



Thai Airways International Public Company Limited
89 Vibhavadi Rangsit Road, Bangkok 10900, Thailand
Tel: 66 (0) 2545-1000, 66 (0) 2695 1000

Translation

Registration No. 0107537001757
1D/SB/WF/WF-Q/137

18 January 2013

Subject : Establishment of a Subsidiary Company

To : President,
The Stock Exchange of Thailand

Thai Airways International Public Company Limited (“the Company”) held the Board Meeting No. 1/2013 on 18 January 2013, at the Conference Room, 26th Floor, Building No. 5, Head Office, No. 89 Vibhavadi Rangsit Road, Khwaeng Jompol, Khet Chatuchak, Bangkok Metropolis. The meeting has approved an establishment of a subsidiary company with 100% shares holding under a status of a state enterprise details as follows:

- Company name : Thai Smile Airways Company Limited
- Registered date : After approval by cabinet
- Location : 89 Vibhavadi Rangsit Road, Khwaeng Jompol, Khet Chatuchak, Bangkok 10900
- Nature of business : Transportation of passenger and cargo on short haul regional routes with 4 hours of flying time and domestic routes by narrow body aircraft.
- Investment objectives : To operate regional services efficiently, be competitive in cost control, strengthen route network, and create expansion opportunity.
- Advantages expected from the Transaction : Return on investment, customer satisfaction, and operational efficiency
- Source of capital : working capital of the Company
- Registered capital : 1,800 Million Baht (Divided into 180,000,000 shares valued Baht 10 per share with 25% payment in 2013 of 450 Million Baht and the rest will be paid up in 2014)
- Investment amount : 1,800 Million Baht
- Shareholders : Thai Airways International Public Company Limited 100% hold shares

This transaction is an asset acquisition transaction of a listed company according to the Notification of the Stock Exchange of Thailand with the highest transaction value of 0.62%, calculated by asset value criteria (according to the 3rd quarter financial statements as of September 30, 2012). This transaction is not a connected transaction and the transaction size is not considered as a major acquisition or disposition of assets according to the regulations of the Stock Exchange of Thailand.

This matter is being reported for your information.

Yours sincerely,

Suvimol Bualerd
Vice President, Corporate Secretariat