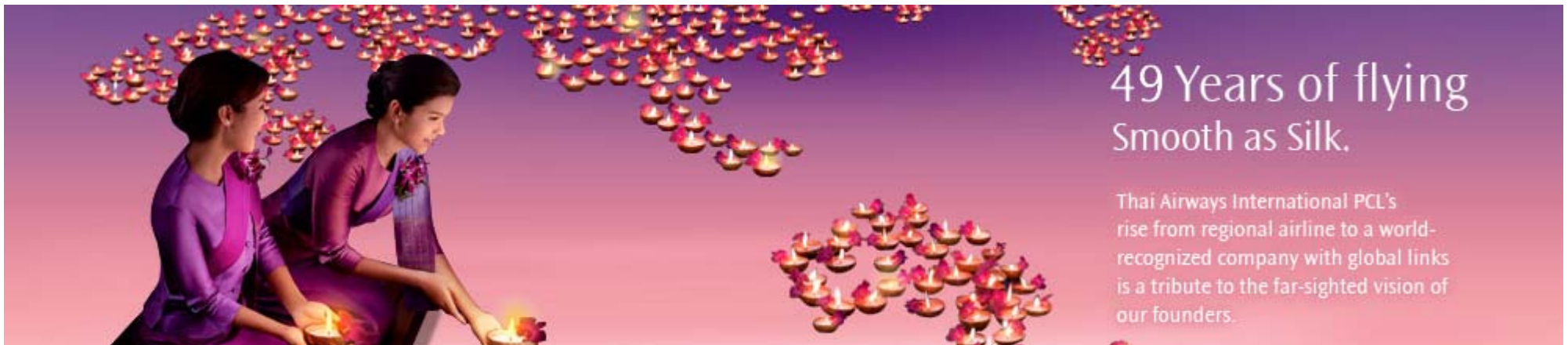




THAI AIRWAYS INTERNATIONAL PLC.



49 Years of flying
Smooth as Silk.

Thai Airways International PCL's
rise from regional airline to a world-
recognized company with global links
is a tribute to the far-sighted vision of
our founders.

For Boston, New York, London

Jun 25-30, 2009

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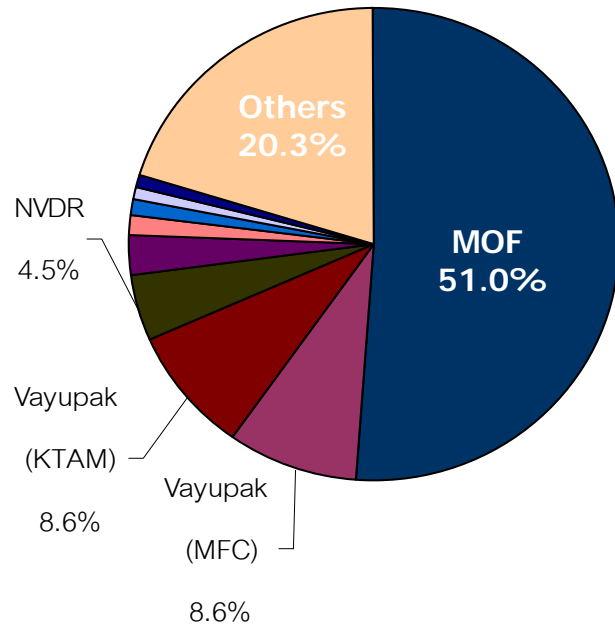
23

4. Appendix

33

1. The Company

Overview



■ Ministry of Finance	51.0%
■ Vayupak (MFC)	8.6%
■ Vayupak (KTAM)	8.6%
■ NVDR	4.5%
■ Government Saving Bank	2.7%
■ Mellon Bank	1.5%
■ Citibank Nominees	1.0%
■ Nortrust Nominees	0.9%
■ Social Security Office	0.9%
■ Others	20.3%

- Thailand's National Flag Carrier
- 51% directly 68% indirectly owned by the Royal Thai Government
- 49 years of operations

- Registered Capital (THB): 17,000 mn
- Par Value (THB) : 10
- Issued and paid-up (THB): 16,989 mn
- Market Capitalization (THB): 24,310 mn

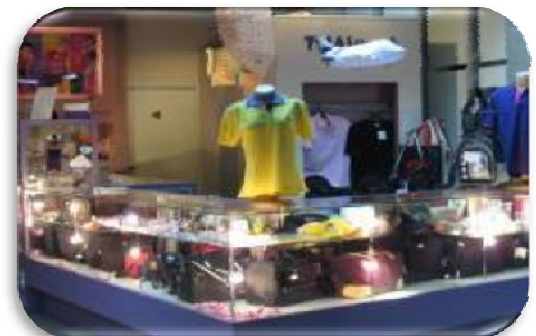
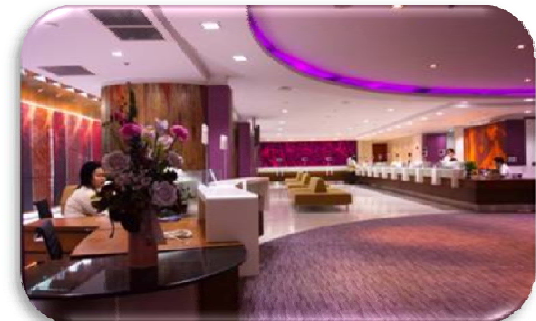
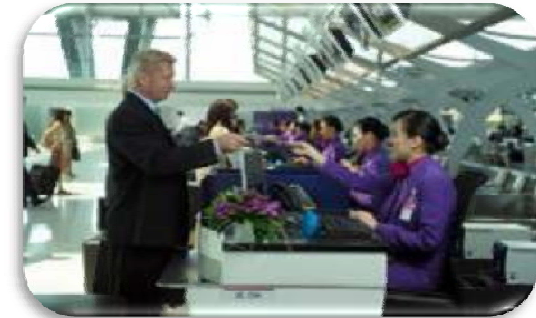
(As of 9 Jun 2009)

Operations

- 1. Core Aviation Business Unit**
 - Passenger Transportation
 - Cargo/Mail Handling and Transportation Services

- 2. Supporting Business Units**
 - Catering Services
 - Aircraft Maintenance and Technical Services
 - Ground Customer Services
 - Ground Support Equipment Services

- 3. Ancillary Passenger Transport Activities**
 - Dispatch Services
 - Sale of Duty Free Goods on Board
 - Sale of Souvenir Products at THAI Shops



Facilities at Suvarnabhumi

Operations Center

- Covers 35,000 sq. m. area including Crew Terminal, Crew Center and Ground & Flight Operations Center



Cargo & Mail Handling and Transportation Services

- Covers 120,000 sq. m. area, with capacity of over 1 million tons/year

Catering Services

- Covers 97,000 sq. m. area with capacity of 57,000 meals per day, HACCP Certified



Aircraft Maintenance & Technical Services

- Covers 24,300 sq. m. area, largest maintenance hangar in Southeast Asia for A380

Ground Customer Services

- Covers 16,000 sq. m. area, provides customers with a full range of customer services and facilities



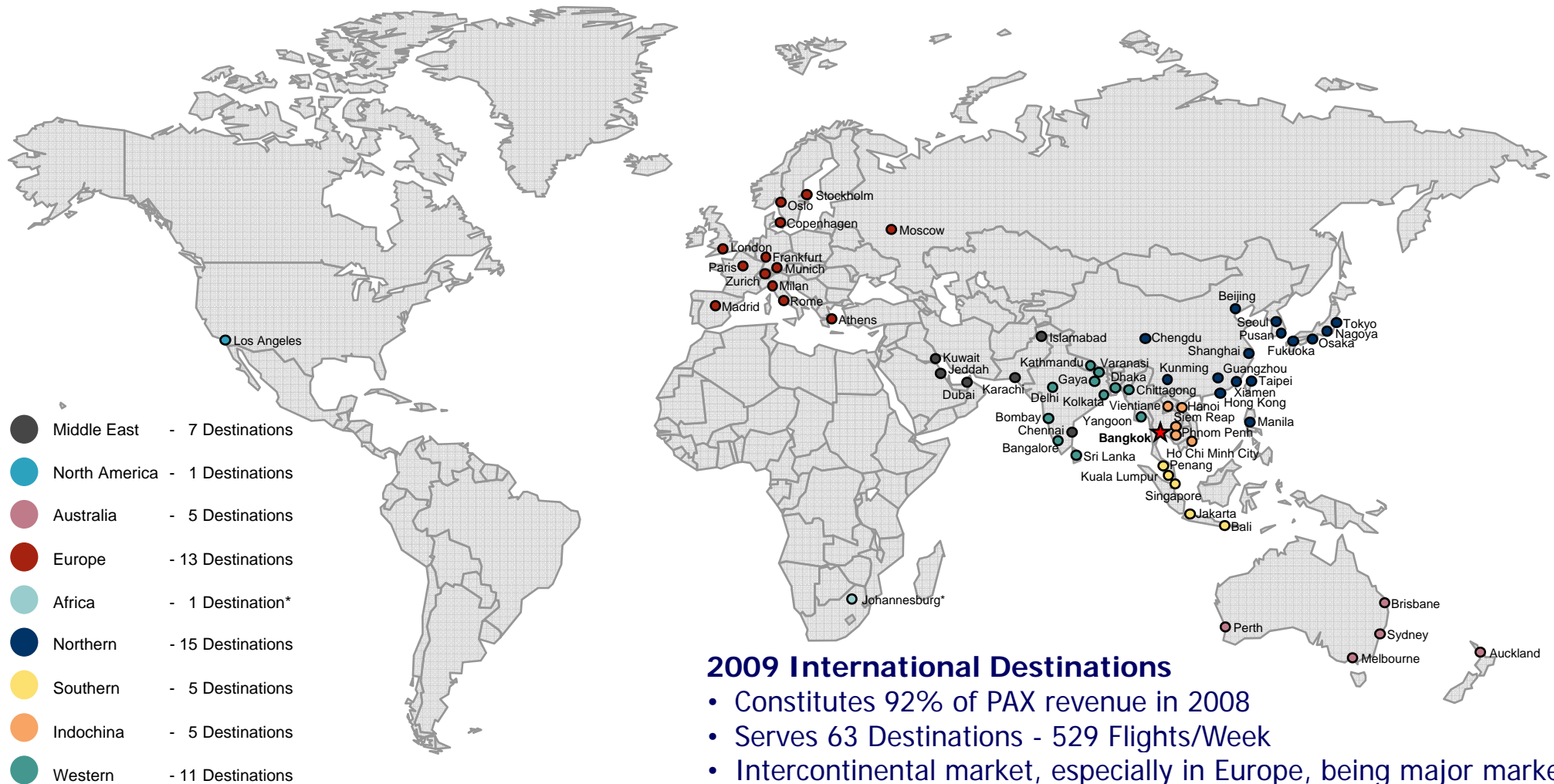
Ground Support Equipment Services

- Covers 28,000 sq. m. area, features maintenance shop under one roof

Subsidiary & Associated Companies

Name of Company	% Holding	Business Type	2008 Financial Highlights (MB)			
			Assets	Liab.	Equity	Net Profit (Loss)
1. Thai-Amadeus Southeast Asia Co.,Ltd.	55%	Reservation Service	706	85	621	145
2. Donmuang International Airport Hotel Co.,Ltd.	40%	Hotel	480	16	464	-18
3. Nok Air Co., Ltd.	39%	Low Cost Flight Service	590	795	-204	-502
3. Suvarnabhumi Airport Hotel Co., Ltd.	30%	Hotel & Services	2,400	1,757	643	-91
4. Phuket Air Catering Co.,Ltd.	30%	Catering Service	293	31	262	89
5. Royal Orchid Hotel (Thailand) Plc.	24%	Hotel	1,660	162	1,498	214
6. Bangkok Aviation Fuel Services Plc.	23%	Fuel Service	7,061	4,070	2,991	438

International Destinations



2009 International Destinations

- Constitutes 92% of PAX revenue in 2008
- Serves 63 Destinations - 529 Flights/Week
- Intercontinental market, especially in Europe, being major market of THAI or ~55% of total passenger

Note: Johannesburg and Gaya-Varanasi will resume in winter 09/10

Domestic Destinations



Domestic

- Constitutes 8% of passenger revenue
- Service spans 12 destinations with 329 flights/Week
- Suvarnabhumi as a single hub
- Possible to have international connection flight at Phuket & Chiang Mai Airports
- THAI launched double daily flights to Samui in 2008

Fleet Profile

Aircraft Type	Number of Aircraft	Age (Year)	Number of Aircraft		
			Owned	Financial Lease	Operating Lease
Long range					
B 747-400	18	11.9	13	5	-
B 777-300	6	8.4	-	6	-
A340-500	4	3.1	1	3	-
A340-600	6	2.8	-	6	-
B 777-200ER	6	1.8	-	6	-
Medium to long range					
B 777-200	8	11.8	5	-	2
A330-300	12	12.0	10	-	2
A300-600	17	15.8	17	-	-
Short range					
B 737-400*	9	14.6	7	-	3
ATR 72	2	18.8	2	-	-
Total	88	11.2	55	26	7

Aircraft utilization 11.67 hours per aircraft

* NOTE : 3 B737-400 aircraft leased to Nok Air

Fleet Information

THAI's Tentative Aircraft In/Out Schedule

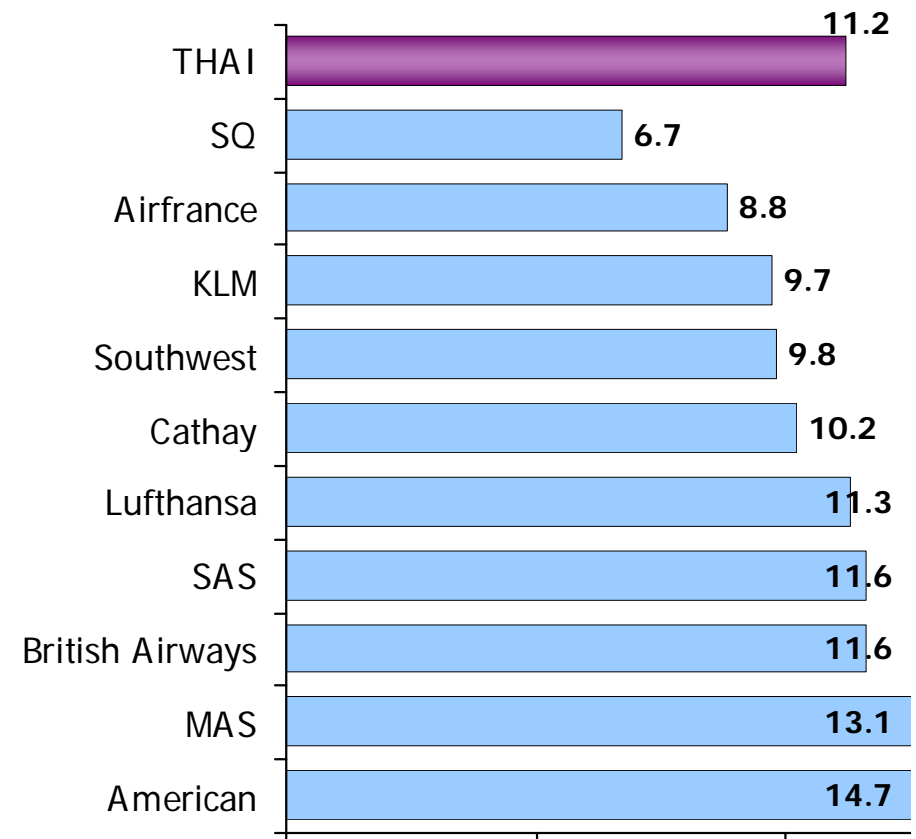
Phase-in

Aircraft	2009	2010	2011	TOTAL
A330-300	6	2	-	8
A380	-	-	6	6
TOTAL	6	2	6	14

Phase-out

Aircraft	2009	2010	2011	TOTAL
A300-600	3	1	1	5
TOTAL	3	1	1	5

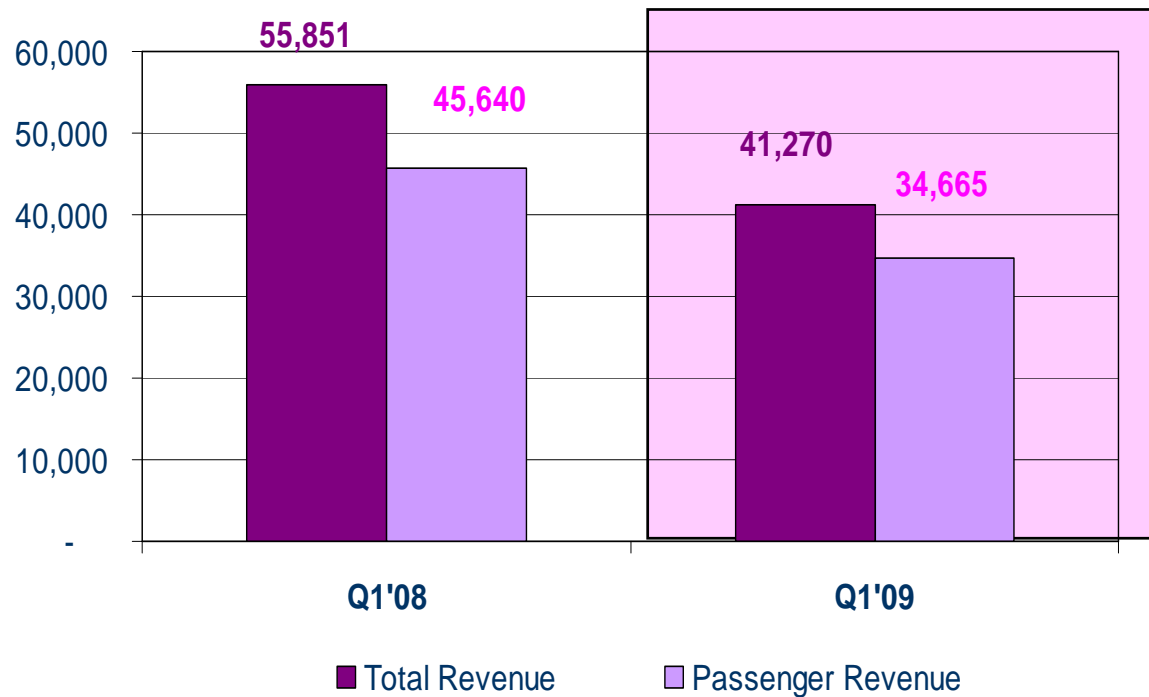
Airline's Fleet Age



2. Financial Performance

Revenue Comparison Q1 '09 over '08

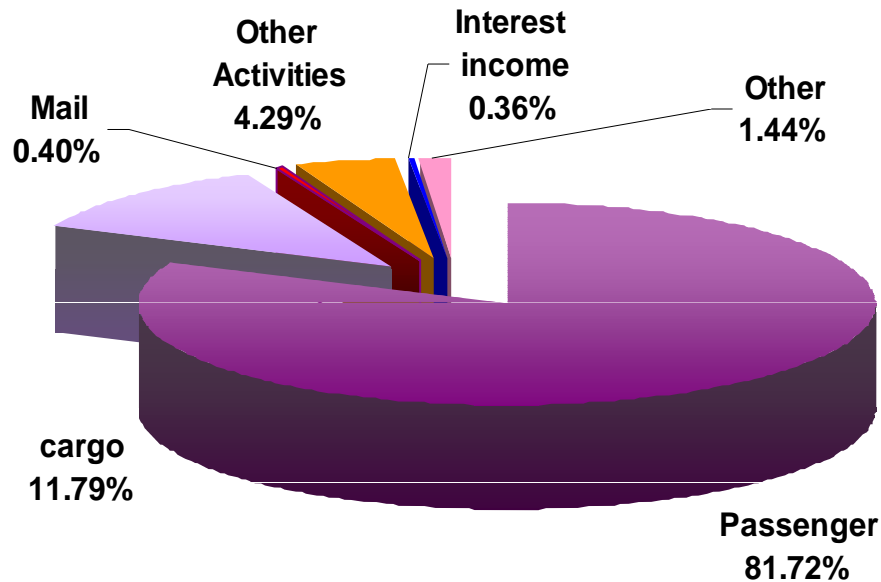
Units : THB mn



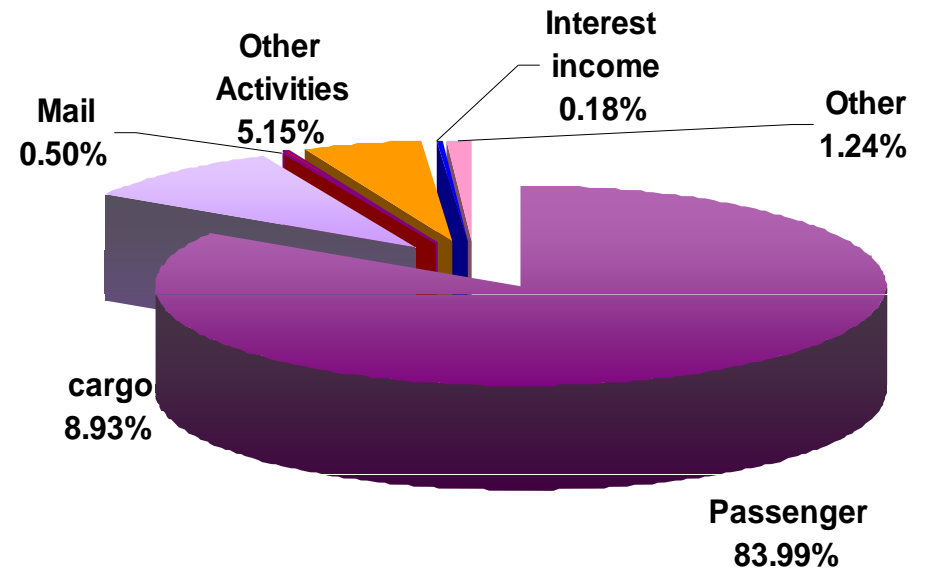
- Total revenue decreased yoy by 26.11% (2009 over 2008)
- Passenger revenue decreased yoy by 24.05% (2009 over 2008)

Revenue Breakdown Q1 '09 over '08

(Q1'08)

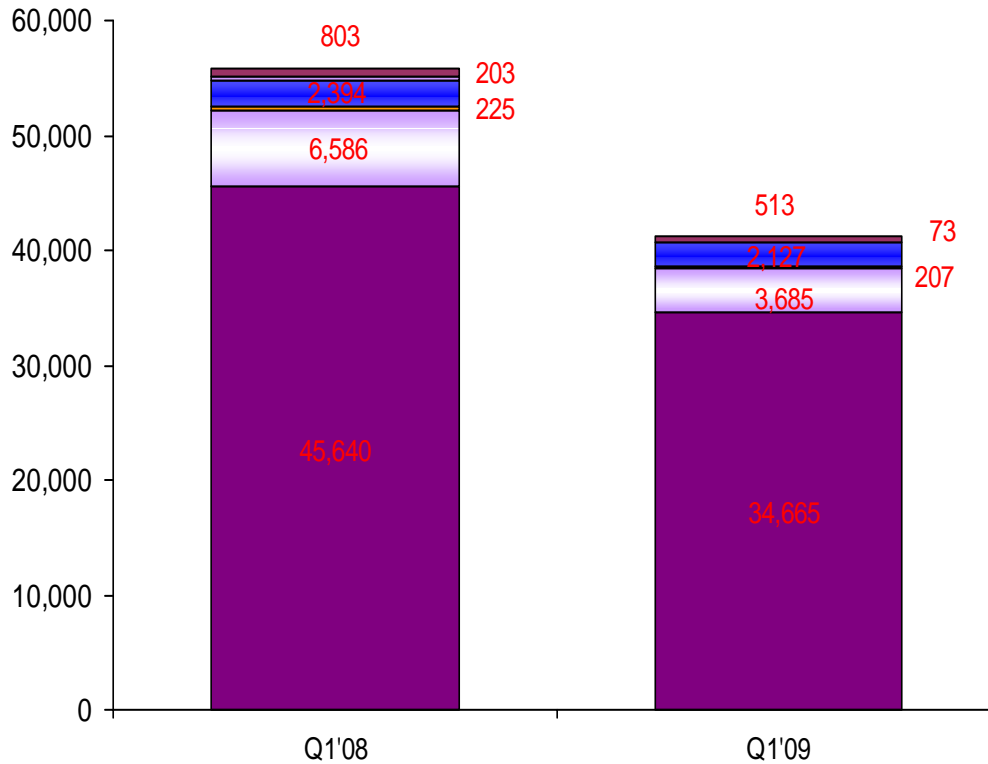


(Q1'09)



Operating Revenue (Q1'08 & Q1'09)

Units : THB mn

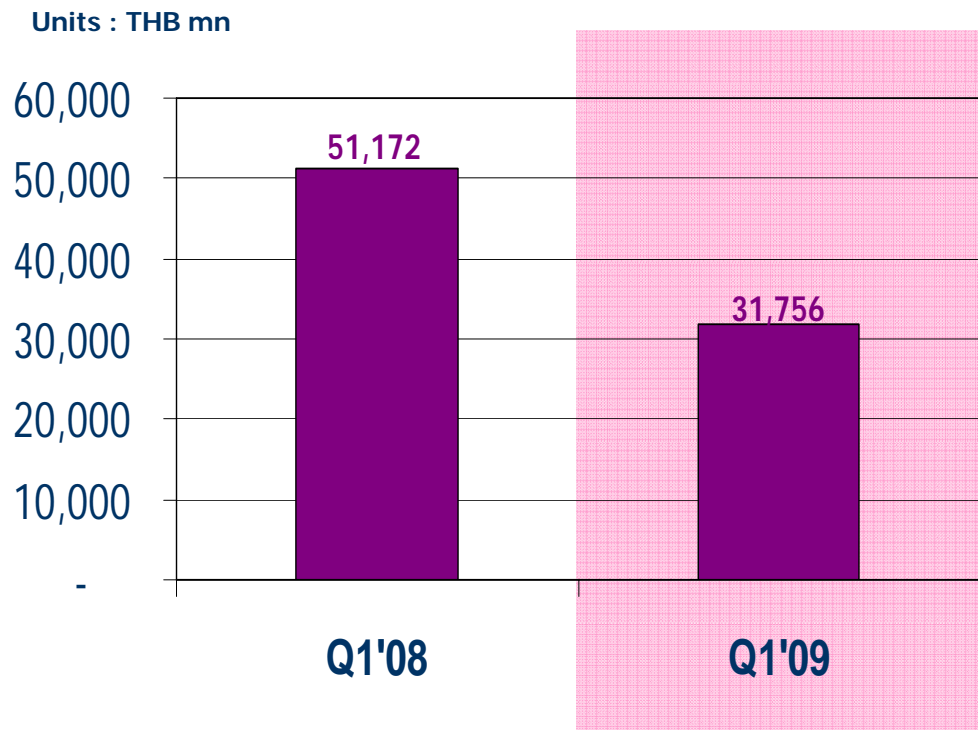


■ Passenger
 ■ Freight
 ■ Mail
 ■ Other activities
 ■ Interest income
 ■ Other income

Change Q1'08-Q1'09

Passenger	-24.05%
Freight	-44.04%
Mail	-8.03%
Other activities	-11.18%
Interest income	-63.71%
Other income	-36.07%
Total Income	-26.10%

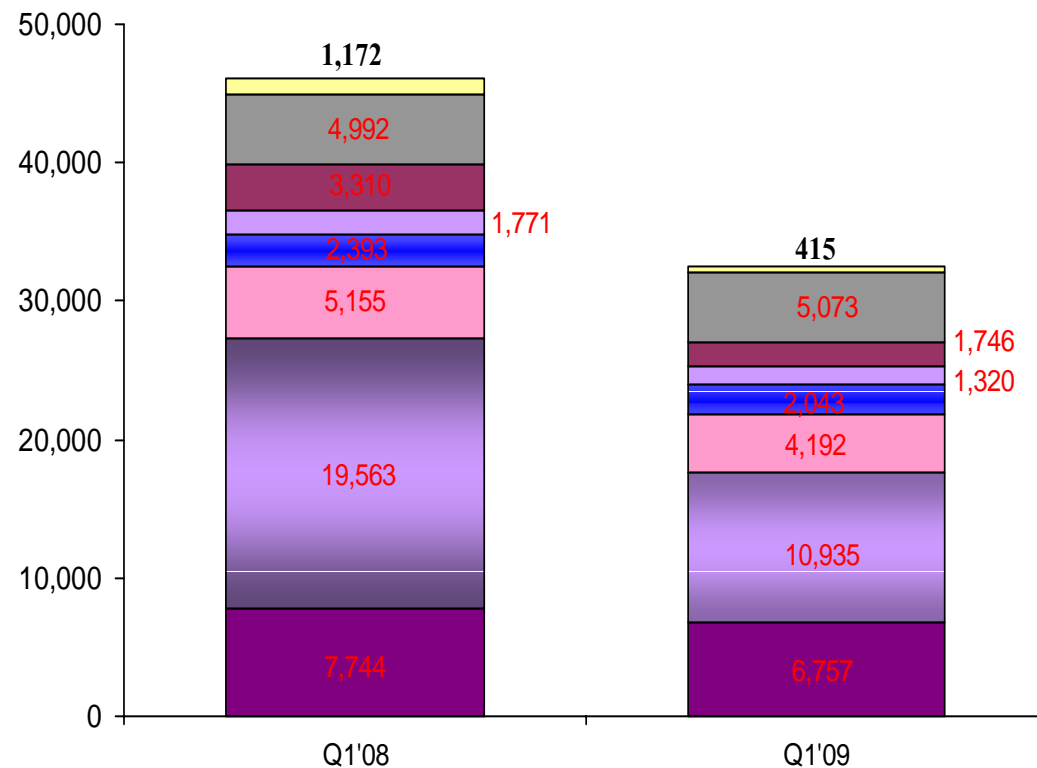
Total Expense (Q1 '09 over '08)



- Total expense decreased yoy by -37.94%
- Cost declined more rapidly from fuel cost and measures implemented as part of the turnaround strategy

Operating Expense (Q1'08 & '09)

Units : THB mn

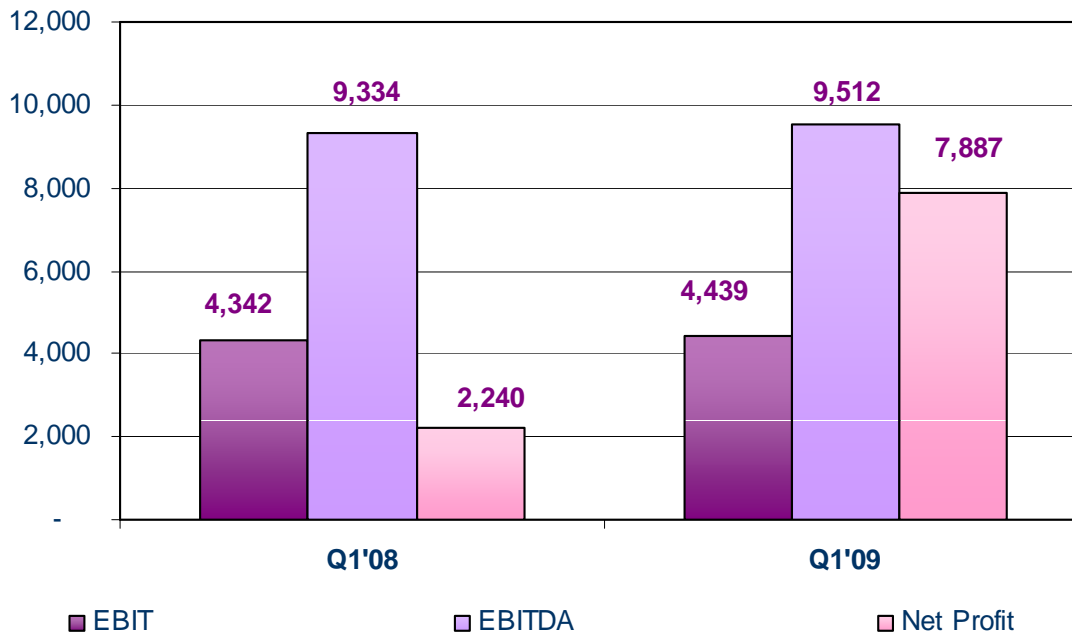


Change Q1'08-Q1'09

Personnel expense decreased	-12.74%
Fuel and oil decreased	-44.10%
Flight service expense decreased	-18.67%
Inventories and supplies decreased	-14.60%
Crew expense decreased	-25.47%
Maintenance/overhaul decreased	-47.25%
Depreciation/amortisation increased	-1.63%
Aircraft lease/spare parts decreased	-45.98%
Total Expense decreased	-37.94%

EBIT, EBITDA and Net Profit (Q1 '08 & '09)

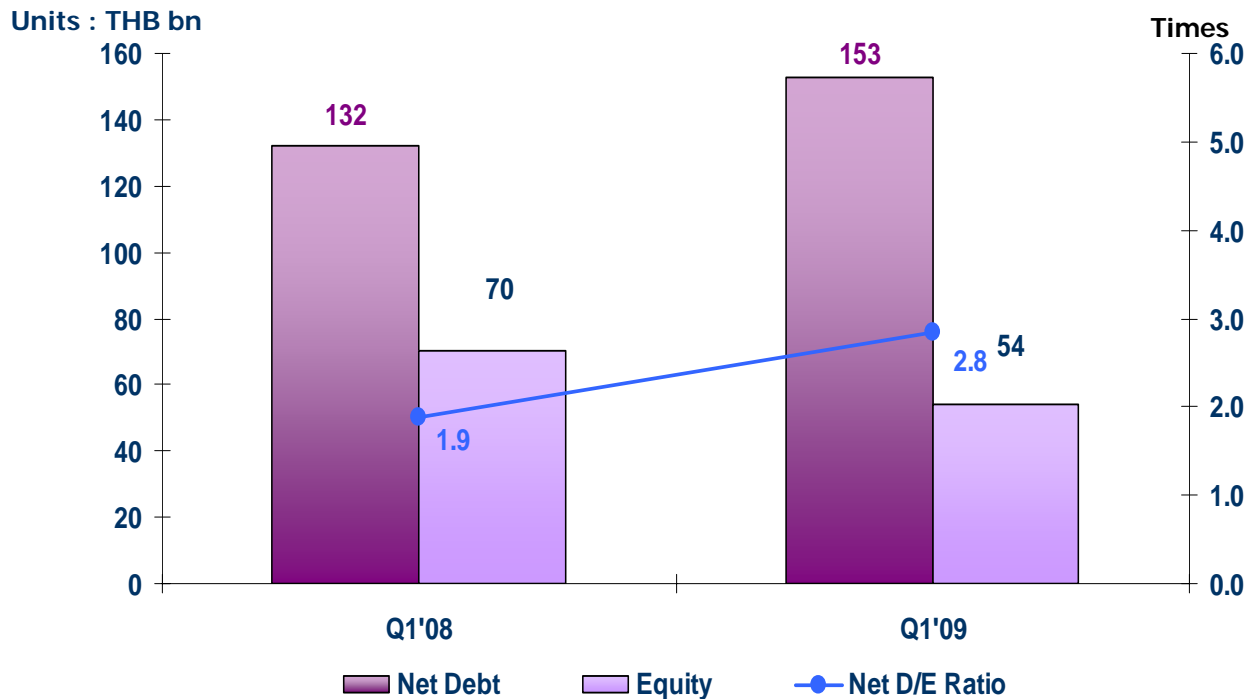
Units : THB mn



Factors Contributing to Strong Q1 '09 Results

- Control personnel expense – outsource and OT
- Dramatic fuel price drop & low hedging
- Ability to maintain fuel surcharge above actual fuel cost
- Stronger net yield
- Reduction in operating expense
- Net FX gain on outstanding loans

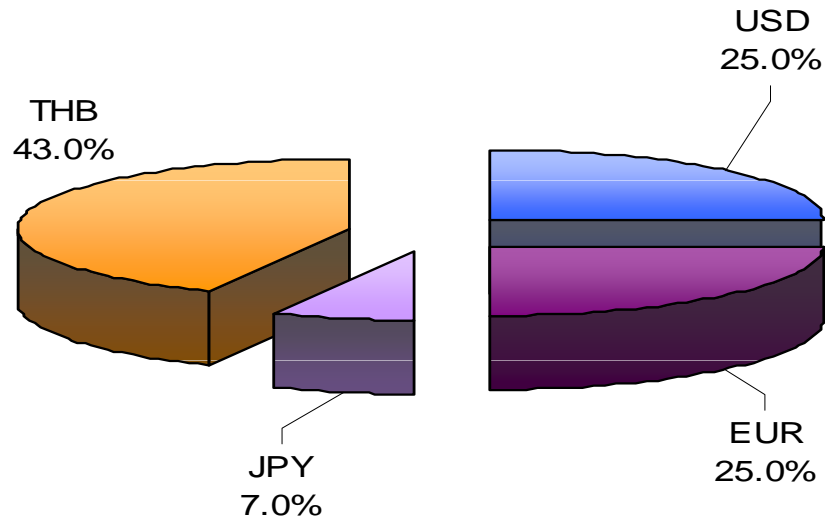
Net Debt/Equity Ratio (Q1 '08 & '09)



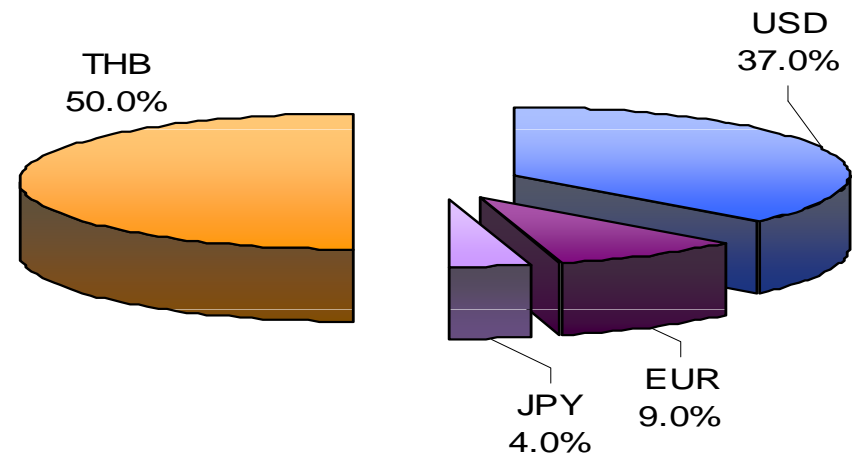
- Net debt/equity below 3 times despite additional debt for aircraft financial lease.
- Ratio will increase slightly in 2009 financing 4 additional aircraft.
- Net debt/equity target is around 1:1 but may be in 12-18 months.

Operating Revenue & Expense by Currency – Q1 '09

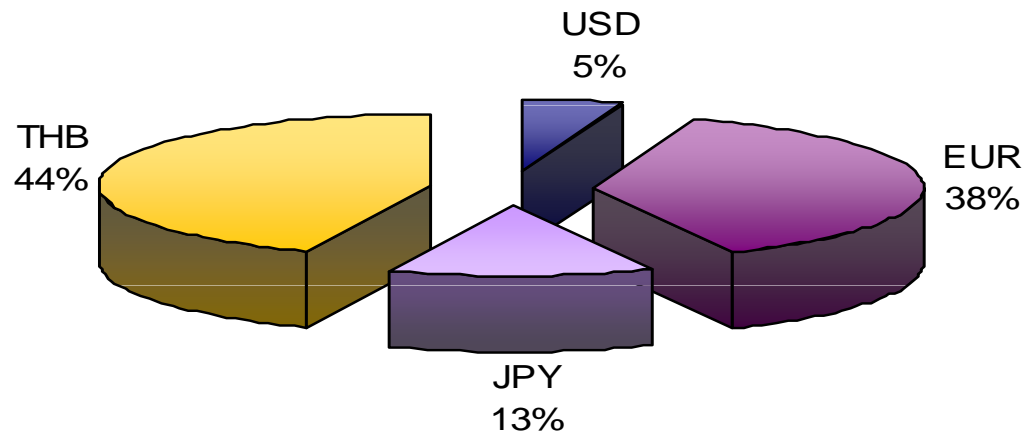
Operating Revenue



Operating Expense



Outstanding Loan as of Q1 '09

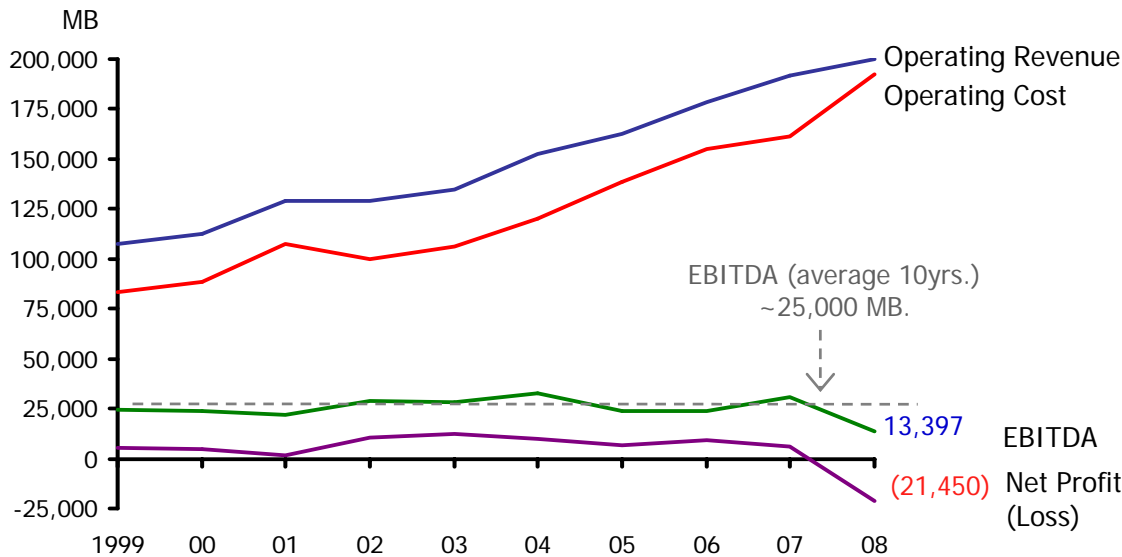


- All in cost of funds about 3.23%

Total loan = 134,649 Million Baht

Operating and Financial Performance

THAI's Financial Performance (1999-08)



	CAGR (%)	
	(99-07)	(99-08)
Operating Revenue	7.5	7.1
Operating Cost	8.6	9.7

EBITDA	2.9	(6.4)
Net Profit (Loss)	2.2	N/A

EBITDA (MB)

24,375	24,054	21,997	29,067	28,292	32,420	23,979	23,878	30,539	13,397
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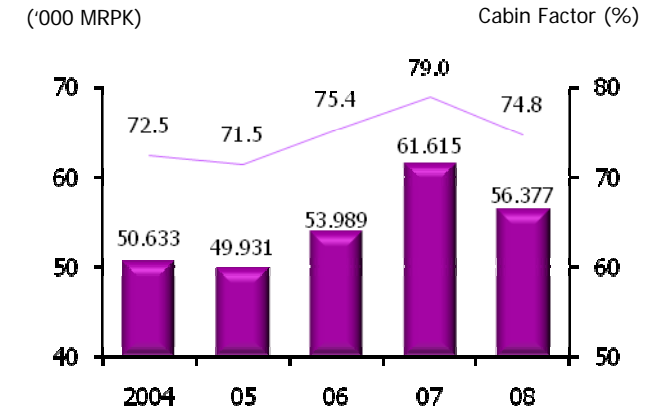
Net Profit (MB)

5,313	4,717	1,929	10,182	12,079	10,077	6,777	8,992	6,342	(21,450)
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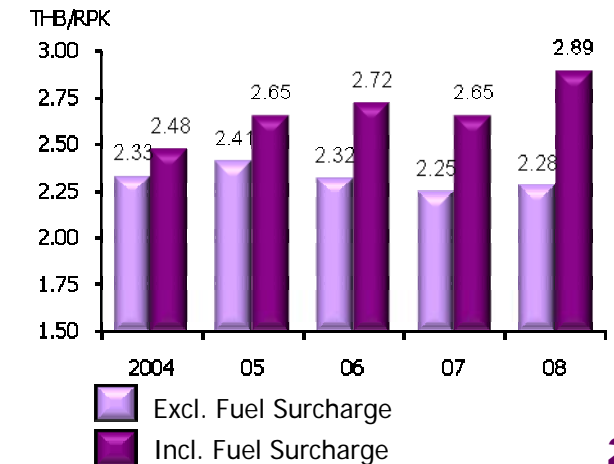
Number of Aircraft

79	79	81	81	81	83	87	87	90	86
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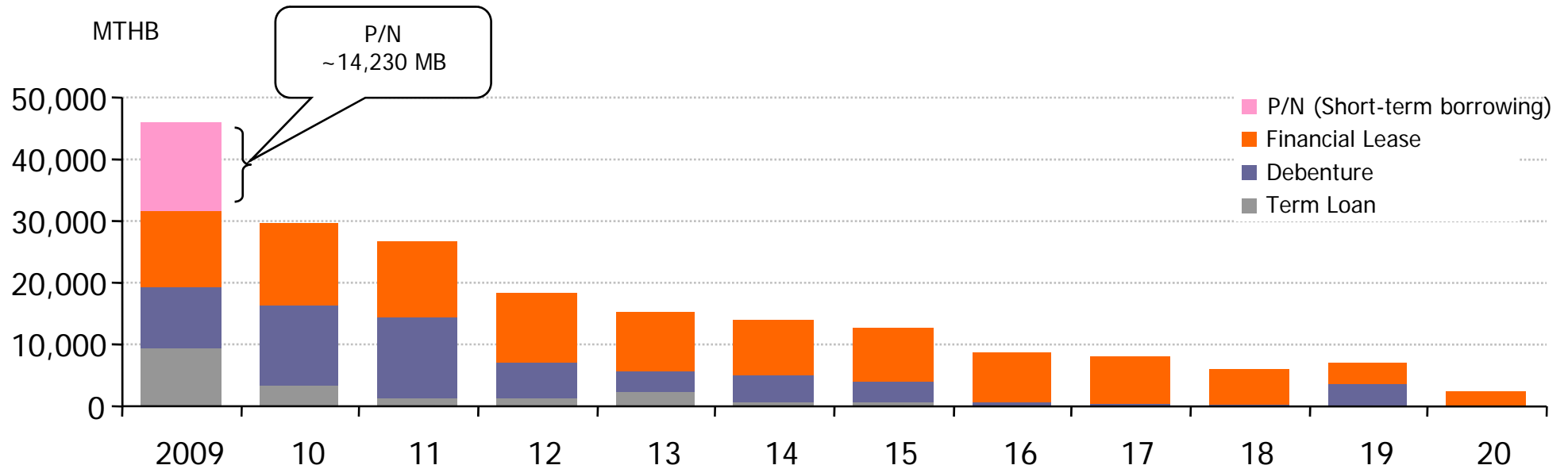
MRPK & Cabin Factor



Passenger Yield



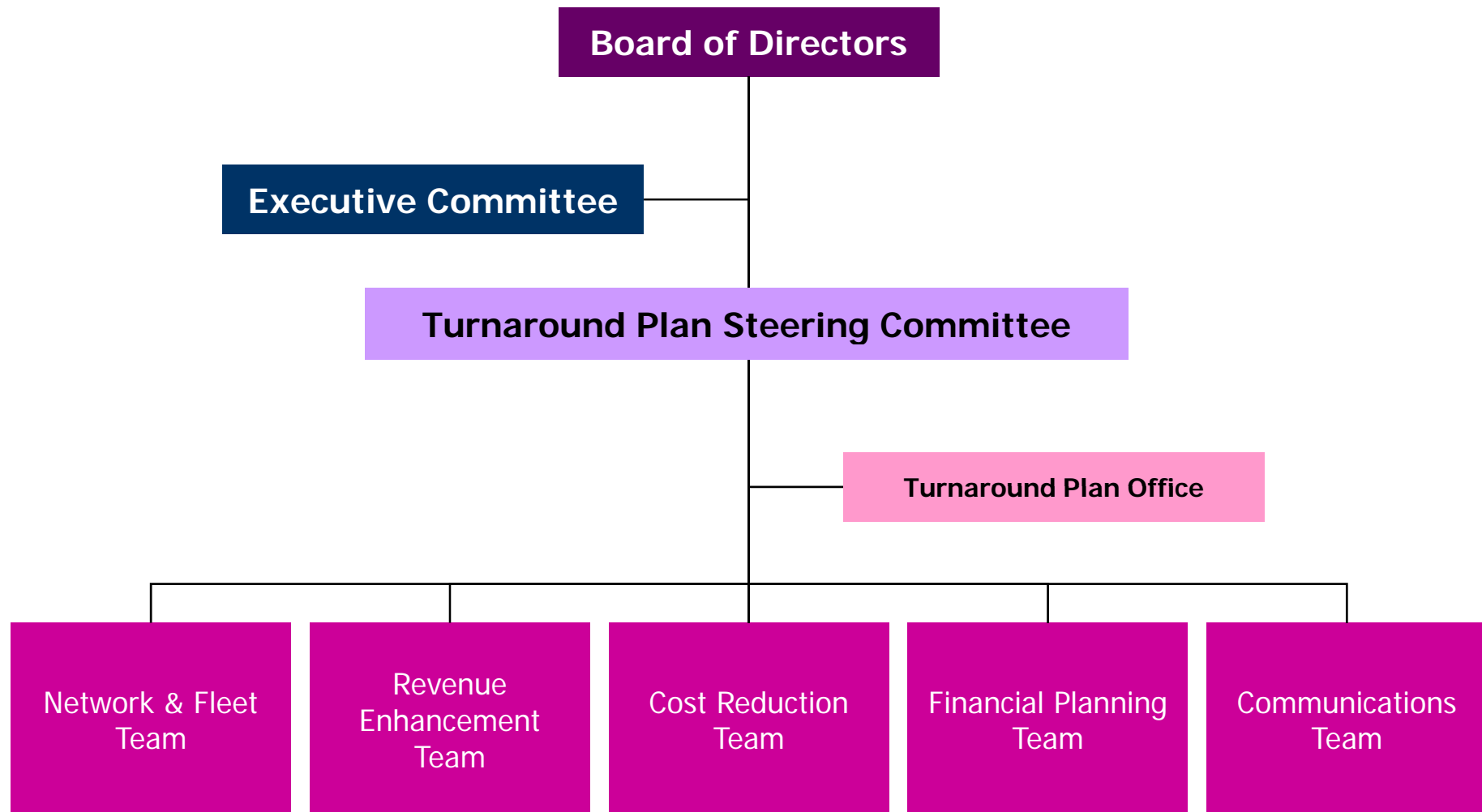
Annual Debt Repayment (2009-20)



Note: (1) Debt Service included financial lease of new aircraft (8), and (2) A340-500 being unsold; P/N- Promissory notes

3. Current Issues

Steering Committee



Steering Committee

- **New Executive Committee Appointed**
 - **Turnaround Plan Steering Committee Re-appointed**
-
- **Objective is to strengthen strategy department (Apr 2009)**
 - **In time, the function of the Steering Committee will revert to the strategy department**
 - **Executive Management Committee to oversee planning**
 - **Executive Committee to oversee overall operations**
 - **All key decisions screened by Ex. Comm. for BoD approval**

Turnaround Plan

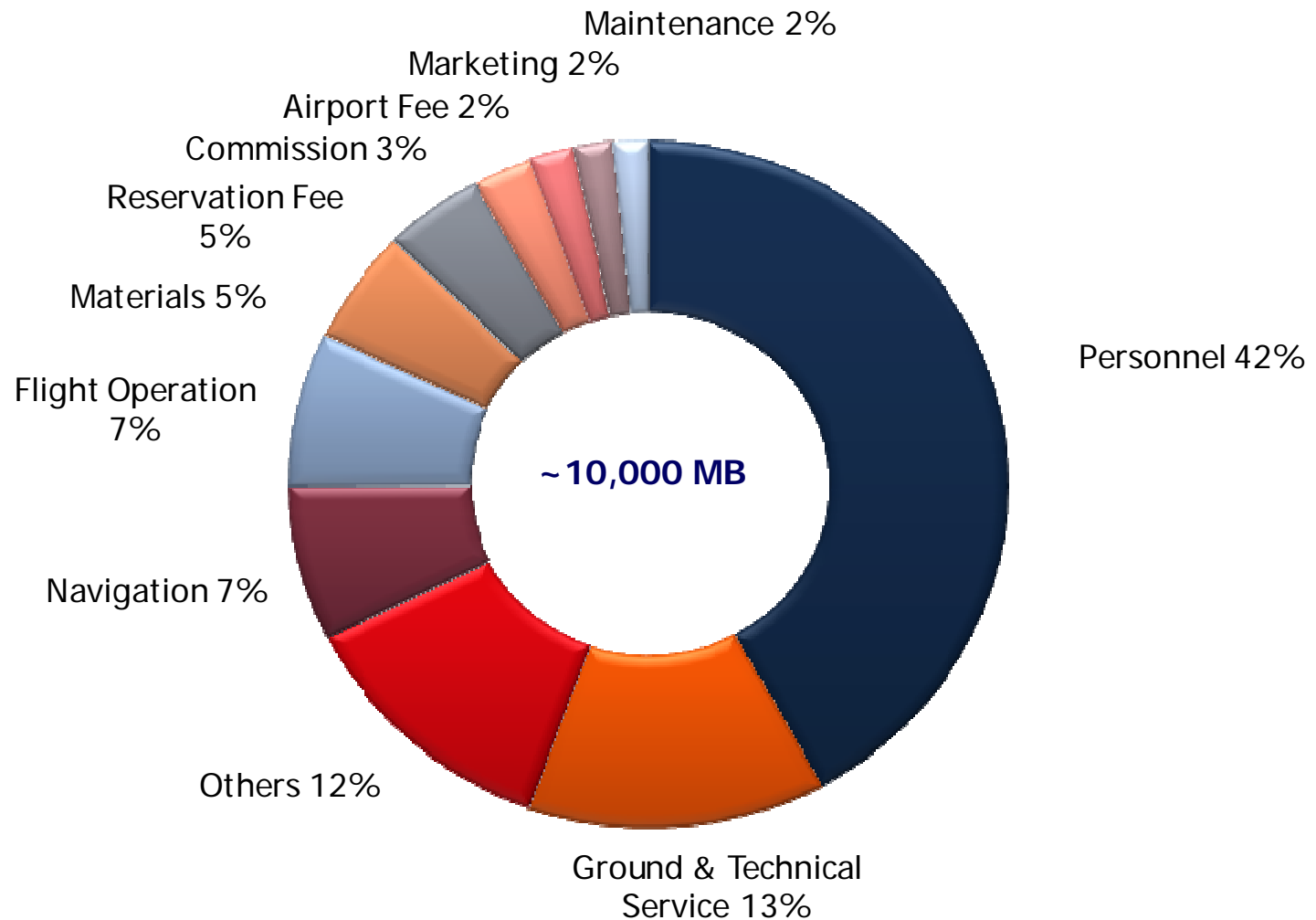
Short-term liquidity building plan

1. Strengthen quality of revenue
2. Reduce all unnecessary cost and defer non-core investments
3. Re-build creditor and investor confidence

Revenue	Cost	Rebuild Confidence
<ul style="list-style-type: none"> • Strengthen yield • Timely fuel surcharge management • Distribution channel diversification • Product consistency improvement • Network & route management • Ancillary revenue enhancement 	<ul style="list-style-type: none"> • Reduction of non-fuel expense by THB 10 bn • Head count rationalization • Non-core investment deferment • Effective fuel & FX management 	<ul style="list-style-type: none"> • Domestic road show with investment community (X 2) • Domestic road show with financial institutions (X 4) • International road show with investment community (X 1)

Cost Reduction


Non- Fuel Cash Cost Reduction
Target (2009)



Steering Committee

Future Structure



- **Economic Recession**
 - **The spread of Influenza A (H1N1)**
 - **Low Season**
- 
- Reduced Demand
 - Weaker Booking

Actions taken by THAI

- **Mitigating and Arresting Influenza Concerns**
 - Deep-clean fumigation on board
 - Installed arrestor air filter (HEPA) on all aircrafts
- **Launch New Destination**
 - Strong demand enhance revenue, enhance yield
- **New travel packages via the internet**
 - THAI domestic promotions by Royal Orchid Holiday(ROH)
 - Promotional package to all destinations within Asia
- **Adjusting flight frequencies (reductions and cancellations)**
- **Aircraft Retrofit Plan**

Rising Fuel Cost

- Pushing fuel cost up and thus higher operating expense.
- Based on expected economic stabilization and hedging against weaker USD.

Actions taken by THAI

- Implementing appropriate ticket price to offset fuel costs.
- Seeking to increase hedging as necessary.
- Suspend & cancel flights.
- Tighten cost control measures.

Flight Cancellations & Frequency Reductions

Flight Cancellations (As of 20 Apr-30 Jun 2009)

	Original	Flight Cancellation	% of cancel
International	5,290	248	4.69
Domestic	3,290	506	15.38
Total	8,580	754	8.79

Flight Frequency Reductions & Suspensions (As of 01 May-24 Oct 2009)

	Original	Flight Reduction	% of reductions
International	13,905	496	3.57
Total	13,905	496	3.57

Airbus A380.

- THAI has 6 on order.
- Due to be delivered beginning 2011.
- Economic situation requiring review of fleet strategy.

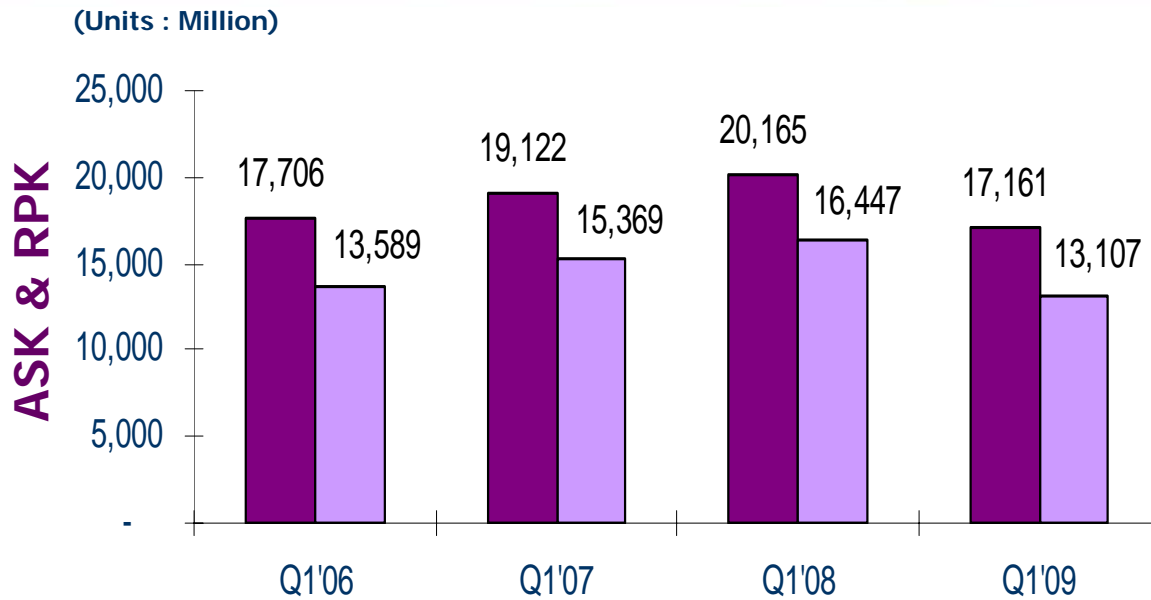
Current Actions

- Appointed Committee to review A380 options.
- Findings to form part of 2nd phase plan in fleet structure.
- If not preferred, Thai Government and THAI must negotiate with Airbus.

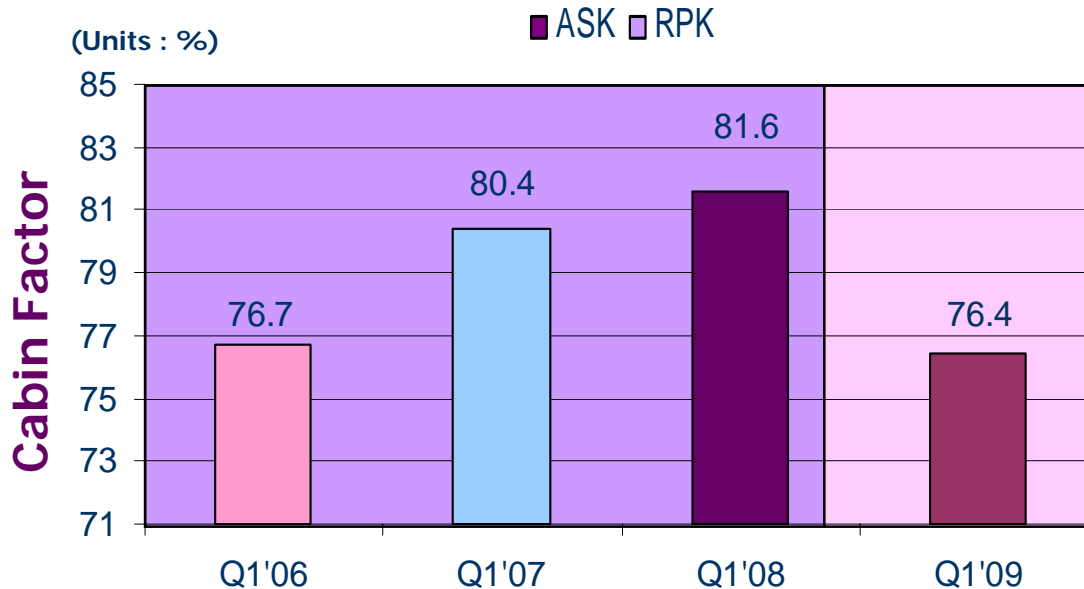
4. Appendix

Destinations	:	Domestic = 12
		International = 62
• Continents served	:	5
• Total aircraft in fleet	:	88 of which 3 are leased to Nok Air
• Flight frequency per week	:	International Routes 529 Flts/Week
		Domestic Routes 329 Flts/Week
• Monthly passengers carried	:	1.56 million average
• Staff count	:	27,381
• Core Staff	:	12,700

	<u>Q1'08</u>	<u>Q1'09</u>	<u>% Change</u>
Passenger revenue earned (MTHB) :	45,640	34,665	- 24.0
Million Available Seat Kms. (MASK) :	20,165	17,161	- 14.9
Million Revenue Passenger Kms. (MRPK) :	16,447	13,107	- 20.3
Average Cabin factor (%) :	81.6	76.4	- 6.4
Average Freight load factor (%) :	54.50	44.90	- 17.6
Average Load factor (%) :	72.0	65.3	- 9.3

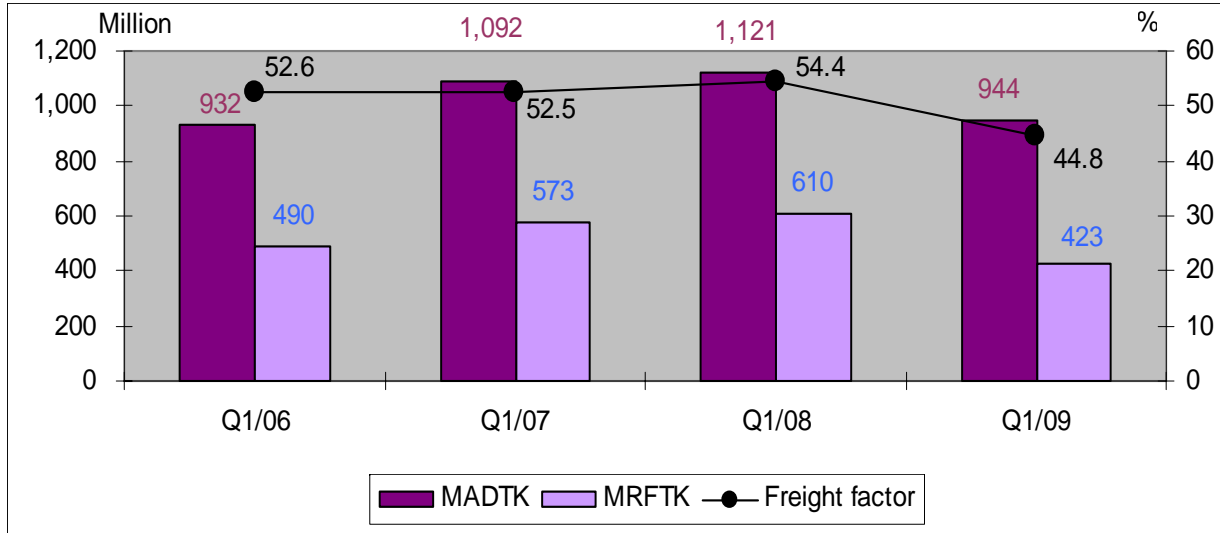


- ASK decreased yoy by - 14.9%
- RPK decreased yoy by - 20.3%



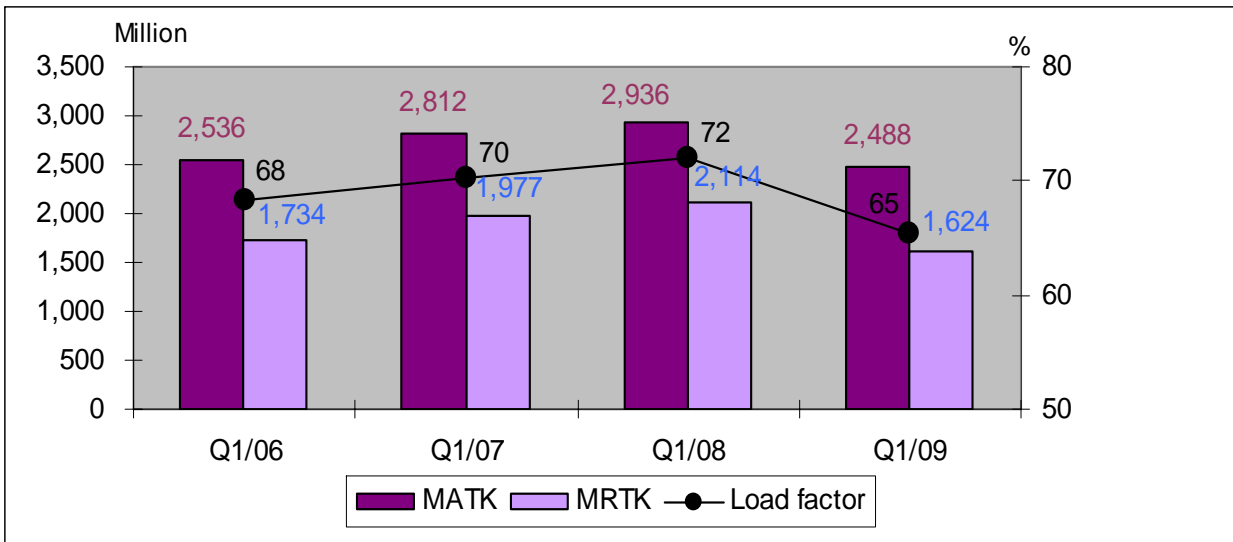
- Despite travel demand impacted by global economic & domestic political factors, cabin factor remained strong compared to normal year

MADTK, MRFTK & F/F%



- ADTK decreased yoy by 15.8%
- RFTK decreased yoy by 30.7%
- F/F decreased yoy by 17.7%

ATK & RTK



- ATK decreased yoy by 15.2%
- RTK decreased yoy by 23.2%
- L/F decreased yoy by 9.4%



SAWASDEE