

THAI AIRWAYS INTERNATIONAL Pcl.

(Jan'08-Mar'08)



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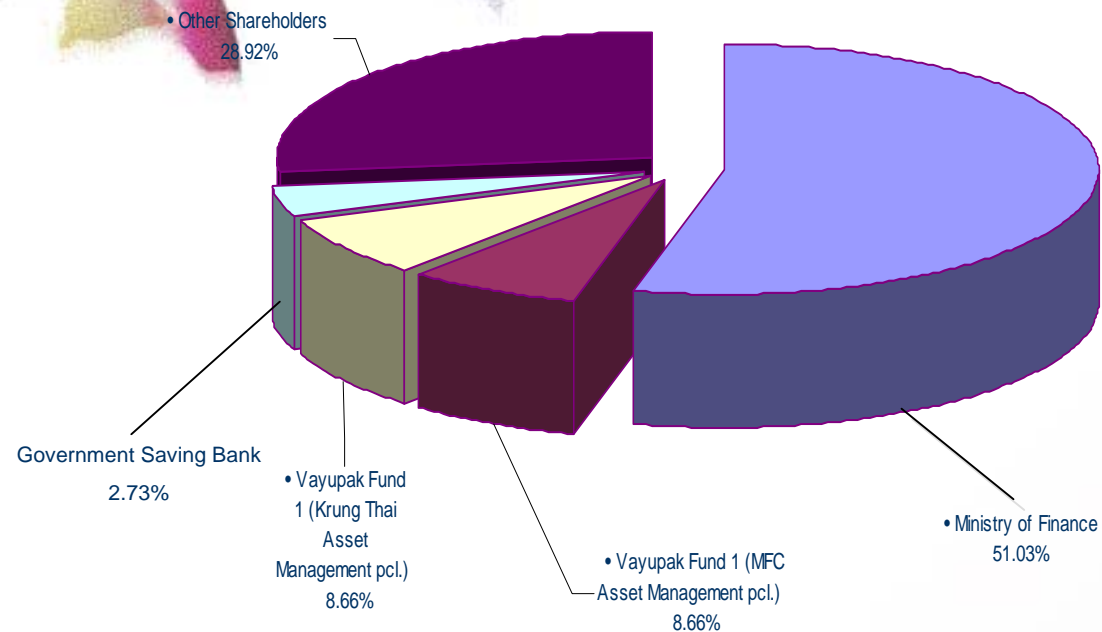
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1. The Company

The Company

Shareholders

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- **Registered Capital :** 17,000.00 mn
- **Par Value (THB) :** 10
- **Issued and paid-up :** 16,989.00 mn
- **Market Capitalization:** 49,268.12 mn

The Company

THAI's Operations

1. Aviation Business

- Passenger Transportation
- Cargo and Mail Transportation

2. Business Units Related to Air Transport

- Ground Customer Services
- Ground Support Equipment Services
- Cargo and Mail Commercial Services
- Technical Services

3. Transport Support Activities

- Dispatch Service
- Sale of Duty Free Goods on Board
- Sale of Souvenir Products at THAI Shops

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The Company

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THAI's Facilities at Suvarnabhumi



Aircraft Maintenance

- Covers 24,300 square meters is the largest maintenance hangar in Southeast Asia for A380



Ground Customer Service

- Covering 16,000 square meters provides customers with a full range of customer services and facilities to facilitate customer service.



Catering

- **Quality and Food Safety Management System**
- Semi-Automation Equipment
- Custom Free Zone
- Quality of food and services
- Hygiene of food & production
- Safety of food

The Company

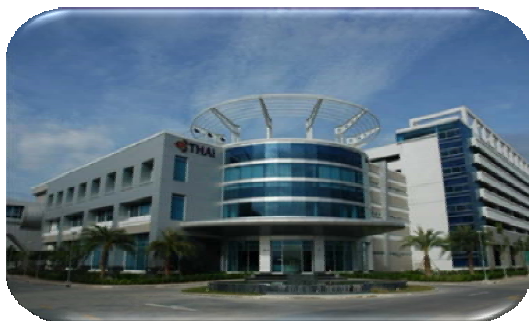
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THAI Facilities at Suvarnabhumi



Operations Center

- Crew Terminal
- Crew Center
- Ground & Flight Operations Center
- THAI city Headquarter
- Landmark



Ground Support Equipment

- Environment Revolution
- Maintenance Shop Under One Roof
- New Modern Maintenance Equipment
- Enhancement Superior Quality & safety



Cargo & Mail

- Capacity Over 1 Million Tons/Day
- Zoning Operation
- Future Expansion
- Semi-Automation/modern Equipment
- Cargo Custom Free Zone

The Company

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Subsidiaries and Associated Companies

Name of Company	Shareholding	Business Type
1. Thai-Amadeus Southeast Asia Company Limited	55.0%	Reservation Service
2. Royal Orchid Hotel (Thailand) Public Company Limited	24.0%	Hotel
3. Donmuang International Airport Hotel Company Limited	40.0%	Hotel
4. Suvarnabhumi Airport Hotel Company Limited	30.0%	Hotel & Services
5. Bangkok Aviation Fuel Service Public Company Limited	22.6%	Fuel Service
6. Phuket Air Catering Company Limited	30.0%	Catering Service
7. Nok Air Company Limited	39.0%	Low Cost Flight Service

The Company

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Destinations

Domestic

11 Destinations / 345 Flights / Week

- **North (4 Destinations)**

- Chiang Mai * - Phitsanulok
- Chiang Rai * - Mae Hong Son

- **Northeast (3 Destinations)**

- Khon Kaen - Udon Thani
- Ubon Ratchathani

- **South (4 Destinations)**

- Hat Yai - Surat Thani
- Phuket * - Krabi *

* Remark : Operate to 2 Airports in Bangkok

(Domestic Flights Operates from Donmuang Airport)

International

62 Destinations / 600 Flights / week

Routes	Countries	Destinations
Regional	21	42
Northern	5	15
southern	4	6
Indochina	3	4
Western	5	10
Middle East	4	7
Intercontinental	14	20
North Pacific	1	2
Europe	10	12
Australia & New Zealand	2	5
South Africa	1	1

The Company

Aircraft Fleet

As of March 2008

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Type of Aircraft	Owned	Operating Lease	Total
B 747-400	16	2	18
B 777-300	6	-	6
B 777-200	4	4	8
B 777-200ER	6	-	6
B 737-400*	6	4	10
A 300-600	17	-	17
A 340-600	5	-	5
A 340-500	4	-	4
A 330-300	10	2	12
ATR72 **	2	-	2
Total	76	12	88

* Including 4 Aircraft leased to Nok Air

** Including 1 Aircraft leased to Nok Air

The Company

Star Alliance (The Way the Earth Connects)

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Founding Members

AIR CANADA 

 Lufthansa

 Scandinavian Airlines

 THAI

 UNITED

Member Carriers

AIR NEW ZEALAND 

SINGAPORE AIRLINES 

 SOUTH AFRICAN AIRWAYS

 Spanair

Austrian 

ANA 

 U.S. AIRWAYS

  swiss

bmi

LOT POLISH AIRLINES

 TAP PORTUGAL

ASIANA AIRLINES 

Regional Carriers

ADRIA

Blue 

 CROATIA AIRLINES

2. Statistical Information

Statistical Information

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- **Destinations** : Domestic = 11
International = 64
- **Continents served** : 5
- **Total aircraft in fleet** : 88 of which 5 are leased to Nok Air
- **Flight frequency per week** : International Routes 600 Flts/Week
Domestic Routes 345 Flts/Week
- **Monthly passengers carried** : 1.74 million average
- **Staff count** : 27,640
- **Core Staff** : 12,624

Statistical Information

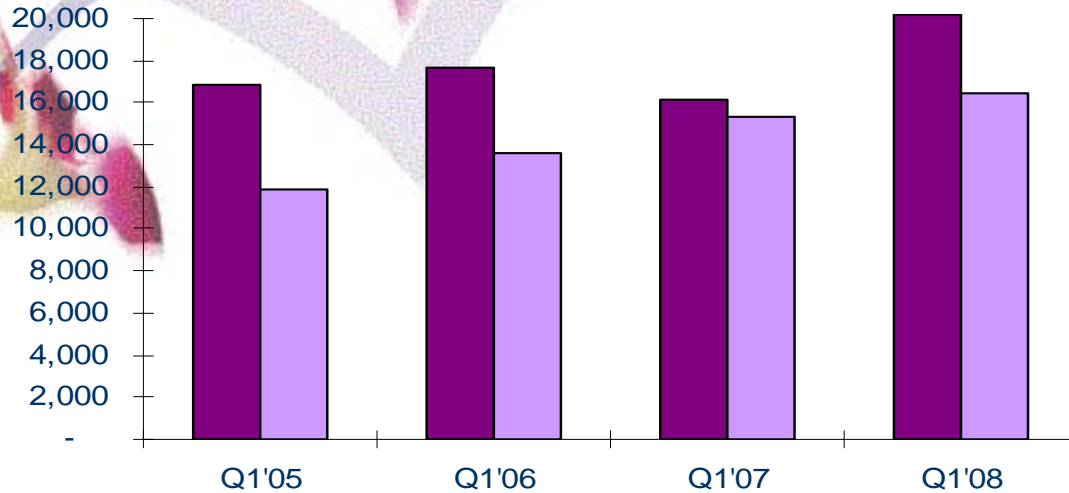
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	<u>Q1'07</u>	<u>Q1'08</u>	<u>% Change</u>
• Record revenue earned (MTHB) :	49,597	54,867	+10.63%
• Million Available Seat Kms. (MASK) :	19,122	20,165	+ 5.50%
• Million Revenue Passenger Kms. (MRPK) :	15,369	16,447	+ 7.0%
• Cabin factor (%) :	80.4	81.6	+ 1.50%
• Freight load factor (%) :	52.5	54.5	+ 3.80%
• Load factor (%) :	70.3	72.0	+ 2.40%
• Aircraft utilization (hrs) :	11.6	12.1	+ 6.90%

Statistical Information

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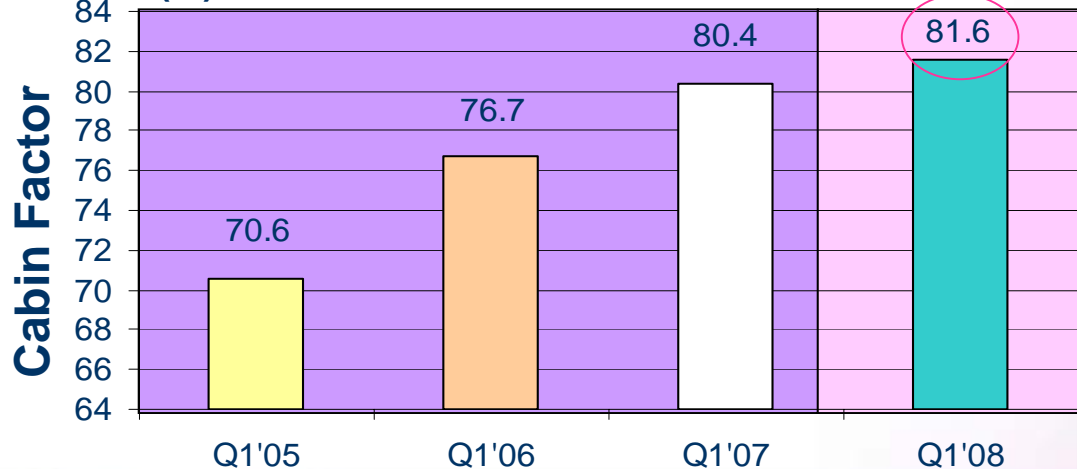
ASK, RPK (Million)



- ASK increased yoy by 5.5%
- RPK increased yoy by 7.0%

Unit : (%)

■ ASK □ RPK



- Active marketing targeting premium class.
- New seats and entertainment system.
- Record high cabin factor for a quarter.- growth 1.5%

3. Current Issues

Current Issues

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Aircraft Delivery Schedule

ADDITIONAL AIRCRAFT (According to delivery schedule)	2007	2008	2009	2010	2011	TOTAL
A380	-	-	-	3	3	6
A340-600	-	1	-	-	-	1
A330-300	-	-	6	2	-	8
TOTAL	-	1	6	6	2	15

Current Issues

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Dual Airport Status

- **Don Muang Airport (old international airport) – Domestic service**
- **International flights to remain at Suvarnabhumi International Airport (SBIA)**
- **THAI & Star Alliance to remain at SBIA**
- **THAI's secondary domestic routes currently operated from Don Muang**

Current Issues

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Fuel & Fuel Surcharge

- Fuel hedging up to 50% of full year's demand but flexible
- **Fuel hedging approximately 5% on 3 months basis**
- Hedging increase subject to fuel price trend
- Fuel surcharge :
 - Intercontinental – USD 90-140 per sector
 - Regional – USD 25-80 per sector
 - Domestic – THB 750 per sector
- Fuel surcharge coverage : approximately 60-70%
- No official guideline for fuel surcharge reduction
- Control fuel burn on ground

4. Financial Performance

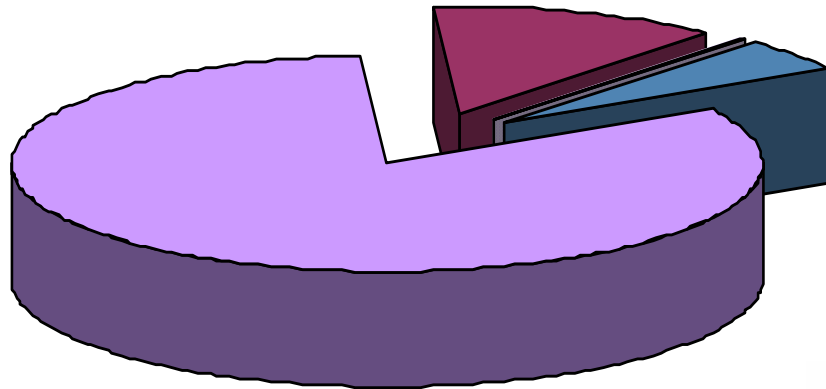
(Jan'08 – Mar'08)

Financial Performance

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Revenue Breakdown (Jan-Mar'07)

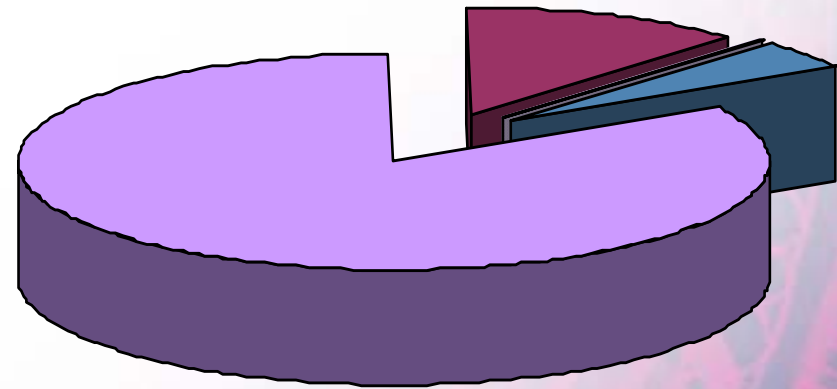
Cargo 12.44% Mail 0.45%
Others 4.94%



Passenger
82.18%

Revenue Breakdown (Jan-Mar'08)

Cargo 12.07% Mail 0.41%
Others 4.33%



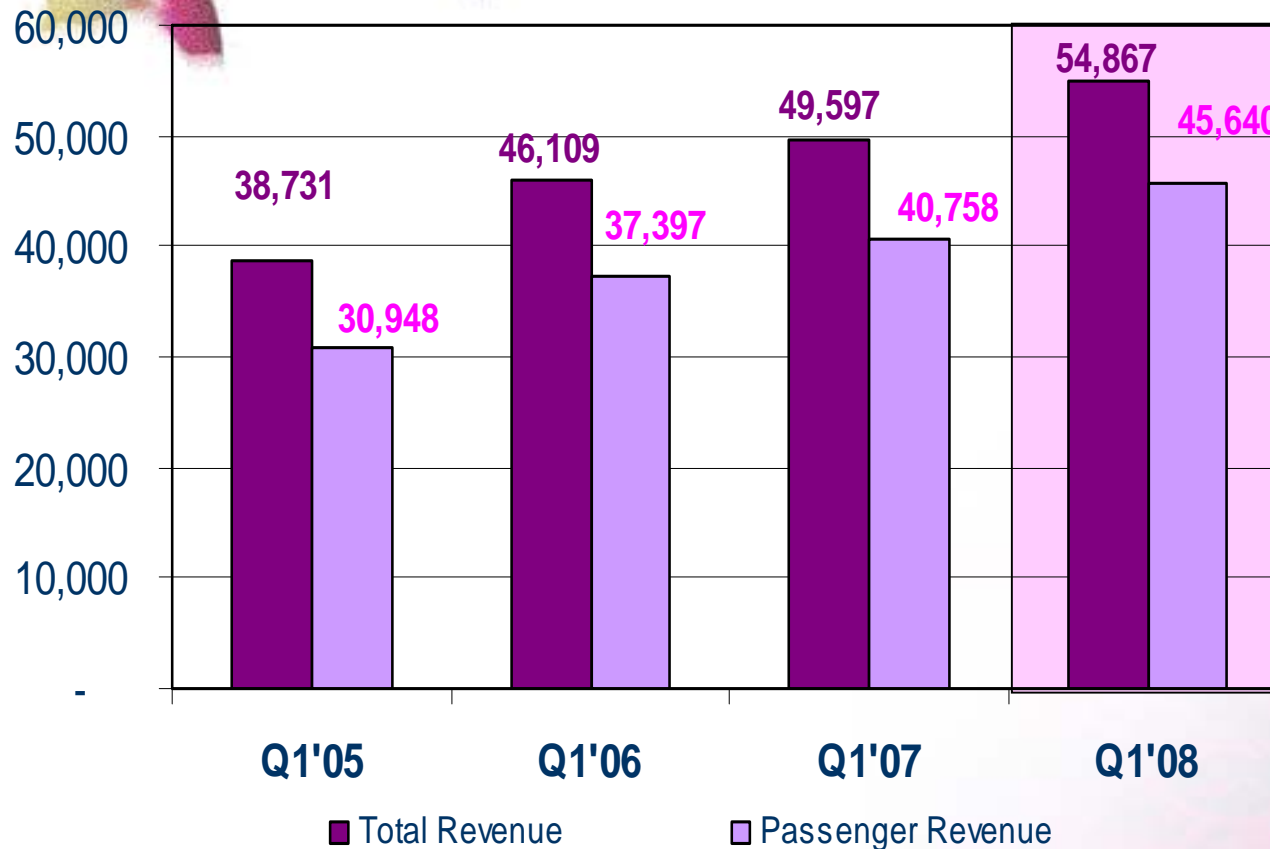
Passenger
83.18%

Financial Performance

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Passenger Revenue (Q1'05-Q1'08)

Units : THB mn



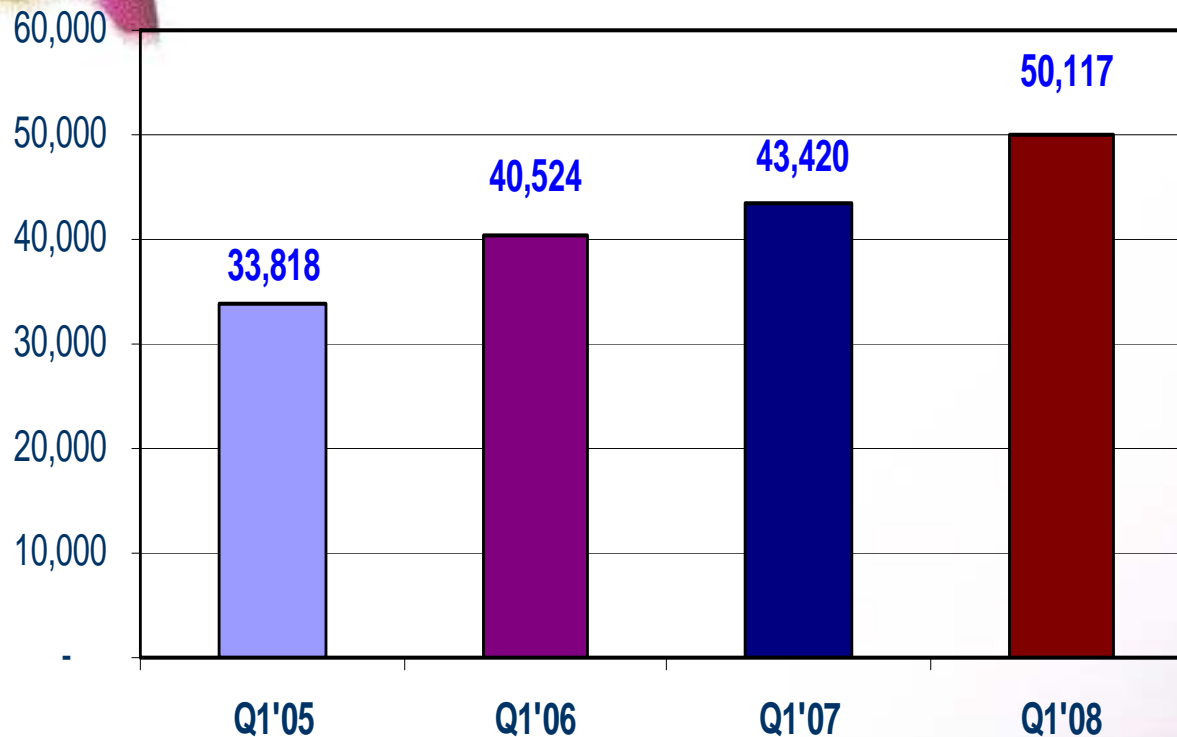
- 12.31% CAGR for Total Revenue growth
- 13.83% CAGR for Passenger Revenue growth
- Total revenue increased yoy by 10.63%
- Passenger revenue increased yoy by 11.98%

Financial Performance

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Operating Expense

Units : THB mn



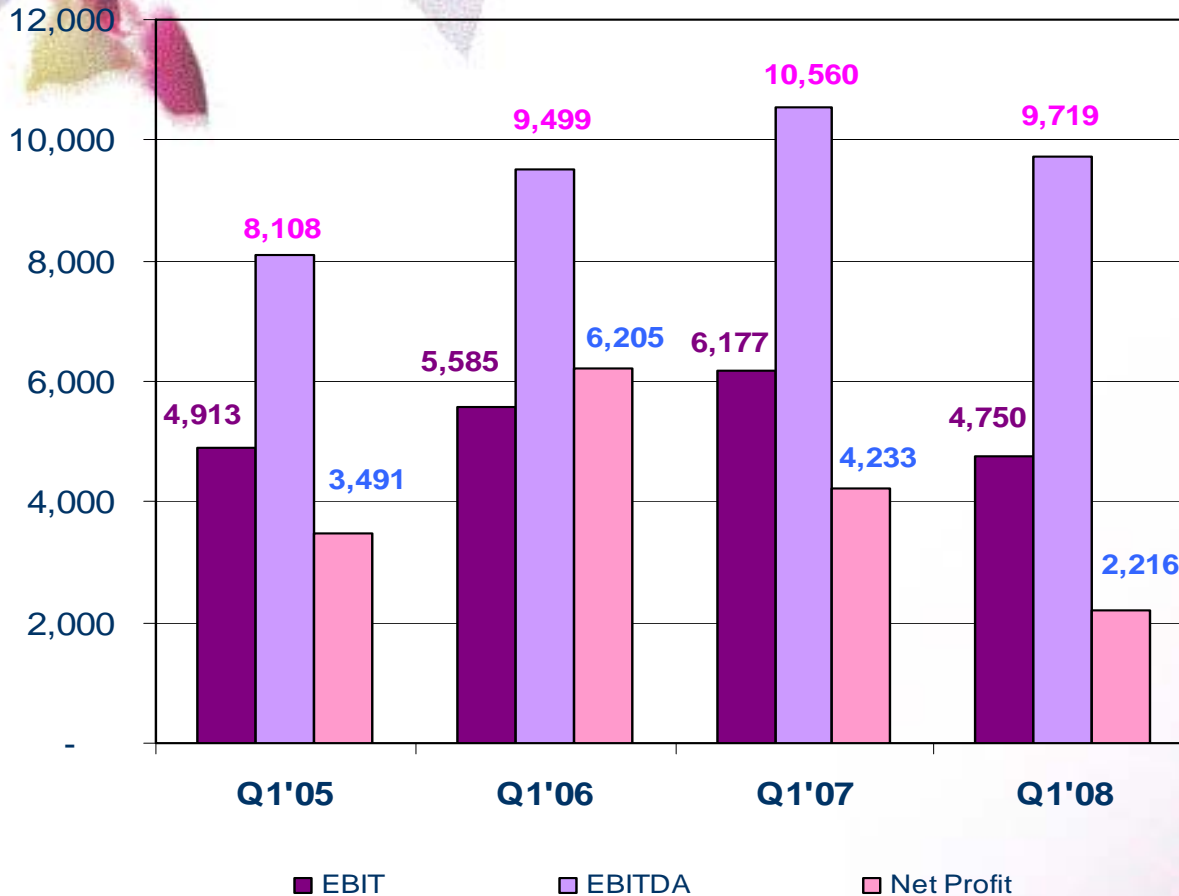
- Total expense increased yoy by 15.42%
- Personnel expense increased yoy by 12.41%
- Fuel cost increased yoy by 39.57 %
- Flight operations increased yoy by 7.12%
- Depreciation increased yoy

Financial Performance

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EBIT, EBITDA and Net Profit

Units : THB mn

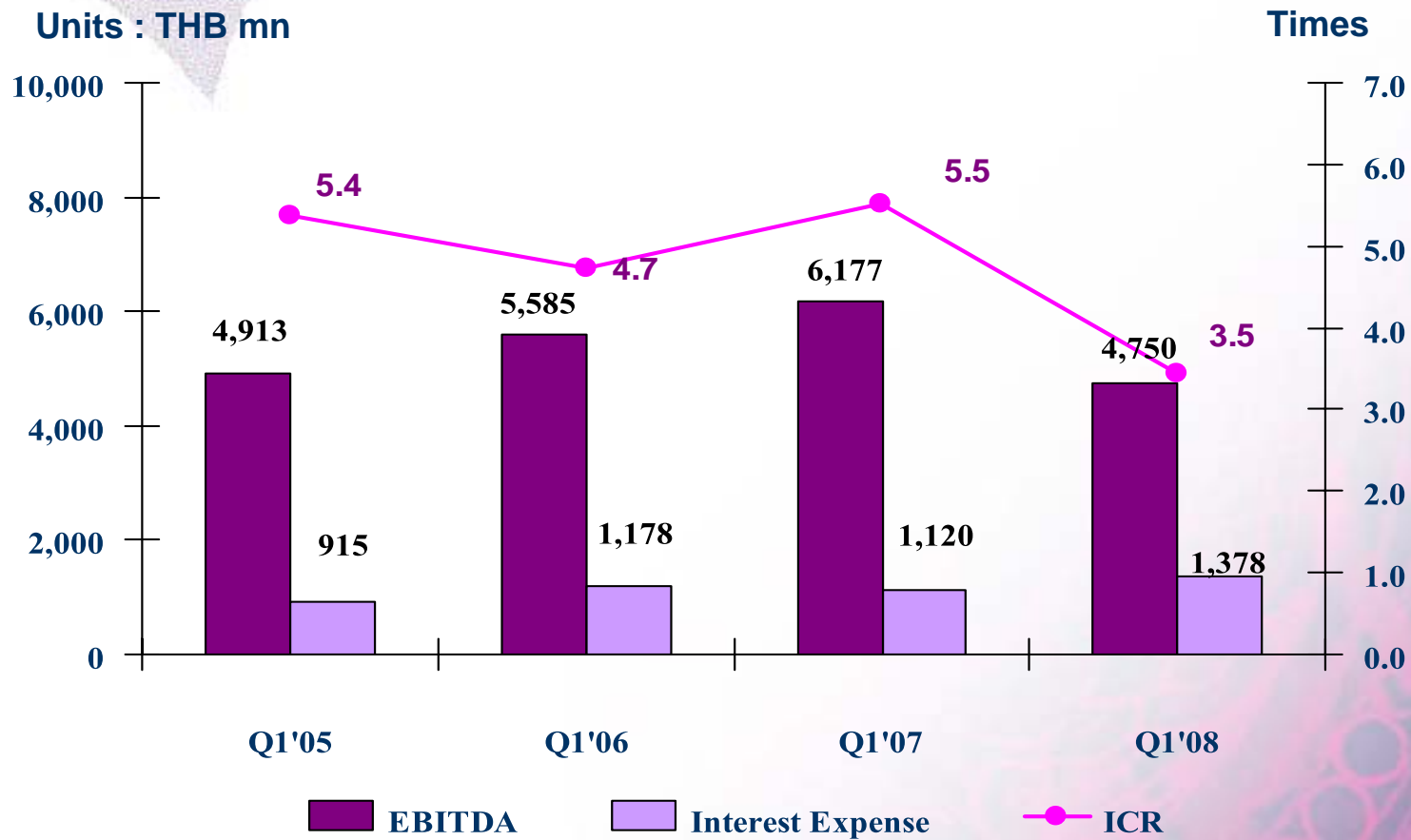


- Improved products and services
- Higher ticket price and fuel surcharge
- Effective cost control

Financial Performance

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Interest Coverage Ratio



*Note : $ICR = EBITDA / INTEREST$

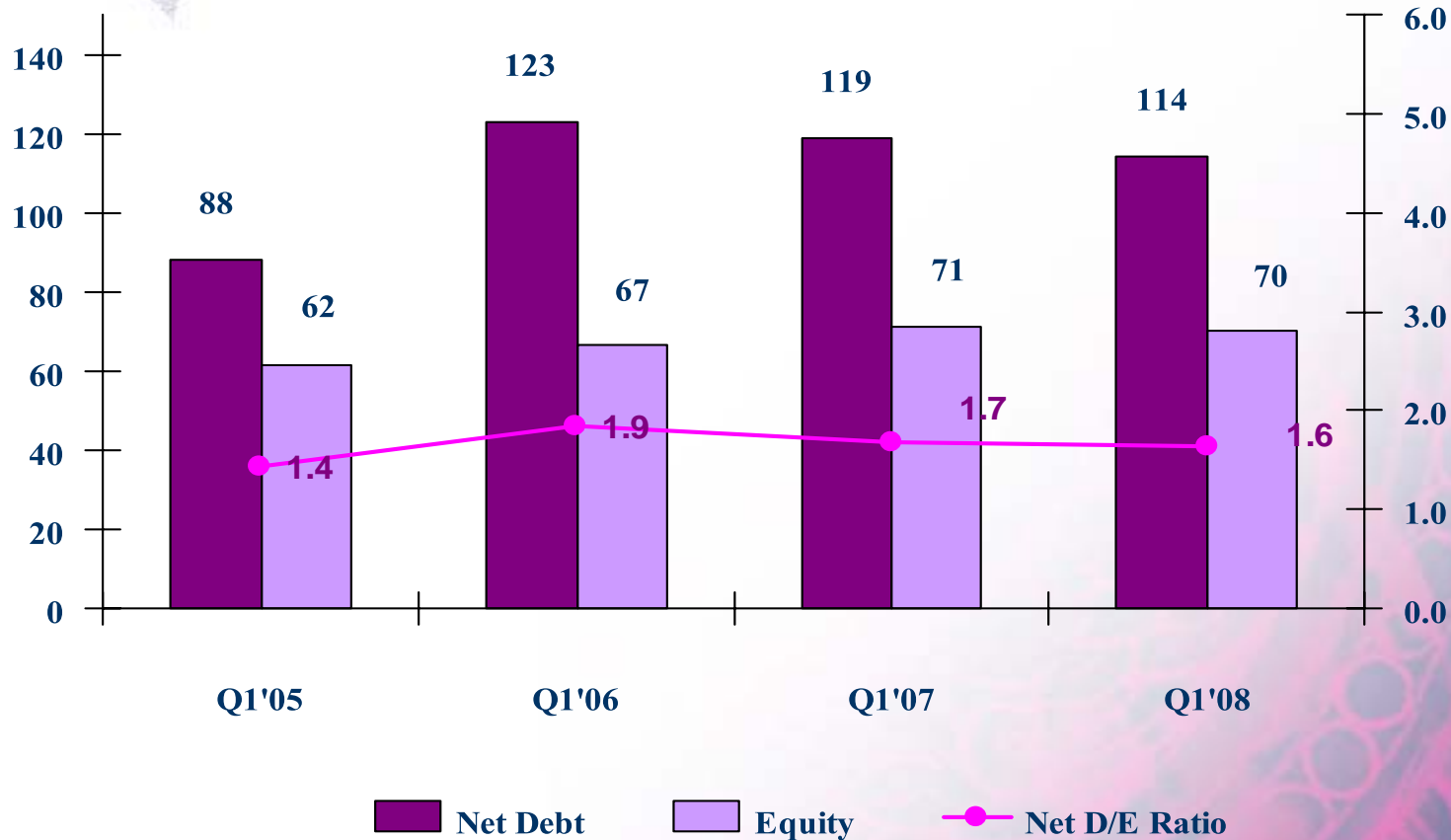
Financial Performance

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Net Debt/Equity Ratio

Units : THB mn

Times



5. Going Forward

Going Forward

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- **Revenue Maximization** - Increase flights to profitable regional routes
 - Increase aircraft utilization for short or night routes
 - Flexible pricing
 - Proactive marketing
 - Review less profitable routes.
- **Network Development** - Reduce redundant capacity through synergy
- **Ensure Ongoing Operation Excellence** - Highest level of safety
 - Unsurpassed service quality
 - Timely service
- **Enhance Asset Management and Undertake Fleet Restructuring**



SAWASDEE