

# Thai Beverage Public Company Limited

Financial Statement For The Three-Month Period Ended 31 March 2009

## PART I INFORMATION REQUIRED FOR THE THREE-MONTH PERIOD ENED 31 MARCH (Q1) 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  
Statements of Income  
For the three-month periods ended 31 March 2009 and 2008 (Unaudited)

	(Unit : Thousand Baht)		
	Consolidated		
	financial statements		
	For the three-month periods ended 31 March		
	Restated		
	2009	2008	+ / (-)
<b>Revenues from sales and services</b>			
Revenue from sale of goods and rendering of services	27,647,448	28,046,837	(1%)
<b>Total revenues from sales and services</b>	<b>27,647,448</b>	<b>28,046,837</b>	(1%)
<b>Cost of sales and services</b>			
Cost of sales of goods and rendering of services	19,471,061	19,963,769	(2%)
<b>Total cost of sales and services</b>	<b>19,471,061</b>	<b>19,963,769</b>	(2%)
<b>Gross profit</b>	<b>8,176,387</b>	<b>8,083,068</b>	1%
Selling expenses	1,165,187	1,498,627	(22%)
Administrative expenses	2,293,188	2,382,443	(4%)
Management benefit expenses	114,759	143,725	(20%)
<b>Operating profit</b>	<b>4,603,253</b>	<b>4,058,273</b>	13%
Interest income	1,517	5,950	(75%)
Other income	59,748	50,363	19%
<b>Earnings before financial costs and income tax</b>	<b>4,664,518</b>	<b>4,114,586</b>	13%
Finance costs	182,590	160,406	14%
Income tax expense	1,448,943	1,202,225	21%
<b>Profit for the period</b>	<b>3,032,985</b>	<b>2,751,955</b>	10%
<b>Attributable to:</b>			
Equity holders of the Company	3,016,091	2,684,400	12%
Minority interests	16,894	67,555	(75%)
<b>Profit for the period</b>	<b>3,032,985</b>	<b>2,751,955</b>	10%
Basic earnings per share (Baht)	0.12	0.11	9%
Diluted earnings per share (Baht)	0.12	0.11	9%

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 :

	<b>(Unit : Thousand Baht)</b>		
	<b>Consolidated</b>		
	<b>financial statements</b>		
	<b>For the three-month periods ended 31 March</b>		
	<b>2009</b>	<b>2008</b>	
		<b>Restated</b>	
A Investment income	-	-	-
B Other income including interest income	(52,937)	(46,360)	14%
C Interest in borrowings	182,590	160,406	14%
D Depreciation and amortization	1,072,658	1,318,151	(19%)
E Allowance for doubtful debts and bad debts written off	1,014	706	44%
F Write-off for stock obsolescence	10,814	2,419	347%
G Impairment in value of investments	91	-	-
H Foreign exchange (gain) / loss	6,364	38,488	(83%)
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	(8,328)	(9,953)	(16%)
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 March 2009 and 31 December 2008

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31-Mar-2009	31-Dec-2008	31-Mar-2009	31-Dec-2008
(Unaudited)	Restated (Audited)	(Unaudited)	(Audited)	
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	1,538,671	1,920,972	11,268	3,965
Current investments	8,397	9,123	-	-
Trade accounts receivable	1,550,890	1,514,403	-	-
Short-term loans to and amounts due from related parties	32,290	41,438	3,499,977	3,648,410
Inventories	31,426,275	29,729,437	-	-
Other current assets	2,100,591	1,726,523	18,584	13,657
<b>Total current assets</b>	<b>36,657,114</b>	<b>34,941,896</b>	<b>3,529,829</b>	<b>3,666,032</b>
<b>Non-current assets</b>				
Investments in subsidiaries	-	-	77,191,702	77,161,702
Investments in associates	111,808	111,656	-	-
Other long-term investments	10,511	10,518	-	-
Long-term loans to and amounts due from related parties	58,695	57,898	5,198,904	5,588,705
Property, plant and equipment	38,918,506	39,578,158	53,934	55,518
Intangible assets	3,169,437	3,178,327	34,644	36,299
Leasehold right	109,419	111,854	-	-
Other non-current assets	2,070,609	2,068,925	331,347	335,191
<b>Total non-current assets</b>	<b>44,448,985</b>	<b>45,117,336</b>	<b>82,810,531</b>	<b>83,177,415</b>
<b>Total assets</b>	<b>81,106,099</b>	<b>80,059,232</b>	<b>86,340,360</b>	<b>86,843,447</b>
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Bank overdrafts and short-term loans from financial institutions	7,245,985	8,701,362	3,686,835	5,246,161
Trade accounts payable	3,070,263	3,389,386	-	-
Current portion of long-term loans from financial institutions	4,950,000	5,325,000	4,950,000	5,325,000
Short-term loans from and amounts due to related parties	71,355	126,227	5,922,205	3,931,773
Short-term loans from other parties	7,000	7,000	-	-
Income tax payable	3,543,027	2,189,514	179,881	137,921
Other current liabilities	3,118,963	2,982,610	90,559	137,146
<b>Total current liabilities</b>	<b>22,006,593</b>	<b>22,721,099</b>	<b>14,829,480</b>	<b>14,778,001</b>
<b>Non-current liabilities</b>				
Long-term loans from and amounts due to related parties	1,913	2,221	9,305,100	8,725,000
Long-term loans from financial institutions	1,990,000	3,265,000	1,990,000	3,265,000
Other non-current liabilities	64,272	69,618	-	-
<b>Total non-current liabilities</b>	<b>2,056,185</b>	<b>3,336,839</b>	<b>11,295,100</b>	<b>11,990,000</b>
<b>Total liabilities</b>	<b>24,062,778</b>	<b>26,057,938</b>	<b>26,124,580</b>	<b>26,768,001</b>
<b>Equity</b>				
<b>Share capital</b>				
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	(19,732,233)	(19,728,268)	-	-
Premium on ordinary shares	17,215,737	17,215,737	17,215,737	17,215,737
Unrealised surpluses (deficits)				
Fair value changes and revaluation differences on assets	4,262,883	4,262,802	-	-
Currency translation differences	(1,490,099)	(1,503,025)	-	-
Retained earnings/ (Deficit)				
Appropriated - legal reserve	2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated/ (Deficit)	28,521,853	25,505,762	14,990,018	14,849,684
<b>Total equity attributable to equity holders of the Company</b>	<b>56,788,166</b>	<b>53,763,033</b>	<b>60,215,780</b>	<b>60,075,446</b>
Minority interests	255,155	238,261	-	-
<b>Total equity</b>	<b>57,043,321</b>	<b>54,001,294</b>	<b>60,215,780</b>	<b>60,075,446</b>
<b>Total liabilities and equity</b>	<b>81,106,099</b>	<b>80,059,232</b>	<b>86,340,360</b>	<b>86,843,447</b>

- (c) (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 figure 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 March 2009				As at 31 December 2008			
Letter of Comfort	Unsecured	Guaranteed	Guaranteed/ negative pledge	Letter of Comfort	Unsecured	Guaranteed	Guaranteed/ negative pledge
231,587	11,259,385	705,013	-	227,861	13,204,384	594,117	-

- Amount repayable after one year

(Unit : Thousand Baht)

As at 31 March 2009				As at 31 December 2008			
Secured	Unsecured	Guaranteed	Guaranteed/ negative pledge	Secured	Unsecured	Guaranteed	Guaranteed/ negative pledge
-	1,990,000	-	-	-	3,265,000	-	-

- Details of any collateral

N/A

(d) 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 three-month periods ended 31 March 2009 and 2008 (Unaudited)

	(Unit : Thousand Baht)			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
		<b>Restated</b>		
<b>Cash flows from operating activities</b>				
Profit for the period	3,032,985	2,751,955	140,334	175,049
<i>Adjustments for</i>				
Depreciation and amortisation	1,060,158	1,305,651	9,085	7,544
Interest income	(1,517)	(5,950)	(99,487)	(161,363)
Finance costs	182,590	160,406	300,892	279,108
Unrealised loss on exchange rate	1,529	9,247	-	4,807
Bad and doubtful debts expense	1,071	860	-	-
Amortisation of advance payments to a specialist	12,500	12,500	2,344	2,344
Reversal of allowance for obsolete inventories	(86,802)	(30,649)	-	-
(Gain) loss on sale and disposal of property, plant and equipment and intangible assets	(8,328)	(9,953)	32	(163)
Income tax expense	1,448,943	1,202,225	62,665	75,571
	<b>5,643,129</b>	<b>5,396,292</b>	<b>415,865</b>	<b>382,897</b>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(37,582)	488,787	-	-
Amounts due from related parties	6,780	(8,560)	(51,146)	26,982
Inventories	(1,610,036)	(356,416)	-	-
Other current assets	(374,373)	(494,274)	(4,926)	(9,203)
Trade accounts payable	(319,756)	183,178	-	-
Amounts due to related parties	(55,040)	(8,672)	(55,803)	(7,362)
Other current liabilities	115,894	393,862	(39,530)	(3,011)
Other non-current liabilities	(7,061)	(4,306)	-	-
Income tax paid	(95,430)	(97,679)	(20,705)	(23,449)
<b>Net cash provided by operating activities</b>	<b>3,266,525</b>	<b>5,492,212</b>	<b>243,755</b>	<b>366,854</b>
<b>Cash flows from investing activities</b>				
Interest received	1,608	6,096	98,265	173,272
Current investments	726	98,732	-	-
Loans to and amounts due from related parties	(797)	-	590,600	2,835,020
Investments in subsidiaries	-	-	(30,000)	(529,000)
Investments in associates	(152)	8,645	-	-
Long-term investments	88	-	-	-
Purchase of property, plant and equipment	(387,561)	(867,532)	(9,990)	(2,692)
Decrease in property, plant and equipment	16,575	111,158	-	865
Purchase of intangible assets	(1,300)	(3,673)	(731)	(1,512)
(Increase) decrease in intangible assets	(206)	13,872	-	-
Other non-current assets	(14,184)	(3,054)	1,501	-
Net cash outflow on acquisition of indirect subsidiaries	(3,965)	-	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>(389,168)</b>	<b>(635,756)</b>	<b>649,645</b>	<b>2,475,953</b>

<b>Cash flows from financing activities</b>				
Interest paid	(167,207)	(213,946)	(296,070)	(333,075)
Bank overdrafts and short-term loans from financial institutions	(1,455,377)	(99,595)	(1,559,326)	(1,593,302)
Repayment of long-term guaranteed bonds	-	(3,000,000)	-	(3,000,000)
Loans from related parties	-	-	2,619,300	3,848,050
Repayment of long-term loans from financial institutions	(1,650,000)	(1,755,000)	(1,650,000)	(1,755,000)
<b>Net cash used in financing activities</b>	<b>(3,272,584)</b>	<b>(5,068,541)</b>	<b>(886,096)</b>	<b>(2,833,327)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(395,227)</b>	<b>(212,085)</b>	<b>7,304</b>	<b>9,480</b>
Cash and cash equivalents at beginning of period	1,920,972	2,587,796	3,964	9,168
Effect of exchange rate changes on balances held in foreign currencies	12,926	(343,132)	-	-
<b>Cash and cash equivalents at end of period</b>	<b>1,538,671</b>	<b>2,032,579</b>	<b>11,268</b>	<b>18,648</b>

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 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 three-month periods ended 31 March 2009 and 2008 (Unaudited)

(Unit : Thousand Baht)

	Consolidated financial statements										
	Issued and paid-up share capital	Difference arising from common control transactions	Additional paid-in capital	Unrealised surpluses (deficits)	Fair value changes and revaluation differences on assets	Currency translation differences	Retained earnings		Total equity attributable to equity holders of the Company	Minority interests	Total equity
							Legal reserve	Unappropriated			
<b>Balance at 1 January 2008</b>	<b>25,110,025</b>	<b>(16,201,123)</b>	<b>17,215,737</b>	<b>4,388,935</b>	<b>(208,076)</b>	<b>2,900,000</b>	<b>22,644,726</b>	<b>55,850,224</b>	<b>1,244,411</b>	<b>57,094,635</b>	
Translation of financial statements differences	-	-	-	-	(343,132)	-	-	(343,132)	-	(343,132)	
Profit for the period	-	53,574	-	-	-	-	2,630,826	2,684,400	67,555	2,751,955	
<b>Total recognised income and expense</b>	<b>-</b>	<b>53,574</b>	<b>-</b>	<b>-</b>	<b>(343,132)</b>	<b>-</b>	<b>2,630,826</b>	<b>2,341,268</b>	<b>67,555</b>	<b>2,408,823</b>	
Dividends paid by subsidiaries before business restructuring	-	(164,629)	-	-	-	-	-	(164,629)	(210,371)	(375,000)	
<b>Balance at 31 March 2008</b>	<b>25,110,025</b>	<b>(16,312,178)</b>	<b>17,215,737</b>	<b>4,388,935</b>	<b>(551,208)</b>	<b>2,900,000</b>	<b>25,275,552</b>	<b>58,026,863</b>	<b>1,101,595</b>	<b>59,128,458</b>	
<b>Balance at 1 January 2009</b>	<b>25,110,025</b>	<b>(19,732,229)</b>	<b>17,215,737</b>	<b>4,262,802</b>	<b>(1,503,025)</b>	<b>2,900,000</b>	<b>25,505,762</b>	<b>53,759,072</b>	<b>238,261</b>	<b>53,997,333</b>	
Difference arising from common control transactions	-	3,961	-	-	-	-	-	3,961	-	3,961	
<b>Restated balance</b>	<b>25,110,025</b>	<b>(19,728,268)</b>	<b>17,215,737</b>	<b>4,262,802</b>	<b>(1,503,025)</b>	<b>2,900,000</b>	<b>25,505,762</b>	<b>53,763,033</b>	<b>238,261</b>	<b>54,001,294</b>	
Unrealised gains											
Change in fair value on an available for sale investment	-	-	-	81	-	-	-	81	-	81	
Translation of financial statement differences	-	-	-	-	12,926	-	-	12,926	-	12,926	
<b>Net expense recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81</b>	<b>12,926</b>	<b>-</b>	<b>-</b>	<b>13,007</b>	<b>-</b>	<b>13,007</b>	
Profit for the period	-	-	-	-	-	-	3,016,091	3,016,091	16,894	3,032,985	
<b>Total recognised income and expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81</b>	<b>12,926</b>	<b>-</b>	<b>3,016,091</b>	<b>3,029,098</b>	<b>16,894</b>	<b>3,045,992</b>	
Consideration paid to equity holders of subsidiaries for common control transactions	-	(3,965)	-	-	-	-	-	(3,965)	-	(3,965)	
<b>Balance at 31 March 2009</b>	<b>25,110,025</b>	<b>(19,732,233)</b>	<b>17,215,737</b>	<b>4,262,883</b>	<b>(1,490,099)</b>	<b>2,900,000</b>	<b>28,521,853</b>	<b>56,788,166</b>	<b>255,155</b>	<b>57,043,321</b>	

Thai Beverage Public Company Limited and its Subsidiaries  
 Statements of changes in shareholders' equity  
 For the three-month periods ended 31 March 2009 and 2008 (Unaudited)

(Unit : Thousand Baht)

**Separate financial statements**

	Additional paid-in capital		Retained earnings		Total equity attributable to equity holders of the Company
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	
<b>Balance at 1 January 2008</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>2,900,000</b>	<b>16,112,423</b>	<b>61,338,185</b>
Profit for the period	-	-	-	175,049	175,049
<b>Balance at 31 March 2008</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>2,900,000</b>	<b>16,287,472</b>	<b>61,513,234</b>
<b>Balance at 1 January 2009</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>2,900,000</b>	<b>14,849,684</b>	<b>60,075,446</b>
Profit for the period	-	-	-	140,334	140,334
<b>Balance at 31 March 2009</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>2,900,000</b>	<b>14,990,018</b>	<b>60,215,780</b>



(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

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

*The figures have been reviewed 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 interim financial statements for the three-month period ended 31 March 2009 are consistent with those applied in the financial statements for the year ended 31 December 2008.*

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)		
	<b>Consolidated financial statements</b>		
	For the three-month periods		
	(Jan - March)		Changes
	2009	2008	+ / (-)
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	0.12	0.11	9%
(b) On a fully diluted basis	0.12	0.11	9%

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:-

	<b>Consolidated financial statements</b>			<b>Separate financial statements</b>		
	<b>31 March</b>	<b>31 December</b>	<b>Changes</b>	<b>31 March</b>	<b>31 December</b>	<b>Changes</b>
	<b>2009</b>	<b>2008</b>	<b>+ / (-)</b>	<b>2009</b>	<b>2008</b>	<b>+ / (-)</b>
		<b>Restated</b>				
Net asset value per ordinary share based on weighted average number of issued share capital	2.26	2.14	6%	2.40	2.39	0%

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:-

- 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
- 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 first quarter ended 31 March 2009**

The Company disposed of its entire shares holding in Thai Alcohol Public Company Limited on 30 September 2008. Accordingly, the operation of the industrial alcohol business segment was not shown in 2009 but still shown in 2008.

The Company acquired Oishi Group Public Company Limited (Oishi) on 30 September 2008 and accounted for the business combination in a manner similar to a pooling of interests. The Company restated the statements of income for the first quarter ended 31 March 2008 to include revenues and expenses of Oishi in the Company performance for comparison.

#### **Group**

For the first quarter ended 31 March 2009, total sales revenue of the company was Baht 27,648 million, a decrease of 1.4%, or Baht 399 million, from Baht 28,047 million of the corresponding period of last year, due to decreases in the sales revenue from the beer business of 33.2%. Following its disposal on 30 September 2008, there was no sales revenue from the industrial alcohol business in this quarter. There were increases in the sales revenue from the spirits business of 24.3%, the non-alcoholic beverages business of 30.7% and the food business of 28.2%.

Gross profit was Baht 8,176 million, an increase of Baht 93 million, or 1.2%, due to higher gross profit in the spirits business of 27.8%, the non-alcoholic beverages business of 69.3% and the food business of 25.6%. There was lower gross profit in the beer business of 49.8%. Following its disposal on 30 September 2008, there was no gross profit this quarter from the industrial alcohol business.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 5,724 million, an increase of Baht 305 million, or 5.6%, due to increases in the spirits business of 41.5%, the non-alcoholic beverages business of 50.7% and the food business of 24.6%. The beer business EBITDA decreased 75.6%. Following its disposal on 30 September 2008, there was no EBITDA this quarter from the industrial alcohol business.

Net profit was Baht 3,033 million, an increase of Baht 281 million, or 10.2%, due to higher net profit in the spirits business of 59.3%, the non-alcoholic beverages business of 171.1% and the food business of 10.0%. There was lower net profit in the beer business of 121.1%. Following its disposal on 30 September 2008, there was no net profit this quarter from the industrial alcohol business.

Unit :Million Baht

**Q1\_2009**

	Beer	% to Sales	Spirits	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Alcohol	% to Sales	Eliminate	Total	% to Sales
Sales	7,924	100.0	17,957	100.0	1,110	100.0	778	100.0	-	-	(121)	27,648	100.0
Cost of sales	6,589	83.2	11,705	65.2	729	65.7	454	58.4	-	-	(5)	19,472	70.4
Gross profit	1,335	16.8	6,252	34.8	381	34.3	324	41.6	-	-	(116)	8,176	29.6
Selling and administrative expenses	1,404	17.7	1,822	10.1	252	22.7	291	37.4	-	-	(196)	3,573	12.9
Operating profit(Loss)	(69)	(0.9)	4,430	24.7	129	11.6	33	4.2	-	-	80	4,603	16.6
Other income/													
Interest income	72	0.9	57	0.3	7	0.6	5	0.6	-	-	(80)	61	0.2
EBIT	3	0.0	4,487	25.0	136	12.3	38	4.9	-	-	-	4,664	16.9
Interest expenses	68	0.9	100	0.6	11	1.0	3	0.4	-	-	-	182	0.7
Income tax	96	1.2	1,329	7.4	22	2.0	2	0.3	-	-	-	1,449	5.2
Net Profit (Loss)	(161)	(2.0)	3,058	17.0	103	9.3	33	4.2	-	-	-	3,033	11.0
Depreciation &Amortization	389	4.9	549	3.1	84	7.6	38	4.9	-	-	-	1,060	3.8
EBITDA	392	4.9	5,036	28.0	220	19.8	76	9.8	-	-	-	5,724	20.7

**Q1\_2008**

	Beer	% to Sales	Spirits	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Alcohol	% to Sales	Eliminate	Total	% to Sales
Sales	11,870	100.0	14,446	100.0	849	100.0	607	100.0	490	100.0	(215)	28,047	100.0
Cost of sales	9,211	77.6	9,555	66.1	624	73.5	349	57.5	434	88.6	(209)	19,964	71.2
Gross profit	2,659	22.4	4,891	33.9	225	26.5	258	42.5	56	11.4	(6)	8,083	28.8
Selling and administrative expenses	1,592	13.4	1,975	13.7	188	22.1	233	38.4	30	6.1	7	4,025	14.4
Operating profit	1,067	9.0	2,916	20.2	37	4.4	25	4.1	26	5.3	(13)	4,058	14.5
Other income/													
Interest income	7	0.1	52	0.4	4	0.5	6	1.0	1	0.2	(14)	56	0.2
EBIT	1,074	9.0	2,968	20.5	41	4.8	31	5.1	27	5.5	(27)	4,114	14.7
Interest expenses	45	0.4	105	0.7	13	1.5	-	-	6	1.2	(9)	160	0.6
Income tax	267	2.2	943	6.5	(10)	(1.2)	1	0.2	1	0.2	-	1,202	4.3
Net Profit	762	6.4	1,920	13.3	38	4.5	30	4.9	20	4.1	(18)	2,752	9.8
Depreciation &Amortization	531	4.5	592	4.1	105	12.4	30	4.9	47	9.6	-	1,305	4.7
EBITDA	1,605	13.5	3,560	24.6	146	17.2	61	10.0	74	15.1	(27)	5,419	19.3

	Increase(Decrease)												
	Beer	%	Spirits	%	Non-alcoholic beverages	%	Food	%	Alcohol	%	Eliminate	Total	%
Sales	(3,946)	(33.2)	3,511	24.3	261	30.7	171	28.2	(490)	(100.0)	94	(399)	(1.4)
Cost of sales	(2,622)	(28.5)	2,150	22.5	105	16.8	105	30.1	(434)	(100.0)	204	(492)	(2.5)
Gross profit	(1,324)	(49.8)	1,361	27.8	156	69.3	66	25.6	(56)	(100.0)	(110)	93	1.2
Selling and administrative expenses	(188)	(11.8)	(153)	(7.7)	64	34.0	58	24.9	(30)	(100.0)	(203)	(452)	(11.2)
Operating profit	(1,136)	(106.5)	1,514	51.9	92	248.6	8	32.0	(26)	(100.0)	93	545	13.4
Other income/													
Interest income	65	928.6	5	9.6	3	75.0	(1)	(16.7)	(1)	(100.0)	(66)	5	8.9
EBIT	(1,071)	(99.7)	1,519	51.2	95	231.7	7	22.6	(27)	(100.0)	27	550	13.4
Interest expenses	23	51.1	(5)	(4.8)	(2)	(15.4)	3	-	(6)	(100.0)	9	22	13.8
Income tax	(171)	(64.0)	386	40.9	32	320.0	1	100.0	(1)	(100.0)	-	247	20.5
Net Profit	(923)	(121.1)	1,138	59.3	65	171.1	3	10.0	(20)	(100.0)	18	281	10.2
Depreciation & Amortization	(142)	(26.7)	(43)	(7.3)	(21)	(20.0)	8	26.7	(47)	(100.0)	-	(245)	(18.8)
EBITDA	(1,213)	(75.6)	1,476	41.5	74	50.7	15	24.6	(74)	(100.0)	27	305	5.6

### Beer Business

Sales revenue was Baht 7,924 million, a decrease of Baht 3,946 million, or 33.2%, mainly due to the decrease of beer sales volume. Total sales volume of beer was 159.0 million litres, a decrease of 33.6%.

Gross profit of Baht 1,335 million decreased by Baht 1,324 million or 49.8%, mainly due to the decrease of sales and higher cost of raw materials and packaging materials.

EBITDA of Baht 392 million decreased by Baht 1,213 million or 75.6%, mainly due to the decrease of gross profit and the increase of idle cost although there were decreases of sales promotion expenses, staff costs and transportation costs.

Net Loss of Baht 161 million changed by Baht 923 million or 121.1 % from the corresponding period of last year's net profit of Baht 762 million, mainly due to the decrease of EBITDA and the increase of interest expenses.

### Spirits Business

Sales revenue was Baht 17,957 million, an increase of Baht 3,511 million, or 24.3%, mainly due to the increase of sales volume. Total sales volume of spirits was 125.6 million litres, an increase of 17.2%. This is attributed to the white spirits' sales volume increasing by 15.9% to 88.0 million litres and brown spirits sales volume increasing by 20.1% to 37.6 million litres.

Gross profit of Baht 6,252 million reflected an increase of Baht 1,361 million, or 27.8%, mainly due to the increase of sales and products mix which created higher margin.

EBITDA of Baht 5,036 million increased by Baht 1,476 million, or 41.5%, mainly due to the increase in gross profit and the decreases of sales promotion expenses, idle costs and transportation costs.

Net profit of Baht 3,058 million increased by Baht 1,138 million, or 59.3%. mainly due to the increase of EBITDA.

### Non-Alcoholic Beverages Business

Sales revenue was Baht 1,110 million, an increase of Baht 261 million or 30.7%, mainly due to the 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 36.0 million litres, an increase of 21.0%. Other major products, such as energy drink, soda and drinking water, generated sales volume of 1.7 million litres, 3.2 million litres and 12.0 million litres respectively, the increases of 322.4%, 5.7% and 2.0% respectively. Energy drink sales volume was commenced since March 2008.

Gross profit of Baht 381 million increased by Baht 156 million or 69.3%, mainly due to the increase of Oishi beverages and energy drink sales. And the higher margin gained by replacing a distributor with ThaiBev's own direct-sales force.

EBITDA of Baht 220 million reflected an increase of Baht 74 million or 50.7%, mainly due to the increase in gross profit although there was an increase of staff costs.

Net profit was Baht 103 million, an increase of Baht 65 million or 171.1%, mainly due to the increase of EBITDA.

### **Food Business**

Sales revenue was Baht 778 million which reflected an increase of Baht 171 million or 28.2%, mainly due to an increased number of branches and sales promotions.

Gross profit of Baht 324 million increased by Baht 66 million or 25.6%, mainly due to higher sales although there was an increase of food costs due to more variety of foods.

EBITDA of Baht 76 million increased by Baht 15 million or 24.6%, mainly due to higher gross profit which covered higher staff costs and sales promotion expenses.

Net profit of Baht 33 million increased by Baht 3 million, or 10.0%. mainly due to the increase of EBITDA.

## **Financial Position**

### **Assets**

Total assets as at the end of March 2009 were Baht 81,106 million, an increase of Baht 1,047 million, or 1.3%, compared with the end of 2008. Current assets increased by Baht 1,715 million, mainly due to an increase in inventories. Non-current assets decreased by Baht 668 million, mainly due to depreciation of property, plant and equipment.

### **Liabilities**

Total liabilities as at the end of March 2009 were Baht 24,063 million, a decrease of Baht 1,995 million, or 7.7%, compared with the end of 2008. This was mainly due to the repayment of loans.

The maturity of loans are as follows.

	Unit: Million Baht
Within March 2010	12,203
During Apr 2010 – Oct 2010	1,990
Total	14,193

### **Shareholders' Equity**

Total shareholders' equity as at the end of March 2009 were Baht 57,043 million, an increase of Baht 3,042 million, or 5.6% compared with the end of 2008. This was mainly due to the increase of retained earnings from profits for the period.

### Liquidity

Cash and cash equivalents, as at March 31, 2009, was Baht 1,539 million. The net decrease from the beginning of the period was Baht 382 million. Details of activities are as follows.

	Unit: Million Baht
Net cash provided by operating activities	3,267
Net cash used in investing activities	(389)
Net cash used in financing activities	(3,273)
Net decrease in cash and cash equivalents in period	(395)
Adjustment from financial statement translation	13
Cash and cash equivalents at beginning of period	1,921
Cash and cash equivalents at end of period	1,539

Net cash provided by operating activities of Baht 3,267 million was mainly derived from net income of Baht 3,033 million and non-cash items from depreciation and amortization of Baht 1,060 million but deducted by increasing of working capital and others by Baht 826 million.

Net cash used in investing activities of Baht 389 million was mainly due to purchase of property, plant and equipments.

Net cash used in financing activities of Baht 3,273 million was mainly due to repayment of loans.

### Financial Ratios

	Mar.31,09	Dec.31,08
Current Ratio (times)	1.67	1.54
Total Debt to Equity Ratio(times)	0.42	0.48
Net asset value per share (Baht)	2.26	2.14
	Jan. – Mar.09	Jan. - Dec.08
Accounts Receivable Turnover (days)	5	6
Inventory Turnover (days)		
Beer Business		
Finished Goods	53	32
Spirits Business		
Finished Goods (Excl. Legacy Stocks)	64	68

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 interim announcement regarding significant trends or competitive conditions in the industry and any know factors or events that may affect the group in the next reporting period or over next 12 months.

As the world has been affected to a greater or lesser extent by the economic downturn caused by the recession in the USA, it has followed that Thailand is now seeing the impact on its own economy, especially in Q1 2009. With core inflation in March 2009 slightly decelerating to 1.5% (YoY), headline inflation continued to contract at 0.2% (YoY). The Private Consumption Index (PCI) declined 4.9% in Q1 2009 compared to the same period in 2008 and in turn, consumer-related industries such as ThaiBev are seeing lower consumption in some channels. Poorer on-premise sales for instance happen as a result of more people being made unemployed or because consumers prefer to stay at home due to economic uncertainty and shrinking discretionary income.

The trend is that less discretionary income becomes a drag on spending, with the biggest impact on entertainment spots and tourism. The number of people with some connection to the ailing tourism industry, whether in hotels and restaurants, manufacturing, farming, or in white and blue collar jobs, has increased over the years and the political problems of last year are now being felt in the form of unemployment or under-employment.

However, ThaiBev management plans for future growth are moving forward and the company is undergoing a distribution restructuring process that is aimed at improving its efficiency in the long term. As we restructure our distribution network of dealers and introduce new concepts and systems to ensure improved efficiency, there has been a negative, but expected, effect on beer sales and market share that will be resolved only when the new system is fully working. Management is aiming for a more stable and predictable consolidated bottom line and to some extent this quarter's results reflect those efforts, although we caution investors that the whole of 2009 is unlikely to see much substantial improvement.

The new excise tax increase on 6 May 2009 did not affect Q1 but will have a potential effect on the rest of the year. The tax on white spirits will now rise from a specific rate of 110 Baht per liter to 120 Baht per liter, or around 2-3 Baht per bottle depending on the alcohol content. Compound spirits, including leading brands such as Hong Thong and Blend 285, will see a specific rate increase from 280 Baht to 300 Baht or around 6 Baht per bottle. The largest tax rise was on beer, which saw an ad valorem rate increase from 55% to 60%, leading to approximately 5 Baht per bottle.

While ThaiBev has over the years consistently passed on all tax increases to the consumer, on this occasion the Company will take time to consider what would be best for the Company and shareholders while taking into consideration the competition, the economy and consumer trends. We will keep investors informed of any material issues.

#### Beer Business

While beer volumes have declined 33% in the first quarter, marketing costs were slowed accordingly as we concentrated on the distribution restructuring. While ThaiBev dominates the spirits business in Thailand, the beer business is highly competitive with many players in the market. Q1 reflects the sum of several successive impacts including the timing of the Company's own distribution restructure, higher raw material and packaging costs, an economic recession that has lowered the purchasing power of consumers and fierce competition for market share. While the restructuring of the distribution network continues, beer marketing and sales promotions have been reduced, with SG&A down 11.8% compared with Q1 last year. Once the restructuring has been completed, this will rise again as our sales and marketing division focuses on market share once more.

Following the political instability of the past year and continued political events that are a cause of uncertainty in the future, the beer business, which is largely on-premise, is unlikely to see much growth this year. The recent tax hike, equating to approximately 5 Baht a bottle, is likely to impact the whole industry badly and many brewers will be in the same difficult position of having to decide whether to pass on the tax in full and risk losing sales revenue or absorbing the tax in part or in whole and thus affect their profitability.

#### Spirits Business

As in previous quarters, the Company has noticed a significant trend toward trading down in price or aspiration by consumers, and this has been reflected in improved brown spirits sales as consumers move from imported brown spirits to our local products. Brown spirits volumes in Q1 2009 improved approximately 20% over the same period last year, although some additional uncertainty has been added in the future due to the recent increase of excise taxes on 6 May 2009 that affect two of our leading brown spirits brands, Blend 285 and Hong Thong.

The performance of our white spirits portfolio has also improved slightly after a difficult period following the previous excise tax hike in August 2007. While the volumes have increased almost 16% in the first quarter 2009, we are comparing with a very poor first quarter 2008 when the previous tax hike had its deepest impact. Following the recent excise tax increase in May 2009, future sales remain unpredictable although are not expected to rise significantly.

#### Non-alcohol Business

The synergies of the acquisition of Oishi have had a positive effect with cost savings on distribution performed by ThaiBev and access by the alcoholic beverages business line to the dealers of Oishi green tea for the first time. The Company has decided to move forward with its planned construction of a new cold aseptic filling line and is currently awaiting Board of investment (BOI) approval in order to gain tax privileges before proceeding. After intensive industry consultations with the government, no further mention has been made of imposing excise taxes on packaged tea and coffee at this time. Overall sales revenue for the non-alcoholic drinks business grew 30.7% in Q1 compared with the same period last year. Gross profit increased 69.3%, partially due to the replacement of a third party distributor with ThaiBev's own direct sales team.

#### Food Business

Sales revenue at Oishi, which operates the food business line, increased 28.2% mainly due to its expansion of outlets and implementation of successful sales promotions. New franchise brands from Japan are expected to assist in the company's branding and recognition as an innovative restaurant chain. The Company opened three outlets in Q1 and expects to open a further 14 in 2009, or 20 outlets per year thereafter.

#### Business Overseas

ThaiBev continues to expand its international business and is performing according to plan at this time. ThaiBev's Scotch whisky group at Inver House has seen strong growth in sales of Old Pulteney, for instance, from the UK, Malaysia, South Africa and Global Travel Retail segment. This is in line with the Company's international growth plans for the brand. ThaiBev is particularly pleased that our anCnoc single malt now has a listing in Sweden with the government monopoly buying group, Systembolaget. This listing has exceeded expectations with shipments well ahead of first quarter estimates. In line with the brand strategy, the balance of orders is moving towards export markets with Germany and Travel Retail also performing well. However, there are signs of some decline in sales to Eastern Europe in line with the worsening economy there.

Sales of Chang beer continue to grow in the UK and a recent listing at Oddbins, one of the UK's largest off licence chains should continue to raise the brand profile. Moreover, Chang's sponsorship of Everton Football Club has proven once more to be PR gold for the Company as the team is due to play in the FA Cup finals on 30 May to an audience of millions. Further afield, sales of Chang into Australia continue to move upwards according to plan and the Company is satisfied this is a market with very good potential.

In the USA, Chang has also proven to be a strong growth story even as other imported beer brands have declined. This has been mainly due to the continuous activities of our marketing and sales teams



with expanding distribution and added listings in well-known chains, a recent example being Ralph's in California, at which Chang will be available in 260 stores. Chang has also become the fastest-growing Thai beer brand, especially at Thai restaurants.

Sales of Mekhong in the US were enhanced by the results of increased marketing expenditure focused on New York City and the brand is now being embraced by the mixology community there as well as other key cities on both the east and west coasts. Gains have also been made in listings at famous liquor chains like BevMo and others with growing acceptance by major distributors such as Glazers and Southern Wine and Spirits. The recession in the US will likely have an effect on the frequency people go out to on-premise establishments, such as Thai and Asian Fusion restaurants, and thus the Company will be focusing more on off-premise distribution this year in line with consumer trends. While International Beverage Holdings, ThaiBev's overseas marketing group, has achieved more than was expected in the first quarter, the rest of 2009 will likely depend much on the direction of the global economy, although the Company is still cautiously optimistic about the mid to long term future.

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

(a) Current Financial Period Reported On

Any dividend declared for current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

NO.

(c) Dividend is before tax.

N/A

(d) The date the dividend is payable. N/A

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

Not Applicable

13. Interested person transaction

The details of the aggregate value of interested person transactions of the company for the three-month period ended 31 March 2009 are as follows:

Thai Beverage Public Company Limited

Unaudited but reviewed results for the three-month period (Jan-Mar) ended 31 March 2009

Interested persons transactions for the three-month period (Jan-Mar) ended 31 March 2009

	Aggregate value of all interested persons transactions during the three-month period (Jan- Mar) ended 31 March 2009 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
<b>A Revenue from sales and service income</b>		
1 Pisetkij Co., Ltd.	-	6,876.15
2 PS Recycle Co., Ltd.	-	31,170.33
3 Thai Alcohol Public Co., Ltd.	346,567.69	-
<b>B Other income</b>		
1 Thai Alcohol Public Co., Ltd.	10,328.88	-
<b>C Cost of sales</b>		
1 PS Recycle Co., Ltd.	-	98,503.91
2 The Maewang Sugar Industry Co., Ltd.	-	19,992.35
3 The Suphanburi Sugar Industry Co., Ltd.	-	40,473.06
4 Dhipaya Sugar (1999) Co., Ltd.	-	8,109.61
5 Southeast Capital Co., Ltd.	-	2,424.75
6 Thai Beverage Can Co., Ltd.	-	224,012.07
7 Berli Jucker PCL	-	806,724.05
8 The Southeast Insurance Co., Ltd.	-	31,227.52
9 The Utaradit Sugar Industry Co., Ltd.	-	17,546.68
10 New Noble Property and Loan Fund	-	3,586.35
11 Thai Alcohol Public Co., Ltd.	140,225.95	-
<b>D Other expenses</b>		
1 Bang-Na Glass Co., Ltd.	-	4,321.57
2 Southeast Capital Co., Ltd.	-	27,266.46
3 T.C.C. Technology Co., Ltd.	-	14,999.61
4 The Southeast Insurance Co., Ltd.	-	7,207.99
5 Plaza Athenee Hotel (Thailand) Co., Ltd.	-	7,610.14
6 North Park Golf And Sport Club Co., Ltd.	-	2,535.41
7 TCC Hotel Collection Co.,Ltd.	6,829.49	-
8 Best Fortune Property and Loan Fund	8,109.08	-
9 TCC PD 11 Co., Ltd.	2,751.00	-
<b>E Sale of assets</b>		
1 Silvercord Capital (Singapore) Limited	2,895.53	-
<b>F Purchase of assets</b>		
1 Berli Jucker PCL	3,214.00	-
<b>G Purchase of investment</b>		
1 Wattanapat Trading Co., Ltd.	3,899.77	-

\* Exchange rate Baht 23.58 per 1 SGD.