



**AAV Announces Operational Results for First Half of 2018
With Net Profit of Baht 698.0 Million
Load Factor of 88 Percent and the Addition 7 Routes**

Asia Aviation Plc (AAV), major shareholder of Thai AirAsia Co. Ltd., has reported its operational results for the first half of 2018 with total revenue of Baht 20,896.2 million and net profit of Baht 698.0 million, dropped by 6 Percent compared with the same period last year, due to heightened fuel costs. Nonetheless, the Company has a Load Factor of 88 percent, on par with the same period last year, with 10.95 million passengers served, up 15 percent and with a fleet of 59 aircraft. In the past July, the airline was named World's Best Low Cost Airline for the 10th year in a row (2009-2018) to affirm its status as a globally accepted brand.

Mr. Santisuk Klongchaiya, Chief Executive Officer of AAV and Thai AirAsia (TAA), said that during the first half of 2017 AAV achieved total revenue of Baht 20,896.2 million and a net profit of Baht 698.0 million while TAA earned total revenue of Baht 20,896.2 million and net profit of Baht 1,267.1 million with a satisfactory Load Factor of 88 percent, serving 10.95 million passengers.

In Quarter 2 of 2018, AAV achieved total revenue of Baht 9,302.6 million and a net loss of Baht 306.1 million while TAA saw total revenue of Baht 9,302.5 million and a net loss of Baht 567.5 million. The losses have been attributed to heightened fuel costs, which rose 37 percent from last year. However, operational statistics were still in a satisfactory range with the Load Factor at 85 percent on 5.31 million passengers served, up 13 percent year-on-year. TAA did not acquire any new aircraft this quarter, keeping its fleet at a total 59 aircraft but still increasing flight frequency on four routes departing from Bangkok (Don Mueang) and one route departing from Chiang Mai.

"Higher fuel costs have been a challenge with fuel being a major operating cost for any airlines. We still believe however that we will adapt and see satisfactory results in the latter half of the year. We have been able to maintain our leading domestic market share at 33 percent and continue to seek new opportunities for both our domestic and international networks. During the first half of the year we introduce seven routes from Bangkok (Don Mueang) to Ranong, Johor Bahru, Chengdu and Chumphon; from Phuket to Macau and Kunming; as well as from Chiang Mai to Udon Thani, in order to maintain our strategic advantage moving forward," Mr. Santisuk said.

At the same time, AirAsia Group once again took pride in the global acceptance of its service standards after it was awarded World's Best Low Cost Airline for the 10th year in a row from 2009 and 2018 by Skytrax. The group also celebrated serving its 500 millionth passenger since beginning operation 16 years ago. The 500 millionth passenger was from Thailand and was gifted with a lifetime of free AirAsia flights. These achievements affirm TAA as a trusted low-fare airline that continues to adapt and grow.

In the latter half of 2018, Mr. Santisuk expects TAA will be able to compensate for higher fuel prices and continue towards growth targets. TAA is now looking for opportunities at its flight bases out of Bangkok and is to station more aircraft in Chiang Mai in preparation for added direct international flights such as those recently introduced to Yangon, Taipei and Hanoi. TAA is also pushing a policy of sustainable development, which it sees as essential to longevity and the benefits of its shareholders, executives, society and other stakeholders.