

ASIA AVIATION PUBLIC COMPANY LIMITED

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

30 JUNE 2013



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 June 2013, the related consolidated and company statements of comprehensive income for the three-month and six-month period then ended, changes in shareholders' equity, and cash flows for the six-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".

A handwritten signature in black ink, appearing to read 'Chan Chai', with a stylized flourish at the end.

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

Bangkok
6 August 2013

Asia Aviation Public Company Limited
Statement of Financial Position
As at 30 June 2013

	Notes	Consolidated		Company	
		(Unaudited) 30 June 2013 Baht	(Audited) 31 December 2012 Baht	(Unaudited) 30 June 2013 Baht	(Audited) 31 December 2012 Baht
Assets					
Current assets					
Cash and cash equivalents		2,643,343,573	3,852,838,996	7,144,788	5,051,471
Cash at financial institutions pledged as security		73,973,193	17,383,211	-	-
Short-term investments		3,863,457,076	2,295,900,960	-	-
Investments in private funds	7	1,012,606,022	-	-	-
Trade and other receivables	8	661,287,410	378,777,465	-	-
Amounts due from related parties	14.5	157,450,679	210,772,034	-	-
Inventories		79,291,308	79,587,903	-	-
Prepaid expenses		276,437,612	201,047,982	111,574	901,529
Value added tax receivable, net		20,672,614	99,289,077	-	-
Other current assets		22,110,556	13,436,177	12,215	-
Total current assets		8,810,630,043	7,149,033,805	7,268,577	5,953,000
Non-current assets					
Cash at financial institutions pledged as security		6,219,038	7,714,350	-	-
Investment in a subsidiary		-	-	3,067,114,370	3,067,114,370
General investment		10,228,300	10,228,300	-	-
Aircraft, leasehold improvements, and equipment, net	9	5,506,980,612	3,075,440,519	24	24
Intangible assets, net	9	14,868,308,617	14,868,845,064	1	1
Goodwill	10	8,824,825,803	8,824,825,803	-	-
Other non-current assets		710,961,361	673,281,007	-	-
Total non-current assets		29,927,523,731	27,460,335,043	3,067,114,395	3,067,114,395
Total assets		38,738,153,774	34,609,368,848	3,074,382,972	3,073,067,395

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

Asia Aviation Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 June 2013

	Notes	Consolidated		Company	
		(Unaudited) 30 June 2013 Baht	(Audited) 31 December 2012 Baht	(Unaudited) 30 June 2013 Baht	(Audited) 31 December 2012 Baht
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable		80,104,868	70,988,769	-	-
Other accounts payable		112,060,195	105,991,639	-	-
Amounts due to related parties	14.6	253,894,943	427,725,470	-	-
Deferred revenues		3,934,578,738	3,582,160,385	-	-
Accrued expenses		916,441,527	552,349,337	600,000	376,747
Current portion of finance lease liabilities	11	277,054,393	137,142,871	-	-
Income tax payable		302,683,610	66,819,634	-	-
Other current liabilities		32,148,017	19,274,771	8,099,384	109,954
Total current liabilities		5,908,966,291	4,962,452,876	8,699,384	486,701
Non-current liabilities					
Finance lease liabilities	11	3,647,996,020	1,783,112,423	-	-
Deferred tax liabilities, net		3,079,261,234	3,034,141,674	-	-
Employee benefit obligations		135,225,121	111,846,384	-	-
Total non-current liabilities		6,862,482,375	4,929,100,481	-	-
Total liabilities		12,771,448,666	9,891,553,357	8,699,384	486,701

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

Asia Aviation Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 June 2013

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2013	2012	2013	2012
	Baht	Baht	Baht	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				
	<u>485,000,000</u>	<u>485,000,000</u>	<u>485,000,000</u>	<u>485,000,000</u>
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
Other component of equity				
Other reserves				
	-	(37,047,145)	-	-
Retained earnings (Deficits)	<u>15,873,218,217</u>	<u>15,211,309,058</u>	<u>(19,124,686)</u>	<u>(12,227,580)</u>
Equity attributable to owners				
of the parent				
	18,958,026,491	18,259,070,187	3,065,683,588	3,072,580,694
Non-controlling interests	<u>7,008,678,617</u>	<u>6,458,745,304</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>25,966,705,108</u>	<u>24,717,815,491</u>	<u>3,065,683,588</u>	<u>3,072,580,694</u>
Total liabilities and				
shareholders' equity				
	<u>38,738,153,774</u>	<u>34,609,368,848</u>	<u>3,074,382,972</u>	<u>3,073,067,395</u>

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

Asia Aviation Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2013

	Notes	Consolidated		Company	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Revenues		5,359,788,795	3,572,170,332	-	-
Operating costs		(4,632,312,048)	(3,431,150,266)	-	-
Gross profit		727,476,747	141,020,066	-	-
Net gain on exchange rates		131,898,024	43,018,490	400	-
Gain on fair value of previously held equity interests		-	14,676,608,801	-	-
Other income		142,797,211	100,097,078	761,219	213,652
Profit before expenses		1,002,171,982	14,960,744,435	761,619	213,652
Selling expenses		(195,145,152)	(30,316,779)	-	-
Administrative expenses		(133,966,026)	(119,115,405)	(4,745,844)	(2,286,992)
Profit (loss) before finance costs and income tax		673,060,804	14,811,312,251	(3,984,225)	(2,073,340)
Finance costs		(36,181,954)	(135,376)	-	(225,173)
Profit (loss) before income tax		636,878,850	14,811,176,875	(3,984,225)	(2,298,513)
Income tax	12	(151,041,993)	(43,240,150)	-	-
Net profit (loss) for the period		485,836,857	14,767,936,725	(3,984,225)	(2,298,513)
Total comprehensive income (expense) for the period		485,836,857	14,767,936,725	(3,984,225)	(2,298,513)
Profit (loss) attributable to:					
Owners of the parent		264,625,213	14,797,161,950	(3,984,225)	(2,298,513)
Non-controlling interests		221,211,644	(29,225,225)	-	-
		485,836,857	14,767,936,725	(3,984,225)	(2,298,513)
Earnings (loss) per share					
Basic earnings (loss) per share	13	0.0546	3.3845	(0.0008)	(0.0005)

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

Asia Aviation Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the six-month period ended 30 June 2013

	Notes	Consolidated		Company	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Revenues		11,388,746,936	6,054,904,926	-	-
Operating costs		(9,373,097,980)	(5,486,829,495)	-	-
Gross profit		2,015,648,956	568,075,431	-	-
Net gain on exchange rates		132,287,747	44,723,628	1,416	-
Gain on fair value of previously held equity interests		-	14,676,608,801	-	-
Other income		238,256,386	149,198,390	761,219	213,652
Profit before expenses		2,386,193,089	15,438,606,250	762,635	213,652
Selling expenses		(477,133,204)	(130,953,673)	-	-
Administrative expenses		(287,931,298)	(176,797,035)	(7,659,741)	(2,832,310)
Profit (loss) before finance costs and income tax		1,621,128,587	15,130,855,542	(6,897,106)	(2,618,658)
Finance costs		(63,568,553)	(3,186,511)	-	(225,173)
Profit (loss) before income tax		1,557,560,034	15,127,669,031	(6,897,106)	(2,843,831)
Income tax	12	(345,717,562)	(116,738,562)	-	-
Net profit (loss) for the period		1,211,842,472	15,010,930,469	(6,897,106)	(2,843,831)
Total comprehensive income (expense) for the period		1,211,842,472	15,010,930,469	(6,897,106)	(2,843,831)
Profit (loss) attributable to:					
Owners of the parent		661,909,159	15,040,155,694	(6,897,106)	(2,843,831)
Non-controlling interests		549,933,313	(29,225,225)	-	-
		1,211,842,472	15,010,930,469	(6,897,106)	(2,843,831)
Earnings (loss) per share					
Basic earnings (loss) per share	13	0.1365	3.5506	(0.0014)	(0.0007)

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

Asia Aviation Public Company Limited

Statement of Changes in Shareholders' Equity (Unaudited)

For the six-month period ended 30 June 2013

	Consolidated								
	Attributable to owners of the parent						Non-controlling interests	Total shareholders' equity	
	Notes	Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings (Deficits) Baht	Other component of equity				Total owners of the parent Baht
					Other reserves Baht	Effect of change in proportion of investment in a joint venture Baht			
Baht							Baht	Baht	
Opening balance as at 1 January 2012									
- as previously reported		410,000,000	-	(386,822,947)	-	(15,526,868)	7,650,185	-	7,650,185
Adjustments from the adoption of a new accounting standard	4.1	-	-	87,127,663	-	-	87,127,663	-	87,127,663
Balance after adjustment		410,000,000	-	(299,695,284)	-	(15,526,868)	94,777,848	-	94,777,848
Ordinary shares issued		75,000,000	2,700,000,000	-	-	-	2,775,000,000	-	2,775,000,000
Transaction costs		-	(97,828,351)	-	-	-	(97,828,351)	-	(97,828,351)
Effect of change in investments from a joint venture to a subsidiary									
- as previously reported		-	-	-	-	15,526,868	15,526,868	7,450,775,505	7,466,302,373
Effect of share based payment		-	-	-	(80,881,867)	-	(80,881,867)	-	(80,881,867)
Total comprehensive income (expense) for the period - as restated		-	-	15,040,155,694	-	-	15,040,155,694	(29,225,225)	15,010,930,469
Restrospective adjustments	10	-	-	-	-	-	-	(1,354,426,667)	(1,354,426,667)
Closing balance as at 30 June 2012		<u>485,000,000</u>	<u>2,602,171,649</u>	<u>14,740,460,410</u>	<u>(80,881,867)</u>	<u>-</u>	<u>17,746,750,192</u>	<u>6,067,123,613</u>	<u>23,813,873,805</u>

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

Asia Aviation Public Company Limited

Statement of Changes in Shareholders' Equity (Unaudited) (Cont'd)

For the six-month period ended 30 June 2013

	Notes	Consolidated						Total shareholders' equity Baht	
		Attributable to owners of the parent				Other component of equity	Total owners of the parent		Non- controlling interests
		Issued and paid-up share capital	Premium on share capital	Retained earnings (Deficits)	Other reserves				
		Baht	Baht	Baht	Baht	Baht	Baht		
Opening balance as at 1 January 2013									
- as previously reported		485,000,000	2,599,808,274	15,259,409,223	(33,712,692)	18,310,504,805	7,856,117,186	26,166,621,991	
Adjustments from the adoption of a new accounting standard	4.1	-	-	(13,012,199)	(3,334,453)	(16,346,652)	(11,469,865)	(27,816,517)	
Restrospective adjustments	5	-	-	(35,087,966)	-	(35,087,966)	(1,385,902,017)	(1,420,989,983)	
Balance after adjustments		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		-	-	661,909,159	-	661,909,159	549,933,313	1,211,842,472	
Closing balance as at 30 June 2013		485,000,000	2,599,808,274	15,873,218,217	-	18,958,026,491	7,008,678,617	25,966,705,108	

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

Asia Aviation Public Company Limited
Statement of Changes in Shareholders' Equity (Unaudited) (Cont'd)
For the six-month period ended 30 June 2013

	Note	Company			Total Baht
		Issued and paid-up share capital Baht	Premium on share capital Baht	Deficits Baht	
Opening balance as at 1 January 2012 - as previously reported		410,000,000	-	(6,086,909)	403,913,091
Adjustments from the adoption of a new accounting standard	4.1	-	-	-	-
Balance after adjustment		410,000,000	-	(6,086,909)	403,913,091
Ordinary shares issued		75,000,000	2,700,000,000	-	2,775,000,000
Transaction costs		-	(97,828,351)	-	(97,828,351)
Total comprehensive expense for the period - as restated		-	-	(2,843,831)	(2,843,831)
Closing balance as at 30 June 2012		<u>485,000,000</u>	<u>2,602,171,649</u>	<u>(8,930,740)</u>	<u>3,078,240,909</u>
Opening balance as at 1 January 2013 - as previously reported		485,000,000	2,599,808,274	(12,227,580)	3,072,580,694
Adjustments from the adoption of a new accounting standard	4.1	-	-	-	-
Balance after adjustment		485,000,000	2,599,808,274	(12,227,580)	3,072,580,694
Total comprehensive expense for the period		-	-	(6,897,106)	(6,897,106)
Closing balance as at 30 June 2013		<u>485,000,000</u>	<u>2,599,808,274</u>	<u>(19,124,686)</u>	<u>3,065,683,588</u>

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

Asia Aviation Public Company Limited
Statement of Cash Flows (Unaudited)
For the six-month period ended 30 June 2013

	Notes	Consolidated		Company	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Cash flows from operating activities					
Profit (loss) before income tax		1,557,560,034	15,127,669,031	(6,897,106)	(2,843,831)
Adjustments for:					
Depreciation	9	160,852,346	47,038,742	-	1,982
Amortisation	9	2,300,698	1,422,874	-	963
Gain on fair value of previously held equity interests		-	(14,676,608,801)	-	-
Loss on disposals and write-offs of leasehold improvements and equipment		1,080,923	1,140,975	-	-
Employee benefit expenses		23,378,737	15,209,612	-	-
Amortisation of share-based payment		33,712,692	13,485,077	-	-
Net gain on exchange rates		(132,929,469)	(25,320,867)	-	-
Unrealised gain on fair value adjustment in investments in private funds	7	(12,606,022)	-	-	-
Finance costs		63,568,553	3,186,511	-	225,173
Interest income		(76,329,456)	(23,749,502)	-	(207,099)
		1,620,589,036	483,473,652	(6,897,106)	(2,822,812)
Changes in operating assets and liabilities :					
- Cash at financial institutions pledged as security		(55,094,670)	(57,210,211)	-	-
- Trade and other receivables		(267,012,981)	(115,157,393)	-	-
- Amounts due from related parties		55,189,983	(13,443,755)	-	-
- Inventories		296,595	261,460	-	-
- Prepaid expenses		(75,389,630)	(51,292,761)	789,955	(2,071)
- Value added tax receivable		78,616,463	341,573,596	-	-
- Other current assets		(8,674,379)	4,966,548	(12,215)	3,530,000
- Other non-current assets		(37,680,354)	(56,554,190)	-	-
- Trade accounts payable		9,116,099	(30,616,040)	-	-
- Other accounts payable		6,068,556	25,091,985	-	-
- Amounts due to related parties		(173,830,527)	9,163,285	-	-
- Deferred revenues		352,418,353	301,202,546	-	-
- Accrued expenses		344,161,569	(77,390,093)	223,253	(3,735,000)
- Other current liabilities		12,873,246	16,447,983	7,989,430	373,283
Cash generated from (used in) operating activities		1,861,647,359	780,516,612	2,093,317	(2,656,600)
Interest paid		-	-	-	(225,173)
Income tax paid		(61,399,571)	(1,772,426)	-	-
Interest received		19,150,973	4,931,579	-	207,099
Net cash generated from (used in) operating activities		1,819,398,761	783,675,765	2,093,317	(2,674,674)

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

Asia Aviation Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the six-month period ended 30 June 2013

	Notes	Consolidated		Company	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Cash flows from investing activities					
Cash received from change in investment in a joint venture to a subsidiary		-	625,297,714	-	-
Net payments for short-term investments		(1,567,556,116)	(1,650,038,876)	-	-
Purchases of securities in investments in private funds	7	(1,893,601,723)	-	-	-
Disposals of securities in investments in private funds	7	893,601,723	-	-	-
Proceeds from disposals of leasehold improvements and equipment		408,145	647,437	-	-
Payments for aircraft, leasehold improvements and equipment		(469,652,753)	(47,040,848)	-	-
Payments for intangible assets	9	(1,764,251)	(166,770)	-	-
Payments for investment in a subsidiary		-	-	-	(2,663,114,440)
Interest received		40,440,435	6,335,040	-	-
Net cash used in investing activities		(2,998,124,540)	(1,064,966,303)	-	(2,663,114,440)
Cash flows from financing activities					
Proceeds from issue of ordinary shares		-	2,634,621,767	-	2,707,665,934
Repayments of finance leases		(112,959,080)	(1,175,075)	-	-
Repayments of long-term borrowings from a financial institution		-	(254,573,171)	-	-
Interest paid		(62,143,325)	(3,186,511)	-	-
Net cash generated from (used in) financing activities		(175,102,405)	2,375,687,010	-	2,707,665,934
Net increase (decrease) in cash and cash equivalents		(1,353,828,184)	2,094,396,472	2,093,317	41,876,820
Cash and cash equivalents at the beginning of the period		3,852,838,996	694,425,971	5,051,471	977,900
Exchange gain on cash and cash equivalents		144,332,761	25,320,867	-	-
Cash and cash equivalents at the end of the period		<u>2,643,343,573</u>	<u>2,814,143,310</u>	<u>7,144,788</u>	<u>42,854,720</u>

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

Asia Aviation Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the six-month period ended 30 June 2013

Consolidated		Company	
2013	2012	2013	2012
Baht	Baht	Baht	Baht

Non-cash transactions

Significant non-cash transactions during the periods ended 30 June 2013 and 2012 are as follows:

Purchase of aircraft's spare parts which have not been paid	18,505,391	6,412,277	-	-
Purchase of aircraft under finance lease agreement	2,026,097,151	-	-	-
Unpaid liabilities from issuance of share capital	-	30,494,285	-	30,494,285
Landing rights acquired from change in investment in a joint venture to a subsidiary	-	14,856,000,000	-	-

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

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

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:

99 OSC Building 1st floor, Moo 5, Kingkaew Road, Rachatewa, Bangplee, Samutprakarn 10540.

On 7 May 2013, the Company and its subsidiary, Thai AirAsia Company Limited, have applied for registration of change of the newly registered office with the Department of Business Development, the Ministry of Commerce as follows:

222, Don Mueang International Airport, 3rd floor, Central Office Building, Room no. 3200, Vibhavadee Rangsit Road, 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% (2012: 55%).

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

These interim consolidated and company financial information were approved by the Board of Directors on 6 August 2013.

These interim consolidated and company financial information have been reviewed, not audited.

2 Basis of preparation

These interim consolidated and company financial information have been 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 (“SEC”) under the Securities and Exchange Act. 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 SEC. 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 SEC.

2 Basis of preparation (Cont'd)

These interim consolidated and company financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2012.

An English version of the interim consolidated and company financial information has been prepared from the interim financial information that are 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.

3 Significant accounting policies

The accounting policies used in the preparation of the interim consolidated and company financial information are consistent with those used in the consolidated and company financial statements for the year ended 31 December 2012 except as described in Note 4.

New interpretations

New interpretations are mandatory for the accounting periods beginning on or after 1 January 2014, which are currently relevant to the Group but the Group has not early adopted them are as follows:

TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 13	Customer Loyalty Programmes

The Group's management has assessed and determined that the new interpretations will not significantly impact the financial statements being presented except the new interpretation as disclosed below:

TFRIC 13 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 Group's management is currently assessing the impact of applying this interpretation.

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

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

4 New accounting policies

4.1) Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

4 New accounting policies (Cont'd)

4.1) Current and deferred income taxes (Cont'd)

The Group has applied Thai Accounting Standard 12, which dealt with accounting for current and deferred income taxes since 1 January 2013 by retrospective adjusting. The effects of the adoption of the above standard were as follows:

	Consolidated Baht	Company Baht
Statement of financial position		
Deferred tax assets as of 1 January 2012 (proportionate) increased	87,127,663	-
Deferred tax liabilities as of 31 December 2012 increased	27,816,517	-
Deficits as of 1 January 2012 (proportionate) decreased	87,127,663	-
Other component of equity - other reserves as of 31 December 2012 decreased	3,334,453	-
Retained earnings as of 31 December 2012 decreased	13,012,199	-
Non-controlling interests as of 31 December 2012 decreased	11,469,865	-
Statement of comprehensive income for the three-month period		
Income taxes expenses for the period ended 30 June 2012 decreased	511,782	-
Basic earnings per share for the period ended 30 June 2012 increased	0.0008	-
Statement of comprehensive income for the six-month period		
Income taxes expenses for the period ended 30 June 2012 increased	72,986,631	-
Basic earnings per share for the period ended 30 June 2012 decreased	0.0165	-

4 New accounting policies (Cont'd)

4.2) Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The interim consolidated and company financial information are presented in Thai Baht, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss in the statement of comprehensive income.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss in the statement of comprehensive income, any exchange component of that gain or loss is recognised in profit and loss in the statement of comprehensive income.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

4 New accounting policies (Cont'd)

4.3) Segment reporting

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.

4.4) Investments in private funds

Investments in private funds comprise fixed deposits, government bonds and debt instruments which are classified as trading investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Trading investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are included in current assets.

The investments are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand and the Thai Bond Dealing Centre. The unrealised gains and losses of trading investments are recognised in profit or loss in the statement of comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss in the statement of comprehensive income. When disposing of part of the Group's holding of a particular investment in debt securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

5 Restatement

During the first quarter of 2013, the Company completely measured the fair value of identifiable assets acquired and liabilities assumed of Thai AirAsia Company Limited to comply with the measurement period for a business combination referred in TFRS 3 (Revised 2009) “Business combinations” that the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date and the measurement period shall not exceed one year from the acquisition date.

The effect to the consolidated statement of financial position as at 31 December 2012 was presented as follows:

	Consolidated Baht
Statement of financial position	
Inventories increased	21,242,705
General investment increased	1,459,000
Leasehold improvements and equipment, net increased	151,889,352
Intangible assets, net increased	1,034,728
Goodwill increased	1,409,709,389
Deferred tax liabilities, net increased	3,006,325,157
Non-controlling interests decreased	1,385,902,017
Retained earnings decreased	35,087,966

The effect to the consolidated statement of comprehensive income for the period ended 30 June 2012 was presented as follows:

	Consolidated Baht
Statement of comprehensive income for the three-month period	
Operating costs increased	12,778,057
Gain on fair value of previously held equity interests decreased	13,356,428
Administrative expenses increased	10,241,031
Income taxes expenses decreased	4,603,817
Basic earnings per share decreased	0.0053
Statement of comprehensive income for the six-month period	
Operating costs increased	12,778,057
Gain on fair value of previously held equity interests decreased	13,356,428
Administrative expenses increased	10,241,031
Income taxes expenses decreased	4,603,817
Basic earnings per share decreased	0.0054

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

6 Segment information

The Group does not disclose the segment information because there is no significant business segment other than the provision of air transportation services.

7 Investments in private funds

During the period, Thai AirAsia Company Limited, a subsidiary, established private funds and engaged two local independent asset management companies to manage cash balance of the Group. As at 30 June 2013, the Group had securities of investments in private funds as follows:

	<u>Consolidated</u> <u>(Unaudited)</u> Fair value Baht	<u>Company</u> <u>(Unaudited)</u> Fair value Baht
Fixed deposits	159,525,047	-
Government bonds	177,683,453	-
Debt instruments	675,397,522	-
Total investments in private funds	<u>1,012,606,022</u>	<u>-</u>

The movement of investments in private funds is as follows:

	<u>Consolidated</u> <u>(Unaudited)</u> Baht	<u>Company</u> <u>(Unaudited)</u> Baht
For the six-month period ended 30 June 2013		
Opening net book amount	-	-
Additions	1,893,601,723	-
Disposals	(893,601,723)	-
Fair value adjustment	12,606,022	-
Closing net book amount	<u>1,012,606,022</u>	<u>-</u>

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

8 Trade and other receivables

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Trade accounts receivable	411,807,125	264,022,927	-	-
Accrued income	245,099,239	95,410,129	-	-
Other accounts receivable	4,381,046	19,344,409	-	-
Total trade and other receivables	<u>661,287,410</u>	<u>378,777,465</u>	<u>-</u>	<u>-</u>

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

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Up to 3 months	358,545,906	227,256,126	-	-
3 - 6 months	9,189,347	6,627,750	-	-
6 - 12 months	14,473,303	16,442,335	-	-
Over 12 months	29,598,569	13,696,716	-	-
Total trade accounts receivable	<u>411,807,125</u>	<u>264,022,927</u>	<u>-</u>	<u>-</u>

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

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

	Consolidated			Company		
	Aircraft, leasehold improvements and equipment Baht	Intangible assets		Leasehold improvements and equipment Baht	Intangible assets	
Computer software and computer software under installation Baht		Landing rights Baht	Total Baht		Computer software Baht	
For the six-month period ended 30 June 2013 (Unaudited)						
Opening net book amount	2,923,551,167	11,810,336	14,856,000,000	14,867,810,336	24	1
Adjustment of net fair value of assets from investment in a subsidiary (Note 5)	151,889,352	1,034,728	-	1,034,728	-	-
Additions	2,593,881,507	1,764,251	-	1,764,251	-	-
Disposals, net	(14,820)	-	-	-	-	-
Write-offs, net	(1,474,248)	-	-	-	-	-
Depreciation/amortisation	(160,852,346)	(2,300,698)	-	(2,300,698)	-	-
Closing net book amount	<u>5,506,980,612</u>	<u>12,308,617</u>	<u>14,856,000,000</u>	<u>14,868,308,617</u>	<u>24</u>	<u>1</u>

The significant additions in consolidated financial information for the six-month period ended 30 June 2013 are aircraft acquired under finance lease and related spare parts of Baht 2,533.53 million.

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

10 Goodwill

On 4 May 2012, the Company had gained controls over Thai AirAsia Company Limited according to an “Amended and Restated Shareholders’ Agreement” and the Company completely measured the fair value of identifiable assets acquired and liabilities assumed of Thai AirAsia Company Limited during the first quarter of 2013. In consideration of fair value of assets, the Company determined the measurement of the identifiable assets and liabilities and considered the possibility that the Company received economic benefit reasonably. The impact is as follows:

	4 May 2012		
	As previously reported Baht	Adjustments Baht	Fair value Baht
Fair value of previously held equity interests in Thai AirAsia Company Limited	15,170,005,205	-	15,170,005,205
	<u>15,170,005,205</u>	<u>-</u>	<u>15,170,005,205</u>
Recognised amounts of identifiable assets acquired and liabilities assumed			
Cash and cash equivalents	1,276,117,328	-	1,276,117,328
Short-term investments	1,085,425,460	-	1,085,425,460
Trade and other receivables and amounts due from related parties	321,162,427	-	321,162,427
Inventories and other current assets	392,801,737	21,242,705	414,044,442
Cash at financial institutions pledged as security	182,635,426	-	182,635,426
General investment	6,929,500	1,459,000	8,388,500
Leasehold improvements and equipment, net	384,130,782	202,143,731	586,274,513
Landing rights	14,856,000,000	-	14,856,000,000
Intangible assets, net	13,254,382	1,248,143	14,502,525
Deferred tax assets	-	26,189,081	26,189,081
Other non-current assets	567,198,126	-	567,198,126
Trade accounts payable and amounts due to related parties	(465,914,117)	-	(465,914,117)
Deferred revenues	(2,659,376,219)	-	(2,659,376,219)
Accrued expenses and other current liabilities	(654,345,317)	-	(654,345,317)
Finance lease liabilities	(12,001,255)	-	(12,001,255)
Deferred tax liabilities	-	(3,016,418,716)	(3,016,418,716)
Employee benefit obligations	(88,353,964)	-	(88,353,964)
Identifiable net assets acquired	15,205,664,296	(2,764,136,056)	12,441,528,240
Non-controlling interests	(7,450,775,505)	1,354,426,667	(6,096,348,838)
Goodwill	7,415,116,414	1,409,709,389	8,824,825,803
	<u>15,170,005,205</u>	<u>-</u>	<u>15,170,005,205</u>

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

11 Finance lease liabilities

Finance lease liabilities - minimum lease payments:

	Consolidated		Company	
	(Unaudited) 30 June 2013 Baht	(Audited) 31 December 2012 Baht	(Unaudited) 30 June 2013 Baht	(Audited) 31 December 2012 Baht
Within 1 year	431,363,034	207,619,284	-	-
Later than 1 year but not later than 5 years	1,782,352,473	790,765,579	-	-
Later than 5 years	2,727,033,531	1,388,409,709	-	-
<u>Less</u> future finance charges on finance leases	<u>(1,015,698,625)</u>	<u>(466,539,278)</u>	-	-
	<u>3,925,050,413</u>	<u>1,920,255,294</u>	-	-
Representing lease liabilities:				
- Current portion	277,054,393	137,142,871	-	-
- Non-current portion	3,647,996,020	1,783,112,423	-	-
	<u>3,925,050,413</u>	<u>1,920,255,294</u>	-	-

The present value of finance lease liabilities is as follows:

	Consolidated		Company	
	(Unaudited) 30 June 2013 Baht	(Audited) 31 December 2012 Baht	(Unaudited) 30 June 2013 Baht	(Audited) 31 December 2012 Baht
Within 1 year	421,655,762	203,310,715	-	-
Later than 1 year but not later than 5 years	1,578,466,339	704,624,080	-	-
Later than 5 years	1,924,928,312	1,012,320,499	-	-
	<u>3,925,050,413</u>	<u>1,920,255,294</u>	-	-

On 1 February 2013 and 23 April 2013, Thai AirAsia Company Limited, its subsidiary, entered into Aircraft Finance Lease Agreements with lessors and accepted the delivery of aircraft on the same date. Each agreement has period of 12 years. According to conditions of the agreements, Thai AirAsia Company Limited must comply with financial and operational covenants. Thai AirAsia Company Limited has purchase options of the aircraft from the lessors at the end of the lease term.

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

12 Income tax expense

	Consolidated		Company	
	For the three-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Current tax:				
Current tax on profit for the period	120,373,110	48,355,749	-	-
Total current tax	120,373,110	48,355,749	-	-
Deferred tax:				
Origination and reversal of temporary differences	30,668,883	(4,763,313)	-	-
Impact of change in the Thai tax rate	-	(352,286)	-	-
Total deferred tax	30,668,883	(5,115,599)	-	-
Total tax expense	151,041,993	43,240,150	-	-

	Consolidated		Company	
	For the six-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Current tax:				
Current tax on profit for the period	297,263,547	48,355,749	-	-
Total current tax	297,263,547	48,355,749	-	-
Deferred tax:				
Origination and reversal of temporary differences	48,454,015	68,819,395	-	-
Impact of change in the Thai tax rate	-	(436,582)	-	-
Total deferred tax	48,454,015	68,382,813	-	-
Total tax expense	345,717,562	116,738,562	-	-

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

12 Income tax expense (Cont'd)

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

	Consolidated		Company	
	For the three-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Deferred tax				
Share-based payment	1,760,348	7,837,700	-	-
	<u>1,760,348</u>	<u>7,837,700</u>	<u>-</u>	<u>-</u>
	Consolidated		Company	
	For the six-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Deferred tax				
Share-based payment	3,334,452	7,837,700	-	-
	<u>3,334,452</u>	<u>7,837,700</u>	<u>-</u>	<u>-</u>

13 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 June (Unaudited)			
	2013	2012	2013	2012
Net profit (loss) for the period attributable to ordinary shareholders of the parent (Baht)	264,625,213	14,797,161,950	(3,984,225)	(2,298,513)
Weighted average number of paid-up ordinary shares outstanding during the period (Shares)	4,850,000,000	4,371,978,022	4,850,000,000	4,371,978,022
Basic earnings (loss) per share (Baht)	0.0546	3.3845	(0.0008)	(0.0005)
	Consolidated		Company	
	For the six-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
Net profit (loss) for the period attributable to ordinary shareholders of the parent (Baht)	661,909,159	15,040,155,694	(6,897,106)	(2,843,831)
Weighted average number of paid-up ordinary shares outstanding during the period (Shares)	4,850,000,000	4,235,989,011	4,850,000,000	4,235,989,011
Basic earnings (loss) per share (Baht)	0.1365	3.5506	(0.0014)	(0.0007)

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

14 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 management of the Company. The remaining shares are widely held.

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

The following significant transactions were carried out with related parties:

14.1) Income

	Consolidated		Company	
	For the three-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Interest income				
Other related party	699,055	183,351	-	-

	Consolidated		Company	
	For the six-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Interest income				
Other related party	1,241,084	975,588	-	-

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

14 Related party transactions (Cont'd)

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

14.2) Purchases of goods, services and interest expenses

14.2.1) Other related parties

	Consolidated		Company	
	For the three-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Share of loss from fuel swap agreements	50,306,698	19,431,901	-	-
Share of staff costs for accounting services	(6,004,263)	(5,531,582)	-	-
Aircraft rental	789,143,400	668,657,587	-	-
Aircraft repair and maintenance	349,150,017	259,136,916	-	-
Purchase of merchandises and equipment	47,233,291	53,574,309	-	-
Management fee expenses	3,640,800	3,189,779	-	-
Booking fee expenses	19,867,479	13,647,052	-	-
Pilot training expenses	21,162,970	8,398,557	-	-
Brand license fee	53,087,690	-	-	-

	Consolidated		Company	
	For the six-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Share of (gain) loss from fuel swap agreements	50,306,698	(915,665)	-	-
Share of staff costs for accounting services	(18,101,163)	(10,057,085)	-	-
Aircraft rental	1,563,755,873	1,052,724,184	-	-
Aircraft repair and maintenance	696,682,121	407,729,745	-	-
Purchase of merchandises and equipment	59,992,153	77,072,871	-	-
Management fee expenses	7,213,764	5,077,968	-	-
Booking fee expenses	40,520,699	22,724,064	-	-
Pilot training expenses	55,115,142	26,415,462	-	-
Brand license fee	113,941,591	-	-	-

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

14 Related party transactions (Cont'd)

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

14.2 Purchases of goods, services and interest expenses (Cont'd)

14.2.2) Subsidiary

	Consolidated		Company	
	For the three-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Interest expenses	-	-	-	225,173

	Consolidated		Company	
	For the six-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Interest expenses	-	-	-	225,173

14.3) 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 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Salaries and other short-term benefits	13,697,258	22,180,775	910,000	1,480,000
Retirement benefits	1,262,774	11,128,189	-	-
	14,960,032	33,308,964	910,000	1,480,000

	Consolidated		Company	
	For the six-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Salaries and other short-term benefits	27,567,433	27,914,756	1,820,000	1,700,000
Retirement benefits	3,142,244	11,424,443	-	-
	30,709,677	39,339,199	1,820,000	1,700,000

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

14 Related party transactions (Cont'd)

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

14.4) Passenger revenues and expenses received and paid on behalf

	Consolidated		Company	
	For the three-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Passenger revenues received on behalf of the Group by other related parties	770,000,854	581,922,020	-	-
Cash received on behalf of other related parties	149,605,609	86,770,254	-	-
Expenses paid on behalf of the Group by other related parties	60,642,192	69,221,205	-	-
Advance payment on behalf of other related parties	59,689,617	33,759,987	-	-

	Consolidated		Company	
	For the six-month periods ended 30 June (Unaudited)			
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Passenger revenues received on behalf of the Group by other related parties	1,449,233,044	919,703,349	-	-
Cash received on behalf of other related parties	275,782,879	149,493,537	-	-
Expenses paid on behalf of the Group and joint venture by other related parties	180,698,481	148,613,683	-	5,550,252
Advance payment on behalf of other related parties	107,443,236	54,933,746	-	-

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

14 Related party transactions (Cont'd)

Outstanding balances arising from receivables, payables, advance from a director and other non-current assets are summarised as follows:

14.5) Amounts due from related parties

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Other related parties	157,450,679	210,772,034	-	-

14.6) Amounts due to related parties

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Other related parties	253,894,943	427,725,470	-	-

14.7) Advance from a director

As at 30 June 2013, the advance from a director amounting to Baht 8 million was provided interest-free and due for repayment at call. The advance was granted for the Group operating purpose.

14.8) Other non-current assets

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Aircraft rental deposits				
Other related party	552,182,994	543,255,174	-	-
Fuel price swap deposits				
Other related party	15,493,350	15,242,850	-	-

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

15 Commitments

For the six-month period ended 30 June 2013, there were no significant changes in commitments or contingent liabilities from the year ended 31 December 2012 (please see consolidated and company financial statements for the year ended 31 December 2012).

As at 30 June 2013, the Group had the future aggregate minimum lease payments in respect of non-cancellable aircraft lease agreements made with AirAsia (Mauritius) Limited, a related company of the 25 aircraft (As at 31 December 2012: 25 aircraft) and insurance agreements of the 29 aircraft (As at 31 December 2012: 27 aircraft) as follows:

	Consolidated			
	(Unaudited)		(Audited)	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	Rental US Dollars	Insurance agreements US Dollars	Rental US Dollars	Insurance agreements US Dollars
Within 1 year	104,040,000	2,680,771	104,040,000	834,791
Later than 1 year but not later than 5 years	416,160,000	-	416,160,000	-
Later than 5 years	364,098,740	-	415,725,041	-
Total	884,298,740	2,680,771	935,925,041	834,791

16 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)	(Audited)	(Unaudited)	(Audited)
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	US Dollars	US Dollars	US Dollars	US Dollars
Unfavourable fuel price swap agreements	(2,658,877)	-	-	-

Asia Aviation Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the six-month period ended 30 June 2013

17 Letters of guarantee

The Group had commitments relating to guarantees issued by banks in respect of ground handling, technical support, and other flight operating activities in the ordinary course of business as follows:

	Consolidated					
	(Unaudited)			(Audited)		
	30 June 2013			31 December 2012		
	US	India		US	India	
	Baht	Dollars	Rupee	Baht	Dollars	Rupee
	million	million	million	million	million	million
Guarantees relating to flight operating activities	5.25	0.09	13.20	5.60	0.45	30.83
Guarantees relating to maintenance reserve fund	-	1.80	-	-	-	-
Total	5.25	1.89	13.20	5.60	0.45	30.83

The Group also used its fixed-deposit accounts as collateral for these letters of guarantee as follows:

	Consolidated					
	(Unaudited)			(Audited)		
	30 June 2013			31 December 2012		
	Baht	India	Rupee	Baht	India	Rupee
	million	million	million	million	million	million
Fixed-deposit accounts	64.94		13.50	8.93		31.13

18 Promotional privileges

On 13 March 2013, Thai AirAsia Company Limited, its 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.

On 23 April 2013, Thai AirAsia Company Limited, its subsidiary, accepted one aircraft under such certificate of promotional privileges from the BOI.

19 Subsequent events

On 2 August 2013, Thai AirAsia Company Limited, its subsidiary, accepted the delivery of one additional AIRBUS A320-200 aircraft. The expansion of the subsidiary's fleet is to support the launch of new routes and increase the frequency of flights on the subsidiary's existing routes. This aircraft is acquired under lease agreements for the period of 12 years.