



2013

An orange square icon containing a white silhouette of an aircraft in flight, with three curved lines below it representing radio signal waves.



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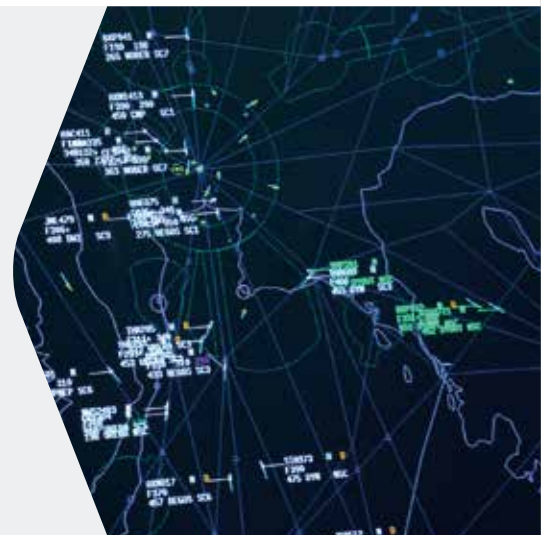




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Message from the Chairman

In the fiscal year 2013, the Company diligently undertook the operations focusing on the ongoing services development in order to increase efficiency and safety in aviation as set in the Company's vision : To be a quality leading organization providing air navigation services. Aiming to facilitate a link for global community to commute easily, safely and speedily, the Company abides by its strategies and commitments as the national air navigation service provider who is well aware of the stakeholders and national benefits.

This year the Company continued to develop the organizational management in human resources and internal schemes for modern technology. To cope with the increasing air traffic volume and the latest technologies, the Company has implemented Air Navigation Services Infrastructure Development Project in accordance with the requirements for the new Global Air Traffic Management System so as to catch up with any possible changes or development in the aviation industry.

It is estimated that the overall air traffic and flight volume in the next 10-15 years tends to increase continuously in consistent with the forecasts of the international organizations such as ICAO, IATA, EUROCONTROL and etc.

The Company's yearly achievements mainly came from the strong support from shareholders, customer airlines, airspace users, and related sectors/organizations as well as the determination and devotion of the managerial team and staff who have played an important part in the development of the Company's operations for sustainable growth.

On behalf of the Board of Directors who are accountable for policy setting, supervising and monitoring the Company's operations, I would like to thank all parties concerned for the organizational accomplishment this year. In addition, we assure all members airlines of our organizational management, services provision development and mutual coordination that will bring about ultimate benefits to all shareholders and stakeholders as a whole.

(Mr. Voradej Harnprasert)
Chairman of the Board of Director





Message from the President

In the fiscal year 2013, the Company encountered various situations and crises in Thailand territory as well as certain impacts from neighboring countries which affected the national sectors and organizations. It was obvious that such unpleasant factors inevitably affected the Company's operations.

Consequently, the Company, as advised by the Ministry of Finance, has regularly run the Business Continuity Management (BCM) plan under the possible scenarios of natural disasters or the real crisis situations. The Crisis Management Team with the President as the Chief responds to the situations in 4 aspects which are 1) Continual services provision in engineering and air traffic control, 2) Rescue, 3) Evacuation, and 4) Communications. The BCM has been expanded to the Company's regional offices for action plans and exercises in order to complete the BCM plan which can be efficiently utilized and was successfully completed in August 2013.

The most affected situations in this fiscal year upon the Company's operations were caused by the political rally/movements which had huge impacts on the national macro economy. The Company has closely followed and monitored the situations and made preparation for this matter by setting as the first priority through various measurements in safety system, power supply provision, and etc. in order to facilitate the air traffic controllers, engineers and related staff members.

Nevertheless, the air traffic volume has increased considerably throughout the year 2013. The Company realized the importance of maximum safety for the air traffic control management, therefore, it has set a master plan for the Air Navigation Services Infrastructure Development Project, revision of work processes to be systematic, development of IT, calibration of maintenance equipment/tools, and other facilities for the controllers and staff to provide their services efficiently and smoothly. For long term solutions, the Company has collaborated with other major sectors to initiate mutual and systematic development plans for the national aviation industry.

The Company implemented various projects internally in accordance with the principles of the Good Corporate Governance (GCG) together with the coordination with government and private sectors to promote the Corporate Social Responsibility (CSR) campaign. The Company also encouraged the staff's competency and general public in provincial areas through innovative development programs which helped support the communities near the regional offices/centres. These implementation projects could result in the state of well-being, and a close relationship between the Company and the communities. Moreover, the AEROTHAI Mini Volleyball Competition was organized in order to broaden the educational opportunities for young pupils nationwide. Besides, the Company provided scholarships to disabled children so that they are able to pursue their higher education for family well-being and better careers in the future through the AEROTHAI Foundation.

Finally, on behalf of the Company and staff, I would like to assure you that you can trust our services as we continue to develop the air navigation service systems to be advanced and safe with maximum efficiency. I would like to thank all shareholders and users as well as stakeholders for their trust and support. AEROTHAI is striving to be a leading organization for the benefit of the country and the region.

Squadron Leader

(Prajak Sajjasophon)

President



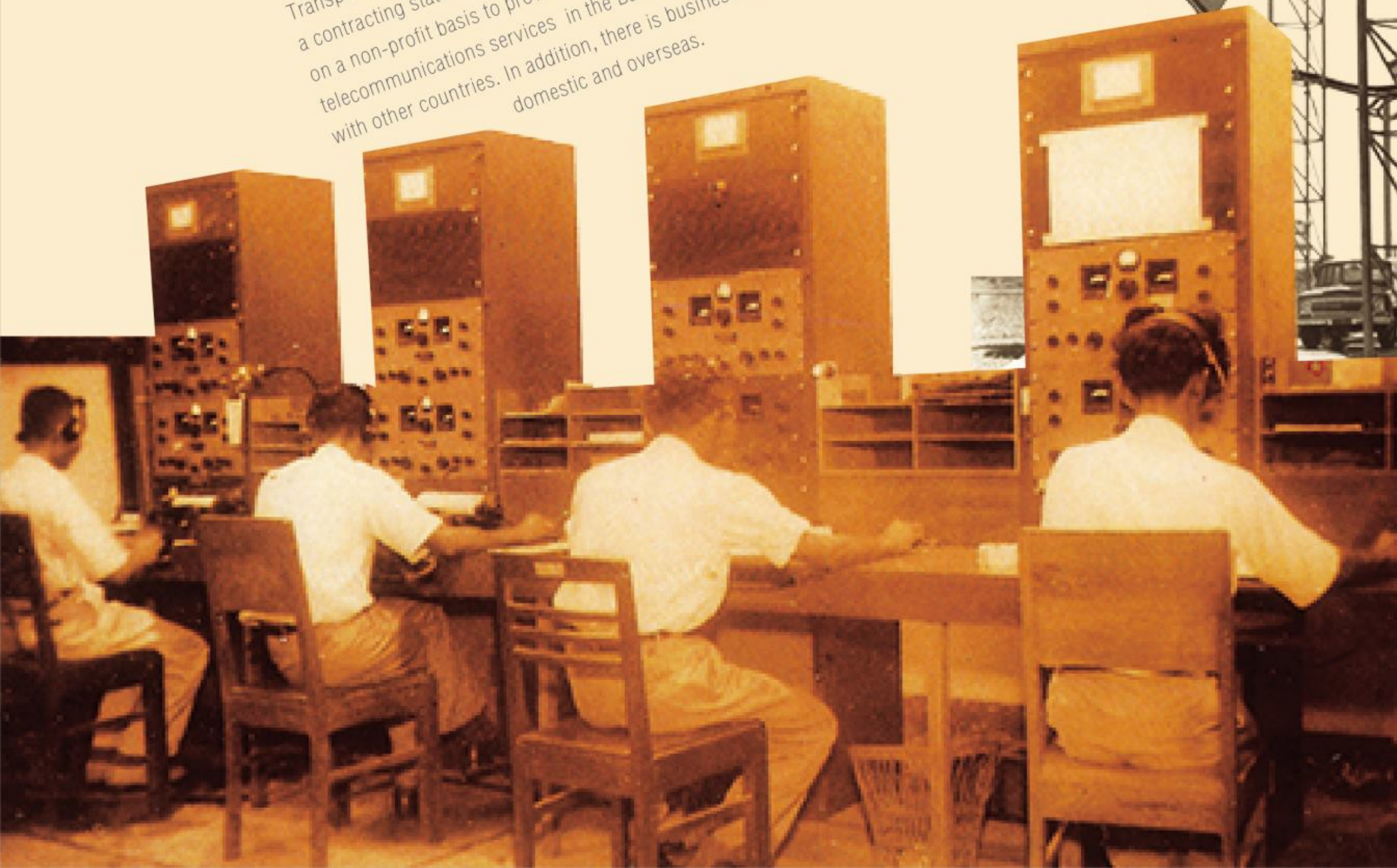


Company's

Background

After the First World War, the Post and Telegraph Department had been assigned by the Royal Thai Government to assume responsibility of providing Air Traffic Control and Aeronautical Communications to international aircraft passing over and landing in Thailand. These ceased with the expansion of the Second World War to Asia which prevented commercial aircraft taking to the sky. When the Second World War ended, international civil aviation resumed. On 15 April 1948, Aeronautical Radio Inc. (ARINC) of the United States of America, International Aeradio Ltd. (IAL) of the United Kingdom and various airlines operating services to Thailand jointly founded Aeronautical Radio of Siam Ltd. (AEROSIAM) with the consent of the Royal Thai Government to provide air traffic control services and aeronautical communication services in accordance with the International Civil Aviation Organization's (ICAO) standards and recommendation practices.

Later, the Thai government recognized its capability and the importance of the Company's responsibility concerned the national securities and aviation development. Therefore, the government acquired the majority of share capital from the founding airlines and changed its name to Aeronautical Radio of Thailand Ltd. (AEROTHAI) on 1 November 1963. International airlines operating services to Thailand were also welcomed as the shareholders. The Company's status has then become a state enterprise under the Ministry of Transport, operating as a limited company. The Company operates on behalf of the Government as a contracting state of ICAO and with the commitment made with the Government, the Company operates on a non-profit basis to provide safety services which are air traffic control and aeronautical telecommunications services in the Bangkok Flight Information Region (BKK FIR) with network linking with other countries. In addition, there is business sector which provides aviation related services both domestic and overseas.





Corporate Vision

“ To be a quality organization
providing air navigation services. ”

Corporate Values

- Aim at safety
- Promote morality
- Focus on responsibility for stakeholders
- Emphasize excellent outcome
- Promote teamwork

Corporate Mission

“ To be the national air navigation service provider
that meets users' requirements in safety, standards, and efficiency while realizing
the responsibilities to all stakeholders and national interests. ”



Type and Nature of Business

The Ministry of Transport has signed contracts to entrust AEROTHAI to be the provider of air traffic control, aeronautical telecommunications and aviation related services to meet the requirements of air transport operators and in compliance with the International Civil Aviation Organization's standards and recommended practices to enhance flexibility, safety and efficiency. On 5 November 2001, the Ministry renewed and extended the validity of the current contract with the Company for 20 years which will expire on 4 November 2021. Under the said Contract, the Company agrees to provide services to air transport operators on a non-profit basis and all expenditures will be compensated by air navigation facility charges which are collected fairly and equitably from users.

With the provision of the contract, AEROTHAI was responsible for air traffic control and aeronautical telecommunication services for en-route. Later on, the Cabinet has assigned additional functions to the Company as follows:

- The Company was transferred the provision of aeronautical telecommunications, air navigation aids and air traffic control services at Chiang Mai Airport on 1 March 1988 and Hat Yai and Phuket on 16 July 1988.
- The provision of aerodrome and approach control services at Don Mueang Airport was transferred from the Airports Authority of Thailand (currently the Airports of Thailand Public Company Limited) to AEROTHAI on 1 July 1993.
- On 23 September 1998 the Company was transferred the services by the Department of Aviation (currently the Department of Civil Aviation) to provide air traffic control, aeronautical communications and air navigation aids at all provincial airports with effective date on 1 September 1998.
- Flight inspection service was also transferred from the Department of Civil Aviation to AEROTHAI on 29 May 2002 with effective date on 1 June 2002.



AEROTHAI's Responsibilities

1. Air Traffic Management (ATM) within the Bangkok Flight Information Region (BKK FIR)
2. Aeronautical Communications, Navigation and Surveillance (CNS) System/Services, and
3. Aeronautical Information Services (AIS) and Aeronautical Chart as well as other related services and work under the Government's policy.

Location and Website

AEROTHAI Head Office

102 Soi Ngamduplee, Tungmahamek, Sathon,
Bangkok 10120 Thailand

Tel: 0 2287 3531-41

Fax: 0 2287 3131

Website: www.aerothai.co.th

Hat Yai Air Traffic Control Centre

100, Moo 3, Sanambin Road,
Klong La Sub-district, Klong Hoi Kong District,
Songkhla 90115

Tel: 0 7425 1051-65

Fax: 0 7425 1339

Phuket Air Traffic Control Centre

200 Khao Bo Sai, Maikhaow Sub-district, Thalang District,
Phuket 83140

Tel: 0 7632 7251-5

Fax: 0 7632 7259

Surat Thani Air Traffic Control Centre

Surat Thani Airport, Moo 3, Huateuy Sub-district,
Phunphin District, Surat Thani 84130

Tel: 0 7744 1132

Fax: 0 7744 1133

Chiang Mai Air Traffic Control Centre

60 Sanambin Road, Suthep Sub-district,
Mueang District, Chiangmai 50200

Tel: 0 5327 0624-32

Fax: 0 5327 7600

Phitsanulok Air Traffic Control Centre

Sanambin Road, Arunyik Sub-district,

Mueang District, Phitsanulok 65000

Tel: 0 5530 1422

Fax: 0 5525 3017

Nakhon Ratchasima Air Traffic Service Engineering Operating Centre

Nakhon Ratchasima Airport, Baan Piman, Tha Chang
Sub-district,

Chalermprakiat District, Nakhon Ratchasima 30230

Tel: 0 4425 8855

Fax: 0 4425 6576

Udon Thani Air Traffic Control Centre

Udon Thani Airport, Nhong Khon Kwang Sub-district,
Mueang District, Udon Thani 41000

Tel: 0 4224 6803

Fax: 0 4224 9734

Ubon Ratchathani Air Traffic Control Centre

Ubon Ratchathani Airport, Thepyotee Road, Naimueng
Sub-district,

Mueang District, Ubon Ratchathani 34000

Tel: 0 4524 0798

Fax: 0 4524 0798

Hua Hin Air Traffic Control Centre

Mooban Bofai, Hua Hin Sub-district, Hua Hin District,
Prachuap Khiri Khan 77110

Tel: 0 3252 0831

Fax: 0 3252 0833



HIGHLIGHT OF ACTIVITIES

Mission



Highlight of Activities

“ The Company has set the vision “To be a quality leading organization providing Air Navigation Service” which is in line with the national strategy and policy. There are major projects set in the Corporate Plan 2013-2017 as follows: ”

1. Safety Procedures for Rocket Firing and Sky Lanterns Launching

Currently, rockets firing and sky lanterns launching have great impact on air navigation not only in the northeastern and northern regions of the country. The Company raised this issue as a major problem at ministerial level as it involves other Ministries so that collaboration will be enhanced to solve this national issue.

At present, AEROTHAI, the Department of Civil Aviation and the Ministry of Interior have implemented safety procedures to prevent and mitigate the problems. Campaigns are organized to give the people in the vicinity the information of the right procedures to obtain permission to fire the rockets as well as publicizing information to educate and raise their awareness of the danger to aviation.



2. Solving Radio Communication Interference Problems

Currently, the radio communication interference that the pilots and the air traffic controllers experience comes in the form of music, radio hosts' conversations, and frequency interference. This can lead to a miscommunication which may cause aviation accidents. In 2013 there were 2,779 interference reports received by the Company. AEROTHAI has continued to solve these problems by emphasizing understanding enhancement with the community radio stations to make them aware of the problems and risks that may occur. AEROTHAI together with the Office of the National Broadcasting and Telecommunications Commission have signed a Memorandum of Agreement under the title "Solution for the radio communication interference by the community radio stations".

On 19th August 2013 AEROTHAI and the Office of the National Broadcasting and Telecommunications Commission (NBTC) signed a Memorandum of Agreement on Calibration with the aim to cooperate in calibration and to determine the criteria which indicate that community radio stations are required to submit their transmitters for examination by NBTC to prevent frequency interference in aviation communication. Accordingly, calibration service is operated by AEROTHAI for five years.

In addition, AEROTHAI has conducted flight checks to find the frequency interference throughout the country in many areas and submit the findings to the NBTC. A prototype of community radio station is created to provide support for the station development in order to improve the radio broadcast so that the transmission will be quality signals.

3. Enhancing Airspace Management through Civil-Military ATM Cooperation and Flexible Use of Airspace

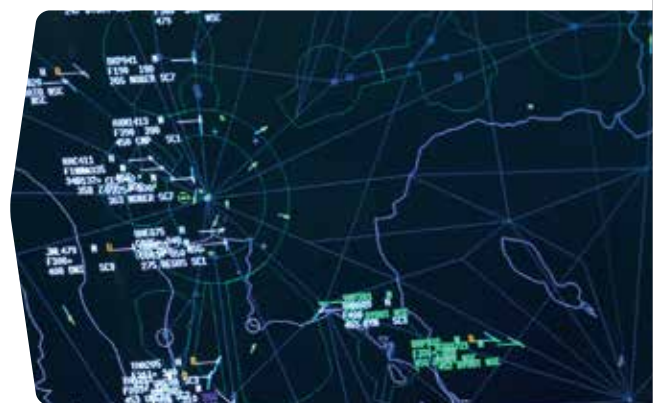
The Ministry of Transport has requested cooperation from the Royal Thai Air Force (RTAF) and the Royal Thai Navy (RTN) to solve the problem of congested air traffic in the airspace over Suvarnabhumi and Don Mueang Airports as well as other areas to increase efficiency and capacity. AEROTHAI has been assigned as the main responsible unit to enhance this cooperation. The Company has held meetings with RTAF and RTN with the cooperation and benefits as follows:

1. RTAF has worked with AEROTHAI to reorganize Y6 which is the parallel route with Y7 and Y5 which is the parallel route with G458 to be one-way routes. This helps to reduce workload for controllers and pilots. In addition, it also helps to increase the efficiency of Continuous Descend Operations (CDO) landing.
2. RTN has worked with AEROTHAI to establish additional route over the Gulf of Thailand to reduce problems arising from air traffic congestion and increase the capacity to accommodate the increase of flight volume in the future.



4. Synergy and Elevating Cooperation between Thai Aviation Organizations

The Ministry of Finance has important policy on role and performance of AEROTHAI which is the preparation towards AEC. The Ministry checks the Company's readiness in particular the need for experts necessary for AEROTHAI operations and synergy to share resources amongst aviation related organizations. As a result, the Ministry has revised the State of Directions (SOD) for State Enterprise by prioritizing the development of tangible synergy within transport sector.



AEROTHAI has elevated the partnership with other aviation related organizations which extends beyond transport sector in the form of Memorandum of Understanding (MOU) that is enhanced for closer cooperation. Such organizations are Department of Civil Aviation, Civil Aviation Training Centre, Thai Airways International Public Company Limited, and Airports of Thailand Public Company Limited. The Company also signed Memorandum of Understanding with organization that is not under the Ministry of Transport which is the Bangkok Airway Public Company Limited.

5. Present and Future Major Investments, Plans and Projects

The Company has major projects to be implemented according to the Corporate Plan 2013-2017 as follows:

5.1 Air Navigation Services (ANS) Infrastructure Development Project (Implementation Period 2012-2015)

The Air Navigation Services Infrastructure Development Project was approved in principle by the Cabinet on 3 May 2011 with the total investment budget of Baht 4,460.31 million (including reserve for price escalation and changes of the work at 10%). The objective of the Project is to develop the national air navigation services infrastructure to meet the future ATM System and increase the capacity to accommodate the increase in the air traffic volume which tends to continue to increase. The Company has procured and installed equipment/systems in line with the requirements of Global Air Traffic Management System. The Project can be divided into:

1. Establishment of Air Traffic Management Centre (ATMC): The Company concluded the procurement procedures in August 2013. The outcome of the procurement will be submitted to the Board of Directors for agreement and contract will be signed in the first quarter of fiscal year 2014. The project will be finished within the fiscal year 2015.
2. CNS/ATM Enhancement: Establishments of Flight Data Management Centre (FDMC) and Contingency and Training System (CON/TRA) at Suvarnabhumi Airport have been completed in fiscal year 2012. Additional provisions of Flight Information/ Advisory Service and Alerting Service for all types of aircraft have been completed in fiscal year 2013.
 - Procurement of secondary surveillance radar for 5 sites (Phitsanulok, Chiang Rai, Roi Et, Udon Thani and Chumphon) will be completed within fiscal year 2014.



- Procurement for Communication, Navigation and Surveillance (CNS) Development at provincial airports (Chiang Mai, Phitsanulok, Phuket and Hat Yai) will be carried out simultaneously with the procurement for ATMC.
- Procurement of radar data processing system for approach/aerodrome control and training/contingency systems at Suvarnabhumi Airport is expected that contract can be signed within the third quarter of fiscal year 2014 and project completed within fiscal year 2015.

3. Procurement of High Performance Flight Inspection Aircraft: The first aircraft was delivered to the Company in March 2013. The procurement of the second aircraft will be processed in the fiscal year 2015. Currently, flight inspection system (FIS) is being procured and it is expected that contract can be signed in the first quarter of fiscal year 2014.



5.2 Project under the “Seamless ASEAN Sky” concept and resolutions of Air Transport Working Group (ATWG) and Air Transport Technical Cooperation Sub-Working Group (ATTC) and Project for the support of Air Traffic Management under ASAM ATTC Work Plan 2012-2013

Both Projects are strategic work which the Company has achieved the objectives of the projects which are set and implemented to promote planning and operation of Seamless ASEAN Sky and to accommodate/support Thailand as the Chairman/Lead Country in the Air Traffic Working Group (ATWG) meetings in 2012-2013. Now Thailand is not the Chairman/Lead Country of the project. The concept of Seamless ASEAN Sky has been included in the Air Traffic Management of the ASEAN Single Aviation Market (ASAM) Plan. The vision and objective of ATM Harmonization have been adopted by the Senior Transport Officials Meeting (STOM) and the Heads of States in the 22nd ASEAN Summit in April 2013. The Company's operations continue to support the Department of Civil Aviation in implementation in line with ASAM.

5.3 Construction of New Control Tower at Don Mueang International Airport in honour of His Majesty the King on the Auspicious Occasion of His 7th Cycle Birthday Anniversary, 5 December 2011 (Implementation Period 2011-2014)

The Company has a new control tower constructed at Don Mueang International Airport as replacement at an investment budget of Baht 66.62 million and it is expected to be completed within fiscal year 2014.

5.4 Continuous Descent Operations (CDO) at Chiang Mai and Hat Yai International Airports

AEROTHAI has developed and implemented Continuous Descent Operations (CDO) approach procedures at Chiang Mai and Hat Yai International Airports to ensure its adequate capacity to support air navigation service both at present and in the future.

In implementing the CDO approach procedures, airlines can save fuel cost which can be proved by comparing time consuming indicator for arrival phrase before and after using CDO. The reduction of fuel consumption is directly related to the volume of carbon emission.



5.5 Implementation of Performance Based Navigation (PBN) for Thailand

To enhance the efficiency and safety of air navigation and to support the continuing growth of air traffic, AEROTHAI has implemented new air navigation technologies, Performance-Based Navigation (PBN) and Global Navigation Satellite System (GNSS). AEROTHAI has coordinated with the Department of Civil Aviation (DCA Thailand), Thai Airways International Public Company Limited, Bangkok Airways, Airports of Thailand Public Company Limited, and Thai Pilot Association as the National Working Group on Performance-Based Navigation (PBN) and Global Navigation Satellite System (GNSS). This National Working Group is tasked to determine the policies, plans, and criteria for the deployment of PBN and GNSS, all of which are in compliance with the International Civil Aviation Organization (ICAO) implementation targets and the requirements from airlines and airspace users. Implementation has been carried out as follows:

1. Development of the Asia-Pacific Regional PBN Implementation Plan and the Thailand PBN Implementation Plan
2. Full Operations of PBN Procedures at Phuket, Hat Yai, Samui, and Chiang Mai International Airports, Udon Thani, Chiang Rai, Lampang, Surat Thani, and Narathiwat Airports
3. Implementation Progress of PBN Procedures for Krabi, Trat, Nakhon Si Thammarat, Khon Kaen, Sakon Nakhon, Nakhon Phanom, Trang, and Ubon Ratchathani Airports
4. For en-route airspace, in 2013 the Company in cooperation with DCA Thailand and the Thai Airspace Panel has established unidirectional RNAV-5 routes connecting Bangkok-Phuket (Y5 Route) and Bangkok-Chiang Mai (Y6 and Y7 Routes).
5. The Company has coordinated with Jeppesen from the United States of America to certify the Company's PBN Procedure Design and Flight Validation the processes. The



Company has been successfully certified for PBN Procedure and Flight Validation for RNAV/RNP SID, RNAV/RNP STAR and RNP APCH with Baro-VNAV.

6. The Company plays a crucial role in the development of PBN in Asia-Pacific Region. During 2009-2013, a representative from the Company has been entrusted to serve as the Rapporteur of the ICAO Asia-Pacific PBN Task Force who took part in the setting up of policy and standards for implementation of PBN in the Asia-Pacific Region. Thailand, by the Company, is also honoured to serve as a Steering Committee Member of the ICAO Flight Procedure Program Office and Thailand has become the first country globally to welcome the ICAO-IATA Go-Team Visit, conducted by the ICAO Global PBN Task Force.

Regarding the cooperation with Asia-Pacific Economic Cooperation (APEC), a representative from the Company has been entrusted to serve as the Co-Chair of APEC GNSS Implementation Team. Furthermore, the Company has been entrusted by both ICAO and APEC to serve as the focal point for Regional RAIM Prediction System to support the implementation of PBN and GNSS.



5.6 Organizational Development, Information Technology

In the fiscal year 2013, the Company has developed/improved the information technology as planned. The following major projects have been completed and utilized in fiscal year 2014:

1. Data Processing System for the Standards and Safety Management. It is used for information regarding licences and health inspection of the air traffic controllers as well as alert/investigation processes.
2. Data Processing System to support engineering services by developing the Business Process Management System (BPMS) to provide information regarding communication equipment for the Company's customers.
3. Airline Information Services System has been developed to automatically submit invoices, statements of account and flight information (ATC2) through AEROTHAI website and e-mail.

5.7 Consolation Award for the Innovation from the National Research Council of Thailand (NRCT)

The Company had submitted the 4th series of electronic voting machine to the 2013 National Innovation Competition organized by the National Research Council of Thailand (NRCT) and it was granted Engineering and Industrial Research Recognition Award.



Key Meetings/Conferences in 2013

1. IATA User Charges Panel Meeting (UCP)

AEROTHAI hosted IATA User Charges Panel Meeting (UCP) for representatives from IATA, Board of Airline (BAR), Airline Operators Committee (AOC), Airlines, and AEROTHAI at AEROTHAI Headquarters on 26 February 2013. The purpose of the Meeting was to report the comparison of the actual flight units in 2012 and the forecast flight units in 2013, the Company's income and expenditure for the provision of en route service and landing at each airport, income and expenditure in 2012 and capital expenditure budget in 2012.

In this meeting, the Company presented useful information for airline representatives and participants as well as giving them an opportunity to make suggestions and recommendations. It was the floor to directly listen for suggestions from stakeholders and clarify any queries or explain issues raised by airline representatives. This would result in mutual understanding for working together. The Company has used the information gained to plan for improvement and development of services to give maximum satisfaction to users and this will help strengthen relationship amongst organizations.





2. The Workshop on "The Development of Air Navigation System in Thailand towards Global Air Navigation Plan: conclusions from the 12th Air Navigation Conference"

On 8 March 2013, AEROTHAI held a Workshop at the Vayupak Convention Centre, the Government Complex, Chang Wattana, on "The Development of Air Navigation System in Thailand towards Global Air Navigation Plan: conclusions from the 12th Air Navigation Conference". The purpose of the workshop was to present information regarding challenges of future aviation systems and global air navigation plan. This would lead to integrated development and collaboration of air transport service providers so that each organization would have the same understanding of direction, target and future plan as well as any problems concerning the implementation of global air navigation plan which would be the preparation for the growth and capacity development. AEROTHAI set up sub-group workshops to gather further major information in various dimensions from all parties which would be the factors leading to the success of aviation management. Conclusion of the integrated information from each workshop was for the maximum benefit of participants and they were informed of what action relating to aviation that the Country had to take.

3. Mekong Air Traffic Management Coordination Group Meeting (MK-ATMCG/2)

AEROTHAI hosted the Mekong Air Traffic Management Coordination Group Meeting during 29-30 May 2013. The Meeting discussed and found joint agreement to adjust route structures to increase air traffic flexibility and promote collaboration between organizations that would enhance Air Traffic Management continuity leading to airspace development of seven countries in the airspace over East Asia Region. They were

1. Thailand
2. Socialist Republic of Vietnam
3. Lao People's Democratic Republic
4. Kingdom of Cambodia
5. Republic of the Union of Myanmar
6. Special Administrative Region Hong Kong
7. People's Republic of China

4. The 3rd Air Traffic Flow Management (ATFM)/Collaborative Decision Making (CDM) Tripartite Project Meeting and Group of Five Air Navigation Service Providers (G5)

AEROTHAI hosted the 3rd Air Traffic Flow Management (ATFM)/Collaborative Decision Making (CDM) Tripartite Project Meeting in Bangkok during 24 - 26 July 2013.

ATFM/CDM Tripartite Project Meeting was a meeting amongst Air Navigation Service Provider (ANSP) of Hong Kong Civil Aviation Department (HK CAD), Civil Aviation Authority of Singapore (CAAS) and AEROTHAI with the goal to develop and improve Collaborative Decision Making (CDM) in air transport of the three countries.

G5 was a meeting among ANSPs from five countries with connected airspace including Thailand, Malaysia, Singapore, Indonesia and the Philippines. G5 delegates together discussed the following topics:

- (1) Contingency Plan,
- (2) Volcanic Ash Issue, and
- (3) Green Route Design.





5. Airspace Users - ANSP Annual Meeting 2013

AEROTHAI hosted the Airspace Users - ANSP Annual Meeting at Novotel Suvarnabhumi Airport Hotel, Bangkok on 4 September 2013. The purpose of the Meeting was to update Thai commercial airspace users of the current services provided by AEROTHAI and progress of projects which are implemented to provide better air traffic services. In addition, it was a venue for airspace users and air traffic controllers to express their opinions and recommendations which will be recorded as action items for further improvements of the services provided.

6. CANSO Asia Pacific Operations Work Group (APAC Ops WG) and CANSO Asia Pacific Safety Work Group (APAC SWG)

AEROTHAI hosted CANSO Asia Pacific Operations Work Group (APAC Ops WG) and CANSO Asia Pacific Safety Work Group (APAC SWG) in Bangkok during 28 – 29 November 2013 with the following objectives:

CANSO Asia Pacific Operations Work Group (APAC Ops WG) was aimed to update the progress of projects which are implemented and to pursue new technology in Air Traffic Service of CANSO regional members.

CANSO Asia Pacific Safety Work Group (APAC SWG) was focusing on the development of Regional Safety Program by sharing guidelines on safety procedures and problems concerning safety which resulted in the introduction of Safety Buddy System.



Performance

Evaluation in the Fiscal Year 2013

In the fiscal year 2013, TRIS Rating increased credit rating of AEROTHAI from “AA” to “AA+” with credit trend of “Stable”. This reflected finance status of AEROTHAI that has regained its good financial condition which would affect the Company's reliability.



Outlook

and Trend in Air Transport

Compared to traffic volume last year, the Company experienced a traffic growth of 14.02%, a continuous increase since from last year. The significant growth is mainly the result of the country's positive economic outlook and the Government's policy to promote tourism. In addition, the strategic plan on ASEAN tourism, 2011-2015 emphasized the strategies to bring in more tourists to this region. Growing popularity of domestic tourism also helped stimulate Low-Cost Airlines operations within Thailand which also contributed to the overall growth. Air traffic volume categorized by different types of operations is summarized below:

Fiscal Year	Aircraft Operation					Total	Change (%)
	Commercial				Military		
	International		Domestic	Overfly			
	Schedule	Non-schedule					
2547	157,280	12,418	86,626	37,291	13,665	307,280	17.20
2548	168,800	15,931	96,847	40,360	15,297	337,235	9.75
2549	178,807	14,656	102,610	42,120	11,832	350,025	3.79
2550	198,068	15,087	110,754	46,741	12,507	383,157	9.47
2551	204,924	16,615	112,067	50,062	14,720	398,388	3.98
2552	186,811	10,865	105,059	46,205	15,951	364,891	-8.41
2553	202,426	13,700	118,081	50,105	14,087	398,399	9.18
2554	228,050	20,475	137,760	57,310	12,672	456,267	14.53
2555	251,529	19,424	155,348	59,158	10,841	496,300	8.77
2556	289,531	28,529	178,924	68,446	11,876	577,306	14.02



Traffic Trend

The Company has revised the short-term Air traffic trend in the Bangkok FIR and concluded that it has continued to grow due to the main factor of Government's policy to promote tourism. In the long term of 10-15 years, it is forecast that the number of flights in the Bangkok FIR in fiscal year 2023, will be over 1 million flights or over 3,000 flights per day or the increase of 7% per year which is in consistent with the forecasts of the international organizations such as ICAO, IATA, EUROCONTROL and etc.





STATEMENT OF DIRECTIONS : SODS Mission





Statement of Directions : SODs

State Enterprise Policy :

To be the mechanism driving economic and social strategies on the basis of effective operation in line with good corporate governance.

State Enterprise in Transportation Field Policy :

To develop infrastructure and transporting systems that meet the standard, connecting transport networks and to provide services in order to support logistics system development that will increase the country's competitive capability and promote private sectors' role.

Corporate Policy :

To develop network, equipment and work systems to be advanced with quality and sufficient and to provide air navigation services with safety, rapidity, punctuality, meeting international standards and to increase income from related services.





Corporate Plan

Short-term Plan

- (1) To develop the Air Navigation Service Infrastructure or Thailand Modernization CNS/ATM Systems (TMCS) so that Thailand will have the capacity to accommodate the air traffic growth in 2015.
- (2) To implement actions to reduce the debts obligation following the Cabinet's resolution.
- (3) To adjust the staff's cost structure to be in a suitable proportion without affecting the safety standard of the services.

Long-term Plan

To build state-of-the-art air navigation service infrastructure in order to correspond with the expectation of the aviation community and to have the capability to accommodate the air traffic growth in 2020.

Objective/Target

The Corporate Plan is developed to show the Company's direction and operation objective. It is a 5-year (2013-2017) rolling plan. The Corporate Plan is the reference for initiative projects and strategic activities of the Company, including reasons (why), outcome, responsible person (who), duration (when), required budget and action plans.

The Corporate Plan is to assist the administration of the Board of Directors and management team. Moreover, the stakeholders can learn about the intention/important issues and the corporate developing strategy under the changing environment that affects the Company's operations.

Strategic Issue 1: Stakeholders Perspective

To develop air traffic management system to deliver excellent service outcomes responding to stakeholders' expectation.

Strategic objectives:

- 1.1 To ensure safety in all phases of flights.
- 1.2 To increase the capability of National Air Traffic Services.

Strategic Issue 2: Internal Process Perspective

To build a Total Quality Management Organization

Strategic objectives:

- 2.1 To employ Total Quality Management (TQM) for internal process management within the organization.

Strategic Issue 3: Learning and Growth Performance

To develop High Performance Organization (HPO) and to build a Sustainable Robust Organization striving for excellence.

Strategic objectives:

- 3.1 To lead organization with corporate governance and social responsibility.
- 3.2 To develop the information technology within the organization by efficiently managing the quality and availability of necessary information and knowledge.
- 3.3 To develop employee ability and engagement.

Strategic Issue 4: Financial Perspective

To increase financial performance.

Strategic objectives: :

- 4.1 To efficiently manage the organization's financial matters.



SHAREHOLDERS Mission



SHAREHOLDERS

In the fiscal year 2013, the A Shareholders and B Shareholders were as follows:

A shareholders No. of shares

The Ministry of Finance	5,770,000
The Ministry of Transport	230,000
Total A shareholders	6,000,000

B shareholders	No. of shares	B shareholders	No. of shares
1. Asiana Airlines	1,896	27. Hong Kong Airlines	5,689
2. Aeroflot Russian Airlines	948	28. Shanghai Airlines	5,689
3. Air France	406	29. China Southern Airlines	7,044
4. Air Hong Kong	813	30. Delta Airlines	948
5. Air India	1,896	31. Lufthansa German Airlines	1,896
6. Thai AirAsia Co., Ltd.	89,536	32. Druk Air	948
7. Srilankan Airlines Ltd.	4,605	33. Eastar Jet	1,761
8. Air Macau	1,490	34. Etihad Airways	2,845
9. All Nippon Airways	4,064	35. Ethiopian Airlines	1,896
10. Austrian Airlines AG	948	36. EVA Airways Corp.	4,605
11. Indonesia Air Asia	4,199	37. Federal Express Corp.	1,626
12. Air Asia Sdn Bhd	14,087	38. Finnair Oyj	948
13. British Airways 813	813	39. Lufthansa Cargo AG.	271
14. Biman Bangladesh Airlines	542	40. Gulf Air Company G.S.C.	813
15. Air Berlin	948	41. Garuda Indonesia	2,845
16. Bangkok Airways Plc.	71,589	42. Hong Kong Dragon Airlines Ltd.	2,303
17. Berjaya Air SDN BHD	406	43. Happy Air Traveller Co., Ltd.	677
18. China Airlines Ltd.	6,366	44. Vietnam Airlines	5,283
19. Air China	2,303	45. InterGlobe Aviation Ltd. (IndiGo)	2,845
20. Cebu Pacific Air	2,167	46. Mahan Air	813
21. China Eastern Airlines	8,940	47. Jet Airways (India) Ltd.	4,741
22. Hainan Airlines	1,626	48. Japan Airlines Co., Ltd.	3,793
23. China Cargo Airlines	1,355	49. Jeju Air	1,896
24. Cargolux Airlines Int'l S.A.	1,084	50. Jin Air	948
25. Cathay Pacific Airways	8,534	51. JetStar Asia Airways Pte Ltd.	5,689
26. Spring Airlines	1,896	52. Jetstar Airways Pty Ltd.	813

B shareholders**No. of shares**

53. Kuwait Airways	1,626
54. Korean Air	5,960
55. Cambodia Angkor Air Co., Ltd.	2,845
56. KLM Royal Dutch Airlines	948
57. K-Mile Air	948
58. Kannithi Aviation	4,064
59. Air Koryo	135
60. Kenya Airways Ltd.	1,896
61. Air Astana	948
62. Lao Airlines	3,522
63. Malaysian Airlines System Berhad	4,741
64. Air MadaGascar	542
65. Mandala Airlines PT	1,896
66. Martinair Holland NV	271
67. Egypt Air	1,896
68. Nippon Cargo Airlines Co., Ltd.	813
69. Nok Airlines Plc.	59,736
70. Orient Thai Airlines Co., Ltd.	5,147
71. Oman Air (SAOC)	2,032
72. Philippine Airlines	2,709
73. Pakistan Int'l Airlines	542
74. Qantas Airways	948
75. Qatar Airways	4,741
76. Royal Brunei Airlines Sdn Bhd	1,084
77. Air Austral	271

B shareholders**No. of shares**

78. ALIA - The Royal Jordanian Airlines	1,896
79. Nepal Airlines Corporation	271
80. Scandinavian Airlines System	948
81. Siberia Airlines	135
82. Siam General Aviation	17,068
83. Singapore Airlines	4,741
84. Silk Air Private Ltd.	6,366
85. Singapore Airlines Cargo Pte Ltd.	542
86. Saudi Arabian Airlines	813
87. Swiss Int'l Air Lines	948
88. Tiger Airways	10,295
89. Thai Airways International Plc.	125,567
90. Turkish Airlines Inc.	2,438
91. Transaero Airlines	2,032
92. T'Way Air Co., Ltd.	677
93. Emirates	6,637
94. United Airlines	948
95. Myanmar Airways International	2,845
96. United Airways (BD) Ltd.	542
97. United Parcel Service Co., Ltd.	677
98. Uzbekistan Airways	271

Total B shareholders 600,000

Remarks : Shares allocated on 1 August 2013.

An aerial photograph of a city skyline, likely Chicago, featuring prominent skyscrapers like the Willis Tower. The image is overlaid with a vertical gradient from blue at the top to yellow at the bottom, with some light clouds visible in the hazy background.

BOARD of directors

BOARD OF DIRECTORS

In the fiscal year 2013, the Board of Directors consisted of the following 11 Directors:

1. Mr. Voradej Harnprasert Chairman

(Appointed as the Chairman on 14 November 2011)

Age : 55

Position : Director General, Department of Civil Aviation



Education:

- Bachelor's Degree in Accounting, Institute of Technology and Vocational Education
- Master's Degree in Economics, Middle Tennessee State University, USA
- National Defence College (Class of 53)

Training:

- Advanced Certificate Course in Public Economics Management for Executives (Class of '5), King Prajadhipok's Institute
- Civil Service Executive Program: Visionary and Moral Leadership (Class of 56), the Office of the Civil Service Commission (OCSC)
- Ivey Executive Program, Richard Ivey School of Business, the University of Western Ontario, Canada

Work Experiences:

- 2011-Present Director General, Department of Civil Aviation, Ministry of Transport
- 2010-2011 Inspector General, Ministry of Transport
- 2008-2010 Principal Advisor on Air Transport Economics, Ministry of Transport
- 2005-2008 Director, Bureau of Planning, Office of Transport and Traffic Policy and Planning

Fields of Competence:

- Economics and Finance
- Management and Business Administration, Strategy, and Development Planning
- National Transport Plan
- Air Transport, Aviation and Air Traffic Control
- Transport and Communication

Other Positions:

- Secretary of the Civil Aviation Board
- Name listed in Directors' Pool of State Owned Enterprise in Economics, Finance (Finance and Budget), Strategy and Development Planning (Strategy Planning) and Transport (Air Transport)

BOARD OF DIRECTORS

2. Air Chief Marshal Bureerat Ratanavanich Vice Chairman

(Appointed as the Director and Vice Chairman on 14 November 2011 and 30 November 2011 respectively and retired on 6 October 2013 as he was 65 years old.)

Age : 65

Position : Retired Officer



Education:

- Bachelor of Science, Royal Thai Air Force Academy
- Flying Program, Flying Training School, Royal Thai Air Force (Class of 46)
- National Defence College (Class of 42)

Training:

- Air War College (Class of 28)
- Director Accreditation Program (DAP Class of 26), Thai Institute of Directors
- Director Certification Program (DCP Class of 122), Thai Institute of Directors
- Public Director Certification Program (PDI Class of 5), King Prajadhipok's Institute

Work Experiences:

- Deputy Chief of Defence Forces
- Deputy Chief of Joint Stf
- Special Advisor, Royal Thai Air Force
- Aide-de-Camp, Royal Aide-de-Camp Department

Fields of Competence:

- Management and Business Administration, Strategy and Development Planning
- Personnel Management and Organization Development
- Aviation and Air Traffic Control
- Transport
- Security

Other Positions:

- Member of the Board of Directors, Salee Industry Public Company Limited
- Name listed in Directors' Pool of State Owned Enterprise in Management, Business Administration, Transport (Air Transport), and Security (Intelligence)

3. General Lieutenant Police Yongyuth Tiewtraku Director

(Appointed on 14 November 2011)

Age : 63

Position : Retired Officer



Education:

- Bachelor of Economics, Thammasat University
- Bachelor of Law, Sripatum University
- Master of Liberal Arts (Political Science), Ramkhamhaeng University
- National Defence College (Class of 46)

Training:

- Senior Police Officers Course (Class of 17)
- Mini Master of Modern Management, National Defence College
- Advanced Security Management Program, National Defence College Association
- Public Director Certification Program (PDI class of 11), King Prajadhipok's Institute

Work Experiences:

- Years 2009-2010 Inspector General (Level 8), Royal Thai Police
- Years 2004-2009 Deputy Commissioner, Immigration Bureau
- Deputy Commissioner, Provincial Police Region 1
- Deputy Commissioner, Provincial Police Region 7

Fields of Competence:

- Economics and Finance
- Management and Business Administration, Strategy and Development Planning
- Law
- Personnel Management and Political Science
- Aviation, Air Traffic Control, and Airport Management
- Transport and Communication
- Security

BOARD OF DIRECTORS

4. Air Chief Marshal Somchai Thean-anant Director

(Appointed on 18 April 2013)

Age : 62

Position : Retired Officer



Education:

- Bachelor of Electrical Engineering, Royal Thai Air Force Academy
- Master of Electrical Engineering (Aerospace Systems), Cranfield Institute of Technology, the United Kingdom
- National Defence College (Class of 46)

Training:

- Certificate, Airport Management Program (Class of 1), Kasetsart University
- Air War College (Class of 30)
- Top Executive Program (Class of 5), Capital Market Academy (CMA)
- Director Accreditation Program (DAP Class of 47), Thai Institute of Directors
- Role of the Nomination and Governance Committee (RNG Class of 2), Thai Institute of Directors
- Role of the Compensation Committee (RCC Class of 14), Thai Institute of Directors
- Director Certification Program (DCP Class of 155), Thai Institute of Directors
- Role of the Chairman Program (RCP Class of 30), Thai Institute of Directors
- Public Director Certification Program (PDI class of 3), King Prajadhipok's Institute

Work Experiences:

- | | |
|--------------------------|--|
| - Years 2008-August 2011 | President, Aeronautical Radio of Thailand Ltd. |
| - Years 2007-2008 | Executive Expert (a position for an officer of the rank of Air Chief Marshal) |
| - Years 2006-2007 | Chief of Staff Attached to the Commander-in-Chief, Royal Thai Air Force |
| - Years 2005-2006 | The Commander of the Science and WeaponSystem Development Centre, Royal Thai Air Force |



Fields of Competence:

- Strategy and Development Planning, Aviation, Air Traffic Control and, Transport and Communication, Engineering and Security.

Other Positions:

- Chairman of the Board of Directors, PEA ENCOM International Co., Ltd.
- Member of the Board of Directors, PTT Global Chemical Public Company Limited
- Judge of the Military Court
- Name listed in the Directors' Pool of State Owned Enterprise in Strategy, Development Planning, Transport, and Telecommunication and Information Technology

BOARD OF DIRECTORS

5. Mr. Kusol Yaemsa-ard Director

(Appointed on 14 November 2011 and resigned
on 18 April 2013 and reappointed on that day)

Age : 57

Position : Executive-Director, Department of Legal Counsel,
Office of the Attorney General



Education:

- Bachelor of Law (Honours), Chulalongkorn University
- Thai Barrister
- Master of LL.M. (in Criminal Justice), New York University, USA
- Master of LL.M. (General), New York University, USA

Work Experiences:

- Year 2010-November 2013 Senior Expert Public Prosecutor Department of Legal Counsel, Office of the Attorney General
- Years 2007-2010 Expert Public Prosecutor, Department of Legal Counsel, Office of the Attorney General

Fields of Competence:

- Management and Business Administration
- Strategy and Development Planning
- Law and Government Contract

Other Positions:

- Member of the Board of Directors, Neighboring Countries Economic Development Cooperation Agency (Public Organization)
- Name listed in the Directors' Pool of State Owned Enterprise in Law (Criminal Law, Civil and Commercial Law) and Government Contracts.



6. Mr. Pisit Boonchoang Director

(Appointed on 14 November 2011 and resigned
on 18 April 2013 and reappointed on that day)

Age : 62

Position : Retired Officer



Education:

- Bachelor of Political Science, Thammasat University
- Master of Public Affairs, Kentucky State University, USA
- National Defence College (Class of 46)

Training:

- School for District Chief Officers, Institute of Administration Development
- Senior Governing Officer Training School
- Staff, Territorial Defence Volunteers
- Public Director Certification Program (PDI class of 11), King Prajadhipok's Institute

Work Experiences:

- | | |
|-------------------|---|
| - Years 2010-2011 | Governor of Phatthalung Province, Minister of Interior |
| - Years 2009-2010 | Vice Governor of Uthai Thani Province, Minister of Interior |
| - Years 2008-2009 | Vice Governor of Chon Buri Province, Minister of Interior |
| - Years 2007-2008 | Vice Governor of Ratchaburi Province, Minister of Interior |

Fields of Competence:

- Management and Business Administration
- Strategy and Development Planning
- Organization Management and Development
- Political Science

BOARD OF DIRECTORS

7. Mr. Kraitos Ongchaisak Director

(Appointed on 28 February 2013)

Age : 41

Position : Managing Director, Expanets Integrated
Solution Co., Ltd.



Education:

- Bachelor of Science in Computer Science, Assumption University
- Master of Business Administration, Indiana University at South Bend, Indiana, USA

Training:

- Director Certification Program (DCP Class of 159), Thai Institute of Directors
- Public Director Certification Program (PDI Class of 10), King Prajadhipok's Institute

Work Experiences:

- | | |
|----------------------|---|
| - Years 2012-Present | Managing Director, Take One Music Co., Ltd. |
| - Years 2008-Present | Managing Director, Auto Network Service Co., Ltd. |
| - Years 2006-Present | Managing Director, Glomex Media (Thailand) Co., Ltd. |
| - Years 2004-Present | Managing Director, Expanets Integrated Solution Co., Ltd. |

Fields of Competence:

- Economics and Finance
- Management and Business Administration
- Information Technology, Communication and Computer, Logistic Management
- Transport

Other Positions:

- Member of the Board of Directors, Thailand Post Co., Ltd.
- Member of the Board of Directors, MCOT Public Company Limited

8. Mr. Somchai Sujjapongse Director

(Appointed on 18 April 2012)

Age : 52

Position : Director General, Fiscal Policy Office,
Ministry of Finance



Education:

- Bachelor of Economics (Honours), Chulalongkorn University
- Master of Economics, Ohio State University, USA
- Doctorate of Economics, Ohio State University, USA
- The Joint State-Private Sector Regular Course (Class of 20), National Defence College

Training:

- Top Executive Program (Class of 2), Capital Market Academy (CMA)
- Public Director Certification Program, King Prajadhipok's Institute Director Certification Program (DCP Class of 75), Thai Institute of Directors
- Civil Service Executive Program: Visionary and Moral Leadership (Class of 44), the Office of the Civil Service Commission (OCSC)

Work Experiences:

- | | |
|---------------------|---|
| - Year 2011–Present | Director General, Fiscal Policy Office, Ministry of Finance |
| - Years 2010-2011 | Director General, State Enterprise Policy Office, Ministry of Finance |
| - Years 2009-2010 | Director General, Customs Department, Ministry of Finance |
| - Years 2008-2009 | Director General, Fiscal Policy Office, Ministry of Finance |
| - Years 2007-2008 | Fiscal Advisor, Fiscal Policy Office, Ministry of Finance |
| - Years 2003-2007 | Deputy Director General, Fiscal Policy Office, Ministry of Finance |

Fields of Competence:

- Economics and Finance
- Management and Business Administration, and Strategy and Development Planning

Other Positions:

- Member of the Board of Directors, Metropolitan Electricity Authority
- Member of the Board of Directors, PTT Public Company Limited
- Member of the Board of Directors, Bangkok Dusit Medical Services Public Company Limited
- Name listed in Directors' Pool of State Owned Enterprise in Economics, Finance, Management and Business Administration, and Strategy and Development Planning

BOARD OF DIRECTORS

9. Squadron Leader Asdavut Watanangura Director

(Appointed on 18 April 2012)

Age : 54

Position : Executive Vice President, Operations Support
for DD-D, Thai Airways International Public
Company Limited



Education:

- Master's Degree in Civil Engineering, Hochschule Der Bundeswehr Muenchen, Federal Republic of Germany

Work Experiences:

- Years 2012-Present Executive Vice President, Operations Support for DD-D, Thai Airways International Public Company Limited
- Years 2010-2012 Executive Vice President, Operations Department, Thai Airways International Company Limited
- Years 2008-2010 Vice President Aviation Resources Development, Thai Airways International Company Limited
- Years 2006-2008 Director Flight Deck Crew Training Department, Flight Operation, Thai Airways International Company Limited

Fields of Competence:

- Management and Business Administration, Strategy and Development Planning
- Aviation, Aviation Safety
- Aviation Resources Management and Development

Other Positions:

- Chamberlain for HRH Crown Prince Maha Vajiralongkorn Mahidol
- Attached to HRH Crown Prince Maha Vajiralongkorn Mahidol and Head of Administrative Department attached to HRH Crown Prince Maha Vajiralongkorn Mahidol, Flight Operations Section



10. Mr. Puttipong Prasarttong-Osoth Director

(Appointed on 18 April 2012)

Age : 48

Position : President, Bangkok Airways
Public Company Limited



Education:

- Bachelor of Commerce and Accountancy, Chulalongkorn University
- National Defence College (Class of 54)

Work Experiences:

- | | |
|----------------------|---|
| - Years 2008-Present | President, Bangkok Airways Public Company Limited |
| - Years 2007-2008 | Senior Vice President Operations, Bangkok Airways Company Limited |
| - Years 1997-2006 | Vice President Operations, Bangkok Airways Company Limited |

Training:

- SASIN Senior Executive Program, SASIN Graduate Institute of Business Administration of Chulalongkorn University
- Certificate of Commercial Pilot Licence
- The Program for Senior Executives on Justice Administration (Batch 13), Judicial Training Institute

Fields of Competence:

- Management and Business Administration, Strategy and Development Planning
- Accounting and Finance
- Aviation, Aviation Management and Air Traffic Control

Other Positions:

- Director of the Board of Bangkok Air Catering Company Limited
- Director of the Board of WFS-PG Cargo Company Limited
- Director of the Board of Worldwide Flight Service Bangkok Air Ground Handling Company Limited
- Director of the Board of Bangkok Helicopter Services Company Limited
- Pilot of Airbus 319/320 fleet, Bangkok Airways Public Company Limited
- Advisor, Bangkok Christian College Association
- Senior Advisor, Nakorn Ratchasima's Municipality

BOARD OF DIRECTORS

11. Squadron Leader

Prajak Sajjasophon

President

(Appointed on 14 November 2011 and resigned on 18 April 2013 and reappointed on that day)

Age : 59

Position : President, Aeronautical Radio of Thailand Ltd.



Education:

- Bachelor of Electrical Engineering, Royal Thai Air Force Academy
- Master of Public Administration, Thammasat University

Training:

- Air War College (Class of 37)
- Executive Communications Program, Wharton School, University of Pennsylvania, USA
- Advanced Management Program, Wharton School, University of Pennsylvania, USA
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (Class of 11), King Prajadhipok's Institute
- Financial Statements for Directors Program (FSD Class of 11), Thai Institute of Directors
- Justice Executive Training Course (JET Class of 2), Justice Officials Training Institute
- Advanced Security Management Program (Class of 3), National Defence College
- Top Executive Program (Class of 17), Capital Market Academy (CMA)

Work Experiences:

- | | |
|-----------------------|---|
| - Years 2011- Present | President, Aeronautical Radio of Thailand Ltd. |
| - Year 2010 | Executive Vice President, Aeronautical Radio of Thailand Ltd. |
| - Years 2009-2010 | Vice President (Administration) Aeronautical Radio of Thailand Ltd. |
| - Years 2006-2009 | Senior Expert, Aeronautical Radio of Thailand Ltd. |



Fields of Competence:

- Management and Business Administration, Strategy and Development Planning
- Organization Management and Development
- Political Science
- Aviation, Aviation Management, and Air Traffic Control
- Engineering
- Security

Other Positions:

- Name listed in Directors' Pool of State Owned Enterprise in Strategy and Development Planning (Project Management) and Transport (Air Transport)
- Committee, Security Association of Thailand
- Vice President of Thailand Volleyball Association
- Advisor to Sub-Committee on Air Transport
- Advisor, King Prajadhipok's Institute Society

DIRECTOR RESIGNING DURING THE FISCAL YEAR 2013

General Prin Suvanadat Director

(Appointed on 14 November 2011 and retired on 21 October 2012)

Age : 61

Position : Retired officer



Education:

- Bachelor of Science, Chulachomklao Royal Military Academy
- National Defence College (Class of 47)

Training:

- Director Certification Program (DCP Class of 110), Thai Institute of Directors
- Public Director Certification Program (PDI Class of 10), King Prajadhipok's Institute

Work Experiences:

- | | |
|-----------------------------|---|
| - Years 2006-September 2012 | Chief of Staff Officers to the Minister of Defence, Office of Chief of Staff
Officers to the Minister of Defence |
| - Years 2004-2006 | Commanding General of 1st Division, King's Guard |
| - Years 2002-2004 | Commanding General of 11th Military Circle |

Fields of Competence:

- Management and Business Administration, Strategy and Development Planning
- Transport and Communication
- Security

Other Position:

- Member of the Board of Directors, PTT Public Company Limited

ROLES AND RESPONSIBILITIES OF BOARD OF DIRECTORS

The Board of Directors establishes the policies and oversees the Company's operations. They also play an important part to set up the strategic plan for organization development in accordance with State Enterprise's practices and the Company's vision: "To be a quality organization providing air navigation services". The Board of Directors appoint the knowledgeable and experienced directors to Sub-Committees for screening any necessary matters as follows:

1. The Executive Committee
2. The Audit Committee
3. The Risk Management Committee
4. The Remuneration Committee
5. The Corporate Governance and Corporate Social Responsibility Committee
6. The Legal Committee

The six Independent Directors were also announced.

The Company schedules the Board of Directors' meetings in advance throughout the year. The meeting is held each month to oversee and monitor the Company's operation. Meetings and some extra meetings will be called for if necessary as shown in the Annual Report. The meeting invitation letter and agenda in the form of document are provided to the Board of Directors 3-5 days prior to the meeting.

The minutes of the meetings are recorded in writing and kept available for Directors and relevant persons to inspect. In addition, the minutes of the Executive Committee's Meetings and Board of Directors' Meetings are distributed to A Shareholders (the Ministry of Finance and the Ministry of Transport) and B Shareholders (Member Airlines) for acknowledgement and also available on website for shareholders.





The Evaluation of Board of Directors

To be in line with the Good Corporate Governance practice, the Board of Directors has their evaluation to monitor themselves for better performing their duties. This evaluation also assists them in setting the Company's direction and supervising the management properly. The evaluation is conducted every six months and based on two categories: Self Assessment and Board Evaluation.

Category of Evaluation	First Evaluation		Second Evaluation	
	(October 2012 – March 2013)		(April – September 2013)	
	Point	Level	Point	Level
Self Assessment	110.10/112	Excellent	111.40/112	Excellent
Board Evaluation	118.7/120	Excellent	115.6/120	Excellent

The Self Assessment consists of six topics: core competency, independence, preparedness, practices as a director, committed activities and development of organization. The Self Assessment's result was shown excellent.

The Board Evaluation consists of four topics: Board of Directors and their meetings, communications, work procedures and the relationship with executive management. The Board Evaluation's result was shown excellent.



The Board of Directors' knowledge and skill development

The Company realized the importance of the Board of Directors' competency development, which contributed to the Company highest efficiency and productivity as well as being in line with the Good Corporate Governance practices. In the fiscal year 2013, the Board of Directors participated in training and seminars arranged by the King's Prajadhipok's Institute and Capital Market Academy (CMA). They also joined the various activities such as the AEROTHAI 2013 Innovation Fair and site visits to the Air Traffic Control Centres for better understanding of the Company's functions.

In the fiscal year 2013, the Board of Directors had the facility visits in Japan on 8-13 January 2013 and Switzerland and France on 28 August – 3 September 2013 regarding the safety management in air traffic control and airport management. These visits broadened their knowledge in new technologies for ATC operations and flow management which is useful for them to set the Company's direction to increase the efficiency of the services provided to meet or extend beyond international standards. Finally, it will increase users' satisfaction.



The Orientation for the new Directors

The Company arranged the orientation for the new Directors with a provision of essential and responsibility-related information in the form of documents, presentation and facility visit. The documents provided to the new Directors were as follows:

1. The Board of Directors and Sub-Committee appointment letter.
2. The Company's information consisting of the booklet of the Company's memorandum of association and articles of association, general information (Company background and status, shareholders, policies, vision, values, responsibilities in air navigation services and business units), organization chart, personnel, air transport situation and the Company's performance and financial statements, Corporate Plan, significant projects, relevant national and overseas organizations and the Company's Annual Report.
3. Board of Directors' handbook consisting of the names of the Board of Directors and its composition, their authorization and duties, terms, Board meeting and its allowances, Sub-Committee and their authorization and duties, information of independent directors, the evaluation, the application to be member airlines, agreement between the Ministry of Transport and the Company, the asset account submission under the Organic Act on Anti Corruption B.E. 2542 and relevant laws, regulations and the Act including a booklet of information system application for the Board of Directors.



Connected Transactions of the Board of Directors with the Company

In the fiscal year 2013, the Company was reported that the Board of Directors had no connected transactions. In addition, they did not hold any shares or held not more than 10 per cent of all voting shares of the Company.



AUTHORIZED DIRECTORS

In the fiscal year 2013, two out of the following five Authorized Directors could co-sign and affix the Company seal to bind the Company:

- | | |
|----------------------------|-------------------|
| 1. Mr. Voradej | Harnprasert |
| 2. Mr. Somchai | Sujjapongse |
| 3. Squadron Leader Asdavut | Watanangura |
| 4. Mr. Puttipong | Prasarttong-Osoth |
| 5. Squadron Leader Prajak | Sajjasophon |

THE SECRETARY OF THE BOARD OF DIRECTORS



1. Squadron Leader Prajak Sajjasophon
Secretary
President

2. Miss Duangta Samitsuwan
Assistant Secretary
Vice President (Office of President)

3. Mrs. Thaniya Suntharasantic
Senior Director
Finance and Accounting Bureau

The Board of Directors' Attendance

In the fiscal year 2013, the Board of Directors held thirteen meetings with attendance details as follows:

Name			Number of Attendances
Mr. Voradej	Harnprasert	1/	13/13
Air Chief Marshal Bureerat	Ratanavanich	1/	13/13
General Lieutenant Police Yongyuth	Tiewtrakul	1/	13/13
Air Chief Marshal Somchai	Thean-anant	4/	7/7
Mr. Kusol	Yaemsa-ard	4/	12/13
Mr. Pisit	Boonchoang	4/	13/13
Mr. Kraits	Ongchaisak	3/	7/8
Mr. Somchai	Sujjapongse	2/	5/13
Squadron Leader Asdavut	Watanangura	2/	9/13
Mr. Puttipong	Prasarttong-Osoth	2/	10/13
Squadron Leader Prajak	Sajjasophon	4/	13/13

(The absent attendants were due to other engagement.)

Remarks: 1/ Appointed on 14 November 2011

3/ Appointed on 28 February 2013

2/ Appointed on 18 April 2012

4/ Appointed on 18 April 2013

The Executive Committee

The Executive Committee consists of not less than three members and not more than five members. In the fiscal year 2013, the Executive Committee consisted of:

1. Mr. Somchai	Sujjapongse	Chairman
2. Mr. Kusol	Yaemsa-ard	Member
3. Squadron Leader Asdavut	Watanangura	Member
4. Mr. Puttipong	Prasarttong-Osoth	Member
5. Squadron Leader Prajak	Sajjasophon	Member and Secretary
6. Miss Duangta	Samitsuwan	Assistant Secretary
7. Mrs. Thaniya	Suntharasantic	Assistant Secretary

Responsibilities

The Executive Committee is appointed according to Article 42 fourth paragraph of the Company's Articles of Association which stipulates that "In order to facilitate and expedite the conduct of the Company and to supervise the management of the Company more closely the Board of Directors shall set up an Executive Committee of not less than three nor more than five persons".

The Executive Committee's Attendance

In the fiscal year 2013, the Executive Committee held ten meetings with attendance details as follows:

Name		Number of Attendances
Mr. Somchai	Sujjapongse	6/10
Mr. Kusol	Yaemsa-ard	10/10
Squadron Leader Asdavut	Watanangura	9/10
Mr. Puttipong	Prasarttong-Osoth	7/10
Squadron Leader Prajak	Sajjasophon	10/10

(The absent attendants were due to other engagement.)





The Audit Committee

In the fiscal year 2013, the Audit Committee consisted of:

1. Mr. Pisit	Boonchoang	Chairman
2. General Lieutenant Police Yongyuth	Tiewtrakul	Member
3. Mr. Kraitos	Ongchaisak	Member
4. Vice President (Office of Internal Audit)		Secretary

Responsibilities

1. Report on validity of financial statements and management reports.
2. Report on the efficiency, effectiveness and cost control schemes of the Company's operations.
3. Report on conflicts of interest and related matters.
4. Report on compliance with rules, regulations, Cabinet Resolutions and policies set by the State Enterprises Board of Directors.



The Risk Management Committee

In the fiscal year 2013, the Risk Management Committee consisted of:

1. Air Chief Marshal Bureerat Ratanavanich	Chairman
2. Air Chief Marshal Somchai Thean-anant	Member
3. Mr. Puttipong Prasarttong-Osoth	Member
4. Squadron Leader Prajak Sajjasophon	Member
5. Vice President (Office of Policy and Strategy)	Secretary
6. Senior Director, Policy and Strategy Management Bureau	Assistant Secretary

Responsibilities

The Risk Management Committee considers all aspects or situations that might pose risk to or otherwise affect the Company. The Committee has to evaluate such situations and determine policy to eliminate and/or reduce the risk. The Management and staff then have to follow such policy.

The Remuneration Committee

In the fiscal year 2013, the Remuneration Committee consisted of:

1. Air Chief Marshal Bureerat	Ratanavanich	Chairman
2. General Lieutenant Police Yongyuth	Tiewtrakul	Member
3. Mr. Pisit	Boonchoang	Member
4. Squadron Leader Asdavut	Watanangura	Member
5. Vice President (Human Resource)		Secretary
6. Senior Director, Human Resource and Assistant Quality of Work Life Bureau		Secretary

Responsibilities

1. To establish the benefits, remuneration rate and evaluation criteria of the President.
2. To consider the evaluation standards of the President's performance.
3. To give the policy or make an approval of remuneration and benefit packages of Management appropriately.
4. To propose the President's evaluation for the Board of Directors' approval.
5. To perform the relevant matters as assigned by the Board of Directors.



The Corporate Governance and Corporate Social Responsibility Committee

In the fiscal year 2013, the Corporate Governance and Corporate Social Responsibility Committee consisted of:

1. Mr. Voradej	Harnprasert	Chairman
2. Air Chief Marshal Bureerat	Ratanavanich	Member
3. General Lieutenant Police Yongyuth	Tiewtrakul	Member
4. Air Chief Marshal Somchai	Thean-anant	Member
5. Mr. Kusol	Yaemsa-ard	Member
6. Mr. Pisit	Boonchoang	Member
7. Mr. Kraits	Ongchaisak	Member
8. Mr. Somchai	Sujjapongse	Member
9. Squadron Leader Asdavut	Watanangura	Member
10. Mr. Puttipong	Prasarttong-Osoth	Member
11. Squadron Leader Prajak	Sajjasophon	Member
12. Vice President (Office of President)		Secretary
13. Miss Sumontha	Cherdchuen	Assistant Secretary
14. Mrs. Pornnabpan	Chootai	Assistant Secretary

Responsibilities

To set the Corporate Governance and Corporate Social Responsibility policy and practices, pre-consider and give the suggestion, report on compliance with the Corporate Governance and Corporate Social Responsibility Plan including monitoring and evaluating the Corporate Governance and Corporate Social Responsibility practices.



The Legal Committee

In the fiscal year 2013, the Legal Committee consisted of:

1. Mr. Kusol	Yaemsa-ard	Chairman
2. Miss Chunhachit	Sungmai	Member
3. Mr. Narin	Yiamsombat	Member
4. Squadron Leader Prajak	Sajjasophon	Member
5. Dr. Abhijai	Chandrasen	Legal Advisor
6. Vice President (Office of President)		Secretary
7. Director, Legal Affairs Department		Assistant Secretary
8. Senior Director, General Administration Bureau		Assistant Secretary

Responsibilities

To consider and give suggestion regarding Laws, regulations and contract as assigned by the Company or the Board of Directors.

Independent Directors

In the fiscal year 2013 the Independent Directors consisted of:

1. Air Chief Marshal Bureerat	Ratanavanich
2. General Lieutenant Police Yongyuth	Tiewtrakul
3. Air Chief Marshal Somchai	Thean-anant
4. Mr. Kusol	Yaemsa-ard
5. Mr. Pisit	Boonchoang
6. Mr. Kraitos	Ongchaisak

The Independent Directors have performed their duty in line with a principle of “Independence” which is defined as “a key to foster the Directors’ responsibilities. A certain number of the Independent Directors should be comprised of the Board of Directors and they can make suggestions or reports with consideration of their duties and responsibilities independently and justly without direct or indirect benefits or advantages in that case and without considering any benefits relating to properties or positions. In addition, the Independent Directors are not under any influence from people, groups or situations that would result in the Company and shareholders incurring damage or loss of appropriate benefits due to act or omission of act.”

The Independent Directors certify their independence upon being appointed and on a yearly basis. In the fiscal year 2013, the Independent Directors held two meetings and every Independent Director attended that meeting.



Rates of Remuneration for the Board of Directors

The Company is a state enterprise abiding by Cabinet resolutions. Therefore, the Company has to abide by the rules of the Ministry of Finance for the remuneration for the Board of Directors which is the meeting allowance as published in the Annual Report.

Remuneration Rate for the Board of Directors and Committee Divided into Groups in the Fiscal Year 2013

No.	Committee	No. of Meetings	Total Remuneration (Baht)
1.	The Board of Directors	13	1,000,500.00
2.	The Executive Committee	10	394,500.00
3.	The Audit Committee	10	283,000.00
4.	The Risk Management Committee	3	203,000.00
5.	The Remuneration Committee	4	90,000.00
6.	The Corporate Governance and Corpo	1	120,000.00
	Social Responsibility Committee		
7.	The Legal Committee	11	104,000.00
8.	The Committee to Consider Appeal	1	8,000.00
Total			2,203,000.00

Remuneration Rate for the Board of Directors and Committee Divided individually in the Fiscal Year 2013

No.	The Board of Directors		Total Remuneration (Baht)
1.	Mr. Voradej	Harnprasert	234,409.30
2.	Mr. Somchai	Sujjapongse	118,745.60
3.	General Lieutenant Police Yongyuth	Tiewtrakul	288,245.60
4.	Air Chief Marshal Somchai	Thean-anant	103,245.60
5.	Mr. Kusol	Yaemsa-ard	252,745.60
6.	Mr. Pisit	Boonchoang	311,245.00
7.	Mr. Kraitos	Ongchaisak	148,000.00
8.	Mr. Puttipong	Prasarttong-Osoth	204,246.60
9.	Air Chief Marshal Bureerat	Ratanavanich	264,601.30
10.	Squadron Leader Asdavut	Watanangura	188,000.00
11.	Mr. Narin	Yiamsombat	12,500.00
12.	Miss Chunhachit	Sungmai	12,500.00
13.	Squadron Leader Prajak	Sajjasophon	156,000.00
Total			2,294,484.60

The Labor Relations Committee

In the Fiscal Year 2013 , the Labor Relations Committee consisted of:

No.	Name		Position	Number of attendance
1.	Squadron Leader Prajak	Sajjasophon	Chairman	11/12
2.	Group Captain Chokechai	Spanon	Member (Employee)	12/12
3.	Mr. Teekayu	Muratha	Member (Employee)	12/12
4.	Mr. Nuttawat	Supanundha	Member (Employee)	2/12
5.	Miss Duangta	Samitsuwan	Member (Employee)	9/12
6.	Miss Tipaporn	Nippakakorn	Member (Employee)	11/12
7.	Mr. Waravut	Raphiphan	Member (Employee)	6/12
8.	Mrs. Thaniya	Suntharasantic	Member (Employee)	10/12
9.	Mr. Marnoch	Sawatdee	Member (Employee)	11/12
10.	Mr. Surapat	Chootinantana	Member (Employer) and Secretary	12/12
11.	Mr. Parinya	Thienthong	Member (Employee)	11/12
12.	Flight Sergeant1 Thanoo	Ratanasupaphunt	Member (Employee)	10/12
13.	Mr. Wanchai	Chaipanset	Member (Employee)	12/12
14.	Mr. Sukit	Klinhom	Member (Employee)	12/12
15.	Mr. Matee	Khamhaeng	Member (Employee)	8/12
16.	Mr. Sangsith	Prasomthong	Member (Employee)	10/12
17.	Flight Sergeant 1 Chaiyant	Changrangkarn	Member (Employee)	10/12
18.	Mr. Choophong	Karnfung	Member (Employee)	10/12
19.	Mr. Sapol	Singhadara	Member (Employee)	12/12

Remarks

No. 4 was appointed on 16 December 2012 to replace the retired member.

Board of Directors

Other Committees
Appointed by Board
of Directors

President

Executive Vice
President

Expert,
Executive Vice
President Level

Vice President
(Office of Internal Audit)

Vice President
(Office of Safety and Standards)

Vice President
(Office of Business Development)

Vice President
(Air Traffic Services Engineering)

Vice President
(Human Resource)

Vice President
(Office of President)

Vice President
(Office of Policy and Strategy)

Vice President
(Air Traffic Management)

Vice President
(Provincial and Facilities Administration)

Vice President
(Finance)

Functions

The Company's organization structure has the Board of Directors as the overseer who monitors the operations of the Company with the President as the highest executive management. The structure is divided into 10 branches with the Vice President responsible for each division. Details of the branches are as follows:

1. Office of President is responsible for good corporate governance and social responsibility, code of ethics and conduct, support the Board of Directors and shareholders, legal matters, procurement, documentation and secretary, communications and stakeholders' relationship management.
2. Office of Internal Audit is responsible for the independently audit, review and evaluation of the reliability and completeness of work systems and directly reports the findings to the Audit Committee.
3. Air Traffic Management is responsible for the efficient provision of air traffic management with the following areas:
 - En-route within the Bangkok Flight Information Region (Bangkok FIR)
 - Aerodrome and Approach Control
 - Airspace Management and Flexible Use of Airspace
 - Aeronautical Information Service
 - Flight Procedures Design and Airspace Development
4. Provincial and Facilities Administration is responsible for the provision of air traffic control services in the Bangkok FIR in provincial airports, administration of the provincial air traffic control centres, power supply system, utilities, buildings and premises, security system, and safety, occupational health and working environment management.
5. Air Traffic Service Engineering is responsible for the administration of air traffic service engineering in design, procurement, development, installation, maintenance and management of supporting systems for the provision of air traffic services as well as efficiently and effectively develop and administer the information technology systems.
6. Office of Policy and Strategy is responsible for the policy analysis, strategy planning, organization development, project analysis, performance monitoring and risk management.
7. Human Resource is responsible for the administration and development of human resource so that the Company's personnel will have the potential, behaviour and rewards in compliance with the Company's strategy.
8. Finance is responsible for the efficient administration of budget, finance and revenue and accounting.
9. Office of Business Development is responsible for the business strategy and activities with governmental and private sectors both domestic and overseas.
10. Office of Safety and Standards is responsible for the standards of services and safety management of the core business operations.

COMPANY'S MANAGEMENT

COMPANY'S MANAGEMENT (As of 30 September 2013)



Mrs. Sarinee Sangprasit
Executive Vice President

Mr. Aphinun Vannangkura
Executive Vice President

Mr. Somnuk Rongthong
Executive Vice President



Group Captain Chokechai Spanon
Expert, Executive Vice
President Level

Mrs. Onurai Komain
Vice President (Finance)

Miss Tipaporn Nippakakorn
Vice President (Human Resource)



Mr. Tinnagorn Choowong
Vice President
(Air Traffic Management)

Mr. Teekayu Muratha
Vice President
(Provincial and Facilities
Administration)

Mr. Nuttawat Supanundha
Vice President
(Air Traffic Services Engineering)

COMPANY'S MANAGEMENT

COMPANY'S MANAGEMENT (As of 30 September 2013)



Miss Duangta Samitsuwan
Vice President
(Office of the President)

Mr. Wichit Theerapong
Vice President
(Office of Internal Audit)

Mr. Suttipong Kongpool
Vice President
(Office of Policy and Strategy)



Mr. Channarong Chuacharoen
Vice President
(Office of Business Development)

Mr. Anucha Kammong
Vice President
(Office of Safety and Standards)

Mr. Anucha Tavorchotsakul
Expert, Vice President Level



Miss Waraporn Songcharoen
Expert, Vice President Level

Mr. Chatree Kimanunta
Director attached to Office of
the President, Vice President Level

Squadron Leader Ekaburuse Rawdhetubhai
Director attached to Office of the President,
Vice President Level



Mr. Jak Chinorak
Senior Director,
Information Technology Bureau

Mrs. Thaniya Suntharasantic
Senior Director, Finance and
Accounting Bureau

Mrs. Chidkamol Soonthornsit
Senior Director, Support and
Planning Audit Bureau



Mrs. Orasa Thanasuan
Senior Director, Core
Business and Information
Technology Audit Bureau

Mr. Marnoch Sawatdee
Senior Director, Human
Resource and Quality
of Work Life Bureau

Mrs. Sirikes Niemloy
Senior Director, Air Traffic
Management Network Bureau



Mr. Anon Tantrakul
Senior Director, Air Traffic
Services Engineering Bureau

Captain Suebboon Nannar
Senior Director, Provincial
Air Traffic Management Bureau 1

Mr. Niwat Lekdee
Senior Director, Provincial Air
Traffic Management Bureau 2

COMPANY'S MANAGEMENT

COMPANY'S MANAGEMENT (As of 30 September 2013)



Mrs. Wandthiya Hengtrakul
Senior Director,
General Administration Bureau

**Squadron Leader
Chalernpol Promkingkaew**
Senior Director, Business
Systems Bureau

Mr. Waravut Raphiphan
Senior Director, Bangkok
Terminal Air Traffic Control
Management Bureau



Miss Voraporn Rhodyoo
Senior Director, Bangkok
Area Control Management
Bureau

Mr. Sukluer Chiawarcheep
Senior Director, Facilities
Administration Bureau

Wing Commander Thawatchai Kertsawat
Senior Director, Flight
Inspection Services Bureau



Mr. Sathaporn Srisomwong
Senior Director, Human
Resource Development
and Learning Promotion Bureau

Mr. Chatri Sasipayungsak
Senior Director, Safety and
Standards Bureau

Mr. Chana Tadtasai
Senior Director, Engineering
Services Bureau



Mr. Choosit Kuptaviwat
Senior Director, Air
traffic Services Engineering
Support Bureau

Mrs. Pornnabpan Chootai
Senior Director, Corporate
Communication and Relations
Management Bureau

Mr. Bancha Watanasoponwong
Senior Director, Policy and
Strategy Management Bureau



Mrs. Taratip Monthonpalin
Expert, Senior Director Level

Miss Sumontha Cherdchuen
Expert, Senior Director Level

Mr. Paisan Praneetpongtrang
Expert, Senior Director Level



Miss Sudarat Prachumphun
Expert, Senior Director Level

Company's Senior Management

1. Mrs. Sarinee Sangprasit

Age : 54

Present Position : Executive Vice President

Starting Work : 15 June 1984



Education:

- Bachelor of Arts (English Language and Literature), Kasetsart University
- Master of Business Administration (Business Administration), Kasetsart University

Work Experiences:

- Years 2011 – present Executive Vice President
- Years 2010 - 2011 Expert, Executive Vice President Level
- Years 2007 - 2010 Senior Executive Vice President (Policy)

2. Mr. Aphinun Vannangkura

Age : 59

Present Position : Executive Vice President

Starting Work : 4 October 1974



Education:

- Bachelor of Arts in Public Administration, Ramkhamhaeng University

Work Experiences

- Years 2012 – present Executive Vice President
- Years 2011 - 2012 Vice President (Air Traffic Management)
- Years 2010 - 2011 Vice President (Corporate Strategy and Communication)
- Years 2008 - 2010 Executive Vice President (Operations/Planning)

3. Mr. Somnuk Rongthong

Age : 52

Present Position : Executive Vice President

Starting Work : 15 May 1984



Education:

- Bachelor of Engineering in Electrical and Communication Engineering, Kasetsart University

Work Experiences:

- Years 2012 – present Executive Vice President
- Years 2010 - 2012 Vice President (Air Traffic Services Engineering)
- Years 2007 - 2010 Executive Vice President (Engineering)

4. Group Captain Chokechai Spanon

Age : 59

Present Position : Expert, Executive Vice President Level

Starting Work : 1 April 1998



Education:

- Bachelor of Engineering in Electrical Engineering, Royal Thai Air Force Academy
- Master of Public Administration (Management for Executive), National Institute of Development Administration

Work Experiences:

- Years 2012 – present Expert, Executive Vice President Level
- Years 2010 - 2012 Vice President (Human Resource)
- Years 2009 - 2010 Executive Vice President (Human Resource)
- Years 2007 - 2009 Executive Vice President (Administration)



COMPANY'S SERVICES

Mission



COMPANY'S SERVICES

Provision of Communications, Navigation, and Surveillance (CNS)

The Air Navigation Service Infrastructure comprises of:

1. Communications System: for provision of ground-to-ground communications between air traffic controllers and relevant organizations both domestic and overseas and air-to-ground communications between pilots and air traffic controllers
2. Navigation System: for provision of navigation for aircraft to operate flights on the routes and make precise landing at airports. The system also includes the Performance Based Navigation (PBN).
3. Surveillance System: to display location, co-ordinate and height level of aircraft for air traffic controller to monitor the flights. The systems are installed for approach control and area control (en-route) services as well as tracking aircraft and vehicles on the airfield.

In addition, there is the provision of ATM Automation/Support Tools, such as Flight Data Processing System (FDPS), Surveillance Data Processing System (SDPS), etc., for supporting overall air navigation services.

Air Navigation Services

En Route Air Traffic Service (Area Control Service)

Bangkok Area Control Centre (Bangkok ACC) provides Air Traffic Service (ATS) to all civil, military and official aircraft flying en route within the Bangkok Flight Information Region (Bangkok FIR) in order to ensure safety, orderly and efficient flow of air traffic in the Bangkok FIR.

In the fiscal year 2013, a total of 577,306 flight movements were serviced by the Bangkok ACC, representing a 16.32% increase.

Traffic Volume Serviced by Bangkok Area Control Centre

Type of Operation	Fiscal Year Traffic Volume		Traffic Volume Change	
	2012	2013	Increase (+)	Increase (+) %
			Decrease (-)	Decrease (-) %
Civil: International				
Scheduled	251,529	289,531	38,002	15.11
Non-Scheduled	19,424	28,529	9,105	46.88
Overflight	59,158	68,446	9,288	15.70
Civil: Domestic	155,348	178,924	23,576	15.18
Total Civil	485,459	565,430	79,971	16.47
Military	10,841	11,876	1,035	9.55
Total	496,300	577,306	81,006	16.32

Flight Movement Statistics of Suvarnabhumi Airport in Fiscal Year 2012 and 2013

Type of Flight	Number of Flights in Fiscal Year	
	2012	2013
International flight	219,401	222,176
Domestic flight	106,529	67,299
Total	325,930	289,475

Remarks

In the fiscal year 2013, the Government has the policy to use Don Mueang Airport to help reduce the flight congestion at Suvarnabhumi Airport.

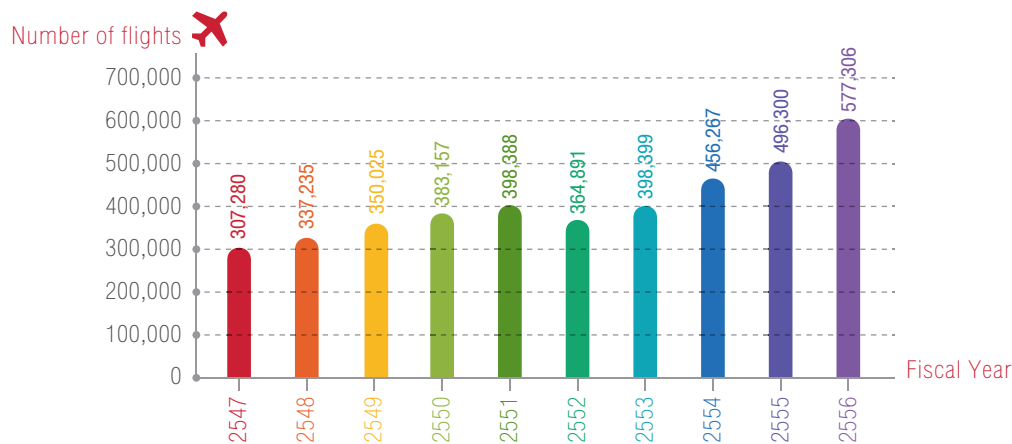
Flight Movement Statistics of Don Mueang Airport in Fiscal Year 2012 and 2013

Type of Flight	Number of Flights in Fiscal Year	
	2012	2013
International flight	2,834	39,911
Domestic flight	43,964	114,179
Total	46,798	154,090

Flight Movement-Airports

Airport	Number of Flights in the Fiscal Year		Changes in Number of Flights	
	2012	2013	Increase (+)	Increase (+) %
			Decrease (-)	Decrease (-) %
Suvarnabhumi	325,930	289,475	-36,455	-11.18
Don Mueang	46,415	154,090	107,675	231.98
Chiang Mai	39,656	46,907	7,251	18.28
Hat Yai	17,062	20,730	3,668	21.50
Phuket	61,000	72,148	11,148	18.28
Phitsanulok	8,826	11,947	3,121	35.36
Ubon Ratchathani	8,389	9,276	887	10.57
Udon Thani	13,936	15,456	1,520	10.91
Surat Thani	9,385	11,929	2,544	27.11
Chiang Rai	7,210	7,623	413	5.73
Samui	24,972	26,721	1,749	7.00
Other airports	93,368	79,913	-13,455	-14.41
Grand Total	656,149	746,215	90,066	13.73

Graph shows the number of flights during the 2004-2013 (fiscal year)



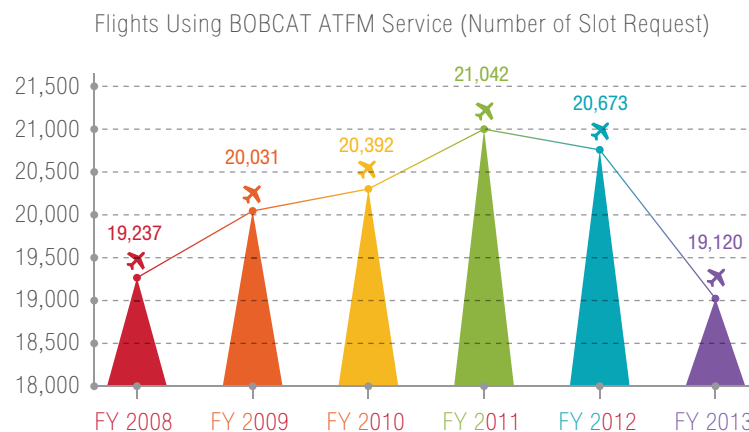
Notes

1. In fiscal years 2004-2007, the growth of low cost airlines continued to grow and the support of the government to promote tourism.
2. In fiscal years 2008-2009, global economic crisis with rising of oil prices, political crisis and the closure of Suvarnabhumi Airport caused the number of flight to decrease.
3. From the economy stimulus measures of many countries, the world economy started to recover in 2010 and has continued to grow in 2012 so as to encourage travelling and air transport business to grow again.
4. In fiscal year 2013, the Government has a policy to promote tourism industry to play a major role in restoring and solving economic problems of the Country. There are various incentive measures for the air transport operators.

Air Traffic Flow Management Service (ATFM Service)

Bangkok Air Traffic Flow Management Unit (Bangkok ATFMU) provides Air Traffic Flow Management (ATFM) service for all flights planning to enter the Afghanistan airspace westbound during the peak time period from South/Southeast Asia to Europe or from South Asia to North America. ATFM service is provided by using the Bay of Bengal Cooperative Air Traffic Flow Management System (BOBCAT), which was developed internally by AEROTHAI under auspices of ICAO Air Traffic Flow Management Task Force.

Statistics of Flights Using BOBCAT ATFM Service



	2008	2009	2010	2011	2012	2013
Average Nightly Movement	53	55	56	58	56	52
Peak Nightly Movement	66	73	70	72	72	66

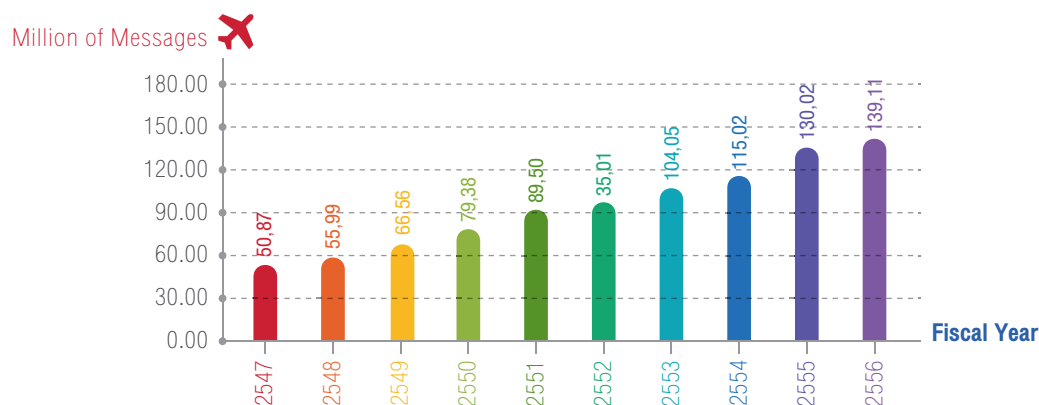
Based on increasing traffic and data supplied by airlines through the International Air Transport Association (IATA), it is estimated that since operational implementation of the ATFM procedure using the BOBCAT system in 2007 to the end of Fiscal Year 2013, the airlines would have saved about 87 million kilograms of aviation fuel, which would translate into reduction of greenhouse gases in contribution to the global environment of about 364 million kilograms. This, in turns, assisted in cumulative airline cost savings of approximately 87 million US Dollars.

In addition, it is estimated that in fiscal year 2013, the BOBCAT ATFM operations have contributed to approximately 13 million kilograms of fuel savings, equivalent of approximately 56 million kilograms of Carbon Dioxide emissions and approximately 13 million US Dollars of airline cost savings.

Aeronautical Information Service (AIS)

AEROTHAI is the main Aeronautical Information Services Centre (AISC) for Thailand with the responsibility of receiving, transmitting, relaying and distributing Aeronautical Information Services (AIS) information and messages to pilots and staff.

Graph shows the number of aviation news during the 2004-2013 (fiscal year)



Business Related Service Performance in the Fiscal Year 2013

The Company set up a Business Unit to perform commercial business activities by employing the organization's expertise which is the standard and proficiency of the provision of air navigation accepted by the aviation industry and the expertise in air traffic control technology and innovation in order to promote and support the Company's core function. This will be the strategic arms to drive the organization to achieve its objective to be the national air navigation service provider as well as increase income from related business to compensate main income which may have been affected by external crisis.

In the fiscal year 2013, AEROTHAI collected and reviewed customers and market's requirements and conducted researches to developed new products, systems and technologies, including training the engineers to acquire various skills in conducting surveys, designs, installation, developing, maintenance and consulting. In addition, AEROTHAI provides services in many projects in fields of production, provision, installation, maintenance, survey, inspection, calibration, training for domestic and overseas organizations.

Factor Impacting Performance

1. Aviation System Block Upgrades (ASBUs)

ICAO has developed Global ATM Operational Concept as vision and expectation in future air traffic management. ICAO further developed into Global Air Navigation Plan (GANP) which is then used to translate into regional and national plan (Basic Air Navigation Plan : Basic ANP).

Based on the evolution of technology/practice and development plan of the ATM Operation Concept Components, ATM Users Expectation or Key Performance Area (KPA) and Global Plan Initiatives as well as concepts of aviation leading countries leading to Aviation System Block Upgrades (ASBUs) a well-defined step-wise performance improvement strategic plan. It is a long term plan and is separated into 4 Performance Improvement Area (PIA) with Airport Operations, Globally Interoperable Systems and Data – through Globally Interoperable SWIM, Optimum Capacity and Flexible Flights – through Global Collaborative ATM, and Efficient Flight Path – through Trajectory Based Operations. Each has its baseline of Block 0 at 2013, whereby all technology, procedures, and standards are considered available, and States are recommended to complete all related improvement modules before the subsequent step of lock 1 at 2018. The Company has to set its organizational strategies in compliance with the concepts mentioned before.

2. ASEAN Economic Community (AEC)

Association of South East Asia Nations or ASEAN have set a target of becoming ASEAN Economic Community (AEC) with a free flow of products, services, and skilled labours so that ASEAN will become single market and production base by 2015. With in aviation sector, in order to support AEC target, ASEAN has planned to establish ASEAN Single Aviation Market (ASAM) by 2015 to ensure safe, secure and efficient air transport within ASEAN and beyond. Thailand was tasked with the lead in tourist and aviation sector, which is in harmony with government strategic policy for Thailand to be tourist and air transport hub in the future.

With regards to the plan to be ASEAN Community, AEROTHAI as Thailand air navigation service provider has begun to support the work of ASEAN by implementing the concept of Seamless ASEAN Sky to support the establishment of ASAM that will both benefit Thailand and

the sub-region of ASEAN. This requires extra encouragement and proactive efforts in related aspects of readiness from within AEROTHAI, Thailand's aviation stakeholders, and acceptance by ASEAN in a substantial manner.

3. Premises Management to Support the Company's Strategy

From the assessment of external environmental factors, government policy, future development plan of AEROTHAI, and the facility master plan, it is foreseen that the apparent limitation of working places and facilities for the related operation will escalate with more demand to support new works and human resource development in the near future as well as supporting the role of being leader in aviation.



New functions and service delivery according to development plan of ASBUs will need competent staff with new knowledge and working places to support new technology. Also, with the plan to become AEC, ASEAN will emphasize the capacity building in personnel and institute than already has been. Singapore and Malaysia have shown its plan and readiness for academy and training institute, nonetheless Thailand can also attain the capability on research and development for both personnel competency and innovative techniques and supporting instruments to offer as another choice of training facility of the region and supporting the role of AEROTHAI or Thailand in ASEAN.

With a well-equipped venue with wide range of supporting facility, AEROTHAI will be able to show leadership in organizing meetings or seminars relating to Thai aviation or organizing national meetings or seminars jointly with Thai aviation organizations. If considering other topics apart from aviation, there will be a large number of meetings each month. This is the symbol supporting Thailand or the Company to be the aviation leader in the region.

AEROTHAI has to improve the use of premises by zoning for units/staff to work in a suitable environment for efficient management in normal and crisis situations which may occur unexpectedly. The Company also needs a room for contingency so that the operational functions of AEROTHAI will run without being interrupted according to the principle of Business Continuity Management (BCM) and Crisis Management. This room must be located in a suitable location. Offices for executive management have also been identified in the zoning plan. With all the above supporting requirements, AEROTHAI plans to construct AEROTHAI Complex at the headquarters.



Organizational Development, Information Technology

The Company has implemented the Information Technology and Communication Master Plan, 2014-2016 according to the principles of enterprise architecture. According to the Corporate Plan 2014-2018, planning and management of information technology to support the business needs of the Company systematically and aim to safely develop the quality of information and communications technology to enhance efficiency and effectiveness.

1. Development/improvement of infrastructure for information technology and appropriate communication by employing computer and data communication network to support the Company's function stably and effectively as well as environmental friendly.
2. Development/improvement of information systems to increase the Company's potential in order to support all sectors.
3. With the integration of information technology and communications, electronic services are developed for stakeholders from all sectors.
4. Development/improvement of personnel to have knowledge and skills in information technology and Communication



In the fiscal year 2013, information systems on plans/projects have been developed/ improved according to the Information Technology and Communication Master Plan (revised edition 2012) and can be implemented as planned. The followings are plans/projects completed in the fiscal year 2013:

1. Improvement of the system/equipment, computers and peripherals to support the administrative job effectively for ONLINE/INTERNET/ INTRANET/FILE & PRINT.
2. Development of information systems management for the Office of President to support installation/maintenance of software and hardware to function effectively and the repair-document records can monitor the installation/maintenance software and hardware as well as preparation of statistics.
3. Development of provincial air traffic management systems to create prototype system to record and report outages (Electronic Log) for provincial units.
4. To develop/improve financial data processing system to support tax returns system via the Internet. (Revenue Department)
5. Development of information systems on plans and projects to monitor progress/ performance of the overall projects.
6. Development/improvement of data processing with safety standards to provide data collection system for standard and safety information so that the information will be complete to support the work of executives and all other sectors as well as the strategic unit.
7. Development/updating data processing system to support information management for staff welfare, children's education fund and loan management.
8. Development/improvement of information services for stakeholders from all sectors including airline information services (www.aerothai.net), Information Services Division operations. (www.aerothai.aero), data services sector (doc.aerothai.co.th), public information service (www.aerothai.co.th), Management Information Services (management.aerothai.co.th) and employees service. (staff.aerothai.co.th)





Human Resource and Organizational Development Mission





Human Resource and Organization Development

At the end of the fiscal year 2013 (30 September 2013), the total number of staff employed by AEROTHAI was 2,859 distributed as follows:

Head Office	1,564
Suvarnabhumi Airport	355
Don Mueang International Airport	134
Chiang Mai Air Traffic Control Center	136
Phuket Air Traffic Control Center	146
Hat Yai Air Traffic Control Center	123
Phitsanulok Air Traffic Control Center	107
Surat Thani Air Traffic Control Center	82
Udon Thani Air Traffic Control Center	81
Hua Hin Air Control Tower	50
Ubon Ratchathani Air Traffic Control Center	41
Nakhon Ratchasima Air Traffic Control Center	40

At present, there is a continuous economic growth in Asia, which inevitably leads to significant advancement in the aviation industry. Economic forecast predicts that such growth will continue until 2022. Even though this positive trend in the aviation industry will benefit AEROTHAI, it has brought challenges and highly emphasized the importance of our personnel. AEROTHAI needs to fairly compensate our staff, who are willing to dedicate themselves to work hard towards the Company's mission, especially in crises. This is the main driver for AEROTHAI to reconsider a compensation structure for our staff, particular in the core business. This initiative includes licence fee for all of the air traffic controllers, additional payment for other aviation-technical staff, and salary raise for all staff at every level to keep them motivated and make it more competitive to attract new talents into AEROTHAI.

In accordance to AEROTHAI HR Model that was created since 2012, the Company has proceeded on thorough job analysis, job evaluation, and career path studies in order to improve the existing systems to better match changing environment and Company's current situation. At present, AEROTHAI is implementing a major technological transformation project, called Thailand Modernization of CNS/ATM Systems. As part of supporting this initiative, the TMCS Project Managing Team was founded to prepare and work on all related aspects to make this project complete. The Human Module, one of the ten key modules in TMCS, is responsible for strategically planning manpower needed and competency development to ensure that our staff can operate efficiently in TMCS, both during the transition phase and full operation stage.

To promote staff's quality of life, AEROTHAI has closely considered a concept of fatigue management as well as various ways to reduce workload and work complexity, in order to cope with rapid increase in aviation traffics. Additionally, the Company offers many activities that aim to help staff achieve work-life balance and promote good health, both physically and mentally. Such activities emphasize on educating staff on how to prevent sickness and better take care of their health. Every year, the Company collects statistics of common sicknesses most staff have problems, based on medical bills they frequently submit for reimbursement. AEROTHAI analyzes the company-wide health statistics along with staff's annual health examination results, in order to design appropriate health-promoting activities and use as inputs in redesigning our welfare system. Some benefits added this year are options for cancer testing and additional examinations for staff above 40 years old.

Moreover, a revision of reimbursement procedures is being made, aiming to reduce reimbursement duration for staff. The Company provides various choices for health-promoting activities, in term of time, venues, and instructors, to better serve different needs of the staff. Popular health-promoting activities include aerobic, yoga, and body balance. To strengthen better relationship for staff and their families, AEROTHAI also offers other types of activities outside office hours such as domestic and international field trips for staff. In this case, the Company will subsidize part of the costs to encourage staff to spend more quality time with their families. During summer, there is also a youth camp provided for staff's children at no cost.

In the fiscal year 2013, AEROTHAI has carried out many activities to promote ethics, social welfare and environment. "The AEROTHAI Mini Volleyball" is the Company's pilot project to support talented youth around the country to play volleyball and use their free time efficiently. "The AEROTHAI Loves the Earth Together" encourages staff to promote environmental well-being by participating in reef planting. "The AEROTHAI for Underprivileged Kids" is a project where staff and AEROTHAI retirees come together to collect necessary items as well as raise money for underprivileged kids. "The AEROTHAI Annual Buddhist Ceremony (Tod Kra-Tin)" is done every year as a company-wide merit-making activity.

AEROTHAI highly emphasizes the importance of our staff. The Company recognizes that its overall performance is mainly driven by staff's dedication and willingness to work hard. The more engaged the staff is to the Company, the higher motivated they would be to perform at their best to support sustainable growth for AEROTHAI. Therefore, AEROTHAI continues to further promote staff's engagement in every aspect.

HUMAN RESOURCE DEVELOPMENT AND LEARNING MANAGEMENT

AEROTHAI is responsible for enhancing and developing staff's competency according to its core competency, knowledge management planning, scholarships providing, learning organization environment founding and innovation promoting. The operations under Corporate Plan (2013 – 2017) consist of 3 parts, as showed below:

1. Training and Human Resource Development
2. Knowledge Management (KM)
3. Innovation Promoting



Training and Human Resource Development

AEROTHAI realizes the importance of human resource development and providing the training and development programs for the management and staff as follows:

1. Training and Development for Management: To develop management at all levels to have the managerial competency suitable for their positions by emphasizing both theoretical aspect (Hard side) and knowledge sharing through experience aspect (Soft side) including teamwork and preparing them for promotion.
2. Training and Development for Staff : Emphasis is put on Career Development Plan and development of employee capabilities within the Core Competency and developing for the replacement position or successor in higher levels

Apart from its mission of training, the Company continues to contribute significantly support for staff and external applicants to enhance future human capabilities by providing scholarships to staff and external applicants.

Furthermore, the Company has provided training and human resource development for specific fields as follows:



Human Resource Development : Engineering

In the fiscal year 2013 the Company has continue to develop training road map for the engineering personnel under the framework of ICAO by organizing training course in AEROTHAI ATSEP basic training for the new engineers, reviewing training data for Qualification training and System/Equipment Rating training for the preparation of training course development next year as well as monitoring the systems and equipment procurement for Air Traffic Management Centre (ATMC) to provide staff training to support new system and equipment that will be used in the near future.





Human Resource Development : Air Traffic Services

The Company prepares the staff who have to work with the Pre-Flight Management in FDMC System, by providing domestic and international training courses including observation trips abroad. The Company adopted the Voice Communication System : VCCS (touch screen) and 3 dimensions 180 degrees and 360 degrees simulator in aerodrome control training services in order familiarize them to cut over to the new Thailand Modernization CNS/ATM System (TMCS).

AEROTHAI also provided various training courses for personnel from Nepal and Mongolia.

Knowledge Management (KM)

AEROTHAI has put forward knowledge management (KM) tools to its management in 2004 and has been implemented under the KM Master Plan, 2013-2017. The plan aims encourage staff to share and transfer knowledge from generation to generation. The use of information technology to systematically collect knowledge with the aim to seek for best practice will lead to development and enhancement of strong knowledge base and value added to the organization.

Innovation Promoting

AEROTHAI has continued to put emphasis on internal innovation promotion. There is a responsible unit with systematic management. Engagement has been encouraged and executive management are members of the committee to set policy, targets and good corporate governance. Integration of innovation promotion and knowledge management was done to support the concept of learning organization and innovation organization. In addition, the Company organizes various activities such as meeting to exchange knowledge and idea amongst staff, annual innovation and ideas competition, etc.



Risk Management And Internal Control

Risk Management

AEROTHAI has placed importance and continuously provided support in implementing the risk management throughout the organization systematically and efficiently. The Company set the risk management and internal control policy, established the risk management and internal control structure at corporate level and functional level with responsible groups. The Company's risk appetite and risk tolerance are defined and set. The Company has conducted risk management training for employees, communicated and reported risk information and managed risks at all levels. Risks are divided into four main categories: strategic, operational, financial and compliance risks. The Company revised the risk management process and prepared the risk management and internal control manual in comply with the Committee of Sponsoring Organization of the Treadway Commission (COSO)'s Enterprise Risk Management-Integrated Framework as well as the State Enterprise Policy Office (SEPO)'s Risk Management and Internal Control – Principles and Guidelines 2012

In the fiscal year 2013, significant risks are identified and managed in four categories as follows:



Strategic Risk

The Company's strategic risk related to the effectiveness of the Company's strategic plan which had an effect on the Company's vision and mission. The Company has monitored and evaluated the achievement of performance targets of the Company's Corporate Plan 2013-2017's plans/projects and the risk was managed and reduced to an acceptable level.

Operational Risk : Safety

The risk that the Company focused and placed importance on was accidents/incidents that might happen in air navigation services. The monthly incident report and analysis of the comparative yearly accident/incident data were submitted to the Safety and Risk Management Steering Committee and the Risk Management Committee for preventive risk management. According to incident statistics in 2013 the level of risk is acceptable.

In addition, the Company has urged the government sector to manage risks in air navigation service which caused by external factors such as the launching of rockets and sky lanterns and community radio station interference with aviation communication.





Financial Risk

To response to financial risk, AEROTHAI monitored situations inside and outside the country which might have an impact on the number of flights and the Company's income. The Company would execute the cost control plan in order to keep liquidity and balance the account to be at an appropriate level. However number of commercial flights has increased steadily in 2013. As the result, the Company can manage the financial risk at an acceptable level.

Compliance Risk

In the fiscal year 2013, the Company had no filed complaints and final judgment in the lawsuits. Therefore, risk from the Company's operations not comply with Good Corporate Governance and related laws is at an acceptable level.



Business Continuity Management : BCM

The Company revised the Business Continuity Plan (BCP) for Tung Mahamek Headquarters, Don Mueang Airport and Suvarnabhumi Airport by assessing the likelihood of the risk occurring that might affect the Company's core business and exercised all the procedures in the plan. In addition, The Company created and exercised BCP for Chiang Mai, Hat Yai, Phuket and Surat Thani Air Traffic Control Centres.

Internal Control

The Company has provided sufficient internal control and suitable for the mission of the Company and has it reviewed to correspond to the changing environment with 5 components of internal control according to the Commission Auditor General of Thailand standards as follows:



that they are sufficient, suitable and consistent with the risk standards. There is specification of policy, rule, regulation, manual for unit to follow, reviewing of financial report and performance report, reviewing of work operation by executive at each level. There is work follow-up system between high level executives and the functional level. This covers units in the central and Provincial areas. The duties are separated so that the same person will not be responsible for all steps of important work or risk to cause damage. There is information technology control in order to create safety of data and system and supervision and protection of Company's property especially property with high level of risk and supervision of system/equipment maintenance and preventive maintenance and corrective maintenance.

1. Control Environment

The Company has arranged suitable internal control environment in both writing (hard control) and non-writing (soft control) by specifying policy, manual and regulation in the various important works clearly and covering the work operation in each aspect and assign the duty, responsibility to personnel in each position in writing, specification of approving authority according to position, drafting ethics/employees' regulations, specification of policy and operation guideline on human resource management including the creating of atmosphere and promote personnel to act according to the laws and ethics.

2. Risk Assessment

The Company has the risk management in the whole organization in the organizational level and functional level. There has been specification of the structure of risk management and internal control and specify the role, duty and responsible person in the risk management in order to manage the risk of the Company holistically. The Company has considered the environment whether it has any risk that might affect the organizational target and specify the risk according to the Ministry of Finance guidelines which is divided into 4 aspects including Strategic Risk, Operational Risk: Safety, Financial Risk and Compliance Risk and evaluate the risk and follow up on the risk status in each aspect for preventive risk management. Moreover, the Company has analyzed the risk according to the situation by following up related environment that might cause an incident that will affect the work operation of the Company.

3. Control Activities

The Company has reviewed and arranged control activities so



5. Monitoring and Evaluation

From the work operation of members of the Audit Committee who have been assigned by the Board of Directors, the Audit Committee saw that most of the work operations have suitable internal control systems and are carried out according to the regulations, Cabinet's resolutions, policy that the Board of Directors has specified and there is sufficient risk management.

Good Corporate Governance and Corporate Social Responsibility (CG & CSR)

Revision of AEROTHAI's good Corporate Governance Policy

In the fiscal year 2013, AEROTHAI has revised its Good Corporate Governance and Corporate Social Responsibility publish version 2012, and that version is current and up to date as follows:

Good Corporate Governance and Corporate Social Responsibility Policy "Aeronautical Radio of Thailand Ltd. strictly adheres to administration under a good corporate governance which provides safety service with a quality of international standard and responds to stakeholders' satisfaction with fairness and transparency and responsible to society and environment"



The Corporate Governance and Corporate Social Responsibility Master Plan 2013-2017

In order to achieve practical result of the Company's performance and to be beneficial to all parties, in the fiscal year 2013, the Company has drafted the Good Corporate Governance and Corporate Social Responsibility Master Plan 2013-2017. The said plan comprised of corporate governance plan (CG), corporate social responsibility plan (CSR) as well as the guidelines to encourage implementation of both CG & CSR. This Master Plan has been set under the good corporate governance criteria which was in compliance with the Company's Corporate Plan. The said Master Plan was agreed to by the Good Corporate Governance and Corporate Social Responsibility Committee on 26 December 2013. The said Plan has 5 Strategic Issues with 23 activities for measures and action plans.



ADHERENCE

TO THE OFFICIAL INFORMATION ACT B.E. 2540 (1997)

The Company's Information Centre is located at the Head Office, Tung Mahamek 102 Soi Ngamduplee, Tung Mahamek, Sathon, Bangkok 10120, Telephone Number 02 285 9388, opened on official days at 08.30 a.m. to 16.30 p.m.

The Public Information Centre provides the information as follows:

1. Administration Information, consisting of the Company 's general information (Company's background, policy, vision, responsibilities, shareholders, ratio of shareholders), organizational structure, rules, regulations and awards.
2. Reports, consisting of annual reports, Corporate Plan, Company's plans and projects, flight charges, financial reports, business reports, innovation projects and minutes of meetings.
3. Procurement Information, consisting of Bid, tender and purchase/procurement documents and results of procurement.
4. Agreements, consisting of domestic and international agreements and contracts including related services agreements.
5. Announcement information, consisting of journals, periodicals published on special occasions and news clipping.

In addition, further information is available at www.aerothai.co.th.



Information Service to the Public

In the fiscal year 2013, 521,248 visitors accessed the Company's website, mainly searching for the Company's responsibilities, background and job application announcement. However, there were no citizens enforcing their rights to complain or appeal under the ACT.

The Public Information Centre Services

The Public Information Centre delivered the services constantly and well-organized the Information for the transparency, equity and fairness in conformity with the legislative intent of the Act.



THE AUDIT COMMITTEE'S REPORT FOR THE FISCAL YEAR 2013

In the fiscal year 2013 the Audit Committee members were as follows:

1. During 1 – 21 October 2012, members of the Audit Committee consisted of General Prin Suvanadat as Chairman, Police Lieutenant General Yongyuth Tiewtrakul and Mr. Pisit Boonchoang
General Prin Suvanadat resigned from the Board of Directors on 22 October 2012. The members of the Audit Committee consisted of Mr. Pisit Boonchoang as Chairman and Police Lieutenant General Yongyuth Tiewtrakul since 26 October 2012.
2. During 26 April – 30 September 2013, members of the Audit Committee consisted of Mr. Pisit Boonchoang as Chairman, Police Lieutenant General Yongyuth Tiewtrakul and Mr. Kraits Ongchaisak.

The Audit Committee performed their duties as assigned by the Board of Directors, the Audit Committee Charter and the Audit Committee of State Enterprise under the Ministry of Finance Practice Handbook. In the fiscal year 2013, the Audit Committee held eight meetings which were attended by the senior management, Chief Audit Executive, the management of Office of Internal Audit and the officers from the Office of the Auditor General. Major matters could be summarized as follows:

1. To verify the financial report for its accountability, make reports of the implementation projects with respect to efficiency, effectiveness and economics measures, report on conflicts of interest and report on activities in accordance with related rules, regulations, Cabinet Resolutions, and policies set by the Board of Directors.
2. To review the efficiency and the effectiveness of the Company's Internal Controls, Risk Management and Good Corporate Governance by receiving internal audit reports and the Internal audit group's practice report regularly. Moreover, the Committee has followed up the results of the control self assessment in accordance with Internal Control Standard 2001.





3. To review the Independence of Internal Auditor group and the audit practices to ensure compliance with regulations and best practice determined by the Ministry of Finance. To monitor for the measures taken to follow the recommendations after each audit to ensure that the corporate has appropriate internal control and to prevent or reduce any risk that might occur.
4. To review the Audit Committee Charter, key performance index with a result of 4.00 out of 4.00 points and determine the planned agenda. The Committee also conducted self assessment and the Audit Committee's performance with a result of 4.00 out of 4.00 points.
5. To supervise internal audit practices by approving the internal audit charter, Practice Handbook, key performance index, the five year strategic internal audit implementation plan and the annual internal audit implementation plan for the fiscal year 2014. To agree to the revision of budget for the fiscal year 2013 and the budget for the fiscal year 2014. To appraise the Chief Audit Executive, Experts, Senior Director Level, Experts, Director Level and Internal Audit officers for their performance of the fiscal year 2013. To review internal audit group annual report of the fiscal year 2013, internal audit recruitment plan for the fiscal years 2014 – 2018, training plan of the fiscal year 2014 and the practical guide to resources management and follow up the progress of the internal audit implementation plan.
6. The annual financial statements and audit fees of the Company are 610,000.00 Baht

After performing their duties and responsibilities delegated by the Board of Directors, the Audit Committee certified that the financial report truly and fairly reflected the Company's financial status and operating results in accordance with generally accepted accounting standard. In conclusion, the Company has been operated in accordance with appropriate internal control measurement, rules, regulations, Cabinet resolutions and policies set by the Board of Directors. The Company has adequate risk management control. The Internal audit practice complies with the principle and best practice under the Ministry of Finance. There were no issues relating to conflicts of interest. The written reports of the Audit Committee were submitted to the Board of Directors on a monthly basis. The Audit Committee's suggestions and guidelines were considered by the Company to improve operations and enhance effectiveness.

(Mr. Pisit Boonchoang)

Chairman of the Audit Committee



Financial Report Mission

Financial Report

1. Report of the Board of Directors' responsibility to the financial statements

The Company's financial report was arranged under the approval of the Company's Board of Directors to show the Company's financial status together with annual operating performance in accordance with generally accepted accounting standards.

The Company's Board of Directors was well aware of the responsibility to prepare and arrange the Financial Report that presented the Company's annual financial status and operating performance in compliance with generally accepted accounting standards as well as its responsibility to financial information which was presented in the 2013 annual report.

Thus, the financial statements and the accounting information for the Fiscal Year 2013 have been carefully prepared with the most reasonable determination to apply appropriate accounting policies and practices through the optimal forecast. All important information was sufficiently disclosed in the notes on the Company's Financial Statements for the benefits of shareholders and stakeholders.

In addition, The Company's Board of Directors has deployed and maintained effective systems of risk management and internal controls which provided reasonable assurance that the Company's accounting records were accurate, complete and sufficient to protect the assets of the Company. The systems were also designed to prevent serious misconduct or other irregularities in the operation of the Company.

The Company's Board of Directors monitored the preparation of financial reports by appointing the Audit Committee to oversee the quality of the Company's financial reports and internal control procedures thoroughly. The Audit Committee's view regarding such matters was disclosed in this Annual Report under the Audit Committee's Report.

In the Board of Directors' opinion, the Company's internal control systems were satisfactory and assure the reliability of the Company's financial statements in compliance with generally accepted accounting standards, legal requirements and other associated regulations.

2. Summary of Financial Report

Unit: Million Baht

	2013	2012	2011
Operating Performance (Baht : Million)			
Total Income	8,047.10	6,955.42	6,233.7
Total Expenditure	7,094.87	6,780.72	5,856.39
Income over Expenditure to Member Airlines	952.23	174.70	377.37
Financial Status (Baht : Million)			
Total Assets	8,183.50	6,732.41	7,275.27
Total Liabilities	7,358.46	5,930.81	6,476.30
Total Shareholders' Equity	825.04	801.60	798.97
Financial Ratio			
Debt-to-Equity Ratio (times)	8.92	7.40	8.11
Fixed Charge Coverage Ratio (times)	1.16	1.24	1.25

3. The Company's Operation Analysis

The Company's total income in the Fiscal Year 2013 was over total expenditure with overcollection of Baht 952.23 Million, which will be accumulated and returned to Member Airlines in the future.

Unit: Million Baht

Items	2013	2012	Increase (Decrease)	
			Amount	%
Income				
Air Navigation Services	7,506.98	6,073.81	1,433.17	24
Other Related Services	489.49	808.80	(319.31)	(39)
Other Income	50.63	72.81	(22.18)	(30)
Total Income	8,047.10	6,955.42	1,091.68	16
Expenditure				
Operating Expenditure	6,935.58	6,615.67	319.91	5
Finance Costs	159.29	165.05	(5.76)	(3)
Total Expenditure	7,094.87	6,780.72	314.15	5
Income over Expenditure to Member Airlines	952.23	174.70	777.53	445

3.1 Income Analysis

The Company's total income in the Fiscal Year 2013 was Baht 8,047.10 million. This was derived mainly from income from air navigation services of Baht 7,506.98 million or 93% of total income along with income from other related services including rental and maintenance of equipment, aeronautical telecommunications services (AOC services), and work orders accounting for 6% of total income or Baht 489.49 million. In addition, income from other services was Baht 50.63 million or 1% of total income.

Actual income from air navigation services of Baht 7,506.98 million increased by 24% or Baht 1,433.17 million from the previous year as the Company had implemented the new Air Navigation Services Charges Structure: phase I (effective from 1 June 2012 to 30 September 2013) En-Route Charge is at Baht 3,300 per unit and Terminal Charge is at Baht 500 per unit.

Income of Baht 489.49 million from other related services decreased by 39% or Baht 319.31 million from the previous year mainly due to the reduction in work orders income. The other income of Baht 50.63 million decreased by 30% or Baht 22.18 million from the previous year because during the Fiscal Year 2012 the Company received insurance compensation from the flooding damages in the Bangkok areas.

3.2 Expenditure Analysis

The Company's total expenditure in the Fiscal Year 2013 was Baht 7,094.87 million, of which 71% or Baht 5,043.01 million was accounted for cost of employee benefits, 27% or Baht 1,892.57 million was other operating expenditure, and the remaining 2% or Baht 159.29 million was the cost of finance. As a result of measures taken by the Company to control and save costs, which did not affect the core business and safety standards, the operating expenditure of Baht 86.05 million was saved in 2013.

4. The Company's Fundamental Analysis

4.1 Assets Analysis

The Company's total assets as of 30 September 2013 were Baht 8,183.50 million, comprised of 44% current assets and 56% non-current assets, with the following details:

Unit: Million Baht

Items	2013	2012	Increase (Decrease)	
			Amount	%
Current Assets	3,614.70	2,202.74	1,411.96	64
Non-current assets				
- Long-Term Investments	1.90	62.81	(60.91)	(97)
- Long-Term Loans to Staff	0.36	0.49	(0.13)	(27)
- Buildings and Equipment - Net	4,052.23	4,190.63	(138.40)	(3)
- Assets under Construction	514.31	275.74	238.57	87
Total	8,183.50	6,732.41	1,451.09	22

Total assets increased by 22% or Baht 1,451.09 million from the previous year as the current assets increased due to the increase in cash and cash equivalents.

4.2 Liabilities Analysis

The Company's total liabilities as of 30 September 2013 were Baht 7,358.46 million, comprised of 37% current liabilities and 63% non-current liabilities with the following details:

Unit: Million Baht

Items	2013	2012	Increase (Decrease)	
			Amount	%
Current Liabilities	2,084.27	1,115.59	968.68	87
Current Portion of Long-Term Liabilities	644.54	644.54	-	-
Non-current Liabilities	4,629.65	4,170.68	458.97	11
Total	7,358.46	5,930.81	1,427.65	24

In 2013, total liabilities increased by about 24% or Baht 1,427.65 million from the previous year. The non-current liabilities were mainly long-term loans from Government Savings Bank, Krung Thai Bank Public Company Limited, Siam Commercial Bank Public Company Limited, and CIMB Thai Bank Public Company Limited, which were used for investment in projects at Suvarnabhumi Airport and other projects. The payments of principal and interest are scheduled every 6 months.

4.3 Shareholders' Equity Analysis

The Company's shareholders' equity as of 30 September 2013 was Baht 825.04 million with the following details:

Unit: Million Baht

Items	2013	2012	Increase (Decrease)	
			Amount	%
Registered Ordinary Share Capital	660.00	660.00	-	-
Staff Welfare Fund	165.04	141.60	23.44	17
Total	825.04	801.60	23.44	3

The capital structure as of 30 September 2013 comprised of total liabilities of Baht 7,358.46 million or 90% and shareholders' equity of Baht 825.04 million or 10%.

5. The Company's Cash Flow Analysis

The Company's closing balance of cash and cash equivalents as of 30 September 2013 was Baht 2,260.61 million, which increased from the opening balance by Baht 1,376.28 million. Net cash from operating activities was mainly from overcollection and depreciation of the investment in fixed assets. Net cash used in investment activities was mainly used for project investments to support and enhance the capabilities of air traffic control services. Additionally, net cash used in financing activities was mostly for payments of long-term loans that were due.

Unit: Million Baht

Items	2013 Million Baht	2012 Million Baht	Increase (Decrease) Million Baht
Cash Flow from Operating Activities	2,263.91	1,246.67	1,017.24
Cash Flow from Investing Activities	(867.84)	(706.17)	(161.67)
Cash Flow from Financing Activities	(20.57)	(608.13)	587.56
Gain (Loss) on Exchange Rate	0.78	(1.78)	2.56
Cash and Cash Equivalent (closing balance)	2,260.61	884.33	1,376.28



6. The Company's Financial Ratio Analysis

The Company's debt-to-equity ratio in 2013 increased from the previous year because of the increase in accumulated overcollection. Additionally, the fixed charge coverage ratio (an ability to pay principal and interests) derived from net cash flow from operating activities mainly from higher depreciation of the completed projects

Unit: Million Baht

Items	2013	2012	Increase (Decrease)
Debt-to-Equity Ratio (times)	8.92	7.40	1.52
Fixed Charge Coverage Ratio (times)	1.16	1.24	(0.08)

The Company operates on a cost-recovery basis (or as a non-profit organization). If income exceeds expenditure, the overcollection will be returned to Member Airlines. On the other hand, the Company will collect income shortage from Member Airlines if income falls below total expenditure. The majority of Company's funds for projects are financed by long-term loans from financial institutions. The ability to pay interest and loans mainly depends on depreciation each year, which is already included in Air Navigation Services Charges (ANS Charges) to be collected from Airlines.





7. Financial Trend

The Company's estimation of income and expenditure budget was revised in the 2014 Financial Plan (approved by the Company's Board of Directors at the 10/2013(550) Meeting on 20 September 2013). The total income in 2014 is estimated to be Baht 8,841.56 million: ANS Charges of Baht 8,335.56 million and other related services and other income of Baht 506.00 million. The estimated expenditure is Baht 8,660.50 million. Therefore, overcollection of Baht 181.06 million is expected at the end of 2014.

From the review of 2014 Financial Plan, the Company has revised the estimated total income and expenditure according to the increase in the annual growth rate of forecasted flight movements to 12% from 2013 (the Financial Plan forecasted 9% increase in flight movements). Additionally, the new Air Navigation Service Charges Structure (phase II) has become effective since 1 October 2013 with En Route Charge = Baht 3,500 per unit and Terminal Charge = Baht 500 per unit. As a result, the Company's estimated total income has been revised to be Baht 9,417.41 million consisting of ANS Charges of Baht 8,911.41 million and other related services and other income of Baht 506.00 million.

The estimated operating expenditure in the Fiscal Year 2014 is Baht 8,660.50 million. Therefore, overcollection is estimated to be Baht 756.91 million.

In the Fiscal Year 2014, withdrawal for investments from the Company's capital expenditure is expected at Baht 2,894.42 million, mainly for the investments in safety and other safety support projects which are in line with the Company's Corporate Plan for the year 2014 to 2018. The investments comprise of the ANS Infrastructure Development Project of Baht 1,914.42 million and other investments related normal operations of Baht 980 million. These investment funds are partly from the long term loan of Baht 3,480.00 million, which was arranged in 2013, as well as the operating revenue or the remaining amount of working capital.



AUDITOR'S REPORT

To the Shareholders of AERONAUTICAL RADIO OF THAILAND LTD.

The Office of the Auditor General has audited the Statement of Financial Position of AERONAUTICAL RADIO OF THAILAND LTD., as at 30 September 2013, and the related Comprehensive Statements of Income and Expenditure, and Statements of Cash Flow for the years ended as well as Summary of Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation and presentation of these financial statements that provide true and fair view in accordance with Thai Financial Reporting Standard as well as maintaining the necessary internal controls to ensure that the preparation and presentation of financial statements are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

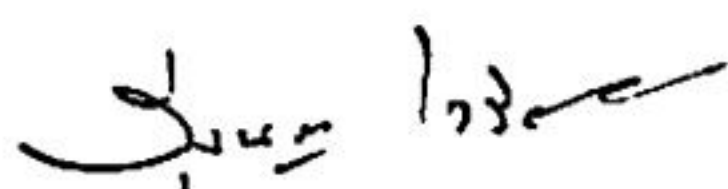
The Office of the Auditor General's responsibility is to express an opinion on these financial statements based on the audit. The Office of the Auditor General conducted the audit in accordance with the Generally Accepted Auditing Standards. Those standards require that the Office of the Auditor General complies with ethical requirements and plans and performs the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

The audit involves performing procedures to obtain audit evidence relating to the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances without the purpose of expressing an opinion on the effectiveness of the Company's internal control. The audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

The Office of the Auditor General believes that the audit evidence the Office of the Auditor General has obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Financial Statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of AERONAUTICAL RADIO OF THAILAND LTD. as at 30 September 2013, and the results of its operations as well as its cash flow for the year then ended in conformity with the Thai Financial Reporting Standards.



(Mrs. Roongnapa Charoenkunwiwat)
Director of Audit Office



(Mrs. Sulaiwon Phianphoemphat)
Auditor In-Charge

AERONAUTICAL RADIO OF THAILAND LTD.

Statements of Financial Position
As at 30 September 2013

Unit: Baht

Assets	Supplementary Information	2013	2012
Current Assets			
Cash and Cash Equivalents	5.1	2,260,614,287.00	884,326,707.27
Temporary Investment	5.2	89,486,707.06	8,548,543.54
Receivables from ANS and Other Receivables	5.3	1,093,716,198.46	869,920,344.26
Short-Term Loans to Staff	5.4	18,574,395.00	16,742,091.00
Store Supplies	5.5	141,413,509.25	139,719,836.30
Accumulated Under-Recovery	5.6	-	273,763,132.82
Other Current Assets	5.7	10,895,464.66	9,723,586.44
Total Current Assets		3,614,700,561.43	2,202,744,241.63
Non-Current Assets			
Other Long-Term Investments	5.8	1,900,000.00	62,809,000.00
Long-Term Loans to Staff	5.9	361,047.00	486,260.00
Buildings and Equipment-Net	5.10	4,052,231,694.19	4,190,629,611.35
Assets under Construction	5.11	514,303,883.76	275,741,032.40
Total Non-Current Assets		4,568,796,624.95	4,529,665,903.75
Total Assets		8,183,497,186.38	6,732,410,145.38

Notes to financial statements are an integral part of these financial statements.



AERONAUTICAL RADIO OF THAILAND LTD.

Statements of Financial Position As at 30 September 2013

Unit: Baht

Liabilities and Owners' Equity	Supplementary Information	2013	2012
Current Liabilities			
Trade and Other Payables	5.12	400,910,243.88	367,912,742.16
Current Portion of Long-Term Liabilities	5.13	644,540,000.00	644,540,000.00
Accrued Expenses	5.14	830,544,219.84	619,606,097.72
Interest Payable		75,633,749.92	72,347,872.15
Accumulated Overcollection	5.6	679,037,949.04	-
Other Current Liabilities	5.15	98,143,408.79	55,716,959.47
Total Current Liabilities		2,728,809,571.47	1,760,123,671.50
Non-Current Liabilities			
Children's Educational Support	5.16	99,738.93	97,069.52
Long-Term Loans	5.17	4,038,500,000.00	3,898,040,000.00
Employee Benefits Obligations	5.18	591,048,321.68	272,545,171.26
Total Non-Current Liabilities		4,629,648,060.61	4,170,682,240.78
Total Liabilities		7,358,457,632.08	5,930,805,912.28
Shareholders' Equity			
Share Capital	5.19		
Registered Ordinary Share Capital			
6,600,000 shares of Baht 100 each		660,000,000.00	660,000,000.00
Paid-up Capital			
6,600,000 shares of Baht 100 each		660,000,000.00	660,000,000.00
Staff Welfare Fund	5.21	165,039,554.30	141,604,233.10
Total Shareholders' Equity		825,039,554.30	801,604,233.10
Total Liabilities and Shareholders' Equity		8,183,497,186.38	6,732,410,145.38

Notes to financial statements are an integral part of these financial statements.

AERONAUTICAL RADIO OF THAILAND LTD.

Comprehensive Statements of Income and Expenditure
For the years ended 30 September 2013

Unit: Baht

	Supplementary Information	2013	2012
Income			
Income from Air Navigation Services Charges		7,506,982,841.17	6,073,811,193.51
Equipment rental, Maintenance and AOC income		382,265,648.88	338,481,930.49
Revenue from work orders		107,225,387.48	470,321,794.08
Other Income	5.22	50,625,467.09	72,806,755.64
Total income (net)		8,047,099,344.62	6,955,421,673.72
Expenditure			
Costs of Production		64,682,357.15	400,299,712.42
Supplies Used		45,811,110.71	34,238,155.94
Employee Benefits Expense	5.23	5,043,007,421.67	4,511,922,999.12
Depreciation Expenses	5.10	739,009,115.23	715,325,366.89
Maintenance of Assets & Equipment		194,298,470.56	174,637,766.80
Assets Rental and Property Tax		278,817,565.57	296,830,193.39
Other Expenses		133,585,907.00	118,647,459.31
Utilities and Communication Expenses	5.24	436,373,373.79	363,770,827.71
Finance Costs	5.17	159,287,322.82	165,046,203.62
Total Expenditure		7,094,872,644.50	6,780,718,685.20
Overcollection to Member Airlines		952,226,700.12	174,702,988.52
Income over (under) Expenditure		-	-

Notes to financial statements are an integral part of these financial statements.

Squadron Leader  President
(Prajak Sajjasophon)

 Vice President (Finance)
(Mrs. Onurai Komain)

AERONAUTICAL RADIO OF THAILAND LTD.

Statements of Cash Flow

For the years ended 30 September 2013

Unit: Baht

Cash Flow	2013	2012
Cash Flow from Operating Activities :		
Overcollection to Member Airlines	952,226,700.12	174,702,988.52
Reconciliations of Overcollection as Cash		
Receipts or (Disbursements) from Operating Activities:		
(Gain) Loss on exchange rate	(648,669.67)	2,199,318.42
Loss on Interest Rate Swap Agreement	5,028,077.61	3,103,455.14
Doubtful Debts	31,872,389.88	17,406,459.15
Depreciation	739,009,115.23	715,325,366.89
Assets under construction transferred to Expenses	1,805,475.08	398,922.40
Gain on sale of Assets	(1,450,762.06)	(833,478.33)
Loss on Assets Retirement	2,937,005.95	578,814.07
Deferred income	(7,138.43)	(7,138.43)
Interest Received	(26,854,491.87)	(8,581,347.12)
Interest Expense	159,287,322.82	165,046,203.62
Employee Benefits Obligations	383,863,949.66	348,317,208.87



AERONAUTICAL RADIO OF THAILAND LTD.

Statements of Cash Flow (Continued)

For the years ended 30 September 2013

Unit: Baht

Cash Flow (Continued)	2013	2012
Overcollection to be refunded to Member Airlines		
before any changes in Operating Assets and Liabilities	2,247,068,974.32	1,417,656,773.20
Changes in Operating Assets and Liabilities		
Operating Assets (Increase) Decrease		
Receivables from ANS and Other Receivables	(252,436,801.34)	44,840,043.95
Store supplies	(1,693,672.95)	25,532,881.21
Other Current Assets	(1,171,878.22)	202,926,349.36
Operating Liabilities Increase (Decrease)		
Trade and Other Payables	32,381,626.50	(226,748,003.58)
Accumulated Under-Recovery	574,381.74	132,455.67
Accrued Expenses	210,938,122.12	(164,776,316.43)
Other Current Liabilities	44,162,057.79	12,671,945.89
Children's Educational Support	2,669.41	2,367.55
Staff Welfare Fund	23,486,395.60	2,694,057.98
Cash Receipts from Operating Activities	2,303,311,874.97	1,314,932,554.80
Interest Received	25,956,453.96	7,510,722.46
Employee Benefits Paid	(65,360,799.24)	(75,772,037.61)
Net Cash flows from Operating Activities	2,263,907,529.69	1,246,671,239.65



AERONAUTICAL RADIO OF THAILAND LTD.

Statements of Cash Flow
For the years ended 30 September 2013

Unit: Baht

	Supplementary Information	2013	2012
Cash Flow from Investing Activities:			
Cash Withdrawal from Temporary Investment		21,363,959.54	6,000,000.00
Cash Deposit to Temporary Investment		(102,302,123.06)฿	(983,660.19)
Payment Received from Short-Term Loan to Staff		23,738,098.00฿	28,386,090.00
Cash Paid to Short-Term Loan to Staff		(25,570,402.00)฿	(26,129,246.00)
Payment Received from Long-Term Loan to Staff		382,531.00฿	528,646.00
Cash Paid to Long-Term Loan to Staff		(257,318.00)฿	(487,300.00)
Acquisition of Assets under Construction		(847,078,121.67)฿	(714,588,443.66)
Acquisition of Equipment		(243,949.80)฿	(682,928.11)
Cash Deposits to Long-Term Investment		60,909,000.00฿	-
Proceeds from Sale of Equipment		1,224,181.76฿	1,780,685.00
Net Cash flows from Investing Activities		(867,834,144.23)	(706,176,156.96)
Cash Flow from Financing Activities:			
Proceeds from promissory notes		-	100,000,000.00
Proceeds from long-term loans		785,000,000.00	100,000,000.00
Payments for redemption of promissory notes		-	(100,000,000.00)
Payments for long-term loans		(644,540,000.00)	(544,540,000.00)
Cash paid to interest on loans		(161,029,522.66)	(163,587,300.15)
Net Cash flows from Financing Activities		(20,569,522.66)	(608,127,300.15)
Net Increase (decrease) in Cash and Cash Equivalents		1,375,503,862.80	(67,632,217.46)
Cash and Cash Equivalents at the beginning of the year		884,326,707.27	953,739,818.42
Gain or loss on revaluation of foreign exchange		783,716.93	(1,780,893.69)
Cash and Cash Equivalents at the end of the year	5.1	2,260,614,287.00	884,326,707.27

Notes to financial statements are an integral part of these financial statements.

AERONAUTICAL RADIO OF THAILAND LTD.

Notes to the Company's Financial Statements For the years ended 30 September 2013

1. The Objective of the Establishment of the Company

The Company's objective is to provide air traffic control, aeronautical telecommunications and related services to meet the requirements of air transport operators and the International Civil Aviation Organization's (ICAO) standards and recommended practices, and to ensure that the services are provided safely, frequently, efficiently and in accordance with the Government's obligation to ICAO as one of the Contracting States. The Company provides services to air transport operators on a cost recovery basis, that is the expenses will be recovered by collecting air navigation services charges fairly from the users.

2. Principles for Presentation of Financial Statements

The financial statements of Aeronautical Radio of Thailand Ltd. have been prepared in accordance with the generally accepted accounting principles of the Accounts Act, 2000, as well as the Accounting Professional Act, 2004 and other accounting standards that have been approved additionally for the Federation of Accounting Professions. Also, the Company's financial statements have been prepared in accordance with the announcement by the Department of Business Development, regarding the brief items necessary for 2011 financial statements, dated 28 September 2011 by including the accounting transaction of the Staff Welfare Fund.



3. The new/revised Thai Accounting Standard (TAS), Thai Financial Reporting Standard (TFRS), Thai Accounting Standards Interpretation (TSI) and Thai Financial Reporting Interpretation (TFRI) which were announced in the Government Gazette, are as follows:

<ul style="list-style-type: none"> The effective date for the fiscal year begins as at or later than 1 January 2014 	
TAS 1 (revised 2012)	: Presentation of Financial Statements
TAS 12 (revised 2012)	: Income taxes
TAS 17 (revised 2012)	: Leases
TAS 24 (revised 2012)	: Related Party Disclosures
TAS 34 (revised 2012)	: Interim Financial Reporting
TFRS 2 (revised 2012)	: Share-Based Payments
TFRS 5 (revised 2012)	: Non-Current Assets Held for Sale and Discontinued Operations
TSI 15	: Operating Leases – Incentives
TSI 27	: Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSI 29	: Disclosure - Service Concession Arrangements
TSI 32	: Intangible Assets - Web Site Costs
TFRI 1	: Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4	: Determining Whether an Arrangement Contains a Lease
TFRI 5	: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 7	: Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRI 10	: Interim Financial Reporting and Impairment
TFRI 12	: Service Concession Arrangements
TFRI 13	: Customer Loyalty Programmes
TFRI 17	: Distributions of Non-cash Assets to Owners
TFRI 18	: Transfer of Assets from Customers
<ul style="list-style-type: none"> The effective date for the fiscal year begins as at or later than 1 January 2016 	
TFRS 4	: Insurance Contracts

The Company's management has already considered that the adoption of these mentioned accounting standards will have no material impact on the submitted Financial Statement.



4. Summary of Significant Accounting Policies

4.1 Incomes and Expenditures Recognition

4.1.1 Income derived from air navigation services is recognized as income in the accounting period that services are provided.

4.1.2 Equipment rental and maintenance incomes and Airlines Operational Control (AOC) income are recognized as income over the period at the rate as specified in the agreement.

4.1.3 Income from work orders is recognized as income when each order is completed and delivered to customers.

4.1.4 Interest received is recognized in proportion to the time on actual rate of return basis.

4.1.5 Expenditures are recognized on an accrual basis.

4.2 Provision for Doubtful Debts.

The allowance is recorded equal to the estimated losses that may result in collection of debts. Generally, estimations are based on an experience of debt recovery in the past and from non-governmental organizations or non-state enterprise debtors' current status at the balance sheet date. This year, the provision for doubtful debts is made according to the Regulations for Account and Finance, 2005 by the Ministry of Finance.

Period Overdue	Rate of Provision for Doubtful Debts
Over 6 months - 1 year	50%
Over 1 year	100%

4.3 Store Supplies

Store supplies have been recorded at cost on the weighted average basis. For overseas purchases, import formality handling charges are recorded as operations expenditure.

4.4 Investment

Investment has been recorded at cost as follows:

4.4.1 Temporary investment is the investment that the Company expects to hold until maturity or converts into cash within one year such as \leq 12-month fixed deposit account.

4.4.2 Long-term investment is the investment that the Company expects to hold longer than one year such as over 12-month fixed deposit account.

4.5 Buildings and Equipment

4.5.1 Buildings and equipment are recorded at cost less accumulated depreciation.

Depreciation on fixed assets, the Company has depreciated the assets by using the straight-line method based on the estimated useful life of assets and begins from the month the assets were received or installed or available for use as follows:

Buildings and Construction	7-20	years
Utility System	5-20	years
Radar and Equipment	7-15	years
Power Generators	10-20	years
Teleprinters	7	years
Equipment and Tools	7-20	years
Office Supplies	5-7	years
Vehicles	5	years
Aircraft	5-25	years
Assets from Donations	5-25	years

Assets with a value not exceeding Baht 30,000 are recognized as expenses.

The deployments of computer system in order to materially enhance and extend the capacity or efficiency are recognized as asset.

4.5.2 Aircraft Inspection and Repair as necessary (IRAN) are recorded at cost and depreciation is calculated using the straight-line method based on the duration of the affected aircraft's useful life: 5–10 years.

4.6 Interest Paid on Loan

Asset under construction funded by loans: interest paid will be recorded as the cost of the asset under construction. After the work has been completed, the interest paid will be recognized as expenses.

4.7 Unearned Income

Assets donated, used for operations longer than one accounting period are recorded at cost as unearned income and then gradually transferred to other income throughout the useful life of those assets.

4.8 Accounting Items in Foreign Currency

Assets and Liabilities of foreign currency value are recorded in Baht by initially using the currency exchange rate at the date the transaction occurs. At the end of each accounting period, the asset and liability value will be adjusted to Baht according to the currency exchange rate announced by the Bank of Thailand on that day. Gain or loss from currency exchange rate revaluation will be recorded wholly as an income or expense item in the Comprehensive Statements of Income and Expenditure.

4.9 Interest Rate Swap (IRS) Agreement

The Company has signed the financial derivatives, including Interest Rate Swap Agreement (IRS) in order to hedge the risk on an accrual basis. The difference of interest payments will be recorded as other incomes or other operating expenditures in the Comprehensive Statements of Income and Expenditure.

4.10 Overcollection and Under-Recovery to Member Airlines

The Company operates on a non-profit or cost recovery basis. If income exceeds expenditure, the overcollection amount will be recorded as liability and will be refunded to Member Airlines. On the other hand, if expenditure exceeds income, then the under-recovery amount will be recorded as asset and will be charged to Member Airlines. Such rule will be distributed to Member Airlines according to their number of flight units and revenue generated for that particular period.

4.11 Employee Benefits Obligations

Employee benefits in respect of defined benefit plans and other long-term employee benefits recognized in the financial statements are based on calculations by using the projected unit credit method and market yields on high quality corporate bonds in which all actuarial gains and losses arising in each accounting period will be recognized as income or expense within the accounting period in which they arise.

4.12 Provident Fund

On 1 October 1992, the Company established “the Registered Provident Fund for Staff of Aeronautical Radio of Thailand Ltd.” in accordance with the Provident Fund Act, 1987. The staff members pay accumulated contribution to the fund at the rate of 3–15% of their salaries and the Company makes a contribution to the fund at the rate of 8.5-15% of staff members’ salaries.

4.13 Cash and Cash Equivalents

Cash and cash equivalents mean cash on hand and at bank for which repayment is due within 3 months.



5. Supplementary Information

5.1 Cash and Cash Equivalents

Unit: Million Baht

	Company	Fund	2013	2012
Cash in Hand Cash at Bank	1.43	2.39	3.82	3.49
- Current	6.33	5.72	12.05	6.50
- Savings	2,198.43	46.31	2,244.74	874.34
Total Cash and Cash Equivalents	2,206.19	54.42	2,260.61	884.33

5.2 Temporary Investment

Unit: Million Baht

	2013	2012
ICash at Bank - 6-Month Fixed Deposit	0.52	1.85
-12-Month Fixed Deposit	88.96	6.70
Total Temporary Investment	89.48	8.55

The above temporary investment is a fixed account of the Staff Welfare Fund.



5.3 Receivables from Air Navigation Service (ANS) and other receivables

Unit: Million Baht

	Company	Fund	2013	2012
Receivables from ANS				
Receivable Check	2.79	-	2.79	0.96
Airlines Debtors	975.14	-	975.14	736.82
Domestic Debtors	52.14	0.06	52.20	29.97
Overseas Debtors	17.97	-	17.97	11.18
Accrued Income	11.52	-	11.52	7.25
	1,059.56	0.06	1,059.62	786.18
Less Provision for doubtful debts	(97.88)	-	(97.88)	(67.30)
Total Receivables from ANS-Net	961.68	0.06	961.74	718.88
Other receivables				
Interest Receivable	1.06	0.19	1.25	0.92
Penalty Charges to contractors	71.07	-	71.07	67.91
Loans to staff	0.21	-	0.21	0.10
Claims on assets damages from flood disaster	-	-	-	25.53
Prepaid Expenses	42.01	-	42.01	44.42
Advances to staff for expenses	3.49	13.95	17.44	12.16
Total other receivables	117.84	14.14	131.98	151.04
Total Receivables from ANS and other receivables	1,079.52	14.20	1,093.72	869.92

Provision for doubtful debts as at 30 September 2013 at Baht 97.88 million can be divided into Baht 87.45 million for airline debtors and Baht 10.43 million for domestic and overseas debtors.

Penalty Charges to contractors as at 30 September 2013 was Baht 71.07 million. It is mainly derived from the delayed acquisition and installation of Automatic Message Handling System (AMHS) at Baht 67.36 million. Since AEROTHAI has not paid the last installment of Baht 40 million to this supplier, after deducting the penalty charge the supplier has an outstanding debt of Baht 27.36 million. AEROTHAI has already brought the claims to the Central Administrative Court and the case has been accepted.

5.4 Short-term loans to staff

Short-term loans to staff as at 30 September 2013 at Baht 18.57 million were derived from the Staff Welfare Fund. The purpose of this fund is for staff to borrow according to Objectives 7(4.1) and 7(4.2) of the Regulations on Loans from Staff Welfare Fund, B.E. 2550. The interest is calculated at the rate of 12-month fixed deposits of commercial banks and the rate of 12-month fixed deposits of Aeronautical Radio of Thailand Saving and Credit Cooperative, Limited plus 1%, respectively. The balance brought forward from the previous period as at 1 October 2012 is Baht 16.74 million and the loans made in this period are Baht 25.57 million. Repayment has been made at Baht 23.74 million. The outstanding debts at the end of the period are Baht 18.57 million

5.5 Store Supplies

Unit: Million Baht

	2013	2012
Spare parts for Radar	108.31	104.23
Spare parts for Aircraft	19.06	21.51
Spare parts for Air Navigation Aids	1.02	1.02
Spare parts for Radio Equipment	8.28	8.12
Office supplies	3.57	3.78
Other spare parts	1.17	1.06
Total Store Supplies	141.41	139.72

5.6 Accumulated Under – Recovery or (Overcollection)

Unit: Million Baht

	2013	2012
Under-Recovery to Member Airlines - brought forward	273.76	448.60
Less Collected Under-Recovery from Member Airlines, membership terminated during the year	(0.57)	(0.14)
	273.19	448.46
Less Overcollection to Member Airlines-for the year	(952.23)	(174.70)
Total Accumulated Under-Recovery (Overcollection) – year end	(679.04)	273.76

The Company has implemented the New Air Navigation Services (ANS) Charges Structure to comply with the Government policies and standards of International Civil Aviation Organization (ICAO) and be fair and more practical to all users. The new ANS charges structure was approved by the Civil Aviation Board (CAB) on 26 March 2012. Furthermore, AEROTHAI's Board of Directors on 29 May 2012 approved the gradually collection of the new ANS Charges which is divided into 2 phrases as follows:

Phase 1: From 1 June 2012 to 30 September 2013, en route charge is at Baht 3,300 per unit and terminal charge is at Baht 500 per unit

Phase 2: From 1 October 2013 onwards, en route charge is at Baht 3,500 per unit and terminal charge is at Baht 500 per unit

The Company's Shareholders at the 66th Ordinary General Meeting on 18 April 2013 agreed to offset the accumulated under-recovery of Baht 448.46 million with the 2012 overcollection of Baht 174.70 million leaving the total amount of Baht 273.76 million accumulated under-recovery as at 30 September 2012.

In 2013, the Company had Baht 8,047.10 million total income and Baht 7,094.87 million total expenditure. Thus there is an income-over-expenditure (overcollection) at Baht 952.23 million which will be deducted from the accumulated under-recovery of Baht 273.76 million and Baht 0.57 million which collected from airlines whose membership was terminated, leaving the accumulated overcollection of Baht 679.04 million at the end of the fiscal year.





5.7 Other Current Assets

Unit: Million Baht

	2013	2012
Deposit Payments	7.10	8.58
Work in Process	4.26	1.24
Suspense accounts	(0.47)	(0.10)
Total Other Current Asset	10.89	9.72

5.8 Other long-term investments

Other long-term investments as at 30 September 2013 at the amount of Baht 1.90 million are investments by the Staff Welfare Fund which is a fixed deposit for 36 months at the Government Housing Bank.

5.9 Long-term loans to employees

Long-term loans to employees as at 30 September 2013 amounted to Baht 0.36 million are loans from the Staff Welfare Fund for staff to borrow according to the Regulations for Loans to Staff for themselves or their children's education purposes, B.E. 2550. The interest is calculated at the rate of 12-month fixed deposits of commercial banks. The balance brought forward from the previous period as at 1 October 2012 is Baht 0.48 million and the loans made in this period are Baht 0.26 million. Repayment has been made at Baht 0.38 million. The remaining long-term loans to employees at the end of the period are Baht 0.36 million.

5.10 Buildings and Equipment – Net

Unit: Million Baht

	Original Cost				Accumulated Depreciation	Book Value	
	Balance 1 Oct 12	Increase	Decrease	Total 30 Sept 13		30 Sept 13	30 Sept 12
The Company's buildings and equipment							
Buildings and Construction	2,601.94	5.35	4.88	2,602.41	1,375.01	1,227.40	1,342.99
Utility Systems	834.19	120.71	13.10	941.80	566.79	375.01	302.78
Radar and Equipment 1/	5,701.55	97.21	308.21	5,490.55	3,835.81	1,654.74	1,984.36
Power Generators	266.94	31.61	3.22	295.33	187.30	108.03	88.69
Teleprinters	0.30	-	0.17	0.13	0.13	-	-
Equipment and Tools	754.55	56.71	14.76	796.50	630.55	165.95	170.68
Office Supplies (including computer systems and equipment)	722.92	46.08	20.21	748.79	645.49	103.30	117.99
Vehicles	1.92	-	-	1.92	1.92	-	-
Aircraft	242.14	249.28	-	491.42	73.77	417.65	182.93
Assets from Donations	119.86	-	-	119.86	119.85	0.01	0.02
Total	11,246.31	606.95 2/	364.55	11,488.71	7,436.62	4,052.09	4,190.44
Staff Welfare Fund's equipment							
Musical Instruments and Sports Equipment	2.60	-	0.10	2.50	2.36	0.14	0.19
Total	11,248.91	606.95	364.65	11,491.21	7,438.98	4,052.23	4,190.63

Notes: 1/ Radar and Equipment comprise of radar systems, air navigation aids, surveillance systems, automatic message switching systems, and other communication equipment.

2/ The amount is for buildings and equipment which increased from the transfer of assets under construction at Baht 606.71 million and an additional acquisition of assets at the amount of Baht 0.24 million.

Buildings and construction, used for operations, are constructed on the Ratchaphatsadu land with ownership resting with the Ministry of Finance.

The depreciation in this fiscal year of Baht 739.06 million is recognized as the Company's operating expenditure at Baht 739.01 million and the Staff Welfare Fund's expenditure at Baht 0.05 million.

5.11 Assets under Construction

Unit: Million Baht

	2013	2012
Balance brought forward as at 1 October 2012	275.74	223.25
<u>Add</u> Additional during the year	847.08	714.59
	1,122.82	937.84
<u>Less</u> Transfer to Buildings and Equipment	(606.71)	(661.70)
Transfer to Expenses	(1.81)	(0.40)
Balance carried forward as at 30 September 2013	514.30	275.74

5.12 Trade and Other Payables

Unit: Million Baht

	Company	Fund	2013	2014
Trade Payable				
Trade Payable - Domestic	80.34	-	80.34	128.02
Trade Payable - Overseas	31.88	-	31.88	18.16
Suspense Account for Goods and Services	143.36	-	143.36	100.22
Total Trade Payable	255.58	-	255.58	246.40
Other Payables				
Suspense Account for Pay Check	103.73	12.00	115.73	42.85
Suspense Account for Debtor	16.27	-	16.27	47.78
Staff Payable	2.95	-	2.95	5.47
Deferred Income	10.38	-	10.38	25.41
Total Other Payables	133.33	12.00	145.33	121.51
Total Trade and Other Payables	388.91	12.00	400.91	367.91

5.13 Current portion of Long-term Liabilities due in One Year

Unit: Million Baht

	Bank						Total
	CIMB Thai	Krung Thai		Siam Commercial	Government Savings		
Credit limit	850.00	1,390.28	1,100.00	1,519.55	1,650.00	1,200.00	
Balance brought forward as at 1 October 2012	85.00	116.00	84.80	131.80	126.94	100.00	644.54
Less Payments during the period	(85.00)	(116.00)	(84.80)	(131.80)	(126.94)	(100.00)	(644.54)
	-	-	-	-	-	-	-
Add Transferred from long-term loans	85.00	116.00	84.80	131.80	126.94	100.00	644.54
Balance carried forward as at 30 September 2013	85.00	116.00	84.80	131.80	126.94	100.00	44.54

5.14 Accrued Expenses

Unit: Million Baht

	Company	Fund	2013	2012
Special Annual Rewards	748.49	-	748.49	544.42
Ratchaphatsadu Land Lease and Property Tax	45.17	-	45.17	42.85
Utilities	25.26	-	25.26	21.70
Other	10.00	1.62	11.62	10.63
Total Accrued Expenses	828.92	1.62	830.54	619.60



5.15 Other Current Liabilities

Unit: Million Baht

	Company	Fund	2013	2011
Unearned Income	3.01	-	3.01	0.02
Accrued Income Tax and Tax Payable	45.10	0.22	45.32	36.11
Guarantee Money	45.90	0.09	45.99	18.89
Suspense Account for B Share allocation	3.09	-	3.09	3.17
Suspense Account for Assets Depreciation	-	-	-	1.73
Suspense Account for Reimbursement	0.73	-	0.73	(4.20)
Total Other Current Liabilities	97.83	0.31	98.14	55.72

5.16 Children's Educational Support

This fund has been donated by the Company's staff since 1982 to provide scholarships for the education of staff's children who have high educational performance, but lack funding. The fund is deposited as a fixed deposit account at Aeronautical Radio of Thailand Saving and Credit Cooperative, Limited at Baht 0.10 million.

5.17 Long - Term Loans

Unit: Million Baht

Bank	Contract Date	Credit limit	Terms and Conditions	Additional Loan during current period	Transferred to loans due within 1 year	Balance as at 30 Sep. 2013	Balance as at 30 Sep. 2012
CIMB Thai	21 Jul. 2003	850.00	12 Y., Grace Period 2 Y.	-	85.00	85.00	170.00
Krung Thai	15 Jan. 2004	1,390.28	15 Y., Grace Period 3 Y.	-	116.00	578.28	694.28
Siam				-			
Commercial	15 Jul. 2005	1,519.55	14 Y., Grace Period 2 Y.	-	131.80	662.85	794.65
Krung Thai	25 Aug. 2006	1,100.00	15 Y., Grace Period 2 Y.	-	84.80	633.60	718.40
Government							
Savings	3 Sep. 2007	1,650.00	15 Y., Grace Period 2 Y.	-	126.94	1,078.77	1,205.71
Government				-			
Savings	18 Sep. 2009	1,200.00	14 Y., Grace Period 2 Y.	785.00	100.00	1,000.00	315.00
Total		7,709.83		785.00	644.54	4,038.50	3,898.04

As at 30 September 2013, the Company's long-term loans were Baht 7,709.83 million. There are 2 banks that set the loan agreements for the Company to issue a bill of exchange at the loan balance plus interest. These loans are used for investment in Suvarnabhumi Airport project and others. The payment of principal and interest is scheduled every 6 months.

During this fiscal year, the Company paid cost of funding which refers to the interest paid to financial institutions at Baht 159.29 million

5.18 Employee Benefits Obligations

As at 30 September 2011, the Company had employee benefits obligations at the amount of Baht 1,047.56 million in which the Company will gradually recognize as expense on a straight-line basis at Baht 209.51 million annually over a period of 5 years. The Details in this accounting period are as follows:

Unit: Million Baht

	2013	2012
Employee benefits obligations - Balance brought forward	272.55	-
Gradual recognition of employee benefits	209.51	209.51
Current employee benefits	174.35	138.81
Benefit paid	(65.36)	(75.77)
Employee benefits obligations as at 30 September 2013	591.05	272.55
Employee benefits obligations - retrospective to 30 September 2011	1,047.56	1,047.56
Gradual recognition of employee benefits - accumulated	(419.02)	(209.51)
Gradual recognition of employee benefits obligations - outstanding	628.54	838.05

5.19 Share Capital

Unit: Million Baht

	2013	2012
Registered Ordinary Shares and paid up Share Capital		
Total Ordinary Shares: 6,600,000 shares; Baht 100 per share		
A-shares (held by the Ministry of Finance)	600.00	600.00
B-shares (held by airline companies)	60.00	60.00
Total Share Capital	660.00	660.00

5.20 Appropriation to the Ministry of Finance

The Cabinet Meeting on 27 October 1998 required the Company to pay the appropriation to the Ministry of Finance in proportion of 10% of income from air navigation services charges starting from the fiscal year 1998.

At the Cabinet Meeting on 13 August 2003, approval was given to the Company to prolong the non-payment of the appropriation to the Ministry of Finance between 2002 and 2005. Later, approval to terminate the payment of the appropriation to the Ministry of Finance effective from the fiscal year 2006 was given by the Cabinet Meeting on 20 September 2005.

5.21 The Staff Welfare Fund

Unit: Million Baht

	2013	2012
Cash and Cash Equivalents	54.42	53.00
Temporary Investment	89.48	8.55
Receivables from ANS and Other Receivables	14.20	9.70
Short-Term Loan to Staff	18.57	16.74
Other Long-Term Investments	1.90	62.81
Long-Term Loan to Staff	0.36	0.48
Buildings and Equipment - Net	0.14	0.19
Total Assets	179.07	151.47
Trade and Other Payables	12.00	7.02
Accrued Expenses	1.62	2.48
Other Current Liabilities	0.31	0.27
Children's Educational Support	0.10	0.10
Total Liabilities	14.03	9.87
Staff Welfare Fund		
Balance brought forward	141.60	138.96
Income over expenditure in this period	23.44	2.64
Total Staff Welfare Fund	165.04	141.60
Total Liabilities and Fund	179.07	151.47

The Staff Welfare Fund brought forward as at 1 October 2012 amounted to Baht 141.60 million with income-over-expenditure of Baht 23.44 million in this year which was contributed by the Company at 9% of the basic salary at Baht 198.99 million and other income at Baht 18.23 million (total at Baht 217.22 million) and expenses at Baht 193.78 million, thereby leaving a balance of Baht 165.04 million.

5.22 Other income

Unit: Million Baht

	2013	2012
Interest received	24.32	6.71
Gains (losses) on foreign exchange transactions	0.14	2.06
Other income	26.17	64.04
Total other income	50.63	72.81

5.23 Employee Benefits Expense

Unit: Million Baht

	2013	2012
Staff Costs	4,154.03	3,692.40
Employee Benefits Expenses	383.86	348.32
Contribution to Provident Fund	306.60	284.99
Contribution to Staff Welfare Fund	198.52	186.21
Total Employee Benefits Expense	5,043.01	4,511.92

5.24 Other Expenses

Unit: Million Baht

	2013	2012
Audit Fee	0.82	0.61
Meeting Expense	8.24	5.73
Consultant and service fees	12.95	8.78
Public Relations Expense	18.20	13.06
Donations	17.79	16.48
Traveling Expense	109.13	93.29
Premium Fee	46.63	45.10
Other Fees	8.53	6.92
Training Expense	51.75	38.05
Store Supplies and Assets Retirement Expense	44.66	44.27
Securities Expense	33.05	27.14
Doubtful Debts	31.87	17.41
Loss on Fixed Assets Retirement	2.94	0.60
Loss on Interest Rate Swap Agreement	5.03	3.10
Others	44.78	43.23
Total Other Expenses	436.37	363.77

5.25 Operating Performances

Unit: Million Baht

	2013	2012	Increase (Decrease)	
			Amount	%
Income				
Air Navigation Services Charges	7,506.98	6,073.81	1,433.17	24
Equipment Rental & Maintenance and				
AOC income	382.27	338.48	43.79	13
Revenue from work orders	107.22	470.32	(363.10)	(77)
Other Income	50.63	72.81	(22.18)	(30)
Total Income	8,047.10	6,955.42	1,091.68	16
Expenditure				
Costs of Production	64.68	400.30	(335.62)	(84)
Supplies Used	45.81	34.24	11.57	34
Employee Benefits Expense	5,043.01	4,511.92	531.09	12
Depreciation Expense	739.01	715.32	23.69	3
Maintenance of Assets & Equipment	194.30	174.64	19.66	11
Assets Rental and Property Tax	278.82	296.83	(18.01)	(6)
Utilities and Communication Expenses	133.58	118.65	14.93	13
Other Expenses	436.37	363.77	72.60	20
Finance Costs	159.29	165.05	(5.76)	(3)
Total Expenditure	7,094.87	6,780.72	314.15	5
Overcollection to Member Airlines	952.23	174.70	777.53	445
Net Income	-	-	-	

In the Fiscal Year 2013 the Company's total income amounted to Baht 8,047.10 million, total expenditure amounted to Baht 7,094.87 million, which means income-over-expenditure or overcollection to member airlines at the amount of Baht 952.23 million.

The Company achieved total income of Baht 8,047.10 million which is increased from last year by Baht 1,091.68 million or 16%. This is mainly resulted from a higher income from air navigation service charges at Baht 1,433.17 million or 24% increases as the airlines increased their flights and the implementation of the new air navigation service (ANS) charges structure phase 1 which is effective from 1 June 2012 to 30 September 2013 where en route charge is at Baht 3,300 per unit and terminal charge is at Baht 500 per unit in accordance with a resolution of Company's 5/2012 (531) Board of Directors Meeting on 29 May 2012.

In addition, income derives from telecommunication business under telecommunication license type 2 for the operator with its own network which is amounted to Baht 36.35 million during 1st January – 30th September 2013 and already presented in Equipment Rental & Maintenance and AOC income.

The Company's total expenditure in 2013 amounted to Baht 7,094.87 million, which is increased by Baht 314.15 million or 5% from the previous year. It is mainly derived from increasing employee benefits at the amount of Baht 531.09 million or 12% from the previous year due to annual gratuity adjustment and an increase in overtime payment resulted from staff regulations adjustment in 2012 which all additional incomes are included in salaries calculation according to the Company's 11/2012 (537) Board of Directors Meeting on 26 September 2012.

5.26 Provident Fund

On 1 October 1992, the Company calculated the gratuity fund to be paid to staff as of that date at Baht 342.66 million. The Company transferred Baht 173.60 million to the Provident Fund. The remaining amount of Baht 169.06 million had to be transferred within 10 years and/or the remaining working period of the staff with interest at an average one year fixed deposit rate. The Company completed the transfer of all the remaining deferred gratuity funds to the Provident Fund in the Fiscal Year 2002.

On 30 September 2013 there were 2,839 staff members. The Company made a contribution in this period at Baht 307.33 million to the Provident Fund, (which was recorded as staff costs at Baht 306.60 million and cost of production of work order at Baht 0.73 million).

5.27 Remuneration for Committees

In this period, the Company paid remuneration to committees as follows:

	Baht
1. Board of Directors	917,500.00
2. Executive Committee	260,500.00
3. Audit Committee	293,000.00
4. Risk Management Committee	203,000.00
5. Remuneration Committee	90,000.00
6. Legal Committee	97,000.00
7. Appeal Committee (Ad Hoc)	8,000.00
8. Corporate Governance and Social Responsibility Committee	144,000.00

Note: The remuneration payment was paid to the Company's Board of Directors and the committee representatives from other organizations.

5.28 Contingent Liabilities

Unit: Million Baht

	2013	2012
The Company was brought to the Civil Court as defendant in the following lawsuits:		
Labour disputes	7.07	7.07
Compensation demands	7.10	6.97
Total Contingent Liabilities	14.17	14.04

5.29 Interest Rate Swap (IRS) Agreement

As at 30 September 2013, the Company had a loss from IRS agreement at Baht 5.03 million, as a result, the credit limit of the agreement was carried at Baht 718.40 million and the agreement will be terminated in 2014.

5.30 Event during the reporting period

The Company signed a non collateral required term loan contract with the Government Savings Bank at the credit line of Baht 3,480 million on 23 September 2013. This loan is used for investment in Air Navigation Services Infrastructure Development Project. The payment of principal and interest is scheduled every 6 months at the amount of Baht 145 million per installment. The first repayment is made at the end of a 6 months period, counting from the last day of the grace period of 3 years after the first disbursement of loan.