



Thai Airways International Public Company Limited
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(Translation)

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Subject : Task Forces on Rolls-Royce Admittance to Bribery

To : President,
The Stock Exchange of Thailand

Reference is made to Rolls-Royce's admittance to the UK Serious Fraud Office (SFO) on allegations of bribery payment regarding the procurement of aircraft engines in several countries including Thailand during 1991-2005 with the accusation that THAI and its employees received money for engine acquisition.

The Company has taken the following immediate actions:

1. Gather Information to Support NACC

The Company is in close cooperation with the National Anti-Corruption Commission (NACC) on a continual basis to investigate engine and maintenance related procurement during 1991 and 2005. Mr. Niruj Maneepun, THAI Advisor, Office of the President, is responsible for investigation of engine and maintenance procurements during 1991 and 2005, with reference to Rolls-Royce's statement of THAI's involvement.

Furthermore, the Company submitted information to the NACC, which consists of Rolls-Royce engine procurement over three time periods: during 1991-1992, 1994-1997, and 2004-2005. Joint meetings were held between both task forces and the NACC in order to establish joint work objectives, to exchange information, and to cooperate on investigation procedures. The Company has clearly shown its full support of the NACC in all matters and will give its full cooperation to the NACC.

2. Corruption Prevention

The Company set up a task force to investigate the process involved in past and present engine and maintenance procurements, which is under the responsibility of Mr. Pichait Riengvattanasuk, THAI Vice President, Risk Management Department. This is to ensure that THAI's process is sound and that no loopholes exist in the process. This process has been completely revised and is flawless. The engine procurement process has also been revised in accordance with the procurement regulation 2012. This regulation states the following:

2.1 Procurements must not be made through a middle man.

2.2 Committees and working groups must be established to provide a check and balance on power.

...2/2.3 Procurements

2.3 Procurements must be according to international airline standards for transparency and righteousness, with detailed processes and procedures, complete with documentation that can be cross checked.

The Company has drawn up an Integrity Pact for procurements with engine manufacturers and maintenance companies to ensure no bribery of THAI staff.

This matter is being reported for your information.

Yours sincerely,

Suvimol Bualerd

Suvimol Bualerd
Senior Vice President, Corporate Secretariat Department