



THAI AIRWAYS INTERNATIONAL PCL.

COMPANY VISIT 1Q/2012



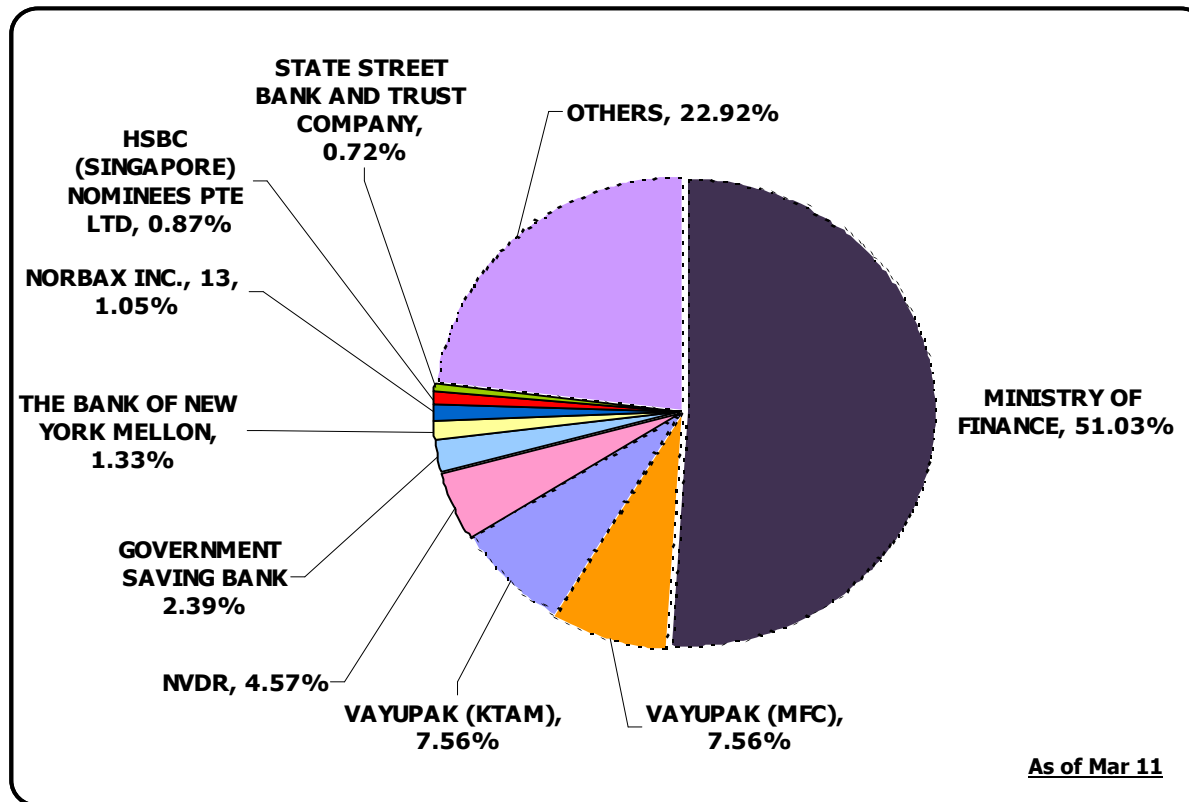
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The information contained herein is intended to represent the Company's operating and financial position at a given point in time and may also contain forward looking information which only reflects expectations based on the prevailing geo-political, 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 the Company's equity shares.

Company Facts

Major Shareholders



Thailand's National Flag Carrier

51% directly, 68% indirectly owned by the Royal Thai Government

Market Capitalization:

1,397 MUSD

(As of Jan 2012)

ORDINARY SHARES	Number of shares	Par (baht)	Total (baht)
Registered capital	2,698,900,950	10	26,989,009,500
Paid-up capital	2,182,771,917	10	21,827,719,170

Business Unit



Airline Portfolio



55%



49%



49%



49%



49%



Snap Shot



Jan.-Sept. 2011	MTHB	USD mn. Equiv.	% Change (YoY)
Assets	277,044	8,894	-1.5%
Total Revenue	147,371	4,731	+ 9.3%
Net Profit (Exclude FX)	- 1,484	- 48	- 132.0%

2011	Jan.-Dec.	% Change YoY
Passenger carried (Million)	18.4	+1.3%
Million Revenue Passenger Kilometers (MRPK)	55,267	-0.7%
Freight carried (tons)	689,640	-3.4%
Million Revenue Freight Ton Kilometers (MRFTK)	2,766	-4.4%

# of Aircraft	89*
Destinations Served	72
Countries Served	35

*Excluding 6 B 737-400 leased to Nok Air

Financial Performance

Ratios – 9M/2010 & 9M/2011

Ratios	units	9M/10	9M/11
Earnings Per Share	(THB)	6.99	-2.20
Net Profit	(MTHB)	11,958	-4,809
EBIT	(MTHB)	7,331	341
EBITDA	(MTHB)	22,658	15,257
Operating Profit Margin	(%)	5.5	0.2
Net Profit Margin	(%)	9.1	-3.3

Operating Summary

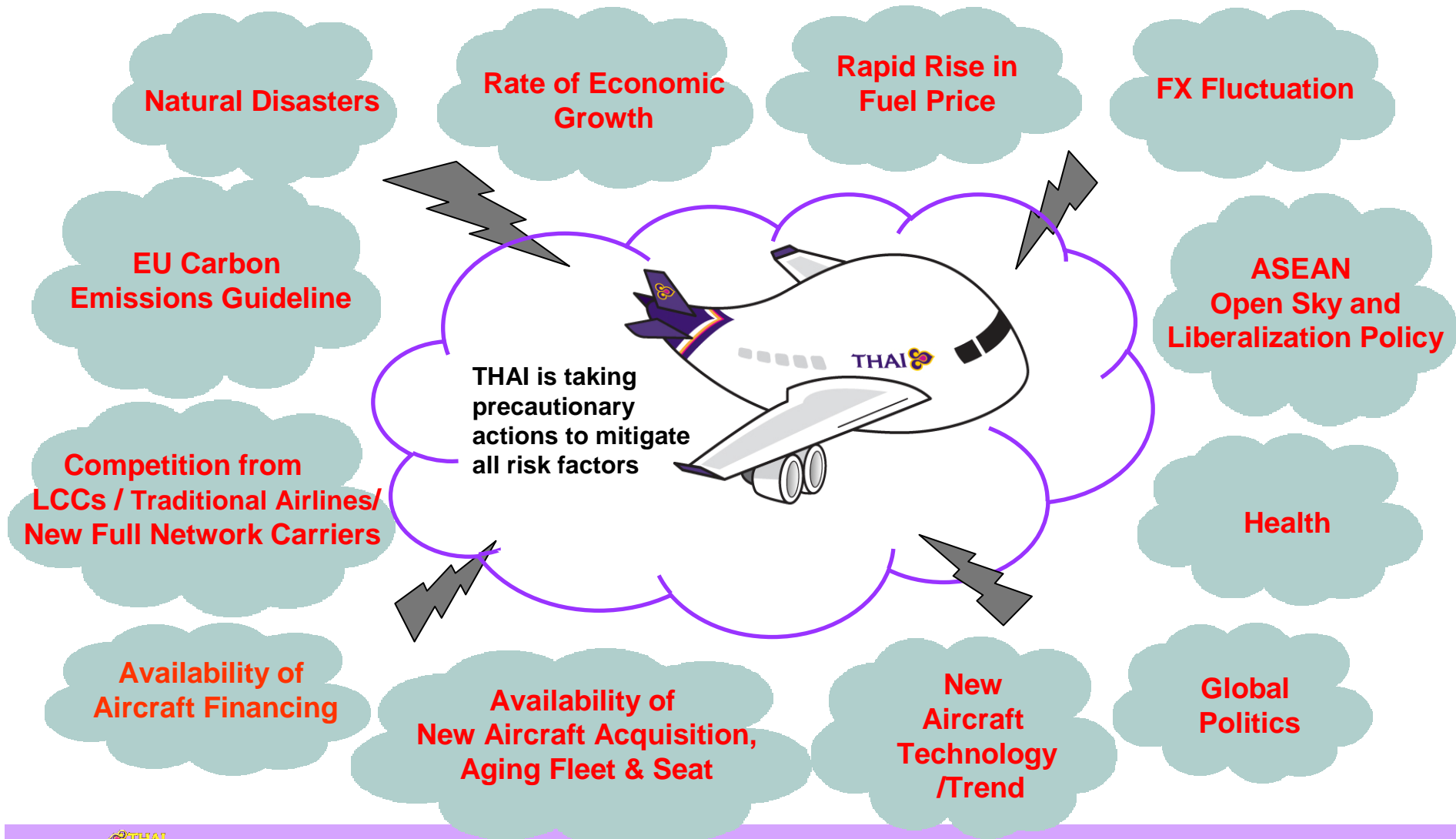
	Units	4Q/2011	4Q/2010	% Change	Jan.-Dec. 2011	Jan.-Dec. 2010	% Change
Passenger Production	MASK	19,953	19,734	+1.1%	78,533	75,600	+3.9%
Passenger Traffic	MRPK	12,968	14,569	-11.0%	55,267	55,676	-0.7%
Cabin Factor	%	65.0	73.8	-12.0%	70.4	73.6	-4.4%
Passenger Yield*	THB/km	2.75 (Jan-Dec)	2.57 (Jan-Dec)	+7.0%	2.75	2.57	+7.0%
Freight Production	MADTK	1,210	1,288	-6.1	4,919	4,708	+4.5%
Freight Traffic	MRFTK	669	778	-14.0	2,766	2,895	-4.4%
Freight Factor	%	55.3	60.4	-8.5	56.2	61.5	-8.6%
Freight Yield*	THB/km	9.89 (Jan-Dec)	9.50 (Jan-Dec)	+4.1%	9.89	9.50	+4.1%
Avg. Fuel Cost	USD/gallon	(E) 3.14	2.39	+31.4	(E) 3.12	2.25	+38.7%

Note : Yield includes fuel surcharge



Factors of Concern

Factors Affecting Aviation Business



New Strong Competitors from Middle East



Middle East HUB
Emirates Qatar Etihad

THAI surrounded by LCC

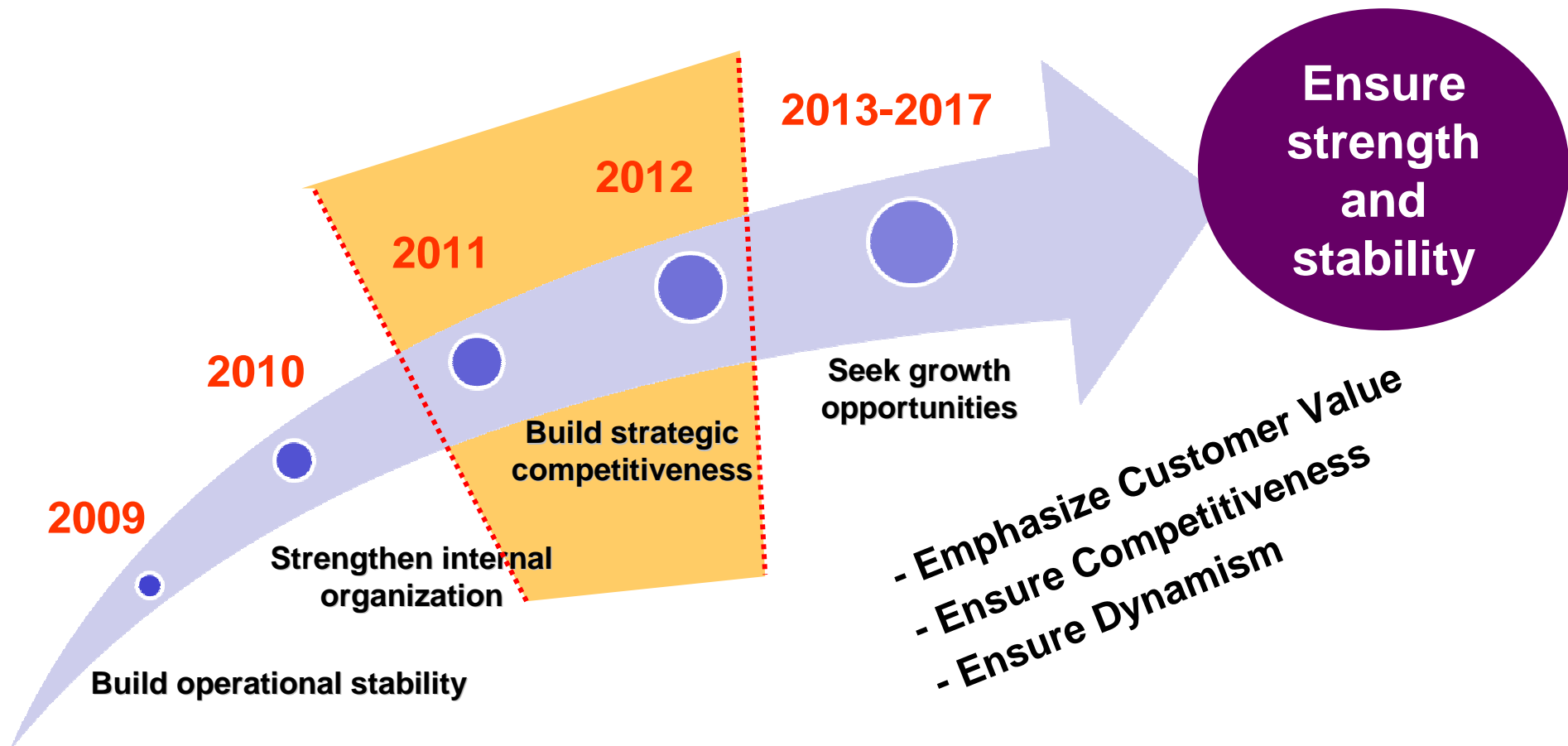


LCC	Fleet	Order
AirAsia	106	284
Cebu Pacific	33	55
Indigo	43	232
Jetstar	79	32
Lion Air	65	360
Silk Air	19	-
SpiceJet	34	44
Tiger Airways	17	-
Total	396	1007

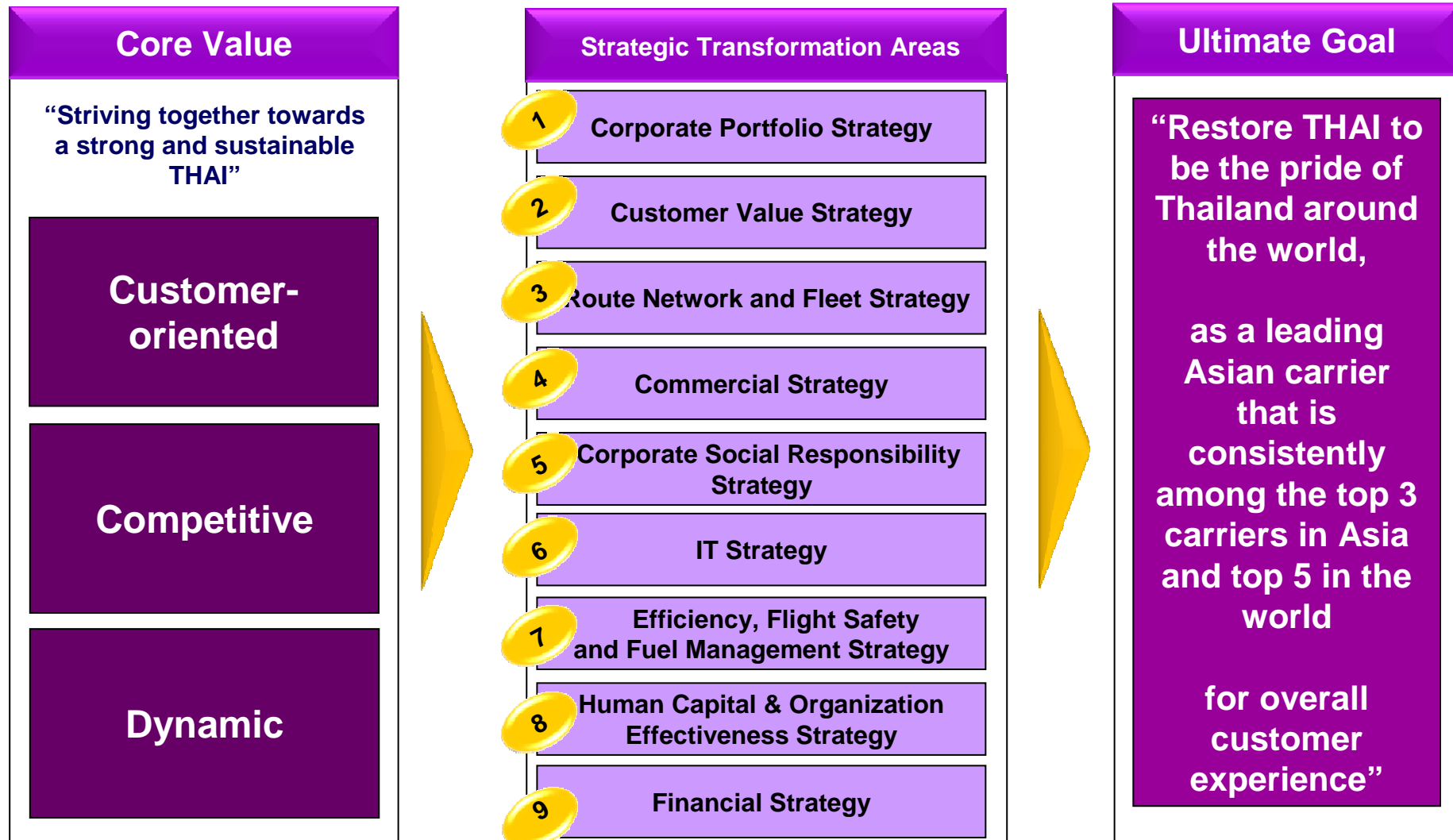
Note:

- Fleets shown only effected to THAI
- Leased aircraft not included

Overarching Strategic Plan



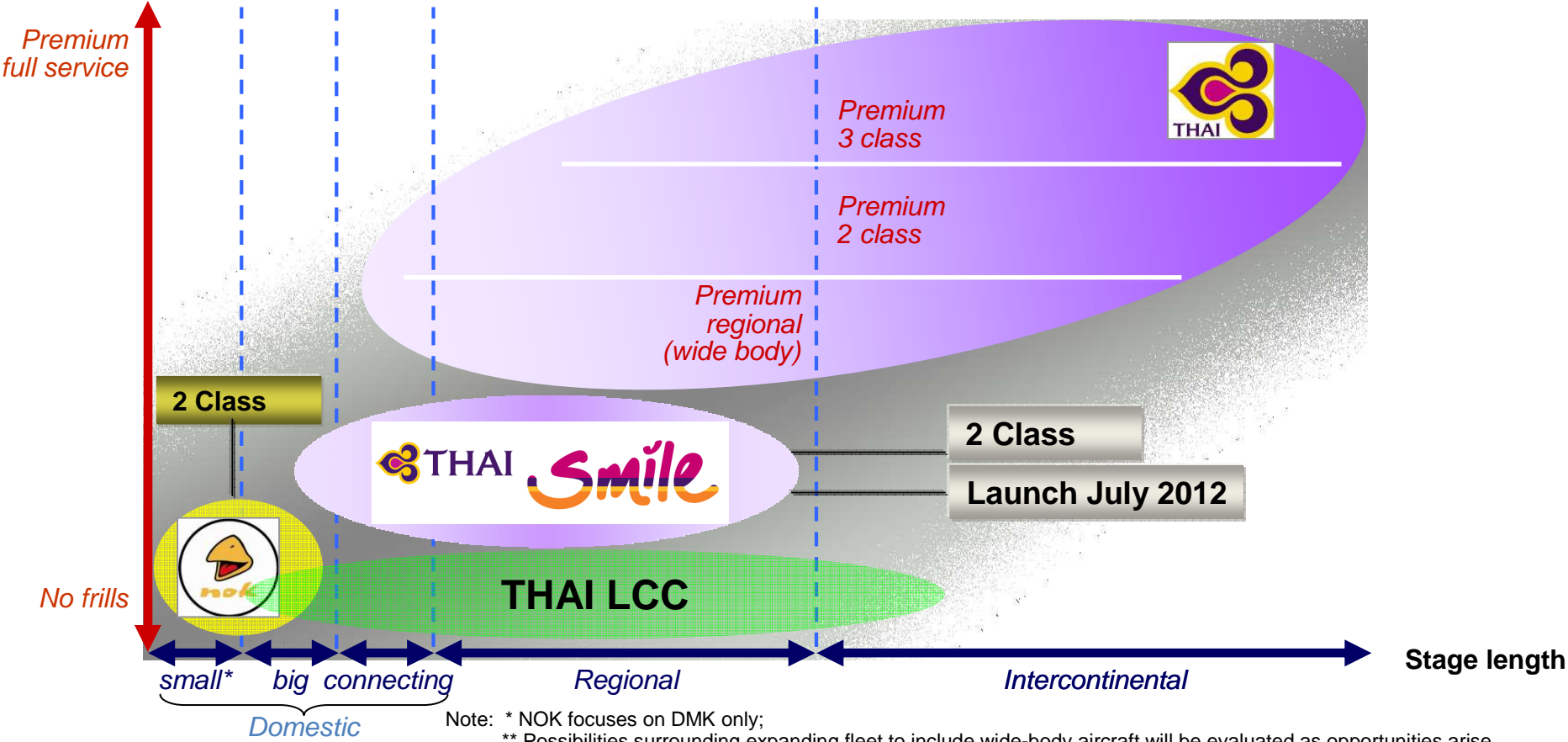
Overall Strategic Roadmap



Strategy to close THAI's business gap

THAI Smile to complement THAI's product offering

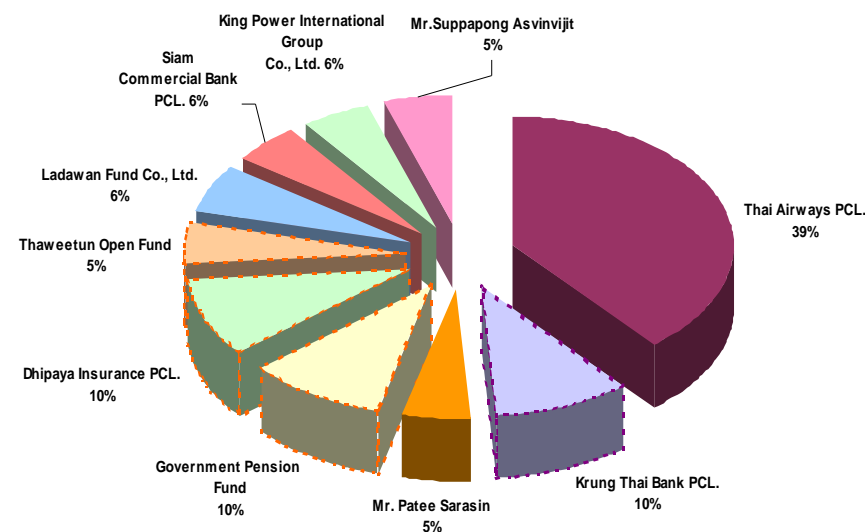
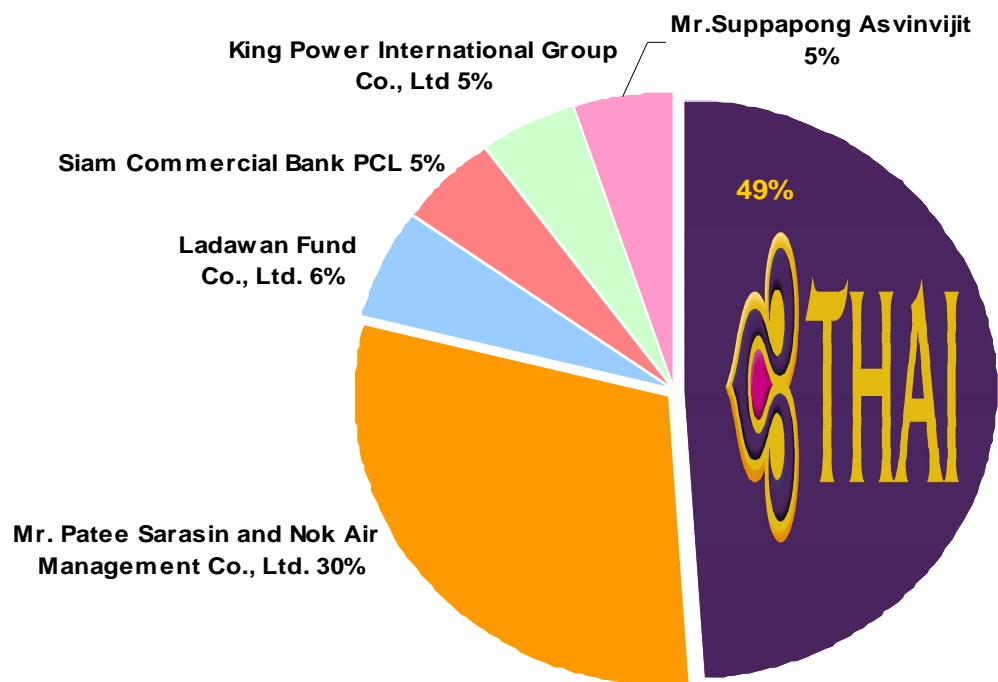
Brand positioning matrix for THAI and affiliated companies



Nok Airlines's Shareholder



(The old proportion)



THAI Smile's Strategies

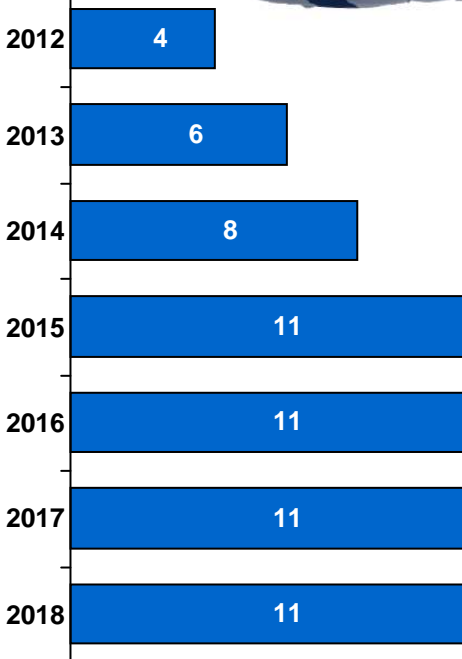
THAI Smile's first flight will commence on July 1st, 2012 after receiving first brand new aircraft in June 2012



Brand new narrow body aircraft



of aircraft



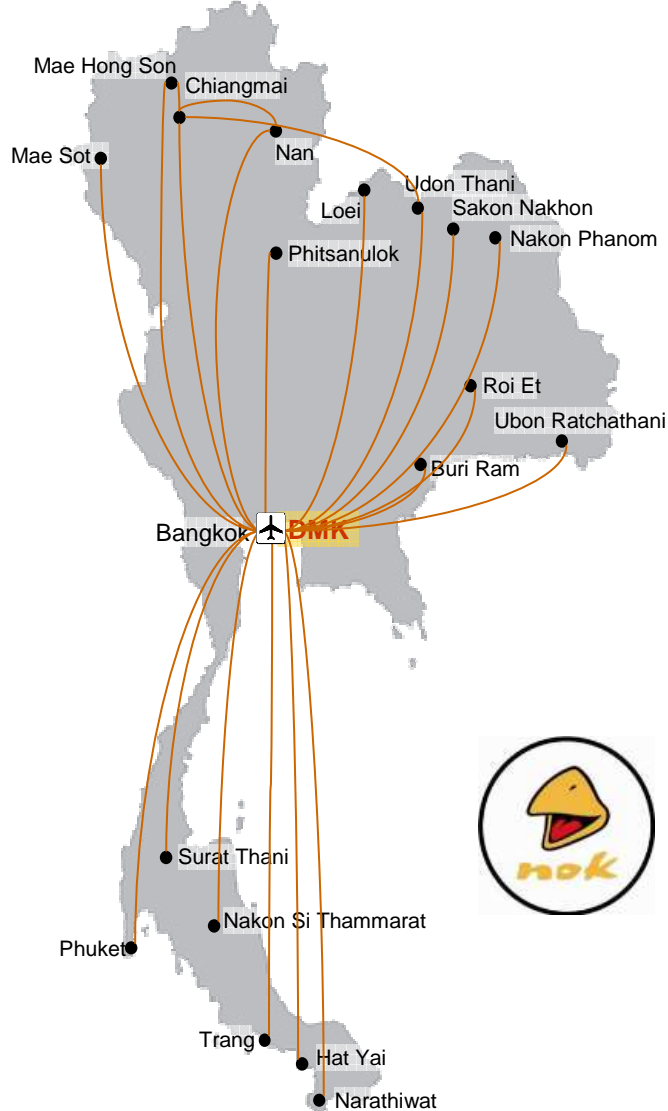
Fleet Plan (2012F-18F)

BRAND

Positioning	Differentiation	Character	Value
Affordable Light Premium	Good Price High Value	Trendy Friendly Worthy	Reliable Enjoyable Valuable
			

Nok Air & THAI Smile Routes Network

**Nok Air base at DMK,
operates only domestic point-to-point.**



**THAI Smile base at BKK,
operates in domestic and regional secondary routes
and synchronize with TG network.**



Current Fleet

Current Fleet: 89 Aircraft

51% of O **9% of OL** **40% of FL**
 O=Owned OL=Operating lease FL=Financial lease

(Note: Approximately)



Aircraft Type	Version	# of Aircraft	# of Seat					Financial Method
			First	Business	Premium Economy	Economy	Total	
A300-600	36R1	6	N.A.	46	N.A.	201	247	11 O
	3452	5	N.A.	28	N.A.	232	260	
A340-500	3452	4	N.A.	60	42	113	215	1 O, 3 FL
A340-600	3461	6	8	60	N.A.	199	267	6 FL
A330-300	3302	12	N.A.	42	N.A.	263	305	10 O, 10 FL, 2 OL
	3303	10	N.A.	36	N.A.	263	299	
B737-400	7341	5	N.A.	12	N.A.	137	149	2 FL, 3 OL
B747-400	7442	6	14	50	N.A.	325	389	11 O, 5 FL
	7443	10	10	40	N.A.	325	375	
B777-200	7723	8	N.A.	30	N.A.	279	309	6 O, 2 OL
B777-200ER	77E1	6	N.A.	30	N.A.	262	292	6 FL
B777-300	7732	5	N.A.	34	N.A.	330	364	6 FL
	7732 TKE	1	N.A.	34	N.A.	325	359	
B777-300ER	7739	5	8	30	N.A.	274	312	5 OL
Total		89	40	532	42	3,528	4,142	39 O, 38 FL, 12 OL

Aircraft utilization: 11.7 hours/day (Jan. – Nov. 12)
11.4 hours/day (Jan. – Nov. 11)

Note: Exc. 2 of ATR-72 }
 4 of 737-400 } leased to Nok

N.A.. = Not available)



Aircraft Delivery Plan

NEW A/C DELIVERY	2011	2012	2013	2014	2015	2016	2017	TOTAL
A380-800	-	3 (FL)	3 (FL)	-	-	-	-	6
B777-300ER	-	2 (OL)	6 (OL)	3 (FL)	3 (FL)	-	-	14
B777-300ER (Jet Airways)	1+1 (OL)							2
A330-300	5+2 (FL)	3 (FL)	2 (FL)	-	-	-	-	12
A350-900	-	-	-	-	-	2 (FL) + 2 (OL)	2 (FL) + 6 (OL)	12
B787-9	-	-	-	-	-	-	2 (OL)	2
B787-8	-	-	-	4 (OL)	2 (OL)	-	-	6
A320	-	4 (OL)	2 (OL)	2 (FL)	3 (FL)	-	-	11
TOTAL	9	12	13	9	8	4	10	65

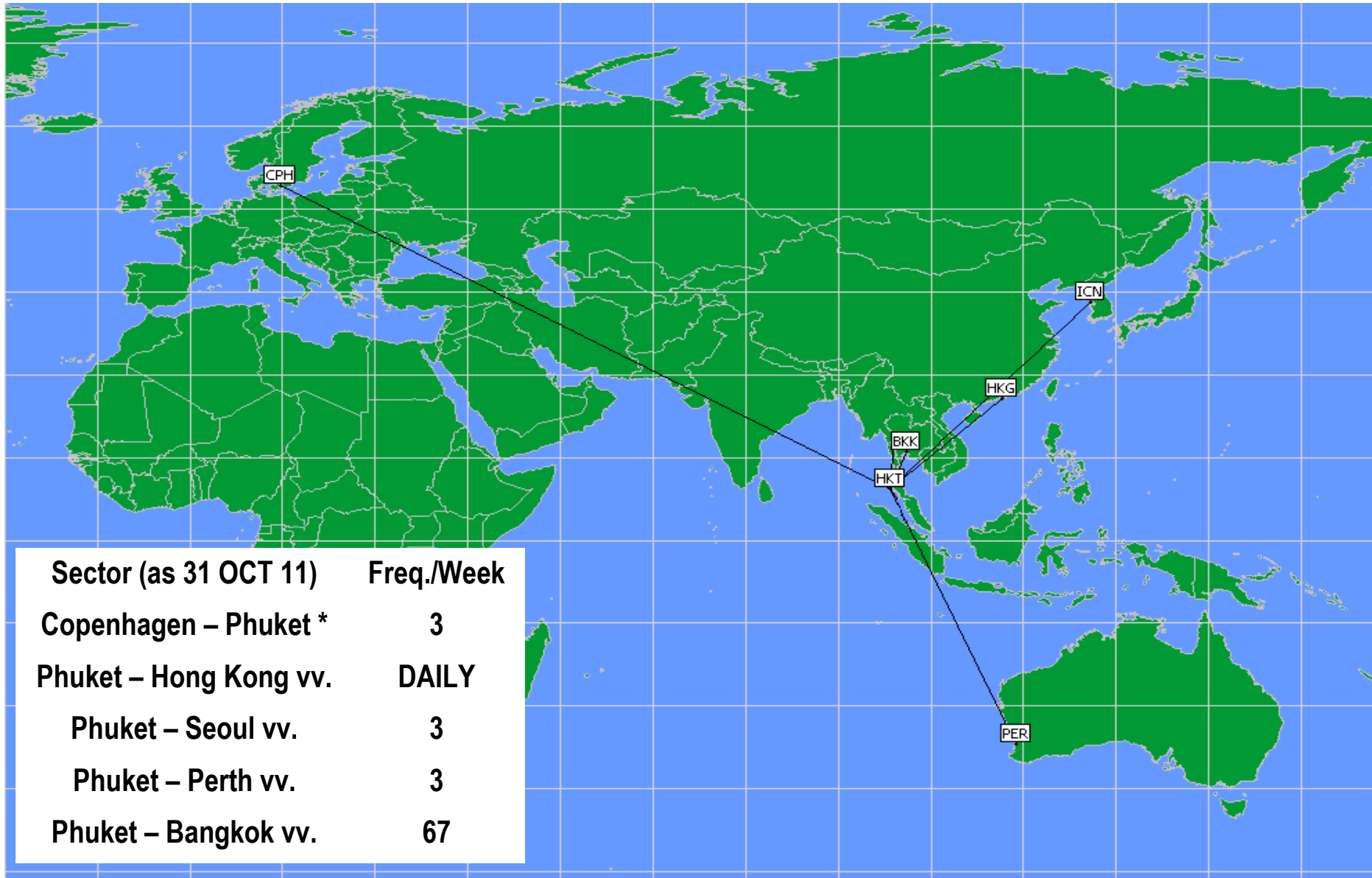
Note : OL = Operating lease
FL = Financial lease

Phase Out Plan











PHASE-OUT PLAN	2011	2012	2013	2014	2015	2016	2017	TOTAL
B747-400	2*	2	2					6
B777-300ER (Jet Airways)			5					5
A340-500		2	2					4
A340-600					2	2	2	6
B777-200							2	2
A330-300							3	3
A300-600	2	4	2	3	2			13
B737-400		3**	1**	2	3			9
ATR-72			2					2
TOTAL	4	11	14	5	7	2	7	50

Note : * To be converted to cargo planes
 ** Return from Nok Air

THAI Phuket Route Network



Upgrades and Retrofit Schedule

	# of Aircraft	First	Business	Economy	Tentative Completion
B747-400 No. 7-12	6				<ul style="list-style-type: none"> ■ Jun. - Dec. 2011* (Four have been completed)
B747-400 No. 13-18	6				<ul style="list-style-type: none"> ■ Apr.-Oct. 2012
B777-200 No. 1	1				<ul style="list-style-type: none"> ■ Dec. 2011 *
B777-200 No. 2-8	7				<ul style="list-style-type: none"> ■ Mar. – Dec. 2012*

* Note: Completion of retrofit has been postponed due to flooding @ Don Mueang but will likely be completed by 2012

New Aircraft A330 & A380

New Airbus A330-300

Royal Silk Class



Economy Class



New Airbus A380-800

Royal First class



Royal Silk Class



Economy Class



Aircraft lease to Supplement Capacity

- Leased 3 B777-300ER aircraft from Jet Airways for 3 years
- Another 2 B777-300ER will be leased from Jet Airways : August and November 2011
- Used on European flights and to replace routes where older A330-300 aircraft flies in the region

First Class Seats



High level of Privacy

Business Class Seats



Economy Class Seats



Building Customer Value

Ongoing enhancement and improvement in products and services at all touch points and the use of KPIs to ensure consistent quality service

Food & Beverage



Minimize Time for Baggage Claim



Increase Selection of Entertainment



Call Center



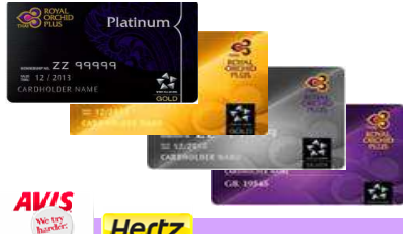
Internet check-in with home print boarding pass



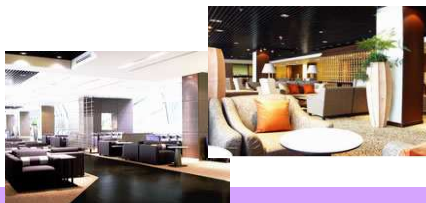
E-Service



Royal Orchid Plus



Premium Lounges



Fuel Management

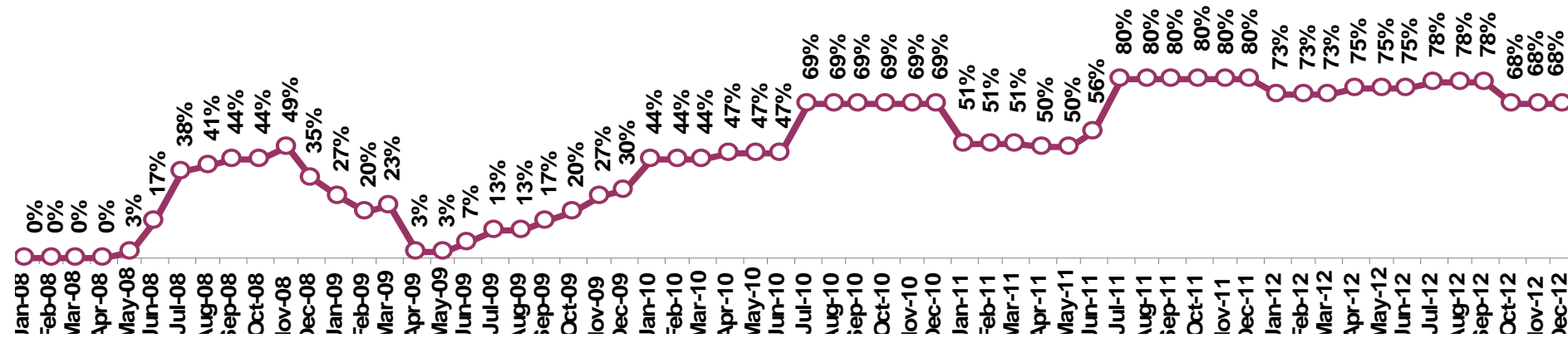
Minimum 20% fuel hedging requirement to mitigate risk of rapid fuel cost rise

Hedging Volume			
>80%	Board Authority		
>60<=80%	Fuel Price Risk Management Committee (President, EVP Finance & Accounting, VP, Director and Department)		
>30<=60%	VP, Director and Department Level Decision		
>20<30%			
<=20%	Board Authority		
		1m 2m 3m 4m 5m 6m 7m 8m 9m 10m 11m 12m 13m 14m 15m 16m 17m 18m >18 months	Contract Period

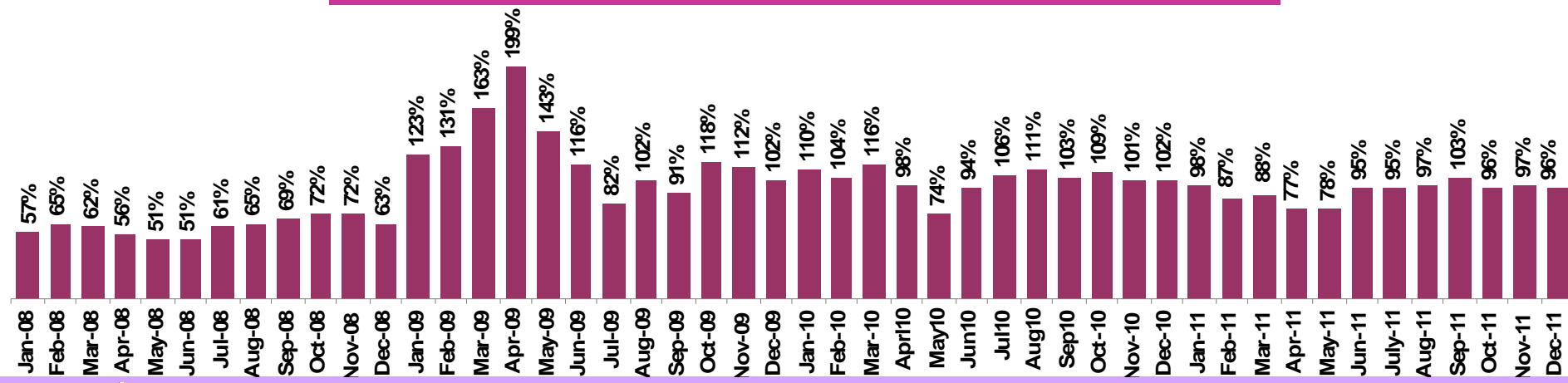
Fuel Management

Hedging combined with fuel surcharge greatly mitigates fuel price fluctuation risk

Monthly fuel hedging 2008-2011 - % of consumption by month



Percentage of Fuel Surcharge & Hedging Coverage



IT Development



Infrastructure



**Redesign and Migrate to Cloud
E-Payment Gateway
Mobile Capability**

Data Management

Enterprise Resource Planning (ERP)

Internal Cooperation

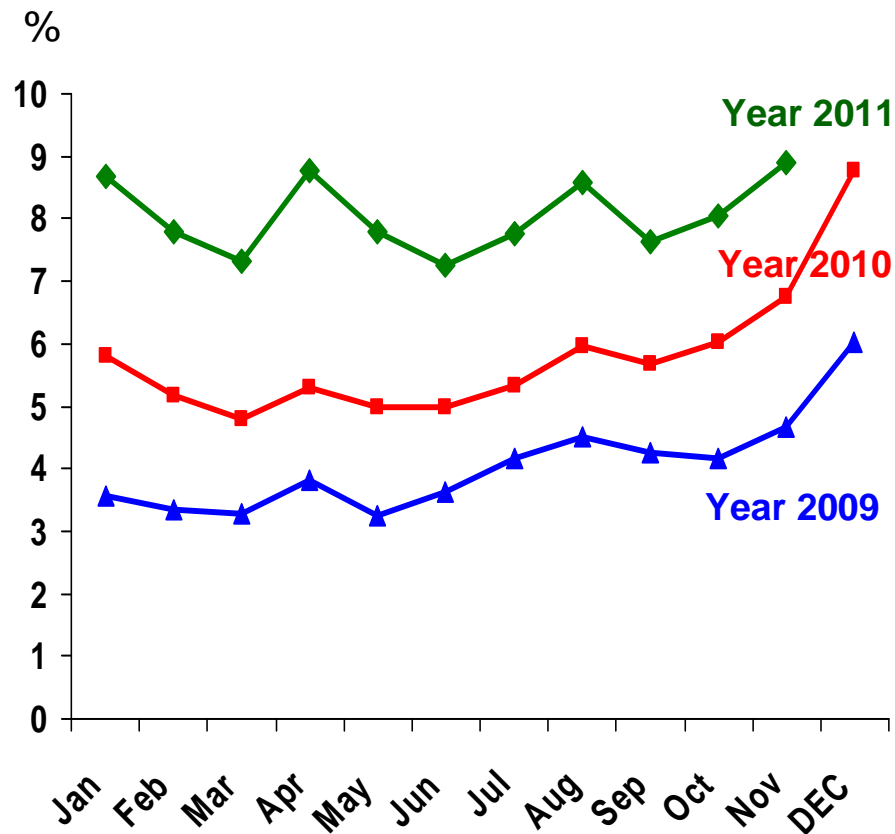
E-Collaboration / Knowledge management

Revenue Enhancement

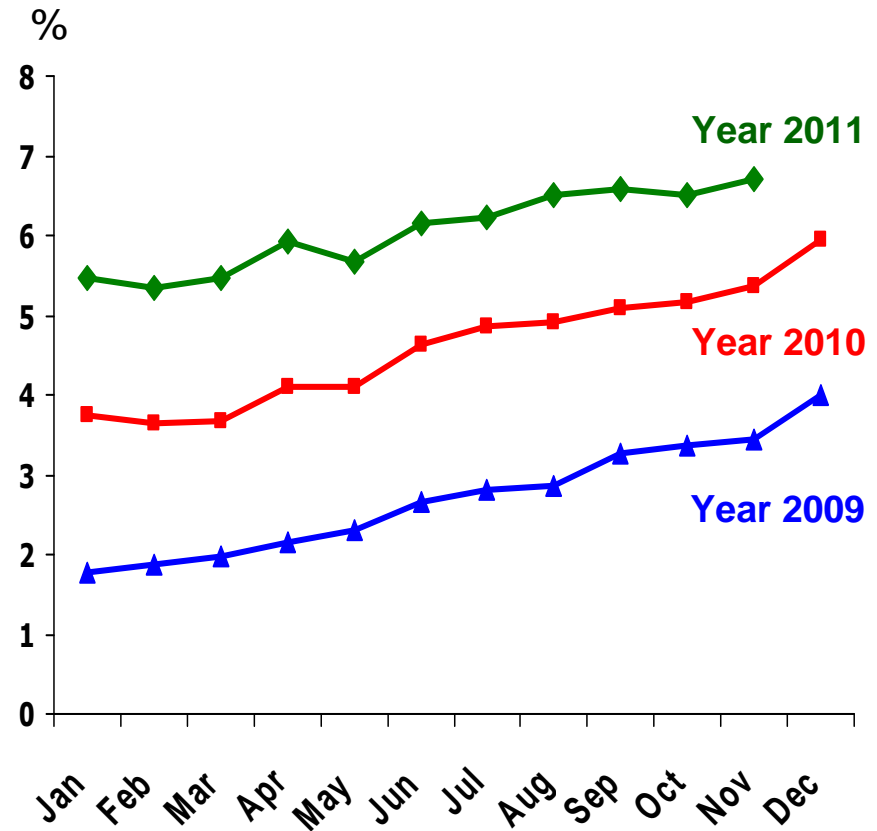
CRM / Cross Function Database

Statistic on Internet Check-in

Ticket Sales Via Internet

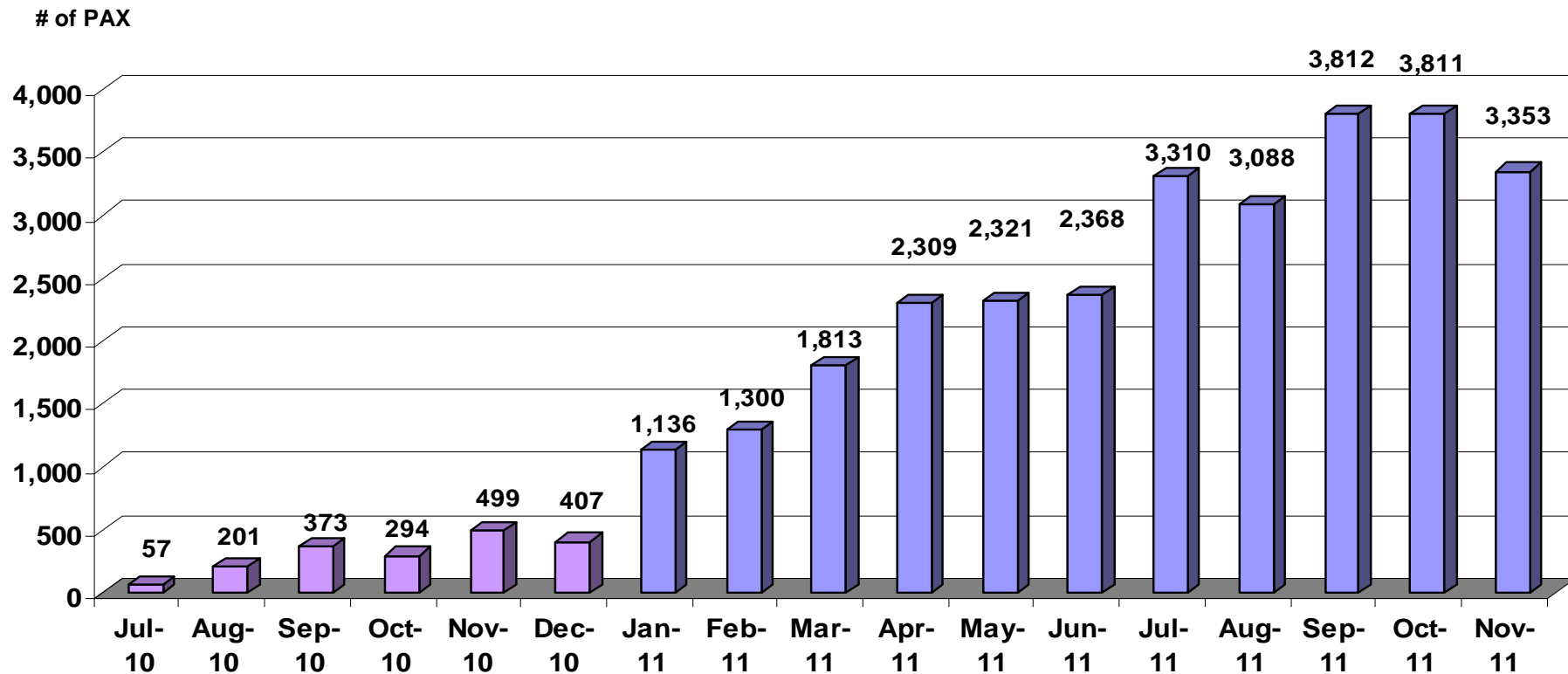


Check-in via Internet

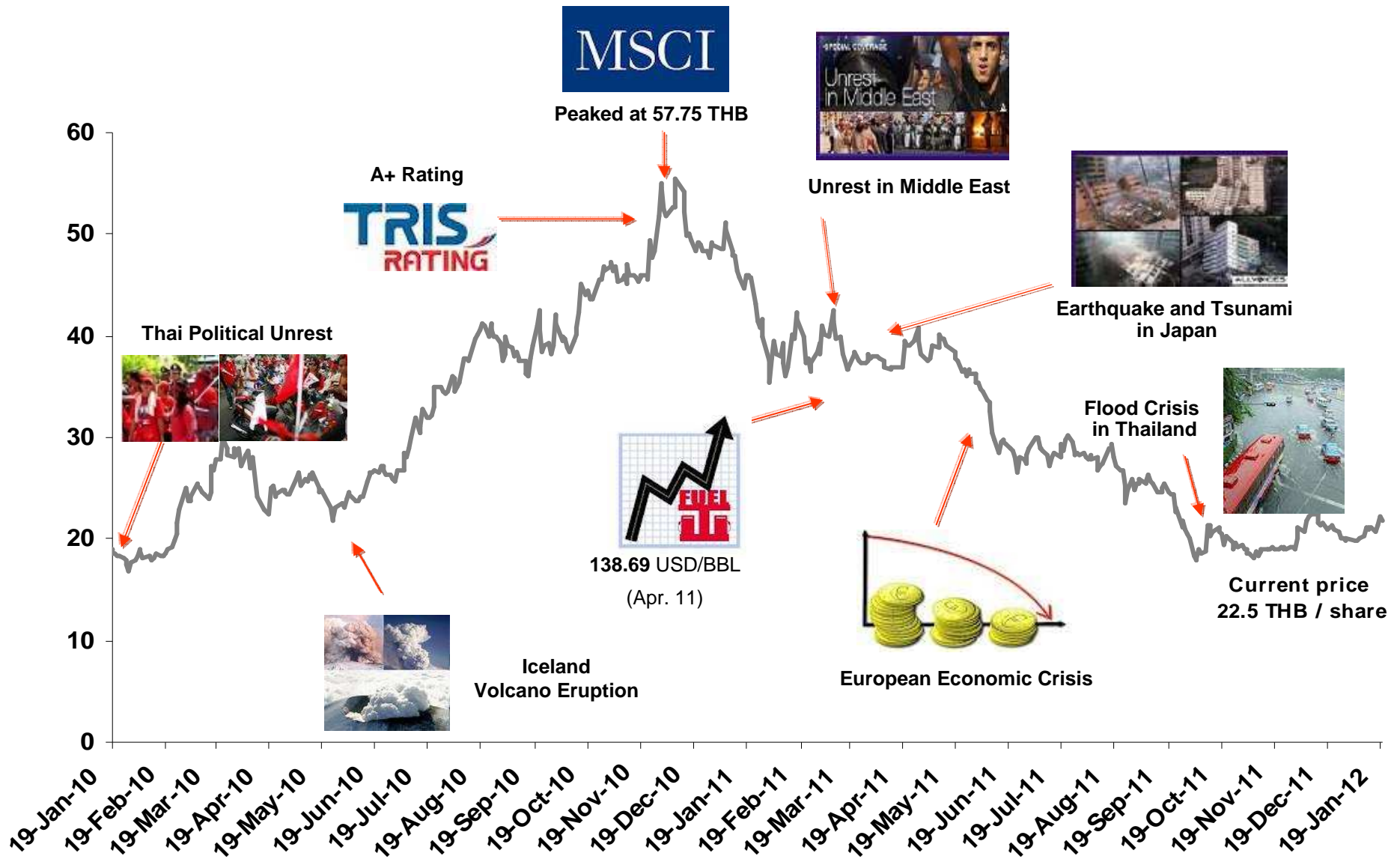


Statistic on use of E-Services

Check-in via Mobile (<http://m.thaiairways.com>)



Price Volatility from External Events



Awards and Accolades

Achieved Top 5 in the World and Targeting Top 3 in Asia

The World's Top Ten Airlines – Skytrax

	2011	2010	2009
★★★★★ QATAR	1	3	4
★★★★★ SINGAPORE AIRLINES	2	2	2
★★★★★ ASIANA AIRLINES	3	1	3
★★★★★ CATHAY PACIFIC	4	4	1
★★★★ THAI	5	9	10
★★★★ ETIHAD	6	6	7
★★★★ ANA	7	5	8
★★★★ QANTAS	8	7	6
★★★★ TURKISH AIRLINES	9	-	-
★★★★ Emirates	10	8	5

Source: Skytrax

Skytrax 2011 

Best Airline Seat - Economy Class
Best On Board Catering – Economy Class

Business Traveler's Award 2011 


2nd for Best Airline
2nd for Best Asia-Pacific Airline
3rd for Best Business Class
3rd for Best Economy Class
2nd for Best Frequent-Flyer Programme
3rd for Best Airline Lounge in Asia-Pacific

Norwegian Grand Travel Award 2011

Best Intercontinental Airline

TTG Award 2011

Best Business Class
Best Southeast Asian carrier

Skytrax 2010 

Best Airline Lounge – First Class
Best Airport Services

Go Asia Award

Best Asian carrier

