

**Thai Beverage Public Company Limited
and its Subsidiaries**

Interim financial statements
and
Review Report of Certified Public Accountant

For the three-month and six-month periods ended
30 June 2010



KPMG Phoomchai Audit Ltd.
Empire Tower, 50th-51st Floors
195 South Sathorn Road
Bangkok 10120, Thailand

บริษัท เคพีเอ็มจี ภูมิภาค ไทย สหพันธ์ จำกัด
ชั้น 50-51 เอ็มไพร์ทาวเวอร์
195 ถนนสาทรใต้
กรุงเทพฯ 10120
Tel : 66 (2) 677 2000
Fax: 66 (2) 677 2222
www.kpmg.co.th

Review Report of Certified Public Accountant

To the Board of Directors of Thai Beverage Public Company Limited

I have reviewed the accompanying consolidated and separate balance sheets as at 30 June 2010, and the related statements of income for the three-month and six-month periods ended 30 June 2010 and 2009, and the related statements of changes in equity and cash flows for the six-month periods ended 30 June 2010 and 2009 of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard on review engagements. This Standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards. I have not performed an audit and, accordingly, I do not express an audit opinion on the reviewed financial statements.

Based on my reviews, nothing has come to my attention that causes me to believe that the financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated and separate financial statements for the year ended 31 December 2009 of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those financial statements in my report dated 26 February 2010. I have not performed any auditing procedures since that date. The consolidated and separate balance sheets as at 31 December 2009, which are included in the accompanying financial statements for comparative purposes, are components of those financial statements. *N*



Disclosure of significant differences between Thai Accounting Standards/Thai Financial Reporting Standards, and International Financial Reporting Standards is not a required part of the basic financial statements under generally accepted accounting principles in Thailand, but it is presented in Note 19 to the financial statements for information purposes only. I have not audited or reviewed such information and therefore do not express any audit opinion or review report thereon.

M. Chetchotiros

(Nittaya Chetchotiros)
Certified Public Accountant
Registration No. 4439

KPMG Phoomchai Audit Ltd.
Bangkok
10 August 2010

Thai Beverage Public Company Limited and its Subsidiaries

Balance sheets

As at 30 June 2010 and 31 December 2009

Assets	Note	Consolidated		Separate	
		30 June 2010 (Unaudited)	31 December 2009	30 June 2010 (Unaudited)	31 December 2009
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents		1,495,505	2,590,213	8,803	128,663
Current investments		3,988	3,744	-	-
Trade accounts receivable	5, 6	1,755,997	2,050,390	-	-
Short-term loans to and other receivables					
from related parties	5	30,429	503,888	2,004,225	2,995,033
Inventories		28,647,114	26,194,211	-	-
Other current assets		2,519,404	2,135,371	25,415	13,849
Total current assets		34,452,437	33,477,817	2,038,443	3,137,545
Non-current assets					
Investments in subsidiaries	7	-	-	80,093,787	80,091,287
Investments in associates	8	117,664	127,832	-	-
Other long-term investments		14,101	10,589	-	-
Long-term loans to and					
other receivables from related parties	5	51,972	51,909	3,501,108	3,466,308
Property, plant and equipment	9	37,352,667	37,746,083	53,986	62,939
Intangible assets		3,279,081	3,311,409	27,840	31,069
Leasehold rights		193,776	202,092	-	-
Other non-current assets		2,107,284	2,221,934	319,628	325,816
Total non-current assets		43,116,545	43,671,848	83,996,349	83,977,419
Total assets		77,568,982	77,149,665	86,034,792	87,114,964

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries

Balance sheets

As at 30 June 2010 and 31 December 2009

Liabilities and equity	Note	Consolidated		Separate	
		30 June 2010 (Unaudited)	31 December 2009	30 June 2010 (Unaudited)	31 December 2009
<i>(in thousand Baht)</i>					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	10	7,993,023	5,718,476	6,800,000	3,100,000
Trade accounts payable	5, 11	3,500,088	3,139,840	-	-
Current portion of long-term loans					
from financial institutions	10	4,090,000	3,765,000	4,090,000	3,765,000
Short-term loans from and					
other payables to related parties	5, 10	78,601	153,591	3,451,879	7,390,688
Short-term loans from other party		-	2,200	-	-
Income tax payable		2,114,926	2,222,224	93,824	24,746
Other current liabilities		3,045,071	3,088,996	119,323	159,410
Total current liabilities		20,821,709	18,090,327	14,555,026	14,439,844
Non-current liabilities					
Long-term loans from and					
other payables to related parties	5, 10	525	897	10,737,900	9,742,700
Long-term loans from					
financial institutions	10	-	2,500,000	-	2,500,000
Other non-current liabilities		125,608	114,860	-	-
Total non-current liabilities		126,133	2,615,757	10,737,900	12,242,700
Total liabilities		20,947,842	20,706,084	25,292,926	26,682,544

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries

Balance sheets

As at 30 June 2010 and 31 December 2009

	Note	Consolidated		Separate	
		financial statements		financial statements	
Liabilities and equity		30 June 2010 (Unaudited)	31 December 2009	30 June 2010 (Unaudited)	31 December 2009
<i>(in thousand Baht)</i>					
Equity					
Share capital					
Authorised share capital		29,000,000	29,000,000	29,000,000	29,000,000
Issued and paid-up share capital		25,110,025	25,110,025	25,110,025	25,110,025
Difference arising from common control transactions	3	(19,732,233)	(19,732,233)	-	-
Premium on ordinary shares		17,215,737	17,215,737	17,215,737	17,215,737
Fair value changes and revaluation differences on assets		4,262,883	4,262,883	-	-
Currency translation differences		(1,703,404)	(1,331,393)	-	-
Retained earnings					
Appropriated - legal reserve		2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated		28,320,578	27,785,867	15,516,104	15,206,658
Total equity attributable to equity holders of the Company		56,373,586	56,210,886	60,741,866	60,432,420
Minority interests		247,554	232,695	-	-
Total equity		56,621,140	56,443,581	60,741,866	60,432,420
Total liabilities and equity		77,568,982	77,149,665	86,034,792	87,114,964

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries

Statements of income

For the three-month periods ended 30 June 2010 and 2009 (Unaudited)

	Note	Consolidated		Separate	
		2010	2009	2010	2009
		<i>(in thousand Baht)</i>			
Revenues	5				
Revenue from sale of goods		29,391,839	26,699,978	-	-
Management fees		-	-	696,844	641,551
Interest income		3,645	10,147	60,485	93,991
Dividends		-	-	4,540,806	4,293,192
Other income		80,915	39,212	2,214	2,611
Total revenues		29,476,399	26,749,337	5,300,349	5,031,345
Expenses	5				
Cost of sale of goods		21,257,218	18,637,670	-	-
Cost of rendering of services		-	-	215,133	234,696
Selling expenses		1,892,012	1,409,338	-	-
Administrative expenses		2,598,685	2,428,178	4,390	4,790
Management benefit expenses		85,204	72,601	46,295	41,251
Total expenses		25,833,119	22,547,787	265,818	280,737
Profit before finance costs and income tax expense		3,643,280	4,201,550	5,034,531	4,750,608
Finance costs		(60,687)	(137,590)	(236,065)	(274,556)
Profit before income tax expense		3,582,593	4,063,960	4,798,466	4,476,052
Income tax expense		(984,923)	(1,282,807)	(79,042)	(65,281)
Profit for the period		2,597,670	2,781,153	4,719,424	4,410,771
Profit attributable to:					
Equity holders of the Company		2,566,084	2,756,620	4,719,424	4,410,771
Minority interests		31,586	24,533	-	-
Profit for the period		2,597,670	2,781,153	4,719,424	4,410,771
Basic earnings per share (Baht)	13	0.10	0.11	0.19	0.18

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries

Statements of income

For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2010	2009	2010	2009
		<i>(in thousand Baht)</i>			
Revenues	5				
Revenue from sale of goods		59,406,698	54,347,426	-	-
Management fees		-	-	1,448,869	1,336,398
Interest income		3,980	11,664	122,917	193,478
Dividends	7	-	-	4,540,806	4,293,192
Other income		150,107	98,960	4,887	4,608
Total revenues		59,560,785	54,458,050	6,117,479	5,827,676
Expenses	5				
Cost of sale of goods		42,759,667	38,108,731	-	-
Cost of rendering of services		-	-	483,086	429,029
Selling expenses		3,758,341	2,574,525	-	-
Administrative expenses		5,399,182	4,740,584	9,859	8,756
Management benefit expenses		194,546	168,142	154,142	135,392
Total expenses		52,111,736	45,591,982	647,087	573,177
Profit before finance costs and income tax expense		7,449,049	8,866,068	5,470,392	5,254,499
Finance costs		(133,585)	(320,180)	(499,795)	(575,448)
Profit before income tax expense		7,315,464	8,545,888	4,970,597	4,679,051
Income tax expense		(2,207,160)	(2,731,750)	(141,347)	(127,946)
Profit for the period		5,108,304	5,814,138	4,829,250	4,551,105
Profit attributable to:					
Equity holders of the Company		5,054,515	5,772,711	4,829,250	4,551,105
Minority interests		53,789	41,427	-	-
Profit for the period		5,108,304	5,814,138	4,829,250	4,551,105
Basic earnings per share (Baht)	13	0.20	0.23	0.19	0.18

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries
Statements of changes in equity
For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	Consolidated financial statements										
	Note	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Fair value changes and revaluation differences	Retained earnings		Total equity attributable to equity holders of the Company	Minority interests	Total equity	
						Currency translation differences	Legal reserve				Unappropriated
Balance at 1 January 2009		25,110,025	(19,728,268)	17,215,737	4,262,802	(1,503,025)	2,900,000	25,505,762	53,763,033	238,261	54,001,294
Unrealised gains from change in fair value on an available for sale investment		-	-	-	81	-	-	-	81	-	81
Translation of financial statement differences		-	-	-	-	481,556	-	-	481,556	-	481,556
Income recognised directly in equity		-	-	-	81	481,556	-	-	481,637	-	481,637
Profit for the period		-	-	-	-	-	5,772,711	5,772,711	5,772,711	41,427	5,814,138
Total recognised income		-	-	-	81	481,556	-	5,772,711	6,254,348	41,427	6,295,775
Consideration paid to equity holders of subsidiaries for common control transactions	3	-	(3,965)	-	-	-	-	-	(3,965)	-	(3,965)
Dividends	14	-	-	-	-	-	(4,519,804)	(4,519,804)	(4,519,804)	(56,691)	(4,576,495)
Balance at 30 June 2009		<u>25,110,025</u>	<u>(19,732,233)</u>	<u>17,215,737</u>	<u>4,262,883</u>	<u>(1,021,469)</u>	<u>2,900,000</u>	<u>26,758,669</u>	<u>55,493,612</u>	<u>222,997</u>	<u>55,716,609</u>

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries
Statements of changes in equity
For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

Consolidated financial statements										
<u>Retained earnings</u>										
	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Fair value changes and revaluation differences	Currency translation differences	Legal reserve	Unappropriated	Total equity attributable to equity holders of the Company	Minority interests	Total equity
<i>Note</i>										
<i>(in thousand Baht)</i>										
Balance at 1 January 2010	25,110,025	(19,732,233)	17,215,737	4,262,883	(1,331,393)	2,900,000	27,785,867	56,210,886	232,695	56,443,581
Translation of financial statement differences	-	-	-	-	(372,011)	-	-	(372,011)	-	(372,011)
Expense recognised directly in equity	-	-	-	-	(372,011)	-	-	(372,011)	-	(372,011)
Profit for the period	-	-	-	-	-	-	5,054,515	5,054,515	53,789	5,108,304
Total recognised income	-	-	-	-	(372,011)	-	5,054,515	4,682,504	53,789	4,736,293
Dividends	-	-	-	-	-	-	(4,519,804)	(4,519,804)	(38,930)	(4,558,734)
Balance at 30 June 2010	25,110,025	(19,732,233)	17,215,737	4,262,883	(1,703,404)	2,900,000	28,320,578	56,373,586	247,554	56,621,140

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in equity

For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	<i>Note</i>	Issued and paid-up share capital	Premium on ordinary shares	Separate financial statements		Total equity attributable to equity holders of the Company
				Legal reserve <i>(in thousand Baht)</i>	Retained earnings Unappropriated	
Balance at 1 January 2009		25,110,025	17,215,737	2,900,000	14,849,684	60,075,446
Profit for the period		-	-	-	4,551,105	4,551,105
Dividends	<i>14</i>	-	-	-	(4,519,804)	(4,519,804)
Balance at 30 June 2009		25,110,025	17,215,737	2,900,000	14,880,985	60,106,747
Balance at 1 January 2010		25,110,025	17,215,737	2,900,000	15,206,658	60,432,420
Profit for the period		-	-	-	4,829,250	4,829,250
Dividends	<i>14</i>	-	-	-	(4,519,804)	(4,519,804)
Balance at 30 June 2010		25,110,025	17,215,737	2,900,000	15,516,104	60,741,866

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries

Statements of cash flows

For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	5,108,304	5,814,138	4,829,250	4,551,105
<i>Adjustments for</i>				
Depreciation and amortisation	2,229,425	2,147,038	19,094	18,380
Interest income	(3,980)	(11,664)	(122,917)	(193,478)
Finance costs	133,585	320,180	499,795	575,448
Unrealised (gain) loss on exchange	3,510	5,944	10	(3)
Bad debts and (reversal of) doubtful debts expense	(2,179)	4,242	-	-
Amortisation of advance payments to a specialist	25,000	25,000	4,688	4,688
Write-off and (reversal of) allowance for obsolete inventories	(68,627)	(159,135)	-	-
Write-off and (gain) loss on disposal of property, plant and equipment and intangible assets	(72,937)	(15,674)	-	(446)
Dividends	-	-	(4,540,806)	(4,293,192)
Income tax expense	2,207,160	2,731,750	141,347	127,946
	<u>9,559,261</u>	<u>10,861,819</u>	<u>830,461</u>	<u>790,448</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	296,625	92,424	-	-
Other receivables from related parties	473,780	(20,529)	84,680	76,208
Inventories	(2,384,276)	816,708	-	-
Other current assets	(383,964)	(502,036)	(11,566)	(8,536)
Trade accounts payable	361,256	(1,127,574)	-	-
Other payables to related parties	(75,253)	52,822	(2,067)	(31,245)
Other current liabilities	(125,773)	478,568	(36,883)	(37,534)
Other non-current liabilities	10,352	(6,371)	-	-
Income tax paid	(2,314,458)	(2,261,401)	(72,269)	(182,280)
Net cash provided by operating activities	<u>5,417,550</u>	<u>8,384,430</u>	<u>792,356</u>	<u>607,061</u>

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries

Statements of cash flows

For the six-month periods ended 30 June 2010 and 2009 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	3,873	11,712	125,344	202,682
Dividends received	-	-	4,540,806	4,293,192
(Increase) decrease in current investments	(244)	3,824	-	-
Loans to related parties	-	-	868,900	3,225,600
Investments in subsidiaries	-	-	(2,500)	(569,998)
(Increase) decrease in long-term investments	(3,660)	91	-	-
Purchase of property, plant and equipment	(1,828,180)	(883,615)	(9,976)	(12,174)
Sale of property, plant and equipment	78,536	34,305	-	941
Purchase of intangible assets	(10,001)	(14,291)	(1,461)	(2,373)
(Increase) decrease in other non-current assets	89,650	(2,395)	1,501	1,501
Purchase of investment in indirect subsidiaries	-	(3,965)	-	-
Net cash provided by (used in) investing activities	(1,670,026)	(854,334)	5,522,614	7,139,371
<i>Cash flows from financing activities</i>				
Interest paid	(133,185)	(320,130)	(505,726)	(574,423)
Dividends paid to equity holders of the Company	(4,519,804)	(4,519,804)	(4,519,804)	(4,519,804)
Dividends paid to minority interests	(38,930)	(56,691)	-	-
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	2,274,546	402,803	3,700,000	(946,161)
Increase (decrease) in loans from related parties	-	-	(2,934,300)	1,069,450
Repayment of short-term loans from other party	(2,200)	(1,200)	-	-
Repayment of long-term loans from financial institutions	(2,175,000)	(2,775,000)	(2,175,000)	(2,775,000)
Net cash used in financing activities	(4,594,573)	(7,270,022)	(6,434,830)	(7,745,938)
Net increase (decrease) in cash and cash equivalents				
	(847,049)	260,074	(119,860)	494
Cash and cash equivalents at beginning of period	2,590,213	1,920,972	128,663	3,965
Effect of exchange rate changes on balances held in foreign currencies	(247,659)	329,941	-	-
Cash and cash equivalents at end of period	1,495,505	2,510,987	8,803	4,459

The accompanying notes are an integral part of these financial statements.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Common control transactions and acquisitions
4	Significant transactions
5	Related party transactions and balances
6	Trade accounts receivable
7	Investments in subsidiaries
8	Investments in associates
9	Property, plant and equipment
10	Interest-bearing liabilities
11	Trade accounts payable
12	Segment information
13	Earnings per share
14	Dividends
15	Commitments with non-related parties
16	Events after the reporting period
17	Thai Accounting Standards (TAS) not yet adopted
18	Reclassification of accounts
19	Significant differences between TAS/IFRS and IFRS

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by the Board of Directors on 10 August 2010.

1 General information

Thai Beverage Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 14 Vibhavadi Rangsit Road, Chomphon, Chatuchak, Bangkok.

The Company was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in May 2006.

The principal businesses of the Company and its subsidiaries are the production, distribution of alcoholic and non-alcoholic beverages, Japanese restaurants, bakery shops and distribution of food and beverage. Details of the Company’s subsidiaries and associates as at 30 June 2010 and 31 December 2009 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2010	31 December 2009
Direct subsidiaries				
1. Beer Thai (1991) PCL.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
2. Beer Thip Brewery (1991) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
3. Sangsom Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
4. Fuengfuanant Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
5. Mongkolsamai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
6. Thanapakdi Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
7. Kanchanasingkorn Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
8. Sura Bangyikhan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
9. Athimart Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
10. S.S. Karnsura Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
11. Kankwan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
12. Theparunothai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
13. Red Bull Distillery (1988) Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
14. United Winery and Distillery Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
15. Simathurakij Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
16. Nateechai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
17. Luckchai Liquor Trading Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
18. Sura Piset Thipparat Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
19. Pomthip Co., Ltd.	Beer distributor	Thailand	100.00	100.00
20. Pomkit Co., Ltd.	Beer distributor	Thailand	100.00	100.00
21. Pomklung Co., Ltd.	Beer distributor	Thailand	100.00	100.00
22. Pomchok Co., Ltd.	Beer distributor	Thailand	100.00	100.00
23. Pomcharoen Co., Ltd.	Beer distributor	Thailand	100.00	100.00
24. Pomburapa Co., Ltd.	Beer distributor	Thailand	100.00	100.00
25. Pompalang Co., Ltd.	Beer distributor	Thailand	100.00	100.00
26. Pomnakorn Co., Ltd.	Beer distributor	Thailand	100.00	100.00
27. Num Yuk Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
28. Num Kijjakarn Co., Ltd.	Spirits distributor	Thailand	100.00	100.00

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2010	31 December 2009
<i>Direct subsidiaries (continued)</i>				
29. Num Palang Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
30. Num Muang Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
31. Num Nakorn Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
32. Num Thurakij Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
33. Numrungrod Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
34. Numthip Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
35. Thipchalothorn Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
36. Krittayabun Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
37. Surathip Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
38. Sunthronpirom Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
39. Piromsurang Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
40. Thai Beverage Energy Co., Ltd.	Trading of fertilizer, bio gas and distribution of spirits	Thailand	100.00	100.00
41. Wrangyer Beverage (2008) Co., Ltd.	Production and distribution of energy drink	Thailand	100.00	100.00
42. Thai Molasses Co., Ltd.	Trading of molasses	Thailand	99.72	99.72
43. Feed Addition Co., Ltd.	Trading of feeds and fertilizer	Thailand	100.00	100.00
44. Pan International (Thailand) Co., Ltd.	Trading of supplies and procurement	Thailand	100.00	100.00
45. Charun Business 52 Co., Ltd.	Brick producer and distribution of spirits	Thailand	100.00	100.00
46. Thai Cooperage Co., Ltd.	Oak barrel producer	Thailand	100.00	100.00
47. Thai Beverage Recycle Co., Ltd.	Trading of bottles	Thailand	100.00	100.00
48. Thai Beverage Logistics Co., Ltd.	Transportation and distribution	Thailand	100.00	100.00
49. Thai Beverage Marketing Co., Ltd.	Import and export spirits for trading/ international marketing and non-alcoholic beverages agency	Thailand	100.00	100.00
50. Dhanasindhi Co., Ltd.	Construction	Thailand	100.00	100.00
51. Dhospaak Co., Ltd.	Advertising agency	Thailand	100.00	100.00
52. Thai Beverage Training Co., Ltd.	Training	Thailand	100.00	-
53. International Beverage Holdings Limited	Holding company	Hong Kong	100.00	100.00
54. Cosmos Brewery (Thailand) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
55. Thai Beverage Brands Co., Ltd.	Trademark holding	Thailand	100.00	100.00
56. Beer Chang Co., Ltd.	Trademark holding and production of concentrate materials	Thailand	100.00	100.00
57. Archa Beer Co., Ltd.	Trademark holding and production of concentrate materials	Thailand	100.00	100.00
58. Sura Piset Phatra Lanna Co., Ltd.	Holding company	Thailand	100.00	100.00
59. Thai Drinks Co., Ltd.	Production and distribution of drinking water	Thailand	100.00	100.00
60. Oishi Group PCL.	Japanese restaurant, bakery shops and distribution of food and beverage	Thailand	89.93	89.93

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2010	31 December 2009
Indirect subsidiaries				
61. Thai Thum Distillery Co., Ltd. #	Production and distribution of spirits	Thailand	99.90	99.90
62. Sura Piset Sahasan Co., Ltd. #	Trading of spirits	Thailand	100.00	100.00
63. Sura Piset Sampan Co., Ltd. #	Trading of spirits	Thailand	100.00	100.00
64. Vitayathan Co., Ltd.	Environmental public relations	Thailand	100.00	100.00
65. InterBev (Singapore) Limited	Trading of alcoholic beverages	Singapore	100.00	100.00
66. InterBev (Cambodia) Co., Ltd.	Trading of alcoholic beverages	Cambodia	100.00	100.00
67. InterBev Malaysia Sdn. Bhd.	Trading of alcoholic beverages	Malaysia	100.00	100.00
68. Best Spirits Company Limited	Trading of alcoholic beverages	Hong Kong	100.00	100.00
69. International Beverage Holdings (UK) Limited	Holding company	United Kingdom	100.00	100.00
70. International Beverage Holdings (China) Limited	Holding company	Hong Kong	100.00	100.00
71. United Products Co., Ltd.	Production and distribution of spirits	Thailand	99.55	99.55
72. S P M Foods and Beverages Co., Ltd.	Production and distribution of drinking water and energy drinks and spirits agency	Thailand	99.83	99.83
73. Oishi Trading Co., Ltd.	Production and distribution of food and beverage	Thailand	89.93	89.93
74. Oishi Ramen Co., Ltd.	Japanese ramen restaurants	Thailand	89.93	89.93
75. Chang Beer International Co., Ltd. #	Dormant	Thailand	100.00	100.00
76. Maekhong Distillery Limited	Consultancy service	Thailand	100.00	100.00
77. Chang International Co., Ltd. #	Dormant	Thailand	100.00	100.00
78. Chang Corp Co., Ltd. #	Dormant	Thailand	100.00	100.00
79. Super Brands Company Pte. Ltd.	Trademark holding	Singapore	100.00	-
Subsidiaries of indirect subsidiaries				
80. International Beverage Holdings Limited USA, Inc. *	Trading of alcoholic beverages	United States of America	100.00	100.00
81. Blairmhor Limited **	Holding Company	United Kingdom	100.00	100.00
82. Inver House Distillers Limited *	Production and distribution of spirits	United Kingdom	100.00	100.00
83. InterBev Trading (China) Limited **	Trading of alcoholic beverage	People's Republic of China	100.00	100.00
84. Yunnan Yulinquan Liquor Co., Ltd. **	Spirits distillery	People's Republic of China	100.00	100.00
85. Blairmhor Distillers Limited **	Dormant	United Kingdom	100.00	100.00
86. Wee Beastie Limited **	Dormant	United Kingdom	100.00	100.00
87. Moffat & Towers Limited **	Dormant	United Kingdom	100.00	100.00
88. Glen Calder Blenders Limited **	Dormant	United Kingdom	100.00	100.00
89. Hankey Bannister & Company Limited **	Dormant	United Kingdom	100.00	100.00
90. R. Carmichael & Sons Limited **	Dormant	United Kingdom	100.00	100.00
91. J MacArthur Junior & Company Limited **	Dormant	United Kingdom	100.00	100.00
92. Mason & Summers Limited **	Dormant	United Kingdom	100.00	100.00
93. James Catto & Company Limited **	Dormant	United Kingdom	100.00	100.00
94. The Knockdhu Distillery Co., Ltd. **	Dormant	United Kingdom	100.00	100.00
95. Speyburn-Glenlivet Distillery Co., Ltd. **	Dormant	United Kingdom	100.00	100.00
96. The Pulteney Distillery Co., Ltd. **	Dormant	United Kingdom	100.00	100.00
97. The Balblair Distillery Co., Ltd. **	Dormant	United Kingdom	100.00	100.00

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2010	31 December 2009
<i>Associates of indirect subsidiaries ***</i>				
98. Liquorland Limited	Off licences	United Kingdom	49.49	49.49
99. Inver House Polska Limited	Trading of alcoholic beverages	Poland	44.00	44.00
100. Inver House Distribution SA #	Dormant	France	50.02	50.02

* Subsidiaries of International Beverage Holdings (UK) Limited

** Subsidiaries of International Beverage Holdings (China) Limited

*** Associates of International Beverage Holdings (UK) Limited

These are currently non-trading.

On 26 January 2010 Thai Beverage Training Co., Ltd., the Company's subsidiary, was incorporated with an authorised share capital of Baht 10 million by issuing 1 million ordinary shares with a Baht 10 par value. The initial paid up capital was Baht 2.5 per share.

On 14 April 2010 Super Brands Company Pte. Ltd., the Company's indirect subsidiary, was incorporated in Singapore with an authorised share capital of SGD 10,000 by issuing 10,000 ordinary shares with a SGD 1 par value. International Beverage Holdings Limited, the Company's subsidiary, holds it entire shares.

2 Basis of preparation of the financial statements

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 *Interim Financial Reporting* including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP"), applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2009. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2009.

On 26 May 2010, the FAP announced (Announcement No. 17/2010) the issuing a number of new and revised Thai Accounting Standards (TAS) and Thai Financial Reporting Standards (TFRS) (revised 2009). The Group has adopted the revised Framework (revised 2009) for the Preparation and Presentation of Financial Statements. The adoption of the revised Framework does not have any material impact on the consolidated or separate financial statements. New and revised TAS which is not currently effective and have not been adopted in the preparation of these financial statements is disclosed in note 17.

The interim financial statements are presented in Thai Baht, rounded to the nearest thousand unless otherwise stated.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Accounting policies and methods of computation applied in the interim financial statements for the three-month and six-month periods ended 30 June 2010 are consistent with those applied in the financial statements for the year ended 31 December 2009.

3 Common control transactions and acquisitions

Common control transactions

On 2 February 2009, Sura Bangyikhan Co., Ltd., and another two subsidiaries of the Company acquired the entire 5,000 ordinary issued shares of Maekhong Distillery Limited from existing equity holders at Baht 13 per share, amounting to Baht 65,000 and Beer Chang Co., Ltd., and another two subsidiaries of the Company acquired the entire 100,000 ordinary issued shares of Chang Beer International Co., Ltd., from the existing equity holders at Baht 39 per share, amounting to Baht 3.9 million.

Both acquired companies incurred immaterial business transactions in 2008, the consolidated financial statements have not been revised as if the acquisition had taken place at the beginning of 2008. The consolidated balance sheet as at 31 December 2008 has been restated to include the assets and liabilities at their carrying values. The difference between the consideration to be paid by the Company for the acquisition and the carrying amount of the net identifiable assets is included in "Difference arising from common control transactions".

Acquisitions

On 16 November 2009, International Beverage Holdings (China) Limited, the Company's indirect subsidiary, acquired the entire ordinary shares of Yunnan Yulinquan Liquor Co., Ltd. from Best Spirits (China) Co., Ltd. for a cash consideration of USD 10.10 million. Due to the fair value of the identifiable net assets of Yunnan Yulinquan Liquor Co., Ltd. using estimated amounts, the Company accounted for a business combination provisionally. However, the Company will adjust the provisional amounts whenever the initial accounting is complete, within 12 months from the acquisition date.

4 Significant transactions

Significant transactions occurring during the six-month period ended 30 June 2010 were as follows:

- (a) On 26 March 2010, International Beverage Holdings Limited USA, Inc., a subsidiary of the indirect subsidiary, increased its authorised share capital from USD 10.3 million to USD 10.8 million to fund its operations.
- (b) The Executive Board of Directors' meeting held on 24 May 2010 unanimously approved in principle for 16 distilleries, the Company's subsidiaries, to purchase 23 Empty Bottle Inspection machines (E.B.I.) with belt conveyor system, amounting to Baht 387 million. This project will be invested in 2010 and 2011 in the amount of Baht 132 million and Baht 255 million, respectively.
- (c) The Executive Board of Directors' meeting held on 21 June 2010 unanimously approved in principle for SPM Foods and Beverages Company Limited, the Company's indirect subsidiary, to purchase the machine for beverage production, amounting to Baht 126 million.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

5 Related party transactions and balances

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly-controlled by the Company or have transactions with the Group were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
1. Beer Thai (1991) PCL.	Thailand	Direct subsidiary, 100% shareholding
2. Beer Thip Brewery (1991) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
3. Sangsom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
4. Fuengfuanant Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
5. Mongkolsamai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
6. Thanapakdi Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
7. Kanchanasingkorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
8. Sura Bangyikhan Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
9. Athimart Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
10. S.S. Karnsura Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
11. Kankwan Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
12. Theparunothai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
13. Red Bull Distillery (1988) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
14. United Winery and Distillery Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
15. Simathurakij Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
16. Nateechai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
17. Luckchai Liquor Trading Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
18. Sura Piset Thipparat Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
19. Pomthip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
20. Pomkit Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
21. Pomklung Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
22. Pomchok Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
23. Pomcharoen Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
24. Pomburapa Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
25. Pompalang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
26. Pomnakorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
27. Num Yuk Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
28. Num Kijjakarn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
29. Num Palang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
30. Num Muang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
31. Num Nakorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
32. Num Thurakij Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
33. Numrungrad Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
34. Numthip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
35. Thipchalothorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
36. Krittayabun Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
37. Surathip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
38. Sunthronpirom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
39. Piromsurang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
40. Thai Beverage Energy Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
41. Wrangyer Beverage (2008) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
42. Thai Molasses Co., Ltd.	Thailand	Direct subsidiary, 99.72% shareholding

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
43. Feed Addition Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
44. Pan International (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
45. Charun Business 52 Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
46. Thai Cooperage Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
47. Thai Beverage Recycle Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
48. Thai Beverage Logistics Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
49. Thai Beverage Marketing Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
50. Dhanasindhi Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
51. Dhospaak Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
52. Thai Beverage Training Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
53. International Beverage Holdings Limited	Hong Kong	Direct subsidiary, 100% shareholding
54. Cosmos Brewery (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
55. Thai Beverage Brands Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
56. Beer Chang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
57. Archa Beer Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
58. Sura Piset Phatra Lanna Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
59. Thai Drinks Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
60. Oishi Group PCL.	Thailand	Direct subsidiary, 89.93% shareholding
61. Thai Thum Distillery Co., Ltd.	Thailand	Indirect subsidiary, 99.90% shareholding
62. Sura Piset Sahasan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
63. Sura Piset Sampan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
64. Vitayathan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
65. InterBev (Singapore) Limited	Singapore	Indirect subsidiary, 100% shareholding
66. InterBev (Cambodia) Co., Ltd.	Cambodia	Indirect subsidiary, 100% shareholding
67. InterBev Malaysia Sdn. Bhd.	Malaysia	Indirect subsidiary, 100% shareholding
68. Best Spirits Company Limited	Hong Kong	Indirect subsidiary, 100% shareholding
69. International Beverage Holdings (UK) Limited	United Kingdom	Indirect subsidiary, 100% shareholding
70. International Beverage Holdings (China) Limited	Hong Kong	Indirect subsidiary, 100% shareholding
71. United Products Co., Ltd.	Thailand	Indirect subsidiary, 99.55% shareholding
72. S P M Foods and Beverages Co., Ltd.	Thailand	Indirect subsidiary, 99.83% shareholding
73. Oishi Trading Co., Ltd.	Thailand	Indirect subsidiary, 89.93% shareholding
74. Oishi Ramen Co., Ltd.	Thailand	Indirect subsidiary, 89.93% shareholding
75. Chang Beer International Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
76. Maekhong Distillery Limited	Thailand	Indirect subsidiary, 100% shareholding
77. Chang International Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
78. Chang Corp Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
79. Super Brands Company Pte. Ltd.	Singapore	Indirect subsidiary, 100% shareholding
80. International Beverage Holdings Limited USA, Inc.	United States of America	Subsidiary of indirect subsidiary, 100% shareholding
81. Blairmhor Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
82. Inver House Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
83. InterBev Trading (China) Limited	People's Republic of China	Subsidiary of indirect subsidiary, 100% shareholding
84. Yunnan Yulinquan Liquor Co., Ltd.	People's Republic of China	Subsidiary of indirect subsidiary, 100% shareholding
85. Blairmhor Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
86. Wee Beastie Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
87. Moffat & Towers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
88. Glen Calder Blenders Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
89. Hankey Bannister & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
90. R. Carmichael & Sons Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
91. J MacArthur Junior & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
92. Mason & Summers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
93. James Catto & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
94. The Knockdhu Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
95. Speyburn-Glenlivet Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
96. The Pulteney Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
97. The Balblair Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
98. Liquorland Limited	United Kingdom	Associates of indirect subsidiary, 49.90% shareholding
99. Inver House Polska Limited	Poland	Associates of indirect subsidiary, 44% shareholding
100. Inver House Distribution SA	France	Associates of indirect subsidiary, 50.02% shareholding
101. Thai Alcohol PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
102. Sint EK Panich Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
103. Banglen Agriculture Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
104. Pisetskij Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
105. The Maewang Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
106. The Chonburi Sugar Corp. Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
107. The Utaradit Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
108. The Suphanburi Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
109. The Southeast Insurance Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
110. The Southeast Life Insurance Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
111. Southeast Capital Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
112. T.C.C. Technology Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
113. Thai Glass Industries PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
114. Bang-Na Glass Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
115. TCC Hotel Collection Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
116. Terragro Fertilizer Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
117. Dhipaya Sugar (1999) Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
118. BJC Industrial and Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
119. North Park Real Estate Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
120. TCC PD 11 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
121. Thippatana Arcade Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
122. Siam Food Products PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
123. BJC Healthcare Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
124. Wattanapat Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
125. Silvercord Capital (Singapore) Limited	Singapore	Directors and controlling equity holders hold substantial shares indirectly
126. Plantheon Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
127. New Noble Property and Loan Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
128. Dynamic Assets Property and Loan Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
129. Best Fortune Property and Loan Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
130. Regent Gold Property Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
131. Plaza Athenee Hotel (Thailand) Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
132. North Park Golf And Sport Club Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
133. Berli Jucker PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
134. Thai Beverage Can Co., Ltd.	Thailand	Directors and controlling equity holders hold 50% shares
135. O.G.T. Co., Ltd.	Thailand	Director of subsidiary is relative of Director of O.G.T. Co., Ltd.
136. PS Recycle Co., Ltd.	Thailand	Directors and controlling equity holders are relatives of controlling person
137. T.C.C. International Limited	Hong Kong	Controlling equity holders hold substantial shares indirectly
138. Best Wishes Co., Ltd.	Hong Kong	Controlling equity holders hold substantial shares indirectly

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of goods	Agreed prices which approximate market prices
Rendering of services	Contractual prices
Purchase of goods/raw materials	Agreed prices which approximate market prices
Receiving of services	Contractual prices
Purchase and sale of property, plant and equipment	Contractual prices
Purchase and sale of investments	Contractual prices
Interest income and interest expense	Rate as mutually agreed by equity holders with reference interest rates quoted by financial institutions

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Significant transactions for the three-month and six-month periods ended 30 June 2010 and 2009 with related parties were as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in million Baht)</i>			
Subsidiaries				
Management fees	-	-	697	641
Cost of rendering of services	-	-	23	38
Interest income	-	-	60	94
Interest expense	-	-	184	168
Dividends	-	-	4,541	4,293
Purchases of investments	-	-	-	26
Increase in share capital in subsidiaries	-	-	-	514
Other related parties				
Sales of goods	253	261	-	-
Purchases of raw materials and packaging	1,560	1,113	-	-
Overhead costs	53	38	-	-
Cost of rendering of services	-	-	24	38
Other income	18	13	2	1
Administrative expenses	123	118	-	-
Sales of equipment	-	3	-	-
Purchases of equipment	11	-	-	-
Directors' remuneration	64	55	46	41
	Consolidated financial statements		Separate financial statements	
<i>Six-month period ended 30 June</i>	2010	2009	2010	2009
	<i>(in million Baht)</i>			
Subsidiaries				
Management fees	-	-	1,449	1,336
Cost of rendering of services	-	-	44	45
Interest income	-	-	122	193
Interest expense	-	-	387	321
Dividends	-	-	4,541	4,293
Purchases of investments	-	-	-	26
Increase in share capital in subsidiaries	-	-	-	544
Other related parties				
Sales of goods	656	761	-	-
Purchases of raw materials and packaging	3,901	2,468	-	-
Overhead costs	104	81	-	-
Cost of rendering of services	-	-	50	61
Other income	27	27	4	2
Administrative expenses	241	214	1	1
Sales of equipment	-	6	-	-
Purchases of equipment	13	4	-	-
Purchases of investments	-	4	-	-
Directors' remuneration	173	150	154	135

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Balances as at 30 June 2010 and 31 December 2009 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in million Baht)</i>			
Other related companies				
O.G.T. Co., Ltd.	83	96	-	-
PS Recycle Co., Ltd.	37	22	-	-
Thai Alcohol PCL.	-	18	-	-
Others	8	8	-	-
Total	128	144	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Short-term loans to and other receivables from related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2010			31 December 2009			30 June 2010			31 December 2009		
	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total
	<i>(in million Baht)</i>											
Subsidiaries												
Beer Thai (1991) PCL.	-	-	-	-	-	-	858	23	881	1,709	39	1,748
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	-	-	12	12	-	12	12
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	-	-	-	-	3	3	-	5	5
Sangsom Co., Ltd.	-	-	-	-	-	-	-	2	2	-	5	5
Fuengfuanant Co., Ltd.	-	-	-	-	-	-	-	2	2	-	2	2
Mongkolsamai Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Thanapakdi Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Kanchanasing Korn Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Sura Bangyikhan Co., Ltd.	-	-	-	-	-	-	-	12	12	-	14	14
Athimart Co., Ltd.	-	-	-	-	-	-	-	3	3	-	3	3
S.S. Karnsura Co., Ltd.	-	-	-	-	-	-	-	2	2	-	3	3
Kankwan Co., Ltd.	-	-	-	-	-	-	-	3	3	-	4	4
Theparunothai Co., Ltd.	-	-	-	-	-	-	-	2	2	-	4	4
Red Bull Distillery (1988) Co., Ltd.	-	-	-	-	-	-	-	11	11	6	14	20
United Winery and Distillery Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Simathurakij Co., Ltd.	-	-	-	-	-	-	-	2	2	194	2	196
Nateechai Co., Ltd.	-	-	-	-	-	-	-	2	2	-	2	2
Luckchai Liquor Trading Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Sura Piset Phatra Lanna Co., Ltd.	-	-	-	-	-	-	7	-	7	-	-	-
Pomthip Co., Ltd.	-	-	-	-	-	-	295	9	304	190	11	201
Pomkit Co., Ltd.	-	-	-	-	-	-	-	4	4	-	7	7
Pomklung Co., Ltd.	-	-	-	-	-	-	-	3	3	-	5	5
Pomchok Co., Ltd.	-	-	-	-	-	-	-	4	4	-	5	5
Pomcharoen Co., Ltd.	-	-	-	-	-	-	-	3	3	-	4	4
Pomburapa Co., Ltd.	-	-	-	-	-	-	-	4	4	-	5	5
Pompalang Co., Ltd.	-	-	-	-	-	-	-	3	3	25	4	29
Pomnakorn Co., Ltd.	-	-	-	-	-	-	-	3	3	-	5	5
Num Yuk Co., Ltd.	-	-	-	-	-	-	-	14	14	154	19	173
Num Kijjakarn Co., Ltd.	-	-	-	-	-	-	-	10	10	-	15	15
Num Palang Co., Ltd.	-	-	-	-	-	-	88	5	93	-	7	7

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Short-term loans to and other receivables from related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2010			31 December 2009			30 June 2010			31 December 2009		
	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total
	<i>(in million Baht)</i>											
Subsidiaries (continued)												
Num Muang Co., Ltd.	-	-	-	-	-	-	-	7	7	-	10	10
Num Nakorn Co., Ltd.	-	-	-	-	-	-	-	5	5	-	6	6
Num Thurakij Co., Ltd.	-	-	-	-	-	-	-	6	6	-	7	7
Numrungrad Co., Ltd.	-	-	-	-	-	-	-	9	9	-	13	13
Numthip Co., Ltd.	-	-	-	-	-	-	-	5	5	-	7	7
Thipchalothorn Co., Ltd.	-	-	-	-	-	-	-	30	30	-	45	45
Krittayabun Co., Ltd.	-	-	-	-	-	-	-	35	35	-	39	39
Surathip Co., Ltd.	-	-	-	-	-	-	-	10	10	-	16	16
Sunthronpirom Co., Ltd.	-	-	-	-	-	-	-	3	3	-	2	2
Piromsurang Co., Ltd.	-	-	-	-	-	-	-	1	1	-	2	2
Wrangyer Beverage (2008) Co., Ltd.	-	-	-	-	-	-	7	1	8	-	1	1
Thai Beverage Logistics Co., Ltd.	-	-	-	-	-	-	-	1	1	-	-	-
Thai Beverage Recycle Co., Ltd.	-	-	-	-	-	-	235	1	236	315	1	316
Dhospaak Co., Ltd.	-	-	-	-	-	-	216	1	217	40	-	40
Thai Beverage Brands Co., Ltd.	-	-	-	-	-	-	4	-	4	3	-	3
Thai Drinks Co., Ltd.	-	-	-	-	-	-	28	-	28	6	-	6
Total subsidiaries	-	-	-	-	-	-	1,738	261	1,999	2,642	350	2,992

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Short-term loans to and other receivables from related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2010			31 December 2009			30 June 2010			31 December 2009		
	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total
	<i>(in million Baht)</i>											
Related companies												
Best Fortune Property and Loan Fund	-	9	9	-	9	9	-	-	-	-	-	-
Plantheon Trading Co., Ltd.	-	7	7	-	392	392	-	-	-	-	-	-
T.C.C. Technology Co., Ltd.	-	5	5	-	3	3	-	5	5	-	3	3
The Suphanburi Sugar Industry Co., Ltd.	-	1	1	-	38	38	-	-	-	-	-	-
The Utaradit Sugar Industry Co., Ltd.	-	-	-	-	33	33	-	-	-	-	-	-
The Maewang Sugar Industry Co., Ltd.	-	-	-	-	17	17	-	-	-	-	-	-
Others	-	8	8	-	12	12	-	-	-	-	-	-
Total related companies	-	30	30	-	504	504	-	5	5	-	3	3
Total	-	30	30	-	504	504	1,738	266	2,004	2,642	353	2,995

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Long-term loans to and other receivables from related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2010			31 December 2009			30 June 2010			31 December 2009		
	Long-term loans to	Other receivables	Total	Long-term loans to	Other receivables	Total	Long-term loans to	Other receivables	Total	Long-term loans to	Other receivables	Total
	<i>(in million Baht)</i>											
Subsidiaries												
Beer Thai (1991) PCL.	-	-	-	-	-	-	2,000	-	2,000	2,500	-	2,500
Red Bull Distillery (1988) Co., Ltd.	-	-	-	-	-	-	648	-	648	637	-	637
Sura Piset Thipparat Co., Ltd.	-	-	-	-	-	-	12	-	12	-	-	-
Num Yuk Co., Ltd.	-	-	-	-	-	-	248	-	248	111	-	111
Wrangyer Beverage (2008) Co., Ltd.	-	-	-	-	-	-	184	-	184	199	-	199
Pompalang Co., Ltd.	-	-	-	-	-	-	85	-	85	-	-	-
Dhospaak Co., Ltd.	-	-	-	-	-	-	13	-	13	-	-	-
Thai Beverage Logistics Co., Ltd.	-	-	-	-	-	-	293	-	293	-	-	-
Thai Beverage Brands Co., Ltd.	-	-	-	-	-	-	7	-	7	8	-	8
Total subsidiaries	-	-	-	-	-	-	3,490	-	3,490	3,455	-	3,455
Related companies												
North Park Real Estate Co., Ltd.	-	29	29	-	29	29	-	3	3	-	3	3
T.C.C. Technology Co., Ltd.	-	9	9	-	9	9	-	8	8	-	8	8
TCC PD 11 Co., Ltd.	-	3	3	-	3	3	-	-	-	-	-	-
Others	-	11	11	-	11	11	-	-	-	-	-	-
Total related companies	-	52	52	-	52	52	-	11	11	-	11	11
Total	-	52	52	-	52	52	3,490	11	3,501	3,455	11	3,466

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

<i>Summary of loans to related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in million Baht)</i>			
Short-term loans	-	-	1,738	2,642
Long-term loans	-	-	3,490	3,455
Total loans to related parties	-	-	5,228	6,097

Movements during the six-month periods ended 30 June 2010 and 2009 of loans to related parties were as follows:

<i>Loans to related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
	<i>(in million Baht)</i>			
Short-term loans				
Subsidiaries				
At 1 January	-	-	2,642	3,336
Increase	-	-	407	763
Decrease	-	-	(1,311)	(1,317)
At 30 June	-	-	1,738	2,782
Long-term loans				
Subsidiaries				
At 1 January	-	-	3,455	5,578
Increase	-	-	551	-
Decrease	-	-	(516)	(2,672)
At 30 June	-	-	3,490	2,906

<i>Trade accounts payable to related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in million Baht)</i>			
Other related parties				
Berli Jucker PCL.	680	718	-	-
Thai Beverage Can Co., Ltd.	74	85	-	-
PS Recycle Co., Ltd.	59	23	-	-
Plantheon Trading Co., Ltd.	45	21	-	-
Others	45	43	-	-
Total	903	890	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Short-term loans from and other payables to related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2010			31 December 2009			30 June 2010			31 December 2009		
	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total
	<i>(in million Baht)</i>											
Subsidiaries												
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	-	28	16	44	-	16	16
Sangsom Co., Ltd.	-	-	-	-	-	-	-	5	5	135	11	146
Fuengfuanant Co., Ltd.	-	-	-	-	-	-	60	1	61	225	2	227
Mongkolsamai Co., Ltd.	-	-	-	-	-	-	43	1	44	51	1	52
Thanapakdi Co., Ltd.	-	-	-	-	-	-	51	1	52	53	1	54
Kanchanasingkorn Co., Ltd.	-	-	-	-	-	-	3	1	4	334	2	336
Sura Bangyikhan Co., Ltd.	-	-	-	-	-	-	681	2	683	340	-	340
Athimart Co., Ltd.	-	-	-	-	-	-	155	1	156	496	2	498
S.S. Karnsura Co., Ltd.	-	-	-	-	-	-	170	1	171	340	2	342
Kankwan Co., Ltd.	-	-	-	-	-	-	110	1	111	400	2	402
Theparunothai Co., Ltd.	-	-	-	-	-	-	86	1	87	289	1	290
United Winery and Distillery Co., Ltd.	-	-	-	-	-	-	-	1	1	114	1	115
Simathurakij Co., Ltd.	-	-	-	-	-	-	112	-	112	-	-	-
Nateechai Co., Ltd.	-	-	-	-	-	-	-	-	-	168	1	169
Luckchai Liquor Trading Co., Ltd.	-	-	-	-	-	-	-	-	-	13	1	14
Pomkit Co., Ltd.	-	-	-	-	-	-	123	1	124	84	1	85
Pomklung Co., Ltd.	-	-	-	-	-	-	-	-	-	-	1	1
Pomchok Co., Ltd.	-	-	-	-	-	-	-	1	1	20	1	21
Pomchareon Co., Ltd.	-	-	-	-	-	-	29	-	29	45	-	45
Pomburapa Co., Ltd.	-	-	-	-	-	-	-	1	1	10	1	11
Pomnakorn Co., Ltd.	-	-	-	-	-	-	27	-	27	43	-	43
Num Kijjakarn Co., Ltd.	-	-	-	-	-	-	216	4	220	691	5	696
Num Palang Co., Ltd.	-	-	-	-	-	-	-	-	-	212	1	213
Num Muang Co., Ltd.	-	-	-	-	-	-	97	1	98	324	2	326
Num Nakorn Co., Ltd.	-	-	-	-	-	-	-	1	1	55	1	56
Num Thurakij Co., Ltd.	-	-	-	-	-	-	29	1	30	298	2	300
Numrungrud Co., Ltd.	-	-	-	-	-	-	156	1	157	499	1	500
Numthip Co., Ltd.	-	-	-	-	-	-	-	-	-	190	1	191
Thipchalothorn Co., Ltd.	-	-	-	-	-	-	563	2	565	615	1	616
Krittayabun Co., Ltd.	-	-	-	-	-	-	191	3	194	284	1	285
Surathip Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Sunthronpirom Co., Ltd.	-	-	-	-	-	-	-	2	2	55	2	57
Piromsurang Co., Ltd.	-	-	-	-	-	-	-	1	1	46	1	47
Thai Beverage Energy Co., Ltd.	-	-	-	-	-	-	119	1	120	83	-	83

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Short-term loans from and other payables to related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2010			31 December 2009			30 June 2010			31 December 2009		
	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total	Short-term loans from <i>(in million Baht)</i>	Other payables	Total	Short-term loans from	Other payables	Total
<i>Subsidiaries (continued)</i>												
Thai Molasses Co., Ltd.	-	-	-	-	-	-	110	1	111	132	1	133
Thai Cooperage Co., Ltd.	-	-	-	-	-	-	12	-	12	4	-	4
Feed Addition Co., Ltd.	-	-	-	-	-	-	25	-	25	28	-	28
Pan International (Thailand) Co., Ltd.	-	-	-	-	-	-	14	1	15	5	1	6
Charun Business 52 Co., Ltd.	-	-	-	-	-	-	9	-	9	7	-	7
Thai Beverage Logistics Co., Ltd.	-	-	-	-	-	-	-	-	-	138	-	138
Thai Beverage Marketing Co., Ltd.	-	-	-	-	-	-	109	-	109	405	1	406
Dhanasindhi Co., Ltd.	-	-	-	-	-	-	2	-	2	14	-	14
Dhospaak Co., Ltd.	-	-	-	-	-	-	-	34	34	-	42	42
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	-	-	-	-	1	1	14	2	16
Beer Chang Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
International Beverage Holdings Limited	-	-	-	-	-	-	-	10	10	-	-	-
Total subsidiaries	-	-	-	-	-	-	3,330	101	3,431	7,259	114	7,373
<i>Related companies</i>												
Southeast Capital Co., Ltd.	-	21	21	-	14	14	-	9	9	-	2	2
Berli Jucker PCL.	-	11	11	-	4	4	-	-	-	-	-	-
T.C.C. Technology Co., Ltd.	-	10	10	-	11	11	-	10	10	-	10	10
Plaza Athenee Hotel (Thailand) Co., Ltd.	-	7	7	-	16	16	-	1	1	-	3	3
BJC Industrial and Trading Co., Ltd. Co., Ltd.	-	7	7	-	7	7	-	-	-	-	-	-
TCC Hotel Collection Co.,Ltd.	-	6	6	-	5	5	-	-	-	-	-	-
Thai Alcohol PCL.	-	-	-	-	83	83	-	-	-	-	-	-
Others	-	17	17	-	14	14	-	1	1	-	3	3
Total related companies	-	79	79	-	154	154	-	21	21	-	18	18
Total	-	79	79	-	154	154	3,330	122	3,452	7,259	132	7,391

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Long-term loans from and other payables to related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2010			31 December 2009			30 June 2010			31 December 2009		
	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total
	<i>(in million Baht)</i>											
Subsidiaries												
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	-	3,897	-	3,897	3,865	-	3,865
Sangsom Co., Ltd.	-	-	-	-	-	-	385	-	385	216	-	216
Fuengfuanant Co., Ltd.	-	-	-	-	-	-	255	-	255	255	-	255
Mongkolsamai Co., Ltd.	-	-	-	-	-	-	289	-	289	270	-	270
Thanapakdi Co., Ltd.	-	-	-	-	-	-	161	-	161	149	-	149
Kanchanasingkorn Co., Ltd.	-	-	-	-	-	-	228	-	228	230	-	230
Athimart Co., Ltd.	-	-	-	-	-	-	60	-	60	-	-	-
S.S. Karnsura Co., Ltd.	-	-	-	-	-	-	120	-	120	120	-	120
Kankwan Co., Ltd.	-	-	-	-	-	-	205	-	205	165	-	165
Theparunothai Co., Ltd.	-	-	-	-	-	-	222	-	222	163	-	163
United Winery and Distillery Co., Ltd.	-	-	-	-	-	-	230	-	230	175	-	175
Simathurakij Co., Ltd.	-	-	-	-	-	-	73	-	73	-	-	-
Luckchai Liquor Trading Co., Ltd.	-	-	-	-	-	-	48	-	48	115	-	115
Nateechai Co., Ltd.	-	-	-	-	-	-	15	-	15	-	-	-
Pomkit Co., Ltd.	-	-	-	-	-	-	162	-	162	195	-	195
Pomklung Co., Ltd.	-	-	-	-	-	-	65	-	65	88	-	88
Pomchok Co., Ltd.	-	-	-	-	-	-	336	-	336	294	-	294
Pomburapa Co., Ltd.	-	-	-	-	-	-	271	-	271	296	-	296
Pomnakorn Co., Ltd.	-	-	-	-	-	-	70	-	70	-	-	-
Num Thurakij Co., Ltd.	-	-	-	-	-	-	135	-	135	135	-	135
Num Muang Co., Ltd.	-	-	-	-	-	-	155	-	155	155	-	155
Num Nakorn Co., Ltd.	-	-	-	-	-	-	224	-	224	280	-	280
Num Kijjakarn Co., Ltd.	-	-	-	-	-	-	722	-	722	722	-	722
Num Palang Co., Ltd.	-	-	-	-	-	-	-	-	-	15	-	15
Numrungrad Co., Ltd.	-	-	-	-	-	-	220	-	220	-	-	-
Numthip Co., Ltd.	-	-	-	-	-	-	116	-	116	-	-	-
Krittayabun Co., Ltd.	-	-	-	-	-	-	444	-	444	208	-	208
Surathip Co., Ltd.	-	-	-	-	-	-	210	-	210	230	-	230

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Long-term loans from and other payables to related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2010			31 December 2009			30 June 2010			31 December 2009		
	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total
	<i>(in million Baht)</i>											
<i>Subsidiaries (continued)</i>												
Sunthronpirom Co., Ltd.	-	-	-	-	-	-	403	-	403	361	-	361
Piromsurang Co., Ltd.	-	-	-	-	-	-	240	-	240	197	-	197
Thai Molasses Co., Ltd.	-	-	-	-	-	-	66	-	66	22	-	22
Feed Addition Co., Ltd.	-	-	-	-	-	-	8	-	8	10	-	10
Pan International (Thailand) Co., Ltd.	-	-	-	-	-	-	20	-	20	25	-	25
Charun Business 52 Co., Ltd.	-	-	-	-	-	-	23	-	23	25	-	25
Thai Cooperage Co., Ltd.	-	-	-	-	-	-	47	-	47	57	-	57
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	-	-	-	357	-	357	461	-	461
Beer Chang Co., Ltd.	-	-	-	-	-	-	193	-	193	172	-	172
Archa Beer Co., Ltd.	-	-	-	-	-	-	63	-	63	72	-	72
Total subsidiaries	-	-	-	-	-	-	10,738	-	10,738	9,743	-	9,743
<i>Other related companies</i>												
Others	-	1	1	-	1	1	-	-	-	-	-	-
Total	-	1	1	-	1	1	10,738	-	10,738	9,743	-	9,743

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

<i>Summary of loans from related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in million Baht)</i>			
Short-term loans	-	-	3,330	7,259
Long-term loans	-	-	10,738	9,743
Total loans from related parties	-	-	14,068	17,002

Movements during the six-month periods ended 30 June 2010 and 2009 of loans from related parties were as follows:

<i>Loans from related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
	<i>(in million Baht)</i>			
<i>Short-term loans</i>				
Subsidiaries				
At 1 January	-	-	7,259	3,803
Increase	-	-	574	3,010
Decrease	-	-	(4,503)	(1,363)
At 30 June	-	-	3,330	5,450
<i>Long-term loans</i>				
Subsidiaries				
At 1 January	-	-	9,743	8,725
Increase	-	-	1,369	590
Decrease	-	-	(374)	(1,167)
At 30 June	-	-	10,738	8,148

Significant agreements with related parties

Supporting service agreements

The Company entered into supporting service agreements with subsidiaries for supporting service such as human resource, administration, accounting, finance, public relations, public co-ordination, technology, law, secretary and share register and internal audit for the period of one year from 1 January 2004 to 31 December 2004. Unless there are notifications to terminate the agreement within 30 days before the expiry date, this agreement continues to be in effect for the successive one year term. The subsidiaries are committed to pay a service fee at the rate of 0.5% of their principal revenue.

With effect from 1 January 2007, the supporting service fee rate was adjusted to 1% of the principal revenue. Service fee rate was adjusted for development of new product, experiment and quality test, analysis, research and marketing survey for new products and procurement of information.

Application service provisioning agreement

The Company entered into the application service provisioning agreement with T.C.C. Technology Co., Ltd., a related party, for the provision of ongoing support and maintenance of the systems and infrastructure and is committed to pay system, hardware and software rental fee and service fee on a monthly basis throughout the contract period of five years.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Procurement agreement

Pan International (Thailand) Co., Ltd., the Company's subsidiary, entered into the procurement agreements with other subsidiaries, for necessary purchase and procurement services to the later subsidiaries. The procurement fee is 1% of the value of goods and services purchased under such agreement.

Molasses purchase agreements

Thai Molasses Co., Ltd., the Company's subsidiary, entered into molasses purchase and sale agreements with various related companies in order to sell to other subsidiaries within the Group. The terms and conditions of these agreements specify that the seller would sell molasses to the buyers in specified quantity, price, quality, delivery and received, payments, responsibility, weight, sample analysis on molasses, and quality control, etc.

Glass bottle purchase and sale agreement

Thai Beverage Recycle Co., Ltd., the Company's subsidiary, entered into the glass bottle purchase and sale agreement with Berli Jucker PCL., a related party, to purchase various types of new glass bottles in order to sell to other subsidiaries within the Group for a period of two years and eight months, effective from 1 May 2007 to 31 December 2009, under the prices and conditions stated in the contract.

On 23 December 2009, the subsidiary entered into a new glass bottle purchase and sale agreement for a period of three years, effective from 1 January 2010 to 31 December 2012, under the prices and conditions stated in the contract.

License agreements

- Three subsidiaries entered into license agreements with Beer Chang Co., Ltd., Archa Beer Co., Ltd., and Thai Beverage Brands Co., Ltd., the Company's subsidiaries, for rights and obligations for the sale of drinking water, soda water, beer, draft beer and lager beer under the trade names of "CHANG", "ARCHA" and "FEDERBRAU". The subsidiaries are committed to pay fees at a rate of 2% based on net sales at price, ex factory, excluding VAT and after deducting excise tax and contributions to the health promotion fund.
- Sura Bangyikhan Co., Ltd., the Company's subsidiary, entered into license agreements with 12 subsidiaries for the rights to use trademarks for white spirits and Chiang - Chun blended spirits as stipulated in the agreement. The trademark fee is from Baht 0.50 - 1.50 per bottle, based on the contents and size of the bottle.

Sales Distributor Agreements

Thai Beverage Marketing Co., Ltd., the Company's subsidiary, entered into sales distributor agreements with two subsidiaries to sell beverage products under the prices and conditions stated in the agreements for five years, effective from 3 October 2008 to 2 October 2013.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Biogas purchase and sale agreement

Thai Beverage Energy Co., Ltd., the Company's subsidiary, entered into biogas purchase and sale agreements with three related companies for a period of 19 years, effective from the year 2009 to 2028, to supply biogas to use as a fuel source in spirits distillery process under the price and conditions stated in the agreements. Subsequently in 2010, the aforementioned agreements were made with additional two related companies for a period of 18 years, effective from the year 2010 to 2028.

Commitments with related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in million Baht)</i>			
Non-cancellable operating lease commitments				
Within one year	192	218	32	36
After one year but within five years	274	306	44	48
After five years	-	4	-	-
Total	466	528	76	84
Other commitments				
Application service provisioning agreement	53	79	53	79
Purchase molasses	111	1,056	-	-
Brewing supervision agreement	27	27	-	-
Purchase raw materials and others	7	-	-	-
Other agreements	11	11	16	40
Total	209	1,173	69	119

6 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2010	31 December 2009	30 June 2010	31 December 2009
		<i>(in million Baht)</i>			
Related parties	5	128	144	-	-
Other parties		1,674	2,089	-	-
		1,802	2,233	-	-
Less allowance for doubtful accounts		(46)	(183)	-	-
Net		1,756	2,050	-	-
		2010	2009	2010	2009
		<i>(in million Baht)</i>			
Bad debts and (reversal of) doubtful debts expense for the:					
- three-month period ended 30 June		1	1	-	-
- six-month period ended 30 June		2	2	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	95	97	-	-
Overdue:				
Less than 3 months	9	35	-	-
3-6 months	7	-	-	-
6-12 months	9	12	-	-
Over 12 months	8	-	-	-
	128	144	-	-
Other parties				
Within credit terms	1,375	1,887	-	-
Overdue:				
Less than 3 months	263	49	-	-
3-6 months	13	1	-	-
6-12 months	6	7	-	-
Over 12 months	17	145	-	-
	1,674	2,089	-	-
<i>Less allowance for doubtful accounts</i>	(46)	(183)	-	-
Net	1,628	1,906	-	-
Total	1,756	2,050	-	-

The normal credit term granted by the Group ranges from 7 days to 180 days.

7 Investments in subsidiaries

	Separate financial statements	
	2010	2009
	<i>(in million Baht)</i>	
At 1 January	80,091	77,162
Acquisitions	3	26
Increase in share capital in subsidiaries	-	544
At 30 June	80,094	77,732

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Investments in subsidiaries as at 30 June 2010 and 31 December 2009, and dividend income from those investments for the six-month periods ended 30 June 2010 and 2009 were as follows:

	Separate financial statements							
	Ownership interest		Paid-up capital		Cost method		Dividend income for six months ended	
	30 June 2010	31 December 2009 (%)	30 June 2010	31 December 2009	30 June 2010 <i>(in million Baht)</i>	31 December 2009	30 June 2010	30 June 2009
Subsidiaries								
Beer Thai (1991) PCL.	100.00	100.00	5,550	5,550	12,500	12,500	-	-
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	284	231
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	98	-
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	59	31
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	691	691	-	-
Thanapakdi Co., Ltd.	100.00	100.00	700	700	697	697	-	-
Kanchanasing Korn Co., Ltd.	100.00	100.00	700	700	700	700	26	27
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	532	380
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	68	58
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	82	44
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	102	83
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	75	48
Red Bull Distillery (1988) Co., Ltd.	100.00	100.00	5,000	5,000	5,000	5,000	220	75
United Winery and Distillery Co., Ltd.	100.00	100.00	1,800	1,800	1,800	1,800	52	36
Simathurakij Co., Ltd.	100.00	100.00	900	900	888	888	48	-
Natechai Co., Ltd.	100.00	100.00	800	800	800	800	49	27
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	766	766	12	26
Sura Piset Thipparat Co., Ltd.	100.00	100.00	1,000	1,000	1,010	1,010	-	-
Pomthip Co., Ltd.	100.00	100.00	10	10	10	10	11	84
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	-	-
Pomklung Co., Ltd.	100.00	100.00	10	10	10	10	-	76
Pomchok Co., Ltd.	100.00	100.00	10	10	10	10	61	122
Pomcharoen Co., Ltd.	100.00	100.00	10	10	10	10	-	21
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	46	79
Pompalang Co., Ltd.	100.00	100.00	10	10	10	10	-	-
Pomnakorn Co., Ltd.	100.00	100.00	10	10	10	10	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

	Separate financial statements							
	Ownership interest		Paid-up capital		Cost method		Dividend income for six months ended	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	30 June 2009
	(%)				(in million Baht)			
<i>Subsidiaries (continued)</i>								
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	221	208
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	445	600
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	86	167
Num Muang Co., Ltd.	100.00	100.00	10	10	10	10	224	238
Num Nakorn Co., Ltd.	100.00	100.00	10	10	10	10	130	143
Num Thurakij Co., Ltd.	100.00	100.00	10	10	10	10	180	205
Numrungrod Co., Ltd.	100.00	100.00	10	10	10	10	221	-
Numthip Co., Ltd.	100.00	100.00	10	10	10	10	89	-
Thipchalothorn Co., Ltd.	100.00	100.00	1	1	3	3	72	219
Krittayabun Co., Ltd.	100.00	100.00	5	5	27	27	98	108
Surathip Co., Ltd.	100.00	100.00	1	1	7	7	69	73
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	25	25	122	70
Piromsurang Co., Ltd.	100.00	100.00	5	5	24	24	67	48
Thai Beverage Energy Co., Ltd.	100.00	100.00	860	860	864	864	-	-
Wrangyer Beverage (2008) Co., Ltd.	100.00	100.00	200	200	200	200	-	-
Thai Molasses Co., Ltd.	99.72	99.72	40	40	35	35	6	7
Feed Addition Co., Ltd.	100.00	100.00	1	1	32	32	15	39
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	34	34	19	19
Charun Business 52 Co., Ltd.	100.00	100.00	122	122	84	84	-	-
Thai Cooperage Co., Ltd.	100.00	100.00	300	300	296	296	-	-
Thai Beverage Recycle Co., Ltd.	100.00	100.00	123	123	134	134	52	28
Thai Beverage Logistics Co., Ltd.	100.00	100.00	1,012	1,012	1,012	1,012	-	-
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	124	34
Dhanasindhi Co., Ltd.	100.00	100.00	20	20	24	24	17	24
Dhospaak Co., Ltd.	100.00	100.00	25	25	61	61	17	12
Thai Beverage Training Co., Ltd.	100.00	-	3	-	3	-	-	-
International Beverage Holdings Limited	100.00	100.00	7,863	7,863	7,863	7,863	-	-
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	4,139	4,139	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

	Separate financial statements							
	Ownership interest		Paid-up capital		Cost method		Dividend income for six months ended	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	30 June 2009
	(%)				(in million Baht)			
<i>Subsidiaries (continued)</i>								
Thai Beverage Brands Co., Ltd.	100.00	100.00	5	5	39	39	-	-
Beer Chang Co., Ltd.	100.00	100.00	1	1	4,318	4,318	65	75
Archa beer Co., Ltd.	100.00	100.00	1	1	130	130	30	22
Sura Piset Phatra Lanna Co., Ltd.	100.00	100.00	1,000	1,000	1,015	1,015	-	-
Oishi Group PCL.	89.93	89.93	375	375	6,253	6,253	347	506
Thai Drinks Co., Ltd.	100.00	100.00	60	60	60	60	-	-
Total			<u>54,306</u>	<u>54,303</u>	<u>80,094</u>	<u>80,091</u>	<u>4,541</u>	<u>4,293</u>

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

8 Investments in associates

	Consolidated financial statements	
	2010	2009
	<i>(in million Baht)</i>	
At 1 January	128	112
Translation of financial statement differences	(10)	13
At 30 June	<u>118</u>	<u>125</u>

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Investments in associates as at 30 June 2010 and 31 December 2009 were as follows:

	Consolidated financial statements							
	Ownership interest		Paid-up capital		Cost method		Equity method	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	(%)				(in million Baht)			
<i>Associates</i>								
<i>Held by subsidiaries of indirect subsidiaries</i>								
Liquorland Limited	49.49	49.49	69	69	18	18	118	128
Inver House Polska Limited	44.00	44.00	8	8	4	4	-	-
Inver House Distribution SA	50.02	50.02	2	2	1	1	-	-
Total			79	79	23	23	118	128

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

9 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended 30 June 2010 and 2009 were as follows:

	Consolidated financial statements			
	2010		2009	
	Acquisitions and transfers - at cost	Disposals and transfers - net book value <i>(in million Baht)</i>	Acquisitions and transfers - at cost	Disposals and transfers - net book value
Land	153	-	18	-
Land improvement	-	-	2	-
Buildings, buildings and leasehold improvements	59	(1)	21	(2)
Machinery and equipment	164	(4)	237	(14)
Furniture, fixtures and office equipment	68	(1)	47	(2)
Vehicles	157	-	22	(1)
Assets under construction and installation	1,304	-	413	-
Total	1,905	(6)	760	(19)

	Separate financial statements			
	2010		2009	
	Acquisitions - at cost	Disposals - net book value <i>(in million Baht)</i>	Acquisitions - at cost	Disposals - net book value
Leasehold improvements	2	-	-	-
Furniture, fixtures and office equipment	2	-	6	-
Vehicles	-	-	1	(1)
Assets under construction and installation	1	-	1	-
Total	5	-	8	(1)

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

10 Interest-bearing liabilities

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2010	31 December 2009	30 June 2010	31 December 2009
<i>(in million Baht)</i>					
Current					
Bank overdrafts					
Secured		359	655	-	-
Unsecured		3	-	-	-
Short-term loans from financial institutions					
Negative Pledge		30	-	-	-
Letter of comfort		101	163	-	-
Unsecured		7,500	4,900	6,800	3,100
Bank overdrafts and short-term loans from financial institutions		7,993	5,718	6,800	3,100
Current portion of long-term loans from financial institutions					
Unsecured		4,090	3,765	4,090	3,765
Short-term loans from related parties					
Unsecured	5	-	-	3,330	7,259
		12,083	9,483	14,220	14,124
Non-current					
Long-term loans from financial institutions					
Unsecured		-	2,500	-	2,500
Long-term loans from related parties					
Unsecured	5	-	-	10,738	9,743
		-	2,500	10,738	12,243
Total		12,083	11,983	24,958	26,367

The periods to maturity of interest-bearing liabilities as at 30 June 2010 and 31 December 2009 were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
<i>(in million Baht)</i>				
Within one year	12,083	9,483	14,220	14,124
After one year but within five years	-	2,500	10,738	12,243
Total	12,083	11,983	24,958	26,367

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

The principal features of the borrowings were as follows:

- (a) Bank overdrafts are repayable on demand. As at 30 June 2010, the Group had total overdraft facilities amounting to Baht 4,131 million (*31 December 2009: Baht 4,003 million*) which are partially supported by letter of comfort issued by the Company.
- (b) Short-term loans from financial institutions. As at 30 June 2010, the Group had short-term loan facilities from several financial institutions totalling Baht 35,542 million (*31 December 2009: Baht 30,900 million*) with money market rate quoted by bank. The Group utilised those facilities in term of unsecured promissory notes issued by the Group to several domestic financial institutions totalling Baht 7,530 million and to an overseas financial institution amounting to Baht 101 million with supporting by letter of comfort issued by the Company, totalling Baht 7,631 million (*31 December 2009: Baht 5,063 million*).

On 27 February 2009, the Board of Directors approved the issuance and offering of short-term bill of exchange line in the amount not exceeding Baht 10,000 million.

- (c) In 2007, the Company entered into a long-term loan agreement with a financial institution in the amount of Baht 4,500 million which is to be repaid monthly in 12 installments, Baht 375 million each, commencing in February 2009. Interest is payable monthly at 5.60% per annum for the first year and 5.75% per annum afterwards. Subsequently, the Company has been granted the reduction of interest rate to 4.50% per annum for the first year and 4.75% per annum afterwards. The last installment of long-term loan was paid in January 2010.

In 2008, the Company entered into a long-term loan agreement with a financial institution amounting to Baht 3,190 million which is to be repaid monthly in 11 installments, Baht 300 million each for the first 10 installments and Baht 190 million for the last installment, from 30 December 2009 to 29 October 2010 with a fixed interest payable monthly at 5% per annum.

In November 2009, the Company entered into long term loans with two financial institutions amounting to Baht 3,000 million which is to be repaid monthly in six installments, Baht 500 million each, commencing from December 2010 to May 2011, interest is payable monthly at 2.11% per annum.

11 Trade accounts payable

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2010	2009	2010	2009
		<i>(in million Baht)</i>			
Related parties	5	903	890	-	-
Other parties		2,597	2,250	-	-
Total		3,500	3,140	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

12 Segment information

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

In preparing segmental information, those liabilities and related interest expense that are not specifically attributable to a particular segment are allocated on a percentage of net assets basis. Management believes this to be a fair indication of the actual use of the liabilities.

Business segments

The Group comprises the following main business segments:

<i>Beer</i>	Production and sales of branded beer products (mostly outside the group);
<i>Spirits</i>	Production and sales of branded spirits products (mostly outside the group);
<i>Non-alcoholic beverages</i>	Production and sales of branded soda, water, ready-to-drink coffee, energy drink, green tea and fruit juice flavour (mostly outside the group); and
<i>Food</i>	Japanese restaurants, bakery shops and distribution of food and beverage (mostly outside the group)

Geographical segments

Operating units of the Group are mainly located in Thailand. Portions of product produced from these units are exported directly or indirectly through foreign subsidiaries to external customers. Certain operating units of subsidiaries are located in foreign countries.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Business segment results

Revenue and results, based on business segments, in the consolidated financial statements for the three-month periods ended 30 June 2010 and 2009 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Elimination		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	<i>(in million Baht)</i>											
Revenue from sale of goods	8,710	8,001	17,947	16,772	1,815	1,209	952	780	(32)	(63)	29,392	26,699
Interest income	1	3	2	4	-	1	1	3	-	-	4	11
Other income	30	101	46	-	13	2	3	3	(11)	(67)	81	39
Total revenues	8,741	8,105	17,995	16,776	1,828	1,212	956	786	(43)	(130)	29,477	26,749
Cost of sale of goods	7,435	6,806	11,961	10,664	1,275	714	605	461	(18)	(8)	21,258	18,637
Selling expenses	1,165	845	498	471	223	128	30	20	(24)	(55)	1,892	1,409
Administrative expenses	746	799	1,396	1,341	257	153	286	275	(1)	(67)	2,684	2,501
Total expenses	9,346	8,450	13,855	12,476	1,755	995	921	756	(43)	(130)	25,834	22,547
Profit (loss) before finance costs and income tax expense	(605)	(345)	4,140	4,300	73	217	35	30	-	-	3,643	4,202
Finance costs	(16)	(46)	(39)	(81)	(6)	(8)	-	(3)	-	-	(61)	(138)
Profit (loss) before income tax expense	(621)	(391)	4,101	4,219	67	209	35	27	-	-	3,582	4,064
Income tax expense	212	(8)	(1,178)	(1,261)	(15)	(11)	(4)	(3)	-	-	(985)	(1,283)
Profit (loss) for the period	(409)	(399)	2,923	2,958	52	198	31	24	-	-	2,597	2,781

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Business segments capital expenditure, depreciation, amortisation and gain on disposal of assets for the three-month periods ended 30 June 2010 and 2009 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	<i>(in million Baht)</i>									
Capital expenditure										
Property, plant and equipment	128	49	154	229	805	77	52	9	1,139	364
Intangible assets	1	-	1	2	1	-	3	11	6	13
Depreciation	401	395	566	557	99	89	42	33	1,108	1,074
Amortisation	1	1	10	9	1	-	3	3	15	13
Gain on disposal of assets	9	-	19	11	8	-	-	-	36	11

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Business segment results

Revenue and results, based on business segments, in the consolidated financial statements for the six-month periods ended 30 June 2010 and 2009 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Elimination		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	<i>(in million Baht)</i>											
Revenue from sale of goods	17,295	15,925	36,917	34,729	3,395	2,319	1,856	1,558	(56)	(184)	59,407	54,347
Interest income	1	3	2	4	-	1	1	4	-	-	4	12
Other income	42	173	109	57	17	9	6	7	(24)	(147)	150	99
Total revenues	<u>17,338</u>	<u>16,101</u>	<u>37,028</u>	<u>34,790</u>	<u>3,412</u>	<u>2,329</u>	<u>1,863</u>	<u>1,569</u>	<u>(80)</u>	<u>(331)</u>	<u>59,561</u>	<u>54,458</u>
Cost of sale of goods	14,681	13,395	24,585	22,369	2,371	1,443	1,162	915	(39)	(13)	42,760	38,109
Selling expenses	2,223	1,519	1,056	871	460	254	51	62	(32)	(132)	3,758	2,574
Administrative expenses	1,516	1,529	3,115	2,763	417	279	555	524	(9)	(186)	5,594	4,909
Total expenses	<u>18,420</u>	<u>16,443</u>	<u>28,756</u>	<u>26,003</u>	<u>3,248</u>	<u>1,976</u>	<u>1,768</u>	<u>1,501</u>	<u>(80)</u>	<u>(331)</u>	<u>52,112</u>	<u>45,592</u>
Profit (loss) before finance costs and income tax expense	(1,082)	(342)	8,272	8,787	164	353	95	68	-	-	7,449	8,866
Finance costs	(39)	(114)	(83)	(181)	(10)	(19)	(2)	(6)	-	-	(134)	(320)
Profit (loss) before income tax expense	(1,121)	(456)	8,189	8,606	154	334	93	62	-	-	7,315	8,546
Income tax expense	297	(104)	(2,486)	(2,590)	(11)	(33)	(7)	(5)	-	-	(2,207)	(2,732)
Profit (loss) for the period	<u>(824)</u>	<u>(560)</u>	<u>5,703</u>	<u>6,016</u>	<u>143</u>	<u>301</u>	<u>86</u>	<u>57</u>	<u>-</u>	<u>-</u>	<u>5,108</u>	<u>5,814</u>

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Business segments capital expenditure, depreciation, amortisation and gain on disposal of assets for the six-month periods ended 30 June 2010 and 2009 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	<i>(in million Baht)</i>									
Capital expenditure										
Property, plant and equipment	319	120	388	427	1,092	116	106	97	1,905	760
Intangible assets	2	1	3	2	1	-	4	11	10	14
Depreciation	798	783	1,127	1,098	191	172	82	68	2,198	2,121
Amortisation	2	2	21	17	2	1	6	6	31	26
Gain on disposal of assets	15	2	50	14	8	4	-	-	73	20

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Business segments financial position

Business segment assets and liabilities as at 30 June 2010 and 31 December 2009 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Total	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in million Baht)</i>									
Inventories	4,048	4,534	23,728	21,024	780	547	91	89	28,647	26,194
Property, plant and equipment	13,462	14,581	19,467	20,064	3,758	2,458	666	643	37,353	37,746
Other assets	1,858	2,457	6,122	6,739	2,547	2,700	1,042	1,314	11,569	13,210
Total Assets	19,368	21,572	49,317	47,827	7,085	5,705	1,799	2,046	77,569	77,150
Interest-bearing borrowings	3,113	3,737	7,770	7,325	1,004	707	196	214	12,083	11,983
Other liabilities	1,546	1,517	5,717	5,924	1,018	741	584	541	8,865	8,723
Total liabilities	4,659	5,254	13,487	13,249	2,022	1,448	780	755	20,948	20,706

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Geographic segments

The segment financial information of the Group based on geographical segments in the consolidated financial statements for the six-month periods ended 30 June was as follows:

	Consolidated financial statements			
	Revenue		Property, plant and equipment	
	30 June 2010	30 June 2009	30 June 2010	31 December 2009
	<i>(in million Baht)</i>			
Thailand	57,649	53,155	35,967	36,226
Overseas	1,912	1,303	1,386	1,520
Total	<u>59,561</u>	<u>54,458</u>	<u>37,353</u>	<u>37,746</u>

13 Earnings per share

The calculation of basic earnings per share for the three-month and six-month periods ended 30 June 2010 and 2009 was based on the profit for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period as follows:

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
	<i>(in million Baht / million shares)</i>			
Three-month period ended 30 June				
Profit attributable to equity holders of the Company (basic)	<u>2,566</u>	<u>2,757</u>	<u>4,719</u>	<u>4,411</u>
Number of ordinary shares outstanding	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
Earnings per share (basic) (in Baht)	<u>0.10</u>	<u>0.11</u>	<u>0.19</u>	<u>0.18</u>
Six-month period ended 30 June				
Profit attributable to equity holders of the Company (basic)	<u>5,055</u>	<u>5,773</u>	<u>4,829</u>	<u>4,551</u>
Number of ordinary shares outstanding	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
Earnings per share (basic) (in Baht)	<u>0.20</u>	<u>0.23</u>	<u>0.19</u>	<u>0.18</u>

14 Dividends

At the annual general meeting of the equity holders of the Company held on 29 April 2010, the shareholders approved the appropriation of dividend of Baht 0.33 per share, amounting to Baht 8,286 million. On 10 September 2009, the interim dividend of Baht 0.15 per share was paid, totalling Baht 3,766 million. The remaining dividend of Baht 0.18 per share, totalling Baht 4,520 million, was paid on 26 May 2010.

At the annual general meeting of the equity holders of the Company held on 29 April 2009, the shareholders approved the appropriation of dividend of Baht 0.30 per share, amounting to Baht 7,533 million. On 11 September 2008, the interim dividend of Baht 0.12 per share was paid, totalling Baht 3,013 million. The remaining dividend of Baht 0.18 per share, totalling Baht 4,520 million, was paid on 27 May 2009.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

15 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
	<i>(in million Baht)</i>			
Capital commitments				
<i>Contracted but not provided for:</i>				
Buildings and other constructions	473	561	-	-
Machinery and equipment	994	746	-	-
Total	1,467	1,307	-	-
Non-cancellable operating lease commitments				
Within one year	293	294	8	10
After one year but within five years	200	227	8	7
After five years	25	25	-	-
Total	518	546	16	17
Other commitments				
Unused letters of credit for goods and supplies	240	552	-	-
Goods and raw materials purchase agreements	2,434	2,218	-	-
Molasses purchase agreements	611	284	-	-
Computer system installation agreements	4	5	1	3
Specialist agreements	1,421	1,454	240	245
Advertising services and sponsorship agreements	368	472	-	-
Service agreements	383	527	8	11
Forward contracts to buy foreign currencies	2,676	3,050	-	-
Forward contracts to sell foreign currencies	-	(2)	-	-
Bank guarantees	243	175	48	47
Total	8,380	8,735	297	306

Significant capital commitments

An indirect subsidiary has entered into factory building construction and machinery installation agreements with several companies due to in 2009, the said indirect subsidiary has invested in Cold-Aseptic-Filling beverage and PET bottle production project in the amount not exceeding Baht 1,430 million. Subsequently in 2010, the said indirect subsidiary has also invested in UHT packaging machine project in the amount not exceeding Baht 900 million.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Significant other commitments

Specialist agreements

In 2004, the Company and four subsidiaries entered into production and blending control agreements with a specialist for a period of 40 years from 1 August 2004 to 1 August 2044. Under the agreements, the Company and its subsidiaries are obliged to pay monthly service fees of Baht 4.3 million which are to be annually increased by 5% for the first 20 years from 1 August 2004 to 1 August 2024. Afterwards, the Company and its subsidiaries have to pay monthly service fees of Baht 0.25 million until the expiration of the agreements. Service fee under the agreements totalled Baht 1,766.2 million. Subsequently, the addendums were made on 5 January 2006, under which the Company and its subsidiaries have to pay additional amount to this specialist amounting to Baht 2,000 million. Therefore, the total service fees under the agreements both outstanding and already paid by the Company and its subsidiaries amounted to Baht 3,766.2 million.

As at 30 June 2010 the remaining commitments to be paid, relating to these agreements, amounted to Baht 1,420.7 million.

Sponsorship agreement

In 2008, a subsidiary renewed a sponsorship agreement with Everton Football Club, in the United Kingdom, for a period of three years from 1 June 2008 to 31 May 2011 in order to promote the Group's businesses globally. Under the agreement, the subsidiary is obliged to pay a minimum amount of GBP 0.5 million and a maximum amount of GBP 3.5 million per year, dependent on the performance of Everton football team in each year.

Distributor agreement

In 2008, an indirect subsidiary renewed a distributor agreement with a local company to act as a distributor for green tea products for a period of three years from 4 November 2008 to 3 November 2011.

Hot-fill PET bottle trading agreement

In 2005, an indirect subsidiary entered into a hot-fill PET bottle trading agreement with a local bottle manufacturing company according to the quantity required from the indirect subsidiary on a monthly basis at the price specified in the agreement. The agreement is for a 15-year period, commencing 150 days after the agreement date.

Material and package trading agreement

In 2007, a subsidiary and an indirect subsidiary entered into a material and package trading agreement with a local company for distribution of products to the Group's shops and for materials and packaging management. The two subsidiaries committed to pay the service charge at the rate specified in the agreement for a period of three years from 1 April 2007 to 30 June 2010 with the renewal option for another three years.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Transportation agreement

In 2007, a subsidiary and an indirect subsidiary entered into a transportation agreement with a local company to transport products from factory to the destination. Transportation cost is calculated for each trip at the rate stated in the agreement. The term of the agreement is three years from 1 November 2007 to 31 October 2010. Subsequently, on 1 February 2010, the said subsidiaries entered into a new agreement due to the transportation fee rate adjustment. The term of the agreement is three years from 1 January 2010 to 31 December 2012 and may be extended for successive terms of one year each or terminated if any party does not comply with the terms and conditions stated in the agreement or if not less than 30 days prior written notice is given by any one party to the other.

License agreement

A subsidiary entered into a license agreement with an overseas company for operating Japanese restaurants in the Kingdom of Thailand as the master license for a period of 10 years from 20 May 2008. Unless there is a notification to terminate the agreement within 180 days before the expiration, this agreement continues to be in effect for the successive 10 years term. The subsidiary committed to pay Initial License Fee, License Fee and Royalty Fee as stated in the agreement.

On 29 June 2009, the said subsidiary entered into a license agreement with another overseas company for operating Japanese restaurants in the Kingdom of Thailand as the master license for a period of 10 years from 29 June 2009. Unless there is a notification to terminate the agreement within 180 days before the expiration, this agreement continues to be in effect for the successive 10 years term. The subsidiary committed to pay Initial License Fee, License Fee and Royalty Fee as stated in the agreement.

Natural gas trading agreement

On 30 September 2009, an indirect subsidiary entered into a natural gas trading agreement with a local company at the condition specified in the agreement for a period of 7 years from 21 December 2009 to 30 November 2016 with the renewal option by written notice not less than 90 days before the expiration.

Waste disposal service agreement

On 16 November 2009, an indirect subsidiary entered into a waste disposal service agreement with a local company at the rate specified in the agreement from 16 November 2009 to 31 December 2009. Unless there is a notification to terminate the agreement within 60 days before the expiration, this agreement continues to be in effect for the successive 1 year term

16 Events after the reporting period

At the meeting of the Board of Directors held on 10 August 2010, the directors had adopted a resolution to approve the interim dividend payment for the year 2010 of 25,110 million ordinary shares at Baht 0.15 per share, totalling Baht 3,767 million.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

17 Thai Accounting Standards (TAS) not yet adopted

The Group has not adopted the following new and revised TAS that have been issued as of the reporting date but are not yet effective. The new and revised TAS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated.

TAS	Topic	Year effective
TAS 1 (revised 2009)	Presentation of Financial Statements	2011
TAS 2 (revised 2009)	Inventories	2011
TAS 7 (revised 2009)	Statement of Cash Flows	2011
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimate and Error	2011
TAS 10 (revised 2009)	Events after the Reporting Period	2011
TAS 11 (revised 2009)	Construction Contracts	2011
TAS 12	Income Taxes	2013
TAS 17 (revised 2009)	Leases	2011
TAS 23 (revised 2009)	Borrowing Costs	2011
TAS 24 (revised 2009)	Related Party Disclosures	2011
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements	2011
TAS 28 (revised 2009)	Investments in Associates	2011
TAS 33 (revised 2009)	Earnings per Shares	2011
TAS 34 (revised 2009)	Interim Financial Reporting	2011
TAS 36 (revised 2009)	Impairment of Assets	2011
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets	2011
TAS 38 (revised 2009)	Intangible Assets	2011
TAS 40 (revised 2009)	Investment Property	2011

Management is presently considering the potential impact of adopting and initial application of these new and revised TAS on the consolidated and separate financial statements.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

18 Reclassification of accounts

Certain accounts in the balance sheet as at 31 December 2009 and the statement of income for the three-month and six-month periods ended 30 June 2009 have been reclassified to conform to the presentation in the 2010 interim financial statements as follows:

	2009					
	Consolidated			Separate		
	financial statements			financial statements		
	Before reclass	Reclass	After reclass	Before reclass	Reclass	After reclass
	<i>(in million Baht)</i>					
Balance sheet						
Inventories	26,204	(10)	26,194	-	-	-
Property, plant and equipment	37,736	<u>10</u>	37,746	-	<u>-</u>	-
		<u>-</u>			<u>-</u>	
Statement of income						
Three-month period ended 30 June						
Cost of rendering of services	-	-	-	-	235	235
Administrative expenses	2,427	1	2,428	238	(233)	5
Management benefit expenses	74	<u>(1)</u>	73	43	<u>(2)</u>	41
		<u>-</u>			<u>-</u>	
Statement of income						
Six-month period ended 30 June						
Cost of rendering of services	-	-	-	-	429	429
Administrative expenses	4,720	21	4,741	417	(408)	9
Management benefit expenses	189	<u>(21)</u>	168	156	<u>(21)</u>	135
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Company's business.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

19 Significant differences between TAS/IFRS and IFRS (unaudited/ unreviewed)

These consolidated financial statements have been prepared in accordance with TAS and TFRS, which differ in certain significant respects from International Financial Reporting Standards (“IFRS”). The following disclosure provides a summary of certain significant differences between TAS/TFRS and IFRS, as applicable to the consolidated financial statements of the Group, and a reconciliation of net profit and total equity from TAS/TFRS to IFRS. Neither the narrative summary nor the reconciliation should be construed as being exhaustive or presented fairly in all material respects and are provided for information purposes only.

(a) *Deferred tax*

There is currently no TAS in relation to accounting for deferred taxation. Whilst not specifically addressed in TAS, provisions for income tax of the Group are typically based on corporate income tax currently payable in the period under the Revenue Code of Thailand. The Group does not, therefore, recognise deferred tax assets and liabilities for the current period.

Under IFRS, deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be fully utilised. Deferred tax assets are reviewed at each reporting date and reduce to the extent that it is no longer probable that the related tax benefit will be realised.

(b) *Employee benefits*

There is currently no TAS in relation to accounting for employee benefits, including termination, retirement and post-retirement benefits. The Group’s primary obligations in respect of employee benefits are contributions on behalf of employees to provident funds and the payment of statutory severance benefits on retirement and terminating employment involuntarily. Severance termination and retirement benefits vary according to various factors, including the employee’s service life and salary. Whilst not specifically addressed in TAS, contributions are charged as an expense as incurred.

Under IFRS, employee benefits are accounted for in accordance with IAS 19 *Employee Benefits*. Accordingly, termination benefits are recognised as a liability and an expense when, and only when, the enterprise is demonstrably committed to either terminate the employment of an employee or group of employees before the normal retirement date or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Retirement benefits are recognised as a liability, being the net total of the present value of the obligation at the reporting date less the fair value of any plan assets and recognised as an expense the net total of current service costs, interest costs, past service costs and any actuarial gains and losses.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

(c) *Financial instruments*

TAS has certain disclosure requirements for financial instruments, but only limited guidance on the recognition and measurement of financial instruments. The Group has decided not to recognise derivative financial instruments on the balance sheet. However, foreign currency assets and liabilities hedged by these contracts are translated into Thai Baht at exchange rates ruling at the reporting date.

Under IFRS, derivative financial instruments are recognised initially at fair value; attributable transaction costs are recognised in the statement of income when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the statement of income.

(d) *Investment property*

In accordance with TAS, owned land held to earn rental income is classified as part of property, plant and equipment. This land is carried at a revalued amount less any subsequent accumulated impairment losses. Any increase in value, on revaluation, is credited to equity under the heading 'revaluation surplus'.

Under IFRS, owned property held to earn rental income is classified as part of investment property. This is covered by IAS 40 *Investment Property*. IAS 40 allows enterprises to choose either a fair value model or a cost model to measure investment property.

In accordance with the fair value model, an enterprise should measure all of its investment property at its fair value. Any gain or loss arising from a change in the fair value of investment property should be recognised in profit or loss for the period in which it arises.

In accordance with the cost model, land and buildings held as investment property should be measured at cost less accumulated impairment losses.

For the purposes of disclosure under IFRS, the Group has adopted the cost model for investment property consisting of both land and buildings. For TAS, the land has been revalued while the buildings have not.

(e) *Business combination (Goodwill)*

Until 31 December 2007, TAS required goodwill arising from a business combination to be systematically amortised over its estimated useful life, although its useful life should not exceed 20 years from initial recognition.

During 2007, TAS on goodwill was revised in accordance with IFRS which is effective for annual accounting periods beginning on or after 1 January 2008.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2010 (Unaudited)

Under the revised TAS, acquired goodwill is measured after initial recognition at cost less accumulated impairment losses. The recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified.

	Consolidated net profit	
	Six-month period ended 30 June 2010	Six-month period ended 30 June 2009
	<i>(in million Baht)</i>	
As reported in these consolidated financial statements under TAS/IFRS	5,108	5,814
<i>Add (less): TAS/IFRS and IFRS differences (net of tax effect)</i>		
(a) Deferred tax	173	243
(b) Employee benefits	(45)	(25)
(c) Financial instruments	(104)	(35)
Under IFRS	5,132	5,997

	Consolidated total equity	
	30 June 2010	31 December 2009
	<i>(in million Baht)</i>	
As reported in these consolidated financial statements under TAS/IFRS	56,621	56,444
<i>Add (less): TAS/IFRS and IFRS differences (net of tax effect)</i>		
(a) Deferred tax	(178)	(351)
(b) Employee benefits	(750)	(706)
(c) Financial instruments	(164)	(59)
(d) Investment property	(47)	(47)
(e) Business combination (Goodwill)	102	102
Under IFRS	55,584	55,383