

(Translation)

TG. 07/211

November 13, 2014

- Subject** Submission of financial statements for the three-month period and the nine-month period ended September 30, 2014
- To** President of the Stock Exchange of Thailand
- Enclosed**
1. Thai Airways International Public Company Limited and its subsidiaries' financial statements for the three-month period and nine-month period ended September 30, 2014
 2. Management's Discussion and Analysis (MD&A) for the third quarter of the financial year 2014 ended September 30, 2014 of 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 is pleased to submit the Company's consolidated financial statements and its subsidiaries for the three-month period and nine-month period ended September 30, 2014 which has been reviewed by the Office of the Auditor General of Thailand and also Management's Discussion and Analysis (MD&A) for the third quarter of the financial year 2014 ended September 30, 2014. Details have been enclosed and can be summarized as follows:

During the third quarter of the year 2014 the global economy continued to see recovery but at a pace that is much slower than expected. There were various risk factors had negative impact travel demand and in general, confidence in air travel. Fortunately, Thai's commercial Airline Industry benefited from the Royal Thai Government's tourism campaign which began on August 9, 2014 with lifting of visa fee for tourists from both Mainland China and Taiwan for 3 months. Despite tourist confidence increasing over the previous quarter, it was far from normal. The martial law was still in force, bearing negative impact on the number of inbound tourists as compared to last year. In the meanwhile, capacity expanded dramatically which resulted in a more intense price competition, especially from low cost carriers (LCC) with new comers such as NokScoot airline, ongoing fleet expansion and the launching new routes.

The recovering domestic unrest and the fierce competition have had direct negative impact on THAI's number of passenger as the number was down by 12.5% year-on-year for the quarter. Although THAI reduced its flight frequency in line with the decrease of passenger traffic with passenger production (Available Seat Kilometers : ASK) down by 4.8%, passenger traffic (Revenue Passenger Kilometers : RPK) decreased more significantly by 10.1% resulting in an average cabin factor of 71.1 %, a decrease from last year's 75.3% cabin factor. The result was a drop in operating revenues by THB 4,853 million or 9.6% from the same period last year resulting in a loss before gain on foreign currency exchange and income tax(exclude impairment loss of aircraft and assets) of THB 5,237 million, which was THB 2,086 million or 66.2% higher than the last year's loss. Combined with a loss of impairment of assets and aircraft, amount of THB 1,220 million and gain on foreign currency exchange, amount of THB 7,379 million resulting THAI and its subsidiaries earned a net profit of THB 1,097 million as compared to last year's loss of THB 6,182 million. Profit attributable to owners of the parent amounted to THB 1,086 million. Profit per share was 0.50 THB compared to last year's loss per share of 2.84 THB.

For the nine-month period, THAI's consolidated net loss amounted to THB 9,177 million, THB 2,864 million more loss when compared to the same period last year. Loss attributable to owners of the parent amounted to THB 9,211 million. Loss per share was 4.22 THB, compared to last year where THAI reported a loss per share of 2.91 THB.

As of September 30, 2014, THAI's consolidated total assets were THB 310,243 million, an increase of THB 3,158 million or 1.0% from as at December 31, 2013. Total liabilities totaled THB 262,552 million, which was an increase of THB 12,386 million or 5.0%. Total shareholders' equity amounted to THB 47,691 million, which was a decrease of THB 9,228 million.

To address the weaker results from operating performance, THAI developed a business turnaround plan which was approved in principle by the Board of Directors on August 5, 2014. The urgent plan focuses on increasing revenue, reducing costs to improve operating results in 2014 and ensuring sufficient liquidity and financing for investments and support its operations. On September 9, 2014 the Board of Directors appointed a strategy and reform committee made up of relevant Board of Directors and external experts to closely supervise and review the strategic and reorganization plan to ensure a competitive organization that is able to generate appropriate returns on a sustainable basis which would be implemented and planned to complete at the end of this year as a roadmap to generate the action plan of 2015 and the medium-term plan.

Please be informed accordingly.

Yours faithfully,

Mrs. Charita Leelayudth
Vice President
Investor Relation Management
Acting Executive Vice President
Finance and Accounting Department

Management Accounting Department
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