

**(UNOFFICIAL TRANSLATION)
AUDITOR'S REVIEW REPORT**

TO: THE SHAREHOLDERS OF THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED

The Office of the Auditor General of Thailand has reviewed the accompanying consolidated and the Company statements of financial position as at March 31, 2012, the related consolidated and separate statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the three-month periods ended March 31, 2012 and 2011 and condensed notes to interim financial statements of Thai Airways International Public Company Limited and subsidiaries and of Thai Airways International Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". The responsibility of the Office of the Auditor General of Thailand is to express a conclusion on this interim financial information based on our reviews.

Scope of the Review

The Office of the Auditor General of Thailand conducted the reviews in accordance with Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that the Office of the Auditor General of Thailand would become aware of all significant matters that might be identified in an audit. Accordingly, the Office of the Auditor General of Thailand does not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to the attention that causes the Office of the Auditor General of Thailand to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Comparative Statements of Financial Position as at December 31, 2011

The Office of the Auditor General of Thailand has audited the consolidated and separate financial statements for the year ended December 31, 2011 of Thai Airways International Public Company Limited and subsidiaries and of Thai Airways International Public Company Limited, respectively, in accordance with Standards on Auditing and expressed an unqualified opinion on those statements in our report dated February 21, 2012. The consolidated and separate statements of financial position as at December 31, 2011, presented for comparative purposes, are part of the consolidated and separate financial statements. The Office of the Auditor General of Thailand has not performed any other auditing procedures subsequent to the date of that report. Income (Loss)

(Signed)

Poungchomnad Jariyajinda
(Poungchomnad Jariyajinda)
Inspector General

(Signed)

Dawan Wongphayak
(Dawan Wongphayak)
Director of Audit Office

Office of the Auditor General
May 11, 2012

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2012 AND DECEMBER 31, 2011

Unit : Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		Mar 31, 2012 (Unaudited but reviewed)	Dec 31, 2011	Mar 31, 2012 (Unaudited but reviewed)	Dec 31, 2011
ASSETS					
Current Assets					
Cash and cash equivalents	2.1	19,278,430,863	16,666,025,016	18,867,568,875	16,629,940,922
Temporary investments		1,369,728,683	419,005,881	-	-
Trade accounts receivable	2.2	16,623,954,434	16,648,726,577	16,562,135,716	16,623,707,215
Prepaid expenses and deposits		10,534,494,313	10,467,893,729	10,574,626,806	10,482,589,799
Inventories and supplies		8,028,578,502	7,710,007,103	8,019,457,906	7,710,007,103
Other current assets	2.3	7,969,303,807	7,120,368,409	7,658,283,540	7,090,660,788
Non-current assets classified as held for sale		541,549,410	261,631,778	541,549,410	261,631,778
Total Current Assets		64,346,040,012	59,293,658,493	62,223,622,253	58,798,537,605
Non-Current Assets					
Investment in associates	2.5.1	1,257,162,897	1,629,966,047	723,520,500	1,083,520,500
Investment in subsidiaries	2.5.1	-	-	370,209,900	10,209,900
Other long-term investments	2.5.2	182,059,441	179,041,214	78,271,252	79,889,058
Property, plant and equipment	2.7	206,918,374,104	204,994,677,040	206,729,880,484	204,987,311,294
Goodwill		71,355,764	-	-	-
Intangible assets	2.8	801,032,543	623,739,745	719,612,683	617,255,122
Deferred tax assets	2.9	5,285,700,680	5,409,447,315	5,235,094,054	5,398,556,488
Other non-current assets	2.11	2,534,897,036	2,314,170,825	2,384,067,630	2,312,892,713
Total Non-Current Assets		217,050,582,465	215,151,042,186	216,240,656,503	214,489,635,075
Total Assets		281,396,622,477	274,444,700,679	278,464,278,756	273,288,172,680

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

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2012 AND DECEMBER 31, 2011

Unit : Baht

	<u>CONSOLIDATED FINANCIAL STATEMENTS</u>		<u>SEPARATE FINANCIAL STATEMENTS</u>		
	<u>Notes</u>	<u>Mar 31, 2012</u> (Unaudited but reviewed)	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u> (Unaudited but reviewed)	<u>Dec 31, 2011</u>
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Trade accounts payable		7,742,961,831	7,362,821,704	7,530,955,860	7,354,684,963
Accrued expenses		13,634,469,272	13,958,939,401	13,507,860,109	13,940,060,094
Current portion of long-term liabilities					
Long-term loans from related parties	2.6.1.1	2,072,000,000	2,072,000,000	2,072,000,000	2,072,000,000
Long-term loans from other parties		3,702,000,000	2,028,000,000	3,702,000,000	2,028,000,000
Liabilities under finance leases		9,380,472,765	10,102,499,455	9,380,472,765	10,102,499,455
Debentures		4,500,000,000	4,670,000,000	4,500,000,000	4,670,000,000
Current income tax payable		68,340,002	14,507,725	-	-
Other current liabilities					
Accrued dividends		51,967,776	52,032,037	51,873,813	51,960,945
Unearned transportation revenues		22,385,994,672	24,760,701,984	22,337,625,738	24,760,701,984
Deferred income		-	-	-	-
Others		7,579,505,817	5,653,845,282	6,965,765,877	5,629,595,110
Total Current Liabilities		71,117,712,135	70,675,347,588	70,048,554,162	70,609,502,551
Non-Current Liabilities					
Long-term liabilities					
Long-term loans from related parties	2.6.1.1	4,683,540,000	5,235,276,000	4,683,540,000	5,235,276,000
Long-term loans from others		45,598,000,000	47,272,000,000	45,598,000,000	47,272,000,000
Liabilities under finance leases		47,516,814,265	47,793,179,638	47,516,814,265	47,793,179,638
Debentures		27,626,790,000	23,126,790,000	27,676,790,000	23,176,790,000
Deferred tax liabilities	2.10	65,483,933	55,761,979	65,483,933	55,761,979
Staff pension fund	2.21	4,609,711,484	4,561,205,013	4,609,711,484	4,561,205,013
Employee benefits obligation	2.12	10,933,750,679	10,631,622,487	10,849,953,435	10,627,153,071
Long-term provisions		1,494,327,256	1,526,616,686	1,491,923,581	1,524,216,756
Other non - current liabilities		105,370,676	131,684,668	104,797,144	130,996,430
Total Non-Current Liabilities		142,633,788,293	140,334,136,471	142,597,013,842	140,376,578,887
Total Liabilities		213,751,500,428	211,009,484,059	212,645,568,004	210,986,081,438
Shareholders' Equity					
Share capital	2.13				
Authorized share capital					
2,698.90 million ordinary shares par value of Baht 10 each		26,989,009,500	26,989,009,500	26,989,009,500	26,989,009,500
Issued and paid-up share capital					
2,182.77 million ordinary shares par value of Baht 10 each		21,827,719,170	21,827,719,170	21,827,719,170	21,827,719,170
Share premium account - Ordinary shares		25,548,223,951	25,548,223,951	25,548,223,951	25,548,223,951
Retained earnings					
Appropriated					
Legal reserve		2,469,792,865	2,469,792,865	2,469,792,865	2,469,792,865
Unappropriated		16,978,310,060	13,323,207,378	15,972,974,766	12,456,355,256
Other components of equity		54,210,000	-	-	-
Total Company Shareholders' Equity		66,878,256,046	63,168,943,364	65,818,710,752	62,302,091,242
Non-controlling Interests		766,866,003	266,273,256	-	-
Total Shareholders' Equity		67,645,122,049	63,435,216,620	65,818,710,752	62,302,091,242
Total Liabilities and Shareholders' Equity		281,396,622,477	274,444,700,679	278,464,278,756	273,288,172,680

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

(Signed) *Piyasvasti Amranand*
(Piyasvasti Amranand)
President

(Signed) *Wasukarn Visansawatdi*
(Wasukarn Visansawatdi)
Executive Vice President
Finance and Accounting

(Unaudited
but reviewed)

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2012 AND 2011

Unit : Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2012	2011	2012	2011
Revenues					
Revenues from Sales or Revenues from Services					
Passenger and excess baggage		44,957,271,198	41,934,696,762	43,140,517,805	41,934,696,762
Freight		6,500,114,963	6,751,398,574	6,498,024,580	6,751,398,574
Mail		222,738,097	204,520,557	222,738,097	204,520,557
Other activities		2,318,760,074	2,134,631,697	2,343,174,253	2,049,700,735
Total Revenues from Sales or Revenues from Services		53,998,884,332	51,025,247,590	52,204,454,735	50,940,316,628
Other Income					
Interest income		119,104,203	119,989,431	104,947,311	116,957,508
Other income - Others	2.15	386,849,117	705,859,647	378,657,489	705,759,992
Total Other Income		505,953,320	825,849,078	483,604,800	822,717,500
Total Revenues		54,504,837,652	51,851,096,668	52,688,059,535	51,763,034,128
Expenses					
Fuel and oil		20,326,172,645	17,510,455,394	19,633,673,158	17,510,455,394
Employee benefits expenses	2.14	7,094,312,089	7,739,255,655	6,977,698,467	7,726,102,767
Flight service expenses		5,111,303,828	5,091,054,486	4,947,581,550	5,091,054,486
Crew expenses		1,465,692,442	1,347,154,993	1,428,787,782	1,347,154,993
Aircraft maintenance and overhaul costs		2,977,311,552	2,494,534,009	2,675,635,010	2,494,534,009
Depreciation and amortisation expenses		5,146,996,005	4,795,563,103	5,133,755,849	4,792,290,265
Lease of aircraft and spare parts		1,185,102,631	1,435,740,906	1,004,483,088	1,435,740,906
Inventories and supplies		2,352,335,670	2,220,561,743	2,337,942,523	2,220,561,743
Selling and advertising expenses		1,533,999,945	1,334,712,555	1,460,236,563	1,323,784,975
Insurance expenses		129,010,800	164,110,063	96,216,925	164,110,063
Impairment loss of assets		19,217,269	356,874,894	19,217,269	356,874,894
Impairment loss of aircraft	2.17	181,143,438	-	181,143,438	-
Other expenses	2.16	2,254,125,757	1,978,004,562	2,138,177,177	1,961,899,172
Losses (Gains) on foreign currency exchange		(527,414,686)	3,358,361,702	(527,791,379)	3,360,705,015
Finance costs		1,480,608,390	1,308,815,465	1,481,234,947	1,308,815,465
Share of profits of associates		(92,809,373)	(38,223,834)	-	-
Total Expenses		50,637,108,402	51,096,975,696	48,987,992,367	51,094,084,147
Profit before Income Tax Expense		3,867,729,250	754,120,972	3,700,067,168	668,949,981
Net tax expense	2.18	199,932,913	121,220,529	183,447,658	106,055,571
Profit for the period		3,667,796,337	632,900,443	3,516,619,510	562,894,410
Other Comprehensive Income		54,210,000	-	-	-
Total Comprehensive Income for the period		3,722,006,337	632,900,443	3,516,619,510	562,894,410
Profit Attributable to:					
Owners of the parent		3,644,766,318	618,465,655	3,516,619,510	562,894,410
Non-controlling interests		23,030,019	14,434,788	-	-
		3,667,796,337	632,900,443	3,516,619,510	562,894,410
Total Comprehensive Income Attributable to:					
Owners of the parent		3,698,976,318	618,465,655	3,516,619,510	562,894,410
Non-controlling interests		23,030,019	14,434,788	-	-
		3,722,006,337	632,900,443	3,516,619,510	562,894,410
Earnings per Share					
Basic earnings per share	2.19	1.67	0.28	1.61	0.26

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

(Signed) *Piyasvasti Amranand*
(Piyasvasti Amranand)
President

(Signed) *Wasukarn Visansawatdi*
(Wasukarn Visansawatdi)
Executive Vice President
Finance and Accounting

(Unaudited
but reviewed)

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2012 AND 2011

#REF!

CONSOLIDATED FINANCIAL STATEMENTS

	Owners of the parent					Non-controlling Interests	Total Shareholders' Equity
	Issued and Paid-up Share Capital	Share Premium Account Ordinary Shares	Retained Earnings	Other Components of Equity	Total Owners of the parent		
				Other Comprehensive Income			
<i>Notes</i>							
Balance as at January 1, 2011 before Adjustment	21,827,719,170	25,548,223,951	35,244,758,604	-	82,620,701,725	289,454,414	82,910,156,139
<u>Less</u> The effect of changes in accounting policy	-	-	(6,527,109,489)	-	(6,527,109,489)	(1,106,275)	(6,528,215,764)
Balance after Adjustment	21,827,719,170	25,548,223,951	28,717,649,115	-	76,093,592,236	288,348,139	76,381,940,375
Changes in Shareholders' Equity							
<u>Add</u> Issued and paid-up ordinary shares	-	-	-	-	-	-	-
<u>Less</u> Dividends paid to preference shares	-	-	-	-	-	(15,090)	(15,090)
<u>Less</u> Stock issuing fee	-	-	-	-	-	-	-
<u>Add</u> Comprehensive income	-	-	618,465,655	-	618,465,655	14,434,788	632,900,443
Balance as at March 31, 2011	21,827,719,170	25,548,223,951	29,336,114,770	-	76,712,057,891	302,767,837	77,014,825,728
Balance as at January 1, 2012 before Adjustment	21,827,719,170	25,548,223,951	15,793,000,243	-	63,168,943,364	266,273,256	63,435,216,620
<u>Add</u> The effect of business combination	-	-	-	-	-	463,999,027	463,999,027
<u>Add</u> The effect of changes in accounting policy	-	-	10,336,364	-	10,336,364	13,586,567	23,922,931
Balance after Adjustment	21,827,719,170	25,548,223,951	15,803,336,607	-	63,179,279,728	743,858,850	63,923,138,578
Changes in Shareholders' Equity							
<u>Less</u> Dividends paid to cumulative preference shares	-	-	-	-	-	(22,866)	(22,866)
<u>Add</u> Comprehensive income	-	-	3,644,766,318	54,210,000	3,698,976,318	23,030,019	3,722,006,337
Balance as at March 31, 2012	21,827,719,170	25,548,223,951	19,448,102,925	54,210,000	66,878,256,046	766,866,003	67,645,122,049

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

(Signed) *Piyasvasti Amranand*
(Piyasvasti Amranand)
President

(Signed) *Wasukarn Visansawatdi*
(Wasukarn Visansawatdi)
Executive Vice President
Finance and Accounting

(Unaudited
but reviewed)

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

#REF!

#REF!

SEPARATE FINANCIAL STATEMENTS

<i>Notes</i>	Issued and Paid-up Share Capital	Share Premium Account - Ordinary Shares	Retained Earnings	Total
Balance as at January 1, 2011 before Adjustment	21,827,719,170	25,548,223,951	34,418,049,585	81,793,992,706
<u>Less</u> The effect of changes in accounting policy	-	-	(6,525,757,375)	(6,525,757,375)
Balance after Adjustment	21,827,719,170	25,548,223,951	27,892,292,210	75,268,235,331
Changes in Shareholders' Equity				
<u>Add</u> Comprehensive income	-	-	562,894,410	562,894,410
Balance as at March 31, 2011	21,827,719,170	25,548,223,951	28,455,186,620	75,831,129,741
Balance as at January 1, 2012	21,827,719,170	25,548,223,951	14,926,148,121	62,302,091,242
Changes in Shareholders' Equity				
<u>Add</u> Comprehensive income	-	-	3,516,619,510	3,516,619,510
#REF!	21,827,719,170	25,548,223,951	18,442,767,631	65,818,710,752

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

(Signed) *Piyasvasti Amranand*
(Piyasvasti Amranand)
President

(Signed) *Wasukarn Visansawatdi*
(Wasukarn Visansawatdi)
Executive Vice President
Finance and Accounting

(Unaudited
but reviewed)

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

#REF!

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	<u>CONSOLIDATED FINANCIAL STATEMENTS</u>		<u>SEPARATE FINANCIAL STATEMENTS</u>		
	<u>Notes</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Cash Flows from Operating Activities					
Profits (losses) before income tax expenses		3,867,729,250	754,120,973	3,700,067,168	668,949,981
Adjustment to reconcile profit before tax to cash provided by (paid from) operating activities :					
Depreciation and amortisation expenses		5,146,996,005	4,795,563,103	5,133,755,849	4,792,290,265
Dividends received		-	-	(58,796)	-
Share of profits of investments by equity method		(92,809,373)	(38,223,834)	-	-
Interest income		(119,104,203)	(119,989,431)	(104,947,311)	(116,957,508)
Interest expenses		1,480,608,390	1,308,815,465	1,481,234,947	1,308,815,465
Gains on sales of assets		(5,304,474)	(1,620,278)	(6,382,848)	(1,620,278)
Other non-current liabilities		3,745	-	-	-
Loss (Gain) on foreign currency exchange		(683,612,279)	3,053,837,591	(685,229,038)	3,054,342,862
Employee benefits obligation		228,579,091	218,137,073	222,800,364	217,946,867
Provision for obsolete inventories and supplies		92,131,573	6,786,812	92,131,573	6,786,812
Doubtful accounts		47,920,364	9,093,246	47,914,873	9,116,872
Impairment loss of aircrafts		181,143,438	-	181,143,438	-
Impairment loss of assets		19,217,269	356,874,894	19,217,269	356,874,894
Reversal of impairment loss on investment		-	-	-	-
Operating profits before changes in operating assets and liabilities		10,163,498,796	10,343,395,614	10,081,647,488	10,296,546,232
Decrease (increase) in operating assets :					
Trade accounts receivable		78,758,749	464,590,200	94,107,813	469,059,543
Inventories and supplies		(401,907,322)	(595,525,930)	(401,582,375)	(595,525,930)
Prepaid expenses and deposits		(360,975,753)	(492,447,786)	(386,407,826)	(487,579,603)
Tax refund		(3,578,276)	(6,990,256)	(3,578,276)	(6,990,256)
Other current assets		(500,978,854)	(169,388,758)	(454,103,129)	(168,585,961)
Assets for sales		(279,917,632)	137,498,400	(279,917,632)	137,498,400
Other assets		36,055,716	(140,709,924)	38,359,751	(140,010,635)
Deferred charges		(183,988,178)	34,543,458	(183,988,178)	34,543,458
Increase (decrease) in operating liabilities :					
Trade accounts payable		(1,946,077,893)	2,569,471,131	(1,827,256,467)	2,569,257,211
Accrued expenses and other current liabilities		841,280,113	(5,412,472,812)	657,669,568	(5,424,725,035)
Deferred income		-	(256,065,181)	-	(256,065,181)
Staff pension fund		48,506,471	206,830,560	48,506,471	206,830,560
Unearned transportation revenues		(2,295,647,759)	(1,401,511,039)	(2,283,400,249)	(1,401,511,039)
Other non-current liabilities		(26,199,286)	-	(26,199,286)	-
Cash received from operations		5,168,828,892	5,281,217,677	5,073,857,673	5,232,741,764
Payment of income tax		(62,770,820)	(53,629,790)	(60,264,597)	(53,599,080)
Net Cash from Operating Activities		5,106,058,072	5,227,587,887	5,013,593,076	5,179,142,684

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

(Unaudited
but reviewed)

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

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CONSOLIDATED FINANCIAL STATEMENTS SEPARATE FINANCIAL STATEMENTS

Notes 2012 2011 2012 2011

Cash Flows from Investing Activities

Cash received from operational assistance subsidy	-	46,470,000	-	46,470,000
Cash paid for acquisition of fixed assets	(3,207,435,459)	(3,485,698,508)	(3,186,656,646)	(3,484,233,184)
Cash paid for intangible assets	(2,917,001)	(168,998,093)	(329,520)	(168,623,788)
Cash received from transferring the rights for advance payment of aircraft and aircraft equipment	282,771,249	-	282,771,249	-
Cash received from sales of assets	5,435,784	138,283,318	4,903,184	138,283,318
Interest income	64,215,569	87,523,581	56,243,422	85,969,690
Cash received from investment in subsidiaries	197,098,688	-	-	-
Cash received from temporary investment	100,000,000	221,570,957	-	-
Net Cash used in Investing Activities	(2,560,831,170)	(3,160,848,745)	(2,843,068,311)	(3,382,133,964)

Cash Flows from Financing Activities

Cash received from debentures	4,500,000,000	-	4,500,000,000	-
Cash received from long-term loans	311,563,023	-	311,563,023	-
Cash paid for repayment of debentures	(170,000,000)	-	(170,000,000)	-
Cash paid for repayment of long-term loans	(3,448,835,507)	(4,611,333,235)	(3,448,835,507)	(4,611,333,235)
Cash paid for loan interest	(1,144,201,073)	(1,392,996,615)	(1,144,201,073)	(1,392,996,615)
Dividends paid	(87,132)	(112,871)	(87,132)	(112,871)
Net Cash used in Financing Activities	48,439,311	(6,004,442,721)	48,439,311	(6,004,442,721)

Increase (decrease) in cash and cash equivalents	2,593,666,213	(3,937,703,579)	2,218,964,076	(4,207,434,001)
Effect from changing in exchange rate on cash and cash equivalents increase (decrease)	18,739,634	(246,721,994)	18,663,877	(246,721,994)
Cash and cash equivalents at the beginning of the periods	16,666,025,016	37,679,682,021	16,629,940,922	37,601,476,433
Cash and Cash Equivalents at the End of the Periods	19,278,430,863	33,495,256,448	18,867,568,875	33,147,320,438

Additional information for cash flow

Non-cash transactions

Fixed assets unpaid	326,533,846	-	326,533,846	-
Assets under finance leases	1,986,577,191	-	1,986,577,191	-

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

(Signed) *Piyasvasti Amranand*
(Piyasvasti Amranand)
President

(Signed) *Wasukarn Visansawatdi*
(Wasukarn Visansawatdi)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
For the three-month periods ended March 31, 2012 and 2011 (unaudited, but reviewed)

1. BASIS 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 subsidiaries as follows:

Company's Name	Type of Business	Located Country	Percentage of Share Holding	
			<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
Held by the Company:				
1. Thai-Amadeus Southeast Asia Company Limited	Information technology company for travel services	Thailand	55%	55%
2. WingSpan Services Company Limited	Providing special personnel services to the Company	Thailand	49%	49%
3. Thai Flight Training Company Limited	Aviation training services	Thailand	49%	49%
4. Nok Airlines Company Limited	Air transportation services	Thailand	49%	49%
Held by a subsidiary of the Company				
A subsidiary held by WingSpan Services Company Limited - Tour Eurng Luang Company Limited	Tourism Business	Thailand	49%	49%

The subsidiaries are controlled by the Company, directly or indirectly, in determining the financial policies and operations of such subsidiaries. Significant accounting transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict or difference in understanding, the financial statements in Thai language shall prevail.

1.2 Interim Financial Statement Preparation

The interim financial statements are prepared in accordance with Thai Accounting Standard No.34 Interim Financial Statements (revised in 2009). The Company presents items in the statements of financial position, statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows which complied with TAS 1 (revised 2009) Presentation of Financial Statements, which is effective on January 1, 2011 onwards, 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, 2011. 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 financial statements for the year ended December 31, 2011.

2. SUPPLEMENTARY INFORMATION

2.1 Cash and Cash Equivalents

	<u>Consolidated Financial Statements</u>		<u>Units : Million Baht</u> <u>Separate Financial Statements</u>	
	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
	Cash - Domestic	27.51	26.81	27.51
Cash – Abroad	42.42	26.29	42.42	26.29
Bank Deposits - Domestic	7,693.83	10,751.44	7,282.97	10,715.35
Bank Deposits - Abroad	<u>11,514.67</u>	<u>5,861.49</u>	<u>11,514.67</u>	<u>5,861.49</u>
Total	<u>19,278.43</u>	<u>16,666.03</u>	<u>18,867.57</u>	<u>16,629.94</u>

2.2 Trade Accounts Receivable - Net

	<u>Consolidated Financial Statements</u>		<u>Units : Million Baht</u> <u>Separate Financial Statements</u>	
	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
	Period overdue			
Not over 6 months	16,608.91	16,635.00	16,547.11	16,609.98
Over 6 months to 1 year	54.74	48.32	54.73	48.31
Over 1 year to 2 years	62.78	61.77	62.76	61.75
Over 2 years	<u>1,529.95</u>	<u>1,548.05</u>	<u>1,501.21</u>	<u>1,519.32</u>
	18,256.38	18,293.14	18,165.81	18,239.36
<u>Less Allowance for doubtful accounts</u>	<u>(1,623.43)</u>	<u>(1,644.41)</u>	<u>(1,603.67)</u>	<u>(1,615.65)</u>
Trade accounts receivable - net	<u>16,623.95</u>	<u>16,648.73</u>	<u>16,562.14</u>	<u>16,623.71</u>

2.3 Other Current Assets

	Units : Million Baht			
	<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
Tax refund	377.91	324.33	377.91	324.33
Cash and bank deposits of pension fund	4,494.60	4,434.59	4,494.60	4,434.59
Others	<u>3,096.79</u>	<u>2,361.45</u>	<u>2,785.77</u>	<u>2,331.74</u>
Total	<u>7,969.30</u>	<u>7,120.37</u>	<u>7,658.28</u>	<u>7,090.66</u>

2.4 The Purchase of Nok Airlines Company Limited's Shares

On October 14, 2011, the Company's Board of Directors approved the Company to purchase 5 million ordinary shares of Nok Airlines Company Limited from Krung Thai Bank Public Company Limited or 10% of issued and paid capital totaling of THB 165 million. On November 29, 2011, the Company purchased such shares which increased the share portion in Nok Airlines Company Limited from 39% to 49%.

On December 22, 2011, Board of Directors of Nok Airlines Company Limited appointed Mr. Piyasvasti Amranand as a Director of Nok Airlines Company Limited, increasing director's seats from 4 to 5 in Nok Airlines Company Limited. Thus, the Company has the power to control Nok Airlines Company Limited since then.

Details of the net assets acquired and goodwill acquired are as follows:

	Units : Million Baht
The purchase consideration	165.00
Fair value of the investment held previously	<u>365.21</u>
Total	<u>530.21</u>
Assets and liabilities arising from business combination	
Cash and cash equivalents	197.10
Temporary investments	1,050.00
Trade account receivables	328.52
Inventories	8.80
Other current assets	141.30
Long-term investments	4.47
Equipment - net	171.29
Intangible assets	75.91
Deferred tax assets	26.64
Other non-current assets	150.79
Trade account payables and other payables	(1,000.46)
Other current liabilities	(144.42)
Non-current liabilities	<u>(73.50)</u>
Total fair value of net identifiable assets acquired at the acquisition date	936.44
Less fair value of non-controlling interest	(477.59)
Goodwill	<u>71.36</u>
Total	<u>530.21</u>

As at March 31, 2012, the Company is in the process of reviewing the concerning accounting policies and the fair value of the additional net assets. The fair value of the net assets stated above will be adjusted when the initial purchasing expenses have been completely allocated.

2.5 Investments

Consolidated Financial Statements

Units : Million Baht

Name of Company	Percentage of Shareholding		Investments				Income on investments	
	Mar 31, 2012	Dec 31, 2011	Cost method		Equity method		Mar 31, 2012	Mar 31, 2011
			Mar 31, 2012	Dec 31, 2011	Mar 31, 2012	Dec 31, 2011		
2.5.1 Investments using the equity method								
Royal Orchid Hotel (Thailand) Public Company Limited (Market value as at March 31, 2012 amount of THB 461.25 million and as at December 31, 2011 amount of THB 495.00 million)	24	24	225.00	225.00	101.01	113.71	(12.70)	(15.58)
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	92.12	92.90	(0.78)	(2.16)
Bangkok Aviation Fuel Services Public Company Limited (Market value as at March 31, 2012 amount of THB 1,647.17 million and as at December 31, 2011 amount of THB 1,313.13 million)	22.6	22.6	115.19	115.19	763.75	698.42	65.33	7.56
Phuket Air Catering Company Limited	30	30	30.00	30.00	181.35	144.53	36.83	4.12
Suvarnabhumi Airport Hotel Company Limited	30	30	305.33	305.33	118.93	114.80	4.13	(8.31)
Nok Airlines Company Limited	-	49	-	-	-	465.61	-	52.60
Total investments using the equity Method					1,257.16	1,629.97	92.81	38.23
2.5.2 Other long-term investments stated at cost								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	2.3	2.3	15.36	15.36			-	-
SITA Investment Certificate	-	-	30.30	31.14			-	-
Trade Siam Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75			-	-
SITA Information Networking Computing	-	-	28.07	28.85			-	-
Other Shares	-	-	7.26	2.79			-	-
Investment in Debentures	-	-	99.32	99.15			-	-
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Ltd.			(133.00)	(133.00)			-	-
Total other long-term investments			182.06	179.04			-	-

Separate Financial Statements

Units : Million Baht

Name of Company	Percentage of Shareholding		Investments		Dividend Income	
			Cost method			
	Mar 31, 2012	Dec 31, 2011	Mar 31, 2012	Dec 31, 2011	Mar 31, 2012	Mar 31, 2011
2.5.1 Investments using the cost method						
Subsidiary Companies						
Thai-Amadeus Southeast Asia Company Limited	55	55	8.25	8.25	-	-
Wing Span Services Company Limited	49	49	0.98	0.98	0.06	-
Thai Flight Training Company Limited	49	49	0.98	0.98	-	-
Nok Airlines Company Limited	49	-	<u>360.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total			<u>370.21</u>	<u>10.21</u>	<u>0.06</u>	<u>-</u>
Associated Companies						
Royal Orchid Hotel (Thailand) Public Company Limited (Market value as at March 31, 2012 amount of THB 461.25 million and as at December 31, 2011 amount of THB 495.00 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 March 31, 2012 amount of THB 1,647.17 million and as at December 31, 2011 amount of THB 1,313.13 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	-	49	<u>-</u>	<u>360.00</u>	<u>-</u>	<u>-</u>
Total			<u>723.52</u>	<u>1,083.52</u>	<u>-</u>	<u>-</u>
Total investments using the cost method			<u>1,093.73</u>	<u>1,093.73</u>	<u>0.06</u>	<u>-</u>
2.5.2 Other long-term investments stated at cost						
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00	-	-
Aeronautical Radio of Thailand Limited	2.3	2.3	15.36	15.36	-	-
SITA Investment Certificate	-	-	30.30	31.14	-	-
TRADESIAM Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75	-	-
SITA Information Networking Computing	-	-	28.07	28.85	-	-
Other Shares	-	-	2.79	2.79	-	-
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited			<u>(133.00)</u>	<u>(133.00)</u>	<u>-</u>	<u>-</u>
Total other long-term investments			<u>78.27</u>	<u>79.89</u>	<u>-</u>	<u>-</u>

2.5.3 Financial Data Summary of Subsidiary and Associated Companies

Units : Million Baht

Name of Company	Assets	Liabilities	Income	Gains (Losses)
<u>Subsidiary Companies</u>				
Thai-Amadeus Southeast Asia Company Limited	734.64	105.79	96.11	40.53
WingSpan Services Company Limited	74.71	57.32	80.08	10.57
Thai Flight Training Company Limited	5.19	4.41	4.53	(2.20)
Tour Eurng Luang Company Limited	1.72	0.83	0.10	0.01
Nok Airlines Company Limited	2,089.43	1,282.63	1,877.07	9.35
<u>Associated Companies</u>				
Royal Orchid Hotel (Thailand) Public Company Limited	1,263.10	852.21	217.72	(9.99)
Donmuang International Airport Hotel Company Limited	297.94	67.64	52.89	(1.96)
Bangkok Aviation Fuel Services Public Company Limited	6,388.20	3,007.29	638.29	289.21
Phuket Air Catering Company Limited	683.48	78.98	233.36	123.62
Suvarnabhumi Airport Hotel Company Limited	1,810.96	1,414.52	206.28	13.77

The Company used the financial statements of subsidiary and associated companies as at March 31, 2012 to record the investment by equity method in the consolidated financial statement and by cost method in the Company's financial statement.

2.6 Related Parties

2.6.1 Major Shareholders

2.6.1.1 Long-term loans from related parties

Units : Million Baht

	Mar 31, 2012	Dec 31, 2011
Foreign loans via the Ministry of Finance	1,239.54	1,273.28
Government Saving Bank	4,641.00	5,034.00
Islamic Bank of Thailand	<u>875.00</u>	<u>1,000.00</u>
Total	<u>6,755.54</u>	<u>7,307.28</u>

2.6.2 Subsidiary Company

2.6.2.1 Bonds and Bond Investments

Units : Million Baht

	Mar 31, 2012	Dec 31, 2011
Thai-Amadeus Southeast Asia Company Limited	<u>50.57</u>	<u>50.78</u>
Total	<u>50.57</u>	<u>50.78</u>

2.6.2.2 Sales and Purchase

Units : Million Baht

	Mar 31, 2012		Mar 31, 2011	
	Sales	Purchase	Sales	Purchase
Thai-Amadeus Southeast Asia Company Limited	0.64	-	0.92	-
WingSpan Services Company Limited	0.11	79.67	-	-
Thai Flight Training Company Limited	3.11	-	-	-
Nok Airlines Company Limited	266.85	1.28	-	-

2.6.2.3 Account Receivables and Account Payables

Units : Million Baht

	Mar 31, 2012		Dec 31, 2011	
	Account Receivables	Account Payables	Account Receivables	Account Payables
Thai-Amadeus Southeast Asia Company Limited	0.39	-	0.32	-
WingSpan Services Company Limited	0.04	3.61	-	2.53
Thai Flight Training Company Limited	-	-	-	-
Nok Airlines Company Limited	160.16	5.06	-	-

2.6.3 Associated Companies

2.6.3.1 Sales and Purchase

Units : Million Baht

	Mar 31, 2012		Mar 31, 2011	
	Sales	Purchase	Sales	Purchase
Royal Orchid Hotel (Thailand) Public Company Limited	0.03	0.97	-	1.55
Donmuang International Airport Hotel Company Limited	-	-	-	0.05
Bangkok Aviation Fuel Services Public Company Limited	0.01	97.45	0.02	95.76
Phuket Air Catering Company Limited	1.25	4.01	0.78	4.37
Suvarnabhumi Airport Hotel Company Limited	-	0.32	-	9.53
Nok Airlines Company Limited	-	-	405.85	-

2.6.3.2 Account Receivables and Account Payables

Units : Million Baht

	Mar 31, 2012		Dec 31, 2011	
	Account Receivables	Account Payables	Account Receivables	Account Payables
Royal Orchid Hotel (Thailand) Public Company Limited	-	0.24	-	0.03
Donmuang International Airport Hotel Company Limited	-	-	-	-
Bangkok Aviation Fuel Services Public Company Limited	0.01	36.40	-	36.36
Phuket Air Catering Company Limited	0.81	4.04	0.88	3.20
Suvarnabhumi Airport Hotel Company Limited	-	2.33	-	0.45
Nok Airlines Company Limited	-	-	110.73	-

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

On June 21, 2011, The Strategy Steering Committee approved to waive the wages for the 4 employees who perform secondment duty at WingSpan Services Company Limited for 2 years since the year 2010-2012.

2.7 Property, Plant and Equipment

Consolidated Financial Statements As at March 31, 2012

Unit : Million Baht

	Prepaid Aircraft and Spare Engines	Aircraft	Aircraft under financial leases	Aircraft spare parts	Work In Progress	Land	Buildings	Leasehold Buildings	Building Improvement	Other plant and equipment	Total
Cost											
As at January 1, 2012	21,278.98	143,581.91	165,320.53	29,096.59	2,838.21	938.41	2,524.30	10,793.20	4,639.84	29,502.55	410,514.52
- Business purchase	-	-	-	-	-	-	-	-	-	221.66	221.66
- Adjust/Transfers	(1,352.67)	504.61	(3,953.27)	(122.89)	-	-	-	-	5.91	273.91	(4,644.40)
- Additions	2,671.30	1,679.95	2,123.52	753.07	(151.27)	-	-	-	1.29	48.48	7,126.34
- Disposals	-	(311.97)	(194.39)	(108.43)	-	-	-	-	(10.07)	(130.36)	(755.22)
As at March 31, 2012	22,597.61	145,454.50	163,296.39	29,618.34	2,686.94	938.41	2,524.30	10,793.20	4,636.97	29,916.24	412,462.90
Impairment Allowance	-	950.40	3,475.19	-	-	-	-	-	-	-	4,425.59
Accumulated depreciation											
As at January 1, 2012	-	96,527.20	49,794.73	18,730.03	-	-	2,266.38	5,098.03	4,067.88	24,610.01	201,094.26
- Business purchase	-	-	-	-	-	-	-	-	-	151.08	151.08
- Depreciation	-	1,674.22	2,417.24	445.56	-	-	16.94	57.32	48.37	364.21	5,023.86
- Adjust/Transfers	-	(1,475.12)	(2,874.24)	(101.27)	-	-	-	-	-	(52.32)	(4,502.95)
- Disposals	-	(310.78)	(194.39)	(57.87)	-	-	-	-	(8.91)	(127.64)	(699.59)
Provision for flood damages	-	-	-	-	-	-	-	-	-	52.28	52.28
As at March 31, 2012	-	97,365.92	52,618.53	19,016.45	-	-	2,283.32	5,155.35	4,107.34	24,997.62	205,544.53
Net book value											
As at December 31, 2011	21,278.98	46,104.31	112,050.61	10,366.56	2,838.21	938.41	257.92	5,695.17	571.96	4,892.54	204,994.67
As at March 31, 2012	22,597.61	48,088.58	110,677.86	10,601.89	2,686.94	938.41	240.98	5,637.85	529.63	4,918.62	206,918.37

**Consolidated Financial Statements
As at March 31, 2011**

Unit : Million Baht

	Prepaid Aircraft and Spare Engines	Aircraft	Aircraft under financial leases	Aircraft spare parts	Work In Progress	Land	Buildings	Leasehold Buildings	Building Improvement	Other plant and equipment	Total
Cost											
As at January 1, 2011	17,982.73	141,437.22	163,441.09	27,718.15	310.68	938.41	2,524.69	10,782.61	4,656.38	29,321.62	399,113.58
- Adjust/Transfers	(315.82)	1,715.95	-	280.96	-	-	-	-	10.79	102.00	1,793.88
- Additions	821.87	297.80	134.84	1,089.27	851.44	-	-	18.45	2.39	22.28	3,238.34
- Disposals	-	(1,991.07)	-	(648.03)	-	-	-	-	(11.75)	(38.75)	(2,689.60)
As at March 31, 2011	18,488.78	141,459.90	163,575.93	28,440.35	1,162.12	938.41	2,524.69	10,801.06	4,657.81	29,407.15	401,456.20
Impairment Allowance	-	950.40	3,475.19	-	-	-	-	-	-	-	4,425.59
Accumulated depreciation											
As at January 1, 2011	-	91,898.70	44,345.32	18,124.77	-	-	2,199.02	4,875.09	3,840.54	23,286.05	188,569.49
- Depreciation	-	1,621.20	2,036.20	420.54	-	-	16.94	57.13	94.58	456.43	4,703.02
- Adjust/Transfers	-	1,578.05	-	(31.40)	-	-	-	-	(1.54)	1.50	1,546.61
- Disposals	-	(1,853.57)	-	(289.66)	-	-	-	-	(10.76)	(38.52)	(2,192.51)
As at March 31, 2011	-	94,194.78	49,856.71	18,224.25	-	-	2,215.96	4,932.22	3,922.82	23,705.46	197,052.20
Net book value											
As at December 31, 2010	17,982.74	48,588.12	115,620.58	9,593.38	310.68	938.41	325.66	5,907.52	815.84	6,035.57	206,118.50
As at March 31, 2011	18,488.78	47,265.12	113,719.22	10,216.10	1,162.12	938.41	308.73	5,868.84	734.99	5,701.69	204,404.00

**Separate Financial Statements
As at March 31, 2012**

Unit : Million Baht

	Prepaid Aircraft and Spare Engines	Aircraft	Aircraft under financial leases	Aircraft spare parts	Work In Progress	Land	Buildings	Leasehold Buildings	Building Improvement	Other plant and equipment	Total
Cost											
As at January 1, 2012	21,278.98	143,581.91	165,320.53	29,096.59	2,838.21	938.41	2,524.30	10,793.20	4,639.84	29,284.28	410,296.25
- Adjust/Transfers	(1,352.67)	504.61	(3,953.27)	(122.89)	-	-	-	-	5.91	173.21	(4,745.10)
- Additions	2,671.30	1,679.95	2,123.52	753.07	(151.27)	-	-	-	1.29	26.77	7,104.63
- Disposals	-	(311.97)	(194.39)	(108.43)	-	-	-	-	(10.07)	(126.83)	(751.69)
As at March 31, 2012	22,597.61	145,454.50	163,296.39	29,618.34	2,686.94	938.41	2,524.30	10,793.20	4,636.97	29,357.43	411,904.09
Impairment Allowance	-	950.40	3,475.19	-	-	-	-	-	-	-	4,425.59
Accumulated depreciation											
As at January 1, 2012	-	96,527.20	49,794.73	18,730.03	-	-	2,266.38	5,098.03	4,067.88	24,399.10	200,883.35
- Depreciation	-	1,674.22	2,417.24	445.56	-	-	16.94	57.32	48.37	354.54	5,014.19
- Adjust/Transfers	-	(1,475.12)	(2,874.24)	(101.27)	-	-	-	-	-	(52.32)	(4,502.95)
- Disposals	-	(310.78)	(194.39)	(57.87)	-	-	-	-	(8.91)	(126.30)	(698.25)
Provision for flood damages	-	-	-	-	-	-	-	-	-	52.28	52.28
As at March 31, 2012	-	97,365.92	52,618.53	19,016.45	-	-	2,283.32	5,155.35	4,107.34	24,627.30	205,174.21
Net book value											
As at December 31, 2011	21,278.98	46,104.31	112,050.61	10,366.56	2,838.21	938.41	257.92	5,695.17	571.96	4,885.18	204,987.31
As at March 31, 2012	22,597.61	48,088.58	110,677.86	10,601.89	2,686.94	938.41	240.98	5,637.85	529.63	4,730.13	206,729.88

**Separate Financial Statements
As at March 31, 2011**

Unit : Million Baht

	Prepaid Aircraft and Spare Engines	Aircraft	Aircraft under financial leases	Aircraft spare parts	Work In Progress	Land	Buildings	Leasehold Buildings	Building Improvement	Other plant and equipment	Total
Cost											
As at January 1, 2011	17,982.73	141,437.22	163,441.09	27,718.15	310.68	938.41	2,524.69	10,782.61	4,656.38	29,108.04	398,900.00
- Adjust/Transfers	(315.82)	1,715.95	-	280.96	-	-	-	-	10.79	102.00	1,793.88
- Additions	821.87	297.80	134.84	1,089.27	851.44	-	-	18.45	2.39	20.89	3,236.95
- Disposals	-	(1,991.07)	-	(648.03)	-	-	-	-	(11.75)	(38.75)	(2,689.60)
As at March 31, 2011	18,488.78	141,459.90	163,575.93	28,440.35	1,162.12	938.41	2,524.69	10,801.06	4,657.81	29,192.18	401,241.23
Impairment Allowance	-	950.40	3,475.19	-	-	-	-	-	-	-	4,425.59
Accumulated depreciation											
As at January 1, 2011	-	91,898.70	44,345.32	18,124.77	-	-	2,199.02	4,875.09	3,840.54	23,084.86	188,368.30
- Depreciation	-	1,621.20	2,036.20	420.54	-	-	16.94	57.13	94.58	453.33	4,699.92
- Adjust/Transfers	-	1,578.05	-	(31.40)	-	-	-	-	(1.54)	1.50	1,546.61
- Disposals	-	(1,853.57)	-	(289.66)	-	-	-	-	(10.76)	(38.52)	(2,192.51)
As at March 31, 2011	-	94,194.78	49,856.71	18,224.25	-	-	2,215.96	4,932.22	3,922.82	23,501.17	196,847.91
Net book value											
As at December 31, 2010	17,982.74	48,588.12	115,620.58	9,593.38	310.68	938.41	325.66	5,907.52	815.84	6,023.18	206,106.11
As at March 31, 2011	18,488.78	47,265.12	113,719.22	10,216.10	1,162.12	938.41	308.73	5,868.84	734.99	5,691.01	204,393.32

In this fiscal year, there are 96 aircraft represented in the Company's fleet consisting of 52 own aircraft, 32 aircraft under finance leases, and 12 aircraft under operating leases which excluded 4 aircraft for sales, with a carrying amount of THB 537.80 million.

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

The Company uses buildings and equipment that are now fully depreciated with historical cost of THB 64,004.58 million including the leasehold buildings amount of THB 3,925.04 million.

Leasehold buildings are leased from Airports of Thailand Public Company Limited at Suvarnabhumi with a lease term of 30 years starting from September 28, 2006 to September 29, 2036 and at Donmuang with a lease term of 3 years starting from September 27, 2009 to September 28, 2012. The title of buildings and elements will be passed to The Ministry of Finance at the end of the lease term.

The Company has provided a land located in Bangkok for security meanwhile the Company is now in the procedure of appealing against the judgement of the court of first instance who has made a decision that compelled the Company to provide compensation in the amount of THB 27.63 million with interest due to ceasing of wine purchase.

Leased aircraft are aircraft under finance leases which the purchase contracts were made in USD currency but the finance leases were made in EUR, USD, and JPY currency.

On March 30, 2012, the Company received 1 B747-400 aircraft for cargo services, which was modified from passenger aircraft.

2.8 Intangible Assets-net

	Units : Million Baht	
	Consolidated Financial Statements	Separate Financial Statements
Cost		
As at January 1, 2012	1,855.16	1,844.93
- Business purchase	101.71	-
- Additions	239.39	198.50
As at March 31, 2012	2,196.26	2,043.43
Accumulated amortisation		
As at January 1, 2012	1,231.42	1,227.67
- Business purchase	64.10	-
- Amortisation	99.71	96.15
As at March 31, 2012	1,395.23	1,323.82
Net book value		
As at December 31, 2011	623.74	617.26
As at March 31, 2012	801.03	719.61

2.9 Deferred Income Tax Assets

The deferred income tax asset is calculated from temporary differences between the carrying amount and its tax base of assets and liabilities in the statement of financial position.

	<u>Consolidated</u>		Units : Million Baht	
	<u>Financial Statements</u>		<u>Separate</u>	
	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
Contribution to staff provident fund	85.47	85.75	85.47	85.75
Contribution to staff pension fund	479.16	475.91	479.16	475.91
Allowance for obsolete inventories	322.05	421.24	322.05	421.24
Allowance for doubtful accounts	374.64	371.79	368.02	365.17
Allowance for impairment in value of assets	812.88	849.56	812.88	849.56
Estimated accrual expenses	857.51	890.18	828.54	889.63
Loss on foreign currency exchange	51.31	77.03	51.31	77.03
Intangible assets	103.37	101.42	103.37	101.42
Employee benefits obligation	2,189.30	2,126.75	2,177.02	2,125.77
Others	<u>10.01</u>	<u>9.82</u>	<u>7.27</u>	<u>7.08</u>
Total	<u>5,285.70</u>	<u>5,409.45</u>	<u>5,235.09</u>	<u>5,398.56</u>

2.10 Deferred Income Tax Liabilities

	<u>Consolidated</u>		Units : Million Baht	
	<u>Financial Statements</u>		<u>Separate</u>	
	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
Intangible assets	65.48	55.76	65.48	55.76

2.11 Other Non-Current Assets

	<u>Consolidated</u>		Units : Million Baht	
	<u>Financial Statements</u>		<u>Separate</u>	
	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
Deferred charges	2,137.88	2,030.72	2,137.88	2,030.72
Others	<u>397.02</u>	<u>283.45</u>	<u>246.19</u>	<u>282.17</u>
Total	<u>2,534.90</u>	<u>2,314.17</u>	<u>2,384.07</u>	<u>2,312.89</u>

Deferred charges consisted of aircraft overhaul costs (D-check) for aircraft under operating lease, which are amortised 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 amortised as expenses over the period of due payment loans in each accounting period.

2.12 Employee Benefits Obligation

	Consolidated		Units : Million Baht	
	Financial Statements		Separate	
	Mar 31, 2012	Dec 31, 2011	Mar 31, 2012	Dec 31, 2011
Beginning Balance – Employee Benefits Obligation	10,631.62	9,362.02	10,627.15	9,322.51
Adjustment of Employee Benefits Obligation for associated companies	73.55	-	-	-
Employee benefits for the period	228.58	872.75	222.80	871.79
Benefits paid during the period	-	(469.45)	-	(469.45)
Actuarial loss	-	902.30	-	902.30
Ending Balance – Employee Benefits Obligation	<u>10,933.75</u>	<u>10,631.62</u>	<u>10,849.95</u>	<u>10,627.15</u>

2.13 Share Capital

As at March 31, 2012, the Company has authorized ordinary shares amount of 2,698.90 million shares at par value THB 10 each for an aggregate of THB 26,989.01 million, issued and paid-up ordinary shares amount of THB 21,827.72 million.

2.14 Employee Benefit Expenses

	Units : Million Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	Mar 31, 2012	Mar 31, 2011	Mar 31, 2012	Mar 31, 2011
Personnel Expenses	6,843.47	7,490.81	6,734.92	7,478.52
Employee Benefit Expenses	228.58	218.14	222.80	217.95
Executive benefit expenses	17.63	26.48	16.10	26.48
Board of Directors benefit expenses	4.63	3.83	3.88	3.15
Total	7,094.31	7,739.26	6,977.70	7,726.10

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.

Moreover, the Directors of the Company obtain the ticket benefits. For the three-month periods ended March 31, 2012 and 2011, they issued the tickets for themselves and their related parties amount of 56 and 49 tickets with the value of THB 6.64 million and THB 5.03 million, respectively, calculating from the full fare tickets in those traveling classes.

2.15 Other Incomes

	Units : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	Mar 31, 2012	Mar 31, 2011	Mar 31, 2012	Mar 31, 2011
Gains on sales of assets	6.38	1.62	6.38	1.62
Dividends from associated and subsidiary companies	-	-	0.06	-
Revenue from other services of Aircraft Maintenance Department	108.18	101.45	108.18	101.45
Revenue from airport fees collected from passengers	78.32	198.41	78.32	198.41
Compensation revenue from the delay delivery of aircraft	-	256.07	-	256.07
Insurance compensation from the flood disaster	69.75	-	69.75	-
Others	124.22	148.31	115.97	148.21
Total	386.85	705.86	378.66	705.76

2.16 Other Expenses

	Units : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	Mar 31, 2012	Mar 31, 2011	Mar 31, 2012	Mar 31, 2011
Rentals and utilities	670.58	672.85	670.58	672.85
Office supplies	57.09	57.29	57.09	57.29
Repair of building and equipment	147.18	109.16	147.18	109.16
Outsource services	223.50	256.19	223.50	256.19
Consultant and service fees	101.15	99.15	101.15	99.15
Legal fee for Antitrust/ Competition Law	44.31	66.98	44.31	66.98
Computer service expenses	95.94	94.51	95.94	94.51
Travelling and transportation expenses	162.22	164.04	162.22	164.04
Concession fees	75.95	90.04	75.95	90.04
Passenger claim expenses	55.79	43.62	55.79	43.62
Damages from flood disaster	69.75	-	69.75	-
Others	550.67	324.17	434.72	308.07
Total	2,254.13	1,978.00	2,138.18	1,961.90

2.17 Impairment Loss of Aircraft

In March 2012, 2 A300-600 own aircraft have been phased out from the fleet and are under the selling process. When comparing the net book value with the fair value after deducting the selling cost, it appears that the fair value after deducting the selling cost is lower than the net book value. Therefore, the Company recognized the impairment loss of such aircraft amount of THB 181.14 million

2.18 Net Tax Expenses

	Units : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	Mar 31, 2012	Mar 31, 2011	Mar 31, 2012	Mar 31, 2011
Tax expense from taxable profit for the period	39.83	241.46	10.26	226.31
Add(less): deferred tax asset/ liability from temporary different increase/ decrease	160.10	(120.24)	173.19	(120.26)
Net tax expenses	199.93	121.22	183.45	106.05

2.19 Earnings Per Share

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 Financial Statements For the three-month periods ended March 31, 2012 and 2011

	Profit		Number of Shares		Earnings Per Share	
	Mar 31, 2012	Mar 31, 2011	Mar 31, 2012	Mar 31, 2011	Mar 31, 2012	Mar 31, 2011
	Million Baht	Million Baht	Million Share	Million Share	Baht	Baht
Basic earnings per share						
Profits attributable to Equity holders	3,644.77	618.47	2,182.77	2,182.77	1.67	0.28

Separate Financial Statements For the three-month periods ended March 31, 2012 and 2011

	Profit		Number of Shares		Earnings Per Share	
	Mar 31, 2012	Mar 31, 2011	Mar 31, 2012	Mar 31, 2011	Mar 31, 2012	Mar 31, 2011
	Million Baht	Million Baht	Million Share	Million Share	Baht	Baht
Basic earnings per share						
Profits attributable to Equity holders	3,516.62	562.89	2,182.77	2,182.77	1.61	0.26

2.20 Financial Information by Segment Consolidated

2.20.1 Business Segments

Statements of Income For the three-month periods ended March 31, 2012 and 2011

Units : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>Mar 31, 2012</u>	<u>Mar 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Mar 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Mar 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Mar 31, 2011</u>
	Air transportation	49,861.28	48,890.62	-	-	49,861.28	48,890.62	3,781.72
Business Units	1,864.82	1,624.60	2,576.68	2,618.36	4,441.50	4,242.96	857.22	620.43
Other activities	2,272.78	510.03	1,414.91	1,429.87	3,687.69	1,939.90	128.11	(238.75)
Eliminations	-	-	(3,991.59)	(4,048.23)	(3,991.59)	(4,048.23)	-	-
Operating profits							4,767.05	4,979.48
Share of profits of investments by the equity method							92.81	38.22
Finance costs							(1,361.51)	(1,188.82)
Gains (losses) on foreign currency exchange							527.41	(3,358.36)
Other income							(158.03)	283.60
Non-controlling interests							(23.03)	(14.43)
Net tax expenses							(199.93)	(121.22)
Net profits – attributable to owners of the parent							<u>3,644.77</u>	<u>618.47</u>

Assets and Liabilities As At March 31, 2012 and 2011

	<u>Current Assets</u>		<u>Non-Current Assets</u>		<u>Total Assets</u>	
	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
	Air transportation	58,562.40	55,674.27	207,852.50	206,076.42	266,414.90
Business Units	605.16	599.48	6,379.45	6,544.93	6,984.61	7,144.41
Other activities	2,576.20	709.31	2,818.63	2,529.69	5,394.83	3,239.00
Non-allocated assets	<u>2,602.28</u>	<u>2,310.60</u>	-	-	<u>2,602.28</u>	<u>2,310.60</u>
Total	<u>64,346.04</u>	<u>59,293.66</u>	<u>217,050.58</u>	<u>215,151.04</u>	<u>281,396.62</u>	<u>274,444.70</u>

	<u>Current Liabilities</u>		<u>Non-Current Liabilities</u>		<u>Total Liabilities</u>	
	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
	Air transportation	68,623.31	69,466.92	142,519.58	140,302.56	211,142.89
Business Units	680.12	645.19	16.30	14.59	696.42	659.78
Other activities	1,430.65	195.98	97.91	16.99	1,528.56	212.97
Non-allocated liabilities	<u>383.63</u>	<u>367.26</u>	-	-	<u>383.63</u>	<u>367.26</u>
Total	<u>71,117.71</u>	<u>70,675.35</u>	<u>142,633.79</u>	<u>140,334.14</u>	<u>213,751.50</u>	<u>211,009.49</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. As for the Technical Department, the inter-segment revenue is recorded at cost plus. Those transfers are eliminated in consolidation.

2.20.2 Geographical Segments

	Units : Million Baht	
	<u>Jan-Mar 2012</u>	<u>Jan-Mar 2011</u>
Domestic Revenues		
Transportation	4,261.40	4,125.08
Business units	1,864.82	1,624.60
Other activities	<u>2,272.78</u>	<u>510.03</u>
Total domestic revenues	<u>8,399.00</u>	<u>6,259.71</u>
Foreign Transportation Revenues		
Regional Asia	18,746.14	18,411.31
Europe	10,966.88	12,521.09
North Pacific	791.99	969.83
Australia & New Zealand	4,621.26	4,057.88
Africa	<u>261.51</u>	<u>323.55</u>
Total foreign transportation revenues	<u>35,387.78</u>	<u>36,283.66</u>
Charter revenues and others	2,293.18	2,406.53
Insurance surcharge from passengers	426.89	473.55
Fuel surcharge from passengers	7,492.04	5,601.79
Interest income	119.10	119.99
Other income	<u>386.85</u>	<u>705.86</u>
Total	<u>54,504.84</u>	<u>51,851.09</u>

2.21 Staff Pension Fund Consolidated and Separate Financial Statements

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>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
Current assets	4,537.72	4,511.18
Others	<u>98.88</u>	<u>65.92</u>
Total	<u>4,636.60</u>	<u>4,577.10</u>
Other current liabilities	26.89	15.89
Pension fund	<u>4,609.71</u>	<u>4,561.21</u>
Total	<u>4,636.60</u>	<u>4,577.10</u>

As at March 31, 2012, the fund balance was THB 4,609.71 million, equal to the Company's obligation to its staff under the fund. (The total Company contribution to the fund in this accounting periods was THB 20.60 million, which comes from contributions at a rate equivalent to 10% of employee salaries in the amount of THB 54.08 million deducted the amounts to match the Company's obligation of THB 33.48 million.)

2.22 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 291.63 million for this period.

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

2.23 Contingent Liabilities

2.23.1 The Company has contingent liabilities and not presented in the financial statement as follows:

	Units : Million Baht	
	<u>Mar 31, 2012</u>	<u>Dec 31, 2011</u>
Guarantee by banks (in Thailand)	95.34	30.96
Guarantee by banks (foreign countries)	395.90	397.19
The following lawsuits filed against the Company:		
Labour cases	1,359.24	1,343.33
Damage cases	<u>2,671.57</u>	<u>2,597.98</u>
Total	<u>4,522.05</u>	<u>4,369.46</u>

2.23.2 The Company had estimated damages and fines and had acknowledged such damages and fines in the financial statement of 2008 in the amount of THB 4,290.17 million. The Company had decreased an amount of the reserve with respect to damages and fines to THB 1,783.19 million and THB 1,042.05 million in the financial statement of 2010 and 2011, respectively. In the quarter 1 of 2012, the Company has decreased an amount of the reserve due to the loss of currency exchange resulting from the adjustment of the reserve on the ending date of fiscal year totaling THB 32.29 million. Therefore, the amount of the reserve will be THB 1,432.64 million. The progress of Antitrust/Competition cases is as follows:

1. Regarding an examination price fixing conspiracy with respect to transpacific passenger air transportation by the United States' Department of Justice (DOJ), summon for documents were sent to the Company during the ongoing investigation. Correspondingly, the company has already hired a local attorney to correspond with the DOJ. However, it is still uncertain as to whether an allegation is being sought and when it will occur.

2. With respect to the investigation by the Australian Competition and Consumer Commission (ACCC), on October 28, 2009, the ACCC has subsequently filed a lawsuit against the Company for violating Trade Practices Act 1974. Yet, the amount of fines and expenses has not yet been specified by the ACCC. At the moment, the case is currently under the discovery process so as to seek evidence for each party. After that, the case will be undergoing the court procedures.

3. On the subject of an investigation by the Korean Fair Trade Commission (KFTC), the Company received an official decision of the KFTC on November 30, 2010 which imposed a fine totaling an amount of KRW 2,877 million or approximately THB 77.45 million (Exchange Rate: 0.02692 Won = 1 Baht) but dropped the criminal charges against the Company and the relevant staff. The Company has appealed the KFTC Commissioners' decision to the competent court. On January 20, 2012, the Company received the written judgment from the competent court for the allegation of route ex Korea to anywhere. The competent court upheld the KFTC's decision i.e. the Company is imposed an amount of KRW 2,198 million or approximately THB 59.79 million (Exchange Rate: 0.0272 Won = 1 Baht) for route ex Korea to anywhere. The Company has already appealed the competent court's judgment to the Supreme Court. For the allegation of route ex Hong Kong to Korea, it is still under the consideration and examination of the Court of Appeal.

4. As for the case involving the New Zealand Commerce Commission (NZCC) filing a lawsuit against the Company and other 13 airlines at the Auckland High Court and alleging that the Company, jointly with other airlines, fixed the fuel surcharge and security surcharge, constituting a violation against the Commerce Act of New Zealand, the NZCC requested the court to fine the Company according to the law. However, these fines remained unspecified at the time of filing the lawsuit and were, thus, left for the court to decide afterwards. At present, the case is currently undergoing the court procedures.

5. For the case where 2 lawsuits were filed against the Company at the Superior Court of Los Angeles and the San Francisco County Superior Court alleging that the Company had violated the Antitrust law of the United States by committing fares and surcharges fixing conspiracy, presently, the Judicial Panel on Multi-district Litigation has ordered to combine the cases to be considered by the court at San Francisco as a single case, however, the amount of the compensatory damages has not yet been determined. The case is currently undergoing the court procedures.

According to the board of directors meeting no. 10/2554 held on August 19, 2011, the meeting has resolved to apply the local currency of each foreign country which the Company has the obligation to pay for the reserve in the future instead of applying the Thai currency and the current currency exchange rate of Bank of Thailand will be applied on the end date of fiscal period.

Correspondingly, the Company has modified the estimation guidelines as follows:

1. The above adjustment of damages and fines is based on the status and strategy of the cases which have become more apparent and is considered from the opportunities that the Company may be alleged by the authorities of each country which conducts the investigation and from the calculation of the lowest fine rates that may be used in case the courts rule or sentence that the Company has committed guiltiness as alleged or claimed. In addition, the damages and fines are adjusted to be in compliance with the current currency exchange.

2. The above estimated damages and fine amounts are made in respect of the investigations and claims made by the competent authority in the aforesaid countries including the initial estimate of the compensation in the Civil Class Action case in the United States, though the disputed amount of claims has not yet been set in the complaint and the plaintiffs still have to prove the damages.

3. The sentence or decision on the cases might be given separately in the next forth coming different fiscal years.

4. The above provision may be substantially deviate from the truth due to:

4.1 In the countries where investigations are initiated and no allegation is filed yet, there is no clear fact as to whether an allegation will be filed against the Company. And if such an allegation is filed against the Company, in which locations that such allegation may cover. The turnover amount of such locations which shall be based for calculation of fine or damages is therefore unaware.

4.2 The determination of fine and damages is dependent on the discretion of the deciding body. Other facts of the cases may need to be considered by such deciding body.

4.3 Before the decision is made, there may be a compromise or settlement of fine or damages amount, depending on the policy of each country and the case aspects.

2.24 Contractual Obligations

2.24.1 Obligation to Purchase Aircraft

The Company has a payment obligation to purchase 6 A380-800, 4 A330-300, 5 A320-200, 4 A350-900XWB, and 6 B777-300ER aircraft amount of THB 103,207.89 million, expected to take delivery during the year 2012-2017 which consisted of:

Obligation	Unit : Million Baht	
	Within 1 year	Over 1 year – 5 years
Purchase of aircraft	29,278.85	73,929.04

2.24.2 Leases and Obligations of Aircraft

The Company has obligations from entering into operating leases for 42 aircraft amount of USD 4,995.67 million or approximately to THB 154,808.39 million consisting of 6 A320-200, 2 A330-300, 8 A350-900, 3 B737-400, 2 B777-200, 13 B777-300ER, 6 B787-8, and 2 B787-9 aircraft.

There are 30 aircraft which have not been scheduled delivery yet. The Company entered into the operating lease of 8 Boeing 777-300ER with the BOC Aviation Pte. Ltd. (BOCA) according to the Predelivery Commitment Agreement and Aircraft Lease Agreement dated October 22, 2010. Therefore, the Company has an obligation for the commitment fee, up to the date of aircraft delivery, amount of USD 24.75 million or approximately to THB 767.11 million, starting from the signing date in the Agreement until the delivery date of such aircraft. When the Company takes the delivery of such aircraft within 2012 and 2013, the commitment fee will be recognized in the Company's statement of income with a straight-line method over the lease term. The operating leases of those 42 aircraft will be expired during 2013-2029.

Lease obligation and commitment fee can be classified as follows:

Unit : Million Baht			
Obligation	Within 1 year	Over 1 year – 5 years	Over 5 years
Rent	3,676.51	26,171.83	124,192.94
Commitment Fee	663.75	103.36	-
Total	4,340.26	26,275.19	124,192.94

2.25 Estimated Damages from the Flood Disaster

2.25.1 On October 26, 2011, the flood reached Don Muang Airport causing the damages to the Company's assets which the insurance will cover for such damages.

The Company has primarily recorded the damages from flood disaster such as two Airbus A300-600 aircraft phased out from the fleet and under the selling process, consumable parts and supplies of Technical Department with net value of THB 249.40 million. On January 18, 2012, the Company received THB 50 million as the first insurance compensation from the insurance company, and total of USD 5 million or approximately THB 156.81 million on January 27, 2012, January 31, 2012 and February 13, 2012, respectively. Moreover, the Company received more compensation amount of THB 10 million and USD 24.81 million or approximately THB 757.99 million on March 16 and 28, 2012, respectively. The Company recognized the insurance compensation of THB 244.75 million, which is equal to the net book value of the damaged assets. Such compensation has been recognized in the statements of comprehensive income for the year 2011 and for the three-month periods ended March 31, 2012 at the amount of THB 175 million and THB 69.75 million, respectively. However, all the damaged assets which are covered by the insurance policy are under claiming process with the insurance company.

2.25.2 Employee Grant for Flood Disaster

The Company has extended the deadline for the employee to apply for support until February 29, 2012 in case such employees encountered the flood disaster. From the information as at February 3, 2012, the Company estimated that 6,000 staffs will apply for support as at February 29, 2012, which will cost the total amount of THB 400.00 million. The Company has already recognized such amount as expenses in the statements of comprehensive income for the year 2011.

2.26 Events after the Reporting Period

2.26.1 The Annual General Shareholders' Meeting held on April 25, 2012 approved to abstain from dividend payment for the operation result of the year 2011.

2.27 Approval of Financial Statements

These financial statements were approved by the Audit Committee, the Authorized Board of Directors, on May 10, 2012.
