

**(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 June 30, 2007, the related consolidated and the Company statements of income, changes in shareholders' equity and cash flows for the three and nine - month periods ended June 30, 2007 and 2006, of Thai Airways International Public Company Limited and its subsidiary and the separate financial statements of Thai Airways International Public Company Limited. 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 previously audited the consolidated and the Company's financial statements for the year ended September 30, 2006 of Thai Airways International Public Company Limited and its subsidiary in conformity with the Generally Accepted Accounting Standards and expressed an unqualified opinion according to the report dated November 20, 2006. The consolidated and the Company's balance sheets as at September 30, 2006, presented here in for comparative purposes, 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 except for the mentioned in paragraph five.

According to Note 3 to the financial statements in the three - month periods ended June 30, 2007, the Company has changed the accounting policy for the investment in a subsidiary from equity method to cost method in the Company' s financial statement. This is to comply with the Announcement of Federation of Accounting Profession. Also, the Company restated the Company's statement of income for the three - month periods end June 30, 2006 and the Company's balance sheet as at September 30, 2006. For the change in this accounting policy, the Office of the Auditor General has audited the adjusting entry applied to prepare the Company's financial statements for the year ended September 30, 2006. In the Office of the Audited General's opinion, the adjusting entry has properly adjust in the Company's financial statements.

(Signed) *Khunying Jaruvan Maintaka*  
(Khunying Jaruvan Maintaka)  
Auditor General

(Signed) *Rungravee Sahsomswan*  
(Rungravee Sahsomswan)  
Director of Auditor Office

August 8, 2007

**THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**BALANCE SHEETS**

**AS AT JUNE 30, 2007 AND SEPTEMBER 30, 2006**

Units : Baht

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>30 June 2007</u> (unaudited)	<u>30 September 2006</u> (audited)	<u>30 June 2007</u> (unaudited)	<u>30 September 2006</u> (audited) (restated)
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	4.1	12,733,132,096	9,175,267,322	12,466,376,635	8,937,827,934
Current investment-available		132,501,745	102,256,496	-	-
Trade account receivables-net	4.2	16,739,140,059	16,613,734,289	16,706,108,408	16,576,817,194
Inventories and supplies-net		5,901,133,404	5,255,350,885	5,901,133,404	5,255,350,885
Other current assets	4.3	13,640,666,450	14,556,067,780	13,599,695,576	14,524,282,369
<b>Total Current Assets</b>		<b>49,146,573,754</b>	<b>45,702,676,772</b>	<b>48,673,314,023</b>	<b>45,294,278,382</b>
<b>Non-Current Assets</b>					
Investments in associated and subsidiary companies	4.4.1	1,512,877,927	1,523,006,071	926,770,500	907,572,750
Other long-term investments	4.4.2	119,020,794	191,846,188	85,438,283	86,534,540
Property, Plant and Equipment-Net	4.6	206,095,893,616	196,030,545,530	206,026,541,379	195,937,578,431
Intangible Assets-net	4.7	690,449,446	421,211,394	686,896,117	418,776,627
Others	4.8	5,372,380,268	5,165,110,593	5,360,338,636	5,153,503,850
<b>Total Non-Current Assets</b>		<b>213,790,622,051</b>	<b>203,331,719,776</b>	<b>213,085,984,915</b>	<b>202,503,966,198</b>
<b>Total Assets</b>		<b>262,937,195,805</b>	<b>249,034,396,548</b>	<b>261,759,298,938</b>	<b>247,798,244,580</b>

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

**THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**BALANCE SHEETS**

**AS AT JUNE 30, 2007 AND SEPTEMBER 30, 2006**

Units : Baht

	<u>Notes</u>	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
		<u>30 June 2007</u> (unaudited)	<u>30 September 2006</u> (audited)	<u>30 June 2007</u> (unaudited)	<u>30 September 2006</u> (audited) (restated)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current Liabilities</b>					
Trade account payables		7,210,939,069	9,423,137,305	7,207,003,267	9,411,603,172
Short-term loans		11,789,979,800	5,606,417,700	11,789,979,800	5,606,417,700
Current portion of long-term loans					
Debentures		6,000,000,000	-	6,000,000,000	-
Long-term loans		-	8,023,757,350	-	8,023,757,350
Liabilities under financial leases		7,971,931,355	8,314,392,593	7,971,931,355	8,314,392,593
Promissory notes		1,050,000,000	1,050,000,000	1,050,000,000	1,050,000,000
Other current liabilities					
Accrued expenses		16,118,510,452	16,417,248,467	16,099,021,524	16,398,217,085
Accrued dividends		63,324,242	57,863,117	63,324,242	57,863,117
Accrued income taxes		12,226,478	20,613,157	-	-
Unearned transportation revenues		28,875,447,582	24,287,909,663	28,875,447,582	24,287,909,663
Others		3,674,401,613	4,627,275,264	3,653,689,942	4,605,732,387
<b>Total Current Liabilities</b>		<b>82,766,760,591</b>	<b>77,828,614,616</b>	<b>82,710,397,712</b>	<b>77,755,893,067</b>
<b>Non-Current Liabilities</b>					
Long-term debts					
Debentures		34,000,000,000	40,000,000,000	34,000,000,000	40,000,000,000
Long-term loans		3,928,433,000	4,393,142,000	3,928,433,000	4,393,142,000
Liabilities under financial leases		64,004,666,236	53,485,647,432	64,004,666,236	53,485,647,432
Promissory notes		2,325,000,000	3,150,000,000	2,325,000,000	3,150,000,000
Staff pension fund	4.13	4,716,484,458	4,495,820,618	4,716,484,458	4,495,820,618
<b>Total Non-Current Liabilities</b>		<b>108,974,583,694</b>	<b>105,524,610,050</b>	<b>108,974,583,694</b>	<b>105,524,610,050</b>
<b>Total Liabilities</b>		<b>191,741,344,285</b>	<b>183,353,224,666</b>	<b>191,684,981,406</b>	<b>183,280,503,117</b>
<b>Shareholders' Equity</b>					
Share capital	4.10				
Authorized					
1,700.00 million ordinary shares par value of Baht 10 each		17,000,000,000	17,000,000,000	17,000,000,000	17,000,000,000
Issued and paid-up					
1,698.90 million ordinary shares par value of Baht 10 each		16,989,009,500	16,988,961,500	16,989,009,500	16,988,961,500
Premium on share capital		15,639,076,830	15,642,835,031	15,639,076,830	15,642,835,031
Unrealised gain on current investment-available-for-sale securities		213,759	-	-	-
Retained earnings					
Appropriated					
Legal reserve		1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
Unappropriated		36,626,609,478	31,102,776,657	35,746,231,202	30,185,944,932
<b>Total Company Shareholders' Equity</b>		<b>70,954,909,567</b>	<b>65,434,573,188</b>	<b>70,074,317,532</b>	<b>64,517,741,463</b>
<b>Minority interests</b>		<b>240,941,953</b>	<b>246,598,694</b>	<b>-</b>	<b>-</b>
<b>Total Shareholders' Equity</b>		<b>71,195,851,520</b>	<b>65,681,171,882</b>	<b>70,074,317,532</b>	<b>64,517,741,463</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>262,937,195,805</b>	<b>249,034,396,548</b>	<b>261,759,298,938</b>	<b>247,798,244,580</b>

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

(Signed) *Flg.Off.Apinan Sumanaseni*  
(Apinan Sumanaseni)  
President

(Signed) *Ngamnit Sombutpibool*  
(Ngamnit Sombutpibool)  
Executive Vice President  
Finance and Accounting

unaudited

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the three - month periods ended June 30, 2007 and 2006

Units : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u> (restated)
<b>Revenues from the Sale of Goods and the Rendering of Services</b>				
Passenger and excess baggage	35,886,194,026	33,553,273,004	35,886,194,026	33,553,273,004
Freight	6,264,443,232	6,347,386,563	6,264,443,232	6,347,386,563
Mail	250,952,408	264,489,978	250,952,408	264,489,978
Other activities	2,127,832,605	1,949,201,885	2,045,396,497	1,862,076,668
<b>Total Revenues from the Sale of Goods and the Rendering of Services</b>	<b>44,529,422,271</b>	<b>42,114,351,430</b>	<b>44,446,986,163</b>	<b>42,027,226,213</b>
<b>Operating expenses</b>				
Personnel	7,318,213,769	7,002,672,635	7,310,129,935	6,994,082,104
Fuel and oil	14,409,079,813	14,801,650,281	14,409,079,813	14,801,650,281
Inventories and supplies	2,368,370,737	2,365,035,022	2,368,370,737	2,365,035,022
Lease of aircraft and spare parts	1,683,523,047	1,255,291,495	1,683,523,047	1,255,291,495
Flight operations	11,585,324,611	9,457,356,506	11,585,324,611	9,457,356,506
Depreciation	4,470,465,472	3,852,018,452	4,461,952,546	3,844,480,570
Marketing	852,870,270	731,667,096	839,563,562	723,392,183
Insurance	114,706,046	369,688,729	114,706,046	369,688,729
Remuneration to board of directors	1,978,511	4,592,368	1,762,599	4,284,118
Other operating expenses	1,611,094,565	1,314,982,387	1,594,903,256	1,293,056,580
<b>Total operating expenses</b>	<b>44,415,626,841</b>	<b>41,154,954,971</b>	<b>44,369,316,152</b>	<b>41,108,317,588</b>
<b>Profit from the Sale of Goods and the Rendering of Services</b>	<b>113,795,430</b>	<b>959,396,459</b>	<b>77,670,011</b>	<b>918,908,625</b>

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

unaudited

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the three - month periods ended June 30, 2007 and 2006

		<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>Notes</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
					(restated)
					Units : Baht
<b>Profits from the Sale of Goods and the Rendering of Services</b>		<b>113,795,430</b>	<b>959,396,459</b>	<b>77,670,011</b>	<b>918,908,625</b>
<b>Other Income</b>					
Interest income		162,920,199	72,121,111	159,325,672	71,838,769
Others		286,821,517	1,876,701,293	393,355,606	1,970,702,309
<b>Total Other Income</b>		<b>449,741,716</b>	<b>1,948,822,404</b>	<b>552,681,278</b>	<b>2,042,541,078</b>
<b>Other Expenses</b>					
Losses (gains) on foreign currency exchange		(1,416,593,038)	1,107,386,337	(1,416,593,038)	1,107,386,337
Yields from pension fund		25,596,406	20,118,725	25,596,406	20,118,725
Others		655,151,649	163,393,966	654,577,496	160,770,033
<b>Total Other Expenses</b>		<b>(735,844,983)</b>	<b>1,290,899,028</b>	<b>(736,419,136)</b>	<b>1,288,275,095</b>
<b>Profits from Operations</b>		<b>1,299,382,129</b>	<b>1,617,319,835</b>	<b>1,366,770,425</b>	<b>1,673,174,608</b>
<b>Share of Profits from Investments by the Equity Method</b>					
Share of net profit from associated companies		22,907,738	103,900,398	-	-
<b>Total Share of Profits from Investments by the Equity Method</b>	4.4.1	<b>22,907,738</b>	<b>103,900,398</b>	<b>-</b>	<b>-</b>
<b>Profits before Interest and Income Tax Expenses</b>		<b>1,322,289,867</b>	<b>1,721,220,233</b>	<b>1,366,770,425</b>	<b>1,673,174,608</b>
Interest expenses		1,198,667,795	1,056,486,678	1,198,667,795	1,056,486,678
Income tax expenses		42,661,205	178,912,102	30,820,364	166,386,971
<b>Profits after Tax</b>		<b>80,960,867</b>	<b>485,821,453</b>	<b>137,282,266</b>	<b>450,300,959</b>
Net profit of minority interest		12,796,262	12,852,420	-	-
<b>Net profits</b>		<b>68,164,605</b>	<b>472,969,033</b>	<b>137,282,266</b>	<b>450,300,959</b>
<b>Basic earnings per share</b>	4.11				
Net profits		0.04	0.28	0.08	0.27
<b>Diluted earnings per share</b>	4.11				
Net profits		0.04	0.28	0.08	0.27

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

(Signed) *Flg.Off.Apinan Sumanaseni*  
(Apinan Sumanaseni)  
President

(Signed) *Ngamnit Sombutpibool*  
(Ngamnit Sombutpibool)  
Executive Vice President  
Finance and Accounting

unaudited

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the nine - month periods ended June 30, 2007 and 2006

Units : Baht

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u> (restated)
<b>Revenues from the Sale of Goods and the Rendering of Services</b>				
Passenger and excess baggage	115,807,498,069	107,361,237,570	115,807,498,069	107,361,237,570
Freight	19,224,049,330	19,506,232,443	19,224,049,330	19,506,232,443
Mail	756,427,010	793,532,615	756,427,010	793,532,615
Other activities	6,711,612,378	6,440,352,083	6,444,894,616	6,171,951,565
<b>Total Revenues from the Sale of Goods and the Rendering of Services</b>	<b>142,499,586,787</b>	<b>134,101,354,711</b>	<b>142,232,869,025</b>	<b>133,832,954,193</b>
<b>Operating expenses</b>				
Personnel	22,065,270,697	20,306,144,650	22,040,821,089	20,282,157,405
Fuel and oil	43,133,494,049	43,627,658,222	43,133,494,049	43,627,658,222
Inventories and supplies	7,606,865,397	7,510,247,868	7,606,865,397	7,510,247,868
Lease of aircraft and spare parts	5,092,028,996	4,033,082,379	5,092,028,996	4,033,082,379
Flight operations	31,853,103,909	27,918,592,854	31,853,103,909	27,918,592,854
Depreciation	13,127,577,726	11,598,953,832	13,100,760,432	11,577,180,609
Marketing	2,416,336,305	2,228,476,406	2,377,444,966	2,203,517,678
Insurance	805,964,448	1,216,806,154	805,964,448	1,216,806,154
Remuneration to board of directors	21,562,233	22,657,574	20,978,806	21,949,688
Other operating expenses	4,645,339,855	3,802,059,397	4,586,904,615	3,739,011,642
<b>Total operating expenses</b>	<b>130,767,543,615</b>	<b>122,264,679,336</b>	<b>130,618,366,707</b>	<b>122,130,204,499</b>
<b>Profit from the Sale of Goods and the Rendering of Services</b>	<b>11,732,043,172</b>	<b>11,836,675,375</b>	<b>11,614,502,318</b>	<b>11,702,749,694</b>

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

unaudited

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

For the nine - month periods ended June 30, 2007 and 2006

	Notes	CONSOLIDATED		THE COMPANY	
		2007	2006	2007	2006 (restated)
<b>Profits from the Sale of Goods and the Rendering of Services</b>		<b>11,732,043,172</b>	<b>11,836,675,375</b>	<b>11,614,502,318</b>	<b>11,702,749,694</b>
<b>Other Income</b>					
Interest income		424,512,375	208,106,775	415,957,653	206,921,967
Others		663,297,833	2,577,238,366	837,241,199	2,719,895,363
<b>Total Other Income</b>		<b>1,087,810,208</b>	<b>2,785,345,141</b>	<b>1,253,198,852</b>	<b>2,926,817,330</b>
<b>Other Expenses</b>					
Gains on foreign currency exchange		(4,546,191,596)	(4,139,285,183)	(4,546,191,596)	(4,139,285,183)
Yields from pension fund		76,029,236	53,032,836	76,029,236	53,032,836
Others		1,890,489,052	574,160,809	1,888,788,974	567,098,940
<b>Total Other Expenses</b>		<b>(2,579,673,308)</b>	<b>(3,512,091,538)</b>	<b>(2,581,373,386)</b>	<b>(3,519,153,407)</b>
<b>Profits from Operations</b>		<b>15,399,526,688</b>	<b>18,134,112,054</b>	<b>15,449,074,556</b>	<b>18,148,720,431</b>
<b>Share of Profits from Investments by the Equity Method</b>					
Share of net profit from associated companies		92,739,381	196,679,932	-	-
<b>Total Share of Profits from Investments by the Equity Method</b>	4.4.1	<b>92,739,381</b>	<b>196,679,932</b>	<b>-</b>	<b>-</b>
<b>Profits before Interest and Income Tax Expenses</b>		<b>15,492,266,069</b>	<b>18,330,791,986</b>	<b>15,449,074,556</b>	<b>18,148,720,431</b>
Interest expenses		3,485,833,239	3,382,374,590	3,485,833,239	3,382,374,590
Income tax expenses		3,638,002,996	4,419,666,829	3,599,776,400	4,380,418,158
<b>Profits after Tax</b>		<b>8,368,429,834</b>	<b>10,528,750,567</b>	<b>8,363,464,917</b>	<b>10,385,927,683</b>
Net profit of minority interest		41,418,365	41,392,706	-	-
<b>Net profits</b>		<b>8,327,011,469</b>	<b>10,487,357,861</b>	<b>8,363,464,917</b>	<b>10,385,927,683</b>
<b>Basic earnings per share</b>	4.11				
Net profits		4.90	6.17	4.92	6.11
<b>Diluted earnings per share</b>	4.11				
Net profits		4.90	6.17	4.92	6.11

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

(Signed) *Flg.Off.Apinan Sumanaseni*  
(Apinan Sumanaseni)  
President

(Signed) *Ngamnit Sombutpibool*  
(Ngamnit Sombutpibool)  
Executive Vice President  
Finance and Accounting



unaudited

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the nine - month periods ended June 30, 2007 and 2006

Units : Baht

		CONSOLIDATED						
Notes	Share Capital issued and fully paid	Premium on share capital	Proceeds from ESOP offering	Unrealised gain (losses) on available- for-sale securities	Legal Reserve	Retained Earnings Unappropriated	Minority Interest	Total
<b>Balance as at October 1, 2005</b>	16,988,881,500	15,646,761,354	12,000	(477,805)	1,700,000,000	24,659,514,201	217,398,934	59,212,090,184
- Unrealised gain on current investment - available-for-sale securities	-	-	-	334,535	-	-	273,710	608,245
<u>Add</u> Net Profits	-	-	-	-	-	10,487,357,861	41,392,706	10,528,750,567
<u>Less</u> Dividends paid	-	-	-	-	-	(2,548,334,625)	(24,300,000)	(2,572,634,625)
<u>Add</u> Issued share capital	80,000	(3,924,833)	(12,000)	-	-	-	-	(3,856,833)
<b>Balance as at June 30, 2006</b>	<b>16,988,961,500</b>	<b>15,642,836,521</b>	<b>-</b>	<b>(143,270)</b>	<b>1,700,000,000</b>	<b>32,598,537,437</b>	<b>234,765,350</b>	<b>67,164,957,538</b>
<b>Balance as at October 1, 2006</b>	16,988,961,500	15,642,835,031	-	-	1,700,000,000	31,102,776,657	246,598,694	65,681,171,882
- Unrealised loss on current investment - available-for-sale securities	-	-	-	213,759	-	-	174,894	388,653
<u>Add</u> Net Profits	-	-	-	-	-	8,327,011,469	41,418,365	8,368,429,834
<u>Less</u> Dividends paid	-	-	-	-	-	(2,803,178,648)	(47,250,000)	(2,850,428,648)
<u>Add</u> Issued share capital	48,000	(3,758,201)	-	-	-	-	-	(3,710,201)
<b>Balance as at June 30, 2007</b>	<b>16,989,009,500</b>	<b>15,639,076,830</b>	<b>-</b>	<b>213,759</b>	<b>1,700,000,000</b>	<b>36,626,609,478</b>	<b>240,941,953</b>	<b>71,195,851,520</b>

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

(Signed) *Flg.Off.Apinan Sumanaseni*  
(Apinan Sumanaseni)  
President

(Signed) *Ngamnit Sombutpibool*  
(Ngamnit Sombutpibool)  
Executive Vice President  
Finance and Accounting

unaudited  
(restated)

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
For the nine - month periods ended June 30, 2007 and 2006

Units : Baht

	THE COMPANY						Total
	Share Capital issued and fully paid	Premium on share capital	Proceeds from ESOP offering	Unrealised gain (losses) on available- for-sale securities	Legal Reserve	Retained Earnings Unappropriated	
<b>Balance as at October 1, 2005 (before adjustment)</b>	16,988,881,500	15,646,761,354	12,000	(477,805)	1,700,000,000	24,659,514,201	58,994,691,250
- Cumulative effect of change in accounting policy for investment by cost method	-	-	-	477,805	-	(760,733,384)	(760,255,579)
Balance as at October 1, 2005	16,988,881,500	15,646,761,354	12,000	-	1,700,000,000	23,898,780,817	58,234,435,671
<u>Add</u> Net Profits	-	-	-	-	-	10,385,927,683	10,385,927,683
<u>Less</u> Dividends paid	-	-	-	-	-	(2,548,334,625)	(2,548,334,625)
<u>Add</u> Issued share capital	80,000	(3,924,833)	(12,000)	-	-	-	(3,856,833)
<b>Balance as at June 30, 2006</b>	<b>16,988,961,500</b>	<b>15,642,836,521</b>	<b>-</b>	<b>-</b>	<b>1,700,000,000</b>	<b>31,736,373,875</b>	<b>66,068,171,896</b>
<b>Balance as at October 1, 2006 (before adjustment)</b>	16,988,961,500	15,642,835,031	-	-	1,700,000,000	31,102,776,657	65,434,573,188
- Cumulative effect of change in accounting policy for investment by cost method	-	-	-	-	-	(916,831,724)	(916,831,724)
Balance as at October 1, 2006 (after adjustment)	16,988,961,500	15,642,835,031	-	-	1,700,000,000	30,185,944,933	64,517,741,464
<u>Add</u> Net Profits	-	-	-	-	-	8,363,464,917	8,363,464,917
<u>Less</u> Dividends paid	-	-	-	-	-	(2,803,178,648)	(2,803,178,648)
<u>Add</u> Issued share capital	48,000	(3,758,201)	-	-	-	-	(3,710,201)
<b>Balance as at June 30, 2007</b>	<b>16,989,009,500</b>	<b>15,639,076,830</b>	<b>-</b>	<b>-</b>	<b>1,700,000,000</b>	<b>35,746,231,202</b>	<b>70,074,317,532</b>

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

(Signed) *Flg. Off. Apinan Sumanaseni*  
(Apinan Sumanaseni)  
President

(Signed) *Ngamnit Sombutpibool*  
(Ngamnit Sombutpibool)  
Executive Vice President  
Finance and Accounting

## THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF CASH FLOWS

For the nine - month periods ended June 30, 2007 and 2006

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u> (restated)
<b>Cash flows from operating activities</b>				
Net profit	8,327,011,469	10,487,357,861	8,363,464,917	10,385,927,683
Adjustment to reconcile net profit to cash provided by (paid from) operating activities :				
Depreciation	13,127,577,726	11,598,953,832	13,100,760,432	11,577,180,609
Income from investments by the equity method	(92,739,382)	(196,679,932)	-	-
Losses (Gains) on sales of assets	133,291,625	(1,249,961,558)	133,291,625	(1,250,148,812)
Gain on current investments-available-for-sale securities	(5,635,959)	(2,229,180)	-	334,534
Amortisation of deferred charges	158,240,425	131,105,865	158,240,425	131,105,865
Gains on foreign currency exchange	(4,059,793,425)	(3,802,084,948)	(4,059,793,425)	(3,802,084,948)
Net profit of minority interests	41,418,365	41,392,706	-	-
Provision for obsolete inventories and supplies	2,304,736	28,263,043	2,304,736	28,263,043
Allowance for doubtful accounts and impairment in value of assets	675,967,762	106,430,586	674,338,127	99,599,055
Operating profit before changes in operating assets and liabilities	18,307,643,342	17,142,548,275	18,372,606,837	17,170,177,029
Decrease (increase) in operating assets :				
Trade account receivables	(308,420,430)	718,470,414	(310,676,239)	718,085,461
Inventories and supplies	(648,087,255)	(542,995,959)	(648,087,255)	(542,995,959)
Prepaid expenses and deposits	(1,447,349,460)	170,485,092	(1,446,846,497)	173,048,357
Tax refund	2,143,532,065	(14,586,749)	2,143,532,065	(14,586,749)
Other current assets	(564,608,530)	(139,665,863)	(555,926,030)	(134,514,082)
Deferred income taxes	171,720,915	257,869,914	172,155,805	259,859,373
Other assets	(35,951,869)	-	(35,951,869)	-
Deferred charges	(501,279,146)	(484,593,581)	(501,279,146)	(484,593,581)
Increase (decrease) in operating liabilities :				
Trade account payables	(2,187,612,415)	256,399,512	(2,180,014,084)	249,165,358
Accrued expenses and other current liabilities	(1,275,019,029)	(4,419,164,236)	(1,266,258,690)	(4,398,018,435)
Provision for contingent liabilities	-	(12,500,000)	-	(12,500,000)
Staff pension fund	220,663,840	(242,524,970)	220,663,840	(242,524,970)
Unearned transportation revenue	4,383,691,998	2,973,780,678	4,383,691,998	2,973,780,678
<b>Net cash from operating activities</b>	<b>18,258,924,026</b>	<b>15,663,522,527</b>	<b>18,347,610,735</b>	<b>15,714,382,480</b>

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

unaudited

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

For the nine - month periods ended June 30, 2007 and 2006

	<u>CONSOLIDATED</u>		<u>THE COMPANY</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(restated)
	Units : Baht			
<b>Cash flows from investing activities</b>				
Short-term investments increase	-	(100,000,000)	-	-
Cash paid for acquisition of fixed assets	(20,951,834,145)	(16,187,554,951)	(20,948,740,651)	(16,120,427,019)
Cash paid for intangible assets	(334,120,735)	(334,233,745)	(332,893,236)	(334,233,745)
Cash received from transferring down payment of aircraft and aircraft spare parts	230,907,909	2,065,589,465	230,907,909	2,065,589,465
Cash received from sales of assets	824,361,044	3,945,056,325	824,361,044	3,945,026,819
Investments decrease (increase)	173,731,198	107,281,832	(23,536,077)	(8,859,007)
Cash received from current investments-available-for-sale securities	(27,693,500)	-	-	-
<b>Net cash used in investing activities</b>	<b>(20,084,648,229)</b>	<b>(10,503,861,074)</b>	<b>(20,249,901,011)</b>	<b>(10,452,903,487)</b>
<b>Cash flows from financing activities</b>				
Cash received from short-term loans	21,798,454,814	5,512,267,800	21,798,454,814	5,512,267,800
Cash received from long-term loans	17,544,463,458	1,259,525,538	17,544,463,458	1,259,525,538
Cash received from issuing ordinary shares	48,000	72,000	48,000	72,000
Cash received from premium on ordinary shares	(3,758,202)	(3,928,833)	(3,758,202)	(3,928,833)
Cash paid for repayment of short-term loans	(15,231,608,114)	-	(15,231,608,114)	-
Cash paid for repayment of long-term loans	(15,026,476,462)	(11,559,740,653)	(15,026,476,462)	(11,559,740,653)
Cash paid for repayment of promissory notes	(825,000,000)	(825,000,000)	(825,000,000)	(825,000,000)
Dividends paid	(2,844,967,523)	(2,566,946,551)	(2,797,717,523)	(2,542,646,551)
<b>Net cash from (used in) financing activities</b>	<b>5,411,155,971</b>	<b>(8,183,750,699)</b>	<b>5,458,405,971</b>	<b>(8,159,450,699)</b>
Increase (decrease) in cash and cash equivalents	3,585,431,768	(3,024,089,246)	3,556,115,695	(2,897,971,706)
Increase (decrease) in the effect from changing in exchange rate on cash and cash equivalents	(27,566,994)	89,053,310	(27,566,994)	89,053,310
Cash and cash equivalents at the beginning of the periods	9,175,267,322	9,930,000,904	8,937,827,934	9,589,521,953
<b>Cash and cash equivalents at the end of the periods</b>	<b>12,733,132,096</b>	<b>6,994,964,968</b>	<b>12,466,376,635</b>	<b>6,780,603,557</b>
<b>Supplementary cash flows information :</b>				
Cash paid during the year for				
Interest expenses	4,105,428,375	3,821,038,831	4,105,428,375	3,821,038,831
Corporate income tax	3,635,107,295	4,055,855,781	3,588,059,130	3,995,895,276
Non - cash item				
Assets under financial lease	3,364,769,562	16,975,783,568	3,364,769,562	16,975,783,568

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

(Signed) *Flg.Off.Apinan Sumanaseni*  
(Apinan Sumanaseni)  
President

(Signed) *Ngamnit Sombutpibool*  
(Ngamnit Sombutpibool)  
Executive Vice President  
Finance and Accounting

**THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
NOTES TO THE FINANCIAL STATEMENTS**

**For the three and nine - month periods ended June 30, 2007 (unaudited but reviewed)  
and for the year ended September 30, 2006 (audited)**

**1. BASIC OF FINANCIAL STATEMENT 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, 2006. 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, 2006 except for the policy mention in Note No.3.

**3. CHANGE IN ACCOUNTING POLICY**

Since October 1, 2006, the Company has changed its accounting policy regarding the investment in subsidiary and associated companies of the Company's financial statements which formerly recorded by equity method to record by cost method. This is to comply with the Announcement of Federation of Accounting Profession No. 26/2549 and 32/2549. The Company restated its 2006 financial statement by using the historical cost as the initial cost of the investment in associated and subsidiary companies of the Company's financial statement. This adjustment caused the book value of the investment in associated and subsidiary companies presented the Company's financial statement as at June 30, 2007 was THB 926.77 million, a decrease of THB 880.59 million. Also, net profit for the three and nine - month periods of the Company's financial statement ended June 30, 2007 increased by THB 69.12 million and THB 36.45 million, respectively. Net profit for the three and nine - month periods ended June 30, 2006

decreased by THB 22.67 million and THB 101.43 million, respectively. As a result, the cumulative effect of change in accounting policy presented under the heading of “Cumulative effect of change in accounting policy for investment by cost method” in the statement of changes in shareholders’ equity of the Company as at October 1, 2006 and 2005 decreased by THB 916.83 million and THB 760.26 million, respectively.

#### 4. SUPPLEMENTARY INFORMATION

##### 4.1 Cash and Cash Equivalents

	<u>Consolidated</u>		<u>Units : Million Baht The Company</u>	
	<u>30-Jun-07</u>	<u>30-Sep-06</u>	<u>30-Jun-07</u>	<u>30-Sep-06</u>
Cash - Domestic	14.58	18.13	14.58	18.13
Cash - Abroad	19.34	18.91	19.34	18.91
Bank Deposits - Domestic	1,842.73	2,486.93	1,575.97	2,249.49
Bank Deposits - Abroad	10,856.48	6,651.30	10,856.48	6,651.30
<b>Total</b>	<b><u>12,733.13</u></b>	<b><u>9,175.27</u></b>	<b><u>12,466.37</u></b>	<b><u>8,937.83</u></b>

##### 4.2 Trade Account Receivables - Net

	<u>Consolidated</u>		<u>Units : Million Baht The Company</u>	
	<u>30-Jun-07</u>	<u>30-Sep-06</u>	<u>30-Jun-07</u>	<u>30-Sep-06</u>
Period of overdue				
Not over 6 months	16,633.95	16,522.50	16,601.86	16,488.21
Over : 6 months to 1 year	132.86	109.19	132.86	107.50
Over : 1 year to 2 years	155.05	146.57	151.28	139.42
Over : 2 years	<u>1,194.86</u>	<u>1,141.78</u>	<u>1,169.73</u>	<u>1,121.66</u>
	18,116.72	17,920.04	18,055.73	17,856.79
<u>Less</u> Allowance for doubtful accounts	<u>(1,377.58)</u>	<u>(1,306.30)</u>	<u>(1,349.62)</u>	<u>(1,279.97)</u>
<b>Trade account receivables - net</b>	<b><u>16,739.14</u></b>	<b><u>16,613.74</u></b>	<b><u>16,706.11</u></b>	<b><u>16,576.82</u></b>

##### 4.3 Other Current Assets

	<u>Consolidated</u>		<u>Units : Million Baht The Company</u>	
	<u>30-Jun-07</u>	<u>30-Sep-06</u>	<u>30-Jun-07</u>	<u>30-Sep-06</u>
Prepaid expenses and deposits	5,635.21	4,366.85	5,629.07	4,361.21
Tax refund	595.09	2,738.62	595.09	2,738.62
Cash and fixed deposits of pension fund	4,583.12	4,270.00	4,583.12	4,270.00
Others	<u>2,827.24</u>	<u>3,180.60</u>	<u>2,792.41</u>	<u>3,154.45</u>
<b>Total</b>	<b><u>13,640.66</u></b>	<b><u>14,556.07</u></b>	<b><u>13,599.69</u></b>	<b><u>14,524.28</u></b>

## 4.4 Investments

### Consolidated

Units : Million Baht

Name of Company	Percentage of Shareholding		Investments				Income on Investments	
	30-Jun-07	30-Sep-06	Cost method		Equity method		30-Jun-07	30-Jun-06
			30-Jun-07	30-Sep-06	30-Jun-07	30-Sep-06		
<b>4.4.1 Investments using the equity method</b>								
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at June 30, 2007 amount of THB 810.00 Million and September 30, 2006 amount of THB 810.00 million)	24	24	225.00	225.00	282.72	313.81	27.86	64.15
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	197.30	219.97	(5.87)	51.10
Bangkok Aviation Fuel Services Public Company Limited (Market value as at June 30, 2007 amount of THB 1,220.98 Million and September 30, 2006 amount of THB 1,084.67 million)	22.6	22.6	115.19	95.99	504.93	469.13	56.92	76.13
Phuket Air Catering Company Limited	30	30	30.00	30.00	52.28	44.81	13.47	4.37
Suvarnabhumi Airport Hotel Company Limited	30	30	305.33	305.33	244.12	278.40	(34.28)	(17.67)
Nok Airlines Co., Ltd.	39	39	195.00	195.00	<u>231.53</u>	<u>196.89</u>	<u>34.64</u>	<u>18.60</u>
<b>Total investments using the equity Method</b>					<b><u>1,512.88</u></b>	<b><u>1,523.01</u></b>	<b><u>92.74</u></b>	<b><u>196.68</u></b>
<b>4.4.2 Other long-term investments stated at cost</b>								
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00			-	-
Aeronautical Radio of Thailand Limited	2.8	2.8	18.27	18.27			-	-
SITA Investment Certificate TRADESIAM Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75			-	-
SITA Information Networking Computing	-	-	31.48	34.24			-	-
Other Shares	-	-	2.92	2.95			0.77	1.75
Investment in private fund	-	-	33.58	105.32			-	-
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited			<u>(133.00)</u>	<u>(133.00)</u>			<u>-</u>	<u>-</u>
<b>Total other long-term investments</b>			<b><u>119.02</u></b>	<b><u>191.85</u></b>			<b><u>0.77</u></b>	<b><u>1.75</u></b>

The Company

Units : Million Baht

Name of Company	Percentage of Shareholding		Investments		Dividend Income	
			Cost method			
	30-Jun-07	30-Sep-06	30-Jun-07	30-Sep-06	30-Jun-07	30-Jun-06
<b>4.4.1 Investments using the cost method</b>						
<b>Subsidiary Company</b>						
Thai-Amadeus Southeast Asia Company Limited	55	55	8.25	8.25	<u>57.75</u>	<u>29.70</u>
<b>Associated Companies</b>						
Royal Orchid Hotel (Thailand) Public Co., Ltd. (Market value as at June 30, 2007 amount of THB 810.00 Million and September 30, 2006 amount of THB 810.00 million)	24	24	225.00	225.00	58.95	56.92
Donmuang International Airport Hotel Company Limited	40	40	48.00	48.00	16.80	19.20
Bangkok Aviation Fuel Services Public Company Limited (Market value as at June 30, 2007 amount of THB 1,220.98 Million and September 30, 2006 amount of THB 1,084.67 million)	22.6	22.6	115.19	95.99	40.32	35.52
Phuket Air Catering Company Limited	30	30	30.00	30.00	6.00	4.50
Suvarnabhumi Airport Hotel Company Limited	30	30	305.33	305.33	-	-
Nok Airlines Co., Ltd.	39	39	<u>195.00</u>	<u>195.00</u>	-	-
<b>Total</b>			<b><u>918.52</u></b>	<b><u>899.32</u></b>	<b><u>122.07</u></b>	<b><u>116.14</u></b>
<b>Total investments using the cost method</b>			<b><u>926.77</u></b>	<b><u>907.57</u></b>	<b><u>179.82</u></b>	<b><u>145.84</u></b>
<b>4.4.2 Other long-term investments stated at cost</b>						
Fuel Pipeline Transportation Limited	8.4	8.4	133.00	133.00	-	-
Aeronautical Radio of Thailand Limited	2.8	2.8	18.27	18.27	-	-
SITA Investment Certificate	-	-	31.02	29.32	-	-
TRADESIAM Company Limited (paid 25% of authorized share capital)	3.5	3.5	1.75	1.75	-	-
SITA Information Networking Computing	-	-	31.48	34.24	-	-
Other Shares	-	-	2.92	2.95	0.77	1.75
<u>Less</u> Allowance for impairment of Fuel Pipeline Transportation Limited			<u>(133.00)</u>	<u>(133.00)</u>	-	-
<b>Total other long-term investments</b>			<b><u>85.44</u></b>	<b><u>86.53</u></b>	<b><u>0.77</u></b>	<b><u>1.75</u></b>



#### 4.5 Related Parties The Company

##### 4.5.1 Major shareholders

	<b>Units : Million Baht</b>	
	<b><u>30-Jun-07</u></b>	<b><u>30-Sep-06</u></b>
Ministry of Finance		
Guaranteed loans	-	150.00
Foreign loans via the Ministry of Finance	15,718.41	17,873.32

##### 4.5.2 Subsidiary company

	<b>Units : Million Baht</b>			
	<b>Three-month periods</b>		<b>Sales</b>	
	<b><u>Apr-Jun'07</u></b>	<b><u>Apr-Jun'06</u></b>	<b><u>Oct'06-Jun'07</u></b>	<b><u>Oct'05-Jun'06</u></b>
Thai-Amadeus Southeast Asia Company Limited	4.87	10.18	20.57	38.58

	<b>Units : Million Baht</b>			
	<b>Trade Account</b>		<b>Other Account</b>	
	<b>Receivables</b>		<b>Receivables</b>	
	<b><u>30-Jun-07</u></b>	<b><u>30-Sep-06</u></b>	<b><u>30-Jun-07</u></b>	<b><u>30-Sep-06</u></b>
Thai-Amadeus Southeast Asia Company Limited	0.04	0.02	3.28	10.61

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

#### 4.6 Property, Plant and Equipment - Net

##### Consolidated

Units : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land buildings and development	Other plant and equipment	Total
<b>Cost</b>						
As at October 1, 2006	154,518.30	108,895.50	28,238.39	17,018.88	27,960.26	<b>336,631.33</b>
- Adjust/Transfer	(11,433.91)	9,285.66	(1,491.95)	(931.69)	(1,578.98)	<b>(6,150.87)</b>
- Increased asset	7,511.32	13,548.29	2,133.32	2,813.59	1,692.37	<b>27,698.89</b>
- Sold	(2,997.53)	-	(1,185.12)	(44.88)	(157.88)	<b>(4,385.41)</b>
As at June 30, 2007	<b>147,598.18</b>	<b>131,729.45</b>	<b>27,694.64</b>	<b>18,855.90</b>	<b>27,915.77</b>	<b>353,793.94</b>
<b>Accumulated depreciation</b>						
As at October 1, 2006	79,511.41	19,205.06	16,989.67	8,125.01	16,769.63	<b>140,600.78</b>
- Depreciation	5,094.71	4,553.93	1,430.50	575.98	1,407.41	<b>13,062.53</b>
- Adjust/Transfer	253.25	(1,976.54)	(814.22)	-	-	<b>(2,537.51)</b>
- Sold	(2,708.10)	-	(525.23)	(38.77)	(155.65)	<b>(3,427.75)</b>
As at June 30, 2007	<b>82,151.27</b>	<b>21,782.45</b>	<b>17,080.72</b>	<b>8,662.22</b>	<b>18,021.39</b>	<b>147,698.05</b>
<b>Net book value</b>						
As at September 30, 2006	<b>75,006.89</b>	<b>89,690.44</b>	<b>11,248.72</b>	<b>8,893.87</b>	<b>11,190.63</b>	<b>196,030.55</b>
As at June 30, 2007	<b>65,446.91</b>	<b>109,947.00</b>	<b>10,613.92</b>	<b>10,193.68</b>	<b>9,894.38</b>	<b>206,095.89</b>

##### The Company

Units : Million Baht

	Aircraft	Aircraft under financial leases	Aircraft spare parts	Land buildings and development	Other plant and equipment	Total
<b>Cost</b>						
As at October 1, 2006	154,518.30	108,895.50	28,238.39	17,018.88	27,713.08	<b>336,384.15</b>
- Adjust/Transfer	(11,433.91)	9,285.66	(1,491.95)	(931.69)	(1,562.83)	<b>(6,134.72)</b>
- Increased asset	7,511.32	13,548.29	2,133.32	2,813.59	1,673.28	<b>27,679.80</b>
- Sold	(2,997.53)	-	(1,185.12)	(44.88)	(157.89)	<b>(4,385.42)</b>
As at June 30, 2007	<b>147,598.18</b>	<b>131,729.45</b>	<b>27,694.64</b>	<b>18,855.90</b>	<b>27,665.64</b>	<b>353,543.81</b>
<b>Accumulated depreciation</b>						
As at October 1, 2006	79,511.41	19,205.06	16,989.67	8,125.01	16,615.42	<b>140,446.57</b>
- Depreciation	5,094.71	4,553.93	1,430.50	575.98	1,380.86	<b>13,035.98</b>
- Adjust/Transfer	253.25	(1,976.54)	(814.22)	-	-	<b>(2,537.51)</b>
- Sold	(2,708.10)	-	(525.23)	(38.77)	(155.67)	<b>(3,427.77)</b>
As at June 30, 2007	<b>82,151.27</b>	<b>21,782.45</b>	<b>17,080.72</b>	<b>8,662.22</b>	<b>17,840.61</b>	<b>147,517.27</b>
<b>Net book value</b>						
As at September 30, 2006	<b>75,006.89</b>	<b>89,690.44</b>	<b>11,248.72</b>	<b>8,893.87</b>	<b>11,097.66</b>	<b>195,937.58</b>
As at June 30, 2007	<b>65,446.91</b>	<b>109,947.00</b>	<b>10,613.92</b>	<b>10,193.68</b>	<b>9,825.03</b>	<b>206,026.54</b>

In this period, there are 90 aircraft in the Company's fleet consisting of 54 own aircraft which 5 aircraft are leased by other company, 24 aircraft under financial leases and 12 aircraft under operating leases.

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

Other plants and equipment-net amount of THB 9,894.38 million (consolidated) and THB 9,825.03 millions (the Company) have already included the work in progress of Suvarnabhumi project amount of THB 241.49 million consisting of building, facilities, equipment and information technology which support to the services in Suvarnabhumi Airport.

The Company uses buildings and equipment of THB 36,561.63 million that are now fully depreciated.

#### 4.7 Intangible Assets-net

	Units : Million Baht	
	Consolidated	The Company
<b>Cost</b>		
As at October 1, 2006	455.61	453.13
- Assets increase	334.28	332.89
As at June 30, 2007	789.89	786.02
<b>Accumulated depreciation</b>		
As at October 1, 2006	34.40	34.35
- Depreciation	65.04	64.77
As at June 30, 2007	99.44	99.12
<b>Net book value</b>		
As at September 30, 2006	<b>421.21</b>	<b>418.78</b>
As at June 30, 2007	<b>690.45</b>	<b>686.90</b>

#### 4.8 Non - Current Assets - Others

	Units : Million Baht			
	Consolidated		The Company	
	<u>30-Jun-07</u>	<u>30-Sep-06</u>	<u>30-Jun-07</u>	<u>30-Sep-06</u>
Deferred charges	1,487.83	1,144.79	1,487.83	1,144.79
Deferred income taxes	3,848.60	4,020.32	3,836.56	4,008.71
Others	<u>35.95</u>	<u>-</u>	<u>35.95</u>	<u>-</u>
<b>Total</b>	<b><u>5,372.38</u></b>	<b><u>5,165.11</u></b>	<b><u>5,360.34</u></b>	<b><u>5,153.50</u></b>

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

#### 4.9 Dividends the Company

According to the Annual General Shareholders' Meeting for the year 2006 held on December 27, 2006 approved the Company to pay the dividends for the year 2006 operation at THB 1.65 per share for an aggregate of THB 2,803.18 million.

#### 4.10 Share Capital

As at June 30, 2007, the Company has authorized ordinary shares amount of 1,700 million shares at par value THB 10 each for an aggregate of THB 17 billion, issued and paid-up ordinary shares amount of THB 16,989.01 million.

The Company determined the last exercise date for type-one and type-two warrants to purchase ordinary shares on April 2, 2007. If the warrant holders do not exercise their warrants by the last exercise date, the Company will deem such warrants expired and warrant holders can no longer exercise such warrants. There are 3,350 units and 5,450 units of type - one and type - two warrants which have not been exercised, respectively.

#### 4.11 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

#### For the three-month periods ended June 30, 2007 and 2006

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net Profits attributable to ordinary shareholders	68.16	472.97	1,698.91	1,698.89	0.04	0.28
<b>Effects of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares not exercising the rights	-	-	-	0.01		
<b>Diluted earnings per share</b>						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>68.16</u>	<u>472.97</u>	<u>1,698.91</u>	<u>1,698.90</u>	<u>0.04</u>	<u>0.28</u>

**The Company**

**For the three-month periods ended June 30, 2007 and 2006**

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net Profits attributable to ordinary shareholders	137.28	450.30	1,698.91	1,698.89	0.08	0.27
<b>Effects of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares not exercising the rights	-	-	-	0.01		
<b>Diluted earnings per share</b>						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>137.28</u>	<u>450.30</u>	<u>1,698.91</u>	<u>1,698.90</u>	<u>0.08</u>	<u>0.27</u>

**Consolidated**

**For the nine-month periods ended June 30, 2007 and 2006**

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net Profits attributable to ordinary shareholders	8,327.01	10,487.36	1,698.91	1,698.89	4.90	6.17
<b>Effects of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares not exercising the rights	-	-	-	0.01		
<b>Diluted earnings per share</b>						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>8,327.01</u>	<u>10,487.36</u>	<u>1,698.91</u>	<u>1,698.90</u>	<u>4.90</u>	<u>6.17</u>

**The Company**

**For the nine-month periods ended June 30, 2007 and 2006**

	<u>Gains</u>		<u>No. of Shares</u>		<u>Earnings per share</u>	
	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>
	Million Baht	Million Baht	Million Shares	Million Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net Profits attributable to ordinary shareholders	8,363.46	10,385.93	1,698.91	1,698.89	4.92	6.11
<b>Effects of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares not exercising the rights	-	-	-	0.01		
<b>Diluted earnings per share</b>						
Net Profits attributable to ordinary shareholders under conversion assumption to ordinary shares	<u>8,363.46</u>	<u>10,385.93</u>	<u>1,698.91</u>	<u>1,698.90</u>	<u>4.92</u>	<u>6.11</u>

## 4.12 Financial Information by Segment Consolidated

### 4.12.1 Business segments

#### Statements of Income

For the three-month periods ended June 30, 2007 and 2006

Units : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>
	Air transportation	42,401.59	40,165.15	-	-	42,401.59	40,165.15	(6.15)
Business Units	1,844.27	1,658.36	3,943.11	3,310.11	5,787.38	4,968.47	144.83	397.33
Other activities	283.56	290.84	110.63	88.87	394.19	379.71	(24.88)	9.30
Eliminations	-	-	(4,053.74)	(3,398.98)	-	-	-	-
Operating profits							113.80	959.40
Share of net profit from subsidiary and associated companies							22.91	103.90
Interest expenses-net							(1,035.75)	(984.37)
Gain on foreign currency exchange							1,416.59	(1,107.39)
Other revenues (expenses)							(393.93)	1,693.19
Minority interests							(12.80)	(12.85)
Income taxes							<u>(42.66)</u>	<u>(178.91)</u>
<b>Net profits</b>							<u><b>68.16</b></u>	<u><b>472.97</b></u>

#### Statements of Income

For the nine-month periods ended June 30, 2007 and 2006

Units : Million Baht

	<u>Revenues</u>		<u>Inter - Segment Revenues</u>		<u>Total Revenues</u>		<u>Segment Results</u>	
	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>	<u>30-Jun-07</u>	<u>30-Jun-06</u>
	Air transportation	135,787.97	127,661.00	-	-	135,787.97	127,661.00	10,053.95
Business Units	5,818.75	5,602.52	11,978.30	10,046.82	17,797.05	15,649.34	1,562.56	2,768.51
Other activities	892.87	837.83	305.63	270.83	1,198.50	1,108.66	115.53	236.02
Eliminations	-	-	(12,283.93)	(10,317.65)	-	-	-	-
Operating profits							11,732.04	11,836.68
Share of net profit from subsidiary and associated companies							92.74	196.68
Interest expenses-net							(3,061.32)	(3,174.27)
Gains on foreign currency exchange							4,546.19	4,139.29
Other revenues (expenses)							(1,303.22)	1,950.04
Minority interests							(41.42)	(41.39)
Income taxes							<u>(3,638.00)</u>	<u>(4,419.67)</u>
<b>Net profits</b>							<u><b>8,327.01</b></u>	<u><b>10,487.36</b></u>

**Assets and Liabilities**

**As at June 30, 2007 and September 30, 2006**

	<u>Current Assets</u>		<u>Non-Current Assets</u>		<u>Units : Million Baht Total Assets</u>	
	<u>30-Jun-07</u>	<u>30-Sep-06</u>	<u>30-Jun-07</u>	<u>30-Sep-06</u>	<u>30-Jun-07</u>	<u>30-Sep-06</u>
	Air transportation	45,834.79	42,633.50	201,746.94	196,444.79	247,581.73
Business Units	857.99	487.28	11,925.15	6,674.61	12,783.14	7,161.89
Other activities	476.58	419.02	118.53	212.32	595.11	631.34
Non-allocated assets	<u>1,977.21</u>	<u>2,162.88</u>	<u>-</u>	<u>-</u>	<u>1,977.21</u>	<u>2,162.88</u>
<b>Total</b>	<b><u>49,146.57</u></b>	<b><u>45,702.68</u></b>	<b><u>213,790.62</u></b>	<b><u>203,331.72</u></b>	<b><u>262,937.19</u></b>	<b><u>249,034.40</u></b>

	<u>Current Liabilities</u>		<u>Non-Current Liabilities</u>		<u>Units : Million Baht Total Liabilities</u>	
	<u>30-Jun-07</u>	<u>30-Sep-06</u>	<u>30-Jun-07</u>	<u>30-Sep-06</u>	<u>30-Jun-07</u>	<u>30-Sep-06</u>
	Air transportation	81,003.40	77,224.84	108,937.52	105,469.87	189,940.92
Business Units	1,424.70	248.04	37.06	54.74	1,461.76	302.78
Other activities	59.68	83.35	-	-	59.68	83.35
Non-allocated liabilities	<u>278.98</u>	<u>272.38</u>	<u>-</u>	<u>-</u>	<u>278.98</u>	<u>272.38</u>
<b>Total</b>	<b><u>82,766.76</u></b>	<b><u>77,828.61</u></b>	<b><u>108,974.58</u></b>	<b><u>105,524.61</u></b>	<b><u>191,741.34</u></b>	<b><u>183,353.22</u></b>

Segment results derive from segment revenues net of segment 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. Those transfers are eliminated in consolidation.

**4.12.2 Geographical segments**

	<u>The three -month Periods</u>		<u>Units : Million Baht The nine -month Periods</u>	
	<u>Apr-Jun'07</u>	<u>Apr-Jun'06</u>	<u>Oct'06-Jun'07</u>	<u>Oct'05-Jun'06</u>
	Domestic Revenues			
Transportation	2,526.61	2,378.53	8,526.76	8,451.29
Business units	1,844.28	1,658.36	5,818.74	5,602.52
Other activities	<u>283.55</u>	<u>290.84</u>	<u>892.87</u>	<u>837.83</u>
Total domestic revenues	<u>4,654.44</u>	<u>4,327.73</u>	<u>15,238.37</u>	<u>14,891.64</u>
Foreign Transportation Revenues				
Regional Asia	16,356.59	17,307.63	52,280.61	53,648.30
Europe	11,123.83	10,827.46	37,331.37	35,336.85
North Pacific	1,793.20	1,104.38	4,663.35	3,528.94
Australia & New Zealand	4,039.55	2,846.61	12,102.42	9,274.33
Africa	<u>328.12</u>	<u>-</u>	<u>853.97</u>	<u>-</u>
Total foreign transportation revenues	<u>33,641.29</u>	<u>32,086.08</u>	<u>107,231.72</u>	<u>101,788.42</u>
Charter revenues and others	1,585.38	1,522.63	5,277.87	4,780.82
Insurance surcharge from passengers	582.23	605.51	1,848.39	1,875.51
Fuel surcharge from passengers	<u>4,066.08</u>	<u>3,572.40</u>	<u>12,903.24</u>	<u>10,764.96</u>
<b>Total</b>	<b><u>44,529.42</u></b>	<b><u>42,114.35</u></b>	<b><u>142,499.59</u></b>	<b><u>134,101.35</u></b>

#### 4.13 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:

	<b>Units : Million Baht</b>	
	<b><u>30-Jun-07</u></b>	<b><u>30-Sep-06</u></b>
Current assets	4,712.91	4,485.25
Others	<u>27.67</u>	<u>45.79</u>
Total	<u>4,740.58</u>	<u>4,531.04</u>
Other current liabilities	24.09	35.22
Pension fund	<u>4,716.49</u>	<u>4,495.82</u>
Total	<u>4,740.58</u>	<u>4,531.04</u>

As at June 30, 2007, the fund balance was THB 4,716.49 million, equal to the Company's obligation to its staff under the fund. The total Company contribution to the fund in this period was THB 315.81 million, consisting of contributions at a rate equivalent to 10% of employee salaries in the amount of THB 186.02 million and additional amounts to match the Company's obligation of THB 129.79 million.

#### 4.14 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 in an aggregate of THB 789.52 million in this period.

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

#### 4.15 Contingent Liabilities

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

	<b>Units : Million Baht</b>	
	<b><u>30-Jun-07</u></b>	<b><u>30-Sep-06</u></b>
Letters of guarantee issued by banks	2.95	6.07
The Company as defendant in		
Labour dispute cases	533.23	515.70
Damage claims cases	<u>127.35</u>	<u>290.63</u>
<b>Total</b>	<b><u>663.53</u></b>	<b><u>812.40</u></b>



On February 26, 2007, the Company has been filed a lawsuit by 35 airfreight customers before United States District Court Eastern District of New York. The lawsuit alleges that the Company and other 38 air carriers have conspired to fix prices of surcharge such as fuel, war risk, etc. which were claimed to be in violation of Sherman Act/Antitrust Law and EU Law and caused damages to them. The airfreight customers have brought this action before the court to recover treble damages from the air carriers. At the time of filing, the actual damage amounts have not been determined by each plaintiff, but will be raised to the court later. However, the Company has retained the antitrust lawyer and has joined defense with other 26 defendant air carriers. On July 18, 2007, the joined defendants' motion to dismiss the case has been filed with the court contending that the court dose not have jurisdiction and plaintiffs do not have standing.

#### **4.16 Contractual Obligations**

##### **4.16.1 Obligation to Purchase Aircraft**

The Company has a payment obligation to purchase aircraft amount of THB 49,422.86 million.

##### **4.16.2 Leases and Obligations of aircraft**

The Company has entered into operating leases amount of USD 261.51 million or approximately THB 9,066.14 million (exchange rate USD 1 : THB 34.6679).

##### **4.16.3 Contractual Obligation and Memorandum Agreement in Suvarnabhumi Airport Project**

On January 18, 2006, there was a fire incident at Thai's Catering building at Suvarnabhumi Airport which was under a construction. This caused the damage on some parts of building, system, and assets of the Company. Such Catering building is under a recovery process. From the fire incident, the Company received a compensation from Dhipaya Insurance Public Company Limited amount of THB 1,150.00 million on September 21, 2006. These are an indemnity for the Company's asset amount of THB 506.75 million and the damage under the constructors' responsibility amount of THB 643.25 million which will use to recovery the building.

The Company has an payment obligation to the constructors according to the contracts approximately of THB 28.14 million for recovering which is expected to be finished in July 2007.

#### **4.17 Approval of Financial Statements**

These financial statements were approved by the Audit Committee, the Authorized Board of Directors, on August 8, 2007.

---