

Ref. 01/35/2016

5 October, 2016

Subject: Clarification on Property Tax assessment at Samui Airport

Attention: President
The Stock Exchange of Thailand

Reference was made on the Property Tax issue between Bangkok Airways Public Company Limited "The Company" and the Koh Samui Municipality for the Tax assessments in the period of the years 2007 to 2010 amounting to Baht 119 million, and Baht 38.8 million for each of the years 2011 to 2014

The Company filed suit against Koh Samui Municipality with the Central Tax Court to demand Koh Samui Municipality to return the Property Tax paid. The Central Tax Court rendered a judgement in favor of the Company with respect to the Property Tax, and ordered Koh Samui Municipality to return the Property Tax for the years 2007 to 2010 and the years 2011 to 2014 to the Company. Koh Samui Municipality subsequently filed a petition to suspend the execution of the judgement and filed an appeal against such judgment with the Central Tax Court.

The Supreme court rendered its verdicts on for the suit of year 2011 on September 30, 2016 and for the suit for the year 2007 to 2010 on October 4, 2016 respectively. Nevertheless, the Supreme court had changed the order which caused the company to loss the case. The company also filed suit against koh Samui Municipality to the return of the Property Tax for the period of year 2012-2014 which are currently being considered by the Supreme Court.

The Company confirmed that the relevant accounting records were already made during such periods. The loss from the court cases would not affect the company's profit and loss statement.

Please be informed accordingly,

Sincerely yours,



(Mr. Anawat Leelawatwatana)

Senior Vice president –Finance and Accounting

Bangkok Airways Public Company Limited