

(Translation)

TG. 07/017

February 28, 2013

Subject Submission of financial statements for the year ended December 31, 2012 for Thai Airways International Public Company Limited and its subsidiaries

To President of the Stock Exchange of Thailand

- Enclosed
1. Thai Airways International Public Company Limited and its subsidiaries' financial statements for the year ended December 31, 2012
 2. Management's Discussion and Analysis (MD&A) for year ended December 31, 2012 for Thai Airways International Public Company Limited and its subsidiaries
 3. Report Summarizing Operating Results of the Company (F45-3)

Thai Airways International Public Company Limited (THAI) is pleased to submit the Company's consolidated financial statements and its subsidiaries for the year ended December 31, 2012 which has been audited by the Office of the Auditor General of Thailand and also Management's Discussion and Analysis (MD&A) for the same period. Details have been enclosed and can be summarized as follows:

The consolidated financial statements for year ending December 31, 2012 compared to the same period last year, 2012's financial information includes an additional subsidiary, Nok Airlines Co., Ltd. (Nok Air) which THAI purchased an additional 5 million shares representing an additional 10 percent stake of Nok Air's issued and paid-up shares on November 29, 2011, increasing THAI's total shareholding in Nok from 39 to 49 percent. In accordance with accounting guidelines, Nok's financial statements have been consolidated into THAI's financial statements based on having controlling power over Nok through THAI's representation on Nok's Board of Directors.

In 2012 the international passenger transport sector expanded over last year amidst global economic slowdown, fierce market competition both domestic and international markets, considerably high level of fuel price and low volume of cargo due to a slowdown in global trade. Unlike other airlines, THAI's operations at the beginning of 2012 was severely impacted by the massive flood in late 2011 that forced THAI to adjust its marketing strategy, especially pricing policy, to stimulate travel demand. Compounding the adverse effect was maintenance undertaken on the runway at Suvarnabhumi airport during June - July 2012 which caused significant flight delays and increased operating expense.

THAI adhered to its strategic initiatives by implementing its corporate portfolio strategy with the objective to create competitive advantages and ensure sustainable growth by increasing THAI's total shares of Nok air and establishing a new business unit - THAISmile to strengthen its market position and to have products covering every passenger segment. Also part of the strategy, THAI rescheduled its flights to better suit passenger demand and using of appropriate aircraft type to suit the market characteristic and level of demand taking into consideration seasonality demand while being vigilant and rapidly responding to changes in market competition and conditions. The retrofit program is continuing to improve seating product and services while emphasis is also being put on new and variety of marketing campaigns, enhancing risk management, proactive fuel hedging strategy, initiatives to improve the Company's financial strength, postponement of unnecessary investments, taking measures to reign in cost implement initiatives to ensure viable long term cost structure.

Through the above strategic initiatives, THAI achieved the highest average cabin factor of 76.6% in the past five year as compared to 70.4% cabin factor achieved last year. The success of 2012 is reflected in THAI's overall positive financial performance recovering from the previous year's loss.

THAI's consolidated total revenues amounted to THB 213,530 million, which was an increase of THB 19,188 million or 9.9% from last year. Nok Air's top line revenue contribution to THAI's total revenues was THB 8,248 million and gains on assets transferred as consideration by the acquiring entity from acquiring shares of Nok Air, amounted to THB 1,584 million while THAI's own revenue increased totaling THB 10,042 million due to the increase in total operating revenue. For THAI, revenue was THB 10,366 million or 5.4% higher year-on-year mainly resulting from the greater number of passengers. THAI's consolidated total expenses, excluding gain (loss) on foreign currency exchange amounted to THB 209,639 million, which was THB 9,808 million or 4.9% higher than last year. Nok Air's portion of expense totaled THB 6,869 million while THAI's expenses increased by THB 2,685 million or 1.3% due to the increase of fuel cost, traffic production related expenses, passenger-related expenses and the payment of annual welfare. For the year 2012, aircraft maintenance and overhaul cost and lease of aircraft fees and spare parts expenses declined.

Profit before foreign currency exchange and income tax of THAI and its subsidiaries was THB 3,891 million compared to last year where THAI lost THB 5,489 million. THAI recorded a gain on foreign currency exchange in the amount of THB 3,213 million in 2012 compared to the previous year where THAI lost THB 2,428 million.

For the operating results of the year 2012 (January 1 – December 31, 2012), THAI and its subsidiaries' reported a net profit of THB 6,510 million. Profit attributable to owners of the parent was THB 6,229 million or 2.85 baht per share for 2012 when compared to last year's loss of THB 10,197 million or 4.67 baht per share loss.

As of December 31, 2012, total assets were THB 304,096 million, an increase of THB 30,140 million as compared to December 31, 2011. Total liabilities totaled THB 234,278 million, which was an increase of THB 23,269 million. Total shareholders' equity amounted to THB 69,818 million, which was an increase of THB 6,871 million.

Please be informed accordingly.

Yours faithfully,

Mrs. Wasukarn Visansawatdi
Executive Vice President
Finance and Accounting Department

Management Accounting & Budget Department
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