

**(Translation)**

TG. 07/010

February 25, 2014

Subject      Submission of financial statements for the year ended December 31, 2013 for Thai Airways International Public Company Limited and its subsidiaries

To             President of the Stock Exchange of Thailand

- Enclosed      1. Thai Airways International Public Company Limited and its subsidiaries' financial statements for the year ended December 31, 2013
2. Management's Discussion and Analysis (MD&A) for year ended December 31, 2013 for Thai Airways International Public Company Limited and its subsidiaries
3. Report Summarizing Operating Results of the Company (F45-3)

Thai Airways International Public Company Limited (THAI) is pleased to submit the Company's consolidated financial statements and its subsidiaries for the year ended December 31, 2013 which has been audited by the Office of the Auditor General of Thailand and also Management's Discussion and Analysis (MD&A) for the same period. Details have been enclosed and can be summarized as follows:

The consolidated financial statements for year ending December 31, 2013 excluded Nok Airlines PCL. (Nok Air) as an associated company resulting from the change in shareholding structure along with the change in composition of the board of directors with a greater number of board members since January 18, 2013 and no longer having controlling power over Nok Air through THAI's representation on Nok Air's Board of Directors as same as last year.

In 2013 airline business expanded due to the global economic recovery but the temperature of competition among airlines were higher from the emerging of new players and new aircraft delivery of all airlines including THAI which received new aircraft in order to maintain competition ability which made passenger production in 2013 was higher than in 2012 by 8.1% while passenger traffic increased 4.6%. Unfortunately, during the last quarter which known as the high season of Thai's tourism, the issuance of the special edition of the new Chinese National Tourism Law and the nation's political turbulence made 2013's cabin factor decreased from 76.6% last year to 74.1% this year.

On the cargo side which has been impacted from recession since 2011 together with the belly production increased both THAI and other airlines made higher competition to wrest market shares made lower freight load factor down from 54.2% last year to 51.1% this year.

The strengthen value of Thai Baht during the fiscal year 2013 was the negative factor to THAI's operation from proportion of revenue and expenses which are foreign currencies and it is the significant factor that made revenue growth lower than the growth of expenses. Consequently, THAI and its subsidiaries' financial performance in 2013 showed a loss before foreign currency exchange and income tax (exclude impairment loss of aircraft and assets) of THB 3,608 million when compared to last year where reported profit of THB 4,662 million. It should be noted that if excluded Nok Air's result, THAI's consolidated would report profit of THB 4,434 million in 2012.

For the operating results of the year 2013 (January 1 – December 31, 2013), THAI and its subsidiaries' reported a net loss of THB 12,000 million. Loss attributable to owners of the parent was THB 12,047 million. In case of including other non-operating losses, amount of THB 9,321 million which consist of the loss of impairment from aircraft and other assets, THB 5,426 million and loss on foreign currency exchange, THB 3,895 million. Finally, THAI and its subsidiaries reported loss of 5.52 baht per share, a decrease from last year's gain of 2.85 baht per share.

As of December 31, 2013, total assets were THB 307,085 million, an increase of THB 2,989 million or 1.0% as compared to December 31, 2012. Total liabilities totaled THB 250,166 million, which was an increase of THB 15,888 million or 6.8% as compared to December 31, 2012. Total shareholders' equity amounted to THB 56,919 million, which was a decrease of THB 12,899 million as compared to December 31, 2012.

Please be informed accordingly.

Yours faithfully,

Mrs. Wasukarn Visansawatdi  
Executive Vice President  
Finance and Accounting Department