

Thai Beverage Public Company Limited

Financial Statement and Dividend Announcement for the Year Ended 31 December 2010

PART I INFORMATION REQUIRED FOR THE YEAR ANNOUNCEMENTS.

1. (a) (i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries

Statements of income

For the years ended 31 December 2010 and 2009

(Unit : Thousand Baht)			
Consolidated			
financial statements			
For the years ended 31 December			
	2010	2009	+ / (-)
Revenues from sales and services			
Revenue from sale of goods and rendering of services	121,361,356	107,969,216	12%
Total revenues from sales and services	121,361,356	107,969,216	12%
Cost of sales and services			
Cost of sales of goods and rendering of services	88,097,085	76,609,559	15%
Total cost of sales and services	88,097,085	76,609,559	15%
Gross profit	33,264,271	31,359,657	6%
Selling expenses	7,287,561	5,784,520	26%
Administrative expenses	10,948,772	10,009,360	9%
Management benefit expenses	338,086	301,397	12%
Operating profit	14,689,852	15,264,380	(4%)
Interest income	12,673	15,556	(19%)
Other income	350,656	262,277	34%
Net operating profit	15,053,181	15,542,213	(3%)
Share of profit of associates, net of income tax	10,423	11,222	(7%)
Earnings before financial costs and income tax	15,063,604	15,553,435	(3%)
Finance costs	258,712	548,600	(53%)
Income tax expense	4,083,981	4,361,796	(6%)
Profit for the year	10,720,911	10,643,039	1%
Profit attributable to:			
Equity holders of the Company	10,611,601	10,566,413	0%
Minority interests	109,310	76,626	43%
Profit for the year	10,720,911	10,643,039	1%
Basic earnings per share (Baht)	0.42	0.42	-
Diluted earnings per share (Baht)	0.42	0.42	-

a (ii)The following items (with appropriate breakdowns and explanations), if significant, must either be includes in the income statement or in the notes to the income statement for the current financial period reported on an the corresponding period of the immediately preceding financial year:-

NOTE :

Net profit is arrived at after charging / (Crediting) the following :

	(Unit : Thousand Baht)		
	Consolidated		
	financial statements		
	For the years ended 31 December		
	2010	2009	+ / (-)
A Investment income	-	-	-
B Other income including interest income	(191,579)	(173,816)	10%
C Interest on borrowings	258,712	548,600	(53%)
D Depreciation and amortization	4,542,428	4,405,959	3%
E Allowance for doubtful debts and bad debts written off	(2,940)	40,579	(107%)
F Write-off for stock obsolescence	36,586	49,098	(25%)
G Impairment in value of investments	-	91	(100%)
H Foreign exchange (gain) / loss	216,056	(19,801)	(1191%)
I Adjustments for under or overprovision of tax in respect of prior year	-	-	-
J (Profit) or loss on sale of investments, properties, and / or plant and equipment	(102,153)	(72,824)	40%
K Exceptional items	-	-	-
L Extraordinary items	-	-	-

- (b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries

Balance sheets

As at 31 December 2010 and 2009

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	31 Dec 2010	31-Dec-2009	31 Dec 2010	31-Dec-2009
	(Audited)	(Audited)	(Audited)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	3,358,696	2,590,213	22,849	128,663
Current investments	795	3,744	-	-
Trade accounts receivable	1,921,770	2,050,390	-	-
Short-term loans to and other receivables				
from related parties	790,867	503,888	2,370,666	2,995,033
Inventories	27,146,321	26,194,211	-	-
Other current assets	1,971,422	2,148,994	18,902	13,849
Total current assets	35,189,871	33,491,440	2,412,417	3,137,545
Non-current assets				
Investments in subsidiaries	-	-	80,047,424	80,091,287
Investments in associates	122,755	127,832	-	-
Other long-term investments	13,798	10,589	-	-
Long-term loans to and				
other receivables from related parties	39,405	51,909	2,502,182	3,466,308
Property, plant and equipment	36,442,591	37,745,874	47,129	62,939
Intangible assets	3,200,711	3,286,736	24,043	31,069
Leasehold rights	193,342	213,351	-	-
Other non-current assets	2,099,719	2,221,934	314,937	325,816
Total non-current assets	42,112,321	43,658,225	82,935,715	83,977,419
Total assets	77,302,192	77,149,665	85,348,132	87,114,964

Thai Beverage Public Company Limited and its Subsidiaries

Balance sheets

As at 31 December 2010 and 2009

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 Dec 2010	31-Dec-2009	31 Dec 2010	31-Dec-2009
	(Audited)	(Audited)	(Audited)	(Audited)
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term loans				
from financial institutions	6,262,243	5,718,476	5,000,000	3,100,000
Trade accounts payable	3,757,165	3,139,840	-	-
Current portion of long-term loans				
from financial institutions	2,500,000	3,765,000	2,500,000	3,765,000
Short-term loans from and				
other payables to related parties	163,276	153,591	6,083,425	7,390,688
Short-term loans from other party	-	2,200	-	-
Income tax payable	2,225,876	2,222,224	144,375	24,746
Other current liabilities	3,461,275	3,088,996	144,234	159,410
Total current liabilities	18,369,835	18,090,327	13,872,034	14,439,844
Non-current liabilities				
Long-term loans from and other payables to related parties	286	897	10,402,800	9,742,700
Long-term loans from financial institutions	600,000	2,500,000	-	2,500,000
Other non-current liabilities	103,702	114,860	-	-
Total non-current liabilities	703,988	2,615,757	10,402,800	12,242,700
Total liabilities	19,073,823	20,706,084	24,274,834	26,682,544
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	(19,732,321)	(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	(1,923,389)	(1,331,393)	-	-
Retained earnings				
Appropriated - legal reserve	2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated	30,111,160	27,785,867	15,847,536	15,206,658
Total equity attributable to equity holders of the Company	57,944,095	56,210,886	61,073,298	60,432,420
Minority interests	284,274	232,695	-	-
Total equity	58,228,369	56,443,581	61,073,298	60,432,420
Total liabilities and equity	77,302,192	77,149,665	85,348,132	87,114,964

(b) (ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

(ii) Aggregate amount of group's borrowings and debt securities

- Amount repayable in one year or less, or on demand

(Unit : Thousand Baht)

As at 31 December 2010			As at 31 December 2009		
Letter of Comfort	Unsecured	Guaranteed	Letter of Comfort	Unsecured	Guaranteed
94,115	8,102,168	565,960	162,804	8,665,002	655,670

- Amount repayable after one year

(Unit : Thousand Baht)

As at 31 December 2010			As at 31 December 2009		
Secured	Unsecured	Guaranteed	Secured	Unsecured	Guaranteed
-	600,000	-	-	2,500,000	-

- Details of any collateral

N/A

(c) A Cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of cash flows
 For the years ended 31 December 2010 and 2009

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Cash flows from operating activities				
Profit for the period	10,720,911	10,643,039	8,927,186	8,643,282
<i>Adjustments for</i>				
Depreciation and amortisation	4,492,428	4,355,959	35,096	37,102
Interest income	(12,673)	(15,556)	(252,462)	(348,117)
Finance costs	258,712	548,600	950,847	1,126,923
Unrealised (gain) loss on exchange	14,298	(8,464)	(34)	-
Bad debts and (reversal of) doubtful debts expense	(2,940)	40,579	-	-
Amortisation of advance payments to a specialist	50,000	50,000	9,375	9,375
Write-off and (reversal of) allowance for obsolete inventories	(90,887)	(184,326)	-	-
Write-off and (gain) loss on disposal of property, plant and equipment and intangible assets	(102,153)	(72,824)	(19)	(2,920)
Gain on sale of investment	(53,017)	-	(49,048)	-
Dividends	-	-	(8,289,512)	(8,237,579)
Share of profit of associates, net of income tax	(10,423)	(11,222)	-	-
Income tax expense	4,083,981	4,361,796	296,297	216,512
	<u>19,348,237</u>	<u>19,707,581</u>	<u>1,627,726</u>	<u>1,444,578</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	131,618	(539,637)	-	-
Other receivables from related parties	(274,596)	(456,438)	(46,124)	(47,983)
Inventories	(861,223)	3,863,495	-	-
Other current assets	176,038	(387,616)	(5,052)	(192)
Trade accounts payable	612,481	(257,335)	-	-
Other payables to related parties	9,054	24,681	(1,685)	(12,780)
Other current liabilities	162,055	(24,637)	(11,047)	20,776
Other non-current liabilities	(10,786)	20,440	-	-
Income tax paid	(4,080,328)	(4,329,086)	(176,667)	(329,686)
Net cash provided by operating activities	<u>15,212,550</u>	<u>17,621,448</u>	<u>1,387,151</u>	<u>1,074,713</u>

Cash flows from investing activities

Interest received	12,555	15,599	265,679	355,678
Dividends received	-	-	8,289,512	8,237,579
Decrease in current investments	2,948	5,378	-	-
Loans to related parties	-	-	1,621,400	2,816,197
(Increase) decrease in other long-term investments	(3,427)	91	-	-
Purchase of property, plant and equipment	(3,109,960)	(2,287,993)	(16,039)	(33,341)
Sale of property, plant and equipment	145,105	120,801	25	4,806
Purchase of intangible assets	(30,583)	(25,565)	(2,062)	(4,602)
(Increase) decrease in other non-current assets	72,215	(203,009)	1,505	-
Increase in share capital in subsidiaries	-	-	-	(2,886,206)
Purchase of investments	(2,033)	(458,041)	(2,501)	(43,379)
Net cash inflow on disposal of subsidiaries	95,410	-	95,410	-
Net cash provided by (used in) investing activities	(2,817,770)	(2,832,739)	10,252,929	8,446,732

Cash flows from financing activities

Interest paid	(257,971)	(566,485)	(950,686)	(1,113,177)
Dividends paid to equity holders of the Company	(8,286,308)	(8,286,308)	(8,286,308)	(8,286,308)
Dividends paid to minority interests	(67,452)	(78,318)	-	-
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	-	-	-	-
	543,766	(2,982,885)	1,900,000	(2,146,161)
Increase (decrease) in loans from related parties	-	-	(643,900)	4,473,900
Proceeds from long-term loans from financial institutions	-	-	-	-
	600,000	3,000,000	-	3,000,000
Repayment of short-term loans from other party	(2,200)	(4,800)	-	-
Repayment of long-term loans from financial institutions	-	-	-	-
	(3,765,000)	(5,325,000)	(3,765,000)	(5,325,000)
Net cash used in financing activities	(11,235,165)	(14,243,796)	(11,745,894)	(9,396,746)
Net increase (decrease) in cash and cash equivalents	1,159,615	544,913	(105,814)	124,699
Cash and cash equivalents at beginning of year	2,590,213	1,920,972	128,663	3,964
Effect of exchange rate changes on balances held in foreign currencies	(391,132)	124,328	-	-
Cash and cash equivalents at end of year	3,358,696	2,590,213	22,849	128,663

d (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries
Statements of changes in equity
For the years ended 31 December 2010 and 2009

(Unit : Thousand Baht)

	Consolidated financial statements									
	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	Retained earnings		Total equity attributable to equity holders of the Company	Minority interests	Total equity
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	25,505,763	53,763,034	238,261	54,001,295
Unrealised gains from change in fair value on an available for sale investment	-	-	-	81	-	-	-	81	-	81
Translation of financial statement differences	-	-	-	-	171,632	-	-	171,632	-	171,632
Income recognised directly in equity	-	-	-	81	171,632	-	-	171,713	-	171,713
Profit for the year	-	-	-	-	-	-	10,566,413	10,566,413	76,626	10,643,039
Total recognised income	-	-	-	81	171,632	-	10,566,413	10,738,126	76,626	10,814,752
Effects of change to percentage of holding	-	-	-	-	-	-	-	-	(3,875)	(3,875)
Consideration paid to equity holders of subsidiaries for common control transactions	-	(3,965)	-	-	-	-	-	(3,965)	-	(3,965)
Dividends	-	-	-	-	-	-	(8,286,309)	(8,286,309)	(78,317)	(8,364,626)
Balance at 31 December 2009	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
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	-	-	-	-	(591,996)	-	-	(591,996)	-	(591,996)
Expense recognised directly in equity	-	-	-	-	(591,996)	-	-	(591,996)	-	(591,996)
Profit for the year	-	-	-	-	-	-	10,611,601	10,611,601	109,310	10,720,911
Total recognised income and expense	-	-	-	-	(591,996)	-	10,611,601	10,019,605	109,310	10,128,915
Effects of change to percentage of holding	-	-	-	-	-	-	-	-	9,722	9,722
Consideration paid to equity holders of subsidiaries for common control transactions	-	(88)	-	-	-	-	-	(88)	-	(88)
Dividends	-	-	-	-	-	-	(8,286,308)	(8,286,308)	(67,453)	(8,353,761)
Balance at 31 December 2010	25,110,025	(19,732,321)	17,215,737	4,262,883	(1,923,389)	2,900,000	30,111,160	57,944,095	284,274	58,228,369

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of changes in equity
 For the years ended 31 December 2010 and 2009

(Unit : Thousand Baht)

	Separate financial statements				Total equity attributable to equity holders of the Company
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings Legal reserve	Unappropriated	
Balance at 1 January 2009	25,110,025	17,215,737	2,900,000	14,849,684	60,075,446
Profit for the year	-	-	-	8,643,282	8,643,282
Dividends	-	-	-	(8,286,308)	(8,286,308)
Balance at 31 December 2009	25,110,025	17,215,737	2,900,000	15,206,658	60,432,420
Balance at 1 January 2010	25,110,025	17,215,737	2,900,000	15,206,658	60,432,420
Profit for the year	-	-	-	8,927,186	8,927,186
Dividends	-	-	-	(8,286,308)	(8,286,308)
Balance at 31 December 2010	25,110,025	17,215,737	2,900,000	15,847,536	61,073,298

d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

N/A

(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31 December 2010	31 December 2009
Total number of shares	25,110,025,000	25,110,025,000

(d) (iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have been audited by the company's auditor in accordance with Thailand generally accepted accounting principles auditing standards.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Please see page 1 of the attached financial report.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Accounting policies and methods of computation applied in the financial statements for the year ended 31 December 2010 are consistent with those applied in the financial statements for the year ended 31 December 2009.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

N/A

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

(Unit : Baht)			
Consolidated financial statements			
For the year ended 31 December			
	2010	2009	Changes
		Restated	+ / (-)
<hr/>			
Earning per ordinary share of the group based on net profit attributable to shareholders:-			
(a) based on the weighted average number of ordinary shares on issue	0.42	0.42	0%
(b) On a fully diluted basis	0.42	0.42	0%

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

(Unit : Baht)						
	Consolidated financial statements			Separate financial statements		
	31 December	31 December	Changes	31 December	31 December	Changes
	2010	2009	+ / (-)	2010	2009	+ / (-)
<hr/>						
Net asset value per ordinary share based on weighted average number of issued share capital	2.31	2.24	3%	2.43	2.41	1%

Remark: Net asset value = Total equity attributable to equity holders of the company

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors: and
- (b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Thai Beverage Public Company Limited

Management Discussion and Analysis

Performance for the year ended 31 December 2010

The Company acquired Yunnan Yulinquan Liquor Co.,Ltd., a white spirits distillery in People's Republic of China, in the fourth quarter of 2009 through an indirect subsidiary in Hong Kong at a total consideration of RMB 69 million. The operation of this company was included in the spirits business segment since the fourth quarter ended 31 December 2009 onwards.

Group

For the year 2010, total sales revenue of the Company was Baht 121,361 million, an increase by Baht 13,392 million, or 12.4%, from Baht 107,969 million of last year, due to an increase of sales revenue from the spirits business of 10.5%, the beer business of 11.7%, the non-alcoholic beverages business of 34.5% and the food business of 23.6%

Gross profit was Baht 33,264 million, an increase by Baht 1,904 million, or 6.1%, due to a higher gross profit in the spirits business of 3.3%, the beer business of 15.3%, the non-alcoholic beverages business of 5.8% and the food business of 17.3%.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 19,556 million, a decrease by Baht 355 million or 1.8%, due to a decrease of EBITDA in the beer business of 71.2%, the non-alcoholic beverages business of 31.2% although there was an increase of EBITDA in the spirits business of 0.8% and the food business of 26.5%.

Net profit was Baht 10,721 million, an increase by Baht 78 million, or 0.7%, due to a higher net profit in the spirits business of 1.3%, the food business of 23.2% and a lower net loss in the beer business of 0.2% although there was a lower net profit in the non-alcoholic business of 22.3%.

YTD_2010

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	77,034	100.0	33,729	100.0	6,611	100.0	4,075	100.0	(88)	100.0	121,361	100.0
Cost of sales	52,046	67.6	28,812	85.4	4,722	71.4	2,616	64.2	(99)	112.5	88,097	72.6
Gross profit	24,988	32.4	4,917	14.6	1,889	28.6	1,459	35.8	11	(12.5)	33,264	27.4
Selling expenses	2,116	2.7	4,230	12.5	841	12.7	128	3.1	(28)	31.8	7,287	6.0
Administrative expenses	6,275	8.1	3,091	9.2	796	12.0	1,127	27.7	(2)	2.3	11,287	9.3
Operating profit(loss)	16,597	21.5	(2,404)	(7.1)	252	3.8	204	5.0	41	(46.6)	14,690	12.1
Other income/ Interest income	272	0.4	94	0.3	30	0.5	19	0.5	(41)	46.6	374	0.3
EBIT(loss)	16,869	21.9	(2,310)	(6.8)	282	4.3	223	5.5	-	-	15,064	12.4
Finance costs	161	0.2	73	0.2	21	0.3	4	0.1	-	-	259	0.2
Income tax	4,924	6.4	(755)	(2.2)	(118)	(1.8)	33	0.8	-	-	4,084	3.4
Net Profit (loss)	11,784	15.3	(1,628)	(4.8)	379	5.7	186	4.6	-	-	10,721	8.8
Depreciation &Amortization	2,302	3.0	1,620	4.8	382	5.8	188	4.6	-	-	4,492	3.7
EBITDA(loss)	19,171	24.9	(690)	(2.0)	664	10.0	411	10.1	-	-	19,556	16.1

YTD_2009

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	69,733	100.0	30,196	100.0	4,916	100.0	3,298	100.0	(174)	100.0	107,969	100.0
Cost of sales	45,540	65.3	25,930	85.9	3,130	63.7	2,054	62.3	(45)	25.9	76,609	71.0
Gross profit	24,193	34.7	4,266	14.1	1,786	36.3	1,244	37.7	(129)	74.1	31,360	29.0
Selling expenses	1,621	2.3	3,645	12.1	560	11.4	131	4.0	(173)	99.4	5,784	5.4
Administrative expenses	5,990	8.6	2,942	9.7	650	13.2	962	29.2	(233)	133.9	10,311	9.5
Operating profit(loss)	16,582	23.8	(2,321)	(7.7)	576	11.7	151	4.6	277	(159.2)	15,265	14.1
Other income/ Interest income	188	0.3	327	1.1	32	0.7	19	0.6	(277)	159.2	289	0.3
EBIT(loss)	16,770	24.0	(1,994)	(6.6)	608	12.4	170	5.2	-	-	15,554	14.4
Finance costs	301	0.4	206	0.7	32	0.7	10	0.3	-	-	549	0.5
Income tax	4,833	6.9	(568)	(1.9)	88	1.8	9	0.3	-	-	4,362	4.0
Net Profit (loss)	11,636	16.7	(1,632)	(5.4)	488	9.9	151	4.6	-	-	10,643	9.9
Depreciation &Amortization	2,254	3.2	1,591	5.3	357	7.3	155	4.7	-	-	4,357	4.0
EBITDA(loss)	19,024	27.3	(403)	(1.3)	965	19.6	325	9.9	-	-	19,911	18.4

Increase(Decrease)

	Spirits	%	Beer	%	Non-alcoholic beverages	%	Food	%	Eliminate	%	Total	%
Revenue from sales	7,301	10.5	3,533	11.7	1,695	34.5	777	23.6	86	49.4	13,392	12.4
Cost of sales	6,506	14.3	2,882	11.1	1,592	50.9	562	27.4	(54)	(120.0)	11,488	15.0
Gross profit	795	3.3	651	15.3	103	5.8	215	17.3	140	108.5	1,904	6.1
Selling expenses	495	30.5	585	16.0	281	50.2	(3)	(2.3)	145	83.8	1,503	26.0
Administrative expenses	285	4.8	149	5.1	146	22.5	165	17.2	231	99.1	976	9.5
Operating profit(loss)	15	0.1	(83)	(3.6)	(324)	(56.3)	53	35.1	(236)	(85.2)	(575)	(3.8)
Other income/ Interest income	84	44.7	(233)	(71.3)	(2)	(6.3)	-	-	236	85.2	85	29.4
EBIT(loss)	99	0.6	(316)	(15.8)	(326)	(53.6)	53	31.2	-	-	(490)	(3.2)
Finance costs	(140)	(46.5)	(133)	(64.6)	(11)	(34.4)	(6)	(60.0)	-	-	(290)	(52.8)
Income tax	91	1.9	(187)	(32.9)	(206)	(234.1)	24	266.7	-	-	(278)	(6.4)
Net Profit (loss)	148	1.3	4	0.2	(109)	(22.3)	35	23.2	-	-	78	0.7
Depreciation & Amortization	48	2.1	29	1.8	25	7.0	33	21.3	-	-	135	3.1
EBITDA(loss)	147	0.8	(287)	(71.2)	(301)	(31.2)	86	26.5	-	-	(355)	(1.8)

Spirits Business

For the year 2010, sales revenue was Baht 77,034 million, an increase by Baht 7,301 million, or 10.5%, mainly due to an increase of sales price to cover the excise tax rise in May 2009 and an increase of sales volume. Total sales volume of spirits was 515.8 million litres, an increase of 5.9%.

Gross profit was Baht 24,988 million, an increase by Baht 795 million, or 3.3%, mainly due to the increase in sales although there was an increase in raw material cost..

EBITDA was Baht 19,171 million, an increase by Baht 147 million, or 0.8%, mainly due to an increase in gross profit and a decrease in idle costs although there was an increase in donation expenses and product protection expenses.

Net profit was Baht 11,784 million, an increase by Baht 148 million, or 1.3%, mainly due to the increase EBITDA and a decrease in interest expenses.

Beer Business

For the year 2010, sales revenue was Baht 33,729 million, an increase by Baht 3,533 million, or 11.7%, mainly due to an increase of sales price to cover the excise tax rise in May 2009 and an increase of sales volume. Total sales volume of beer was 596.5 million litres, an increase of 4.4%.

Gross profit was Baht 4,917 million, an increase by Baht 651 million, or 15.3%, mainly due to the increase in sales.

EBITDA showed a loss of Baht 690 million, an increase by Baht 287 million, or 71.2%, mainly due to an increase of sales promotion expenses.

Net loss was Baht 1,628 million, a decrease by Baht 4 million or 0.2%, mainly due to an income tax impacts and there was a decrease of interest expenses.

Non-Alcoholic Beverages Business

For the year 2010, sales revenue was Baht 6,611 million, an increase by Baht 1,695 million, or 34.5%, mainly due to an increase of Oishi's beverages sales. Total sales volume of Oishi beverages, which consist of green tea, black tea, and other non-alcoholic beverages, was 211.6 million litres, an increase of 30.1%. Energy drinks generated sales volume of 8.1 million litres, a decrease of 6.7%. Soda and drinking water generated sales volume of 24.3 million litres and 92.7 million litres respectively, an increase of 79.9% and 80.1% respectively.

Gross profit was Baht 1,889 million, an increase by Baht 103 million, or 5.8%, mainly due to the increase of Oishi beverages sales. The lower margin was mainly due to product mix of Oishi beverages sales and an increase in raw material cost.

EBITDA was Baht 664 million, a decrease by Baht 301 million, or 31.2%, mainly due to an increase in marketing expenses.

Net profit was Baht 379 million, a decrease by Baht 109 million, or 22.3%, mainly due to the decrease in EBITDA although there was a decrease in interest expenses.

Food Business

For the year 2010, sales revenue was Baht 4,075 million, an increase by Baht 777 million, or 23.6%, mainly due to an increase in number of branches and sales price.

Gross profit was Baht 1,459 million, an increase by Baht 215 million, or 17.3%, mainly due to the increase in sales although food costs increased in accordance with the variety of foods available.

EBITDA was Baht 411 million, an increase by Baht 86 million, or 26.5%, mainly due to the increase in gross profit although branch rental fees increased.

Net profit was Baht 186 million, an increase by Baht 35 million, or 23.2%. mainly due to the increase in EBITDA and a decrease in interest expenses.

Financial Position

Assets

Total assets as at the end of December 2010 was Baht 77,302 million, an increase by Baht 153 million, or 0.2%, compared with the end of 2009. Current assets increased by Baht 1,699 million, mainly due to an increase in inventories. Non-current assets decreased by Baht 1,546 million, mainly due to depreciation of property, plant and equipment.

Liabilities

Total liabilities as at the end of December 2010 was Baht 19,074 million, a decrease by Baht 1,632 million, or 7.9%, compared with the end of 2009. This was mainly due to a decrease in long-term loans from financial institutions.

The maturity of interest-bearing loans was as follows.

	Unit: Million Baht
Within December 2011	8,762
Within October 2012	600
Total	9,362

Shareholders' Equity

Total equity as at the end of December 2010 was Baht 58,228 million, an increase of Baht 1,785 million, or 3.2% compared with the end of 2009. This was mainly due to an increase in net retained earning which comprised of profit for the period and dividend payment.

Liquidity

Cash and cash equivalents, as at December 31, 2010, was Baht 3,359 million. The net increase from the beginning of the period was Baht 769 million. Details of activities were as follows.

Unit: Million Baht

Net cash provided by operating activities	15,213
Net cash used in investing activities	(2,818)
Net cash used in financing activities	(11,235)
Net increase in cash and cash equivalents in period	1,160
Adjustment from financial statement translation	(391)
Cash and cash equivalents at beginning of period	2,590
Cash and cash equivalents at end of period	3,359

Net cash provided by operating activities of Baht 15,213 million was mainly derived from net income of Baht 10,721 million and non-cash items from depreciation and amortization of Baht 4,492 million.

Net cash used in investing activities of Baht 2,818 million was mainly due to purchase of property, plant and equipments.

Net cash used in financing activities of Baht 11,235 million was mainly due to repayment of loans and dividend payment.

Financial Ratios

	Dec.31, 10	Dec.31, 09
Current Ratio (times)	1.91	1.85
Total Debt to Equity Ratio (times)	0.33	0.37
Net asset value per share (Baht)	2.31	2.24
	Jan. – Dec.10	Jan. - Dec.09
Accounts Receivable Turnover (days)	6	6
Inventory Turnover (days)		
Spirits Business		
Finished Goods (Excl. Legacy Stocks)	49	59
Beer Business		
Finished Goods	27	40

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

N/A

10. Commentary to accompany the announcement regarding significant trends or competitive conditions in the industry and any known factors or events that may affect the group in the next reporting period or over the next 12 months.

The overall Thai economy in 2010 remained satisfactory and continued to expand despite negative factors all year long, e.g. uncertainty of global economy, domestic political situation, fluctuation of the Baht and severe floods nationwide. When those problems subsided, the domestic economy gradually started to pick up in the second half of the year.

In the fourth quarter of 2010, severe floods in many provinces of Thailand caused damages and dampened consumers' confidence. Private consumption slightly decreased when compared to the third quarter of 2010. However, the impact of the flood lasted only for a short period and the damages occurred only in limited area. In general, Private Consumption Index increased by 3.8% when compared to the same period of 2009. Consumer Price Index of December 2010 was at 108.92, or 3% increase when compared to December last year and the average Consumer Price Index of 2010 increased by 3.3% when compared to 2009.

When the severe flood subsided, consumers started to regain confidence on the positive outlook of the Thai economy, as reflected in the Consumer Confidence Index in December 2010 that slightly increased for the first time after three months to 80.8, compared to the 79.0 in November. ThaiBev's 2010 performance was also affected from domestic situations, especially in second quarter, since people were greatly concerned about the uncertain political situation and curfew enforcement. Slower consumption and spending in the tourism sector also contracted the market despite two positive elements i.e. Songkran holidays and World Cup in the same quarter. Nevertheless, once the country returned to the state of normalcy, consumption and spending began to recover.

Source:

1. *Press Release on Economic and Monetary Conditions for December 2010 and Year 2010 by Bank of Thailand*
2. *Summary of December 2010's consumer confidence survey by the Center for Economic and Business Forecasting, the University of the Thai Chamber of Commerce*
3. *Consumer Price Index Report December 2010 by the Ministry of Commerce*

Beer Business

The overall beer market in Thailand started to see the sign of recovery in third quarter of 2010. The stable political and economic situations slowly revived the beer market. However, the sharp decrease in the first half of 2010 shrank Thai beer market for the whole 2010.

Continued investment in marketing and promotion of ThaiBev's beer business contributed to the beer volume growth of 4.4% in 2010 when compared YoY. The growth of sales volume compared with the market shrink indicated that the Company started to gain back market share in the beer business.

However, the beer business still saw a loss in 2010 because of the increase in selling and administrative expenses. In 2010, the Company invested more into below the line marketing activities through music and sports platform. The sponsorship of concerts helped improving the brand awareness as well as on-trade consumption. The distribution of beer products was expanded to extend coverage at pub/restaurants via bar suppliers. Also, the sales team strengthened relationship with retail shops. In 2010, the Company introduced new sizes for beer products and the limited edition of beer can to continuously attract consumers. The Company is confident that all the investments in the beer business will lead to increasing gain of the market share and stronger branding in a long run.

Spirits Business

Spirits business in 2010 saw an increase in sales revenue of 10.5% from the increase in sales volume and sales price. The key contributors to the increase in sales volume are ThaiBev's two best-selling brown spirits--Hong Thong and Blend 285.

However, higher molasses cost had direct impact on the Company's profitability in the spirits segment.

Non-alcohol Business

The sales of non-alcohol business increased by 34.5% driven by the strong growth of sales volume of Oishi, drinking water, and soda. The dramatic increase in sales of drinking water and soda came from the expansion of their portfolio to a wide variety of packaging and flavor. The Company invested more in marketing activities to promote brand awareness of drinking water and soda; which resulted in the contraction of profitability of the business in 2010.

Food Business

In 2010, Oishi food business was expanded through new outlet opening. The Company invested in 20 new restaurants, which drove the growth of food business to 23.6% YoY. Although rental fee and food cost rose in 2010, their proportion were smaller than that of the sales growth. This contributed to the increase in the net profit of the food business of 23.2%

International Business

ThaiBev's international operations grew by 35% in 2010, and the net profit increased by 52% when compared YoY.

- ASEAN performance was driven by Chang Beer sales which increased by 79%, with continuing market support behind the brand.
- USA performance of Chang beer was satisfactory, backed by improvement in sales channels and the increase in marketing activities. The Company introduced the Scotch whisky portfolio to US market in late 2009, and started to see the momentum in volume growth in this market in 2010.
- IBHL UK and the rest of the world continued to perform well in 2010. The Scotch whisky portfolio was expanded to Eastern European countries and Russia with high growth potential.
- Yunnan Yulinquan Liquor Co. Ltd (YLQ) operations in China showed an improvement in profitability and margin from its focus on mid-to-high tier brands.

11. If a decision regarding dividend has been made:-

(a) Current Financial Period Reported On

Any dividend declared for current financial period reported on?

Yes.

The company board of director has consented dividend payment for the year 2010 at the meeting held on February 23, 2011 as follows:

	Per share Baht	Total Value Baht	pay out ratio	Book Closure	Payable date
Annual dividend for 2010	0.35	8,788,508,750	83.33%		
Less Interim dividend	0.15	3,766,503,750		25 Aug 10	8 Sep 10
Remaining Dividend	<u>0.20</u>	<u>5,022,005,000</u>		9 May 11	26 May 11

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

The company board of director has consented dividend payment for the year 2009 at the meeting held on February 26, 2010 as follows:

	Per share Baht	Total Value Baht	pay out ratio	Book Closure	Payable date
Annual dividend for 2009	0.33	8,286,308,250	78.57%		
Less Interim dividend	0.15	3,766,503,750		31 Aug 09	10 Sep 09
Remaining Dividend	<u>0.18</u>	<u>4,519,804,500</u>		6 May 10	26 May 10

(c) Dividend is before tax.

Tax rate 10%

Country where the dividend is derived . “ Thailand ”

(d) The date the dividend is payable . “ May 26, 2011 ”

12. If no dividend has been declared/recommended, a statement to that effect

Not Applicable

13.Segmented revenue and results for business or geographical segments(of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.

Business segments results

	Spirits		Beer		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	77,034	69,733	33,729	30,196	6,611	4,916	4,075	3,298	(88)	(174)	121,361	107,969
Interest income	8	5	2	4	1	2	2	5	-	-	13	16
Other income	264	183	92	323	29	30	17	14	(41)	(277)	361	273
Total revenues	77,306	69,921	33,823	30,523	6,641	4,948	4,094	3,317	(129)	(451)	121,735	108,258
Cost of sale of goods	52,046	45,540	28,812	25,930	4,722	3,130	2,616	2,054	(99)	(45)	88,097	76,609
Selling expenses	2,116	1,621	4,230	3,645	841	560	128	131	(28)	(173)	7,287	5,784
Administrative expenses	6,275	5,990	3,091	2,942	796	650	1,127	962	(2)	(233)	11,287	10,311
Total expenses	60,437	53,151	36,133	32,517	6,359	4,340	3,871	3,147	(129)	(451)	106,671	92,704
Profit (loss) before finance costs and income tax expense	16,869	16,770	(2,310)	(1,994)	282	608	223	170	-	-	15,064	15,554
Finance costs	161	301	73	206	21	32	4	10	-	-	259	549
Profit (loss) before income tax expense	16,708	16,469	(2,383)	(2,200)	261	576	219	160	-	-	14,805	15,005
Income tax expense	4,924	4,833	(755)	(568)	(118)	88	33	9	-	-	4,084	4,362
Profit (loss) for the period	11,784	11,636	(1,628)	(1,632)	379	488	186	151	-	-	10,721	10,643

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Already included in article No.8

15. A breakdown of sales as follows:-

	2010 Baht '000	2009 Baht '000	% increase / (decrease)
	Consolidated	Consolidated	Consolidated
(a) Sales Reported for the first half year	59,406,698	54,347,426	9.31%
(b) Operating profit/loss after tax before deducting minority interests reported of the first half year	5,108,304	5,814,138	(12.14%)
(c) Sales Reported for the second half year	61,954,658	53,621,790	15.54%
(d) Operating profit/loss after tax before deducting minority interests reported of the second half year	5,612,607	4,828,901	16.23%

16. A breakdown of the total annual dividend (in Baht value) for the issuer's latest full year and its previous full year as follows:-

Please see article No.11

17. Interested person transaction

The details of the aggregate value of interested person transactions of the company for the year ended 31 December 2010 are as follows:

Thai Beverage Public Company Limited
Audited results for year ended 31 December 2010

Interested persons transactions for the year ended 31 December 2010

	Aggregate value of all interested persons transactions during the year ended 31 December 2010 under review (excluding transactions less than S\$100,000* and transactions conducted under Shareholders' Mandate) Baht '000	Aggregate value of all interested persons transactions conducted under the mandate (excluding transactions less than S\$100,000*) Baht '000
A Revenue from sales and service income		
1 Pisetkij Co., Ltd.	-	39,355.69
2 PS Recycle Co., Ltd.	-	97,202.78
3 The Utaradit Sugar Industry Co., Ltd.	-	36,882.71
4 TCC Hotel Collection Co., Ltd.	4,037.21	-
5 Thai Alcohol PCL. **	170,635.34	-
B Other income		
1 Pisetkij Co., Ltd.	-	8,073.07
2 T.C.C. Technology Co., Ltd.	-	3,110.96
3 Thai Alcohol PCL. **	-	2,600.38
4 Plantheon Trading Co., Ltd. **	-	7,018.86
C Cost of sales		
1 PS Recycle Co., Ltd.	-	386,559.68
2 The Maewang Sugar Industry Co., Ltd.	-	62,397.99
3 The Suphanburi Sugar Industry Co., Ltd.	-	87,356.46
4 Permkha Commercial Co., Ltd. ***	-	14,292.41
5 Southeast Capital Co., Ltd.	-	9,076.16
6 T.C.C. Technology Co., Ltd.	-	6,849.60
7 Thai Beverage Can Co., Ltd.	-	1,022,498.48
8 Berli Jucker PCL.	-	3,939,533.18
9 The Southeast Insurance Co., Ltd.	-	123,584.41
10 The Southeast Life Insurance Co., Ltd.	-	5,300.79
11 The Utaradit Sugar Industry Co., Ltd.	-	67,340.74
12 Berli Jucker Specialties Co., Ltd.	-	3,218.66
13 New Noble Property and Loan Fund	-	15,062.70
14 TCC Hotel Collection Co., Ltd.	2,877.14	-
15 Siam Food Products PCL.	7,551.44	-
16 Plantheon Trading Co., Ltd. **	838,737.56	538,008.15
D Other expenses		
1 Bang-Na Glass Co., Ltd.	-	13,609.50
2 Southeast Capital Co., Ltd.	-	138,462.37
3 T.C.C. Technology Co., Ltd.	-	63,434.68
4 Berli Jucker PCL.	-	8,160.50
5 The Southeast Insurance Co., Ltd.	-	32,280.55
6 The Southeast Life Insurance Co., Ltd.	-	8,918.09
7 N.C.C. Management and Development Co., Ltd	-	5,442.74
8 Plaza Athenee Hotel (Thailand) Co., Ltd.	-	40,156.98
9 Surasate Co., Ltd.	5,696.96	-
10 North Park Golf And Sports Club Co., Ltd.	-	14,206.85
11 TCC Hotel Collection Co., Ltd.	24,829.63	-
12 Dynamic Assets Property and Loan Fund	5,323.87	-
13 Best Wishes Co., Ltd	3,736.89	-
14 Best Fortune Property and Loan Fund	34,070.19	-
15 Thippatana Arcade Co., Ltd.	10,692.63	-
16 TCC PD 11 Co., Ltd.	12,096.00	-
17 AT Mediafront Co., Ltd.	3,293.26	-
18 Sea Food Beer Garden Co., Ltd.	4,913.43	-
19 Plantheon Trading Co., Ltd.	8,743.89	12,670.47
E Purchase of assets		
1 Berli Jucker PCL.	10,492.34	-
2 The Southeast Insurance Co., Ltd.	2,642.82	-

* Exchange rate Baht 23.56 per 1 SGD.

** The list of Mandated Interested Persons has been extended to include this company by the approval of the 2010 Annual General Meeting of Shareholders of the Company since 29 April 2010

*** Formerly Dhipaya Sugar (1999) Co., Ltd.