

ASIA AVIATION PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND
COMPANY FINANCIAL INFORMATION
(UNAUDITED)**

30 SEPTEMBER 2014

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Asia Aviation Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 30 September 2014, the related consolidated and company statements of comprehensive income for the three-month and nine-month period then ended, changes in shareholders' equity, and cash flows for the nine-month period then ended, and condensed notes to interim financial information of Asia Aviation Public Company Limited and its subsidiary, and of Asia Aviation Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Chanchai Chaiprasit
Certified Public Accountant (Thailand) No. 3760
PricewaterhouseCoopers ABAS Ltd.

Bangkok
13 November 2014

Asia Aviation Public Company Limited
Statement of Financial Position
As at 30 September 2014

	Consolidated		Company	
	Unaudited	Audited	Unaudited	Audited
	30 September	31 December	30 September	31 December
	2014	2013	2014	2013
Notes	Baht	Baht	Baht	Baht
Assets				
Current assets				
Cash and cash equivalents	2,331,308,019	1,958,637,392	3,488,003	2,082,971
Cash at financial institutions pledged as security	-	13,356,900	-	-
Short-term investments	2,047,324,915	3,448,628,170	-	-
Investments in private funds	40,760,771	1,032,551,182	-	-
Trade and other receivables, net 5	727,451,967	723,504,686	-	-
Amounts due from related parties 10.4	507,656,445	87,240,764	6,687,500	-
Inventories	84,673,749	90,210,619	-	-
Prepaid expenses	419,751,102	343,887,487	1,578,859	918,387
Value added tax receivable	166,796,894	78,686,650	-	-
Other current assets	46,231,342	40,144,187	393,378	12,340
Total current assets	6,371,955,204	7,816,848,037	12,147,740	3,013,698
Non-current assets				
Cash at financial institutions pledged as security	177,181,682	339,189,114	-	-
Long-term investments	1,294,303,100	1,312,007,600	-	-
Investment in a subsidiary	-	-	3,067,114,370	3,067,114,370
Aircraft, leasehold improvements and equipment, net 6	15,948,758,235	10,956,024,359	24	24
Intangible assets, net 6	14,869,025,579	14,868,736,837	1	1
Goodwill	8,824,825,803	8,824,825,803	-	-
Deferred tax assets	-	-	2,386,349	-
Other non-current assets	802,455,244	817,647,640	-	-
Total non-current assets	41,916,549,643	37,118,431,353	3,069,500,744	3,067,114,395
Total assets	48,288,504,847	44,935,279,390	3,081,648,484	3,070,128,093

The accompanying notes on pages 11 to 25 from part of this interim financial information.

Asia Aviation Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2014

	Notes	Consolidated		Company	
		Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable		122,839,224	152,951,492	-	-
Other accounts payable		201,031,563	124,132,639	-	-
Amounts due to related parties	10.5	207,813,018	506,830,215	500,000	-
Deferred revenues		4,791,589,893	4,299,163,449	-	-
Accrued expenses		1,238,044,947	1,390,467,580	500,000	444,376
Current portion of finance lease liabilities	7	904,530,420	615,065,684	-	-
Income tax payable		-	150,473,336	-	-
Other current liabilities		37,953,964	32,484,297	8,295,897	8,120,597
Total current liabilities		7,503,803,029	7,271,568,692	9,295,897	8,564,973
Non-current liabilities					
Finance lease liabilities	7	11,082,803,754	7,545,773,009	-	-
Deferred tax liabilities, net		3,323,296,317	3,309,661,779	-	-
Employee benefit obligations		160,174,228	132,997,460	-	-
Total non-current liabilities		14,566,274,299	10,988,432,248	-	-
Total liabilities		22,070,077,328	18,260,000,940	9,295,897	8,564,973

The accompanying notes on pages 11 to 25 from part of this interim financial information.

Asia Aviation Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2014

	Consolidated		Company	
	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
Liabilities and shareholders' equity (Cont'd)				
Shareholders' equity				
Share capital				
Authorised share capital				
Ordinary shares, 4,850,000,000 shares of par Baht 0.1 each				
	485,000,000	485,000,000	485,000,000	485,000,000
Issued and paid-up share capital				
Ordinary shares, 4,850,000,000 shares of paid-up Baht 0.1 each				
	485,000,000	485,000,000	485,000,000	485,000,000
Premium on share capital	2,599,808,274	2,599,808,274	2,599,808,274	2,599,808,274
Retained earnings (Deficits)	16,014,666,592	16,261,079,344	(12,455,687)	(23,245,154)
Equity attributable to owners of the parent				
	19,099,474,866	19,345,887,618	3,072,352,587	3,061,563,120
Non-controlling interests	7,118,952,653	7,329,390,832	-	-
Total shareholders' equity	26,218,427,519	26,675,278,450	3,072,352,587	3,061,563,120
Total liabilities and shareholders' equity	48,288,504,847	44,935,279,390	3,081,648,484	3,070,128,093

The accompanying notes on pages 11 to 25 form part of this interim financial information.

Asia Aviation Public Company Limited
Statement of Comprehensive Income
For the three-month period ended 30 September 2014

	Notes	Consolidated		Company	
		Unaudited	Unaudited	Unaudited	Unaudited
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Revenues from sales and services		5,558,593,859	5,595,067,967	6,250,000	-
Cost of sales of goods and services		(5,620,953,558)	(4,914,537,431)	-	-
Gross profit (loss)		(62,359,699)	680,530,536	6,250,000	-
Net gain on exchange rates		84,424,201	37,424,259	-	-
Other income		196,763,606	144,529,538	59	-
Profit before expenses		218,828,108	862,484,333	6,250,059	-
Selling expenses		(334,335,453)	(288,869,746)	-	-
Administrative expenses		(162,765,278)	(133,852,450)	(2,692,513)	(2,331,469)
Profit (loss) before finance costs and income tax		(278,272,623)	439,762,137	3,557,546	(2,331,469)
Finance costs		(87,137,113)	(50,045,823)	-	-
Profit (loss) before income tax		(365,409,736)	389,716,314	3,557,546	(2,331,469)
Income tax	8	(17,011,285)	(99,889,710)	(711,510)	-
Net profit (loss) for the period		(382,421,021)	289,826,604	2,846,036	(2,331,469)
Total comprehensive income (expense) for the period		(382,421,021)	289,826,604	2,846,036	(2,331,469)
Net profit (loss) for the period attributable to:					
Owners of the parent		(209,050,846)	158,355,471	2,846,036	(2,331,469)
Non-controlling interests		(173,370,175)	131,471,133	-	-
		(382,421,021)	289,826,604	2,846,036	(2,331,469)
Earnings (loss) per share					
Basic earnings (loss) per share	9	(0.0431)	0.0327	0.0006	(0.0005)

The accompanying notes on pages 11 to 25 from part of this interim financial information.

Asia Aviation Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the nine-month period ended 30 September 2014

	Notes	Consolidated		Company	
		Unaudited 2014 Baht	Unaudited 2013 Baht	Unaudited 2014 Baht	Unaudited 2013 Baht
Revenues from sales and services		17,479,402,586	16,983,814,903	18,750,000	-
Cost of sales of goods and services		(17,070,163,086)	(14,287,635,411)	-	-
Gross profit		409,239,500	2,696,179,492	18,750,000	-
Net gain on exchange rates		108,345,171	169,712,006	-	1,416
Other income		579,854,182	382,785,924	594,031	761,219
Profit before expenses		1,097,438,853	3,248,677,422	19,344,031	762,635
Selling expenses		(844,942,398)	(766,002,950)	-	-
Administrative expenses		(524,956,821)	(421,783,748)	(10,932,741)	(9,991,210)
Net loss on exchange rates		-	-	(8,172)	-
Profit (loss) before finance costs and income tax		(272,460,366)	2,060,890,724	8,403,118	(9,228,575)
Finance costs		(205,676,971)	(113,614,376)	-	-
Profit (loss) before income tax		(478,137,337)	1,947,276,348	8,403,118	(9,228,575)
Income tax	8	21,286,406	(445,607,272)	2,386,349	-
Net profit (loss) for the period		(456,850,931)	1,501,669,076	10,789,467	(9,228,575)
Total comprehensive income (expense) for the period		(456,850,931)	1,501,669,076	10,789,467	(9,228,575)
Net profit (loss) for the period attributable to:					
Owners of the parent		(246,412,752)	820,264,630	10,789,467	(9,228,575)
Non-controlling interests		(210,438,179)	681,404,446	-	-
		(456,850,931)	1,501,669,076	10,789,467	(9,228,575)
Earnings (loss) per share					
Basic earnings (loss) per share	9	(0.0508)	0.1691	0.0022	(0.0019)

The accompanying notes on pages 11 to 25 from part of this interim financial information.

Asia Aviation Public Company Limited
Statement of Changes in Shareholders' Equity
For the nine-month period ended 30 September 2014

	Consolidated						
	Attributable to owners of the parent				Total owners of the parent	Non- controlling interests	Total shareholders' equity
	Issued and paid-up share capital	Premium on share capital	Retained earnings	Other component of equity Other reserves			
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2013 (Audited)	485,000,000	2,599,808,274	15,211,309,058	(37,047,145)	18,259,070,187	6,458,745,304	24,717,815,491
Effect of share based-payment	-	-	-	37,047,145	37,047,145	-	37,047,145
Total comprehensive income for the period	-	-	820,264,630	-	820,264,630	681,404,446	1,501,669,076
Closing balance as at 30 September 2013 (Unaudited)	<u>485,000,000</u>	<u>2,599,808,274</u>	<u>16,031,573,688</u>	<u>-</u>	<u>19,116,381,962</u>	<u>7,140,149,750</u>	<u>26,256,531,712</u>
Opening balance as at 1 January 2014 (Audited)	485,000,000	2,599,808,274	16,261,079,344	-	19,345,887,618	7,329,390,832	26,675,278,450
Total comprehensive expense for the period	-	-	(246,412,752)	-	(246,412,752)	(210,438,179)	(456,850,931)
Closing balance as at 30 September 2014 (Unaudited)	<u>485,000,000</u>	<u>2,599,808,274</u>	<u>16,014,666,592</u>	<u>-</u>	<u>19,099,474,866</u>	<u>7,118,952,653</u>	<u>26,218,427,519</u>

The accompanying notes on pages 11 to 25 from part of this interim financial information.

Asia Aviation Public Company Limited
Statement of Changes in Shareholders' Equity (Cont'd)
For the nine-month period ended 30 September 2014

	Company			
	Issued and paid-up share capital Baht	Premium on share capital Bath	Deficits Baht	Total Baht
Opening balance as at 1 January 2013 (Audited)	485,000,000	2,599,808,274	(12,227,580)	3,072,580,694
Total comprehensive expense for the period	-	-	(9,228,575)	(9,228,575)
Closing balance as at 30 September 2013 (Unaudited)	<u>485,000,000</u>	<u>2,599,808,274</u>	<u>(21,456,155)</u>	<u>3,063,352,119</u>
Opening balance as at 1 January 2014 (Audited)	485,000,000	2,599,808,274	(23,245,154)	3,061,563,120
Total comprehensive income for the period	-	-	10,789,467	10,789,467
Closing balance as at 30 September 2014 (Unaudited)	<u>485,000,000</u>	<u>2,599,808,274</u>	<u>(12,455,687)</u>	<u>3,072,352,587</u>

The accompanying notes on pages 11 to 25 from part of this interim financial information.

Asia Aviation Public Company Limited
Statement of Cash Flows
For the nine-month period ended 30 September 2014

	Note	Consolidated		Company	
		Unaudited 2014 Baht	Unaudited 2013 Baht	Unaudited 2014 Baht	Unaudited 2013 Baht
Cash flows from operating activities					
Profit (loss) before income tax		(478,137,337)	1,947,276,348	8,403,118	(9,228,575)
Adjustments for:					
Depreciation	6	573,947,433	262,873,421	-	-
Amortisation	6	4,302,713	3,485,948	-	-
(Gain) loss on disposals and write-offs of leasehold improvements and equipment		(304,190)	1,064,180	-	-
Employee benefit expenses		27,176,768	30,903,829	-	-
Amortisation of share-based payment		-	33,712,692	-	-
Net (gain) loss on exchange rate		(47,076,331)	(28,190,087)	8,172	(1,416)
Gain on disposals of investments in private funds		(8,642,444)	-	-	-
Unrealised gain on fair value adjustment in investments in private funds		(4,600,202)	(20,493,006)	-	-
Finance costs		205,676,971	113,614,376	-	-
Interest income		(130,197,195)	(115,206,563)	(3,844)	(11,219)
		142,146,186	2,229,041,138	8,407,446	(9,241,210)
Changes in operating assets and liabilities:					
- Trade and other receivables		(3,052,644)	(414,846,906)	-	-
- Amounts due from related parties		(424,222,916)	(742,514)	(6,687,500)	-
- Inventories		5,536,870	(1,500,925)	-	-
- Prepaid expenses		(75,863,615)	(193,510,153)	(660,472)	(617,415)
- Value added tax receivable		(88,110,244)	98,058,761	-	-
- Other current assets		(2,658,252)	(16,074,134)	(381,038)	(12,215)
- Other non-current assets		15,192,396	(46,978,734)	-	-
- Trade accounts payable		(30,112,268)	60,359,907	-	-
- Other accounts payable		76,898,924	69,616,222	-	41,369
- Amounts due to related parties		(292,329,697)	(35,112,368)	500,000	-
- Deferred revenues		492,426,444	789,718,456	-	-
- Accrued expenses		(160,902,356)	592,009,784	55,624	123,253
- Other current liabilities		5,469,667	11,375,555	175,300	7,937,121
Cash generated from (used in) operating activities		(339,581,505)	3,141,414,089	1,409,360	(1,769,097)
Income tax paid		(118,981,294)	(290,446,733)	-	-
Interest received		20,828,271	16,469,051	3,844	11,219
Net cash generated from (used in) operating activities		(437,734,528)	2,867,436,407	1,413,204	(1,757,878)

The accompanying notes on pages 11 to 25 from part of this interim financial information.

Asia Aviation Public Company Limited
Statement of Cash Flows (Cont'd)
For the nine-month period ended 30 September 2014

	Consolidated		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	2014	2013	2014	2013
Note	Baht	Baht	Baht	Baht
Cash flows from investing activities				
Decrease (increase) in cash at financial institutions pledged as security	175,364,332	(58,211,952)	-	-
Decrease (increase) in short-term investments	1,401,303,255	(2,073,875,571)	-	-
Decrease (increase) in investments in private funds	1,005,033,057	(1,000,000,000)	-	-
Decrease (increase) in long-term investments	17,704,500	(184,300)	-	-
Proceeds from disposals of leasehold improvements and equipment	385,286	424,893	-	-
Payments for aircraft, leasehold improvements and equipment	(1,169,295,276)	(790,189,944)	-	-
Payments for intangible assets	6 (4,591,455)	(3,834,614)	-	-
Interest received	104,824,419	77,855,175	-	-
Net cash generated from (used in) investing activities	1,530,728,118	(3,848,016,313)	-	-
Cash flows from financing activities				
Repayments of finance leases	(485,317,894)	(188,293,172)	-	-
Interest paid	(214,804,920)	(112,207,457)	-	-
Net cash used in financing activities	(700,122,814)	(300,500,629)	-	-
Net increase (decrease) in cash and cash equivalents				
Cash and cash equivalents at the beginning of the period	1,958,637,392	3,852,838,996	2,082,971	5,051,471
Exchange gain (loss) on cash and cash equivalents	(20,200,149)	47,149,630	(8,172)	1,416
Cash and cash equivalents at the end of the period	2,331,308,019	2,618,908,091	3,488,003	3,295,009

Non-cash transactions

Significant non-cash transactions during the nine-month periods ended 30 September 2014 and 2013 are as follows:

Purchases of aircraft spare parts which have not been paid	2,715,126	85,883,203	-	-
Purchases of aircraft under finance lease agreement	4,329,620,440	2,968,682,432	-	-

The accompanying notes on pages 11 to 25 from part of this interim financial information.

1 General information

Asia Aviation Public Company Limited (“the Company”) is a public company and incorporated in Thailand. The address of the Company’s registered office is as follows:

222, Don Mueang International Airport, 3rd floor, Central Office Building, Room no. 3200, Vibhavadee Rangsit Road, Sanam Bin district, Don Mueang, Bangkok, 10210.

The Company’s ordinary shares are listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiary are referred to as “the Group”.

The principal business operations of the Company and its subsidiary are summarised below:

The Company’s principal business operation is to invest in low-fare airline business company which is Thai AirAsia Company Limited. The Company’s shareholding interest is 55% (2013: 55%).

The subsidiary, Thai AirAsia Company Limited, principally provides low-fare airline services.

This interim consolidated and company financial information was approved by the Board of Directors on 13 November 2014.

This interim consolidated and company financial information was reviewed, not audited.

2 Accounting policies

2.1) Basis of preparation

These interim consolidated and company financial information were prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e. statement of financial position, statements of comprehensive income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard 34, “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the consolidated and company financial statements for the year ended 31 December 2013.

An English version of the interim consolidated and company financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the consolidated and company financial statements for the year ended 31 December 2013.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2 Accounting policies (Cont'd)

2.2) Revised accounting standards, revised financial reporting standards, and related interpretations

The following amendments and related interpretations are effective for the periods begin on or after 1 January 2014 are as follows:

TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of cash flows
TAS 12 (revised 2012)	Income taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee benefits
TAS 21 (revised 2012)	The effects of changes in foreign exchange rates
TAS 24 (revised 2012)	Related party disclosures
TAS 28 (revised 2012)	Investments in associates
TAS 31 (revised 2012)	Interest in joint ventures
TAS 34 (revised 2012)	Interim financial reporting
TAS 36 (revised 2012)	Impairment of assets
TAS 38 (revised 2012)	Intangible assets
TFRS 2 (revised 2012)	Share-based payment
TFRS 3 (revised 2012)	Business combinations
TFRS 5 (revised 2012)	Non-current assets held for sale and discontinued operations
TFRS 8 (revised 2012)	Operating segments
TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7	Applying the restatement approach under TAS 29 financial reporting in hyperinflationary economies
TFRIC 10	Interim financial reporting and impairment
TFRIC 12	Service concession arrangements
TFRIC 13	Customer loyalty programmes
TFRIC 17	Distributions of non-cash assets to owners
TFRIC 18	Transfers of assets from customers
TSIC 15	Operating leases - incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease
TSIC 29	Service concession arrangements: Disclosure
TSIC 32	Intangible assets - Website costs

The Group's management has assessed and determined that the amendments and related interpretations do not have impact to the financial information being presented, except TFRIC 13 which clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. The management has assessed and determined that the impact is immaterial to the financial information.

Asia Aviation Public Company Limited
Condensed Notes to Interim Financial Information
For the nine-month period ended 30 September 2014

3 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated and company financial statements for the year ended 31 December 2013.

4 Segment information

Financial information by business segments

	Consolidated				
	For the three-month period ended 30 September 2014 (Unaudited)				
	Scheduled flight operations Baht	Charter flight operations Baht	Other business Baht	Elimination Baht	Total Baht
Revenues	5,310,642,549	247,951,310	6,250,000	(6,250,000)	5,558,593,859
Profit (loss) from operation	(577,469,756)	18,366,681	3,557,487	-	(555,545,588)
Unallocated costs					(3,914,842)
Net gain on exchange rates					84,424,201
Other income					196,763,606
Finance costs					(87,137,113)
Loss before income tax					(365,409,736)
Income tax					(17,011,285)
Net loss for the period					(382,421,021)
Consolidated total assets					48,288,504,847

	Consolidated				
	For the three-month period ended 30 September 2013 (Unaudited)				
	Scheduled flight operations Baht	Charter flight operations Baht	Other business Baht	Elimination Baht	Total Baht
Revenues	5,282,339,670	312,728,297	-	-	5,595,067,967
Profit (loss) from operation	252,026,672	14,554,904	(2,331,469)	-	264,250,107
Unallocated costs					(6,441,767)
Net gain on exchange rates					37,424,259
Other income					144,529,538
Finance costs					(50,045,823)
Profit before income tax					389,716,314
Income tax					(99,889,710)
Net profit for the period					289,826,604
Consolidated total assets					40,843,120,968

Asia Aviation Public Company Limited
Condensed Notes to Interim Financial Information
For the nine-month period ended 30 September 2014

4 Segment information (Cont'd)

Financial information by business segments (Cont'd)

	Consolidated				
	For the nine-month period ended 30 September 2014 (Unaudited)				
	Scheduled flight operations Baht	Charter flight operations Baht	Other business Baht	Elimination Baht	Total Baht
Revenues	16,846,475,133	632,927,453	18,750,000	(18,750,000)	17,479,402,586
Profit (loss) from operation	(992,356,946)	39,568,060	7,817,259	-	(944,971,627)
Unallocated costs					(15,688,092)
Net gain on exchange rates					108,345,171
Other income					579,854,182
Finance costs					(205,676,971)
Loss before income tax					(478,137,337)
Income tax					21,286,406
Net loss for the period					(456,850,931)
Consolidated total assets					48,288,504,847

	Consolidated				
	For the nine-month period ended 30 September 2013 (Unaudited)				
	Scheduled flight operations Baht	Charter flight operations Baht	Other business Baht	Elimination Baht	Total Baht
Revenues	16,124,924,038	858,890,865	-	-	16,983,814,903
Profit (loss) from operation	1,515,423,390	28,885,813	(9,991,210)	-	1,534,317,993
Unallocated costs					(25,925,199)
Net gain on exchange rates					169,712,006
Other income					382,785,924
Finance costs					(113,614,376)
Profit before income tax					1,947,276,348
Income tax					(445,607,272)
Net profit for the period					1,501,669,076
Consolidated total assets					40,843,120,968

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that make strategic decisions.

The operations of the Group's reporting segments are described as follows:

- Scheduled flight operations: The Group provides passenger air transportation services to routine destinations based on scheduled flights. The Group sells tickets through its distribution channels such as website, sale counters and travel agents etc.
- Charter flight operations: The Group provides passenger air transportation services to non-routine destinations. Flights are operated when there is a hiring from customers who normally are tourist agency companies.

Performance of each operating segment is measured by profit or loss from operation which is using the same basis that the Group measures its profit or loss from operation in the financial information. Net gain (loss) on exchange rates, other income, finance costs and income tax are not allocated to each reporting segment.

The Group's total assets are joint assets that are used among segments. Hence, they are not allocated to each reporting segment.

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5 Trade and other receivables, net

	Consolidated		Company	
	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
Trade accounts receivable	328,584,285	317,179,582	-	-
<u>Less</u> Allowance for doubtful account	-	(2,220,250)	-	-
Trade accounts receivable, net	328,584,285	314,959,332	-	-
Accrued income	384,819,675	392,443,008	-	-
Other receivables	14,048,007	16,102,346	-	-
Total trade and other receivables, net	<u>727,451,967</u>	<u>723,504,686</u>	-	-

Outstanding trade accounts receivable can be analysed by age as follows:

	Consolidated		Company	
	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
Up to 3 months	272,007,650	269,321,178	-	-
3 - 6 months	9,575,210	3,902,087	-	-
6 - 12 months	22,595,249	34,573,329	-	-
Over 12 months	24,406,176	9,382,988	-	-
Total trade accounts receivable	328,584,285	317,179,582	-	-
<u>Less</u> Allowance for doubtful account	-	(2,220,250)	-	-
Total trade accounts receivable, net	<u>328,584,285</u>	<u>314,959,332</u>	-	-

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6 Aircraft, leasehold improvements, equipment and intangible assets, net

	Consolidated				Company	
	Aircraft, leasehold improvements and equipment Baht	Intangible assets			Intangible assets	
		Computer software and computer software under installation Baht	Landing rights Baht	Total Baht	Leasehold improvements and equipment Baht	Computer software Baht
For the nine-month period ended 30 September 2014						
Opening net book amount (Audited)	10,956,024,359	12,736,837	14,856,000,000	14,868,736,837	24	1
Additions	5,566,762,405	4,591,455	-	4,591,455	-	-
Disposals, net	(81,096)	-	-	-	-	-
Depreciation/amortisation	(573,947,433)	(4,302,713)	-	(4,302,713)	-	-
Closing net book amount (Unaudited)	15,948,758,235	13,025,579	14,856,000,000	14,869,025,579	24	1

Significant additions in consolidated financial information for the nine-month period ended 30 September 2014 are aircraft acquired under finance lease and related spare parts of Baht 5,458.41 million.

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7 Finance lease liabilities

Minimum lease payments under finance lease liabilities are as follows:

	Consolidated		Company	
	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
Within 1 year	1,307,473,215	840,034,332	-	-
Later than 1 year but not later than 5 years	5,222,359,302	3,733,718,639	-	-
Later than 5 years	7,997,463,131	5,006,647,324	-	-
<u>Less</u> Future finance charges on finance leases	(2,539,961,474)	(1,419,561,602)	-	-
	<u>11,987,334,174</u>	<u>8,160,838,693</u>	<u>-</u>	<u>-</u>
Representing lease liabilities:				
- Current portion	904,530,420	615,065,684	-	-
- Non-current portion	11,082,803,754	7,545,773,009	-	-
	<u>11,987,334,174</u>	<u>8,160,838,693</u>	<u>-</u>	<u>-</u>

The present values of finance lease liabilities are as follows:

	Consolidated		Company	
	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
Within 1 year	1,281,582,119	825,903,954	-	-
Later than 1 year but not later than 5 years	4,686,047,876	3,417,297,611	-	-
Later than 5 years	6,019,704,179	3,917,637,128	-	-
	<u>11,987,334,174</u>	<u>8,160,838,693</u>	<u>-</u>	<u>-</u>

During the third quarter of 2014, the Group entered into three Aircraft Finance Lease Agreements. The lease period of each agreement is 12 years with a purchase option of the aircraft from the lessor at the end of the lease period.

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8 Income tax

	Consolidated		Company	
	For the three-month periods ended 30 September (Unaudited)			
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Current tax:				
Current tax on profit for the period	-	44,265,335	-	-
Total current tax	-	44,265,335	-	-
Deferred tax:				
Origination and reversal of temporary differences:				
- Deferred tax assets	(404,626,196)	(52,881,334)	711,510	-
- Deferred tax liabilities	421,637,481	108,505,709	-	-
Total deferred tax	17,011,285	55,624,375	711,510	-
Total income tax	17,011,285	99,889,710	711,510	-

	Consolidated		Company	
	For the nine-month periods ended 30 September (Unaudited)			
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Current tax:				
Current tax on profit for the period	-	341,528,882	-	-
Adjustment in respect of prior year	(34,920,944)	-	-	-
Total current tax	(34,920,944)	341,528,882	-	-
Deferred tax:				
Origination and reversal of temporary differences:				
- Deferred tax assets	(549,626,140)	(307,512,792)	(2,386,349)	-
- Deferred tax liabilities	563,260,678	411,591,182	-	-
Total deferred tax	13,634,538	104,078,390	(2,386,349)	-
Total income tax	(21,286,406)	445,607,272	(2,386,349)	-

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8 Income tax (Cont'd)

The tax credited directly to equity during the period is as follows:

	Consolidated		Company	
	For the nine-month periods ended 30 September (Unaudited)			
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Deferred tax				
Share-based payment	-	3,334,452	-	-
	-	3,334,452	-	-

9 Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares outstanding during the period.

	Consolidated		Company	
	For the three-month periods ended 30 September (Unaudited)			
	2014	2013	2014	2013
Net profit (loss) for the period attributable to ordinary shareholders of the parent (Baht)	(209,050,846)	158,355,471	2,846,036	(2,331,469)
Weighted average number of paid-up ordinary shares outstanding (Shares)	4,850,000,000	4,850,000,000	4,850,000,000	4,850,000,000
Basic earnings (loss) per share (Baht per share)	(0.0431)	0.0327	0.0006	(0.0005)

	Consolidated		Company	
	For the nine-month periods ended 30 September (Unaudited)			
	2014	2013	2014	2013
Net profit (loss) for the period attributable to ordinary shareholders of the parent (Baht)	(246,412,752)	820,264,630	10,789,467	(9,228,575)
Weighted average number of paid-up ordinary shares outstanding (Shares)	4,850,000,000	4,850,000,000	4,850,000,000	4,850,000,000
Basic earnings (loss) per share (Baht per share)	(0.0508)	0.1691	0.0022	(0.0019)

10 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Major shareholders of the Company are the management of the Company. The remaining shares are widely held.

For reporting purposes, AirAsia Berhad who held 45% of the shares of Thai AirAsia Company Limited, a subsidiary, and AirAsia Berhad's related parties are referred to as the other related parties.

The following significant transactions were carried out with related parties:

10.1) Income

	Consolidated		Company	
	For the three-month periods ended 30 September (Unaudited)			
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Other related party				
Interest income	1,291,513	860,455	-	-
Subsidiary				
Management fee	-	-	6,250,000	-

	Consolidated		Company	
	For the nine-month periods ended 30 September (Unaudited)			
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Other related party				
Interest income	3,649,869	2,101,539	-	-
Subsidiary				
Management fee	-	-	18,750,000	-

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10 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

10.2) Purchases of goods, services and expenses with other related parties

	Consolidated		Company	
	For the three-month periods ended 30 September (Unaudited)			
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Share of loss from fuel swap agreements	22,411,088	2,538,050	-	-
Share of staff costs for accounting services	7,587,440	(10,264,606)	-	-
Aircraft rental	931,965,466	826,038,434	-	-
Aircraft repair and maintenance	333,245,672	370,052,061	-	-
Purchases of merchandises and equipment	114,463,034	41,892,992	-	-
Management fee expenses	3,869,756	3,809,516	-	-
Booking fee expenses	24,182,705	21,964,390	-	-
Pilot training expenses	40,211,516	21,996,371	-	-
Brand license fee expenses	58,901,214	58,815,605	-	-

	Consolidated		Company	
	For the nine-month periods ended 30 September (Unaudited)			
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Share of loss from fuel swap agreements	353,898	52,844,748	-	-
Share of staff costs for accounting services	19,786,892	(28,365,769)	-	-
Aircraft rental	2,806,832,494	2,389,794,307	-	-
Aircraft repair and maintenance	1,111,138,863	1,066,734,182	-	-
Purchases of merchandises and equipment	183,165,221	101,885,145	-	-
Management fee expenses	11,700,520	11,023,280	-	-
Booking fee expenses	75,206,585	62,485,089	-	-
Pilot training expenses	78,145,783	77,111,513	-	-
Brand license fee expenses	181,722,172	172,757,196	-	-

10 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

10.3) Management remunerations

Key management includes directors (executive and non-executive). The compensation paid or payable to key management is shown below:

	Consolidated		Company	
	For the three-month periods ended 30 September (Unaudited)			
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Salaries and other short-term employee benefits	19,254,183	13,843,175	1,750,000	910,000
Retirement benefits	1,252,552	1,262,772	-	-
	<u>20,506,735</u>	<u>15,105,947</u>	<u>1,750,000</u>	<u>910,000</u>

	Consolidated		Company	
	For the nine-month periods ended 30 September (Unaudited)			
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Salaries and other short-term employee benefits	74,022,636	41,410,608	4,540,000	2,730,000
Retirement benefits	3,757,654	4,405,016	-	-
	<u>77,780,290</u>	<u>45,815,624</u>	<u>4,540,000</u>	<u>2,730,000</u>

10.4) Amounts due from related parties

	Consolidated		Company	
	Unaudited	Audited	Unaudited	Audited
	30 September	31 December	30 September	31 December
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Other related parties	507,656,445	87,240,764	-	-
Subsidiary	-	-	6,687,500	-
	<u>507,656,445</u>	<u>87,240,764</u>	<u>6,687,500</u>	<u>-</u>

Amounts due from related parties have been charged with the interest for overdue amount at 6.00% per annum (2013: 6.00% per annum).

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10 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

10.5) Amounts due to related parties

	Consolidated		Company	
	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
Other related parties	207,813,018	506,830,215	500,000	-

10.6) Other non-current assets

	Consolidated		Company	
	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
Other related parties				
Aircraft rental deposits	619,145,984	605,152,224	-	-
Fuel price swap deposits	16,115,200	16,338,900	-	-
	635,261,184	621,491,124	-	-

11 Net fair value of financial instruments

Fuel price swap agreements

The net fair value of fuel price swap agreements at the statement of financial position date is as follows:

	Consolidated		Company	
	Unaudited 30 September 2014 US Dollars	Audited 31 December 2013 US Dollars	Unaudited 30 September 2014 US Dollars	Audited 31 December 2013 US Dollars
Favourable (unfavourable) fuel price swap agreements	(4,006,185)	309,928	-	-

Interest rate swap agreement

The net fair value of interest rate swap agreement at the statement of financial position date is as follows:

	Consolidated		Company	
	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
Unfavourable interest rate swap agreement	(10,789,260)	-	-	-

12 Commitments

For the nine-month period ended 30 September 2014, there were no significant changes in commitments or contingent liabilities from the year ended 31 December 2013.

As at 30 September 2014, the Group had the future aggregate minimum lease payments in respect of non-cancellable aircraft operating lease agreements made with AirAsia (Mauritius) Limited, a related company for 28 aircraft (as at 31 December 2013: 27 aircraft) as follows:

	Consolidated	
	Unaudited 30 September 2014 US Dollars	Audited 31 December 2013 US Dollars
Within 1 year	115,260,000	111,480,000
Later than 1 year but not later than 5 years	461,040,000	445,920,000
Later than 5 years	302,447,342	362,093,589
Total	878,747,342	919,493,589

As at 30 September 2014, there were no outstanding commitments or contingent liabilities related to aircraft insurance agreement (as at 31 December 2013: US Dollars 893,590).

13 Guarantees

As at 30 September 2014, the Group had commitment from letters of guarantee issued by banks in respect of pilot trainees' loans in accordance with its professional pilot courses amounting to Baht 99.29 million (as at 31 December 2013: Baht 34.75 million). Normally, a guarantee is terminated when the pilot trainee earns a commercial pilot's license and is assigned as a co-pilot or when the pilot trainee settles all outstanding debts with the bank. However, the Group can fully reclaim the stated liabilities from the pilot trainees' guarantors, who have pledged guarantees with the Group.

14 Letters of guarantees

The Group had commitments from letters of guarantee issued by banks in respect of ground handling, technical support and other flight operating activities including maintenance reserve fund in the ordinary course of business as follows:

	Consolidated					
	Unaudited 30 September 2014			Audited 31 December 2013		
	Baht million	US Dollars million	Indian Rupee million	Baht million	US Dollars million	Indian Rupee million
Guarantees relating to flight operating activities	7.75	0.09	12.38	6.75	0.09	3.38
Guarantees relating to maintenance reserve fund	-	9.59	-	-	9.59	-
Total	7.75	9.68	12.38	6.75	9.68	3.38

14 Letters of guarantees (Cont'd)

The Group used its saving and current accounts as collateral for these letters of guarantees as follows:

	Consolidated			
	Unaudited		Audited	
	30 September 2014		31 December 2013	
	Baht	Indian Rupee	Baht	Indian Rupee
	million	million	million	million
Saving account	171.01	-	337.37	-
Current account	-	12.68	-	3.68
Total	171.01	12.68	337.37	3.68

15 Promotional privileges

On 13 March 2013, a subsidiary received a certificate of promotional privileges from the Board of Investment (“BOI”) for 24 aircraft for the business of air transportation. The main privileges include exemption from payment of import duty on aircraft and related spare parts and exemption from corporate income tax for the promoted activities for a period of eight years from the date when income is first derived. To be entitled to the privileges, the subsidiary must comply with the conditions and restrictions provided in the promotional certificates. The conditions require that the subsidiary’s authorised and paid-up share capital shall not less than Baht 435.5 million.

As at 30 September 2014, the subsidiary had received 12 aircraft under such certificate of promotional privileges from the BOI (as at 31 December 2013: 7 aircraft).