

(Translation)

TG. 07/119

August 11, 2017

Subject Submission of financial statements for the three-month and six-month periods ended June 30, 2017

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 and six-month periods ended June 30, 2017
2. Management's Discussion and Analysis (MD&A) for the second quarter of the financial year 2017 ended June 30, 2017 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 six-month periods ended June 30, 2017 which has been reviewed by the Office of the Auditor General of Thailand and also Management's Discussion and Analysis (MD&A) for the second quarter of the financial year 2017 ended June 30, 2017. Details have been enclosed and can be summarized as follows:

THAI continued the third phase of its transformation plan "Sustainable Growth" from the previous quarter. In the second quarter, which was normally a low-season period, passenger traffic (RPK) increased by 21.9% from the same quarter of last year, with an increase in production traffic (ASK) of 7.1%. The Cabin Factor averaged 78.5%, up from 69.0% in the previous year, the highest in 10 years, with 97 aircraft in operation two more aircraft than at the end of 2016 from the delivery of the Airbus A350-900XWB. Aircraft Utilization has increased by 4.5% with 5.87 million passengers carried representing a 14.9% increase from last year.

THAI and its subsidiaries' operating loss was down 13.5% from the previous year. Total revenue was THB 45,182 million, an increase of 9.6% from the same quarter of last year due to an increase of passenger and excess baggage revenue from the 21.9% increase in passenger traffic, despite a drop in average passenger yield due to intense price competition. Freight and mail revenues increased from the recovery in the export sector. Revenues from other activities increased from the higher aircraft maintenance service. While total expenses amounted to THB 46,724 million, an increase of 8.6% due to an increase in fuel expenses of THB 527 million (4.5%) resulting from an increase of 20.1% in average jet fuel price. Non-fuel operating expense increased by THB 3,390 million (11.3%) from last year mainly from the increase in production and traffic as well as the increase in maintenance and overhaul expense.

This quarter THAI and its subsidiaries had one-time expenses, amount of THB 575 million, a loss from changes in ownership interest, amount of THB 428 million resulting from the dilution of THAI's shareholding in Nok Air then Impairment loss of assets and aircraft, amount of THB 390 million. In addition, the loss on foreign currency

exchange was THB 2,431 million. Consequently, THAI and its subsidiaries reported the net loss of THB 5,208 million. Loss attributable to owners of the parent amounted to THB 5,211 million. Loss per share was THB 2.39 per share, 1.05 THB or 78.4% higher loss than last year.

As of June 30, 2017, total assets were THB 291,800 million, an increase of THB 8,676 million (3.1%) from as at December 31, 2016. Total liabilities totaled THB 260,239 million, which was an increase of THB 10,703 million (4.3%) from as of December 31, 2016. Shareholders' equity totaled THB 31,561 million, a decrease of THB 2,027 million (6.0%) from December 31, 2016 due to loss from operations for the first six month of 2017.

Please be informed accordingly.

Yours faithfully,

Mr. Narongchai Wongthnavimok
Executive Vice President
Finance and Accounting Department

Management Accounting and MIS Department
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