

(UNOFFICIAL TRANSLATION)

REVIEWED REPORT OF AUDITOR

TO : THE SHAREHOLDERS OF THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED

The Office of the Auditor General has reviewed the accompanying consolidated and the Company balance sheets as at March 31, 2009, the related consolidated and the Company statements of income, changes in shareholders' equity and cash flows for the three - month periods ended March 31, 2009 and 2008, of Thai Airways International Public Company Limited and its subsidiary. These financial statements are the responsibility of the Companies' management as to their correctness and completeness of the presentation. The responsibility of the Office of the Auditor General is to express an opinion on these financial statements based on its reviews.

The Office of the Auditor General conducted the review in accordance with the auditing accounting standards. Those standards require that the Office of the Auditor General plans and performs the review to obtain reasonable assurance about whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical comparison of financial data and thus provides less assurance than an audit according to Generally Accepted Accounting Standards. Therefore, the Office of the Auditor General does not express an opinion to these reviewed financial statements.

Based on this review, nothing has come to the Office of the Auditor General's attention that causes its to believe that these accompanying consolidated and the Company balance sheets are not presented fairly, in all material respects, in accordance with the Generally Accepted Accounting Principles.

The Office of the Auditor General had audited the financial statements for the year ended December 31, 2008 of Thai Airways International Public Company Limited and its subsidiary in conformity with the Generally Accepted Accounting Standards and expressed an unqualified opinion according to the report dated February 23, 2009. The consolidated and the Company balance sheets as at December 31, 2008, presented here to compare, are one part of the financial statements which were audited and reported by the Office of the Auditor General without applying other auditing methods after the date in those reports.

Without qualifying an opinion on these financial statements, the office of the Auditor General of Thailand would like to draw attention to :

1. Note to the financial statement No. 3, Guideline to Resolve Business Operation Problems and Liquidity
2. Note to the financial statement No. 4.19, Contingent Liabilities
3. Note to the financial statement No. 4.21, Events After the Balance Sheet

Date

(Signed) *Duangta Jantong*
(Duangta Jantong)
Deputy Auditor General

(Signed) *Gadmanee Kitwannee*
(Gadmanee Kitwannee)
Director of Auditor Office

May 12, 2009

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

AS AT MARCH 31, 2009 AND DECEMBER 31, 2008

Units : Baht

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>31-Mar-09</u> (unaudited) (reviewed)	<u>31-Dec-08</u> (audited)	<u>31-Mar-09</u> (unaudited) (reviewed)	<u>31-Dec-08</u> (audited)
ASSETS					
Current Assets					
Cash and cash equivalents	4.1	10,028,389,722	7,494,439,429	9,950,684,857	7,452,416,947
Current investment		530,000,000	530,000,000	-	-
Trade account receivables-net	4.2	14,884,010,249	15,828,787,561	14,843,451,562	15,793,218,252
Inventories and supplies-net		6,407,480,075	6,779,288,740	6,407,480,075	6,779,288,740
Other current assets	4.3	10,922,662,725	11,485,749,336	10,858,694,470	11,442,956,974
Total Current Assets		42,772,542,771	42,118,265,066	42,060,310,964	41,467,880,913
Non-Current Assets					
Investments in associated company	4.4.1	1,335,904,155	1,337,095,375	723,520,500	723,520,500
Investments in subsidiary companies	4.4.1	-	-	8,250,000	8,250,000
Other long-term investments	4.4.2	89,039,552	87,996,063	89,039,552	87,996,063
Property, Plant and Equipment-Net	4.6	207,400,223,678	207,063,975,232	207,371,169,638	207,031,025,112
Intangible assets-net	4.7	761,089,925	807,891,935	756,751,987	803,584,846
Deferred income taxes	4.8	6,259,305,991	6,405,772,675	6,240,585,017	6,388,074,822
Other non-current assets	4.9	1,732,721,043	1,713,587,906	1,732,721,043	1,713,587,906
Total Non-Current Assets		217,578,284,344	217,416,319,186	216,922,037,737	216,756,039,249
Total Assets		260,350,827,115	259,534,584,252	258,982,348,701	258,223,920,162

The accompanying notes are an integral part of these financial statements.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

BALANCE SHEETS

AS AT MARCH 31, 2009 AND DECEMBER 31, 2008

Units : Baht

	Notes	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>31-Mar-09</u> (unaudited) (reviewed)	<u>31-Dec-08</u> (audited)	<u>31-Mar-09</u> (unaudited) (reviewed)	<u>31-Dec-08</u> (audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Bank overdrafts and short-term loans from financial institutions		16,930,000,000	16,930,000,000	16,930,000,000	16,930,000,000
Trade account payables		6,634,852,162	7,106,257,364	6,629,353,094	7,100,123,580
Short-term loans from related parties		5,277,344,570	4,558,272,000	5,277,344,570	4,558,272,000
Current portion of long-term loans					
Debentures		7,500,000,000	7,500,000,000	7,500,000,000	7,500,000,000
Long-term loans from related parties		1,072,000,000	572,000,000	1,072,000,000	572,000,000
Liabilities under financial leases		9,834,680,609	10,153,590,708	9,834,680,609	10,153,590,708
Promissory notes from related parties		650,000,000	650,000,000	650,000,000	650,000,000
Promissory notes from others		400,000,000	400,000,000	400,000,000	400,000,000
Short - term provisions		458,200,000	458,200,000	458,200,000	458,200,000
Other current liabilities					
Accrued expenses		13,239,482,166	15,757,105,163	13,218,411,815	15,734,092,814
Accrued dividends		71,168,851	71,253,242	71,168,851	71,253,242
Accrued income taxes		52,802,716	34,188,813	-	-
Unearned transportation revenues		24,242,304,587	30,262,520,143	24,242,304,587	30,262,520,143
Others		4,311,479,824	4,129,561,091	4,288,122,249	4,108,245,787
Total Current Liabilities		90,674,315,485	98,582,948,524	90,571,585,775	98,498,298,274
Non-Current Liabilities					
Long-term debts					
Debentures		40,290,000,000	35,500,000,000	40,290,000,000	35,500,000,000
Long-term loans from related parties		6,586,516,000	4,831,296,000	6,586,516,000	4,831,296,000
Liabilities under financial leases		59,813,141,642	65,335,908,882	59,813,141,642	65,335,908,882
Promissory notes from related parties		325,000,000	500,000,000	325,000,000	500,000,000
Promissory notes from others		200,000,000	250,000,000	200,000,000	250,000,000
Staff pension fund	4.17	4,818,419,520	4,777,978,683	4,818,419,520	4,777,978,683
Long-term provisions		3,874,319,870	3,874,319,870	3,874,319,870	3,874,319,870
Total Non-Current Liabilities		115,907,397,032	115,069,503,435	115,907,397,032	115,069,503,435
Total Liabilities		206,581,712,517	213,652,451,959	206,478,982,807	213,567,801,709
Shareholders' Equity					
Share capital	4.10				
Authorized					
1,700.00 million ordinary shares par value of Baht 10 each		17,000,000,000	17,000,000,000	17,000,000,000	17,000,000,000
Issued and paid-up					
1,698.90 million ordinary shares par value of Baht 10 each		16,989,009,500	16,989,009,500	16,989,009,500	16,989,009,500
Premium on share capital		15,637,625,278	15,637,625,278	15,637,625,278	15,637,625,278
Retained earnings					
Appropriated					
Legal reserve		1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
Unappropriated		19,144,753,048	11,276,187,481	18,176,731,116	10,329,483,675
Total Company Shareholders' Equity		53,471,387,826	45,602,822,259	52,503,365,894	44,656,118,453
Minority Interests		297,726,772	279,310,034	-	-
Total Shareholders' Equity		53,769,114,598	45,882,132,293	52,503,365,894	44,656,118,453
Total Liabilities and Shareholders' Equity		260,350,827,115	259,534,584,252	258,982,348,701	258,223,920,162

The accompanying notes are an integral part of these financial statements.

(Signed) *Mr. Wallop Bhukkanasut*
(Mr. Wallop Bhukkanasut)
Chairman of the Executive
Board Committee

(Signed) *Mr. Chaisak Angkasuwan*
(Mr. Chaisak Angkasuwan)
Board of Director

(Signed) *Mr. Kobchai Srivilas*
(Mr. Kobchai Srivilas)
Board of Director

AS AT MARCH 31, 2009 AND DECEMBER 31, 2008
STATEMENTS OF INCOME
For the three - month periods ended March 31, 2009 and 2008

Units : Baht

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues					
Revenues from Sale or revenues from Services					
Passenger and excess baggage		34,664,789,327	45,640,117,087	34,664,789,327	45,640,117,087
Freight		3,685,245,904	6,585,894,485	3,685,245,904	6,585,894,485
Mail		206,642,263	224,686,248	206,642,263	224,686,248
Other activities		2,126,614,825	2,394,167,392	2,022,326,969	2,281,046,657
Total Revenues from Sale or revenues from Services		40,683,292,319	54,844,865,212	40,579,004,463	54,731,744,477
Other Income					
Interest income		73,710,109	203,141,771	68,251,912	199,765,000
Other incomes	4.12	513,208,290	802,811,337	513,895,192	863,104,285
Total Other Expenses		586,918,399	1,005,953,108	582,147,104	1,062,869,285
Total Revenues		41,270,210,718	55,850,818,320	41,161,151,567	55,794,613,762
Expenses					
Fuel and oil		10,935,599,390	19,563,161,424	10,935,599,390	19,563,161,424
Personnel		6,757,087,463	7,743,770,474	6,739,053,094	7,736,872,886
Management benefit expenses	4.11	14,180,165	22,327,141	13,958,233	22,019,831
Flight service expenses		4,192,212,051	5,154,822,258	4,192,212,051	5,154,822,258
Crew expenses		1,319,691,209	1,770,625,883	1,319,691,209	1,770,625,883
Aircraft maintenance and overhaul costs		1,745,728,745	3,309,684,746	1,745,728,745	3,309,684,746
Depreciation and amortisation expenses		5,073,462,688	4,992,083,518	5,068,235,310	4,984,960,269
Lease of aircraft and spare parts		415,197,515	1,172,276,544	415,197,515	1,172,276,544
Inventories and supplies		2,043,305,214	2,392,600,138	2,043,305,214	2,392,600,138
Sales and advertising costs		1,400,151,327	1,818,138,802	1,392,326,957	1,805,223,046
Insurance		196,661,286	182,741,594	196,661,286	182,741,594
Impairment of aircraft		87,097,931	35,326,032	87,097,931	35,326,032
Other expenses	4.13	2,185,126,072	2,351,561,983	2,166,027,332	2,336,828,188
Losses (Gains) on foreign currency exchange		(4,609,534,263)	662,522,477	(4,609,664,212)	664,175,467
Total Expenses		31,755,966,793	51,171,643,014	31,705,430,055	51,131,318,306
Profits before Finance Costs and Income Tax Expenses		9,514,243,925	4,679,175,306	9,455,721,512	4,663,295,456
Finance costs		1,449,303,797	1,378,165,511	1,449,303,797	1,378,165,511
Share of losses from investments by the equity method		1,191,220	43,766,854	-	-
Profits before Income Tax Expenses		8,063,748,908	3,257,242,941	8,006,417,715	3,285,129,945
Income tax expenses	4.14	176,766,603	1,017,448,842	159,170,274	996,499,960
Net profits		7,886,982,305	2,239,794,099	7,847,247,441	2,288,629,985
Profits Attributable to:					
Equity holders of the parent		7,868,565,567	2,216,087,663	7,847,247,441	2,288,629,985
Minority interest		18,416,738	23,706,436	-	-
		7,886,982,305	2,239,794,099	7,847,247,441	2,288,629,985
Basic earnings per share					
Net profits per share	4.15	4.63	1.30	4.62	1.35

The accompanying notes are an integral part of these financial statements.

(Signed) *Mr. Wallop Bhukkanasut*
(Mr. Wallop Bhukkanasut)
Chairman of the Executive
Board Committee

(Signed) *Mr. Chaisak Angkasuwan*
(Mr. Chaisak Angkasuwan)
Board of Director

(Signed) *Mr. Kobchai Srivilas*
(Mr. Kobchai Srivilas)
Board of Director

unaudited
reviewed

AS AT MARCH 31, 2009 AND DECEMBER 31, 2008
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the three - month periods ended March 31, 2009 and 2008

Units : Baht

CONSOLIDATED

	Equity holders of the parent					Minority Interest	Total
	Share Capital issued and fully paid	Premium on share capital	Unrealised gains (losses) on available-for-sale securities	Retained Earnings	Total		
Balance as at January 1, 2008	16,989,009,500	15,638,075,844	(1,318)	35,120,090,632	67,747,174,658	273,304,143	68,020,478,801
Unrealised loss on current investment - available-for-sale securities	-	-	1,318	-	1,318	1,078	2,396
Total recognised revenues in shareholders' equity	16,989,009,500	15,638,075,844	-	35,120,090,632	67,747,175,976	273,305,221	68,020,481,197
<u>Add</u> Net profits	-	-	-	2,216,087,663	2,216,087,663	23,706,436	2,239,794,099
Total recognised revenues for the period	16,989,009,500	15,638,075,844	-	37,336,178,295	69,963,263,639	297,011,657	70,260,275,296
<u>Add</u> Dividends return	-	-	-	43,747	43,747	-	43,747
<u>Less</u> Dividends paid	-	-	-	-	-	(47,250,000)	(47,250,000)
Balance as at March 31, 2008	16,989,009,500	15,638,075,844	-	37,336,222,042	69,963,307,386	249,761,657	70,213,069,043
Balance as at January 1, 2009	16,989,009,500	15,637,625,278	-	12,976,187,481	45,602,822,259	279,310,034	45,882,132,293
<u>Add</u> Net profits	-	-	-	7,868,565,567	7,868,565,567	18,416,738	7,886,982,305
Balance as at March 31, 2009	16,989,009,500	15,637,625,278	-	20,844,753,048	53,471,387,826	297,726,772	53,769,114,598

The accompanying notes are an integral part of these financial statements.

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(Mr. Wallop Bhukkanasut)
Chairman of the Executive
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(Mr. Chaisak Angkasuwan)
Board of Director

(Signed) *Mr. Kobchai Srivilas*
(Mr. Kobchai Srivilas)
Board of Director

unaudited

reviewed

AS AT MARCH 31, 2009 AND DECEMBER 31, 2008

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the three - month periods ended March 31, 2009 and 2008

Units : Baht

THE COMPANY

	Share Capital issued and fully paid	Premium on share capital	Retained Earnings	Total
Balance as at January 1, 2008	16,989,009,500	15,638,075,844	34,244,300,814	66,871,386,158
<u>Add</u> Net profits	-	-	2,288,629,985	2,288,629,985
Total recognised revenues for the period	16,989,009,500	15,638,075,844	36,532,930,799	69,160,016,143
<u>Add</u> Dividends return	-	-	43,747	43,747
Balance as at March 31, 2008	16,989,009,500	15,638,075,844	36,532,974,546	69,160,059,890
Balance as at January 1, 2009	16,989,009,500	15,637,625,278	12,029,483,675	44,656,118,453
<u>Add</u> Net profits	-	-	7,847,247,441	7,847,247,441
Balance as at March 31, 2009	16,989,009,500	15,637,625,278	19,876,731,116	52,503,365,894

The accompanying notes are an integral part of these financial statements.

(Signed) *Mr. Wallop Bhukkanasut*
(Mr. Wallop Bhukkanasut)
Chairman of the Executive
Board Committee

(Signed) *Mr. Chaisak Angkasuwan*
(Mr. Chaisak Angkasuwan)
Board of Director

(Signed) *Mr. Kobchai Srivilas*
(Mr. Kobchai Srivilas)
Board of Director

AS AT MARCH 31, 2009 AND DECEMBER 31, 2008
STATEMENTS OF CASH FLOWS
For the three - month periods ended March 31, 2009 and 2008

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>		Units : Baht
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
Cash Flows from Operating Activities					
Profits before Income Tax	8,063,748,908	3,257,242,941	8,006,417,715	3,285,129,945	
Adjustment to reconcile net profit to cash provided by (paid from) operating activities :					
Depreciation and amortisation	5,073,462,688	4,992,083,518	5,068,235,310	4,984,960,269	
Dividends income	-	-	-	(57,750,000)	
Income from investments by equity method	1,191,220	43,766,854	-	-	
Interest income	(73,710,109)	(203,141,771)	(68,251,912)	(199,765,000)	
Interest expenses	1,449,303,797	1,378,165,511	1,449,303,797	1,378,165,511	
Gains on sales of assets	(226,243,697)	(374,822,129)	(226,234,343)	(374,822,129)	
Gain on current investments-available-for-sale securities	-	(625,101)	-	-	
Losses (gains) on foreign currency exchange	(4,439,023,250)	1,115,007,710	(4,439,304,249)	1,116,132,865	
Provision for obsolete inventories and supplies	5,853,840	(61,084,550)	5,853,840	(61,084,550)	
Doubtful accounts	96,870,210	21,468,642	93,743,807	21,468,642	
Impairment loss of assets	87,097,931	35,326,032	87,097,931	35,326,032	
Operating profit before changes in operating assets and liabilities	10,038,551,538	10,203,387,657	9,976,861,896	10,127,761,585	
Decrease (increase) in operating assets :					
Trade account receivables	1,130,839,325	(1,750,241,535)	1,139,245,284	(1,747,057,840)	
Inventories and supplies	365,954,825	(244,326,466)	365,954,825	(244,326,466)	
Prepaid expenses and deposits	(212,019,756)	(2,274,828,792)	(209,794,005)	(2,275,581,022)	
Tax refund	-	(206,729)	-	(206,729)	
Other current assets	771,147,553	469,003,255	784,639,528	493,496,855	
Other assets	(50,497,383)	(32,550,841)	(50,497,383)	(32,550,841)	
Deferred charges	(11,733,349)	-	(11,733,349)	-	
Increase (decrease) in operating liabilities :					
Trade account payables	(451,634,636)	413,002,552	(451,009,097)	415,054,983	
Accrued expenses and other current liabilities	(2,791,709,046)	(1,411,886,752)	(2,791,809,319)	(1,406,465,745)	
Staff pension fund	40,440,837	100,740,396	40,440,837	100,740,396	
Unearned transportation revenue	(5,625,518,920)	(1,100,911,768)	(5,625,518,920)	(1,100,911,768)	
Payment of income tax	(53,820,831)	(103,756,982)	(53,815,284)	(75,156,315)	
Net Cash from Operating Activities	3,150,000,157	4,267,423,995	3,112,965,013	4,254,797,093	

The accompanying notes are an integral part of these financial statements.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

For the three - month periods ended March 31, 2009 and 2008

Units : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash Flows from Investing Activities				
Cash paid for acquisition of fixed assets	(5,100,125,950)	(1,127,716,410)	(5,098,927,717)	(1,127,528,310)
Cash paid for intangible assets	(14,621,235)	(14,455,787)	(14,457,094)	(14,219,587)
Cash received from sales of assets	248,482,643	669,881,503	248,473,063	669,881,503
Interest income	50,528,829	186,861,814	50,528,796	184,825,266
Dividends income	-	-	-	57,750,000
Cash received from current investments-available-for-sale securities	-	2,437,500	-	-
Net Cash Used in Investing Activities	(4,815,735,713)	(282,991,380)	(4,814,382,952)	(229,291,128)
Cash Flows from Financing Activities				
Cash received from debenture bonds	4,790,000,000	-	4,790,000,000	-
Cash received from short-term loans	914,910,590	-	914,910,590	-
Cash received from long-term loans	2,500,000,000	-	2,500,000,000	-
Cash paid for repayment of short-term loans	-	(4,962,020,000)	-	(4,962,020,000)
Cash paid for repayment of long-term loans	(2,780,264,389)	(2,253,988,191)	(2,780,264,389)	(2,253,988,191)
Cash paid for repayment of promissory notes	(225,000,000)	(225,000,000)	(225,000,000)	(225,000,000)
Cash paid for loan interest	(898,397,600)	(839,169,791)	(898,397,600)	(839,169,791)
Dividends paid	(84,391)	(3,091,185,823)	(84,391)	(3,049,185,823)
Net Cash from (used in) Financing Activities	4,301,164,210	(11,371,363,805)	4,301,164,210	(11,329,363,805)
Increase (decrease) in cash and cash equivalents	2,635,428,654	(7,386,931,190)	2,599,746,271	(7,303,857,840)
Decrease in the effect from changing in exchange rate on cash and cash equivalents	(101,478,361)	(56,662,217)	(101,478,361)	(56,662,217)
Cash and cash equivalents at the beginning of the periods	7,494,439,429	25,776,513,608	7,452,416,947	25,423,037,844
Cash and Cash Equivalents at the End of the Periods	10,028,389,722	18,332,920,201	9,950,684,857	18,062,517,787

The accompanying notes are an integral part of these financial statements.

(Signed) *Mr. Wallop Bhukkanasut*
(Mr. Wallop Bhukkanasut)
Chairman of the Executive
Board Committee

(Signed) *Mr. Chaisak Angkasuwan*
(Mr. Chaisak Angkasuwan)
Board of Director

(Signed) *Mr. Kobchai Srivilas*
(Mr. Kobchai Srivilas)
Board of Director

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
For the three - month periods ended March 31, 2009 (unaudited but reviewed)
and for the year ended December 31, 2008 (audited)

1. BASIC OF FINANCIAL STATEMENT PREPARATION

1.1 Financial statement preparation

The consolidated and the Company financial statements have been prepared in accordance with generally accepted accounting principles under the Accounting Act B.E. 2543 (2000) being those Thai accounting standards which issued by the Accounting Profession Act B.E. 2547 (2004) and the financial reporting requirements of the Securities and Exchange Commission, Thailand under the Securities and Exchange Act B.E. 2535 (1992).

The Company's financial statements consist of Thai Airways International Public Company Limited and the Company's staff pension fund.

The consolidated financial statements consist of the Company and its subsidiary, Thai-Amadeus Southeast Asia Company Limited, in which the Company holds equity interests of 55%. Significant transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.

1.2 Interim financial statement preparation

The interim financial statements are prepared in accordance with Thai Accounting Standard No.41 "Interim Financial Statements". The Company presents items in the balance sheets, statements of income, changes in shareholders' equity and cash flows in the same format as the annual financial statements and discloses only significant additional information in the note to financial statements.

The preparation of these interim financial statements are intended to provide additional information to that included in the latest annual financial statements for the year ended December 31, 2008. Accordingly, the interim financial statements focus on supporting of new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

Moreover, the Company cannot prepare the income statement according to the Notification of Capital Market Supervisory Board No. TorChor 19/2552 (2009), Rules, Conditions, and Procedures for Reporting of Information Disclosure on Financial Status and Operating of Issuing Company (No.2) dated April 22, 2009 which is effective from May 1, 2009 onwards, which determines the listed companies to classify the expenses by function in income statements. Therefore, the Company prepared its income statement as previous periods by classifying the expenses by nature. The Company will consider to prepare the income statement according to such Notification of the Securities and Exchange Commission.

2. ACCOUNTING PRESENTATION IN FINANCIAL STATEMENTS

The Company has reclassified the items in financial statements to conform to the Notification of Department of Business Development, Determination of Short Items in Financial Statements B.E. 2551 which becomes effective for the fiscal years beginning on or after January 1, 2009. The Company also reclassified the financial statements for the three-month periods ended March 31, 2008 and for the year ended December 31, 2008 for comparative purpose.

3. GUIDELINE TO RESOLVE BUSINESS OPERATION PROBLEMS AND LIQUIDITY

The Company prepared the immediate Business Turnaround Plan to determine the plan for resolving the problems related to the Company's business operation and financial liquidity for the year 2009. The plan focuses on revenue enhancement, cost optimization as well as monitoring the financial liquidity. The plan will be used as a guideline for business operation and improvements during 2010-2011 in order to ensure sustainable and quality growth of the Company in both business and financial status which will be prepared in the next phase.

Such plan has been approved in principle by the Company's Board of Directors on February 27, 2009 and thoroughly assessed by the Turnaround Steering Committee, which has been appointed by the Company's Board of Directors. The plan was submitted to the Ministry of Transport and Ministry of Finance on April 1, 2009.

4. SUPPLEMENTARY INFORMATION

4.1 Cash and Cash Equivalents

	Consolidated		Units : Million Baht The Company	
	<u>31-Mar-09</u>	<u>31-Dec-08</u>	<u>31-Mar-09</u>	<u>31-Dec-08</u>
Cash - Domestic	9.45	8.78	9.45	8.78
Cash - Abroad	22.77	27.57	22.77	27.57
Bank Deposits - Domestic	4,814.74	3,495.71	4,737.03	3,453.69
Bank Deposits - Abroad	<u>5,181.43</u>	<u>3,962.38</u>	<u>5,181.43</u>	<u>3,962.38</u>
Total	<u>10,028.39</u>	<u>7,494.44</u>	<u>9,950.68</u>	<u>7,452.42</u>

4.2 Trade Account Receivables - Net

Trade account receivables are classified according to their stages of delinquency, as expressed in the schedule below.

	Consolidated		Units : Million Baht The Company	
	31-Mar-09	31-Dec-08	31-Mar-09	31-Dec-08
	Period of overdue			
Not over 6 months	14,753.01	15,773.90	14,709.46	15,734.76
Over : 6 months to 1 year	238.23	99.52	229.77	85.11
Over : 1 year to 2 years	86.12	63.58	76.47	63.58
Over : 2 years	<u>1,331.87</u>	<u>1,320.56</u>	<u>1,303.00</u>	<u>1,291.70</u>
	16,409.23	17,257.56	16,318.70	17,175.15
Less Allowance for doubtful accounts	<u>(1,525.22)</u>	<u>(1,428.77)</u>	<u>(1,475.25)</u>	<u>(1,381.93)</u>
Trade account receivables - net	<u>14,884.01</u>	<u>15,828.79</u>	<u>14,843.45</u>	<u>15,793.22</u>

4.3 Other Current Assets

	Consolidated		Units : Million Baht The Company	
	31-Mar-09	31-Dec-08	31-Mar-09	31-Dec-08
	Prepaid expenses and deposits	4,838.86	4,696.19	4,830.52
Tax refund	289.73	247.59	289.73	247.59
Cash and fixed deposits of pension fund	3,337.71	4,549.93	3,337.71	4,549.93
Others	<u>2,456.36</u>	<u>1,992.04</u>	<u>2,400.74</u>	<u>1,955.38</u>
Total	<u>10,922.66</u>	<u>11,485.75</u>	<u>10,858.70</u>	<u>11,442.96</u>

4.4 Investments

Consolidated

Units : Million Baht

Name of Company	Percentage of Shareholding		Investments				Income on investments	
			Cost method		Equity method			
	31-Mar-09	31-Dec-08	31-Mar-09	31-Dec-08	31-Mar-09	31-Dec-08	31-Mar-09	31-Mar-08
4.4.1 Investments using the equity method								
Royal Orchid Hotel (Thailand) Public Company Limited (Market value as at 31 Mar 09 amount of THB 720.00 million and as at 31 Dec 08 amount of THB 675.00 million)	24	24	225.00	225.00	308.20	300.25	7.95	13.68
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	185.46	189.84	(4.37)	(1.11)
Bangkok Aviation Fuel Services Public Company Limited (Market value as at 31 Mar 09 amount of THB 622.01 million and as at 31 Dec 08 amount of THB 610.49 million)	22.6	22.6	115.19	115.19	583.70	582.71	0.99	5.98
Phuket Air Catering Company Limited	30	30	30.00	30.00	78.48	71.35	7.12	7.69
Suvarnabhumi Airport Hotel Company Limited	30	30	305.33	305.33	180.06	192.95	(12.88)	(0.52)
Nok Airlines Company Limited	39	39	195.00	195.00	-	-	-	(69.49)
<u>Less</u> Allowance for impairment of Nok Airlines Company Limited			(195.00)	(195.00)	-	-	-	-
Total investments using the equity Method					<u>1,335.90</u>	<u>1,337.10</u>	<u>(1.19)</u>	<u>(43.77)</u>
4.4.2 Other long-term investments stated at cost								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	2.7	2.7	17.96	17.96			-	-
SITA Investment Certificate	-	-	34.03	33.47			-	-
Trade Siam Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75			-	-
SITA Information Networking Computing	-	-	32.36	31.83			-	-
Other Shares	-	-	2.94	2.99			-	-
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited			(133.00)	(133.00)			-	-
Total other long-term investments			<u>89.04</u>	<u>88.00</u>			<u>-</u>	<u>-</u>

The Company

Units : Million Baht

Name of Company	Percentage of Shareholding		Investments		Dividend Income for the three - month periods	
			Cost method			
	31-Mar-09	31-Dec-08	31-Mar-09	31-Dec-08	31-Mar-09	31-Mar-08
4.4.1 Investments using the cost method						
Subsidiary Company						
Thai-Amadeus Southeast Asia Company Limited	55	55	<u>8.25</u>	<u>8.25</u>	-	<u>57.75</u>
Associated Companies						
Royal Orchid Hotel (Thailand) Public Company Limited (Market value as at 31 Mar 09 amount of THB 720.00 million and as at 31 Dec 08 amount of THB 675.00 million)	24	24	225.00	225.00	-	-
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	-	-
Bangkok Aviation Fuel Services Public Company Limited (Market value as at 31 Mar 09 amount of THB 622.01 million and as at 31 Dec 08 amount of THB 610.49 million)	22.6	22.6	115.19	115.19	-	-
Phuket Air Catering Company Limited	30	30	30.00	30.00	-	-
Suvarnabhumi Airport Hotel Company Limited	30	30	305.33	305.33	-	-
Nok Airlines Company Limited	39	39	195.00	195.00	-	-
Less Allowance for impairment of Nok Airlines Company Limited			(195.00)	(195.00)	-	-
Total			<u>723.52</u>	<u>723.52</u>	-	-
Total investments using the cost method			<u>731.77</u>	<u>731.77</u>	-	<u>57.75</u>
4.4.2 Other long-term investments stated at cost						
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00	-	-
Aeronautical Radio of Thailand Limited	2.7	2.7	17.96	17.96	-	-
SITA Investment Certificate	-	-	34.03	33.47	-	-
TRADESIAM Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75	-	-
SITA Information Networking Computing	-	-	32.36	31.83	-	-
Other Shares	-	-	2.94	2.99	-	-
Less Allowance for impairment of Fuel Pipeline Transportation Limited			(133.00)	(133.00)	-	-
Total other long-term investments			<u>89.04</u>	<u>88.00</u>	-	-

4.4.3 Financial Data Summary of Subsidiary and Associated Companies

Units : Million Baht				
Name of Company	Assets	Liabilities	Income	Gains (Losses)
<u>Subsidiary Company</u>				
Thai-Amadeus Southeast Asia Company Limited	765.11	103.88	110.00	40.55
<u>Associated Companies</u>				
Royal Orchid Hotel (Thailand) Public Company Limited	1,496.37	212.21	1,091.30	152.67
Donmuang International Airport Hotel Company Limited	479.96	16.31	187.80	(18.10)
Bangkok Aviation Fuel Services Public Company Limited	5,571.18	2,987.28	1,642.73	356.19
Phuket Air Catering Company Limited	296.08	34.50	252.05	88.55
Suvarnabhumi Airport Hotel Company Limited	2,275.61	1,675.40	162.52	(42.93)
Nok Airlines Company Limited	590.19	794.66	3,419.87	(502.45)

The Company used the financial statements of associated companies as at December 31, 2008 to record the investment by equity method in the consolidated financial statement and by cost method in the Company's financial statement. Because the associated companies cannot submit their financial statements to the Company in time for accounting closing. This is no material impact to the Company.

4.5 Related Parties The Company

4.5.1 Major Shareholders

Units : Million Baht		
	31-Mar-09	31-Dec-08
Ministry of Finance Foreign loans via the Ministry of Finance	5,903.86	4,911.57

4.5.2 Subsidiary Company

Units : Million Baht								
Name of Company	31-Mar-09				31-Dec-08			
	Sales	Account Receivables	Purchase	Account Payables	Sales	Account Receivables	Purchase	Account Payables
Thai - Amadeus Southeast Asia	1.23	0.77	-	-	12.99	0.76	-	-

4.5.3 Associated Companies

Units : Million Baht

	31-Mar-09		31-Dec-08	
	Sales	Purchase	Sales	Purchase
Royal Orchid Hotel (Thailand) Public Company Limited	-	3.29	-	14.85
Donmuang International Airport Hotel Company Limited	-	0.43	-	5.48
Bangkok Aviation Fuel Services Public Company Limited	0.02	86.27	0.06	377.37
Phuket Air Catering Company Limited	0.93	1.03	3.31	9.27
Suvarnabhumi Airport Hotel Company Limited	-	12.35	-	101.69
Nok Airlines Company Limited	206.15	-	2,022.38	-

Units : Million Baht

	31-Mar-09		31-Dec-08	
	Account Receivables	Account Payables	Account Receivables	Account Payables
Royal Orchid Hotel (Thailand) Public Company Limited	-	0.33	-	-
Donmuang International Airport Hotel Company Limited	-	-	-	-
Bangkok Aviation Fuel Services Public Company Limited	0.01	32.53	-	27.33
Phuket Air Catering Company Limited	0.27	0.64	0.35	2.01
Suvarnabhumi Airport Hotel Company Limited	-	1.01	-	-
Nok Airlines Company Limited	59.60	-	123.57	-

The Company purchases goods and services at a market price from related parties on normal commercial term as unrelated parties.

4.6 Property, Plant and Equipment - Net

Consolidated

Units : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land buildings and development	Other plant and equipment	Total
Cost						
As at January 1, 2009	156,754.52	142,897.70	29,298.79	18,765.92	29,527.49	377,244.42
- Adjust/Transfer	(8,078.11)	2,117.19	(132.90)	47.50	142.63	(5,903.69)
- Increased asset	3,964.75	887.41	1,432.64	10.41	23.66	6,318.87
- Sold	-	(30.22)	(262.83)	(13.98)	(121.10)	(428.13)
As at March 31, 2009	152,641.16	145,872.08	30,335.70	18,809.85	29,572.68	377,231.47
Accumulated depreciation						
As at January 1, 2009	84,646.12	36,466.94	19,347.37	9,600.35	20,119.67	170,180.45
- Depreciation	1,620.28	2,097.71	507.80	210.80	518.93	4,955.52
- Adjust/Transfer	(6,355.94)	1,446.72	(72.51)	-	(10.85)	(4,992.58)
- Sold	-	(28.52)	(152.13)	(13.96)	(117.53)	(312.14)
As at March 31, 2009	79,910.46	39,982.85	19,630.53	9,797.19	20,510.22	169,831.25
Net book value						
As at December 31, 2008	72,108.40	106,430.76	9,951.42	9,165.57	9,407.82	207,063.97
As at March 31, 2009	72,730.70	105,889.23	10,705.17	9,012.66	9,062.46	207,400.22

The Company

Units : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land buildings and development	Other plant and equipment	Total
Cost						
As at January 1, 2009	156,754.52	142,897.70	29,298.79	18,765.92	29,283.60	377,000.53
- Adjust/Transfer	(8,078.11)	2,117.19	(132.90)	47.50	153.49	(5,892.83)
- Increased asset	3,964.75	887.41	1,432.64	10.41	22.16	6,317.37
- Sold	-	(30.22)	(262.83)	(13.98)	(121.10)	(428.13)
As at March 31, 2009	152,641.16	145,872.08	30,335.70	18,809.85	29,338.15	376,996.94
Accumulated depreciation						
As at January 1, 2009	84,646.12	36,466.94	19,347.37	9,600.35	19,908.73	169,969.51
- Depreciation	1,620.28	2,097.71	507.80	210.80	513.54	4,950.13
- Adjust/Transfer	(6,355.94)	1,446.72	(72.51)	-	-	(4,981.73)
- Sold	-	(28.52)	(152.13)	(13.96)	(117.53)	(312.14)
As at March 31, 2009	79,910.46	39,982.85	19,630.53	9,797.19	20,304.74	169,625.77
Net book value						
As at December 31, 2008	72,108.40	106,430.76	9,951.42	9,165.57	9,374.87	207,031.02
As at March 31, 2009	72,730.70	105,889.23	10,705.17	9,012.66	9,033.41	207,371.17

In this fiscal year, there are 88 aircraft in the Company's fleet consisting of 55 own aircraft, 26 aircraft under financial leases and 7 aircraft under operating leases.

Aircraft spare parts consist of aircraft engines and other aircraft spare parts.

Other plants and equipment-net amount of THB 9,062.46 million (consolidated) and THB 9,033.41 million (the Company).

The Company uses buildings and equipment amount of THB 38,913.33 million that are now fully depreciated.

Financial leased assets are aircraft under financial leases which the purchase contracts are made in USD currency but the financial leases are made in EUR, JPY and USD currency.

4.7 Intangible Assets-net

	Units : Million Baht	
	Consolidated	The Company
Cost		
As at January 1, 2009	1,209.82	1,204.48
- Assets increase	14.62	14.46
As at March 31, 2009	1,224.44	1,218.94
Accumulated amortisation		
As at January 31, 2009	401.93	400.90
- Amortisation	61.42	61.29
As at March 1, 2009	463.35	462.19
Net book value		
As at December 31, 2008	807.89	803.58
As at March 31, 2009	761.09	756.75

4.8 Deferred Income Taxes

	Consolidated		Units : Million Baht The Company	
	31-Mar-09	31-Dec-08	31-Mar-09	31-Dec-08
	Contribution to staff pension fund	1,047.40	1,050.57	1,047.40
Allowance for obsolete inventories	629.23	721.72	629.23	721.72
Allowance for doubtful accounts	513.74	484.79	498.75	470.74
Allowance impairment in value of assets	1,738.10	1,728.31	1,738.10	1,728.31
Estimated accrual expenses	1,710.97	1,742.16	1,710.97	1,742.16
Frequent flyer program (ROP)	287.59	345.97	287.59	345.97
Deferred loss on foreign currency exchange	313.36	313.41	313.36	313.41
Others	<u>18.92</u>	<u>18.84</u>	<u>15.19</u>	<u>15.19</u>
Total	<u>6,259.31</u>	<u>6,405.77</u>	<u>6,240.59</u>	<u>6,388.07</u>

4.9 Other Non-Current Assets

	Consolidated		Units : Million Baht The Company	
	31-Mar-09	31-Dec-08	31-Mar-09	31-Dec-08
	Deferred charges	1,475.34	1,506.71	1,475.34
Others	<u>257.38</u>	<u>206.88</u>	<u>257.38</u>	<u>206.88</u>
Total	<u>1,732.72</u>	<u>1,713.59</u>	<u>1,732.72</u>	<u>1,713.59</u>

Deferred charges consisted of aircraft overhaul costs (D-check) for aircraft under operating lease, which are amortized as expenses over an estimated useful life of 4-7 years but not over the lease term, and loan guarantee premiums for purchasing of aircraft are amortized as expenses over the period of due payment loans in each accounting period.

4.10 Share Capital

As at March 31, 2009, the Company has authorized ordinary shares amount of 1,700 million shares at par value THB 10 each for an aggregate of THB 17 billion, issued and paid-up ordinary shares amount of THB 16,989.01 million.

4.11 Management Benefit Expenses

Managements refer to the Company's Board of directors, chief executive, persons in the next four executive levels below the chief executive, and in similar position, and accounting or finance department managers or above according to the regulation of the Stock Exchange of Thailand.

Text	Units : Million Baht			
	Consolidated		The Company	
	31-Mar-09	31-Mar-08	31-Mar-09	31-Mar-08
Board of Directors' benefit expenses	4.08	4.11	3.86	3.80
Executive' benefit expenses	10.10	18.22	10.10	18.22
Total	14.18	22.33	13.96	22.02

The above management benefit expenses are not included any ticket benefits.

4.12 Other Incomes

Text	Units : Million Baht			
	Consolidated		The Company	
	31-Mar-09	31-Mar-08	31-Mar-09	31-Mar-08
Gains on sales of assets	226.24	374.82	226.24	374.82
Dividends from subsidiary and associated companies	-	-	-	57.75
Revenue from other services of Aircraft Maintenance Department	87.47	66.40	87.47	66.40
Revenue from airport fees collected from passengers	61.81	187.47	61.81	187.47
Others	137.69	174.12	138.38	176.66
Total	513.21	802.81	513.90	863.10

4.13 Other Expenses

Text	Units : Million Baht			
	Consolidated		The Company	
	31-Mar-09	31-Mar-08	31-Mar-09	31-Mar-08
Rentals and utilities	740.31	735.82	740.31	735.82
Office supplies	62.67	68.56	62.67	68.56
Repair of building and equipment	87.65	113.08	87.65	113.08
Outsource services	263.14	212.72	263.14	212.72
Consultant and service fees	88.56	88.11	88.56	88.11
Legal fee for Antitrust/ Competition Law	11.74	-	11.74	-
Computer service expenses	115.95	88.92	115.95	88.92
Travelling and transportation expenses	137.68	180.77	137.68	180.77
Concession fees	93.19	147.07	93.19	147.07
Passenger claim expenses	60.41	117.06	60.41	117.06
Others	523.83	599.45	504.73	584.72
Total	2,185.13	2,351.56	2,166.03	2,336.83

4.14 Company Income Tax

Text	Units : Million Baht			
	Consolidated		The Company	
	31-Mar-09	31-Mar-08	31-Mar-09	31-Mar-08
Tax expense (income) from taxable profit for the period	30.30	1,022.21	11.68	999.18
Add(less): deferred tax asset/ liability from temporary different increase/ decrease	146.47	(4.76)	147.49	(2.68)
Net tax expense (income)	176.77	1,017.45	159.17	996.50

4.15 Earnings Per Share Consolidated and the Company

Basic earnings per share is calculated by dividing net profit for the period by the weighted average number of ordinary shares outstanding during the periods.

Consolidated

For the three - month periods ended March 31, 2009 and 2008

	Gains		No. of Shares		Earnings per share	
	31-Mar-09	31-Mar-08	31-Mar-09	31-Mar-08	31-Mar-09	31-Mar-08
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
Basic earnings per share						
Net Profits attributable to ordinary shareholders	7,868.57	2,216.09	1,698.90	1,698.90	4.63	1.30

The Company

For the three - month periods ended March 31, 2009 and 2008

	Gains		No. of Shares		Earnings per share	
	31-Mar-09	31-Mar-08	31-Mar-09	31-Mar-08	31-Mar-09	31-Mar-08
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
Basic earnings per share						
Net Profits attributable to ordinary shareholders	7,847.25	2,288.63	1,698.90	1,698.90	4.62	1.35

4.16 Financial Information by Segment Consolidated

4.16.1 Business Segments

Statements of Income For the three - month periods ended March 31, 2009 and 2008

Units : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>31-Mar-09</u>	<u>31-Mar-08</u>	<u>31-Mar-09</u>	<u>31-Mar-08</u>	<u>31-Mar-09</u>	<u>31-Mar-08</u>	<u>31-Mar-09</u>	<u>31-Mar-08</u>
	Air transportation	38,556.68	52,450.70	-	-	38,556.68	52,450.70	4,622.62
Business Units	1,866.26	2,118.65	3,240.33	4,048.27	5,106.59	6,166.92	(237.57)	199.94
Other activities	260.35	275.52	86.71	105.83	347.06	381.35	100.46	126.16
Eliminations	-	-	(3,327.04)	(4,154.10)	-	-	-	-
Operating profits							4,485.51	4,366.52
Share of net profits (losses) from subsidiary and associated companies							(1.19)	(43.76)
Interest expenses-net							(1,375.59)	(1,175.02)
Gains (losses) on foreign currency exchange							4,609.54	(662.52)
Other revenues							345.49	772.03
Minority interests							(18.42)	(23.71)
Income taxes							(176.77)	(1,017.45)
Net profits							<u>7,868.57</u>	<u>2,216.09</u>

Assets and Liabilities As At March 31, 2009 and 2008

	<u>Current Assets</u>		<u>Non-Current Assets</u>		<u>Total Assets</u>	
	<u>31-Mar-09</u>	<u>31-Dec-08</u>	<u>31-Mar-09</u>	<u>31-Dec-08</u>	<u>31-Mar-09</u>	<u>31-Dec-08</u>
	Air transportation	39,808.52	38,519.14	207,566.80	207,183.73	247,375.32
Business Units	649.74	617.80	9,959.38	10,177.63	10,609.12	10,795.43
Other activities	713.00	651.14	52.11	54.96	765.11	706.10
Non-allocated assets	<u>1,601.28</u>	<u>2,330.18</u>	-	-	<u>1,601.28</u>	<u>2,330.18</u>
Total	<u>42,772.54</u>	<u>42,118.26</u>	<u>217,578.29</u>	<u>217,416.32</u>	<u>260,350.83</u>	<u>259,534.58</u>

	<u>Current Liabilities</u>		<u>Non-Current Liabilities</u>		<u>Total Liabilities</u>	
	<u>31-Mar-09</u>	<u>31-Dec-08</u>	<u>31-Mar-09</u>	<u>31-Dec-08</u>	<u>31-Mar-09</u>	<u>31-Dec-08</u>
	Air transportation	89,146.94	97,302.25	115,790.50	114,959.78	204,937.44
Business Units	996.07	885.35	116.90	109.72	1,112.97	995.07
Other activities	103.50	85.41	-	-	103.50	85.41
Non-allocated liabilities	<u>427.80</u>	<u>309.94</u>	-	-	<u>427.80</u>	<u>309.94</u>
Total	<u>90,674.31</u>	<u>98,582.95</u>	<u>115,907.40</u>	<u>115,069.50</u>	<u>206,581.71</u>	<u>213,652.45</u>

Segment results derive from segment revenues net of segment costs and operating expenses excluding interest expenses, gains (losses) on foreign currency exchange, other expenses, and income taxes.

Segment current and non-current assets are those operating assets that are employed by a segment in its operating activities.

Segment current and non-current liabilities are those operating liabilities that result from the operating activities of a segment.

The Company records inter-segment revenue transfers at market price charged to its unaffiliated customer net of discount except for Technical Services recorded by cost plus. Those transfers are eliminated in consolidation.

4.16.2 Geographical Segments

	Units : Million Baht	
	<u>Jan - Mar' 09</u>	<u>Jan - Mar' 08</u>
Domestic Revenues		
Transportation	3,445.99	3,557.13
Business units	1,866.26	2,118.65
Other activities	<u>260.35</u>	<u>275.52</u>
Total domestic revenues	<u>5,572.60</u>	<u>5,951.30</u>
Foreign Transportation Revenues		
Regional Asia	13,010.83	18,105.82
Europe	10,668.74	14,508.41
North Pacific	563.19	2,001.26
Australia & New Zealand	3,244.77	4,867.63
Africa	<u>45.70</u>	<u>351.42</u>
Total foreign transportation revenues	<u>27,533.23</u>	<u>39,834.54</u>
Charter revenues and others	813.29	2,021.21
Insurance surcharge from passengers	598.45	723.84
Fuel surcharge from passengers	6,165.72	6,313.98
Interest income	73.71	203.14
Other income	<u>513.21</u>	<u>802.81</u>
Total	<u>41,270.21</u>	<u>55,850.82</u>

4.17 Staff Pension Fund Consolidated and the Company

The Company has established a staff pension fund, contributing 10% of employee salaries to the fund each month. The fund's assets, liabilities and balance are presented in the Company's balance sheet. Interest and expenses arising from fund operations are recognised as income and expenses of the Company. The details are as follows:

	Units : Million Baht	
	<u>31-Mar-09</u>	<u>31-Dec-08</u>
Current assets	4,811.95	4,760.27
Others	<u>67.38</u>	<u>66.33</u>
Total	<u>4,879.33</u>	<u>4,826.60</u>
Other current liabilities	60.91	48.62
Pension fund	<u>4,818.42</u>	<u>4,777.98</u>
Total	<u>4,879.33</u>	<u>4,826.60</u>

As at March 31, 2009, the fund balance was THB 4,818.42 million, equal to the Company's obligation to its staff under the fund. The total Company contribution to the fund in this periods was THB 24.41 million, consisting of contributions at a rate equivalent to 10% of employee salaries in the amount of THB 60.51 million net of the amounts to match the Company's obligation of THB 36.10 million.

4.18 Staff Provident Fund

The Company contributes to the provident fund at the rate of 9% for members having not more than 20 years of services and 10% for members having more than 20 years of services, representing amount of THB 280.48 million in this periods.

The Company's provident fund is managed by Kasikron Asset Management Company Limited and Krungthai Asset Management Public Company Limited which are permitted by the Securities and Exchange Commission, Thailand (SEC).

4.19 Contingent Liabilities

The Company has contingent liabilities, not presented in the financial statements, as follows:

	Units : Million Baht	
	<u>31-Mar-09</u>	<u>31-Dec-08</u>
Letters of guarantee issued by banks – Domestic	3.25	3.25
Letters of guarantee issued by banks – Abroad	118.07	106.24
The Company as defendant in		
Labour dispute cases	1,719.42	1,658.09
Damage claims cases	<u>1,966.39</u>	<u>1,859.49</u>
Total	<u>3,807.13</u>	<u>3,627.07</u>

Moreover, the other contingent liabilities are as follows :

1. The Company still has the competition law infringement. A group of 35 cargo shippers have brought an action against the Company before the Civil Court of New York alleging that the Company jointly with other 38 airlines fixed fuel surcharge, war risk surcharge and other fees in violation of the Sherman Antitrust Act of 1890 and the Clayton Antitrust Act of 1914 and European Union laws causing damages to them. They sought the court's order for compensation by the Company.

2. A group of passengers has brought actions against the Company before the Civil Court in Los Angeles and San Francisco totally 19 cases alleging that conspiracy among airlines to fix, maintain, and /or stabilize prices for long haul passenger transpacific flights to and from the United States (Price Fixing in respect of Transpacific carriers) in violation of the Sherman Antitrust Act of 1890 and the Clayton Antitrust Act of 1914. The Judicial Panel on Multi-district Litigation has ordered to combine the 19 cases to be considered by the court at San Francisco as a single case. In both cases (at the Civil Court of New York and at San Francisco) are civil class action where at the time of complaints, the Plaintiffs have not determined the amount of compensation and shall request to the courts later.

In both litigation, the Company has retained the expert law firms and has joined the Joint Defense Group. The cases are now being considered by the courts. The damages in both cases are yet to be determined until the Company would have been found guilty. In case that the courts rule that the Company is guilty, the courts shall determine the damages and compensations and penalty which, under the law, could be up to 3 times of the damages proven by the Plaintiffs. At present, the amount of the compensatory damages in the US. cases cannot be determined.

3. The Company received the Statement of Objections from the Commission of the European Communities alleging that the Company and other 27 airlines infringed the Treaty establishing the European Community (the EC Treaty) by coordinating pricing behavior in the provision of air freight services on a global basis with respect to the fuel surcharge, the security surcharge, the war surcharge, freight rates and the payment of commission to forwarders on surcharges causing damages to air freight shippers. The law sets forth penalty provisions in a fine of 30% of the turnover of freight service transport to and from and within EU in the preceding business year before decision times the number of years of infringement but not exceed 10% of the total worldwide turnover of a company in the preceding business year before decision. The Company has retained an expert law firm to take charges of the case. At present, the Company is not aware of the amount of the fine as to which turnover shall be calculated. The case is now being considered by the Commission. In case that the Commission considers that the Company is guilty, the Company shall be fined in what amount, and from which turnover, are yet to be determined.

4. At present, there is a claim against the Company following the investigation made by the New Zealand Commerce Commission (NZCC). The NZCC has brought suit against the Company and other 13 airlines before the court of Auckland alleging that the Company jointly with other airlines fixed fuel surcharge and security surcharge in violation of Commercial Act of New Zealand. The pled seeks the court to order the Company to pay a fine and legal expenses. At the time of submission, however, NZCC has not specified the fine and expense amounts. The amounts are yet to be determined by the court.

5. The cases where the Company has been investigated by the U.S., Australia, Republic of Korea, are now being scrutinized by each country authority. The Company has retained local law firms in each country to coordinate with the authority of each country. At present, no claims or legal actions have been sought against the Company.

The legal fees and expenses for all antitrust /competition cases have been recorded as expenses for the three-month periods ended March 31, 2009 in the amount of THB 11.73 million, and the contingent damages has been reserved in the fiscal year 2008 the amount of THB 4,290.17 million.

4.20 Contractual Obligations

4.20.1 Obligation to Purchase Aircraft

The Company has a payment obligation to purchase aircraft amount of THB 57,225.55 million.

4.20.2 Leases and obligations of aircraft

The Company has obligations from entering into operating leases amount of USD 80.29 million or approximately to THB 2,863.45 million (exchange rate USD 1 : THB 35.6629).

4.21 Events After the Balance Sheet Date

4.21.1 The Company borrowed short-term loans by issuing promissory notes for repayment of due promissory notes amount of THB 13,430 million which can be summarized as follows:

4.21.1.1 One - month promissory notes :

- On April 3, 2009 amount of THB 3,500 million extending on May 4, 2009
- On April 9, 2009 amount of THB 2,000 million extending on April 30, 2009
- On April 20, 2009 amount of THB 6,500 million
- On April 23, 2009 amount of THB 430 million

4.21.1.2 Three - month promissory notes :

- On April 10, 2009 amount of THB 1,000 million

4.21.2 The Company has entered into a financial lease for 2 Airbus A330-300 aircraft. The Company received the first A330-300 on April 1, 2009 and will receive the second one on May 7, 2009.

4.22 Approval of Financial Statements

These financial statements were approved by the Audit Committee, the Authorized Board of Directors, on May 12, 2009.
