

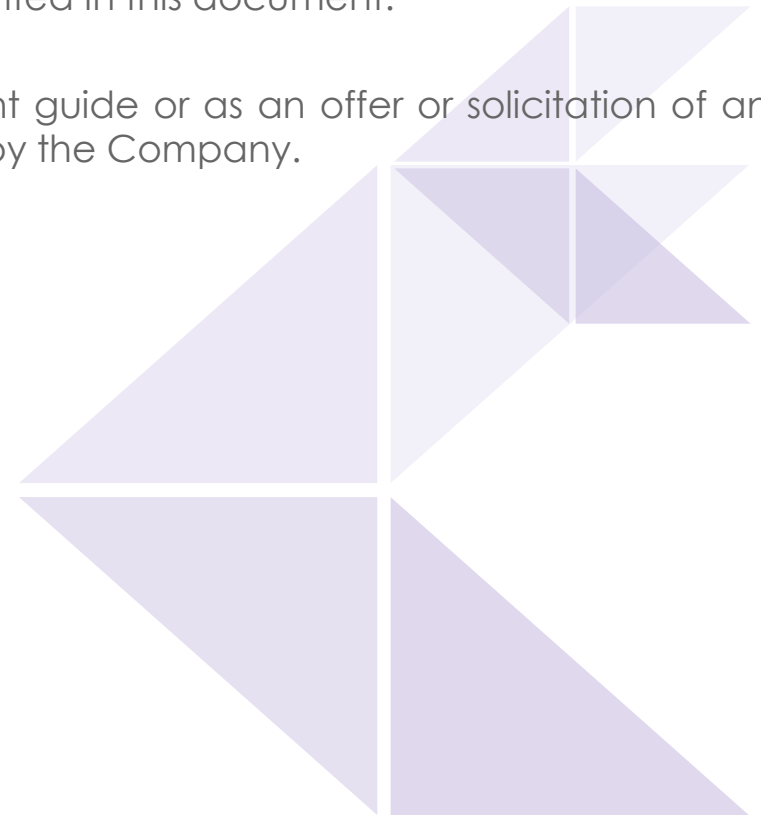
THAI AIRWAYS INTERNATIONAL PCL

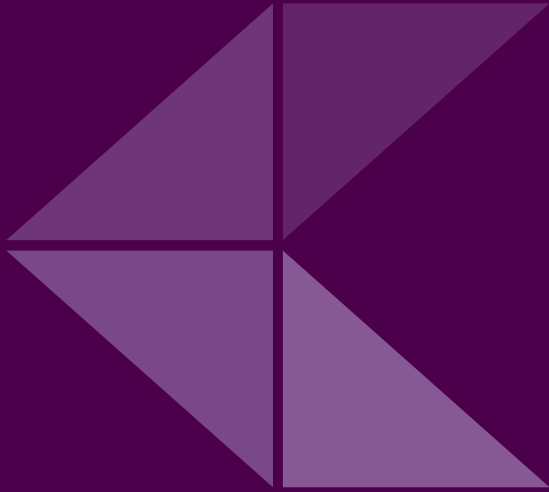
3Q2017 analysts briefing
21-Nov-2017



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 equity shares or other securities issued by the Company.





TRANSFORMATION PLAN

2015

2015-2016

2017 onward

Stop bleeding

Strength Building

Sustainable Growth

Transformation Plan

1. Revenue Management

2. Cost management & Efficiency uplift

3. Capabilities improvement

4. Customer excellence

Profitable & competitive advantages

- Automatic Fare Management
- Simplify Fleet
- Self service check-in enhancement

Competitive capability & revenue generating

- New customer segment
- IFE and cabin upgrade 777-200ER, 787-8 & 330
- More codeshare & network sales
- Web sales

Excellent service ring

- End to end customer services
- Reprocess
- Increase efficiency

Competitive cost & efficient operation

- Cost management
- Aircraft Disposal
- Assets management
- Financial & Balance Sheets Management

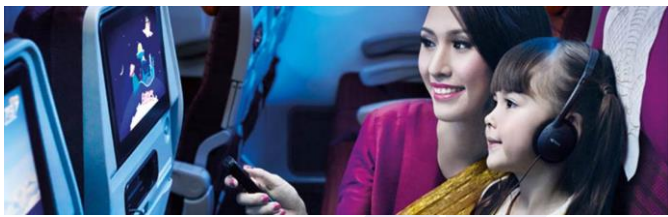
Culture building

- Organization restructure
- Efficient Manpower planning
- Succession plan

Portfolio & new business development

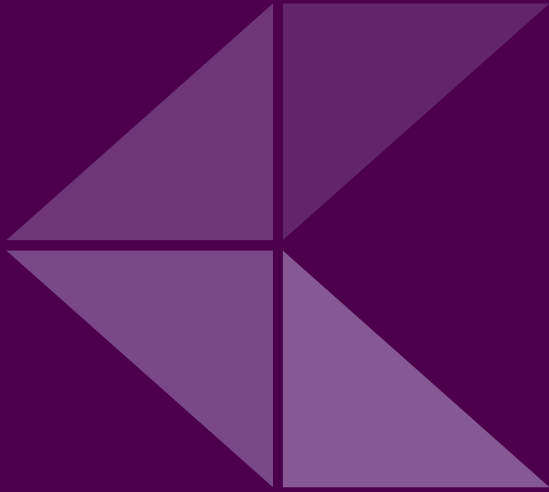
- Business Portfolio, UTP MRO
- THAI Group

- 
MY BOOKING
- 
iCHECK-IN
- 
PRE-ORDER MEALS
- 
E-RECEIPT



- Total 99 active aircraft (3xA350-900, 1xB787-9)
- PAX carried 5.99 millions (+ 9.0 % YoY)
- THAI won 2 prizes :
 - TTG Awards : **Best South East Asian Airline for 10 consecutive years**
 - IFSA Compass Awards : **Best Inflight Food 2017**





FINANCIAL PERFORMANCE

- **Network optimization**

- 10 year long term fleet plan in progress
- WE's Amadeus Altea implementation in 4 modules
 - Reservation
 - Ticketing
 - Inventory control
 - Departure control system

- **Commercial**

- Revenue & Competitiveness
- Efficient Distribution

- **Efficient Cost Management**

- Technical
- Ground Customer
- Ground Equipment

- **Service**

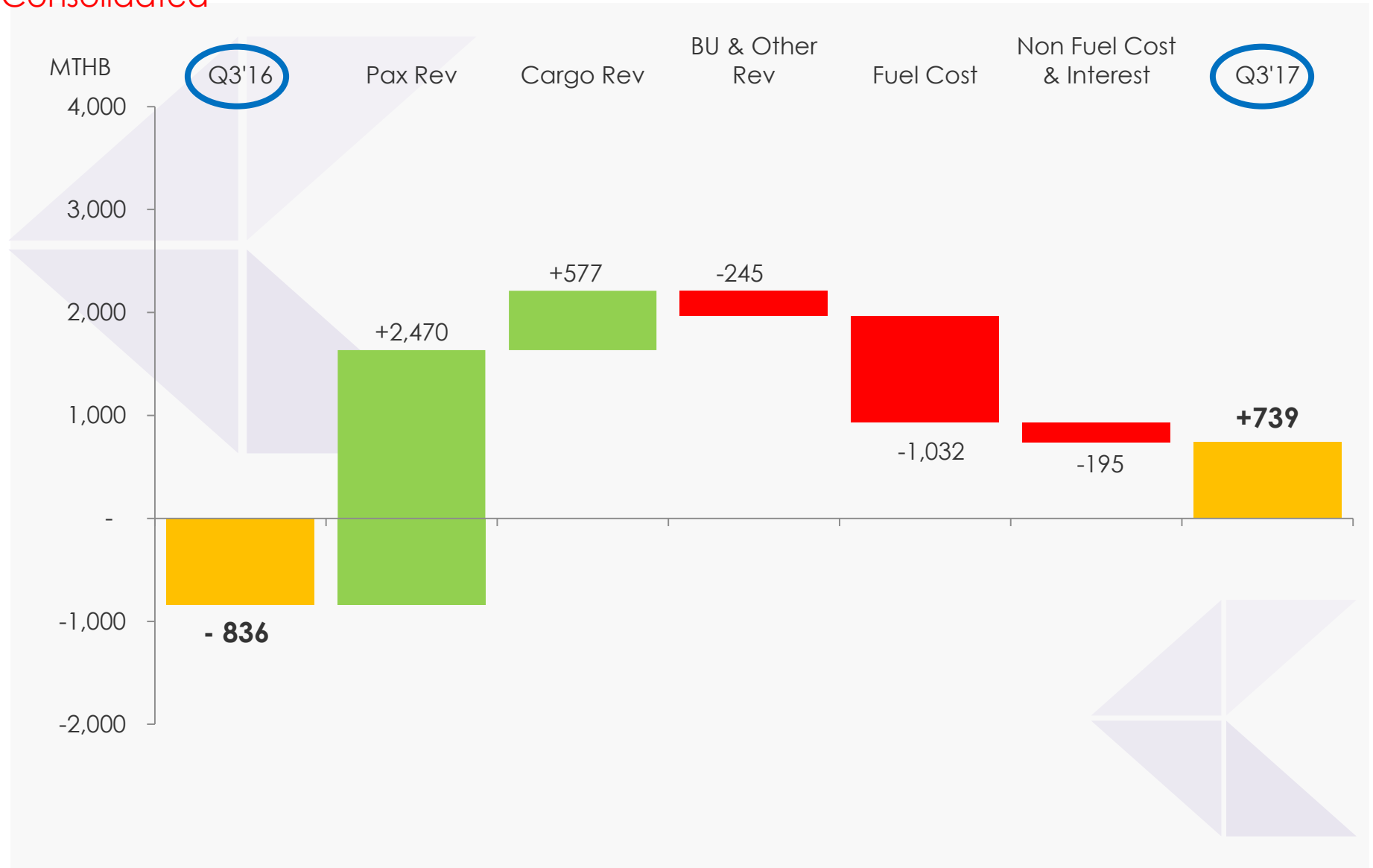
- Continue new BC roll out
- Uplift economy class service



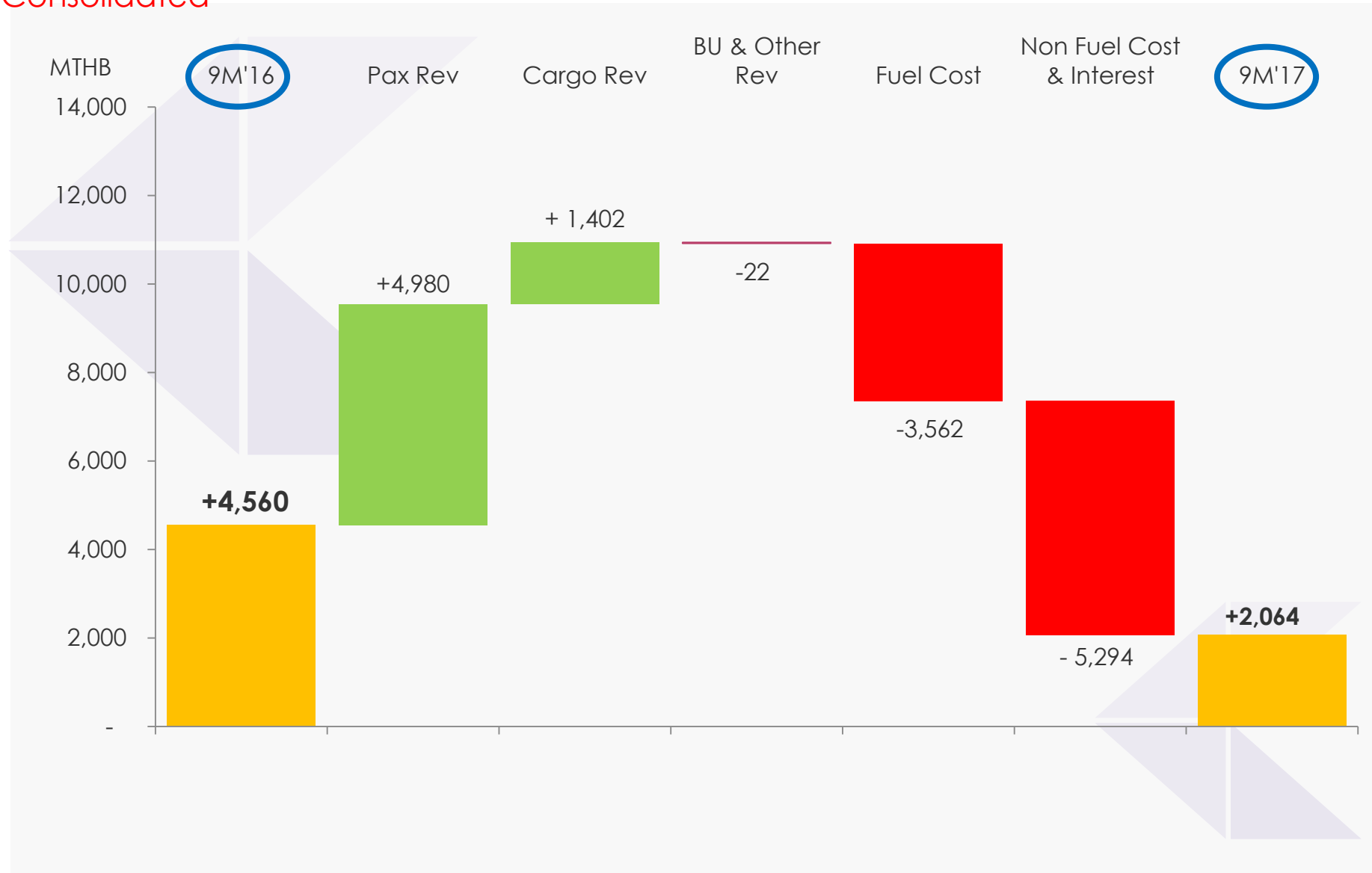
Unit : THB' Billion/	Consolidated			
	Q3'16	Q3'17	%change	
Revenues	44.1	46.9	+6.3	↑ Pax & Cargo increase
Costs	-43.6	-45.0	-3.2	↑ Fuel & ASK/RPK increase
Interest payments	-1.3	-1.2	+7.7	
Operating Profit	-0.8	+0.7	+187.5	
(1-time) Expense	-	-0.5	-	
Impairment loss (1-time)	-0.6	-1.5	-150	↓ More aircraft held for sale
FX Gain/(Loss)	+0.1	-0.8	-900	↓ EUR Strengthens
Profit before Tax	-1.3	-2.1	-61.5	
Tax	-0.3	+0.3	-	
Net profit	-1.6	-1.8	-12.5	
Passenger Production (MASK)	21,244	22,931	+7.9	
Passenger Traffic (MRPK)	15,604	17,936	+14.9	
Cabin Factor (%)	73.5	78.2	+4.7	↑
Passenger carried (Million)	5.50	5.99	+8.9	
Passenger Yield Inc. Surcharge (THB/km)	2.27	2.10	-7.5	↓ Fuel Surcharge drop
Aircraft Utilization (Hrs./Day)	11.6	12.1	+4.3	↑

Unit : THB' Billion/ Consolidated	Consolidated			
	9M'16	9M'17	%change	
Revenues	135.6	141.9	+4.6	↑ Pax & Cargo increase
Costs	-127.1	-136.4	-7.3	↑ Fuel & ASK/RPK increase
Interest payments	-3.9	-3.4	+12.8	
Operating Profit	4.6	2.1	-54.3	
(1-time) Expense	-1.6	-2.0	-25.0	
Impairment loss (1-time)	-2.7	-2.9	-7.4	
FX Gain/(Loss)	-	-1.7	-	↓ EUR Strengthens
Profit before Tax	0.3	-4.5	-	
Tax	+1.2	+0.7	-41.7	
Net profit	1.5	-3.8	-353.3	
Passenger Production (MASK)	62,957	67,025	+6.5	
Passenger Traffic (MRPK)	46,195	53,504	+15.8	
Cabin Factor (%)	73.4	79.8	+6.4	↑
Passenger carried (Million)	16.52	18.38	+11.3	
Passenger Yield Inc. Surcharge (THB/km)	2.38	2.14	-10.1	↓ Fuel Surcharge drop
Aircraft Utilization (Hrs./Day)	11.4	12.0	+5.3	↑

Consolidated

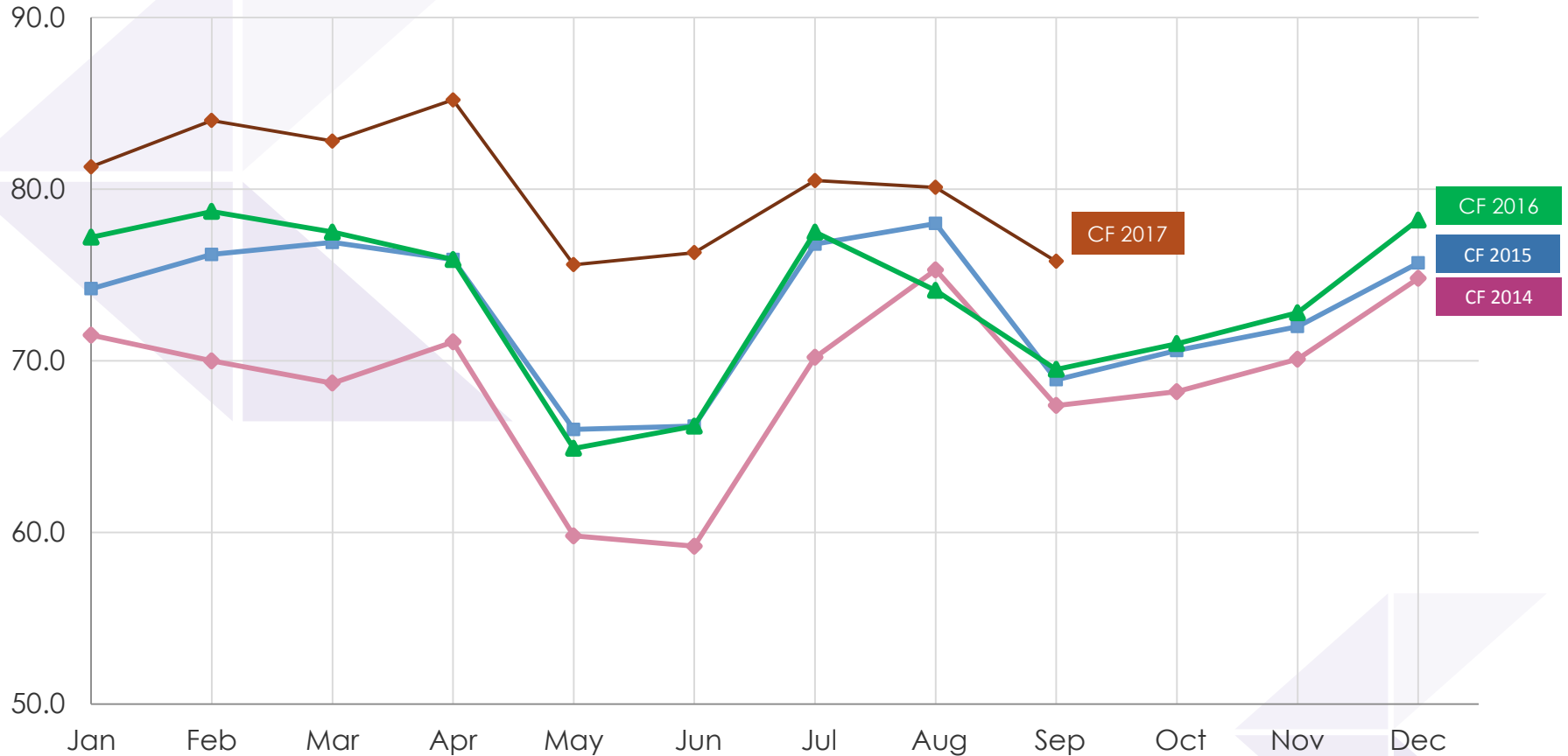


Consolidated



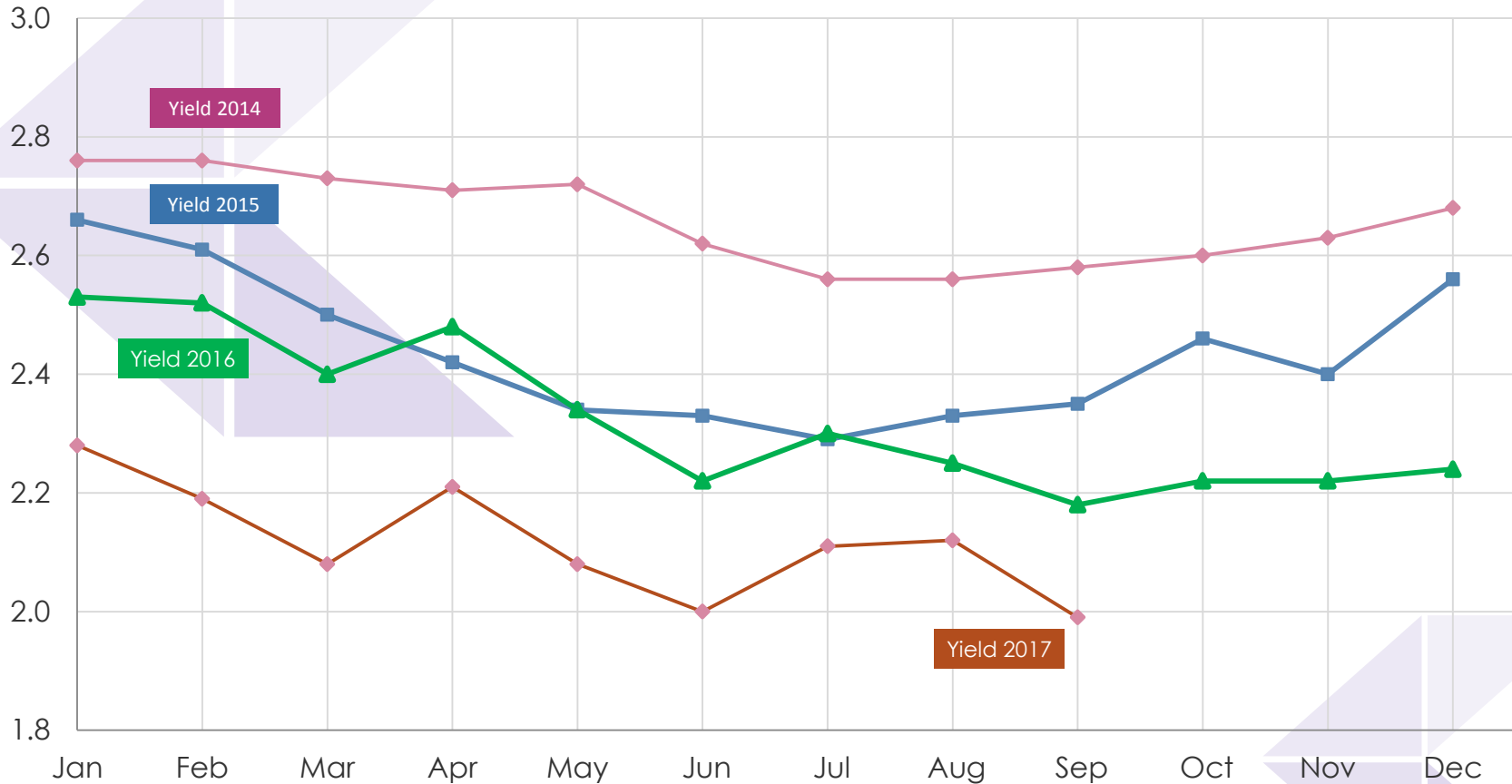
TG Only

Cabin Factor (%)



TG Only

THB / RPK



Consolidated

(THB/RPK)	Q3'16 (Q3'17 Rate)	Q3'17	% Change
Pax Rev	2.20	2.10	-4.5
FX impact	0.07	-	-
Total Pax Yield	2.27	2.10	-7.5

Passenger Yield by Region

(THB/RPK)	Q3'16	Q3'17	% Change
Domestic	2.88	2.70	-6.3
Regional	2.64	2.47	-6.4
Intercontinental	1.81	1.70	-6.1
Total system	2.27	2.10	-7.5

Consolidated

(THB/RPK)	9M'16 (9M'17 Rate)	9M'17	% Change
Pax Rev	2.33	2.14	-8.2
FX impact	0.05	-	-
Total Pax Yield	2.38	2.14	-10.1

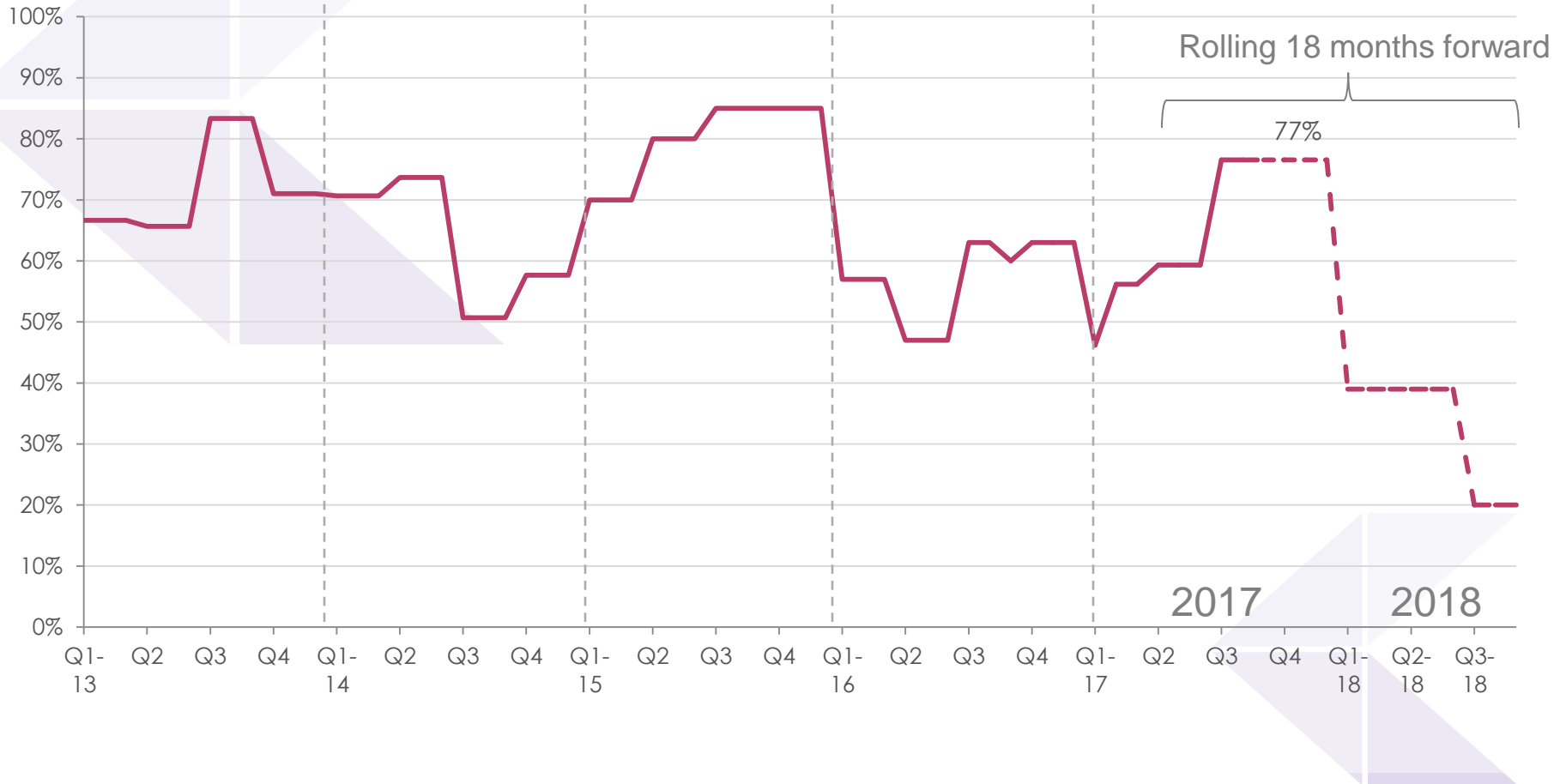
Passenger Yield by Region

(THB/RPK)	9M'16	9M'17	% Change
Domestic	2.99	2.77	-7.4
Regional	2.77	2.52	-9.0
Intercontinental	1.90	1.71	-10.0
Total system	2.38	2.14	-10.1

Consolidated

		Jan- Sep	
		2016	2017
Liquidity Ratio			
- Current Ratio	(times)	0.76	0.85
Profitability Ratio			
- Operating Profit (loss) margin	%	3.36	1.45
- Net profit (loss) Margin	%	1.11	(2.71)
- Return to Equity	%	4.53	(12.13)
Efficiency Ratio			
- Return to Total Assets	%	1.49	(0.34)
Financial Policy Ratio			
- Interest Bearing Debt to Equity	(times)	5.21	5.58
- Total Debt to Equity	(times)	7.58	8.62
- IBD/EBITDA	(times)	8.44	9.89
- Interest Coverage Ratio	(times)	5.09	4.70
- EBITDA	(MTHB)	20,680	16,896

Monthly fuel hedging as % of consumption by month



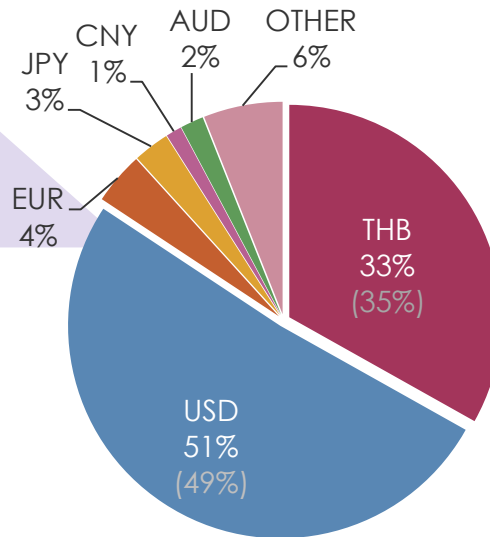
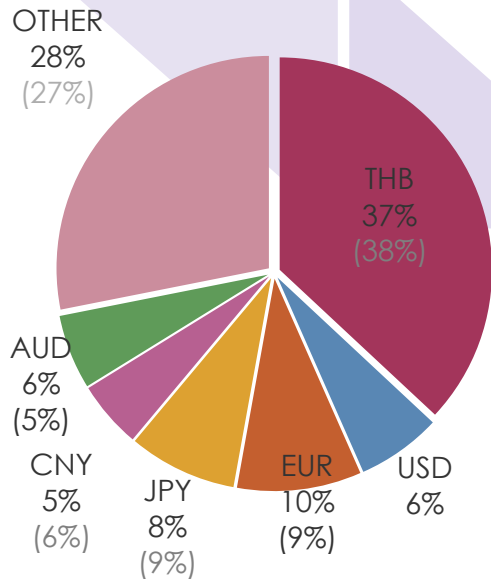
Note : As of 2-Nov-17

Foreign Currency Exposure

(Jan - Sep 2017)

Revenue

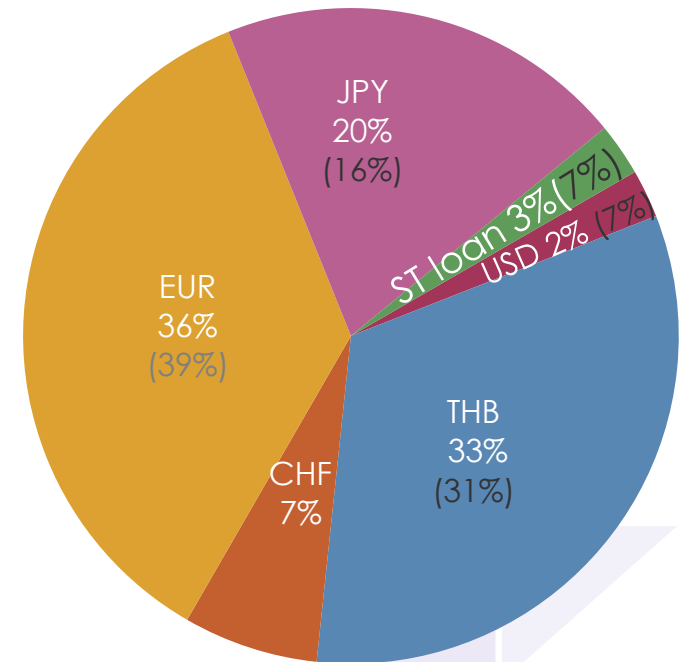
Expense



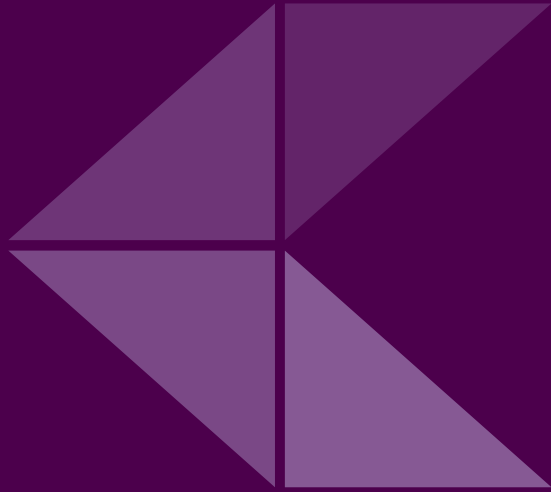
Liability

30 Sep 17 : 168 bn

30 Sep 16 : 176 bn



Liability to be restructured, especially USD



OUTLOOK FOR 2017

บินเป็นคู่ สู่ เวียนนา
24,590 บาท
ต่อท่าน



- **Comprehensive network & long term fleet uplift**

- 4 forward TPI planned – adjusting for better network
- New aircraft 41% in 2013 and 81% in 2018
- Take delivery of 1 aircraft : 1 B787-9 (4Q-17)
- Flexible aircraft -20%
- Launch **BKK-VIE** in November 2017
- Launch **BKK-KHH & BKK-LPQ** by WE in Oct2017

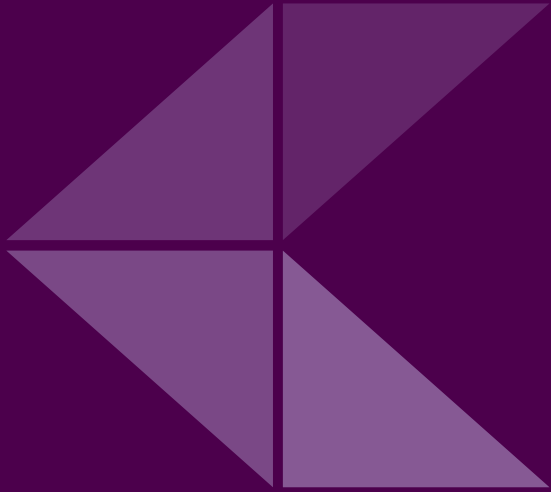
- **Sales capabilities uplift**

- New internet platform
- New mobile platform
- Partner with airlines in creating 524+ routes - Codeshare agreement signed with Bangkok Airways

- **Service capabilities uplift**

- Around 200 New recruitments for cabin crew(TQV2017)
- Retrofit of new passenger seats and entertainment system
- New IRF (Integrated Route Folder) (ww.salesforce.com) for all customer touch points





Q & A

