



Asia Aviation Plc. (AAV) Reports Q2/2014

Passengers carried at 2.8 million, Load Factor Stands at 78%

Proactive Plan for Latter Half of Year to

Focus on Attracting Foreign Tourists to Thailand

Mr. Tassapon Bijleveld, CEO of Asia Aviation Plc. or AAV (major shareholder of Thai AirAsia), stated that, in the second quarter of 2014 (Q2/2014), Thai AirAsia was able to achieve total revenue of Baht 5,461 million, an increase of 2% year-on-year, but due to an increase in expenditures by 21% ended the quarter with a loss of Baht 318 million. Overall in the first half of 2014 (1H/2014), Thai AirAsia saw total revenue of Baht 11,921 Million, up 5% compared to the same period of the previous year for a Net Loss of Baht 73 million. Net Loss (parent) of AAV in Q2/2014 and 1H/2014 was at Baht 176 million and Baht 37 million, respectively.

Thai AirAsia nonetheless remains committed to stimulating tourism in the face of impacts from the domestic political situation. The airline's Load Factor in Q2/2014 was 78%, down 4 percentage points from a year before, with 2.8 million passengers served, up 16% compared to the same period last year, as seat capacity increased 23%. In the first half year of the year, the airline carried 5.9 million passengers, up 19% year-on-year.

Thai AirAsia did not receive any additional aircraft in this quarter, which ended with a fleet of 37 aircraft. Nonetheless, the airline added the Phuket-Kuala Lumpur route and increased flight frequency for 3 routes of Bangkok-Phuket, Bangkok-Khon Kaen and Bangkok-Surat Thani.

In terms of service quality, AirAsia received the title of World's Best Low Cost Airline for the 6th year running (2009-2014) from Skytrax, which chooses its recipients based on votes from 18.9 travelers worldwide. The recognition affirms AirAsia's world class standards and efficiency.



Mr. Tassapon foresees that Thai AirAsia in the latter half of 2014, amid an improved political situation, will be able to offer more frequent promotions that will attract tourists. One way will be through its proactive cooperation with the Tourism Authority of Thailand and private companies, dubbed 'Thailand Shopping Paradise', which involves directly enticing foreign travelers to the Kingdom with roadshows in China and through Indochina, where demand remains high. Similarly, more frequent press events and the promotion of Fly Thru service as a convenient option for people in Myanmar and Vietnam should also increase visitor numbers to Thailand.

In the latter half of 2014, Thai AirAsia will receive 3 more aircraft to end the year with a fleet of 40 aircraft. The airline projects total passengers for the entire year at 12.1 million by adding the Bangkok-Sakon Nakhon twice daily flight. The company is also working to add a new hub in the southern part to serve as a direct flight to China. Thai AirAsia is sure it remains a leader amongst its competitors in the low cost airline segment with an emphasis on effective capital management and an eye to new business opportunities.
