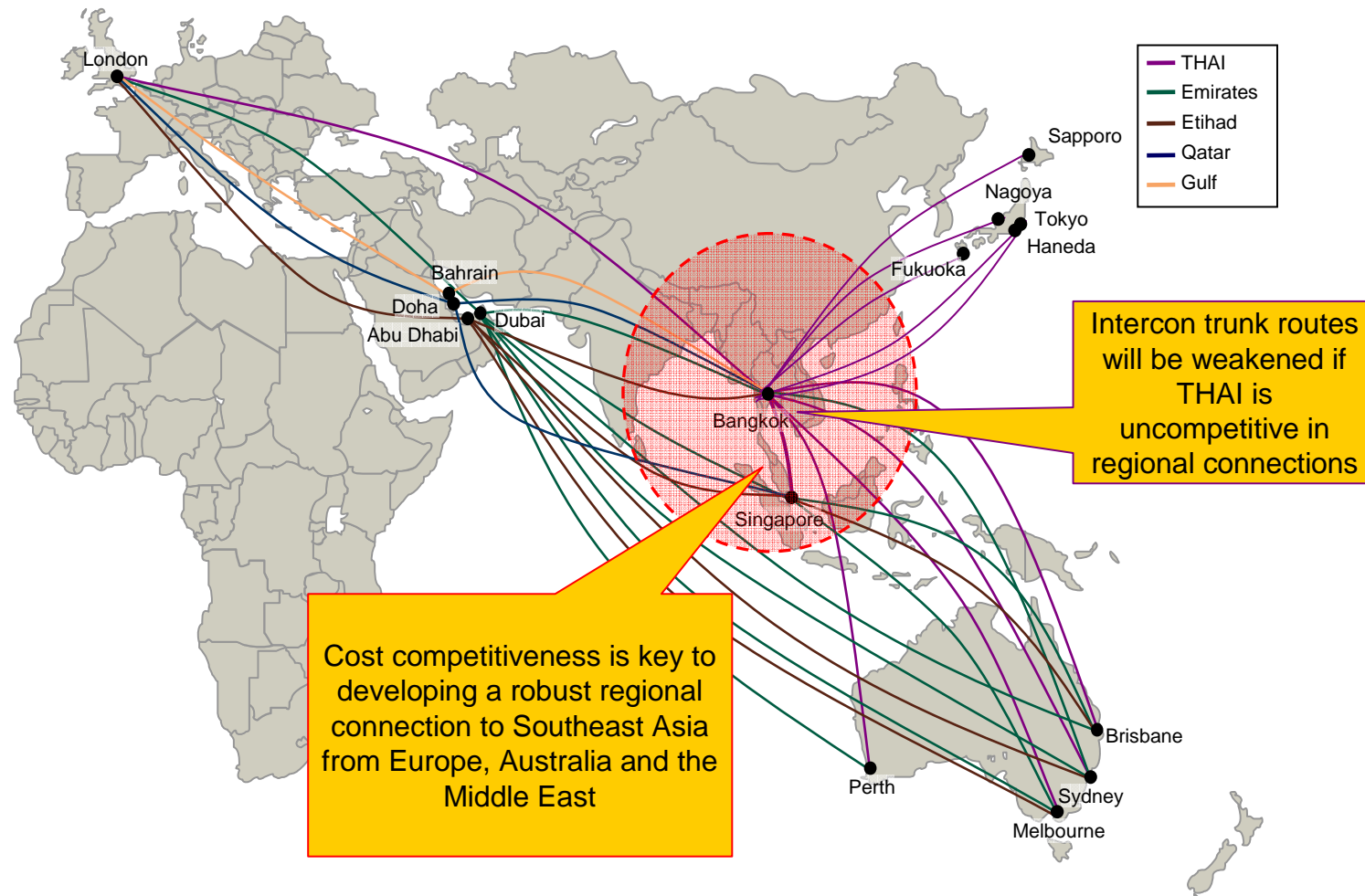
Brand	Brand positioning	Cost base
	Premium network carrier	MEDIUM to HIGH <ul style="list-style-type: none"> Minor improvements could be made in cost efficiency
	Regional carrier	LOW to MEDIUM <ul style="list-style-type: none"> Low cost base achieved through aspects of LCC model, such as single aircraft type, new fleet, etc.
	Domestic value-for-money carrier	LOW to MEDIUM <ul style="list-style-type: none"> Domestic focus with some added value and maintaining very low cost
	Regional Ultra-low cost carrier	LOW to ULTRA LOW <ul style="list-style-type: none"> No Frills (max seat density, max utilization)



Source: Team discussion and analysis

Thai to build short-haul and regional network strength to capture connecting traffic from Europe, Australia, and the Middle East

Selected Kangaroo routes for the ME carriers and THAI (2009)



Enhancing and improving products and services at all touch points to ensure consistent quality service.



Product & Service Enhancements

Call Center



Food & Beverage



Increase Selection of Entertainment



Minimize Time for Baggage Claim



Premium Lounges



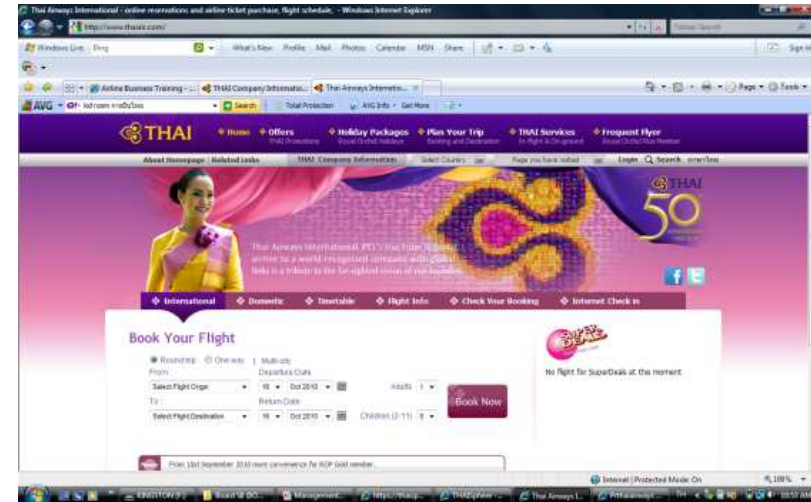
Royal Orchid Plus



E-Service on Mobile



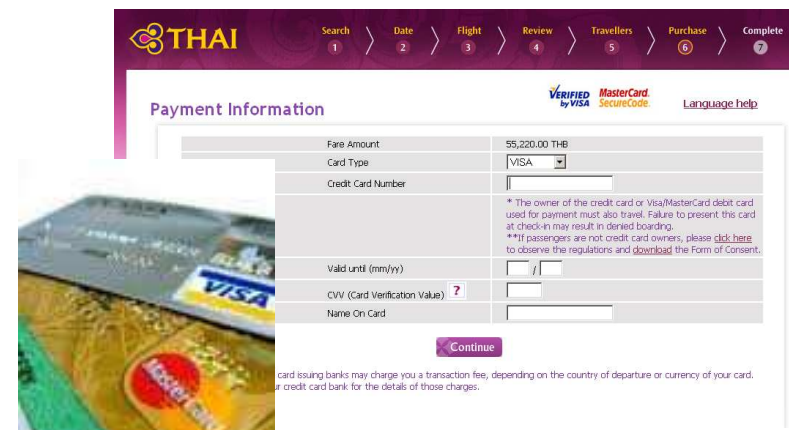
Internet Booking



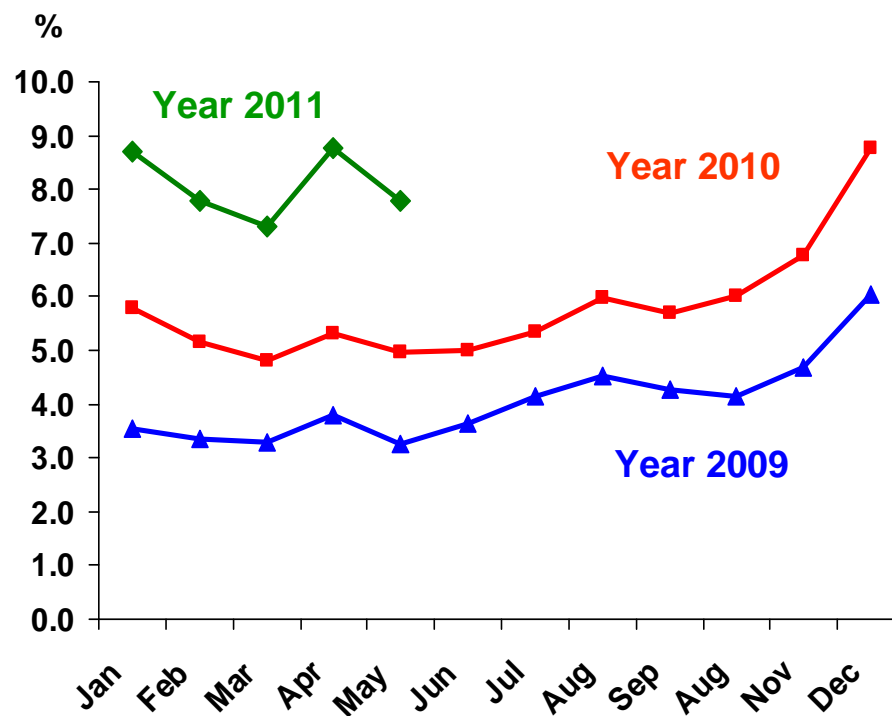
Internet check-in with home print boarding pass



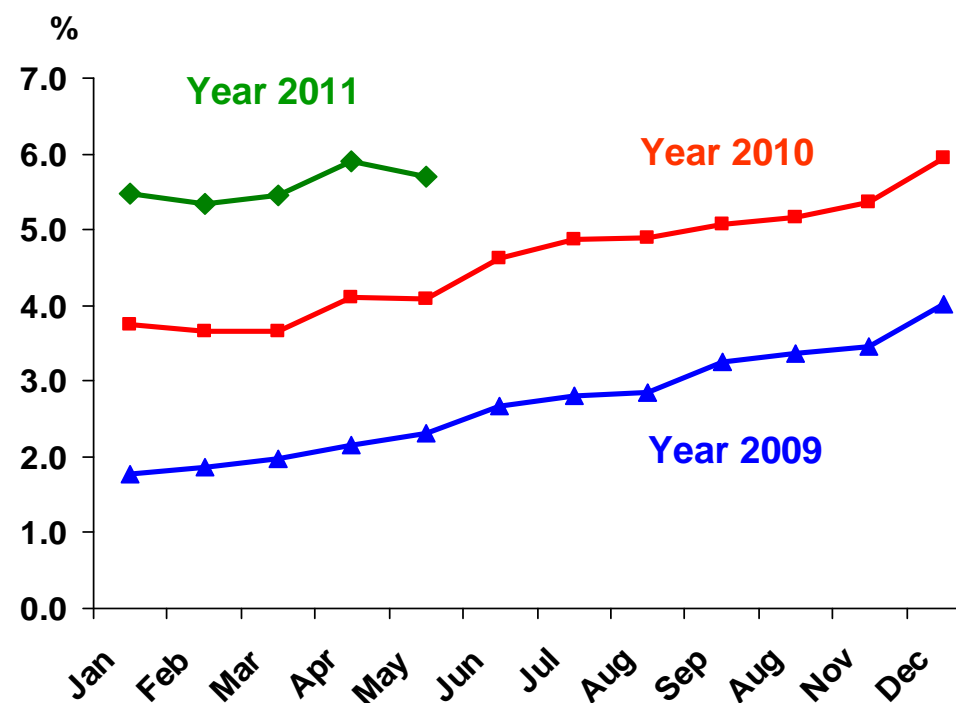
E-Payment Services



Ticket Sales Via Internet














Check-in via Internet



To Be Top 3 in Asia and Top 5 in the World

The World's Top Pier Airlines – Skytrax

		2011	2010	2009
★★★★★	 QATAR	1	3	4
★★★★★	 SINGAPORE AIRLINES	2	2	2
★★★★★	 ASIANA AIRLINES	3	1	3
★★★★★	 CATHAY PACIFIC	4	4	1
★★★★	 THAI	5	9	10
★★★★	 ETIHAD	6	6	7
★★★★	 ANA	7	5	8
★★★★	 QATAR	8	7	6
★★★★	 TURKISH AIRLINES	9	-	-
★★★★	 Emirates	10	8	5
★★★★	 Malaysia	-	10	9

Source: Skytrax

Skytrax 2011



Best Airline Seat - Economy Class
Best On Board Catering – Economy Class

Skytrax 2010



Best Airline Lounge – First Class
Best Airport Services

Norwegian Grand Travel Award

Best Intercontinental Airline

Business Traveler's Award



Best Ground Service
Best Lounges

TTG Award

Best Business Class
Best Southeast Asian carrier

Go Asia Award

Best Asian carrier

Current Fleet: 89 Aircraft

Exc. 2 of ATR-72
4 of 737-400

} leased to Nok



Aircraft Type	Version	# of Aircraft	# of Seat					Financial Method
			First	Business	Premium Economy	Economy	Total	
A300-600	36R1	8	0	46	0	201	247	} 13 O
	36R3	5	0	28	0	232	260	
A340-500	3452	4	0	60	42	113	215	1 O, 3 FL
A340-600	3461	6	8	60	0	199	267	6 FL
A330-300	3302	12	0	42	0	263	305	} 10 O, 5 OL, 5 FL
	3303	8	0	36	0	263	299	
B737-400	7341	5	0	12	0	138	150	2 O, 3 OL
B747-400	7442	6	14	50	0	325	389	} 13 O, 5 FL
	7443	12	10	40	0	325	375	
B777-200	7723	8	0	30	0	279	309	6 O, 2 OL
B777-200ER	77E1	6	0	30	0	262	292	6 FL
B777-300	7732	5	0	34	0	330	364	} 6 FL
	7732 TKE	1	0	34	0	325	359	
B777-300ER	7739	3	8	30	0	274	312	3 OL
Total		89	40	532	42	3,529	4,143	45 O, 13OL, 31 FL

O = Owned / OL = Operating lease / FL = Financial lease

Long-term Fleet Strategy

New Acquisition	2011-2013	2014-2017	2018-2022	Total
Medium sized body aircraft		26	21+17 = 38	47 + 17 = 64
Narrow body aircraft	11		-	11
Total	37		38	75

	2011	2012	2013	2014	2015	2016	2017	2012-17
Aircraft Fleet	89	93	94	98	100	102	105	
Total Seats	26,444	28,249	29,310	30,712	31,581	32,391	33,660	
Seat Growth		6.8%	3.8%	4.8%	2.8%	2.6%	3.9%	4.1%



Fleet Acquisition Summary

Aircraft	Body	Qty	Acquisition Method	2012	2013	2014	2015	2016	2017	Total
A320	Narrow	6	Lease	4	2					11
A320	Narrow	5	Purchase			2	3			
A350-900	Wide	2	Lease					2		12
A350-900	Wide	6	Lease						6	
A350-900	Wide	4	Purchase					2	2	
B777-300ER	Wide	6	Purchase			3	3			6
B787-8	Wide	6	Lease			4	2			8
B787-9	Wide	2	Lease						2	
Total		37		4	2	9	8	4	10	37

Re-fleeting to enhance fuel efficiency, increase reliability & enhance overall customer satisfaction

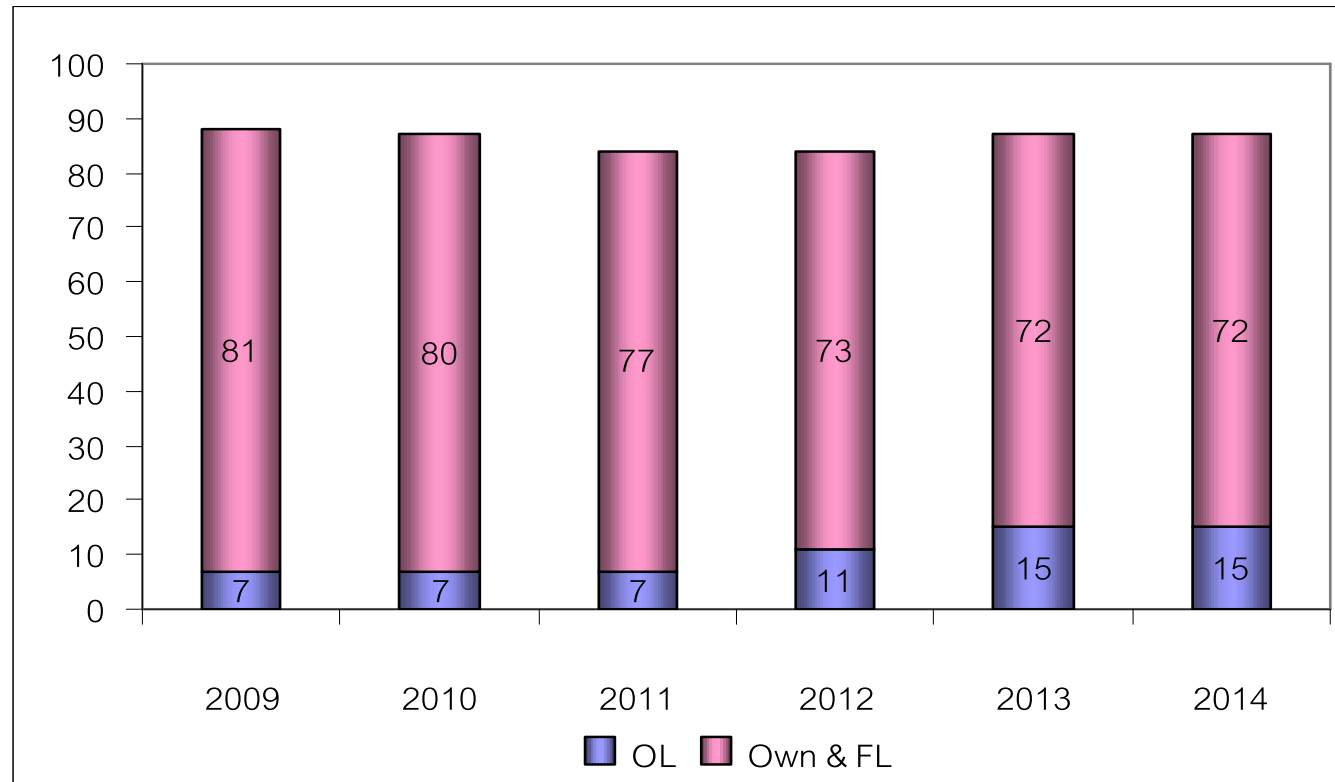
Target avg. fleet age in 2017 = 8.5 yrs from current 11.8 yrs

	< ----- PLAN -----						TOTAL
	2552	2553	2554	2555	2556	2557	5 YEARS
	2009	2010	2011	2012	2013	2014	(2010-14)
TOTAL INCOMING AIRCRAFT	3	3	9	12	13	9	49
<u>Previously Approved</u>	3		5	3	3		14
- A330-300 HGW (High Gross Weight)	3		*5				8
- A380-800				3	3		6
<u>Additional Aircraft (New)</u>		3	4	9	10	9	35
- A320				4	2	2	8
- A330-300			2	3	2		7
- B777-300ER		3	2	2	6	3	16
- B787-800						4	4
TOTAL OUTGOING AIRCRAFT	1	5	5	7	11	5	34
- B747-400 (B744)			2	2	2		6
- B777-300ER (Jet Airways)					5		5
- B737-400	1	1				2	4
- A300-600		4	3	3	2	3	15
- A340-500				2	2		4

*Note : the 5 A330s deferred arrival is included in 2011's delivery plan

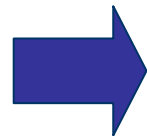
OL & FL Aircraft Proportion - Plan

OL percent 8.0% 8.1% 8.3% 13.1% 17.2% 17.2%



Note : Based on available slot for purchase

Resolving Koito Seat Problem



ZIM
FLUGSITZ



ZIM will be providing economy class seats and enabling the 5 new A330-300 aircraft to join the fleet in the following months.

Delivery

March

April

May

June

July

Upgrades and Retrofit Schedule

	# of Aircraft	First	Business	Economy	Tentative Completion
B777-300	6				■ Completed
B747-400 No. 7-12	6				■ May – Dec. 2011
B777-200	8				■ Sept. 2011 – Jun. 2012
B747-400 No. 13-18	6				■ Feb. 2012 – Oct. 2012
Airbus 340-600	6				■ 2013
Airbus 340-500	4				■ 2014
B777- 200ER	6				■ 2014

Aircraft lease to Supplement Capacity

- Leased 3 B777-300ER aircraft from Jet Airways for 3 years
- Another 2 B777 – 300ER will be leased from Jet Airways beginning October 2011
- Used on European flights and to replace routes where older A330-300 aircraft flies in the region

First Class Seats



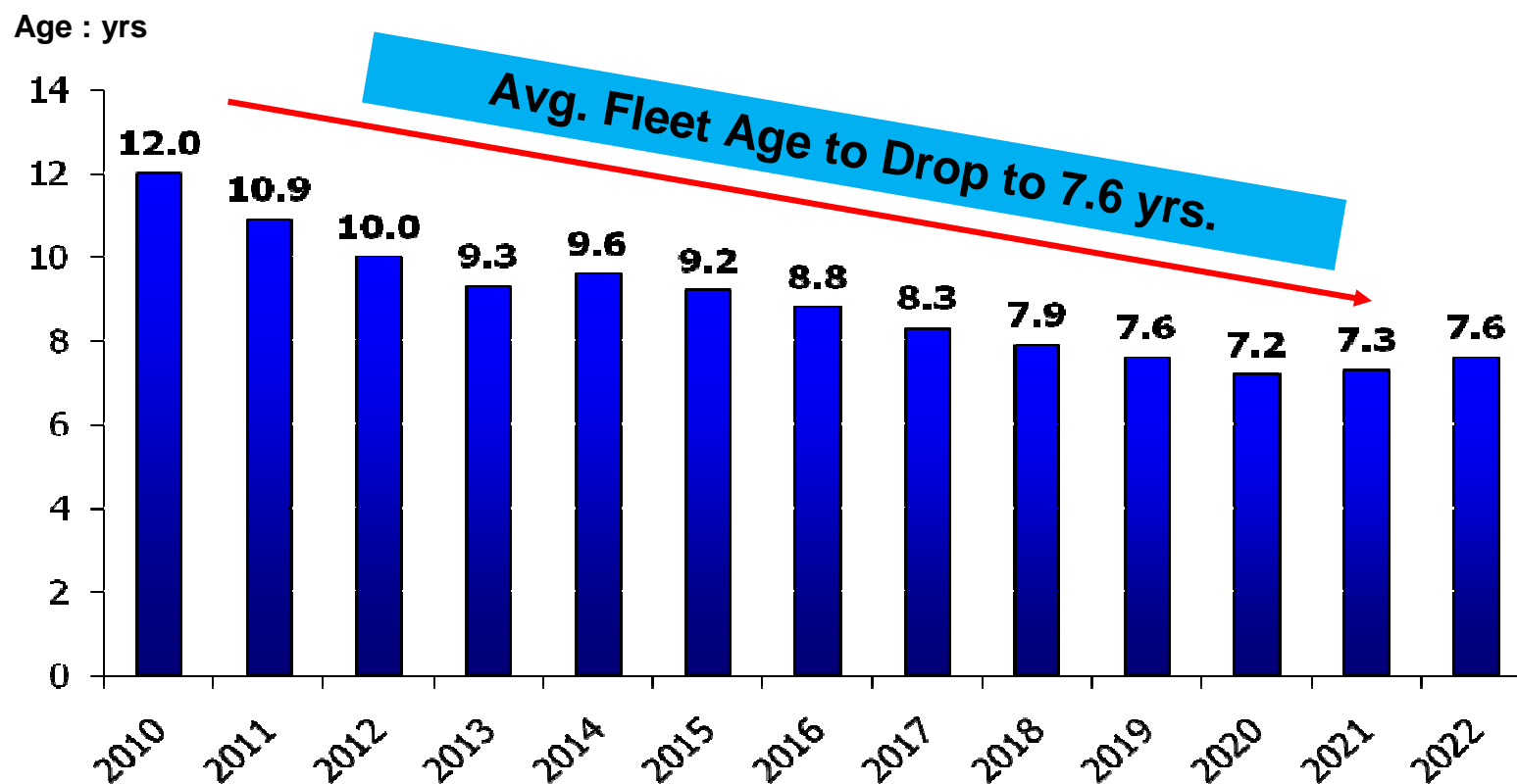
Business Class Seats



Economy Class Seats



	2011-2013	2014-2017	2018-2022	Total
Medium sized body aircraft		26	21+17 = 38	47 + 17 = 64
Narrow body aircraft	11		-	11
Total	37		38	75



Changes were made to better reflect customer demand



Increased flights

Paris	7 to 10 flts/wk
Oslo	5 to 7
Moscow	3 to 4
Nagoya	7 to 10
Fukuoka	5 to 7

New Destinations

Haneda	7 flts/wk
BKK-Gaya-Varanasri	3 flts/wk

Relaunch

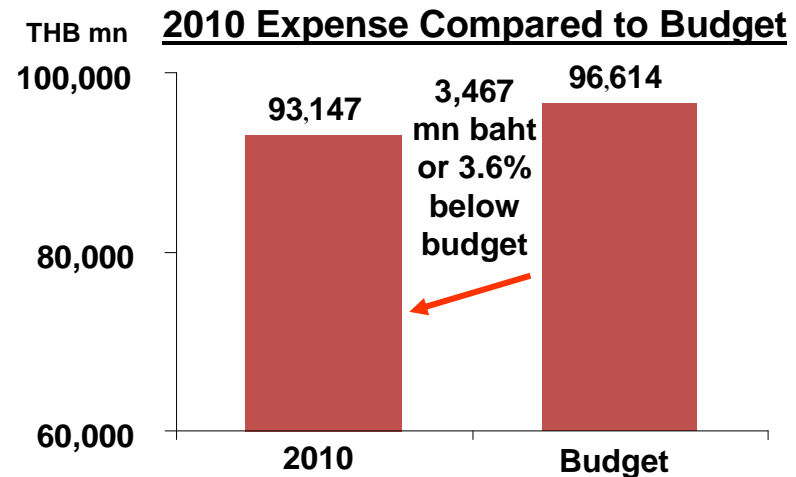
Johannesburg	4 flts/wk
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Further Cost Control Measures

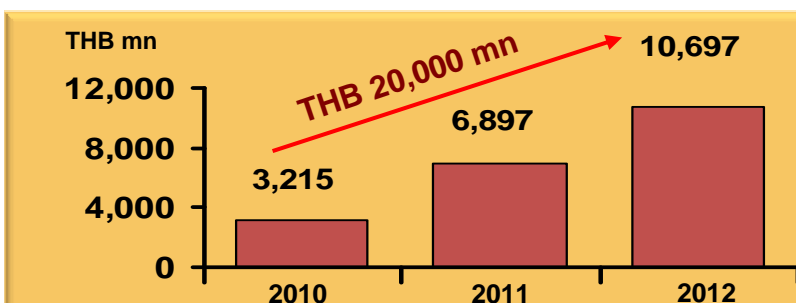
THAI is committed to achieving the THB 20,000 mn cost reduction target agreed to with the Ministry of Finance through 2012

Strategy to Reign in Costs

- Improved fuel management
- Increased proportion of ticket sales via internet & minimize commission payment
- Launched early retirement program / Mutual separation plan / Continue to offer Golden Handshakes / Use of Wingspan / Manage reduction in crew accommodation cost
- Reduction of management & admin. Expense
- Continued to negotiate with all suppliers
- No pay leave project
- Changed approach in undertaking marketing and advertising initiatives



Yearly Cost Reduction Targets



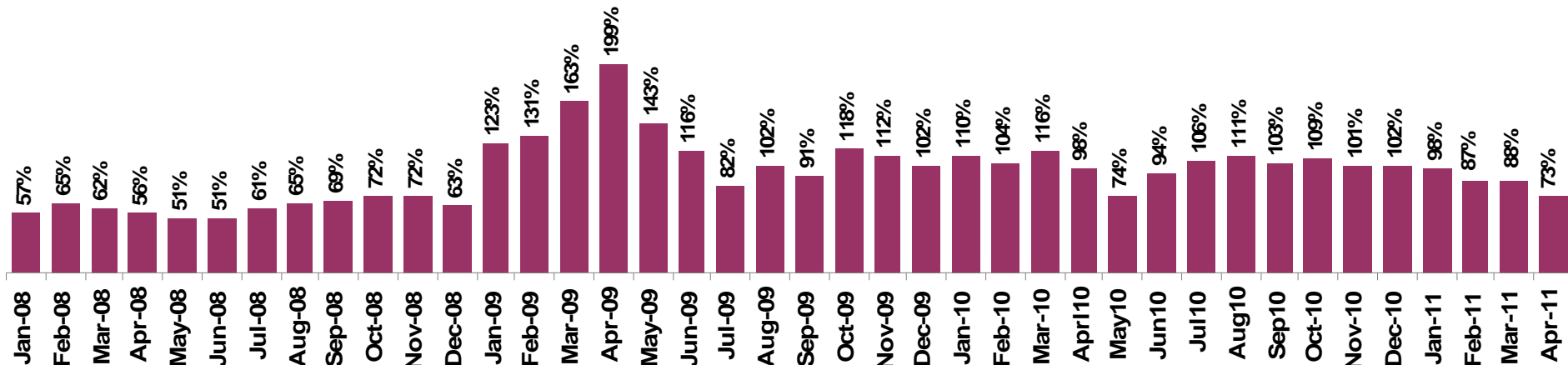
Was able to reduce non-fuel related cost by
THB 252 mn or a 7.8% reduction

Minimum 20% fuel hedging requirement to mitigate risk of rapid fuel cost rise

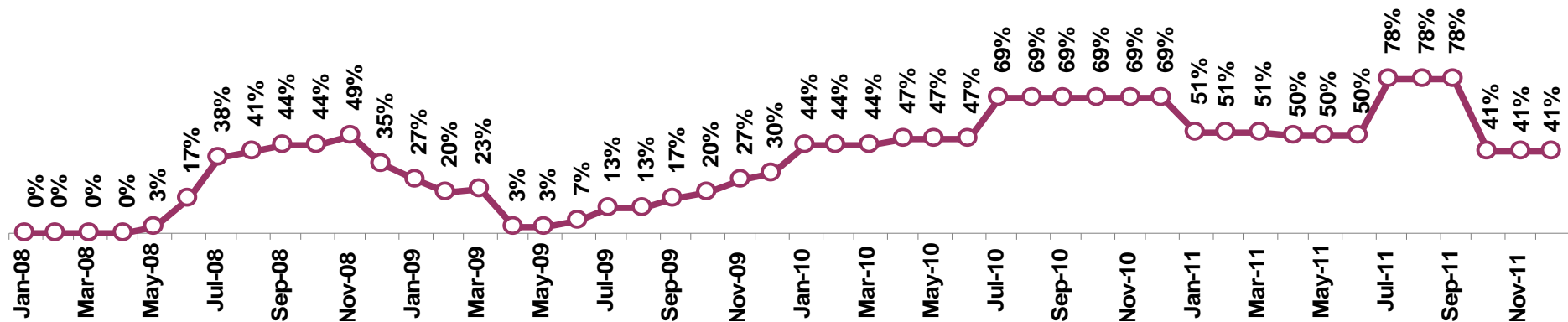
Hedging Volume	
>80%	Board Authority
>60<=80%	Fuel Price Risk Management Committee (President, EVP Finance & Accounting, VP, Director and Department)
>30<=60%	VP, Director and Department Level Decision
>20<30%	
<=20%	Board Authority
	1m 2m 3m 4m 5m 6m 7m 8m 9m 10m 11m 12m 13m 14m 15m 16m 17m 18m >18 months
	Contract Period

Hedging combined with fuel surcharge greatly mitigates fuel price fluctuation risk

Percentage of Fuel Surcharge & Hedging Coverage



Monthly fuel hedging 2008-2011 - % of consumption by month



THAI is the first Asian airline to sign an agreement with IATA to find means to mitigate fuel



Carbon Footprint



- Determined the carbon foot print of 2 meals and provided labeling for customers to choose

Emissions Trading

2012

Monetary Value

Amount of CO₂ ~1.07 mn tons THB 646 mn



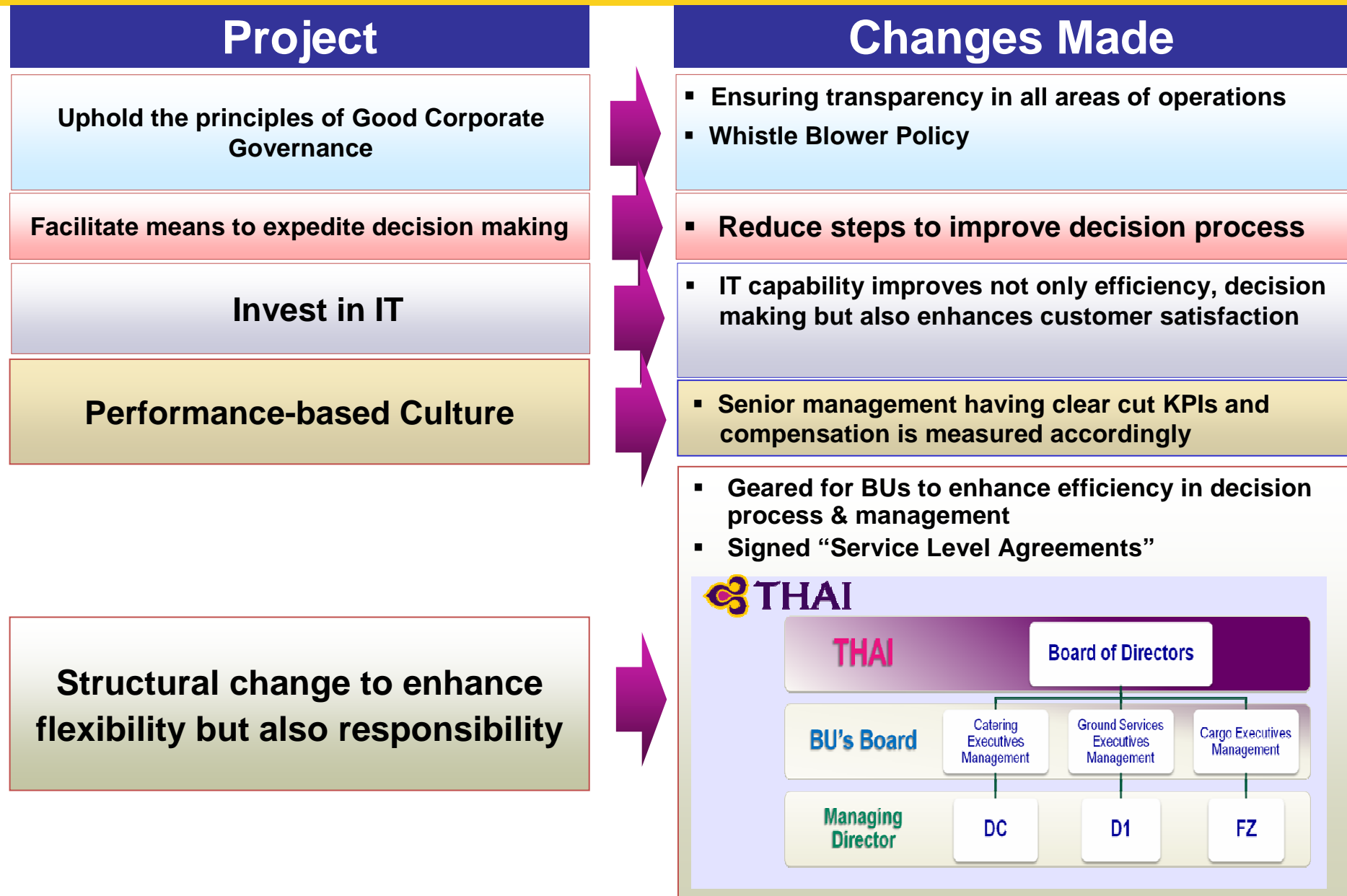
- CERs 0.47 mn tons THB 239 mn
- EUAs 0.60 mn tons THB 407 mn

Carbon Offset



- Launched the carbon offset program

Improvements in Dynamism



EC	Rescinded all charges against THAI
US Cargo DOJ	Stopped further proceedings
US Cargo Class Action	Settled by paying USD 3.5 mn
Korea	Pending charges is for KW 2.85 mn

Wrote back a portion of reserves that were set aside

4,290 MTHB ➡ 2,507 MTHB



Improved Capital Structure

**Raised 15,000 MTHB
in new equity**

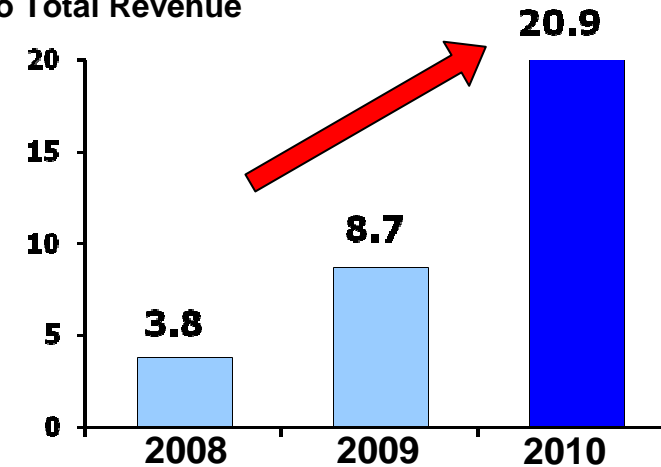
**Received additional
borrowing from financial
institutions**

**Obtained Revolving
Credit Lines**

**8,000 MTHB Debenture
issued in May 13, 2011**

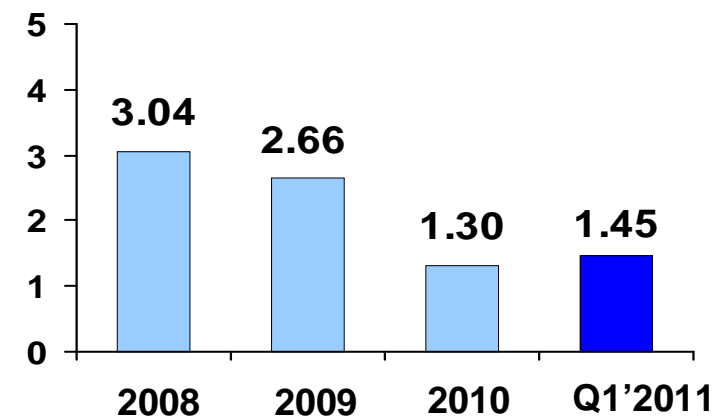
Improved Cash Position

Cash to Total Revenue

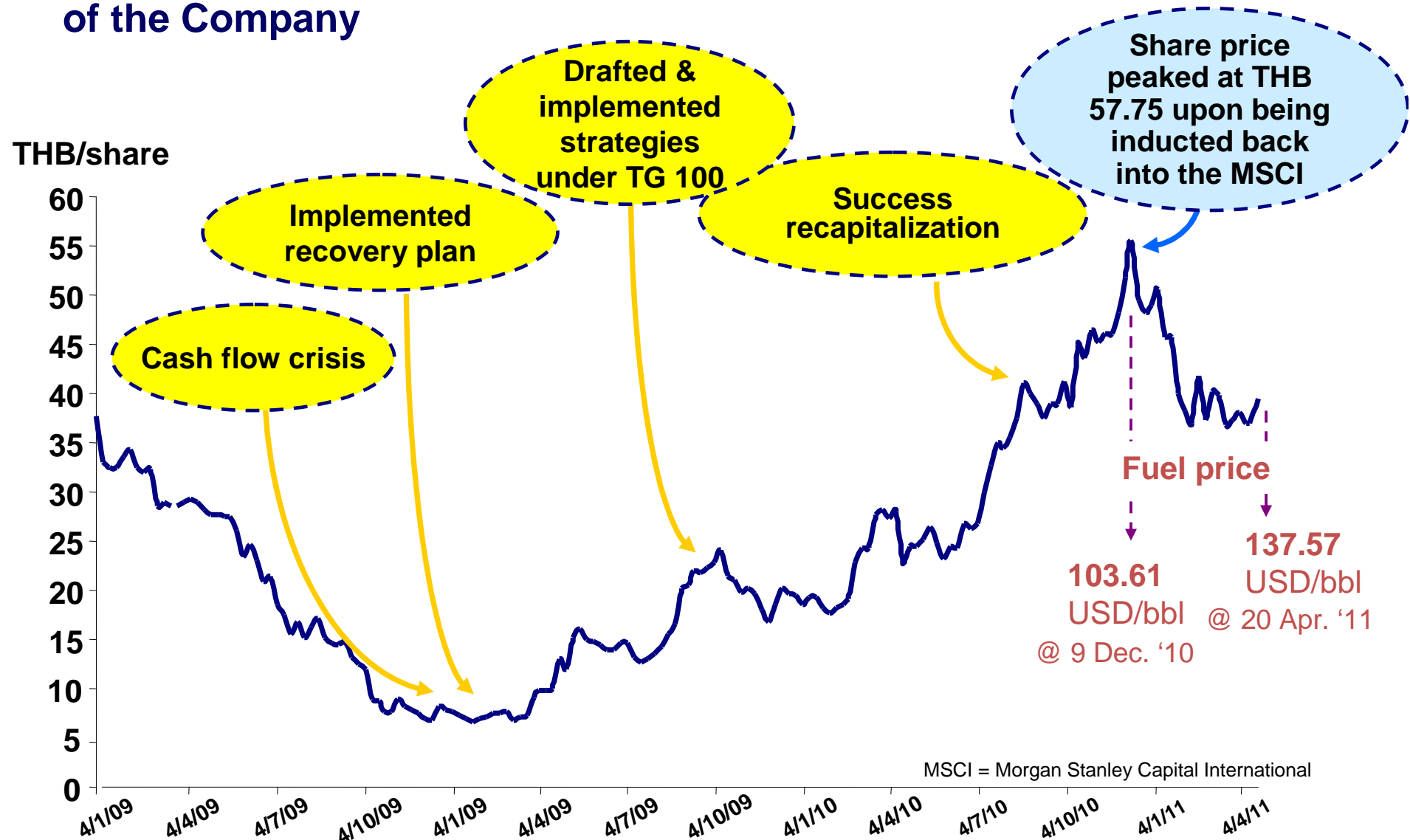


Capital Structure Strengthened

Net interest bearing
Debt to Equity



THAI's share price reflects the confidence in the improved health of the Company



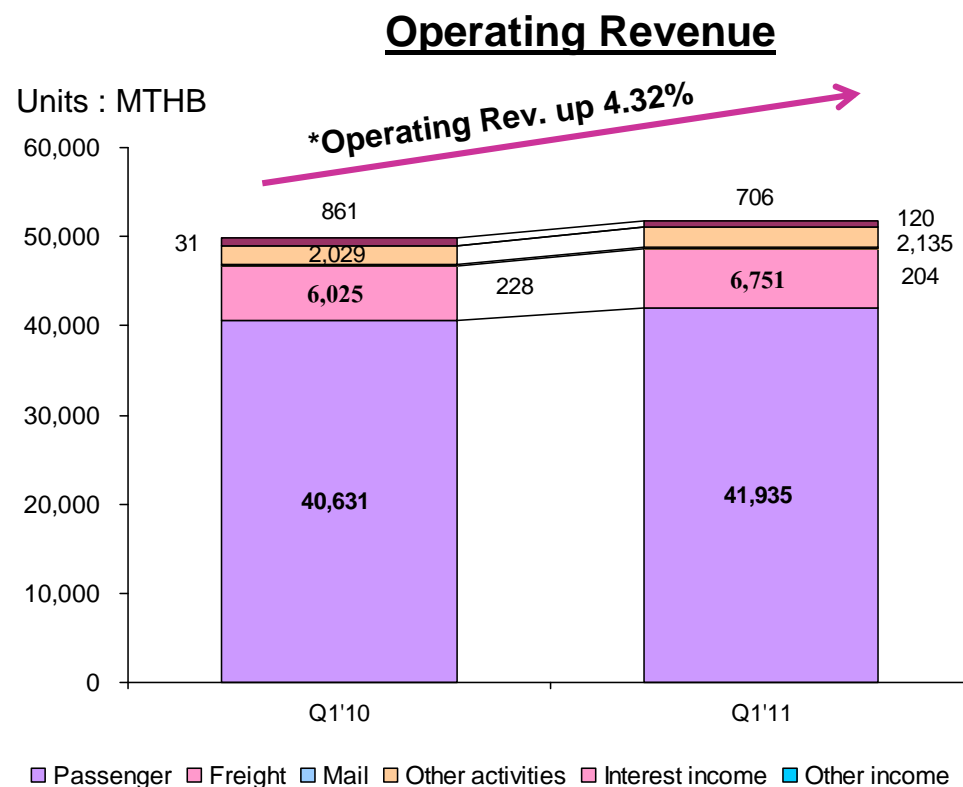
Financial Performance

Performance Summary (Q1/2011)

THAI and its subsidiary

	Jan-Mar	
(Units : MTHB)	2011	2010
Total Revenue	51,851	49,806
Total Expense	-46,468	-43,061
Foreign currency exchange (Gain)	-3,358	5,698
Share of losses of investments by the equity method	38	-7
Profit(Loss) before finance costs, income tax	2,063	12,436
Financial Cost	-1,309	-1,345
Income tax expense	-121	-499
Net profits (losses)	633	10,592
Profits (losses) Attributable to:		
Non controlling interest	-15	-20
Equity holders of the parent	618	10,572

Operating / Total Revenue (Q1/2010 & Q1/2011)



*Excludes Interest & Other income
 Operating revenue Q1'10 = 48,913 MTHB
 Operating revenue Q1'11 = 51,025 MTHB

Total Revenue

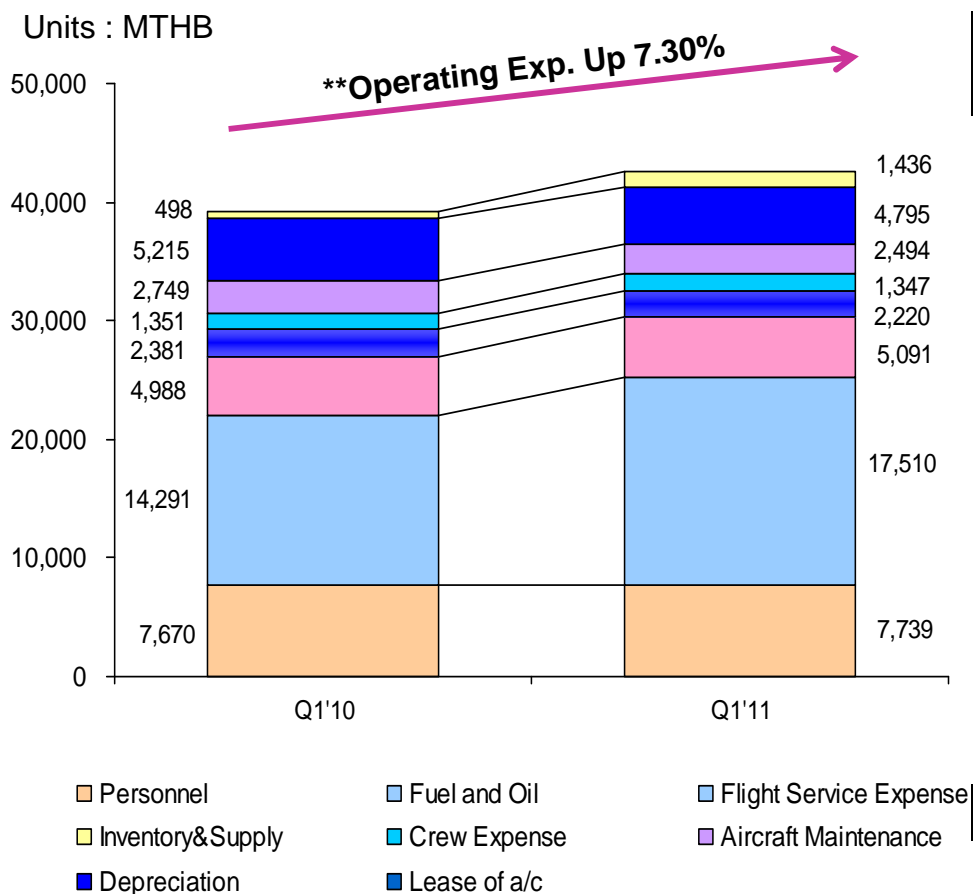
Revenue	% Change	% to Tot. Rev.
Passenger	3.21	80.88
Freight	12.05	13.02
Mail	-	0.39
Other activities	5.19	4.12
Interest income	291.51	0.23
Other income	-	1.36
Total Income	4.11	100.00

Total revenue Q1'10 = 49,805 MTHB
Total revenue Q1'11 = 51,851 MTHB

Operating / Total Expense (Q1/2010 & Q1/2011)

Operating Expense

Total Expense



Expense	% Change YoY	% of Tot. Exp.
Personnel expense	0.90	15.53
Fuel and oil	22.52	35.14
Flight service expense	2.06	10.22
Inventories and supplies	- 6.74	4.46
Crew expense	- 0.32	2.70
Maintenance/overhaul	- 9.25	5.01
Depreciation/amortisation	- 8.05	9.62
Aircraft lease/spare parts	188.51	2.88
Other expense	- 504.00	14.44
**Total Expense	33.36	100.00

**** Excludes FX & Impairment losses**

Operating expense Q1'10 = 42,973 MTHB

Operating expense Q1'11 = 46,111 MTHB

Total expense Q1'10 = 37,362 MTHB
Total expense Q1'11 = 49,826 MTHB

Ratios – Q1'2010 & Q1'2011

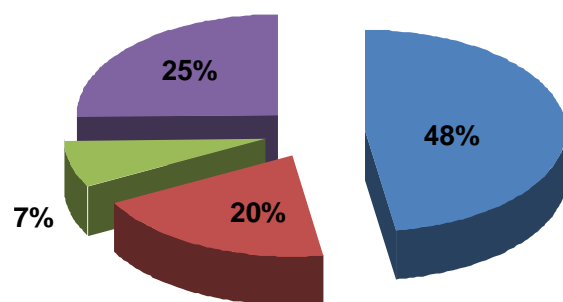
Ratios	units	Q1'10	Q1'11
Earnings Per Share	(THB)	6.22	0.28
EBIT	(MTHB)	6,037	4,960
EBITDA	(MTHB)	11,252	9,755
EBITDAR	(MTHB)	11,750	11,191
Book Value	(MTHB)	63,670	76,712
Book Value per Share	(THB)	37.48	35.14
Total Debt to Equity	(Times)	3.90	2.80
Net Debt to Equity	(Times)	2.35	1.88
Debt Service Coverage	(Times)	2.00	1.50
Interest Coverage	(Times)	8.40	7.50
Operating Profit Margin	(%)	12.30	9.70
Net Profit Margin	(%)	21.60	1.20
EBITDA Margin	(%)	23.00	19.10
Return on Total Assets	(%)	3.80	0.80
Return on Total Equity	(%)	20.10	0.20

Foreign Currency Exposure (Year 2010)

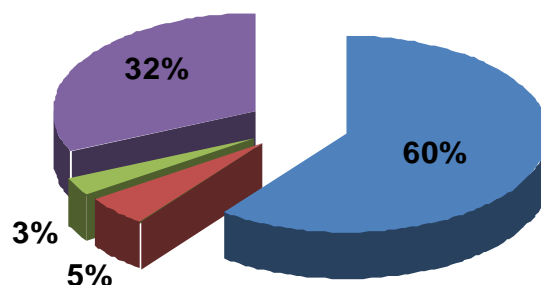
Unit : MTHB

	Revenue		Expense		Surplus or Deficit	Outstanding Borrowings			
						Before Swap		After Swap	
	Amount	%	Amount	%	Amount	Amount	%	Amount	%
USD BASED	85,801	48	89,994	60	- 4,193	1,977	1	1,212	1
USD	18,604		79,340						
Others ⁽¹⁾	67,197		10,654						
EUR BASED	35,210	20	8,030	5	27,180	49,796	34	50,584	35
EUR	16,809		5,623						
Others ⁽²⁾	18,401		2,407						
JPY	13,509	7	3,980	3	9,529	13,766	9	13,766	9
THB	45,753	25	47,228	32	- 1,475	80,741	55	80,741	55
TOTAL	180,273	100.00	149,232	100.00	31,041	146,280	100	146,303	100

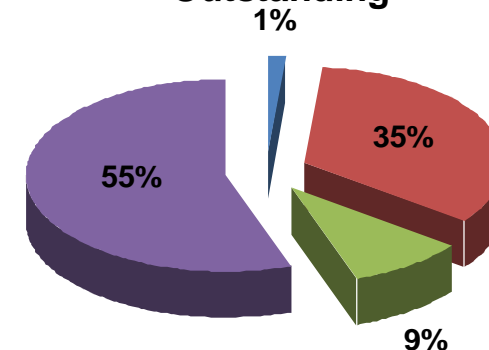
Revenue



Expense



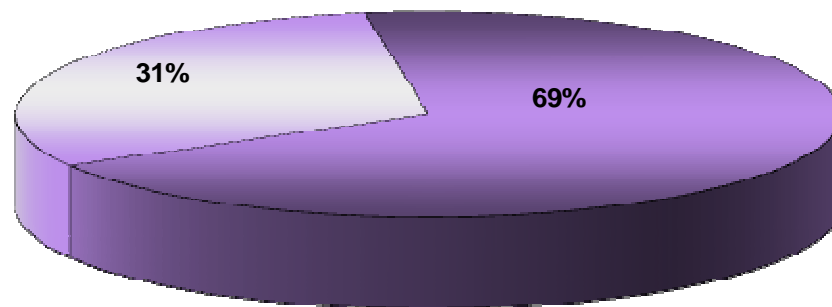
Outstanding



■ USD BASED ■ EUR BASED ■ JPY ■ THB

Proportion of Fixed and Float (As of Apr 2011)

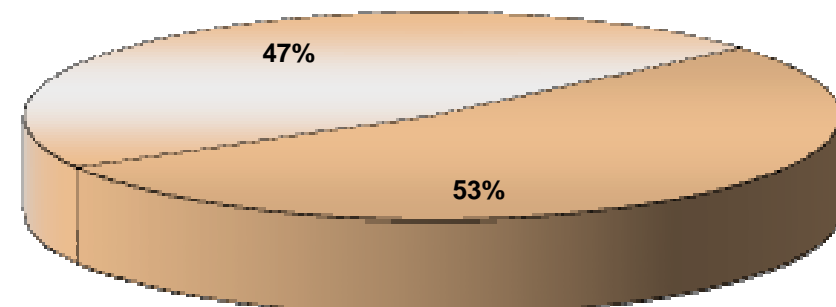
Before Swap



□ Fixed □ Float

Percentage of TOTAL
(TOTAL = 144,738 MTHB)

After Swap



□ Fixed □ Float

Percentage of TOTAL
(TOTAL = 144,797 MTHB)

A large purple triangle with a yellow border, pointing upwards, containing the title text.

Economic & Airline Industry Trend and Growth for 2011-2012

- Global Economy expected to grow by 5% - IMF

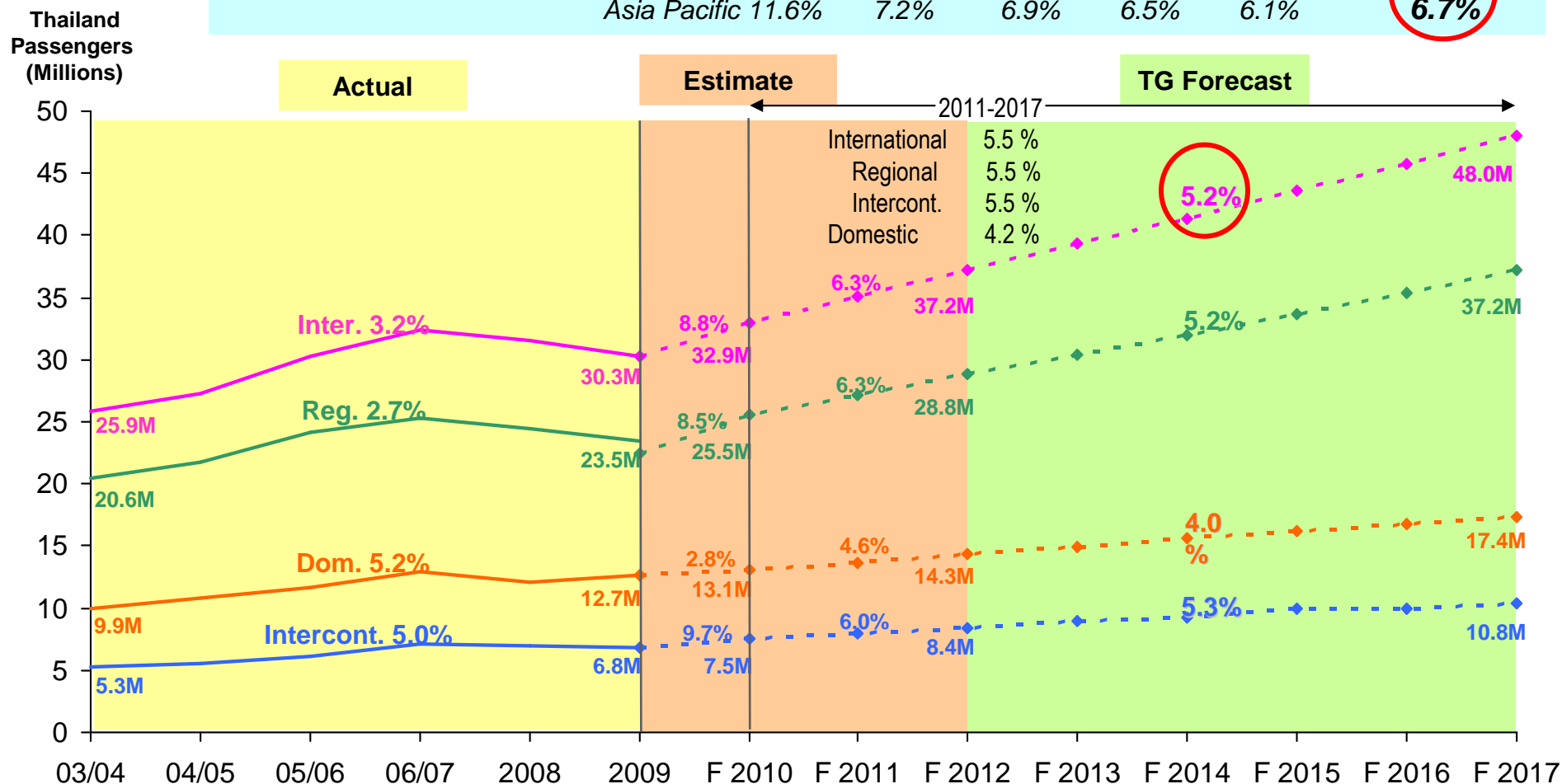
- Global # of Tourists expected grow by 4-5 - UNWTO

- Passenger Traffic expected to grow by 5.2% - IATA

- Air Traffic Transportation expected to grow by 5.5% - IATA

Passenger from / to Thailand Forecast 2011-2017

<u>IATA International Passenger Forecast</u> (As September 2010)	2010	2011	2012	2013	2014	CAGR2011-2014
World	7.9%	4.9%	5.4%	5.4%	5.4%	5.3%
Asia Pacific	11.6%	7.2%	6.9%	6.5%	6.1%	6.7%

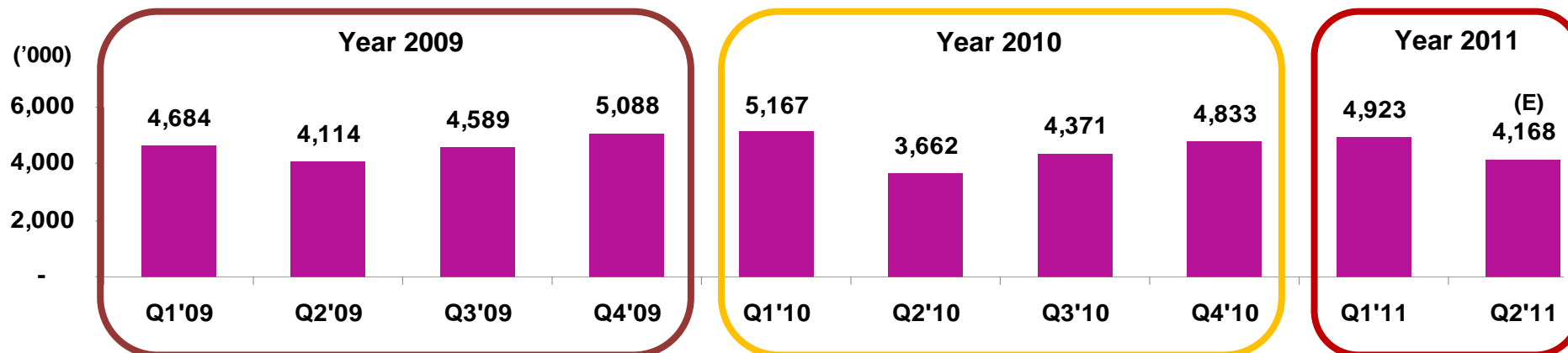


Appendix

Passenger Carried

Year 2010 = 18.2 million (decreased 1.7% YoY)

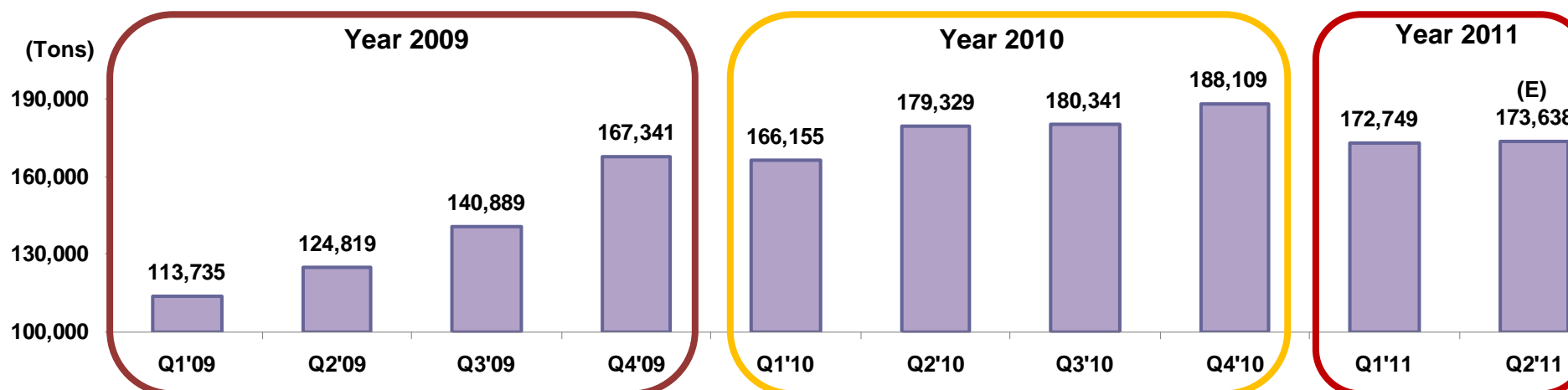
Q2/11 (E) = 4.2 million (increased 12.5% YoY)



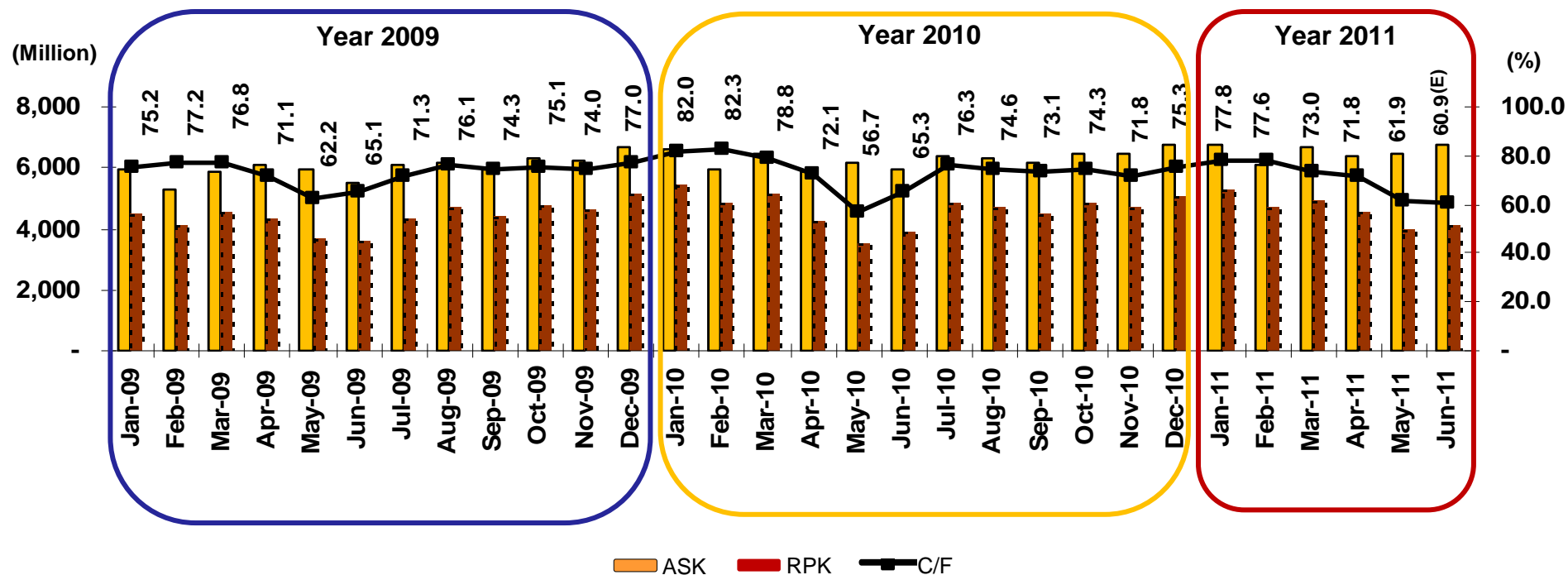
Freight Carried

Year 2010 = 713,931 tons (increased 30.8% YoY)

Q2/11 (E) = 173,638 tons (decreased 3.2% YoY)

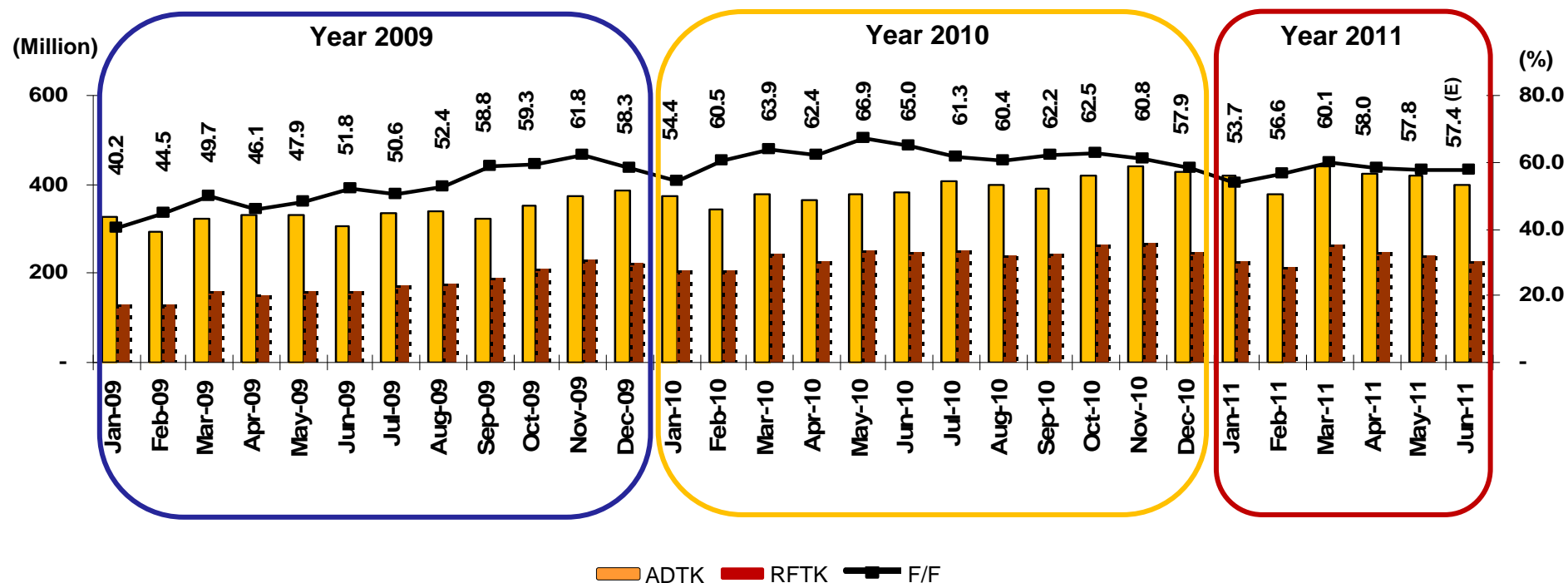


Passenger



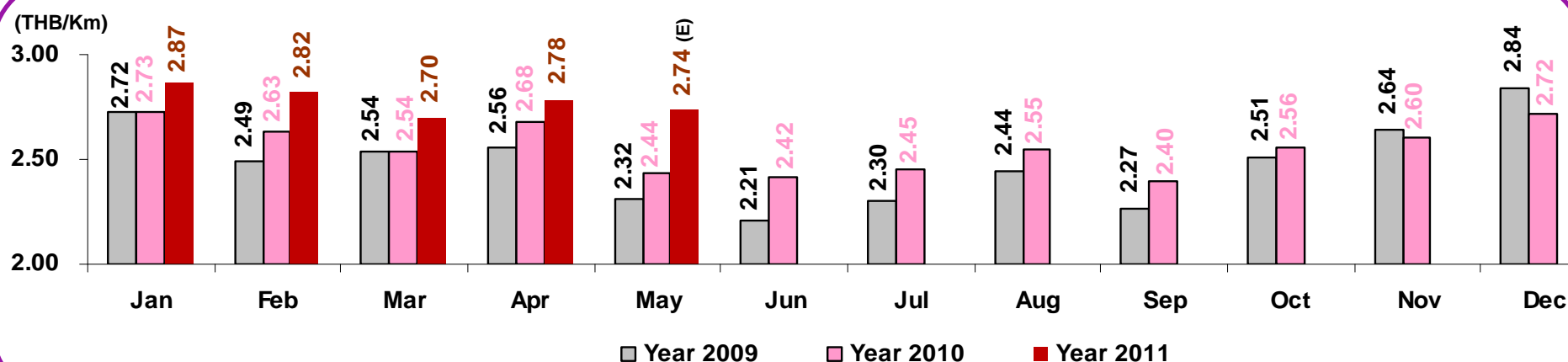
	YoY (Month)			YoY (Quarter)			YoY (Year)		
	Jun'11(E)	Jun'10	YoY%	Q2'11(E)	Q2'10	YoY%	Year'10	Year'09	YoY%
MASK	6,731	5,919	13.7	19,545	17,972	8.8	75,600	72,031	5.0
MRPK	4,099	3,867	6.0	12,660	11,605	9.1	55,676	52,593	5.9
Cabin factor%	60.9	65.3	- 6.8	64.8	64.6	0.3	73.6	73.0	0.9

Freight

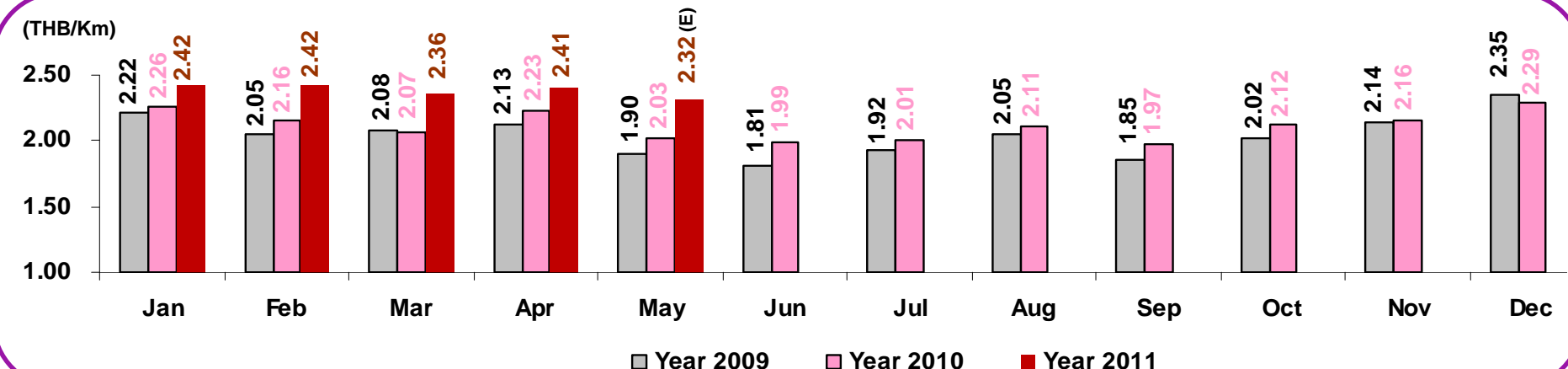


	YoY (Month)			YoY (Quarter)			YoY (Year)		
	Jun'11(E)	Jun'10	YoY%	Q2'11(E)	Q2'10	YoY%	Year'10	Year'09	YoY%
MADTK	397	383	3.7	1,240	1,125	10.2	4,708	4,016	17.2
MRFTK	228	249	- 8.4	716	729	- 1.8	2,895	2,092	38.4
Freight Factor%	57.4	65.0	- 11.7	57.7	64.8	- 10.9	61.5	52.1	18.0

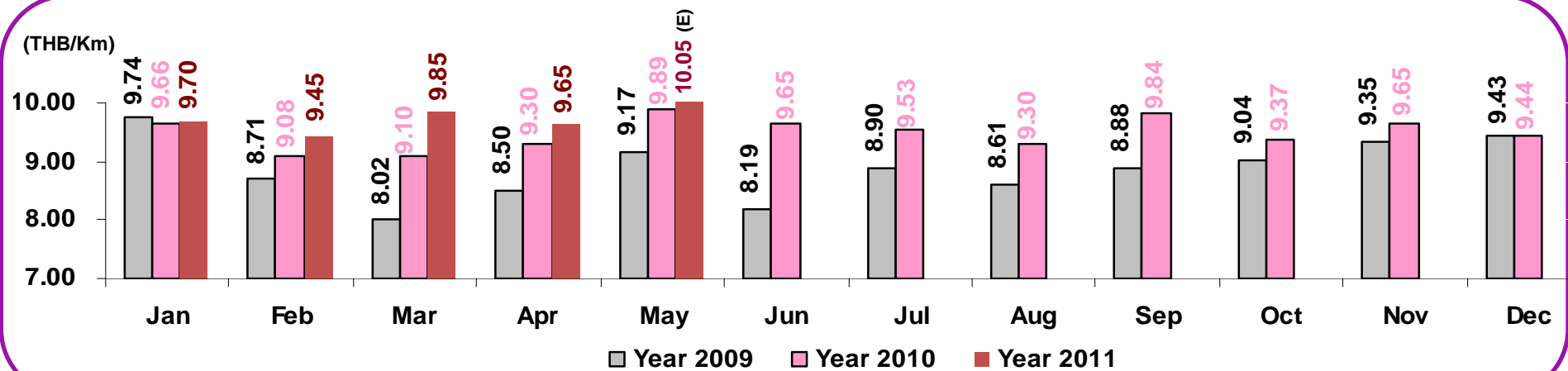
Passenger Yield (Including Fuel Surcharge)



Passenger Yield (Excluding Fuel Surcharge)



Freight Yield (Including Fuel Surcharge)



Freight Yield (Excluding Fuel Surcharge)

