

Thai Beverage Public Company Limited

Financial Statement And Dividend Announcement For The Six-Month Period Ended 30 June 2011

PART I INFORMATION REQUIRED FOR Q2 AND THE SIX-MONTH PERIOD ENDED 30 JUNE (HALF-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 three-month periods ended 30 June 2011 and 2010 (Unaudited)

and for the six-month periods ended 30 June 2011 and 2010 (Unaudited)

	(Unit : Thousand Baht) Consolidated financial statements For the three-month periods ended 30 June (Restated)			(Unit : Thousand Baht) Consolidated financial statements For the six-month periods ended 30 June (Restated)		
	2011	2010	+ / (-)	2011	2010	+ / (-)
Revenues from sales and services						
Revenue from sale of goods and rendering of services	30,640,716	29,172,920	5%	61,557,603	58,973,208	4%
Total revenues from sales and services	30,640,716	29,172,920	5%	61,557,603	58,973,208	4%
Cost of sales and services						
Cost of sales of goods and rendering of services	22,252,620	21,675,473	3%	44,858,750	43,643,065	3%
Total cost of sales and services	22,252,620	21,675,473	3%	44,858,750	43,643,065	3%
Gross profit	8,388,096	7,497,447	12%	16,698,853	15,330,143	9%
Selling expenses	1,930,481	1,786,359	8%	3,658,343	3,532,200	4%
Administrative expenses	2,136,735	2,152,360	(1%)	4,522,247	4,502,309	0%
Finance costs	60,904	60,687	0%	109,550	133,585	(18%)
Operating profit	4,259,976	3,498,041	22%	8,408,713	7,162,049	17%
Interest income	5,272	3,645	45%	7,342	3,980	84%
Other income	175,043	80,907	116%	212,708	149,435	42%
Net operating profit	4,440,291	3,582,593	24%	8,628,763	7,315,464	18%
Share of profit of associates, net of income tax	-	-		-	-	
Earnings before income tax	4,440,291	3,582,593	24%	8,628,763	7,315,464	18%
Income tax expense	1,320,445	970,708	36%	2,521,140	2,042,859	23%
Profit for the period	3,119,846	2,611,885	19%	6,107,623	5,272,605	16%
Profit attributable to:						
Owners of the Company	3,103,713	2,580,299	20%	6,061,068	5,218,817	16%
Non-controlling interests	16,133	31,586	(49%)	46,555	53,788	(13%)
Profit for the period	3,119,846	2,611,885	19%	6,107,623	5,272,605	16%
Basic earnings per share (Baht)	0.12	0.10	20%	0.24	0.21	14%
Diluted earnings per share (Baht)	0.12	0.10	20%	0.24	0.21	14%

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)			(Unit : Thousand Baht)		
	Consolidated			Consolidated		
	financial statements			financial statements		
	For the three-month periods ended 30 June			For the six-month periods ended 30 June		
	2011	2010	+ / (-)	2011	2010	+ / (-)
A Investment income	-	-	-	-	-	-
B Other income including interest income	(34,727)	(48,437)	(28%)	(64,767)	(79,995)	(19%)
C Interest on borrowings	60,904	60,687	-	109,550	133,585	(18%)
D Depreciation and amortization	805,769	1,136,333	(29%)	1,589,812	2,254,425	(29%)
E Allowance for doubtful debts and bad debts written off	728	668	9%	1,295	1,643	(21%)
F Write-off for stock obsolescence	6,766	(11,477)	159%	17,005	(15,301)	211%
G Impairment in value of investments	-	-	-	-	-	-
H Foreign exchange (gain) / loss	(5,717)	76,061	(108%)	404	98,881	(100%)
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	(8,169)	(35,860)	(77%)	(7,169)	(72,937)	(90%)
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
 Statements of financial position
 As at 30 June 2011 and 31 December 2010

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 Jun 2011	31-Dec-2010	30 Jun 2011	31-Dec-2010
	(Unaudited)	(Restated)	(Unaudited)	(Restated)
Assets				
Current assets				
Cash and cash equivalents	1,327,965	3,358,696	1,383	22,849
Current investments	801	795	-	-
Trade accounts receivable	1,844,875	1,921,770	-	-
Short-term loans to and other receivables				
from related parties	529,593	790,867	2,322,579	2,370,666
Inventories	33,369,270	27,146,320	-	-
Other current assets	2,526,451	1,970,673	23,725	18,902
Total current assets	39,598,955	35,189,121	2,347,687	2,412,417
Non-current assets				
Investments in subsidiaries	-	-	80,189,702	80,047,424
Investments in associates	129,736	122,755	-	-
Other long-term investments	13,871	13,798	-	-
Long-term loans to and				
other receivables from related parties	43,746	39,405	2,085,634	2,502,182
Investment properties	826,000	961,726	-	-
Property, plant and equipment	34,767,279	34,503,647	47,457	47,129
Intangible assets	3,202,701	3,201,714	17,776	24,043
Leasehold rights	192,809	194,092	-	-
Deferred tax assets	925,601	664,650	57,381	3,671
Other non-current assets	1,982,722	1,994,142	310,249	314,937
Total non-current assets	42,084,465	41,695,929	82,708,199	82,939,386
Total assets	81,683,420	76,885,050	85,055,886	85,351,803

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of financial position
 As at 30 June 2011 and 31 December 2010

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 Jun 2011	31-Dec-2010	30 Jun 2011	31-Dec-2010
	(Unaudited)	(Restated)	(Unaudited)	(Restated)
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term loans				
from financial institutions	11,489,817	6,262,243	8,015,868	5,000,000
Trade accounts payable	3,837,249	3,757,165	-	-
Current portion of long-term loans				
from financial institutions	200,000	2,500,000	-	2,500,000
Short-term loans from and				
other payables to related parties	72,659	163,276	5,746,019	6,083,425
Income tax payable	2,499,255	2,225,876	88,926	144,375
Other current liabilities	3,620,819	3,459,437	109,481	144,234
Total current liabilities	21,719,799	18,367,997	13,960,294	13,872,034
Non-current liabilities				
Long-term loans from and other payables to related parties	89	285	10,238,770	10,402,800
Long-term loans from financial institutions	400,000	600,000	-	-
Deferred tax liabilities	798,705	931,946	-	-
Employee benefit obligations	1,102,444	-	176,937	-
Other non-current liabilities	126,691	103,703	-	-
Total non-current liabilities	2,427,929	1,635,934	10,415,707	10,402,800
Total liabilities	24,147,728	20,003,931	24,376,001	24,274,834
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)	(19,732,321)	-	-
Premium on ordinary shares	17,215,737	17,215,737	17,215,737	17,215,737
Retained earnings				
Appropriated - legal reserve	2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated	31,079,030	30,771,126	15,454,123	15,851,207
Other components of equity	664,904	333,945	-	-
Equity attributable to owners of the Company	57,237,375	56,598,512	60,679,885	61,076,969
Non-controlling interests	298,317	282,607	-	-
Total equity	57,535,692	56,881,119	60,679,885	61,076,969
Total liabilities and equity	81,683,420	76,885,050	85,055,886	85,351,803

(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 30 June 2011			As at 31 December 2010		
Letter of Comfort	Unsecured	Guaranteed	Letter of Comfort	Unsecured	Guaranteed
616,547	10,939,326	133,944	94,115	8,102,168	565,960

- Amount repayable after one year

(Unit : Thousand Baht)

As at 30 June 2011			As at 31 December 2010		
Secured	Unsecured	Guaranteed	Secured	Unsecured	Guaranteed
-	400,000	-	-	600,000	-

- 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 six-month periods ended 30 June 2011 and 2010 (Unaudited)

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	2011	2010	2011	2010
Cash flows from operating activities				
Profit for the period	6,107,623	5,272,605	4,741,485	4,829,954
Adjustments for				
Depreciation and amortisation	1,564,812	2,229,425	12,244	19,094
Interest income	(7,342)	(3,980)	(107,867)	(122,917)
Finance costs	109,550	133,585	482,919	499,795
Unrealised loss on exchange	32,878	3,510	-	10
(Reversal of) bad and doubtful debts expense	1,295	(2,179)	-	-
Amortisation of advance payments to a specialist	25,000	25,000	4,688	4,688
(Reversal of) allowance for obsolete inventories	106,266	(68,627)	-	-
Gain on sale of investment properties	(139,454)	-	-	-
(Gain) loss on disposal and write-off of property, plant and equipment and intangible assets	(7,169)	(72,937)	3,219	-
Impairment loss on plant and equipment	12,045	-	-	-
Dividends	-	-	(4,481,128)	(4,540,806)
Employee benefit	59,763	-	10,417	-
Income tax expense	2,521,140	2,042,859	143,779	140,643
	10,386,407	9,559,261	809,756	830,461
Changes in operating assets and liabilities				
Trade accounts receivable	73,858	296,625	-	-
Other receivables from related parties	256,923	473,780	136,159	84,680
Inventories	(6,329,215)	(2,384,276)	-	-
Other current assets	(556,259)	(383,964)	(4,823)	(11,566)
Trade accounts payable	73,599	361,256	-	-
Other payables to related parties	(103,603)	(75,253)	(32,539)	(2,067)
Other current liabilities	86,958	(125,773)	(38,873)	(36,883)
Other non-current liabilities	22,042	10,352	-	-
Employee benefit paid	(1,081)	-	-	-
Income tax paid	(2,340,806)	(2,314,458)	(202,982)	(72,269)
Net cash from operating activities	1,568,823	5,417,550	666,698	792,356

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of cash flows
 For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Cash flows from investing activities				
Interest received	7,412	3,873	98,543	125,344
Dividends received	-	-	4,481,128	4,540,806
Current investments	(5)	(244)	-	-
Loans to related parties	-	-	337,800	868,900
Investments in subsidiaries	-	-	(142,277)	(2,500)
Investment in indirect subsidiary	(108)	-	-	-
Long-term investments	-	(3,660)	-	-
Sale of investment properties	273,217	-	-	-
Purchase of property, plant and equipment	(1,666,072)	(1,828,180)	(6,459)	(9,976)
Sale of property, plant and equipment	26,368	78,536	837	-
Purchase of intangible assets	(7,399)	(10,001)	(1,551)	(1,461)
(Increase) decrease in other non-current assets	(13,579)	89,650	-	1,501
Net cash from (used in) investing activities	<u>(1,380,166)</u>	<u>(1,670,026)</u>	<u>4,768,021</u>	<u>5,522,614</u>
Cash flows from financing activities				
Interest paid	(106,120)	(133,185)	(477,068)	(505,726)
Dividends paid to owners of the Company	(5,022,005)	(4,519,804)	(5,022,005)	(4,519,804)
Dividends paid to non-controlling interests	(34,279)	(38,930)	-	-
Bank overdrafts and short-term loans from financial institutions	5,227,574	2,274,546	3,015,868	3,700,000
Loans from related parties	-	-	(472,980)	(2,934,300)
Repayment of short-term loans from other party	-	(2,200)	-	-
Repayment of long-term loans from financial institutions	(2,500,000)	(2,175,000)	(2,500,000)	(2,175,000)
Net cash used in financing activities	<u>(2,434,830)</u>	<u>(4,594,573)</u>	<u>(5,456,185)</u>	<u>(6,434,830)</u>
Net increase (decrease) in cash and cash equivalents	<u>(2,246,173)</u>	<u>(847,049)</u>	<u>(21,466)</u>	<u>(119,860)</u>
Cash and cash equivalents at 1 January	3,358,696	2,590,213	22,849	128,663
Effect of exchange rate changes on balances held in foreign currencies	215,442	(247,659)	-	-
Cash and cash equivalents at 30 June	<u><u>1,327,965</u></u>	<u><u>1,495,505</u></u>	<u><u>1,383</u></u>	<u><u>8,803</u></u>

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 six-month periods ended 30 June 2011 and 2010 (Unaudited)

(Unit : Thousand Baht)

	Consolidated financial statements (Restated)										
	Issued and paid-up share capital	Difference arising from common control transactions	Ordinary share premium	Retained earnings		Other components of equity			Equity		Total equity
				Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Total other components of equity	attributable to owners of the Company	Non- controlling interests	
Balance at 1 January 2010 - as reported	25,110,025	(19,732,233)	17,215,737	2,900,000	27,785,867	(1,331,393)	4,262,883	2,931,490	56,210,886	232,695	56,443,581
Impact of changes in accounting policies	-	-	-	-	721,054	-	(2,005,549)	(2,005,549)	(1,284,495)	(419)	(1,284,914)
Balance at 1 January 2010 - restated	25,110,025	(19,732,233)	17,215,737	2,900,000	28,506,921	(1,331,393)	2,257,334	925,941	54,926,391	232,276	55,158,667
Transactions with owners, recorded directly in equity											
Dividends to owners of the Company	-	-	-	-	(4,519,804)	-	-	-	(4,519,804)	(38,930)	(4,558,734)
Total transactions with owners, recorded directly in equity	-	-	-	-	(4,519,804)	-	-	-	(4,519,804)	(38,930)	(4,558,734)
Comprehensive income for the period											
Profit for the period	-	-	-	-	5,218,817	-	-	-	5,218,817	53,788	5,272,605
Other comprehensive income	-	-	-	-	-	(372,011)	-	(372,011)	(372,011)	-	(372,011)
Total comprehensive income for the period	-	-	-	-	5,218,817	(372,011)	-	(372,011)	4,846,806	53,788	4,900,594
Balance at 30 June 2010	25,110,025	(19,732,233)	17,215,737	2,900,000	29,205,934	(1,703,404)	2,257,334	553,930	55,253,393	247,134	55,500,527

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in equity

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

(Unit : Thousand Baht)

	Consolidated financial statements										
	Retained earnings					Other components of equity			Equity		
	Issued and paid-up share capital	Difference arising from common control transactions	Ordinary share premium	Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Total other components of equity	attributable to owners of the Company	Non-controlling interests	Total equity
Balance at 31 December 2010 - as reported	25,110,025	(19,732,321)	17,215,737	2,900,000	30,111,161	(1,923,389)	4,262,883	2,339,494	57,944,096	284,274	58,228,370
Impact of changes in accounting policies	-	-	-	-	659,965	-	(2,005,549)	(2,005,549)	(1,345,584)	(1,667)	(1,347,251)
Balance at 31 December 2010 - restated	25,110,025	(19,732,321)	17,215,737	2,900,000	30,771,126	(1,923,389)	2,257,334	333,945	56,598,512	282,607	56,881,119
Impact of changes in accounting policies	-	-	-	-	(731,082)	-	-	-	(731,082)	-	(731,082)
Balance at 1 January 2011	25,110,025	(19,732,321)	17,215,737	2,900,000	30,040,044	(1,923,389)	2,257,334	333,945	55,867,430	282,607	56,150,037
Transactions with owners, recorded directly in equity											
Dividends to owners of the Company	-	-	-	-	(5,022,005)	-	-	-	(5,022,005)	(34,279)	(5,056,284)
Acquisition of non-controlling interests without a change in control	-	-	-	-	(77)	-	-	-	(77)	(30)	(107)
Total transactions with owners, recorded directly in equity	-	-	-	-	(5,022,082)	-	-	-	(5,022,082)	(34,309)	(5,056,391)
Comprehensive income for the period											
Profit for the period	-	-	-	-	6,061,068	-	-	-	6,061,068	46,555	6,107,623
Other comprehensive income	-	-	-	-	-	302,171	28,788	330,959	330,959	3,464	334,423
Total comprehensive income for the period	-	-	-	-	6,061,068	302,171	28,788	330,959	6,392,027	50,019	6,442,046
Balance at 30 June 2011	25,110,025	(19,732,321)	17,215,737	2,900,000	31,079,030	(1,621,218)	2,286,122	664,904	57,237,375	298,317	57,535,692

Thai Beverage Public Company Limited and its Subsidiaries
Statements of changes in equity
For the six-month periods ended 30 June 2011 (Unaudited) and 2010 (Unaudited&Restated))

(Unit : Thousand Baht)

	Separate financial statements				Total equity
	Issued and paid-up share capital	Ordinary share premium	Retained earnings		
			Legal reserve	Unappropriated	
Balance at 1 January 2010 - as reported	25,110,025	17,215,737	2,900,000	15,206,658	60,432,420
Impact of changes in accounting policies	-	-	-	2,308	2,308
Balance at 1 January 2010 - restated	25,110,025	17,215,737	2,900,000	15,208,966	60,434,728
Transactions with owners, recorded directly in equity					
Dividends to owners of the Company	-	-	-	(4,519,804)	(4,519,804)
Total transactions with owners, recorded directly in equity	-	-	-	(4,519,804)	(4,519,804)
Comprehensive income for the period					
Profit for the period and other comprehensive income	-	-	-	4,829,954	4,829,954
Balance at 30 June 2010	25,110,025	17,215,737	2,900,000	15,519,116	60,744,878
Balance at 31 December 2010 - as reported	25,110,025	17,215,737	2,900,000	15,847,536	61,073,298
Impact of changes in accounting policies	-	-	-	3,671	3,671
Balance at 31 December 2010 - restated	25,110,025	17,215,737	2,900,000	15,851,207	61,076,969
Impact of changes in accounting policies	-	-	-	(116,564)	(116,564)
Balance at 1 January 2011	25,110,025	17,215,737	2,900,000	15,734,643	60,960,405
Transactions with owners, recorded directly in equity					
Dividends to owners of the Company	-	-	-	(5,022,005)	(5,022,005)
Total transactions with owners, recorded directly in equity	-	-	-	(5,022,005)	(5,022,005)
Comprehensive income for the period					
Profit for the period and other comprehensive income	-	-	-	4,741,485	4,741,485
Balance at 30 June 2011	25,110,025	17,215,737	2,900,000	15,454,123	60,679,885

(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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.

	30 June 2011	31 December 2010
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 reviewed by the company's auditor in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2009) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission; and with generally accepted accounting principles in Thailand..

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

Please see page 1 to page 2 of the attached interim financial statements 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.

Except for the Group's accounting policies changes in item 5, accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2010.

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.

During 2010 and 2011, the FAP issued the following new and revised Thai Financial Reporting Standards (TFRS) relevant to the Group's operations and effective for accounting periods beginning on or after 1 January 2011:

*TFRS**Topic*

<i>TAS 1 (revised 2009)</i>	<i>Presentation of Financial Statements</i>
<i>TAS 2 (revised 2009)</i>	<i>Inventories</i>
<i>TAS 7 (revised 2009)</i>	<i>Statement of Cash Flows</i>
<i>TAS 8 (revised 2009)</i>	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
<i>TAS 10 (revised 2009)</i>	<i>Events after the Reporting Period</i>
<i>TAS 11 (revised 2009)</i>	<i>Construction Contracts</i>
<i>TAS 12</i>	<i>Income Taxes</i>
<i>TAS 16 (revised 2009)</i>	<i>Property, Plant and Equipment</i>
<i>TAS 17 (revised 2009)</i>	<i>Leases</i>
<i>TAS 18 (revised 2009)</i>	<i>Revenue</i>
<i>TAS 19</i>	<i>Employee Benefits</i>
<i>TAS 23 (revised 2009)</i>	<i>Borrowing Costs</i>
<i>TAS 24 (revised 2009)</i>	<i>Related Party Disclosures</i>
<i>TAS 27 (revised 2009)</i>	<i>Consolidated and Separate Financial Statements</i>
<i>TAS 28 (revised 2009)</i>	<i>Investments in Associates</i>
<i>TAS 33 (revised 2009)</i>	<i>Earnings per Share</i>
<i>TAS 34 (revised 2009)</i>	<i>Interim Financial Reporting</i>
<i>TAS 36 (revised 2009)</i>	<i>Impairment of Assets</i>
<i>TAS 37 (revised 2009)</i>	<i>Provisions, Contingent Liabilities and Contingent Assets</i>
<i>TAS 38 (revised 2009)</i>	<i>Intangible Assets</i>
<i>TAS 40 (revised 2009)</i>	<i>Investment Property</i>
<i>TFRS 3 (revised 2009)</i>	<i>Business Combinations</i>

The adoption of these new and revised TFRS has resulted in changes in the Group's accounting policies. The effects of these changes are disclosed in note 3 of the attached interim financial statements report (Please see page 21 to page 32 of the attached interim financial statements report).

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			Consolidated		
	financial statements			financial statements		
	For the three-month periods			For the six-month periods		
	(April- June)		Changes	(January - June)		Changes
	2011	2010	+ /(-)	2011	2010	+ /(-)
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	0.10	20%	0.24	0.21	14%
(b) On a fully diluted basis	0.12	0.10	20%	0.24	0.21	14%

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

	(Unit : Baht)					
	Consolidated financial statements			Separate financial statements		
	30 June	31 December	Changes	30 June	31 December	Changes
	2011	2010	+ /(-)	2011	2010	+ /(-)
Net asset value per ordinary share based on weighted average number of issued share capital	2.28	2.25	1.3%	2.42	2.43	(0.4%)

Remark: Net asset value = Total equity attributable to equity owners 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 second quarter and the six-month period ended 30 June 2011

Since 1 January 2011, the Company has adopted Thai Financial Reporting Standards (TFRS) in conformity with International Financial Reporting Standards (IFRS). Operation performance report for the period of 2010 has already been restated to comply with the above changes and for comparative purposes.

Performance for the second quarter ended 30 June 2011

Group

For the second quarter ended 30 June 2011, total sales revenue of the Company was Baht 30,641 million, an increase by Baht 1,468 million, or 5.0%, from Baht 29,173 million of the corresponding period of last year, due to an increase of sales revenue from the spirits business of 14.6% and the food business of 20.6% although there was a decrease from the beer business of 12.9% and the non-alcoholic beverages business of 6.9%.

Gross profit was Baht 8,389 million, an increase by Baht 892 million, or 11.9%, due to an increase of gross profit from the spirits business of 14.2%, the beer business of 26.2% and the food business of 19.9% although there was a decrease of gross profit from the non-alcoholic beverages business of 34.7%.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 5,295 million, an increase by Baht 528 million, or 11.1%, due to an increase of EBITDA from the spirits business of 7.3%, the food business of 25.9% and a decrease of EBITDA(loss) from the beer business of 183.3% with a change to be EBITDA in this period although there was a decrease of EBITDA from the non-alcoholic beverages business of 122.7% with a change to be EBITDA(loss) in this period.

Net profit was Baht 3,120 million, an increase by Baht 508 million, or 19.4%, due to an increase of net profit from the spirits business of 10.5%, the food business of 145.5% and a decrease of net loss from the beer business of 78.6% despite a decrease of net profit from the non-alcoholic beverages business of 203.0% since the net profit turned into net loss in this period.

Unit :Million Baht

Q2_2011

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	20,458	100.0	7,581	100.0	1,689	100.0	1,020	100.0	(107)	100.0	30,641	100.0
Cost of sales	13,809	67.5	6,647	87.7	1,293	76.6	610	59.8	(107)	100.0	22,252	72.6
Gross profit	6,649	32.5	934	12.3	396	23.4	410	40.2	-	-	8,389	27.4
Selling expenses	851	4.2	645	8.5	343	20.3	102	10.0	(10)	9.3	1,931	6.3
Administrative expenses	1,263	6.2	408	5.4	206	12.2	262	25.7	(3)	2.8	2,136	7.0
Operating profit(loss)	4,535	22.2	(119)	(1.6)	(153)	(9.1)	46	4.5	13	(12.1)	4,322	14.1
Other income/ Interest income	165	0.8	19	0.3	5	0.3	4	0.4	(13)	12.1	180	0.6
EBIT(loss)	4,700	23.0	(100)	(1.3)	(148)	(8.8)	50	4.9	-	-	4,502	14.7
Finance costs	41	0.2	15	0.2	5	0.3	1	0.1	-	-	62	0.2
Income tax	1,410	6.9	(28)	(0.4)	(84)	(5.0)	22	2.2	-	-	1,320	4.3
Net Profit (loss)	3,249	15.9	(87)	(1.1)	(69)	(4.1)	27	2.6	-	-	3,120	10.2
Depreciation &Amortization	363	1.8	269	3.5	109	6.5	52	5.1	-	-	793	2.6
EBITDA(loss)	5,063	24.7	169	2.2	(39)	(2.3)	102	10.0	-	-	5,295	17.3

Q2_2010

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	17,845	100.0	8,699	100.0	1,814	100.0	846	100.0	(31)	100.0	29,173	100.0
Cost of sales	12,023	67.4	7,959	91.5	1,208	66.6	504	59.6	(18)	58.1	21,676	74.3
Gross profit	5,822	32.6	740	8.5	606	33.4	342	40.4	(13)	41.9	7,497	25.7
Selling expenses	535	3.0	844	9.7	337	18.6	94	11.1	(24)	77.4	1,786	6.1
Administrative expenses	1,194	6.7	531	6.1	211	11.6	216	25.5	-	-	2,152	7.4
Operating profit(loss)	4,093	22.9	(635)	(7.3)	58	3.2	32	3.8	11	(35.5)	3,559	12.2
Other income/ Interest income	48	0.3	30	0.3	14	0.8	4	0.5	(11)	35.5	85	0.3
EBIT(loss)	4,141	23.2	(605)	(7.0)	72	4.0	36	4.3	-	-	3,644	12.5
Finance costs	40	0.2	15	0.2	5	0.3	1	0.1	-	-	61	0.2
Income tax	1,160	6.5	(213)	(2.4)	-	-	24	2.8	-	-	971	3.3
Net Profit (loss)	2,941	16.5	(407)	(4.7)	67	3.7	11	1.3	-	-	2,612	9.0
Depreciation &Amortization	576	3.2	402	4.6	100	5.5	45	5.3	-	-	1,123	3.8
EBITDA(loss)	4,717	26.4	(203)	(2.3)	172	9.5	81	9.6	-	-	4,767	16.3

	Increase(Decrease)											
	Spirits	%	Beer	%	Non-alcoholic beverages	%	Food	%	Eliminate	%	Total	%
Revenue from sales	2,613	14.6	(1,118)	(12.9)	(125)	(6.9)	174	20.6	(76)	(245.2)	1,468	5.0
Cost of sales	1,786	14.9	(1,312)	(16.5)	85	7.0	106	21.0	(89)	(494.4)	576	2.7
Gross profit	827	14.2	194	26.2	(210)	(34.7)	68	19.9	13	100.0	892	11.9
Selling expenses	316	59.1	(199)	(23.6)	6	1.8	8	8.5	14	58.3	145	8.1
Administrative expenses	69	5.8	(123)	(23.2)	(5)	(2.4)	46	21.3	(3)	-	(16)	(0.7)
Operating profit(loss)	442	10.8	516	81.3	(211)	(363.8)	14	43.8	2	18.2	763	21.4
Other income/ Interest income	117	243.8	(11)	(36.7)	(9)	(64.3)	-	-	(2)	(18.2)	95	111.8
EBIT(loss)	559	13.5	505	83.5	(220)	(305.6)	14	38.9	-	-	858	23.5
Finance costs	1	2.5	-	-	-	-	-	-	-	-	1	1.6
Income tax	250	21.6	185	86.9	(84)	-	(2)	(8.3)	-	-	349	35.9
Net Profit (loss)	308	10.5	320	78.6	(136)	(203.0)	16	145.5	-	-	508	19.4
Depreciation &Amortization	(213)	(37.0)	(133)	(33.1)	9	9.0	7	15.6	-	-	(330)	(29.4)
EBITDA(loss)	346	7.3	372	183.3	(211)	(122.7)	21	25.9	-	-	528	11.1

Spirits Business

For the second quarter ended 30 June 2011, sales revenue was Baht 20,458 million, an increase by Baht 2,613 million, or 14.6%, mainly due to an increase of sales volume and product mix. Total sales volume of spirits was 134.1 million litres, an increase of 9.8%.

Gross profit was Baht 6,649 million, an increase by Baht 827 million, or 14.2%, mainly due to the increase in sales revenue and a decrease in depreciation.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 5,063 million, an increase by Baht 346 million, or 7.3%, mainly due to the increase in gross profit, a gain on sale of investment properties and a decrease in idle costs.

Net profit was Baht 3,249 million, an increase by Baht 308 million, or 10.5%, mainly due to the increase in EBITDA and a decrease in depreciation.

Beer Business

For the second quarter ended 30 June 2011, sales revenue was Baht 7,581 million, a decrease by Baht 1,118 million, or 12.9%, mainly due to a decrease of sales volume. Total sales volume of beer was 140.6 million litres, a decrease of 17.6%.

Gross profit was Baht 934 million, an increase by Baht 194 million, or 26.2%, mainly due to an increase in net sales price and a decrease in depreciation.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 169 million, an increase by Baht 372 million, or 183.3%, mainly due to the increase in gross profit and a decrease in marketing expenses.

Net loss was Baht 87 million, a decrease by Baht 320 million or 78.6%, mainly due to the increase in EBITDA and a decrease in depreciation.

Non-Alcoholic Beverages Business

For the second quarter ended 30 June 2011, sales revenue was Baht 1,689 million, a decrease by Baht 125 million, or 6.9%, mainly due to a decrease in net sales price of Oishi beverages to cope with a competitive market and product mix. Total sales volume of Oishi beverages, which consist of green tea, black tea, and other non-alcoholic beverages, was 61.9 million litres, an increase of 5.7%. Energy drinks generated sales volume of 2.1 million litres, a decrease of 20.9%. Soda and drinking water generated sales volume of 8.2 million litres and 42.8 million litres respectively, an increase of 23.5% and 70.4% respectively.

Gross profit was Baht 396 million, a decrease by Baht 210 million, or 34.7%, mainly due to a decrease in net sales price, product mix and an increase in raw material cost.

EBITDA showed a loss of Baht 39 million, compared with a profit of Baht 172 million in the corresponding period of last year, which changed by Baht 211 million or 122.7%, mainly due to the decrease in gross profit.

Net loss was Baht 69 million, a decrease by Baht 136 million, or 203.0%, mainly due to the decrease in EBITDA.

Food Business

For the second quarter ended 30 June 2011, sales revenue was Baht 1,020 million, an increase by Baht 174 million, or 20.6%, mainly due to an increase in number of branches and sales price.

Gross profit was Baht 410 million, an increase by Baht 68 million, or 19.9%, mainly due to the increase in sales although food costs increased in accordance with the variety of foods available and an increase in raw material cost.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 102 million, an increase by Baht 21 million, or 25.9%, mainly due to the increase in gross profit although branch rental fees increased.

Net profit was Baht 27 million, an increase by Baht 16 million, or 145.5%. mainly due to the increase in EBITDA.

Performance for the six-month period ended 30 June 2011

Group

For the first six months of 2011, total sales revenue of the Company was Baht 61,558 million, an increase of 4.4% or Baht 2,585 million, from Baht 58,973 million of the corresponding period of last year, due to an increase of sales revenue from the spirits business of 10.4%, the non-alcoholic beverages business of 0.6% and the food business of 21.3% although there was a decrease from the beer business of 8.6%.

Gross profit was Baht 16,699 million, an increase of Baht 1,369 million, or 8.9%, due to an increase of gross profit in the spirits business of 9.3%, the beer business of 21.3% and the food business of 18.7% although there was a decrease of gross profit in the non-alcoholic beverages business of 18.4%.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 10,304 million, an increase of Baht 625 million, or 6.5%, due to an increase of EBITDA in the spirits business of 4.5%, the food business of 19.1% and a decrease of EBITDA(loss) in the beer business of 134.8% with a change to

be EBITDA in this period although there was a decrease of EBITDA in the non-alcoholic beverages business of 61.1%.

Net profit was Baht 6,108 million, an increase of Baht 835 million, or 15.8%, due to an increase of net profit in the spirits business of 9.1% and a decrease of net loss in the beer business of 54.8% although there was a decrease of net profit in the non-alcoholic beverages business of 65.5% and the food business of 9.0%.

Unit :Million Baht

6 mthsYTD_ 2011

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	40,575	100.0	15,735	100.0	3,413	100.0	2,013	100.0	(178)	100.0	61,558	100.0
Cost of sales	27,392	67.5	13,932	88.5	2,508	73.5	1,200	59.6	(173)	97.2	44,859	72.9
Gross profit	13,183	32.5	1,803	11.5	905	26.5	813	40.4	(5)	2.8	16,699	27.1
Selling expenses	1,495	3.7	1,372	8.7	609	17.8	204	10.1	(22)	12.4	3,658	5.9
Administrative expenses	2,751	6.8	907	5.8	368	10.8	504	25.0	(8)	4.5	4,522	7.3
Operating profit(loss)	8,937	22.0	(476)	(3.0)	(72)	(2.1)	105	5.2	25	(14.0)	8,519	13.8
Other income/ Interest income	194	0.5	34	0.2	9	0.3	8	0.4	(25)	14.0	220	0.4
EBIT(loss)	9,131	22.5	(442)	(2.8)	(63)	(1.8)	113	5.6	-	-	8,739	14.2
Finance costs	72	0.2	29	0.2	8	0.2	1	0.0	-	-	110	0.2
Income tax	2,720	6.7	(119)	(0.8)	(131)	(3.8)	51	2.5	-	-	2,521	4.1
Net Profit (loss)	6,339	15.6	(352)	(2.2)	60	1.8	61	3.0	-	-	6,108	9.9
Depreciation &Amortization	718	1.8	540	3.4	202	5.9	105	5.2	-	-	1,565	2.5
EBITDA(loss)	9,849	24.3	98	0.6	139	4.1	218	10.8	-	-	10,304	16.7

6 mthsYTD_ 2010

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	36,762	100.0	17,212	100.0	3,394	100.0	1,660	100.0	(55)	100.0	58,973	100.0
Cost of sales	24,696	67.2	15,726	91.4	2,285	67.3	975	58.7	(39)	70.9	43,643	74.0
Gross profit	12,066	32.8	1,486	8.6	1,109	32.7	685	41.3	(16)	29.1	15,330	26.0
Selling expenses	1,224	3.3	1,532	8.9	628	18.5	180	10.8	(32)	58.2	3,532	6.0
Administrative expenses	2,680	7.3	1,078	6.3	335	9.9	417	25.1	(8)	14.5	4,502	7.6
Operating profit(loss)	8,162	22.2	(1,124)	(6.5)	146	4.3	88	5.3	24	(43.6)	7,296	12.4
Other income/ Interest income	111	0.3	42	0.2	18	0.5	7	0.4	(24)	43.6	154	0.3
EBIT(loss)	8,273	22.5	(1,082)	(6.3)	164	4.8	95	5.7	-	-	7,450	12.6
Finance costs	84	0.2	38	0.2	10	0.3	2	0.1	-	-	134	0.2
Income tax	2,378	6.5	(341)	(2.0)	(20)	(0.6)	26	1.6	-	-	2,043	3.5
Net Profit (loss)	5,811	15.8	(779)	(4.5)	174	5.1	67	4.0	-	-	5,273	8.9
Depreciation &Amortization	1,148	3.1	800	4.6	193	5.7	88	5.3	-	-	2,229	3.8
EBITDA(loss)	9,421	25.6	(282)	(1.6)	357	10.5	183	11.0	-	-	9,679	16.4

	Increase(Decrease)											
	Spirits	%	Beer	%	Non-alcoholic beverages	%	Food	%	Eliminate	%	Total	%
Revenue from sales	3,813	10.4	(1,477)	(8.6)	19	0.6	353	21.3	(123)	(223.6)	2,585	4.4
Cost of sales	2,696	10.9	(1,794)	(11.4)	223	9.8	225	23.1	(134)	(343.6)	1,216	2.8
Gross profit	1,117	9.3	317	21.3	(204)	(18.4)	128	18.7	11	68.8	1,369	8.9
Selling expenses	271	22.1	(160)	(10.4)	(19)	(3.0)	24	13.3	10	31.3	126	3.6
Administrative expenses	71	2.6	(171)	(15.9)	33	9.9	87	20.9	-	-	20	0.4
Operating profit(loss)	775	9.5	648	57.7	(218)	(149.3)	17	19.3	1	4.2	1,223	16.8
Other income/ Interest income	83	74.8	(8)	(19.0)	(9)	(50.0)	1	14.3	(1)	(4.2)	66	42.9
EBIT(loss)	858	10.4	640	59.1	(227)	(138.4)	18	18.9	-	-	1,289	17.3
Finance costs	(12)	(14.3)	(9)	(23.7)	(2)	(20.0)	(1)	(50.0)	-	-	(24)	(17.9)
Income tax	342	14.4	222	65.1	(111)	(555.0)	25	96.2	-	-	478	23.4
Net Profit (loss)	528	9.1	427	54.8	(114)	(65.5)	(6)	(9.0)	-	-	835	15.8
Depreciation &Amortization	(430)	(37.5)	(260)	(32.5)	9	4.7	17	19.3	-	-	(664)	(29.8)
EBITDA(loss)	428	4.5	380	134.8	(218)	(61.1)	35	19.1	-	-	625	6.5

Spirits Business

For the first six months of 2011, sales revenue was Baht 40,575 million, an increase by Baht 3,813 million, or 10.4%, mainly due to an increase of sales volume and product mix. Total sales volume of spirits was 266.5 million litres, an increase of 6.6%.

Gross profit was Baht 13,183 million, an increase by Baht 1,117 million or 9.3%, mainly due to the increase in sales revenue and a decrease in depreciation.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 9,849 million, an increase of Baht 428 million, or 4.5%, mainly due to the increase in gross profit, a gain on sale of investment properties and a decrease in idle costs.

Net profit was Baht 6,339 million, an increase by Baht 528 million or 9.1 %, mainly due to the increase in EBITDA and a decrease in depreciation.

Beer Business

For the first six months of 2011, sales revenue was Baht 15,735 million, a decrease by Baht 1,477 million, or 8.6%, mainly due to a decrease of sales volume. Total sales volume of beer was 297.0 million litres, a decrease of 11.9%.

Gross profit was Baht 1,803 million, an increase by Baht 317 million, or 21.3%, mainly due to an increase in net sales price and a decrease in depreciation.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 98 million, an increase by Baht 380 million, or 134.8%, mainly due to the increase in gross profit and a decrease in marketing expenses.

Net loss was Baht 352 million, a decrease by Baht 427 million, or 54.8%, mainly due to the increase in EBITDA and a decrease in depreciation.

Non-Alcoholic Beverages Business

For the first six months of 2011, sales revenue was Baht 3,413 million, an increase by Baht 19 million or 0.6%, mainly due to the increase of Oishi beverages sales volume although there was a decrease in net sales price in quarter 2 to cope with a competitive market and product mix. Total sales volume of Oishi beverages, which consist of green tea, black tea, and other non-alcoholic beverages, was 118.4 million litres, an increase of 8.6%. Energy drinks generated sales volume of 3.9 million litres, a decrease of 13.6%. Soda and drinking water generated sales volume of 16.9 million litres and 70.5 million litres respectively, an increase of 23.5% and 56.1% respectively.

Gross profit was Baht 905 million, a decrease by Baht 204 million or 18.4%, mainly due to the decrease in net sales price, product mix and an increase in raw material cost.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 139 million, a decrease by Baht 218 million or 61.1%, mainly due to the decrease in gross profit.

Net profit was Baht 60 million, a decrease by Baht 114 million or 65.5%, mainly due to the decrease in EBITDA.

Food Business

For the first six months of 2011, sales revenue was Baht 2,013 million, an increase by Baht 353 million or 21.3%, mainly due to an increase in the number of branches and the sales price.

Gross profit was Baht 813 million, an increase by Baht 128 million or 18.7%, mainly due to higher sales although food costs increased in accordance with the variety of foods available and an increase in raw material cost.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 218 million, an increase by Baht 35 million or 19.1%, mainly due to the increase in gross profit although branch rental fees increased.

Net profit was Baht 61 million, a decrease by Baht 6 million, or 9.0%, mainly due to tax impacts although EBITDA increased.

Financial Position

Assets

Total assets as at the end of June 2011 was Baht 81,683 million, an increase by Baht 4,798 million, or 6.2%, compared with the end of 2010. Current assets increased by Baht 4,410 million, mainly due to an increase in inventories. Non-current assets increased by Baht 388 million, mainly due to an increase in property, plant and equipment.

Liabilities

Total liabilities as at the end of June 2011 was Baht 24,148 million, an increase by Baht 4,144 million, or 20.7%, compared with the end of 2010. This was mainly due to an increase in short-term loans from financial institutions, income tax payable and employee benefit obligations.

The maturity of interest-bearing loans was as follows.

	Unit: Million Baht
Within June 2012	11,690
Within Oct 2012	400
Total	12,090

Shareholders' Equity

Total equity as at the end of June 2011 was Baht 57,535 million, an increase of Baht 654 million, or 1.2% compared with the end of 2010. 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 June 30, 2011, was Baht 1,328 million. The net decrease from the beginning of the period was Baht 2,031 million. Details of activities were as follows.

Unit: Million Baht

Net cash provided by operating activities	1,569
Net cash used in investing activities	(1,380)
Net cash used in financing activities	(2,435)
Net decrease in cash and cash equivalents in period	(2,246)
Adjustment from financial statement translation	215
Cash and cash equivalents at beginning of period	3,359
Cash and cash equivalents at end of period	1,328

Net cash provided by operating activities of Baht 1,569 million was mainly derived from net income of Baht 6,108 million, non-cash items from depreciation and amortization of Baht 1,565 million and working capital and others decreased by Baht 6,104 million.

Net cash used in investing activities of Baht 1,380 million was mainly due to purchase of property, plant and equipments which offset by sale of investment properties.

Net cash used in financing activities of Baht 2,435 million was mainly due to dividend payment which offset by net increase of bank overdrafts and loans from financial institutions.

Financial Ratios

	Jun.30, 11	Dec.31, 10
Current Ratio (times)	1.82	1.92
Total Debt to Equity Ratio (times)	0.42	0.35
Net asset value per share (Baht)	2.28	2.25
	Jan. – Jun.11	Jan. - Dec.10
Accounts Receivable Turnover (days)	6	6
Inventory Turnover (days)		
Spirits Business		
Finished Goods (Excl. Legacy Stocks)	61	53
Beer Business		
Finished Goods	26	27

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. A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The overall Thai economy in the first half of 2011 registered a continuous growth compared with the first half of 2010 because of growth in private consumption and private investment as well as government's expenditure. However, some negative factors remained such as the high inflation rate which passes through from production costs to prices of goods and services and it is expected to continue rising due to the anticipated higher government's expenditure.

In the second quarter of 2011, overall economy continued to grow from favorable domestic and international demands. Private Consumption Index (PCI) increased 4.3% when compared to the same period of last year. Core Consumer Price Index in the first half of 2011 was at 106.27 or a 1.91 % increase from the same period of last year while Consumer Confidence Index may increase due to the more stable political climate. However, consumers were still concerned about the higher cost of living and fluctuation in oil price and higher interest rate may impact spending confidence of consumers.

Source:

1. *Press Release on Economic and Monetary Conditions June 2011 by Bank of Thailand*
2. *Consumer Price Index Report: June 2011 by the Ministry of Commerce*
3. *Consumer Confidence Index Report: June 2011 by the Ministry of Commerce*

Spirits Business

In the first half of 2011, sales of spirits business increased by 10.4% due to the increase of sales volume of both brown and white spirits. Brown spirits, driven by Hong Thong and Blend 285, continued to enjoy robust growth as sales volume rose by 6.6%. The increase in sales also led to higher net profit by 9.1% when compared YoY.

Beer Business

The Company started to increase net selling price of beer products in Q2'11, resulted in a drop in sales volume of 17.6% when compared YoY. However, the reduction in A & P spending, together with lower depreciation expenses helped improving the beer margin. Even though the beer business still experienced loss in the first half of 2011, the Company was able to lessen net loss of 54.8% when compared with last year.

Non-alcohol Business

Sales revenue of non-alcohol business increased 0.6% in the first half of 2011, when compared YoY. The intense competition from new players in the ready-to-drink green tea market in the second quarter pushed the Company to launch a special price promotional campaign. In addition, catastrophic earthquake and tsunami in Japan impacted the summer marketing campaign, resulting in lower-than-expected sales volume.

However, the Company continues launching new products to maintain leadership position in the green tea market. Following the launch of fruit flavored green tea, Fruitto, in the first quarter of this year; the Company introduced a new carbonated-green tea under the brand "Chakulza", in the second quarter to tap into CSD (carbonated soft drinks) market.

The sales volume growth rate of soda and drinking water business was satisfactory with two-digit growth in the first half of 2011.

Food Business

In the first half of 2011, Oishi food business saw an increase in sales revenues by 21.3% because of the rise in number of dining outlets as well as sales price. However, the net profit in this segment decreased due to tax impacts.

International Business

ThaiBev's international operations continued to grow with sales increase of 24% in the first half of 2011.

- ASEAN performance was driven by Chang Beer with sales value growth of over 10%.
- USA performance of Scotch whisky recorded a constant growth over last year.
- IBHL UK and rest of the world sales growth was 30%, driven by Chang beer and the overall Scotch portfolio of single malts, blends, and bulk sales, all contributing to the growth.
- YLQ sales in China increased by 35% in the first half of 2011 when compared YoY as distribution coverage continued to grow in the Yunnan province.

The Company had higher investment in marketing activities and support in the first half of 2011, which resulted in the net profit decrease by 31% when compared YoY.

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 approved interim dividend payment on the meeting held on August 11, 2011 as follows:

	Per share Baht	Total Value Baht	pay out ratio	Book Closure	Payable date
Interim dividend 2011	0.15	3,766,503,750	62.50%	26 Aug 11	8 Sep 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 approved interim dividend payment on the meeting held on August 10, 2010 as follows:

	Per share Baht	Total Value Baht	pay out ratio	Book Closure	Payable date
Interim dividend 2010	0.15	3,766,503,750	71.43%	25 Aug 10	8 Sep 10

(c) Dividend is before tax.

Tax rate 10%

Country where the dividend is derived. "Thailand"

(d) The date the dividend is payable.

"September 8, 2011"

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 (April - June) and six-month period ended 30 June 2011 are as follows:

Thai Beverage Public Company Limited

Unaudited but reviewed results for the three-month period (Apr-Jun) ended 30 June 2011

Interested persons transactions for the three-month period (Apr-Jun) ended 30 June 2011

	Aggregate value of all interested persons transactions during the three-month period (Apr-Jun) ended 30 June 2011 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.	-	8,907.78
2 PS Recycle Co., Ltd.	-	23,851.56
3 Berli Jucker PCL	-	4,076.87
4 The Uttaradit Sugar Industry Co., Ltd.	-	39,949.15
B Cost of sales		
1 PS Recycle Co., Ltd.	-	93,335.99
2 The Maewang Sugar Industry Co., Ltd.	-	9,243.31
3 Thai Beverage Can Co., Ltd.	-	241,357.79
4 Berli Jucker PCL	-	1,029,479.09
5 The Southeast Insurance Co., Ltd.	-	27,488.91
6 The Uttaradit Sugar Industry Co., Ltd.	-	12,216.25
7 New Noble Property and Loan Fund	-	3,954.00
8 Plantheon Trading Co., Ltd.	-	1,480,626.23
C Selling expenses		
1 The Southeast Insurance Co., Ltd.	-	3,118.06
2 TCC PD 11 Co., Ltd.	3,024.00	-
D Administrative expenses		
1 Southeast Capital Co., Ltd.	-	42,998.35
2 T.C.C. Technology Co., Ltd.	-	17,307.64
3 Berli Jucker PCL	-	5,781.49
4 The Southeast Insurance Co., Ltd.	-	7,571.13
5 The Southeast Life Insurance Co., Ltd.	-	3,968.76
6 N.C.C. Management and Development Co., Ltd.	-	3,436.55
7 Plaza Athenee Hotel (Thailand) Co., Ltd.	-	9,644.59
8 North Park Golf And Sports Club Co., Ltd.	-	4,200.80
9 TCC Hotel Collection Co., Ltd.	3,568.46	-
10 Best Fortune Property and Loan Fund	8,510.70	-

* Exchange rate Baht 25.22 per 1 SGD.

Thai Beverage Public Company Limited

Unaudited but reviewed results for the six-month period (Jan-Jun) ended 30 June 2011

Interested persons transactions for the six-month period (Jan-Jun) ended 30 Jun 2011

	Aggregate value of all interested persons transactions during the six-month period (Jan- Jun) ended 30 June 2011 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.	-	18,307.49
2 PS Recycle Co., Ltd.	-	57,215.37
3 Berli Jucker PCL	-	4,286.38
4 The Uttaradit Sugar Industry Co., Ltd.	-	74,978.91
5 Thai Alcohol PCL	-	181,607.39
B Other income		
1 Pisetkij Co., Ltd.	-	5,158.12
C Cost of sales		
1 PS Recycle Co., Ltd.	-	215,210.29
2 The Maewang Sugar Industry Co., Ltd.	-	9,243.31
3 Southeast Capital Co., Ltd.	-	4,762.82
4 T.C.C. Technology Co., Ltd.	-	3,424.80
5 Thai Beverage Can Co., Ltd.	-	470,695.66
6 Berli Jucker PCL	-	2,123,975.97
7 The Southeast Insurance Co., Ltd.	-	57,078.51
8 The Southeast Life Insurance Co., Ltd.	-	2,749.02
9 The Uttaradit Sugar Industry Co., Ltd.	-	12,342.92
10 New Noble Property and Loan Fund	-	7,908.00
11 Plantheon Trading Co., Ltd.	-	3,835,977.87
D Selling expenses		
1 Southeast Capital Co., Ltd.		5,181.54
2 The Southeast Insurance Co., Ltd.		5,252.76
3 Thippatana Arcade Co., Ltd.	2,667.01	-
4 TCC PD 11 Co., Ltd.	6,048.00	-
E Administrative expenses		
1 Southeast Capital Co., Ltd.	-	72,929.84
2 T.C.C. Technology Co., Ltd.	-	32,045.20
3 Berli Jucker PCL	-	9,262.60
4 The Southeast Insurance Co., Ltd.	-	15,557.02
5 The Southeast Life Insurance Co., Ltd.	-	5,329.93
6 N.C.C. Management and Development Co., Ltd.	-	3,605.05
7 Plaza Athenee Hotel (Thailand) Co., Ltd.	-	18,234.55
8 North Park Golf And Sports Club Co., Ltd.	-	7,542.88
9 TCC Hotel Collection Co., Ltd.	8,928.84	-
10 Dynamic Assets Property and Loan Fund	2,562.88	-
11 Best Wishes Co., Ltd.	2,635.10	-
12 Best Fortune Property and Loan Fund	17,021.40	-
13 Thippatana Arcade Co., Ltd.	3,055.44	-
14 Samui Hotel And Resort Co., Ltd.	3,396.91	-

* Exchange rate Baht 25.22 per 1 SGD.