

(Translation)

TG. 07/058

May 15, 2017

Subject Submission of financial statements for the three-month period ended March 31, 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 period ended March 31, 2017
 2. Management's Discussion and Analysis (MD&A) for the three-month period ended March 31, 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 ended March 31, 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 three-month period ended March 31, 2017. Details have been enclosed and can be summarized as follows:

In 2017, THAI proceeded the third phase of transformation plan, "Sustainable Growth", which consists of 6 strategies as follows: 1) Profitable and competitive advantage route development and aircraft type simplification strategy 2) Competitive capability increase and revenue generating strategy 3) Excellent service ring building strategy 4) Competitive cost and efficient operation strategy 5) Corporate culture building to sustainability and human resources development to excellence strategy 6) Portfolio management and new business development for sustainability strategy. Also, there are significant action plans as follows: terminating operation of ThaiSmile at Don Muang international airport by operating at Suvarnabhumi airport as a single home-base airport since January 16, 2017 onward for the forthcoming expansion to the new markets, starting the renovation project by installing Crew Rest and In-flight Connectivity equipment to 6 Boeing 787-8 aircraft. Moreover, THAI signed a Memorandum of Understanding (MOU) with Airbus Industries on March 8, 2017 to be conducted about the development of the Maintenance, Repair, and Overhaul (MRO) facilities at U-Tapao International Airport and also signed 2 Memorandum of Understanding (MOU) with The Royal Thai Navy on April 5, 2017 for the 1st phase of developments which consisted of 1) new aircraft maintenance center and 2) air cargo and logistics center.

In this quarter, THAI had total 95 active aircrafts, equal to the number of aircraft in the same period last year but aircraft utilization was more efficient. Production traffic (ASK) increased by 4.4% while passenger traffic (RPK) increased dramatically by 11.6%. Average cabin factor was 82.8% comparing to 77.5% last year and 80.1% of industry average with 6.52 million passengers carried representing a 10.1% increase from last year.

THAI and its subsidiaries' total revenue, the amount of THB 49,804 million, slightly decreased by 0.8% when comparing to the same period last year due to the reduction of passenger and excess baggage revenue on the back of decreasing fuel surcharge as well as higher competition. Nevertheless, freight and mail revenue increased from the recovery in export sector. Total expenses, the amount of THB 46,937 million, increased by THB 3,934 million (9.1%) since the fuel expenses increased by THB 2,002 million (18.5%) resulting from the escalating in jet fuel prices by 45.8%. Non-fuel operating expense increased by THB 2,041 million (6.6%) from last year mainly from 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 483 million, then impairment loss of assets and aircraft, amount of THB 1,017 million but had THB 1,560 million gain on foreign currency exchange. Consequently, THAI and its subsidiaries reported the net profit of THB 3,169 million. Profit attributable to owners of the parent amounted to THB 3,157 million. Profit per share was THB 1.45, 1.30 THB or 47.3% lower than last year's.

As of March 31, 2017, total assets were THB 282,995 million, a decrease of THB 129 million (0.1%) from as at December 31, 2016. Total liabilities totaled THB 245,976 million, which was a decrease of THB 3,560 million (1.4%) from as of December 31, 2016. Shareholders' equity totaled THB 37,019 million, an increase of THB 3,431 million (10.2%) from December 31, 2016 due to profit from operations.

Please be informed accordingly.

Yours faithfully,

Mr. Narongchai Wongthanavimok
Executive Vice President
Finance and Accounting Department