

# Thai Airways International Pcl.



*Investor Relations*

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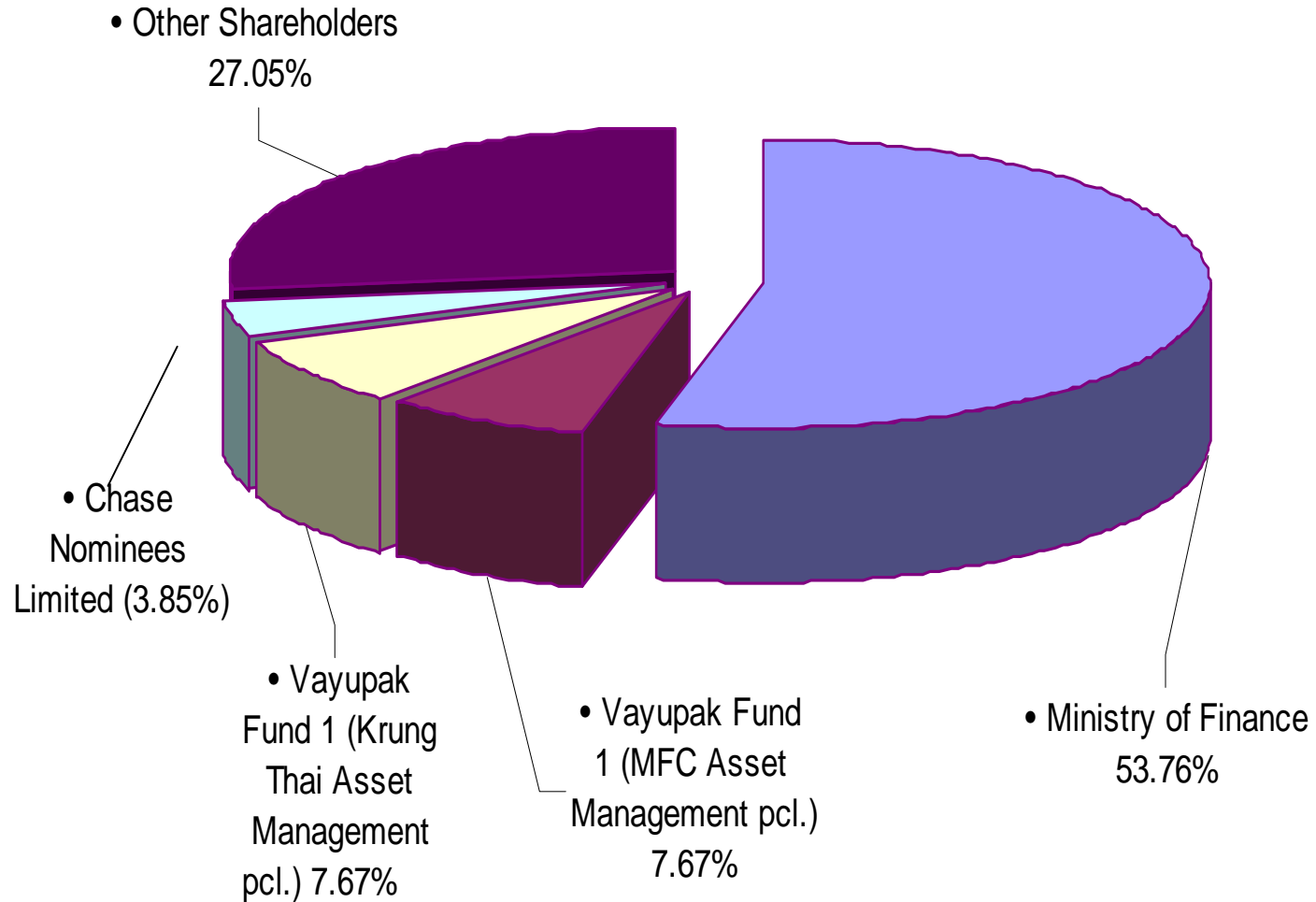
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# 1. Statistical Update

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## Shareholders



# 1. Statistical Update

## Operations of 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. Bangkok Aviation Fuel Service Public Company Limited	22.6%	Fuel Service
5. Phuket Air Catering Company Limited	30.0%	Catering Service
6. Suvarnabhumi Airport Hotel Company Limited	30.0%	Hotel & Services
7. Nok Air Company Limited	39.0%	Low Cost Flight Service

# 1. Statistical Update

## As of Mar. 2007

- **Destinations :** Domestic = 11  
International = 62
- **Continents served :** 5
- **Total aircraft in fleet :** 91 of which 5 are leased to Nok Air
- **Flight frequency per week :** International Routes 587 Flts/Week  
Domestic Routes 368 Flts/Week
- **Monthly passengers carried :** 1.66 million average
- **Staff count :** 26,546

# 1. Statistical Update

## As of Mar. 2007

- Record revenue earned : 49,597 MTHB ; +7.57%
- Million Available Seat Kms. (MASK) : 19,122 ; +7.99%
- Million Revenue Passenger Kms. (MRPK) : 15,369 ; +13.09%
- Cabin factor : 80.4% ; +4.82%
- Freight load factor : 52.4% ; -0.48%
- Load factor : 70.3% ; +2.85%
- Aircraft utilization : 11.5 hrs ; +8.49%

# 1. Statistical Update Cont'd

**As of Apr. 2007**

Type of Aircraft	Owned	Operating Lease	Total
A300-600/A300-600R	20	-	20
A330-300	10	2	12
ATR72	2	-	2
B737-400	6	4	10
B747-300	2	-	2
B747-400	16	2	18
B777-200	4	4	8
B777-200 ER	4	-	4
B777-300	6	-	6
A340-500	4	-	4
A340-600	5	-	5
<b>Total</b>	<b>79</b>	<b>12</b>	<b>91</b>



## 2. Status Update

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### Airbus A380

- Current order book - 6 aircraft
- Delay of approximately 22 months
- Options under discussion with Airbus :
  - Attractive price for the A380s
  - Attractive price for replacement mid-range aircraft (A330-300)
- Option to cancel still effective



## 2. Status Update

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### Dual Airport Status

- Don Muang Airport (old international airport) – Domestic point-to-point service
- International flights to remain at Suvarnabhumi International Airport (SBIA)
- THAI & Star Alliance to remain at SBIA
- THAI's secondary domestic routes likely to be moved to Don Muang

## 2. Status Update

### Fuel & Fuel Surcharge

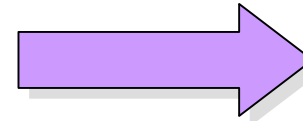
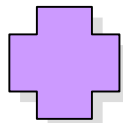
- Fuel hedging up to 50% of year's demand but flexible
- Current hedging approximately 30% on 3 month rolling basis
- Hedging increase subject to fuel price trend
- Fuel surcharge :
  - Intercontinental – USD 55-65 per sector
  - Regional – USD 20-35 per sector
  - Domestic – THB 150 per sector
- Fuel surcharge coverage : approximately 65-70%
- No official guideline for fuel surcharge reduction
- Control fuel burn on ground

## 2. Status Update

### STAR ALLIANCE – Economic Contribution

#### Incremental Member Revenue

- **Network Effect** – Interline sales & enhance connectivity
- **Loyalty Effect** – Recurring business through Alliance member traffic
- **Alliance Sales** – Cross-selling of member airline tickets



#### Member Cost Savings – Trackable Savings

- “Under One Roof” concept
- Joint use of staff and equipment
- Forum to enhance staff competency

**Gross  
Benefit**

## 3. Suvarnabhumi Airport

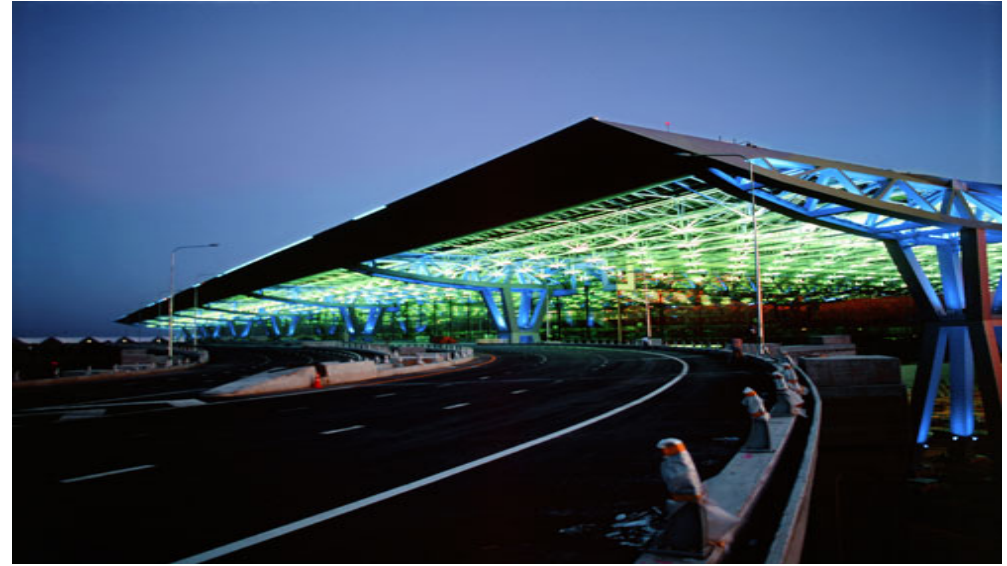
### 3. Suvarnabhumi Airport

*Smooth as silk*

Suvarnabhumi Bangkok International Airport (SBIA)



### 3.Suvarnabhumi Airport Cont'd





# THAI's Activities @ Suvarnabhumi Airport



*Smooth as silk*



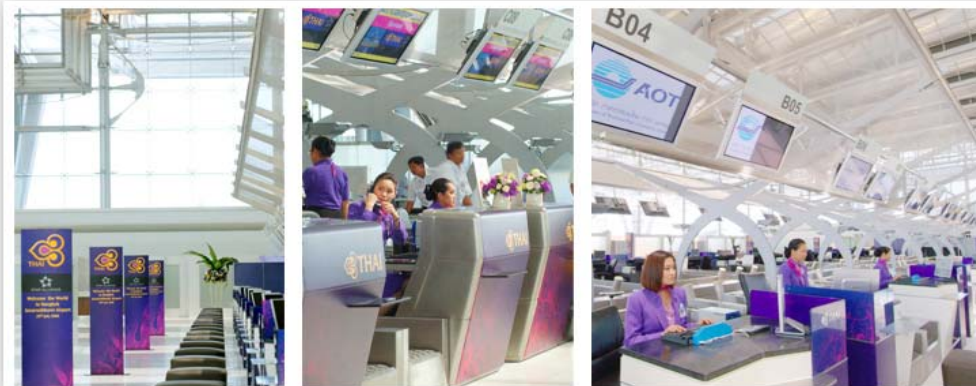
# THAI's New Look



Royal First Class Check-in Lounge



Royal First Class Lounge



Royal First Class Lounge



Royal Orchid Spa Lounge

# THAI's New Look



A STAR ALLIANCE MEMBER

The winner of 2006  
Airline Excellence... is **you**.



A STAR ALLIANCE MEMBER

A touch above luxury. Fly Royal First.

Enjoy award-winning service double daily from Sydney to Bangkok and the world.



THAI makes every passenger the true winner on every flight. The uniquely warm touch of Thai Hospitality is now recognized as the outstanding service in the air, and the reliable and relaxing way to reach over 70 cities in 5 continents.\* *THAI. The touch that travels the world.*  
\*New service to Johannesburg starting October 2006.



www.thaiairways.com



**New Royal First Class from THAI.**

Make every mile a memory with our award-winning service, fully reclining seats\* with ottomans, personally served gourmet cuisine and a unique Thai hospitality that will carry you effortlessly around the world to over 70 cities in 5 continents.

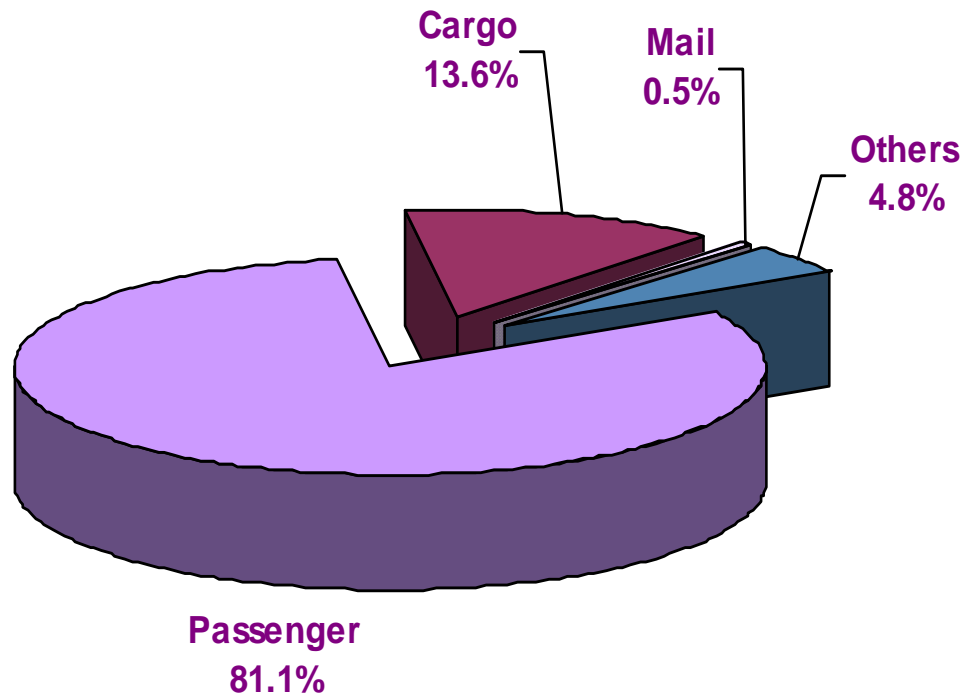
\*New reclining seats with ottomans available on A340-600 and selected B747-400 aircraft on selected routes.  
*THAI. The touch that travels the world.*



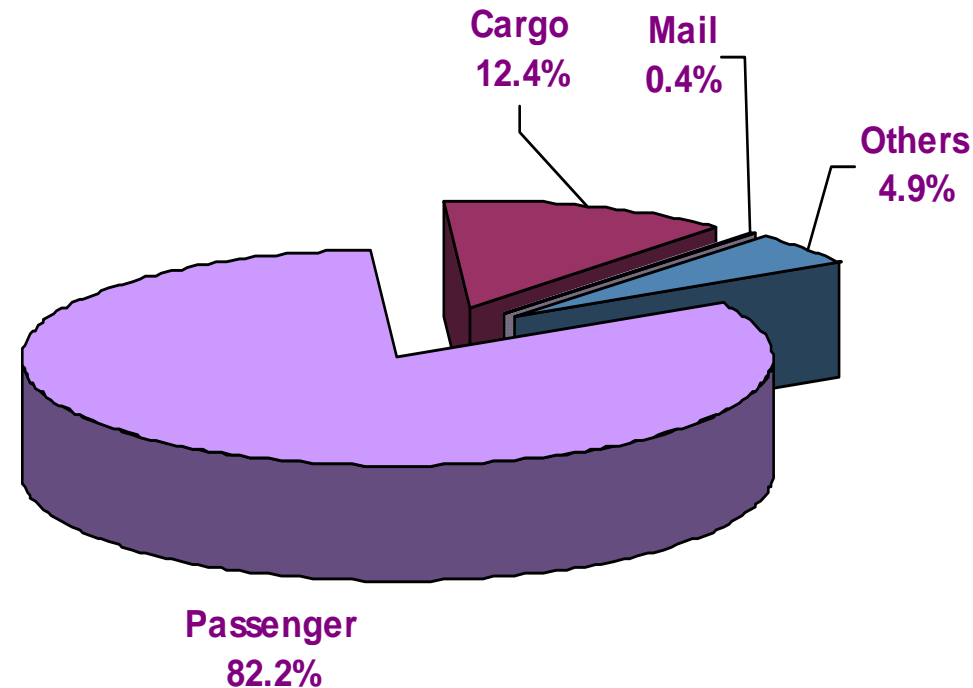
## 4. Financial Performance

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### Revenue Breakdown – Q2 06



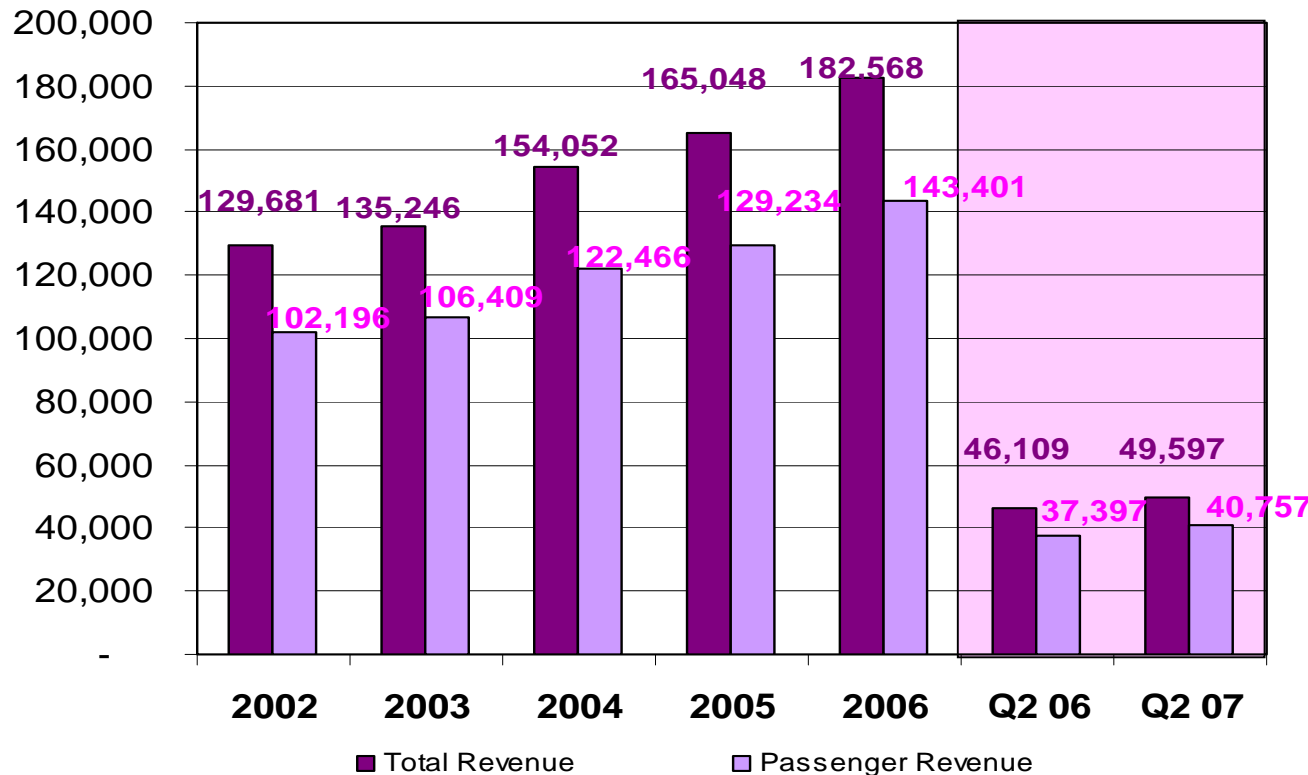
### Revenue Breakdown – Q2 07



# 4. Financial Performance

## Passenger Revenue

Units : THB mn

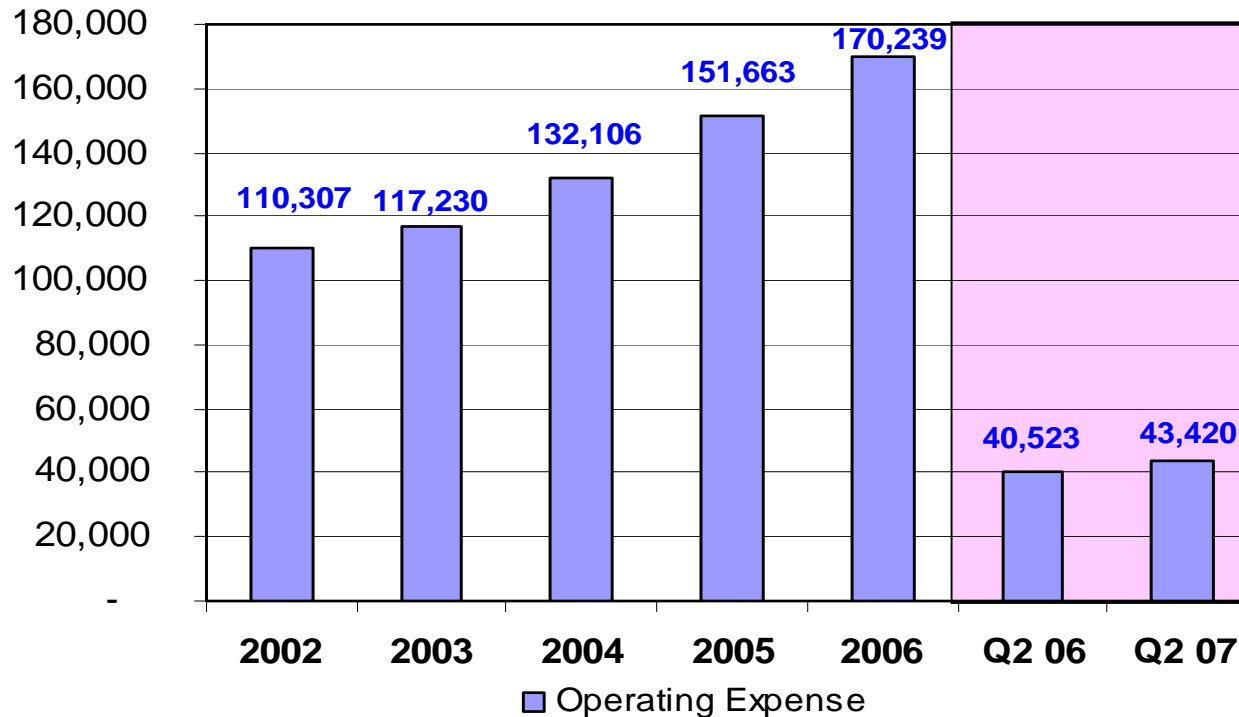


- 7% CAGR for both Total Revenue and Passenger Revenue growth
- Passenger revenue increased yoy by 8.99%
- Total revenue increased yoy by 7.57%

## 4. Financial Performance

### Operating Expense

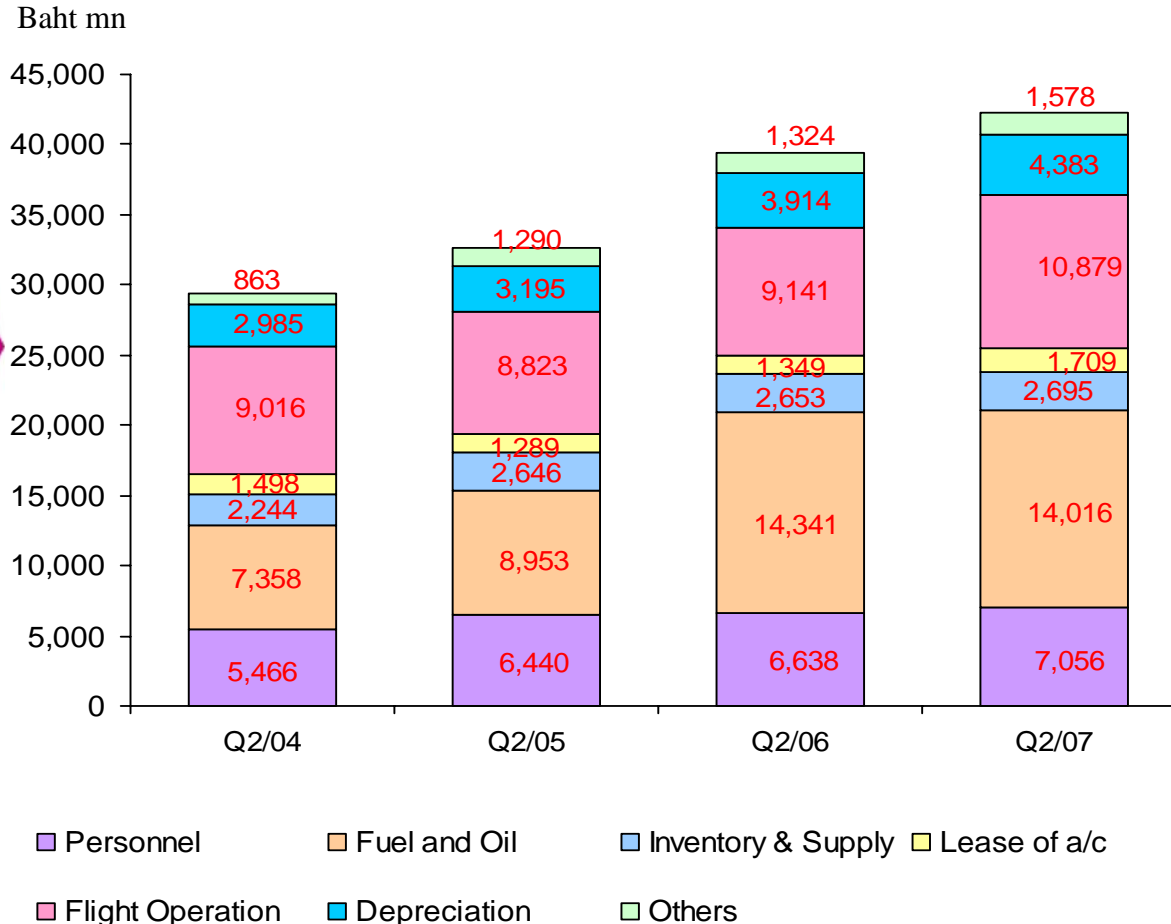
Units : MTHB



- Total expense increased yoy by 7.15%
- Higher personnel cost
- Higher flight operation cost
- Higher depreciation change

# Financial Performance

## Operating Expense

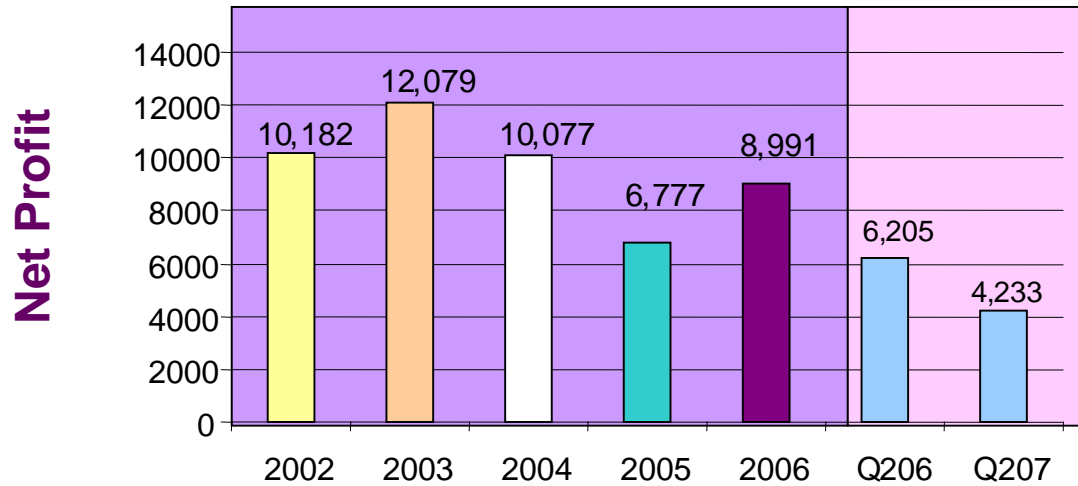


- **Personnel expense** – 16.25% of total expense
- **Aircraft Fuel expense** – 32.28% of total expense
- **Inventories and Supply expense** - 6.21% of total expense
- **Lease of Aircraft expense** - 3.94% of total expense
- **Flight Operations expense** - 25.06% of total expense
- **Depreciation expense** - 10.10% of total expense
- **Other Operating expense** - 3.64% of total expense



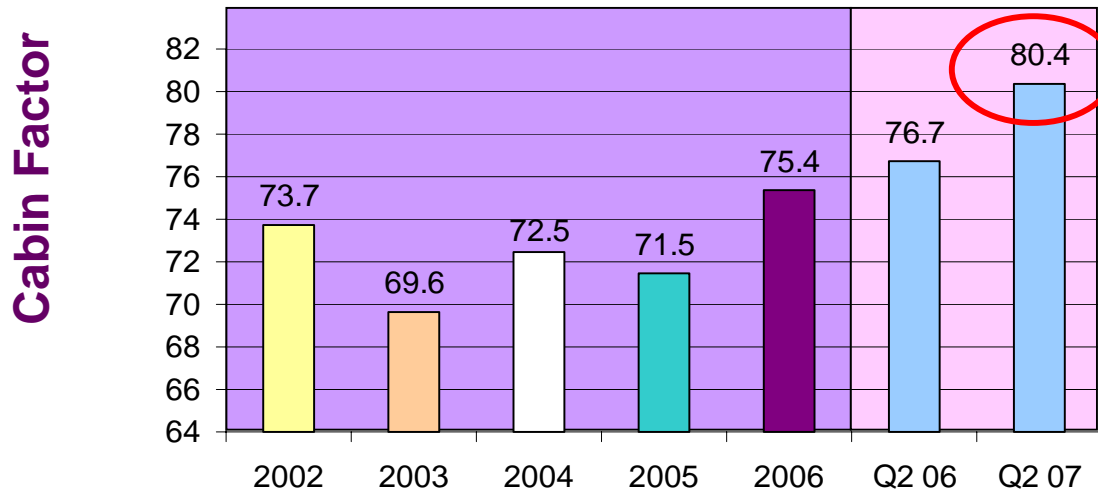
# 4. Financial Performance

Units : THB mn



- Yoy net profit lower from less FX gain

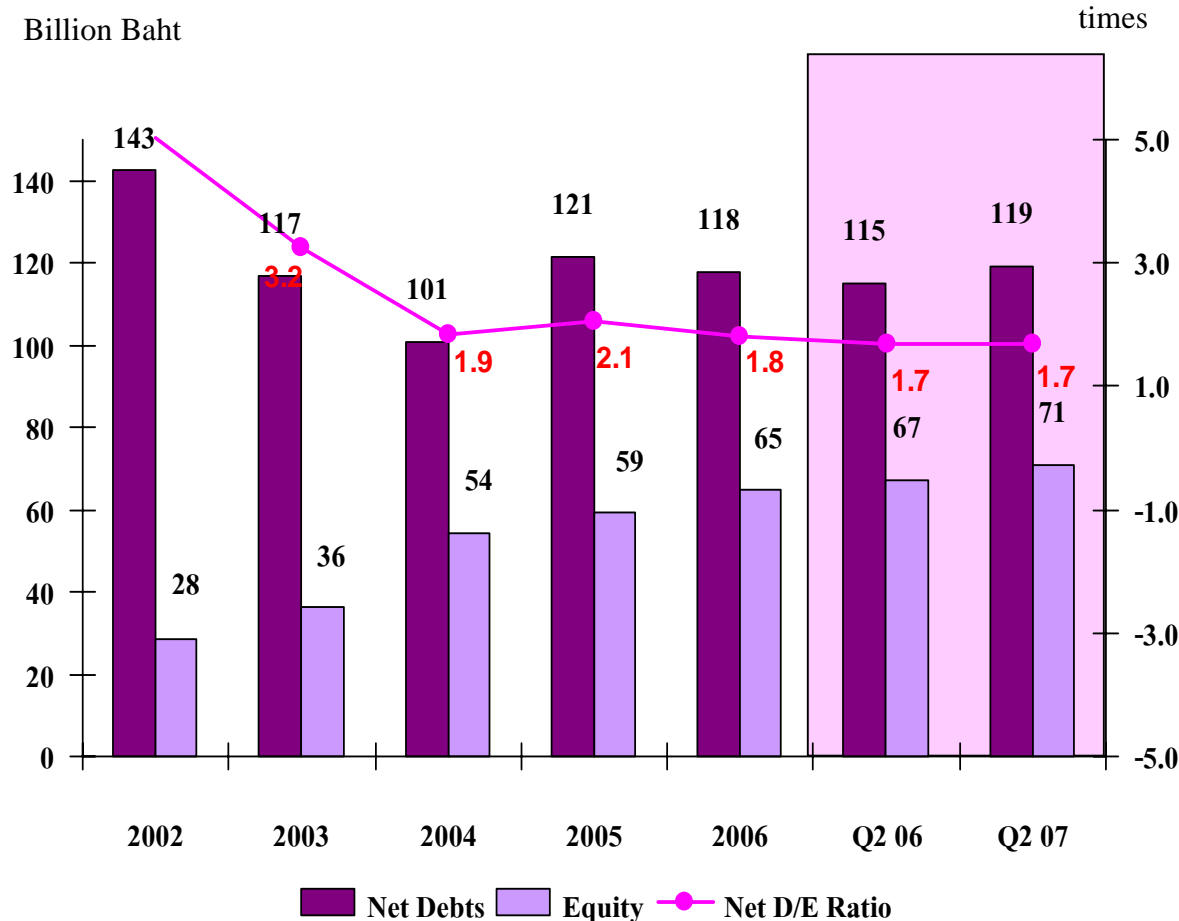
Units : %



- Active marketing targeting premium class
- Record level cabin factor in 2006
- Record high cabin factor in Q2 2007

# 4. Financial Performance

## Net Debt/Equity Ratio



- Debt reflects investments in new aircraft
- Repayments from strong cash flow will keep D/E in check

## 5. Going Forward

## 5. Going Forward

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- **Internal Streamlining** - continue restructuring
- **Enhance Asset Management** – increase aircraft utilization
- **Increase Frequency** - to profitable routes (China, India, Japan)
- **Build on Existing Strengths** - using SBIA as a hub

# 5. Going Forward

*Smooth as silk*



A STAR ALLIANCE MEMBER

Take the World. Touched by THAI.

Now reaching over 70 cities in 5 continents.\*

Whether on business or holiday, make every mile a memory. The gracious, personal warmth of Thai hospitality is unique throughout the world, and now you can enjoy it throughout the world.

*THAI. The touch that travels the world.*

\*New service to Johannesburg starting October 2006.

**BANGKOK**  
GLOBAL GATEWAY

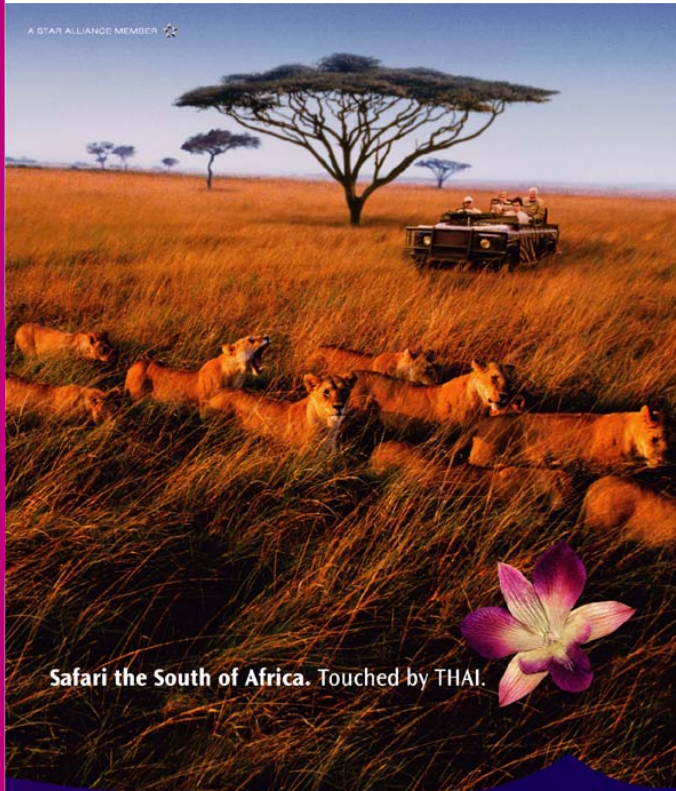
**THAI**  
*Smooth as silk*

[www.thaiflyways.com](http://www.thaiflyways.com)

# 5. Going Forward



Smooth as silk



Safari the South of Africa. Touched by THAI.



Cross the Harbor. Touched by THAI.



Sail the Equator. Touched by THAI.

**BANGKOK GLOBAL GATEWAY**

**Now reaching Johannesburg and South Africa.\***  
 Make every mile a memory to the safari and beyond. The gracious, personal warmth of Thai hospitality is unique throughout the world, and now you can enjoy it throughout the world.  
*THAI. The touch that travels the world.*  
\*New service to Johannesburg starting October 2005.

[www.thairways.com](http://www.thairways.com)

**BANGKOK GLOBAL GATEWAY**

**Now reaching Sydney and 3 other cities in Australia.**  
 Make every mile a memory to Oz and beyond. The gracious, personal warmth of Thai hospitality is unique throughout the world, and now you can enjoy it throughout the world.  
*THAI. The touch that travels the world.*

[www.thairways.com](http://www.thairways.com)

**BANGKOK GLOBAL GATEWAY**

**Now reaching Phuket and other 10 cities in Thailand.**  
 Whether on business or holiday, make every mile a memory to southern Thailand and beyond. The gracious, personal warmth of Thai hospitality is unique throughout the world, and now you can enjoy it throughout the world.  
*THAI. The touch that travels the world.*

[www.thairways.com](http://www.thairways.com)

# 5. Going Forward

Make a Parisian promise. Touched by THAI.

Now reaching Paris and other 11 cities in Europe. Whether on business or holiday, make every mile a memory to the city of light and beyond. The gracious, personal warmth of Thai hospitality is unique throughout the world, and now you can enjoy it throughout the world. THAI. The touch that travels the world.

BANGKOK AIRPORT GLOBAL GATEWAY

THAI Smooth as silk

www.thaiairways.com

Make a passage to India. Touched by THAI.

Now reaching Mumbai and 5 other cities\* in India. Whether on business or holiday, make every mile a memory to India and beyond. The gracious, personal warmth of Thai hospitality is unique throughout the world, and now you can enjoy it throughout the world. \*See www.thaiairways.com for details. THAI. The touch that travels the world.

BANGKOK AIRPORT GLOBAL GATEWAY

THAI Smooth as silk

www.thaiairways.com

New service Incredible India!

## Bodhgaya & Varanasi

Now serving 8 incredible cities throughout India.

Make every mile a memory, to the land of living history. Our new service takes you three times a week from Bangkok to Bodhgaya, a World Heritage site where Lord Buddha attained enlightenment. Then fly to the 4000-year-old city of Varanasi, a holy city on the Ganges river where you can still find some of India's finest silks. These seasonal services operate when both cities are at their most beautiful. They're just 2 of the 8 exotic Indian destinations you can experience with THAI's award-winning service. THAI. The touch that travels the world.

Route	Dept.	Arr.	Day	Flight
Bangkok - Bodhgaya	1025	1215	Mon, Wed, Sat	TG8820
Bodhgaya - Varanasi	1300	1350	Mon, Wed, Sat	TG8820
Varanasi - Bangkok	1445	1930	Mon, Wed, Sat	TG8821

Bodhgaya & Varanasi flight information\*

- Service from Oct. 30, 2006 - Mar. 24, 2007
- B737-400 aircraft (149 seats)
- Each flight offers 12 Royal Silk Class seats and 137 Economy Class seats.

\* Subject to change.

www.thaiairways.com