

(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, 2005, the related consolidated and the Company statements of income, changes in shareholders' equity and cash flows for the three and six - month periods ended March 31, 2005 and 2004, of Thai Airways International Public Company Limited and its subsidiaries. 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 September 30, 2004 of Thai Airways International Public Company Limited and its subsidiaries in conformity with the Generally Accepted Accounting Standards and expressed an unqualified opinion according to the report dated November 21, 2004. The consolidated and the Company balance sheets as at September 30, 2004, 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.

(Signed) *Pensri Soranaraks*
(Pensri Soranaraks)
Deputy Auditor General, for Auditor General

(Signed) *Peeraporn Methawikul*
(Peeraporn Methawikul)
Auditor-in-charge

May 4, 2005

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT MARCH 31, 2005 AND SEPTEMBER 30, 2004

Unit : Baht

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>31 March 2005</u> (reviewed)	<u>30 September 2004</u> (audited)	<u>31 March 2005</u> (reviewed)	<u>30 September 2004</u> (audited)
ASSETS					
Current Assets					
Cash and cash equivalents	3.3	9,474,881,809	20,978,440,673	9,196,505,342	20,708,088,557
Fixed deposits due over 3 months		3,934,976,100	3,807,937,115	3,934,976,100	3,807,937,115
Current investment-available-for-sale securities	3.4	-	323,455,999	-	323,455,999
Trade account receivables-net	3.5	14,861,761,858	15,022,384,683	14,813,957,072	14,974,435,217
Inventories and supplies-net		4,879,848,757	4,275,361,532	4,879,848,757	4,275,361,532
Other current assets		6,886,919,477	7,583,727,003	6,879,767,195	7,560,402,613
Total Current Assets		40,038,388,001	51,991,307,005	39,705,054,466	51,649,681,033
Non-Current Assets					
Investments by the equity method	3.6.1	1,280,727,516	1,322,469,860	1,530,423,516	1,572,280,901
Other long-term investments	3.6.2	157,965,849	152,137,142	56,754,871	51,859,311
Property, Plant and Equipment-Net	3.8	160,226,746,146	134,041,264,755	160,139,374,219	133,955,930,373
Others	3.9	5,186,297,382	5,703,353,701	5,178,105,307	5,696,219,610
Total Non-Current Assets		166,851,736,893	141,219,225,458	166,904,657,913	141,276,290,195
Total Assets		206,890,124,894	193,210,532,463	206,609,712,379	192,925,971,228

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

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT MARCH 31, 2005 AND SEPTEMBER 30, 2004

Unit : Baht

	Notes	CONSOLIDATED		THE COMPANY	
		31 March 2005 (reviewed)	30 September 2004 (audited)	31 March 2005 (reviewed)	30 September 2004 (audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Trade account payables		7,222,640,400	6,713,530,109	7,212,360,466	6,707,993,751
Current portion of long-term loans					
Long-term loans		12,625,182,886	10,283,623,939	12,625,182,886	10,283,623,939
Liabilities under financial leases		5,139,133,545	5,248,494,457	5,139,133,545	5,248,494,457
Promissory notes		1,050,000,000	1,050,000,000	1,050,000,000	1,050,000,000
Other current liabilities					
Accrued expenses		11,629,558,884	14,833,485,877	11,620,113,613	14,823,537,623
Accrued dividends		54,310,058	50,607,384	54,310,027	50,607,384
Accrued income taxes		3,867,145,226	41,326,321	3,832,607,007	-
Unearned transportation revenues		15,878,281,640	16,507,265,038	15,878,281,640	16,507,265,038
Others		4,211,416,015	4,728,893,165	4,189,563,683	4,705,533,715
Total Current Liabilities		61,677,668,654	59,457,226,290	61,601,552,867	59,377,055,907
Non-Current Liabilities					
Long-term debts					
Debentures	3.11	25,000,000,000	10,000,000,000	25,000,000,000	10,000,000,000
Long-term loans		13,693,523,980	20,286,806,946	13,693,523,980	20,286,806,946
Liabilities under financial leases		35,717,932,043	39,671,971,402	35,717,932,043	39,671,971,402
Promissory notes		4,725,000,000	5,250,000,000	4,725,000,000	5,250,000,000
Staff pension fund	3.15	4,456,360,904	4,220,771,393	4,456,360,904	4,220,771,393
Total Non-Current Liabilities		83,592,816,927	79,429,549,741	83,592,816,927	79,429,549,741
Total Liabilities		145,270,485,581	138,886,776,031	145,194,369,794	138,806,605,648
Shareholders' Equity					
Share capital	3.12				
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					
1,692.08 million ordinary shares par value of Baht 10 each		16,920,795,500	16,850,000,000	16,920,795,500	16,850,000,000
Premium on share capital		15,612,886,956	15,580,550,482	15,612,886,956	15,580,550,482
Proceeds from ESOP offering		91,295,250	96,732,486	91,295,250	96,732,486
Unrealised gain (losses) on current investment-available-for-sale securities		(76,901)	317,143,675	(76,901)	317,143,675
Retained earnings					
Appropriated					
Legal reserve		1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
Unappropriated		27,090,441,780	19,574,938,937	27,090,441,780	19,574,938,937
Total Company Shareholders' Equity		61,415,342,585	54,119,365,580	61,415,342,585	54,119,365,580
Minority interests		204,296,728	204,390,852	-	-
Total Shareholders' Equity		61,619,639,313	54,323,756,432	61,415,342,585	54,119,365,580
Total Liabilities and Shareholders' Equity		206,890,124,894	193,210,532,463	206,609,712,379	192,925,971,228

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

(Signed) *Kanok Abhiradee*
(Kanok Abhiradee)
President

(Signed) *Kaweepan Raungpaka*
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

For the three - month periods ended March 31, 2005 and 2004

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2005</u>	<u>2004</u> (restated)	<u>2005</u>	<u>2004</u> (restated)
Revenues from the Sale of Goods and the Rendering of Services				
Passenger and excess baggage	30,948,149,760	31,944,566,608	30,948,149,760	31,944,566,608
Freight	5,591,842,770	5,320,460,075	5,591,842,770	5,320,460,075
Mail	257,797,530	236,313,151	257,797,530	236,313,151
Other activities	1,933,236,654	1,821,622,163	1,820,653,253	1,707,194,365
Total Revenues from the Sale of Goods and the Rendering of Services				
Rendering of Services	38,731,026,714	39,322,961,997	38,618,443,313	39,208,534,199
Operating expenses :				
Personnel	6,446,704,181	5,466,234,027	6,440,763,106	5,461,117,464
Fuel and oil	8,953,399,751	7,357,800,595	8,953,399,751	7,357,800,595
Inventories and supplies	2,645,603,866	2,243,789,648	2,645,603,866	2,243,789,648
Lease of aircraft and spare parts	1,293,360,710	1,497,984,920	1,293,360,710	1,497,984,920
Flight operations	8,823,843,105	9,015,947,968	8,823,843,105	9,015,947,968
Depreciation	3,195,066,011	2,984,903,716	3,186,481,716	2,977,317,465
Marketing	725,031,165	810,291,712	717,342,443	801,205,467
Insurance	451,109,817	412,314,241	451,109,817	412,314,241
Remuneration to board of directors	4,982,040	987,250	4,759,290	790,000
Other operating expenses	1,289,633,509	863,020,931	1,263,536,999	832,557,227
Total operating expenses	33,828,734,155	30,653,275,008	33,780,200,803	30,600,824,995
Profit from the Sale of Goods and the Rendering of Services	4,902,292,559	8,669,686,989	4,838,242,510	8,607,709,204

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

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

For the three - month periods ended March 31, 2005 and 2004

Unit : Baht

	Notes	CONSOLIDATED		THE COMPANY	
		2005	2004 (restated)	2005	2004 (restated)
Profit from the Sale of Goods and the Rendering of Services		4,902,292,559	8,669,686,989	4,838,242,510	8,607,709,204
Other Income					
Interest income		62,578,703	99,573,483	62,397,544	99,262,011
Others		386,549,637	378,903,571	387,263,586	380,969,540
Total Other Income		449,128,340	478,477,054	449,661,130	480,231,551
Other Expenses					
Losses (gains) on foreign currency exchange		(712,638,710)	341,905,383	(712,638,710)	341,905,383
Yields from pension fund		10,054,828	9,589,326	10,054,828	9,589,326
Others		124,404,592	175,217,175	123,371,165	173,707,223
Total Other Expenses		(578,179,290)	526,711,884	(579,212,717)	525,201,932
Profit from Operations		5,929,600,189	8,621,452,159	5,867,116,357	8,562,738,823
Share of Profits from Investments by the Equity Method					
Share of net profit from subsidiary companies		-	-	24,040,515	22,667,115
Share of net profit from associated companies		38,256,773	44,299,659	38,256,773	44,299,659
Total Share of Profits from Investments by the Equity Method	3.6.1	38,256,773	44,299,659	62,297,288	66,966,774
Profits before Interest and Income Tax Expenses		5,967,856,962	8,665,751,818	5,929,413,645	8,629,705,597
Interest expenses		910,881,733	1,266,253,224	910,881,733	1,266,253,224
Income tax expenses		1,546,698,026	2,121,994,654	1,527,924,221	2,104,390,164
Profits after Tax		3,510,277,203	5,277,503,940	3,490,607,691	5,259,062,209
Net profit of minority interest		19,669,512	18,441,731	-	-
Net profits		3,490,607,691	5,259,062,209	3,490,607,691	5,259,062,209
Basic earnings per share	3.13				
Net profits		2.06	3.12	2.06	3.12
Diluted earnings per share	3.13				
Net profits		2.06	-	2.06	-

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

(Signed) *Kanok Abhiradee*
(Kanok Abhiradee)
President(Signed) *Kaweepan Raungpaka*
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

For the six - month periods ended March 31, 2005 and 2004

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2005</u>	<u>2004</u> (restated)	<u>2005</u>	<u>2004</u> (restated)
Unit : Baht				
Revenues from the Sale of Goods and the Rendering of Services				
Passenger and excess baggage	65,390,354,522	62,724,391,656	65,390,354,522	62,724,391,656
Freight	11,940,768,512	10,945,200,338	11,940,768,512	10,945,200,338
Mail	570,967,042	495,793,918	570,967,042	495,793,918
Other activities	3,891,555,925	3,411,816,749	3,680,488,423	3,204,489,395
Total Revenues from the Sale of Goods and the Rendering of Services				
Rendering of Services	81,793,646,001	77,577,202,661	81,582,578,499	77,369,875,307
Operating expenses :				
Personnel	13,482,614,184	11,983,151,577	13,470,842,210	11,972,932,520
Fuel and oil	20,153,010,500	13,792,590,908	20,153,010,500	13,792,590,908
Inventories and supplies	4,844,119,023	4,363,361,080	4,844,119,023	4,363,361,080
Lease of aircraft and spare parts	2,892,041,988	3,078,368,685	2,892,041,988	3,078,368,685
Flight operations	17,767,022,132	17,559,526,241	17,767,022,132	17,559,526,241
Depreciation	6,231,135,193	5,954,651,301	6,213,976,161	5,939,941,736
Marketing	1,517,707,494	1,488,841,775	1,496,833,434	1,469,064,438
Insurance	950,747,928	812,045,747	950,747,928	812,045,747
Remuneration to board of directors	30,497,421	17,702,576	30,071,421	17,393,117
Other operating expenses	2,616,284,237	2,411,718,121	2,569,010,054	2,359,164,276
Total operating expenses	70,485,180,100	61,461,958,011	70,387,674,851	61,364,388,748
Profit from the Sale of Goods and the Rendering of Services	11,308,465,901	16,115,244,650	11,194,903,648	16,005,486,559

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

Reviewed

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

For the six - month periods ended March 31, 2005 and 2004

Unit : Baht

	Notes	CONSOLIDATED		THE COMPANY	
		2005	2004 (restated)	2005	2004 (restated)
Profit from the Sale of Goods and the Rendering of Services		11,308,465,901	16,115,244,650	11,194,903,648	16,005,486,559
Other Income					
Interest income		172,859,868	167,766,912	172,487,583	167,153,381
Others		1,169,504,128	600,022,359	1,168,403,728	598,945,890
Total Other Income		1,342,363,996	767,789,271	1,340,891,311	766,099,271
Other Expenses					
Losses (gains) on foreign currency exchange		(2,768,080,401)	750,603,802	(2,768,080,401)	750,603,802
Yields from pension fund		20,150,814	19,053,910	20,150,814	19,053,910
Others		448,491,347	467,025,010	444,958,950	464,413,477
Total Other Expenses		(2,299,438,240)	1,236,682,722	(2,302,970,637)	1,234,071,189
Profit from Operations		14,950,268,137	15,646,351,199	14,838,765,596	15,537,514,641
Share of Profits from Investments by the Equity Method					
Share of net profit from subsidiary companies		-	-	42,896,957	41,959,034
Share of net profit from associated companies		90,028,317	67,123,485	90,028,317	67,123,485
Total Share of Profits from Investments by the Equity Method	3.6.1	90,028,317	67,123,485	132,925,274	109,082,519
Profits before Interest and Income Tax Expenses		15,040,296,454	15,713,474,684	14,971,690,870	15,646,597,160
Interest expenses		1,811,299,786	2,197,892,621	1,811,299,786	2,197,892,621
Income tax expenses		3,986,320,115	3,972,687,772	3,952,812,041	3,939,930,304
Profits after Tax		9,242,676,553	9,542,894,291	9,207,579,043	9,508,774,235
Net profit of minority interest		35,097,510	34,120,056	-	-
Net profits		9,207,579,043	9,508,774,235	9,207,579,043	9,508,774,235
Basic earnings per share	3.13				
Net profits		5.44	5.95	5.44	5.95
Diluted earnings per share	3.13				
Net profits		5.43	-	5.43	-

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

(Signed) *Kanok Abhiradee*
(Kanok Abhiradee)
President(Signed) *Kaweepan Raungpaka*
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six - month periods ended March 31, 2005 and 2004

Unit : Baht

Notes	CONSOLIDATED							Total
	Share Capital issued and fully paid	Premium on share capital	Proceeds from ESOP offering	Unrealised gain (losses) available-for-sale securities	Legal Reserve	Retained Earnings Unappropriated	Minority Interest	
Balance as at October 1, 2003 (before adjustment)	14,000,000,000	4,750,000,000	-	454,324,822	1,700,000,000	17,994,101,711	156,317,516	39,054,744,049
- Cumulative effect of change in accounting policy for D-check	-	-	-	-	-	(1,652,114,839)	-	(1,652,114,839)
- Cumulative effect of change in accounting policy for depreciation of aircraft seats	-	-	-	-	-	(580,558,742)	-	(580,558,742)
- Cumulative effect of change in accounting policy for depreciation of in-flight equipment	-	-	-	-	-	(650,827,643)	-	(650,827,643)
Balance as at October 1, 2003 (after adjustment)	14,000,000,000	4,750,000,000	-	454,324,822	1,700,000,000	15,110,600,487	156,317,516	36,171,242,825
- Unrealised gain (losses) on current investment - available-for-sale securities	-	-	-	10,714,628	-	-	-	10,714,628
<u>Add</u> Net Profit	-	-	-	-	-	9,508,774,235	34,120,056	9,542,894,291
<u>Less</u> Dividends paid	-	-	-	-	-	(3,085,000,000)	(20,925,000)	(3,105,925,000)
<u>Add</u> Issued share capital	2,850,000,000	10,830,254,947	-	-	-	-	-	13,680,254,947
Balance as at March 31, 2004	16,850,000,000	15,580,254,947	-	465,039,450	1,700,000,000	21,534,374,722	169,512,572	56,299,181,691
Balance as at October 1, 2004	16,850,000,000	15,580,550,482	96,732,486	317,143,675	1,700,000,000	19,574,938,937	204,390,852	54,323,756,432
- Unrealised gain (losses) on current investment - available-for-sale securities	-	-	-	(317,220,576)	-	-	(91,634)	(317,312,210)
<u>Add</u> Net Profit	-	-	-	-	-	9,207,579,043	35,097,510	9,242,676,553
<u>Less</u> Dividends paid	3.10	-	-	-	-	(1,692,076,200)	(35,100,000)	(1,727,176,200)
<u>Add</u> Issued share capital	3.12	70,795,500	32,336,474	-	-	-	-	103,131,974
<u>Add</u> Proceeds from ESOP offering	-	-	(5,437,236)	-	-	-	-	(5,437,236)
Balance as at March 31, 2005	16,920,795,500	15,612,886,956	91,295,250	(76,901)	1,700,000,000	27,090,441,780	204,296,728	61,619,639,313

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

(Signed) *Kanok Abhiradee*
(Kanok Abhiradee)
President

(Signed) *Kaweepan Raungpaka*
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six - month periods ended March 31, 2005 and 2004

Unit : Baht

Notes	THE COMPANY						Total
	Share Capital issued and fully paid	Premium on share capital	Proceeds from ESOP offering	Unrealised gain (losses) available-for-sale securities	Legal Reserve	Retained Earnings Unappropriated	
Balance as at October 1, 2003 (before adjustment)	14,000,000,000	4,750,000,000	-	454,324,822	1,700,000,000	17,994,101,711	38,898,426,533
- Cumulative effect of change in accounting policy for D-check	-	-	-	-	-	(1,652,114,839)	(1,652,114,839)
- Cumulative effect of change in accounting policy for depreciation of aircraft seats	-	-	-	-	-	(580,558,742)	(580,558,742)
- Cumulative effect of change in accounting policy for depreciation of in-flight equipment	-	-	-	-	-	(650,827,643)	(650,827,643)
Balance as at October 1, 2003 (after adjustment)	14,000,000,000	4,750,000,000	-	454,324,822	1,700,000,000	15,110,600,487	36,014,925,309
- Unrealised gain (losses) on current investment - available-for-sale securities	-	-	-	10,714,628	-	-	10,714,628
<u>Add</u> Net Profit	-	-	-	-	-	9,508,774,235	9,508,774,235
<u>Less</u> Dividends paid	-	-	-	-	-	(3,085,000,000)	(3,085,000,000)
<u>Add</u> Issued share capital	2,850,000,000	10,830,254,947	-	-	-	-	13,680,254,947
Balance as at March 31, 2004	16,850,000,000	15,580,254,947	-	465,039,450	1,700,000,000	21,534,374,722	56,129,669,119
Balance as at October 1, 2004	16,850,000,000	15,580,550,482	96,732,486	317,143,675	1,700,000,000	19,574,938,937	54,119,365,580
- Unrealised gain (losses) on current investment - available-for-sale securities	-	-	-	(317,220,576)	-	-	(317,220,576)
<u>Add</u> Net Profit	-	-	-	-	-	9,207,579,043	9,207,579,043
<u>Less</u> Dividends paid	-	-	-	-	-	(1,692,076,200)	(1,692,076,200)
<u>Add</u> Issued share capital	70,795,500	32,336,474	-	-	-	-	103,131,974
<u>Add</u> Proceeds from ESOP offering	-	-	(5,437,236)	-	-	-	(5,437,236)
Balance as at March 31, 2005	16,920,795,500	15,612,886,956	91,295,250	(76,901)	1,700,000,000	27,090,441,780	61,415,342,585

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

(Signed) *Kanok Abhiradee*
(Kanok Abhiradee)
President

(Signed) *Kaweepan Raungpaka*
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the six - month periods ended March 31, 2005 and 2004

	Unit : Baht			
	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2005</u>	<u>2004</u> (restated)	<u>2005</u>	<u>2004</u> (restated)
Cash flows from operating activities				
Net profit	9,207,579,043	9,508,774,235	9,207,579,043	9,508,774,235
Adjustment to reconcile net profit to cash provided by (paid from) operating activities :				
Depreciation	6,231,135,193	5,954,651,301	6,213,976,161	5,939,941,736
Income from investments by the equity method	(90,028,317)	(67,123,485)	(132,925,274)	(109,082,519)
Losses on sales of assets	60,298,173	116,872,989	59,877,492	116,872,989
Cumulative effect of change in accounting policies	-	88,525,349	-	88,525,349
Gain on current investments-available-for-sale securities	(372,622,913)	(38,884,439)	(371,486,133)	(38,884,439)
Amortisation of deferred charges	59,556,700	91,228,688	59,556,700	91,228,688
Losses (gains) on foreign currency exchange	(2,519,487,006)	793,400,084	(2,519,487,006)	793,400,084
Net profit of minority interests	35,097,510	34,120,056	-	-
Reserve for obsolete inventories	116,684,751	35,068,956	116,684,751	35,068,956
Allowance for doubtful accounts and impairment in value of assets	(17,125,807)	67,866,415	(20,632,419)	65,278,641
Operating profit before changes in operating assets and liabilities	12,711,087,327	16,584,500,149	12,613,143,315	16,491,123,720
Decrease (increase) in operating assets :				
Trade account receivables	(7,545,878)	(1,806,365,542)	(4,183,947)	(1,801,188,322)
Inventories and supplies	(727,709,683)	(374,789,676)	(727,709,683)	(374,789,676)
Prepaid expenses and deposits	1,043,500,760	132,769,170	1,043,711,931	132,853,095
Other current assets	(531,022,850)	(1,162,922,389)	(547,406,130)	(1,183,210,414)
Deferred income taxes	7,541,865	126,455,329	8,599,848	127,222,781
Deferred charges	-	(687,935,494)	-	(687,935,494)
Concessions for acquisitions of aircraft and engines	-	209,971,532	-	209,971,532
Increase (decrease) in operating liabilities :				
Trade account payables	464,219,873	61,567,091	459,476,297	59,722,254
Accrued expenses and other current liabilities	127,610,447	2,210,411,243	136,408,650	2,212,171,690
Staff pension fund	235,589,511	191,733,291	235,589,511	191,733,291
Unearned transportation revenue	(594,101,270)	698,671,622	(594,101,270)	698,671,622
Net cash from operating activities	12,729,170,102	16,184,066,326	12,623,528,522	16,076,346,079

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

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

For the six - month periods ended March 31, 2005 and 2004

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
		(restated)		(restated)
Unit : Baht				
Cash flows from investing activities				
Fixed deposits due over 3 months increase	(127,038,985)	(489,815,340)	(127,038,985)	(489,815,340)
Cash paid for acquisition of fixed assets	(32,139,775,982)	(16,040,049,649)	(32,120,158,723)	(16,023,471,120)
Cash received from sales of assets	119,356,686	90,289,457	119,356,686	90,289,457
Investments decrease	125,730,122	44,654,382	168,630,105	70,229,382
Cash received from current investments-available-for-sale securities	377,721,557	-	377,721,557	
Cash received from loan for investing aircraft spare parts	-	39,555,308	-	39,555,308
Net cash used in investing activities	(31,644,006,602)	(16,355,365,842)	(31,581,489,360)	(16,313,212,313)
Cash flows from financing activities				
Cash received from debentures	15,000,000,000	10,000,000,000	15,000,000,000	10,000,000,000
Cash received from short-term loans	-	4,010,000,000	-	4,010,000,000
Cash received from long-term loans	-	691,663,503	-	691,663,503
Cash received from issued ordinary shares	6,332,950	2,850,000,000	6,332,950	2,850,000,000
Cash received from premium on ordinary shares	66,538	10,830,254,947	66,538	10,830,254,947
Cash received from subscription of ESOP	91,295,250	-	91,295,250	-
Cash paid for repayment of short-term loans	-	(4,009,640,000)	-	(4,009,640,000)
Cash paid for repayment of long-term loans	(5,561,553,267)	(5,366,588,589)	(5,561,553,267)	(5,366,588,589)
Cash paid for repayment of promissory notes	(525,000,000)	(525,000,000)	(525,000,000)	(525,000,000)
Dividends paid	(1,723,473,543)	(3,094,688,446)	(1,688,373,557)	(3,073,763,446)
Net cash from (used in) financing activities	7,287,667,928	15,386,001,415	7,322,767,914	15,406,926,415
Increase (decrease) in cash and cash equivalents	(11,627,168,572)	15,214,701,899	(11,635,192,924)	15,170,060,181
Increase effects of exchange rate changes on cash and bank balances	123,609,709	6,223,769	123,609,709	6,223,769
Cash and cash equivalents at the beginning of the periods	20,978,440,672	9,205,595,942	20,708,088,557	8,852,154,752
Cash and cash equivalents at the end of the periods	9,474,881,809	24,426,521,610	9,196,505,342	24,028,438,702
Supplementary cash flows information :				
Cash paid during the year for				
Interest expenses	1,448,643,928	2,006,677,202	1,448,643,928	2,006,677,202
Corporate income tax	152,957,137	1,162,221,188	111,605,185	1,131,988,358

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

(Signed) *Kanok Abhiradee*
(Kanok Abhiradee)
President(Signed) *Kaweepan Raungpaka*
(Kaweepan Raungpaka)
Executive Vice President
Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

**For the three and six - month periods ended March 31, 2005 (reviewed)
and for the year ended September 30, 2004 (audited)**

1. BASIC OF FINANCIAL STATEMENTS PREPARATION

1.1 Consolidated financial statements

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 statements

The interim financial statements have been prepared in accordance with the Accounting Standard No. 41, the interim financial statements, by indicating the items in balance sheet, statement of income, changes in shareholders' equity, and cash flows which are similar to the annual financial statements. As for the supplementary information, only the crucial ones are indicated.

The purpose of preparation the interim financial statements is to add more information to the year financial statements ended September 30, 2004. So, the use of these interim financial statements should be applied together with the year financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In preparation of the interim financial statements, the Company applies the accounting policies and the calculation methods which are similar to the annual financial statements ended September 30, 2004.

3. SUPPLEMENTARY INFORMATION

3.1 The Effect of Changes in Accounting Policies

In fiscal year 2004, the company has changed the accounting policies regarding to the record of aircraft overhaul costs (D-check), passenger seats, and in-flight equipment to comply with the accounting standards. The company restated its financial statements for the three- month and six-month periods ended March 31, 2004 as though the company had consistently followed the new policies. The effect of changes in aforesaid policies resulted in the decrease in brought forward retained earnings for the six-month periods ended March 31, 2004 amount of THB 2,883.50 million. Net profit for the three-month and six-month periods ended March 31, 2004 decreased by THB 59.07 million and THB 158.34 million. Also, basic earnings per share for the three-month and six-month periods decreased by THB 0.04 and THB 0.09, respectively

3.2 Change in Method of Accounting Presentation

The Company has changed its presentation method for the accounting items in income statements, formerly classified expenses by activity, to classify the expenses by nature to comply with the airline business. The Company restated its financial statements for the three-month and six-month periods ended March 31, 2004 as though the Company had consistently presented the expenses by nature which have no any impact on a profit(loss) of consolidated and the Company.

3.3 Cash and Cash Equivalents

	Unit : Million Baht			
	<u>Consolidated</u>		<u>The Company</u>	
	<u>31-Mar-05</u>	<u>30-Sep-04</u>	<u>31-Mar-05</u>	<u>30-Sep-04</u>
Cash - Domestic	19.67	11.71	19.67	11.71
Cash - Abroad	24.35	17.00	24.35	17.00
Bank Deposits - Domestic	3,955.55	3,907.72	3,677.17	3,637.37
Bank Deposits - Abroad	<u>5,475.31</u>	<u>17,042.01</u>	<u>5,475.31</u>	<u>17,042.01</u>
Total	<u>9,474.88</u>	<u>20,978.44</u>	<u>9,196.50</u>	<u>20,708.09</u>

Cash and cash equivalents have already included cash and cash equivalent of the Company's staff pension fund discussed in Note 3.15.

3.4 Current Investments-Available-for-Sale Securities

On June 27, 2002, the Company received 508,937 shares in FRANCE TELECOM, listed on the Bourse de Paris and the New York Stock Exchange, from SITA. In the first quarter, the Company sold all 316,957 shares amount of THB 377.83 million. The Company has gain on sales of shares amount of THB 371.49 million.

3.5 Trade Account Receivables - Net

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

	Unit : Million Baht			
	<u>Consolidated</u>		<u>The Company</u>	
	<u>31-Mar-05</u>	<u>30-Sep-04</u>	<u>31-Mar-05</u>	<u>30-Sep-04</u>
Period of overdue				
Not over 6 months	14,819.15	14,969.86	14,776.35	14,926.95
Over : 6 months to 1 year	43.75	84.47	39.64	76.85
Over : 1 year to 2 years	82.94	41.14	71.14	36.25
Over : 2 years	<u>1,172.31</u>	<u>1,200.41</u>	<u>1,168.69</u>	<u>1,196.87</u>
	16,118.15	16,295.88	16,055.82	16,236.92
<u>Less Allowance for doubtful accounts</u>	<u>(1,256.39)</u>	<u>(1,273.50)</u>	<u>(1,241.86)</u>	<u>(1,262.48)</u>
Trade account receivables - net	<u>14,861.76</u>	<u>15,022.38</u>	<u>14,813.96</u>	<u>14,974.44</u>

3.6 Investments

Consolidated

Unit : Million Baht

Name of Company	Percentage of Shareholding		Investments				Income on investments	
			Cost method		Equity method		31-Mar-05	31-Mar-04
	31-Mar-05	30-Sep-04	31-Mar-05	30-Sep-04	31-Mar-05	30-Sep-04	31-Mar-05	31-Mar-04
3.6.1 Investments using the equity method								
Thai Information Solution Company Limited	-	100	-	125.00	-	103.27	-	-
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at March 31, 2005 amount of THB 641.25 million and September 30, 2004 amount of THB 630.00 million)	24	24	225.00	225.00	320.87	283.74	37.13	11.58
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	163.31	157.38	29.93	26.41
Bangkok Aviation Fuel Services Public Company Limited (Market value as at March 31, 2005 amount of THB 883.10 million and September 30, 2004 amount of THB 829.34 million)	22.6	22.6	76.79	76.79	461.30	415.52	45.78	26.40
Phuket Air Catering Company Limited	30	30	30.00	30.00	42.86	43.98	3.38	2.73
Suvarnabhumi Airport Hotel Company Limited (fully paid-up of the first authorized share and paid 25% of increased share capital)	30	30	123.58	123.58	121.00	123.58	(2.58)	-
Sky Asia Company Limited	39	39	195.00	195.00	<u>171.39</u>	<u>195.00</u>	<u>(23.61)</u>	<u>-</u>
Total investments using the equity method					<u>1,280.73</u>	<u>1,322.47</u>	<u>90.03</u>	<u>67.12</u>
3.6.2 Other long-term investments stated at cost								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	3.5	3.5	22.94	22.94			-	-
SITA Investment Certificate	-	-	29.05	24.15			-	-
TRADESIAM Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75			-	-
Other Shares			3.01	3.02			-	-
Investment in private fund			101.21	100.28			-	-
<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>157.96</u>	<u>152.14</u>			<u>-</u>	<u>-</u>

The Company

Name of Company	Percentage of Shareholding		Investments				Income on investments	
			Cost method		Equity method			
	31-Mar-05	30-Sep-04	31-Mar-05	30-Sep-04	31-Mar-05	30-Sep-04	31-Mar-05	31-Mar-04
3.6.1 Investments using the equity method								
Subsidiary Companies								
Thai-Amadeus Southeast Asia Company Limited	55	55	8.25	8.25	249.69	249.81	42.90	41.70
Thai Information Solution Company Limited	-	100	-	125.00	-	103.27	-	0.26
Total					249.69	353.08	42.90	41.96
Associated Companies								
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at March 31, 2005 amount of THB 641.25 million and September 30, 2004 amount of THB 630.00 million)	24	24	225.00	225.00	320.87	283.74	37.13	11.58
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	163.31	157.38	29.93	26.41
Bangkok Aviation Fuel Services Public Company Limited (Market value as at March 31, 2005 amount of THB 883.10 million and September 30, 2004 amount of THB 829.34 million)	22.6	22.6	76.79	76.79	461.30	415.52	45.78	26.40
Phuket Air Catering Company Limited	30	30	30.00	30.00	42.86	43.98	3.38	2.73
Suvarnabhumi Airport Hotel Company Limited (fully paid-up of the first authorized share and paid 25% of increased share capital)	30	30	123.58	123.58	121.00	123.58	(2.58)	-
Sky Asia Company Limited	39	39	195.00	195.00	171.39	195.00	(23.61)	-
Total					1,280.73	1,219.20	90.03	67.12
Total investments using the equity method					1,530.42	1,572.28	132.93	109.08
3.6.2 Other long-term investments								
stated at cost								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	3.5	3.5	22.94	22.94			-	-
SITA Investment Certificate	-	-	29.05	24.15			-	-
TRADESIAM Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75			-	-
Other Shares			3.01	3.02			-	-
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited			(133.00)	(133.00)			-	-
Total other long-term investments			56.75	51.86			-	-

3.7 Related Parties The Company

3.7.1 Major shareholders

	<u>31-Mar-05</u>	<u>30-Sep-04</u>
Ministry of Finance		
Guaranteed loans	600.00	1,677.42
Loans via the Ministry of Finance	25,718.71	28,893.01

Unit : Million Baht

3.7.2 Subsidiary companies

	Sales			
	<u>Three-month periods</u>		<u>Six-month periods</u>	
	<u>Jan-Mar'05</u>	<u>Jan-Mar'04</u>	<u>Oct'04-Mar'05</u>	<u>Oct'03-Mar'04</u>
Thai-Amadeus Southeast Asia Company Limited	18.57	18.64	22.58	37.34

Unit : Million Baht

	<u>Trade Account Receivables</u>		<u>Other Account Receivables</u>	
	<u>31-Mar-05</u>	<u>30-Sep-04</u>	<u>31-Mar-05</u>	<u>30-Sep-04</u>
Thai-Amadeus Southeast Asia Company Limited	0.15	0.17	31.25	15.82

Unit : Million Baht

The Company purchases goods and services from related parties on normal commercial terms.

3.8 Property, Plant and Equipment - Net

Consolidated

Unit : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land and buildings	Other plant and equipment	Total
Cost						
As at October 1, 2004	133,963.88	66,648.10	25,231.18	10,213.45	22,863.03	258,919.64
- Adjust/Transfer	(675.67)	21.52	(296.33)	60.66	166.01	(723.81)
- Increased asset	25,501.84	25.39	2,418.27	12.05	4,522.23	32,479.78
- Sold	-	(110.11)	(471.68)	(22.12)	(491.90)	(1,095.81)
As at March 31, 2005	158,790.05	66,584.90	26,881.44	10,264.04	27,059.37	289,579.80
Accumulated depreciation						
As at October 1, 2004	74,665.51	10,712.23	16,356.78	7,494.92	15,648.94	124,878.38
- Depreciation	3,016.25	1,541.20	990.01	183.93	499.74	6,231.13
- Adjust/Transfer	(680.40)	5.92	(156.93)	-	(1.93)	(833.34)
- Sold	-	(95.57)	(314.42)	(21.53)	(491.59)	(923.11)
As at March 31, 2005	77,001.36	12,163.78	16,875.44	7,657.32	15,655.16	129,353.06
Net book value						
As at September 30, 2004	59,298.37	55,935.87	8,874.40	2,718.53	7,214.09	134,041.26
As at March 31, 2005	81,788.69	54,421.12	10,006.00	2,606.72	11,404.21	160,226.74

The Company

Unit : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land and buildings	Other plant and equipment	Total
Cost						
As at October 1, 2004	133,963.88	66,648.10	25,231.18	10,213.45	22,698.62	258,755.23
- Adjust/Transfer	(675.67)	21.52	(296.33)	60.66	168.36	(721.46)
- Increased asset	25,501.84	25.39	2,418.27	12.05	4,502.61	32,460.16
- Sold	-	(110.11)	(471.68)	(22.12)	(491.90)	(1,095.81)
As at March 31, 2005	158,790.05	66,584.90	26,881.44	10,264.04	26,877.69	289,398.12
Accumulated depreciation						
As at October 1, 2004	74,665.51	10,712.23	16,356.78	7,494.92	15,569.86	124,799.30
- Depreciation	3,016.25	1,541.20	990.01	183.93	482.58	6,213.97
- Adjust/Transfer	(680.40)	5.92	(156.93)	-	-	(831.41)
- Sold	-	(95.57)	(314.42)	(21.53)	(491.59)	(923.11)
As at March 31, 2005	77,001.36	12,163.78	16,875.44	7,657.32	15,560.85	129,258.75
Net book value						
As at September 30, 2004	59,298.37	55,935.87	8,874.40	2,718.53	7,128.76	133,955.93
As at March 31, 2005	81,788.69	54,421.12	10,006.00	2,606.72	11,316.84	160,139.37

In this period, there are 83 aircraft in the Company's fleet consisting of 59 own aircraft, 12 aircraft under financial leases, and 12 aircraft under operating leases.

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

Other plant and equipment-net amount of THB 11,404.21 million (consolidated) and THB 11,316.84 millions (the Company) have already included the work in progress of Suvarnabhumi project amount of THB 7,294.58 million consisting of building, facilities, equipment and information technology which support to the services in Suvarnabhumi Airport.

The Company uses buildings and equipment amount of THB 30,062.75 million that are now fully depreciated.

3.9 Non - Current Assets - Others

	Unit : Million Baht			
	Consolidated		The Company	
	<u>31-Mar-2005</u>	<u>30-Sep-2004</u>	<u>31-Mar-2005</u>	<u>30-Sep-2004</u>
Deferred charges	315.48	824.99	315.48	824.99
Deferred income taxes	<u>4,870.82</u>	<u>4,878.36</u>	<u>4,862.63</u>	<u>4,871.23</u>
Total	<u>5,186.30</u>	<u>5,703.35</u>	<u>5,178.11</u>	<u>5,696.22</u>

3.10 Dividends The Company

According to the Annual General Shareholders' Meeting for the year 2004 held on December 17, 2004 approved the Company to pay the dividends for the second half-year 2004 operation at THB 1.00 per share for an aggregate of THB 1,692.08 million (1,685,000,000 old shares plus 7,076,200 new shares, totalling 1,692,076,200 shares).

3.11 Debenture Bonds

According to the Resolution of Extraordinary Shareholders' Meeting No. 1/2546 held on September 2, 2003 approved the Company to issue debentures in the amount of THB 40 billion. The first and the second issue of the Company's debentures amount of THB 10 billion and THB 15 billion have been transferred to the Company's account on October 9, 2003 and October 21, 2004, respectively. The total value is THB 25 billion. The details are as follows:

	Tenor (Year)	Interest Rate Pay every 6 months (%)	Amount (MTHB)	Maturity date
	5	3.00	5,500	October 8, 2008
	7	3.70	<u>4,500</u>	October 8, 2010
The balance as at September 30, 2004			<u>10,000</u>	
	5	4.65	7,500	October 20, 2009
	7	5.20	4,500	October 20, 2011
	10	5.80	<u>3,000</u>	October 20, 2014
			<u>15,000</u>	
The balance as at March 31, 2005			<u>25,000</u>	

The Company has registered these debentures with the Thai Bond Dealing Center (THAI BDC) in the bond electronic exchange of the Stock Exchange of Thailand.

3.12 Share Capital

As at March 31, 2005, the Company has authorized ordinary shares amount of 1,700 million shares at par value THB 10 each for an aggregate of THB 17,000 million, issued and paid-up ordinary shares amount of THB 16,920.80 million. The details are as follows:

	No. of Shares (Shares)	Issued and Paid-up Shares (THB)
As at September 30, 2004	1,685,000,000	16,850,000,000
On October 15, 2004, the employees exercised their rights for ordinary shares and 1 st exercise of warrants.	7,076,200	70,762,000
On January 13, 2005, the employees exercised the 2 nd exercise of warrants.	<u>3,350</u>	<u>33,500</u>
Total	<u>1,692,079,550</u>	<u>16,920,795,500</u>

The Company determined the 2nd subscription period of ordinary shares and the 3rd exercise period of warrants on March 28 - April 1, 2005. As at March 31, 2005, the proceeds from these shares are THB 91.30 million presented in shareholders' equity under "the proceeds from ESOP offering".

3.13 Basic 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.

Diluted earnings per share is calculated by dividing net profit for the period by the weighted average number of ordinary shares outstanding during the period adjusted by all dilutive potential ordinary shares under the assumptions that all dilutive potential ordinary shares are converted into ordinary shares. The dilutive potential ordinary shares of the Company are ordinary shares and warrants to purchase the ordinary shares under ESOP.

Consolidated and the Company

For the three-month periods ended March 31, 2005

	Profit (THB)	No. of Shares (Shares)	Earnings per share (THB)
Basic earnings per share			
Net profits attributable to ordinary shareholders	3,490,607,691	1,691,533,312.64	2.06
Effects of dilutive potential ordinary shares			
Ordinary shares not exercising the rights	-	5,025,301.95	
Warrants to purchase ordinary shares not exercising the rights	<u>-</u>	<u>118,027.68</u>	
Diluted earnings per share			
Net profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>3,490,607,691</u>	<u>1,696,676,642.27</u>	2.06

Consolidated and the Company

For the six-month periods ended March 31, 2005

	Profit (THB)	No. of Shares (Shares)	Earnings per share (THB)
Basic earnings per share			
Net profits attributable to ordinary shareholders	9,207,579,043	1,691,533,312.64	5.44
Effects of dilutive potential ordinary shares			
Ordinary shares not exercising the rights	-	5,025,301.95	
Warrants to purchase ordinary shares not exercising the rights	<u>-</u>	<u>118,027.68</u>	
Diluted earnings per share			
Net profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>9,207,579,043</u>	<u>1,696,676,642.27</u>	5.43

3.14 Financial Information by Segment Consolidated

3.14.1 Business segments

Statements of Income

For the three-month periods ended March 31, 2005 and 2004

Unit : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	Air transportation	36,797.79	37,501.34	-	-	36,797.79	37,501.34	4,172.13
Business Units	1,658.29	1,651.06	3,118.40	3,398.36	4,776.69	5,049.42	626.17	1,426.65
Other activities	274.94	170.56	85.29	84.20	360.23	254.76	103.99	114.57
Eliminations	-	-	(3,203.69)	(3,482.55)	-	-	-	-
Operating profits							4,902.29	8,669.69
Share of net profit from subsidiaries and associated companies							38.26	44.30
Interest expenses-net							(848.30)	(1,166.70)
Gains (losses) on foreign currency exchange							712.64	(341.90)
Other revenues (expenses)							252.09	194.10
Minority interests							(19.67)	(18.44)
Income taxes							(1,546.70)	(2,121.99)
Net profits							<u>3,490.61</u>	<u>5,259.06</u>

Statements of Income

For the six-month periods ended March 31, 2005 and 2004

Unit : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	Air transportation	77,902.09	74,165.39	-	-	77,902.09	74,165.39	9,709.38
Business Units	3,334.36	3,098.20	6,446.72	6,900.91	9,801.08	9,999.11	1,395.45	2,387.14
Other activities	557.20	313.61	159.00	179.76	716.20	493.37	203.63	195.54
Eliminations	-	-	(6,625.72)	(7,080.67)	-	-	-	-
Operating profits							11,308.46	16,115.25
Share of net profit from subsidiaries and associated companies							90.03	67.12
Interest expenses-net							(1,638.44)	(2,030.13)
Gains (losses) on foreign currency exchange							2,768.08	(750.60)
Other revenues (expenses)							700.86	113.94
Minority interests							(35.09)	(34.12)
Income taxes							(3,986.32)	(3,972.69)
Net profits							<u>9,207.58</u>	<u>9,508.77</u>

Assets and Liabilities

As at March 31, 2005 and September 30, 2004

Unit : Million Baht

	<u>Current Assets</u>		<u>Non-Current Assets</u>		<u>Total Assets</u>	
	<u>31-Mar-05</u>	<u>30-Sep-04</u>	<u>31-Mar-05</u>	<u>30-Sep-04</u>	<u>31-Mar-05</u>	<u>30-Sep-04</u>
Air transportation	37,111.14	49,198.21	164,298.87	138,559.50	201,410.01	187,757.71
Business Units	453.97	429.30	2,356.09	2,466.98	2,810.06	2,896.28
Other activities	<u>2,473.28</u>	<u>2,363.80</u>	<u>196.78</u>	<u>192.74</u>	<u>2,670.06</u>	<u>2,556.54</u>
Total	<u>40,038.39</u>	<u>51,991.31</u>	<u>166,851.74</u>	<u>141,219.22</u>	<u>206,890.13</u>	<u>193,210.53</u>

Unit : Million Baht

	<u>Current Liabilities</u>		<u>Non-Current Liabilities</u>		<u>Total Liabilities</u>	
	<u>31-Mar-05</u>	<u>30-Sep-04</u>	<u>31-Mar-05</u>	<u>30-Sep-04</u>	<u>31-Mar-05</u>	<u>30-Sep-04</u>
Air transportation	60,972.68	58,958.75	83,528.52	79,305.99	144,501.20	138,264.74
Business Units	222.43	170.12	64.30	123.56	286.73	293.68
Other activities	<u>482.56</u>	<u>328.36</u>	<u>-</u>	<u>-</u>	<u>482.56</u>	<u>328.36</u>
Total	<u>61,677.67</u>	<u>59,457.23</u>	<u>83,592.82</u>	<u>79,429.55</u>	<u>145,270.49</u>	<u>138,886.78</u>

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

Segment assets are those operating assets that are employed by a segment in its operating activities.

Segment 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 off discount. Those transfers are eliminated in consolidation.

3.14.2 Geographical segments

Unit : Million Baht

	<u>Three -month Periods</u>		<u>Six -month Periods</u>	
	<u>Jan-Mar'05</u>	<u>Jan-Mar'04</u>	<u>Oct'04-Mar'05</u>	<u>Oct'03-Mar'04</u>
Domestic Revenues				
Transportation	2,582.06	3,356.60	5,632.09	6,580.19
Business units	1,658.29	1,651.06	3,334.36	3,098.20
Other activities	<u>274.94</u>	<u>170.56</u>	<u>557.20</u>	<u>313.62</u>
Total domestic revenues	<u>4,515.29</u>	<u>5,178.22</u>	<u>9,523.65</u>	<u>9,992.01</u>
Foreign Transportation Revenues				
Regional Asia	16,524.85	16,725.83	35,369.58	33,917.36
Europe	11,418.64	11,439.94	23,500.70	21,937.04
North Pacific	725.19	1,264.43	1,549.52	2,615.48
Australia & New Zealand	<u>3,063.01</u>	<u>3,235.40</u>	<u>6,571.11</u>	<u>6,377.96</u>
Total foreign transportation revenues	<u>31,731.69</u>	<u>32,665.60</u>	<u>66,990.91</u>	<u>64,847.84</u>
Charter revenues and others	1,070.33	755.37	2,200.06	1,394.66
Insurance surcharge from passengers	583.03	723.77	1,274.64	1,342.69
Fuel surcharge from passengers	<u>830.68</u>	<u>-</u>	<u>1,804.39</u>	<u>-</u>
Total	<u>38,731.02</u>	<u>39,322.96</u>	<u>81,793.65</u>	<u>77,577.20</u>

3.15 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 and liabilities 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:

	Unit : Million Baht	
	<u>31-Mar-05</u>	<u>30-Sep-04</u>
Cash and cash equivalents	4.52	89.93
Fixed deposits due over 3 months	3,934.98	3,807.94
Other current assets	<u>36.49</u>	<u>14.89</u>
	<u>3,975.99</u>	<u>3,912.76</u>
Other current liabilities	9.87	14.69
Staff pension fund	<u>4,456.36</u>	<u>4,220.77</u>
	<u>4,466.23</u>	<u>4,235.46</u>

As at March 31, 2005, the fund balance was THB 4,456.36 million, equal to the Company's obligation to its staff under the fund. In this period, the Company contributes to the fund at the rate of 10% in the amount of THB 123.93 million plus an obligation amount of THB 167.55 million, totalling THB 291.48 million.

3.16 Staff Provident Fund

The Company contributes to the provident fund at the rate of 9% members having not more than 20 years of services and 10% for members having more than 20 years of services, representing amounts of THB 385.85 million in this period.

3.17 Contingent Liabilities

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

	Unit : Million Baht	
	<u>The Company</u>	
	<u>31-Mar-05</u>	<u>30-Sep-04</u>
The Company as defendant in		
Labour dispute cases	680.19	750.55
Damage claims cases	<u>157.45</u>	<u>564.86</u>
Total	<u>837.64</u>	<u>1,315.41</u>

3.18 Events After the Balance Sheet Date

The Company set the subscription period of ordinary shares on March 28 - April 1, 2005 and the exercise date of warrants on April 4, 2005. The employees have exercised the ordinary shares and warrants of 6,797,000 shares at THB 15 per share, totalling to THB 101.96 million which is in the process of registering the increase of paid-up ordinary shares.

The resolution of Board of Directors held on February 9, 2005 approved the Company to issue debentures amount of THB 15 billion which will be offered in 3 tranches. The details are:

	<u>Amount</u> <u>(MTHB)</u>	<u>Tenor</u> <u>(Year)</u>	<u>Interest Rate</u> <u>(%)</u>
Series 1	6,000	3	3.82
Series 2	6,000	6	4.67
Series 3	<u>3,000</u>	10	5.19
Total	<u>15,000</u>		

The company has already submitted the registration statement and prospectus to the Securities and Exchange Commission and the Stock Exchange of Thailand on April 5, 2005.

3.19 Contractual Obligations

3.19.1 Obligation to Purchase Aircraft

The Company has a payment obligation to purchase aircraft amount of THB 116,342.42 million.

3.19.2 Leases Aircraft Obligations

The Company has entered into operating leases with foreign companies for 12 aircraft with lease terms of 10-11 years. The aggregate lease payment obligations of the Company under the rest of the lease term 3-5 years amounted to USD 400.88 million or approximately THB 15,736.26 million (exchange rate USD 1 : THB 39.2543).

3.19.3 Contractual Obligation and Memorandum Agreement in Suvarnabhumi Airport Project

The Company has entered into a contractual and memorandum agreement in Suvarnabhumi Airport project for an aggregate of THB 12,008.45 million by recording as work in progress amount of THB 7,294.58 million, leaving the payment obligation of THB 4,713.87 million.
