

THAI AIRASIA COMPANY LIMITED

**INTERIM FINANCIAL INFORMATION
(UNAUDITED)**

31 MARCH 2016



AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors of Thai AirAsia Company Limited

I have reviewed the accompanying equity method and company statements of financial position as at 31 March 2016, the related equity method and company statements of comprehensive income for the three-month period then ended, changes in shareholders' equity and cash flows for the three-month period then ended, and condensed notes to interim financial information of Thai AirAsia Company Limited and its associate, and of Thai AirAsia 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
12 May 2016

Thai AirAsia Company Limited
Statement of Financial Position
As at 31 March 2016

		Unaudited	Audited
		31 March	31 December
		2016	2015
	Notes	Baht	Baht
Assets			
Current assets			
Cash and cash equivalents		7,470,047,294	6,071,376,910
Cash at financial institutions pledged as security		320,667,782	358,741,649
Short-term investments	5	850,706,194	1,109,230,126
Trade and other receivables, net	6	441,921,023	439,190,726
Amounts due from related parties	12.4	350,786,146	326,208,917
Inventories		111,191,054	92,596,351
Prepaid expenses		370,432,609	314,770,946
Other current assets		70,053,434	61,720,089
Total current assets		9,985,805,536	8,773,835,714
Non-current assets			
Cash at financial institutions pledged as security		1,647,360	6,441,435
Long-term investments		11,832,300	11,832,300
Aircraft maintenance reserves	12.5	1,770,118,260	1,066,380,311
Aircraft, leasehold improvements and equipment, net	7	17,857,430,467	18,135,081,588
Intangible assets, net	7	14,569,042	12,194,785
Other non-current assets		1,025,254,463	1,001,821,169
Total non-current assets		20,680,851,892	20,233,751,588
Total assets		30,666,657,428	29,007,587,302

The accompanying notes are an integral part of these interim financial information.

Thai AirAsia Company Limited
Statement of Financial Position (Cont'd)
As at 31 March 2016

		Unaudited	Audited
		31 March	31 December
		2016	2015
	Notes	Baht	Baht
Liabilities and shareholders' equity			
Current liabilities			
Trade accounts payable		338,641,893	335,807,004
Other accounts payable		236,207,008	194,558,325
Amounts due to related parties	12.7	1,148,358,147	917,878,501
Deferred revenues		4,020,908,482	4,030,229,013
Accrued expenses		1,429,300,354	1,515,029,527
Current portion of finance lease liabilities	8	1,258,022,427	1,261,443,422
Other current liabilities		52,297,114	39,235,045
Total current liabilities		8,483,735,425	8,294,180,837
Non-current liabilities			
Finance lease liabilities	8	12,308,594,188	12,775,395,312
Deferred tax liabilities, net		606,906,411	511,948,077
Employee benefit obligations		178,478,289	168,945,620
Total non-current liabilities		13,093,978,888	13,456,289,009
Total liabilities		21,577,714,313	21,750,469,846

The accompanying notes are an integral part of these interim financial information.

Thai AirAsia Company Limited
Statement of Financial Position (Cont'd)
As at 31 March 2016

	Note	Unaudited 31 March 2016 Baht	Audited 31 December 2015 Baht
Liabilities and shareholders' equity			
(Cont'd)			
Shareholders' equity			
Share capital			
Authorised share capital			
Ordinary shares, 43,555,560 shares of par Baht 10 each		435,555,600	435,555,600
Issued and paid-up share capital			
Ordinary shares, 43,555,560 shares of paid-up Baht 10 each		435,555,600	435,555,600
Premium on share capital		2,628,786,469	2,628,786,469
Retained earnings			
Appropriated			
Legal reserve	11	43,555,560	43,555,560
Unappropriated		5,981,045,486	4,149,219,827
Total shareholders' equity		9,088,943,115	7,257,117,456
Total liabilities and shareholders' equity		30,666,657,428	29,007,587,302

The accompanying notes are an integral part of these interim financial information.

Thai AirAsia Company Limited
Statement of Comprehensive Income
For the three-month period ended 31 March 2016

	Notes	Equity Method	Company	
		Unaudited 2015 Baht	Unaudited 2016 Baht	Unaudited 2015 Baht
Revenues from sales and services		7,734,176,132	8,952,494,349	7,734,176,132
Cost of sales of goods and services		(6,151,897,630)	(6,463,107,604)	(6,151,897,630)
Gross profit		1,582,278,502	2,489,386,745	1,582,278,502
Net gain on exchange rates		14,690,891	-	14,690,891
Other income		198,320,593	231,943,393	198,320,593
Profit before expenses		1,795,289,986	2,721,330,138	1,795,289,986
Selling expenses		(370,979,028)	(390,070,023)	(370,979,028)
Administrative expenses		(206,465,288)	(275,258,756)	(206,465,288)
Net loss on exchange rates		-	(2,440,582)	-
Profit before finance costs, share of loss from investment in an associate and income tax		1,217,845,670	2,053,560,777	1,217,845,670
Finance costs		(108,133,580)	(126,776,785)	(108,133,580)
Profit before share of loss from investment in an associate and income tax		1,109,712,090	1,926,783,992	1,109,712,090
Share of loss from investment in an associate		(90,275)	-	-
Profit before income tax		1,109,621,815	1,926,783,992	1,109,712,090
Income tax	9	(186,933,627)	(94,958,333)	(186,933,627)
Net profit for the period		922,688,188	1,831,825,659	922,778,463
Total comprehensive income for the period		922,688,188	1,831,825,659	922,778,463
Earnings per share				
Basic earnings per share	10	21.18	42.06	21.19

The accompanying notes are an integral part of these interim financial information.

Thai AirAsia Company Limited
Statement of Changes in Shareholders' Equity
For the three-month period ended 31 March 2016

	Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings		Total Baht
			Appropriated - legal reserve Baht	Unappropriated Baht	
Opening balance as at 1 January 2015 (Audited)	435,555,600	2,628,786,469	-	3,136,637,372	6,200,979,441
Total comprehensive income for the period	-	-	-	922,778,463	922,778,463
Closing balance as at 31 March 2015 (Unaudited)	<u>435,555,600</u>	<u>2,628,786,469</u>	<u>-</u>	<u>4,059,415,835</u>	<u>7,123,757,904</u>
Opening balance as at 1 January 2016 (Audited)	435,555,600	2,628,786,469	43,555,560	4,149,219,827	7,257,117,456
Total comprehensive income for the period	-	-	-	1,831,825,659	1,831,825,659
Closing balance as at 31 March 2016 (Unaudited)	<u>435,555,600</u>	<u>2,628,786,469</u>	<u>43,555,560</u>	<u>5,981,045,486</u>	<u>9,088,943,115</u>

The accompanying notes are an integral part of these interim financial information.

Thai AirAsia Company Limited
Statement of Cash Flows
For the three-month period ended 31 March 2016

	Note	Equity Method	Company	
		Unaudited 2015 Baht	Unaudited 2016 Baht	Unaudited 2015 Baht
Cash flows from operating activities				
Profit before income tax		1,109,621,815	1,926,783,992	1,109,712,090
Adjustments for:				
Depreciation	7	268,055,782	279,553,891	268,055,782
Amortisation of intangible assets	7	1,273,353	1,032,343	1,273,353
Amortisation of prepaid expenses		52,890,973	34,249,800	52,890,973
Loss on disposals/write-offs of leasehold improvements and equipment		1,029,533	56,554,773	1,029,533
Employee benefit expenses		10,544,639	11,132,669	10,544,639
Net unrealised gain on exchange rates		(9,534,078)	(94,006,715)	(9,534,078)
Net gain on fair value adjustment in investments in private funds		(27,192)	-	(27,192)
Share of loss from investment in an associate		90,275	-	-
Finance costs		108,133,580	126,776,785	108,133,580
Interest income		(23,715,575)	(12,268,701)	(23,715,575)
		1,518,363,105	2,329,808,837	1,518,363,105
Changes in operating assets and liabilities:				
- Trade and other receivables		(26,848,024)	(5,204,344)	(26,848,024)
- Amounts due from related parties		(208,172,575)	(24,811,908)	(208,172,575)
- Inventories		(9,097,655)	(18,594,703)	(9,097,655)
- Prepaid expenses		(318,753,531)	(89,911,463)	(318,753,531)
- Value added tax receivable		14,122,458	-	14,122,458
- Other current assets		(5,031,169)	(6,967,690)	(5,031,169)
- Other non-current assets		(53,233,140)	(23,433,294)	(53,233,140)
- Trade accounts payable		153,601,615	2,834,889	153,601,615
- Other accounts payable		(64,978,449)	41,648,683	(64,978,449)
- Amounts due to related parties		300,059,051	230,479,646	300,059,051
- Deferred revenues		(492,547,154)	(9,320,531)	(492,547,154)
- Accrued expenses		(124,615,678)	(73,540,284)	(124,615,678)
- Other current liabilities		(35,674,003)	13,062,069	(35,674,003)
Cash generated from operating activities		647,194,851	2,366,049,907	647,194,851
Income tax paid		(2,424,519)	(1,365,655)	(2,424,519)
Interest received		2,794,521	1,523,006	2,794,521
Employee benefit paid		-	(1,600,000)	-
Net cash generated from operating activities		647,564,853	2,364,607,258	647,564,853

The accompanying notes are an integral part of these interim financial information.

Thai AirAsia Company Limited
Statement of Cash Flows (Cont'd)
For the three-month period ended 31 March 2016

	Equity Method	Company	
		Unaudited	Unaudited
	2015	2016	2015
Note	Baht	Baht	Baht
Cash flows from investing activities			
Decrease (increase) in cash at financial institutions pledged as security	(247,709,258)	34,817,677	(247,709,258)
Decrease (increase) in short-term investments	(33,713,018)	250,000,000	(33,713,018)
Decrease in investments in private funds	10,507,428	-	10,507,428
Decrease in long-term investments	500,000,000	-	500,000,000
Payment for investment in an associate	(2,500,000)	-	(2,500,000)
Payments for aircraft maintenance reserves	-	(703,737,949)	-
Proceeds from disposals of leasehold improvements and equipment	413,648	1,680,732	413,648
Payments for aircraft, leasehold improvements and equipment	(688,998,463)	(60,138,275)	(688,998,463)
Payments for intangible assets	7 (1,420,566)	(3,406,600)	(1,420,566)
Interest received	71,946,898	10,209,597	71,946,898
Net cash used in investing activities	<u>(391,473,331)</u>	<u>(470,574,818)</u>	<u>(391,473,331)</u>
Cash flows from financing activities			
Repayments of finance leases	(222,987,170)	(297,250,670)	(222,987,170)
Interest paid	(109,136,136)	(145,764,516)	(109,136,136)
Net cash used in financing activities	<u>(332,123,306)</u>	<u>(443,015,186)</u>	<u>(332,123,306)</u>
Net increase (decrease) in cash and cash equivalents	(76,031,784)	1,451,017,254	(76,031,784)
Cash and cash equivalents at the beginning of the period	4,783,432,668	6,071,376,910	4,783,432,668
Exchange loss on cash and cash equivalents	<u>(57,269,448)</u>	<u>(52,346,870)</u>	<u>(57,269,448)</u>
Cash and cash equivalents at the end of the period	<u>4,650,131,436</u>	<u>7,470,047,294</u>	<u>4,650,131,436</u>

Non-cash transactions

Significant non-cash transactions during the three-month periods ended 31 March 2016 and 2015 are as follows:

Purchases of aircraft spare parts which have not been paid	22,115,047	27,918,741	22,115,047
Purchases of aircraft under finance lease agreements	2,150,129,562	-	2,150,129,562

The accompanying notes are an integral part of these interim financial information.

1 General information

Thai AirAsia Company Limited (“the Company”) is a limited 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 principal business operation of the Company is to provide low-fare airline services.

On 4 May 2012, the Company was changed from a joint venture of Asia Aviation Public Company Limited, incorporated in Thailand and AirAsia Investment Ltd., incorporated in Malaysia to a subsidiary of Asia Aviation Public Company Limited in accordance with “Amended and Restated Shareholders’ Agreement” between Asia Aviation Public Company Limited and AirAsia Investment Ltd., which own 55% and 45% of the Company’s shares, respectively.

This interim financial information was approved by the Board of Directors on 12 May 2016.

This interim financial information has been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

This interim financial information was 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 (revised 2014), “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 financial statements for the year ended 31 December 2015.

An English version of the interim 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 financial statements for the year ended 31 December 2015.

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 New financial reporting standard, revised accounting standards, revised financial reporting standards, and related interpretations (collectively called financial reporting standards)

The Company has applied the new and revised financial reporting standards effective on 1 January 2016 which were disclosed to financial statement for the year ended 31 December 2015. The application of those financial reporting standards does not have significant impact to the interim financial information.

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 Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2015.

4 Segment information

Financial information by business segments

	For the three-month period ended 31 March 2016 (Unaudited)		
	Scheduled flight operations Baht	Charter flight operations Baht	Total Baht
Revenues from sales and services	8,432,825,552	519,668,797	8,952,494,349
Profit from operation	1,678,234,833	145,823,133	1,824,057,966
Other income			231,943,393
Net loss on exchange rates			(2,440,582)
Finance costs			(126,776,785)
Profit before income tax			1,926,783,992
Income tax			(94,958,333)
Net profit for the period			<u>1,831,825,659</u>
Total assets			30,666,657,428

Thai AirAsia Company Limited
Condensed Notes to Interim Financial Information
For the three-month period ended 31 March 2016

4 Segment information (Cont'd)

Financial information by business segments (Cont'd)

	For the three-month period ended 31 March 2015 (Unaudited)		
	Scheduled flight operations	Charter flight operations	Total
	Baht	Baht	Baht
Revenues from sales and services	7,231,744,303	502,431,829	7,734,176,132
Profit from operation	899,853,324	104,980,862	1,004,834,186
Net gain on exchange rates			14,690,891
Other income			198,320,593
Finance costs			(108,133,580)
Profit before income tax			1,109,712,090
Income tax			(186,933,627)
Net profit for the period			<u>922,778,463</u>
Total assets			28,385,188,100

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 Company's reporting segments are described as follows:

- Scheduled flight operations: The Company provides passenger air transportation services to routine destinations based on scheduled flights. The Company sells tickets through its distribution channels such as website, sale counters and travel agents etc.
- Charter flight operations: The Company 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 Company measures its profit or loss from operation in the financial information. Net gain (loss) on exchange rates, other income, finance costs, share of gain (loss) from investment in an associate and income tax are not allocated to each reporting segment.

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

5 Short-term investments

	Unaudited 31 March 2016 Baht	Audited 31 December 2015 Baht
Fixed deposits	850,706,194	1,109,230,126

As at 31 March 2016, short term investments comprise fixed deposits of US Dollars 9.99 million and Baht 500.00 million (2015: US Dollars 9.99 million and Baht 750.00 million). Fixed deposits have the period of 5-month to 12-month and bear interests at the rates of 0.80% to 2.05% per annum (2015: 0.80% to 2.00% per annum).

Thai AirAsia Company Limited
Condensed Notes to Interim Financial Information
For the three-month period ended 31 March 2016

6 Trade and other receivables, net

	Unaudited 31 March 2016 Baht	Audited 31 December 2015 Baht
Trade accounts receivable	372,656,371	354,170,114
<u>Less</u> Allowance for doubtful accounts	-	-
Trade accounts receivable, net	372,656,371	354,170,114
Accrued airport incentive	8,985,997	2,843,204
Accrued income	45,823,514	49,568,722
Other accounts receivable	14,455,141	32,608,686
Total trade and other receivables, net	<u>441,921,023</u>	<u>439,190,726</u>

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

	Unaudited 31 March 2016 Baht	Audited 31 December 2015 Baht
Up to 3 months	347,857,764	340,651,599
3 - 6 months	18,101,574	7,020,344
6 - 12 months	120,453	726,806
Over 12 months	6,576,580	5,771,365
Total trade accounts receivable	372,656,371	354,170,114
<u>Less</u> Allowance for doubtful account	-	-
Total trade accounts receivable, net	<u>372,656,371</u>	<u>354,170,114</u>

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

	Aircraft, leasehold improvements and equipment Baht	Intangible assets Baht
For the three-month period ended 31 March 2016		
Opening net book amount (Audited)	18,135,081,588	12,194,785
Additions	60,138,275	3,406,600
Disposals/write-offs, net	(58,235,505)	-
Depreciation/amortisation	<u>(279,553,891)</u>	<u>(1,032,343)</u>
Closing net book amount (Unaudited)	<u>17,857,430,467</u>	<u>14,569,042</u>

Thai AirAsia Company Limited
Condensed Notes to Interim Financial Information
For the three-month period ended 31 March 2016

8 Finance lease liabilities

Minimum lease payments under finance lease liabilities are as follows:

	Unaudited 31 March 2016 Baht	Audited 31 December 2015 Baht
Within 1 year	1,691,957,491	1,709,396,605
Later than 1 year but not later than 5 years	6,671,580,016	6,765,109,949
Later than 5 years	7,537,706,951	8,033,497,105
<u>Less</u> Future finance charges on finance leases	(2,334,627,843)	(2,471,164,925)
	<u>13,566,616,615</u>	<u>14,036,838,734</u>
Representing lease liabilities:		
- Current portion	1,258,022,427	1,261,443,422
- Non-current portion	12,308,594,188	12,775,395,312
	<u>13,566,616,615</u>	<u>14,036,838,734</u>

The present value of finance lease liabilities is as follows:

	Unaudited 31 March 2016 Baht	Audited 31 December 2015 Baht
Within 1 year	1,659,349,712	1,676,545,078
Later than 1 year but not later than 5 years	6,019,536,949	6,104,530,065
Later than 5 years	5,887,729,954	6,255,763,591
	<u>13,566,616,615</u>	<u>14,036,838,734</u>

9 Income tax

Income tax expense presented in the company statements of comprehensive income is calculated from the taxable net profit at 20% (2015: 20%).

10 Earnings per share

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

	Equity Method Company		
	For the three-month period ended 31 March (Unaudited)		
	<u>2015</u>	<u>2016</u>	<u>2015</u>
Net profit for the period (Baht)	922,688,188	1,831,825,659	922,778,463
Weighted average number of paid-up ordinary shares outstanding (Shares)	43,555,560	43,555,560	43,555,560
Basic earnings per share (Baht per share)	21.18	42.06	21.19

The Company has no diluted potential ordinary shares in issue during the periods.

11 Legal reserve

	Unaudited 31 March 2016 Baht
Opening balance	43,555,560
Appropriation during the period	-
Closing balance	<u>43,555,560</u>

Under the Civil and Commercial Code, the Company is required to set aside as a legal reserve at least 5% of its net profit arising from the business of the Company at each distribution of dividend until the reserve reaches 10% of the registered capital or such higher proportion thereof as may be stipulated in the regulations of the Company. The legal reserve is non-distributable.

12 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.

On 31 March 2016, the Company are controlled by Asia Aviation Public Company Limited which owns 55% of the shares of the Company (31 December 2015: 55%).

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

The following significant transactions were carried out with related parties:

12.1 Income

	Equity Method	Company	
	For the three-month period ended 31 March (Unaudited)		
	2015 Baht	2016 Baht	2015 Baht
Other related parties			
Interest income	938,965	3,010,146	938,965
Other administrative fee	8,855,123	15,185,983	8,855,123

12 Related party transactions (Cont'd)

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

12.2 Purchases of goods, services and expenses

	Equity Method	Company	
	For the three-month period ended		
	31 March (Unaudited)		
	2015	2016	2015
	Baht	Baht	Baht
Other related parties			
Share of loss from fuel price swap agreements	383,476,977	298,446,949	383,476,977
Share of staff costs for accounting and other services	10,741,445	8,710,187	10,741,445
Aircraft rental	946,127,078	1,130,526,300	946,127,078
Aircraft repair and maintenance	382,058,700	491,966,142	382,058,700
Purchases of merchandises and equipment	78,369,610	38,435,357	78,369,610
Management fee expenses	3,923,728	4,289,784	3,923,728
Booking fee expenses	31,852,073	41,842,168	31,852,073
Pilot training expenses	23,309,980	35,344,960	23,309,980
Brand license fee expenses	78,822,112	90,679,867	78,822,112
Parent company			
Management fee expenses	6,250,000	6,250,000	6,250,000

12.3 Management remunerations

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

	Equity Method	Company	
	For the three-month period ended		
	31 March (Unaudited)		
	2015	2016	2015
	Baht	Baht	Baht
Salaries and other short-term employee benefits	22,797,203	46,155,381	22,797,203
Retirement benefits	1,417,959	2,362,363	1,417,959
	24,215,162	48,517,744	24,215,162

12 Related party transactions (Cont'd)

Outstanding balances of receivables, aircraft maintenance reserves, other non-current assets and payables are summarised as follows:

12.4 Amounts due from related parties

	Unaudited 31 March 2016 Baht	Audited 31 December 2015 Baht
Other related parties	350,786,146	326,208,917

Amounts due from related parties have been charged with the interest for overdue amount at 6% per annum (2015: 6% per annum).

12.5 Aircraft maintenance reserves

AirAsia Berhad, a related party, had entered into an Aircraft maintenance services agreement with the Company. Under this agreement, the Company will make prepayments for the aircraft maintenance reserves based on the number of aircraft, number of engines and number of hours flown. These maintenance reserves are managed by AirAsia Berhad for future maintenance/overhaul deemed necessary to be performed once the aircraft reaches certain engine hours/hours flown.

12.6 Other non-current assets

	Unaudited 31 March 2016 Baht	Audited 31 December 2015 Baht
Other related parties		
Aircraft rental deposits	707,380,053	748,209,343
Fuel price swap deposit	17,535,450	17,961,650
	<u>724,915,503</u>	<u>766,170,993</u>

12.7 Amounts due to related parties

	Unaudited 31 March 2016 Baht	Audited 31 December 2015 Baht
Other related parties	1,141,670,647	917,878,501
Parent company	6,687,500	-
	<u>1,148,358,147</u>	<u>917,878,501</u>

14 Commitments

For the three-month period ended 31 March 2016, there were no significant changes in commitments or contingent liabilities from the year ended 31 December 2015.

15 Subsequent events

On 14 April 2016, the Company accepted the delivery of one additional Airbus A320-216 aircraft. The expansion of the Company's fleet is to support the launch of new routes and increase the frequency of flights on the Company's existing routes. This aircraft is acquired under operating lease agreement for period of 10 years.