

THAI BEVERAGE PUBLIC COMPANY LIMITED

ENCLOSURE 3

**FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2005 -- 2007
AND INTERIM FINANCIAL STATEMENT FOR SIX-MONTH
PERIOD ENDED JUNE 30, 2008**

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

Interim financial statements
and
Review Report of Certified Public Accountant

For the three-month and six-month periods ended
30 June 2008



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

บริษัท เคพีเอ็มจี ออดิเตอร์ จำกัด
ชั้น 50-51 ถนนสีลม
195 ถนนสาทรใต้
กรุงเทพฯ 10120

Tel : 66 (2) 677 2000
Fax: 66 (2) 677 2222
www.kpmg.co.th

Review Report of Certified Public Accountant

To the Board of Directors of Thai Beverage Public Company Limited

I have reviewed the accompanying consolidated and separate balance sheets as at 30 June 2008, and the related statements of income for the three-month and six-month periods then ended, and the related statements of changes in equity and cash flows for the six-month period then ended of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my reviews. The consolidated and separate statements of income for the three-month and six-month periods ended 30 June 2007 and the related statements of changes in equity and cash flows for the six-month period ended of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively, were reviewed by another auditor whose report dated 14 August 2007 stated that nothing had come to his attention that caused him to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

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

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

The consolidated and separate financial statements for the year ended 31 December 2007 of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively, were audited by another auditor who expressed an unqualified opinion on those financial statements in his report dated 27 February 2008. The consolidated and separate balance sheets as at 31 December 2007, which are included in the accompanying financial statements for comparative purposes, are components of those financial statements.



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

A handwritten signature in black ink, appearing to read 'Nittaya Chetchotiros'.

(Nittaya Chetchotiros)
Certified Public Accountant
Registration No. 4439

KPMG Phoomchai Audit Ltd.
Bangkok
14 August 2008

Thai Beverage Public Company Limited and its Subsidiaries

Balance sheets

As at 30 June 2008 and 31 December 2007

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 June 2008 (Unaudited)	31 December 2007	30 June 2008 (Unaudited)	31 December 2007
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents		1,884,789	2,188,992	11,930	9,168
Current investments	6	9,516	7,685	-	-
Trade accounts receivable	5, 7	954,490	1,467,001	-	-
Short-term loans to and amounts due from related parties	5	14,532	4,371	2,866,074	3,916,012
Inventories		29,797,442	28,056,926	-	-
Other current assets		2,289,961	1,403,965	18,070	8,482
Total current assets		34,950,730	33,128,940	2,896,074	3,933,662
Non-current assets					
Investments in subsidiaries and associates	8	123,516	124,518	72,339,330	71,470,330
Other long-term investments	6	3,584	3,634	-	-
Long-term loans to and amounts due from related parties	5	52,011	1,172	6,757,830	9,418,244
Property, plant and equipment	9	41,682,276	43,215,908	66,674	71,001
Intangible assets		1,014,216	979,370	18,681	16,766
Other non-current assets		2,005,668	2,073,414	339,877	344,564
Total non-current assets		44,881,271	46,398,016	79,522,392	81,320,905
Total assets		79,832,001	79,526,956	82,418,466	85,254,567

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

Thai Beverage Public Company Limited and its Subsidiaries

Balance sheets

As at 30 June 2008 and 31 December 2007

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		30 June 2008 (Unaudited)	31 December 2007	30 June 2008 (Unaudited)	31 December 2007
<i>(in thousand Baht)</i>					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	10	10,282,594	5,998,234	5,600,653	4,797,684
Trade accounts payable	5, 11	2,451,384	2,249,329	-	-
Current portion of long-term guaranteed bonds	10	-	3,000,000	-	3,000,000
Current portion of long-term loans	10	2,775,000	1,755,000	2,775,000	1,755,000
Short-term loans from and amounts due to related parties	5	173,513	69,141	4,297,007	2,115,288
Other short-term loan		7,000	7,000	-	-
Income tax payable		2,212,835	2,773,848	109,853	146,249
Other current liabilities		3,545,012	3,196,279	100,204	161,543
Total current liabilities		21,447,338	19,048,831	12,882,717	11,975,764
Non-current liabilities					
Long-term loans from financial institutions	10	2,625,000	5,400,000	2,625,000	5,400,000
Long-term loans from and amounts due to related parties	5, 10	4,898	-	6,931,900	6,540,500
Other non-current liabilities		118,401	125,312	-	118
Total non-current liabilities		2,748,299	5,525,312	9,556,900	11,940,618
Total liabilities		24,195,637	24,574,143	22,439,617	23,916,382

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

Thai Beverage Public Company Limited and its Subsidiaries

Balance sheets

As at 30 June 2008 and 31 December 2007

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		30 June 2008 (Unaudited)	31 December 2007	30 June 2008 (Unaudited)	31 December 2007
<i>(in thousand Baht)</i>					
Equity					
Share capital					
Authorised share capital		29,000,000	29,000,000	29,000,000	29,000,000
Issued and paid-up share capital		25,110,025	25,110,025	25,110,025	25,110,025
Difference arising from common control transactions		(17,141,406)	(17,141,406)	-	-
Reserves					
Share premium		17,215,737	17,215,737	17,215,737	17,215,737
Currency translation changes		(236,903)	(208,076)	-	-
Fair value changes and revaluation surplus		4,388,935	4,388,935	-	-
Retained earnings					
Appropriated-legal reserve		2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated		23,394,973	22,644,726	14,753,087	16,112,423
Total equity attributable to equity holders of the Company		55,631,361	54,909,941	59,978,849	61,338,185
Minority interests		5,003	42,872	-	-
Total equity		55,636,364	54,952,813	59,978,849	61,338,185
Total liabilities and equity		79,832,001	79,526,956	82,418,466	85,254,567

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of income

For the three-month periods ended 30 June 2008 and 2007 (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
<i>(in thousand Baht)</i>					
Revenues	5				
Revenue from sales		24,342,505	23,146,197	-	-
Interest income		10,011	11,780	120,583	161,742
Management fees		-	-	629,835	583,478
Dividends		-	-	2,549,434	15,401,479
Other income		179,868	44,921	13,125	(7,936)
Total revenues		24,532,384	23,202,898	3,312,977	16,138,763
Expenses	5				
Cost of sales		17,775,477	16,280,005	-	-
Selling and administrative expenses		3,161,352	3,097,026	261,776	197,975
Total expenses		20,936,829	19,377,031	261,776	197,975
Profit before interest and income tax expenses		3,595,555	3,825,867	3,051,201	15,940,788
Interest expense		129,633	259,742	237,125	448,985
Income tax expense		1,076,642	1,184,145	79,757	28,608
Profit for the period		2,389,280	2,381,980	2,734,319	15,463,195
Attributable to:					
Equity holders of the Company		2,388,126	2,381,966	2,734,319	15,463,195
Minority interests		1,154	14	-	-
Profit for the period		2,389,280	2,381,980	2,734,319	15,463,195
Basic earnings per share (Baht)	13	0.10	0.09	0.11	0.62

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

Thai Beverage Public Company Limited and its Subsidiaries
Statements of income
For the six-month periods ended 30 June 2008 and 2007 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2008	2007	2008	2007
		<i>(in thousand Baht)</i>			
Revenues					
	5				
Revenue from sales		51,082,931	49,107,270	-	-
Interest income		12,343	19,514	281,946	363,054
Management fees		-	-	1,326,284	1,256,392
Dividends		-	-	2,549,434	15,401,479
Other income		226,542	158,745	14,308	73,120
Total revenues		51,321,816	49,285,529	4,171,972	17,094,045
Expenses					
	5				
Cost of sales		37,083,028	34,589,938	-	-
Selling and administrative expenses		6,652,970	6,215,732	591,043	580,540
Total expenses		43,735,998	40,805,670	591,043	580,540
Profit before interest and					
income tax expenses		7,585,818	8,479,859	3,580,929	16,513,505
Interest expense		289,304	556,703	516,233	929,998
Income tax expense		2,277,314	2,663,107	155,328	111,524
Profit for the period		5,019,200	5,260,049	2,909,368	15,471,983
Attributable to:					
Equity holders of the Company		5,018,951	5,259,997	2,909,368	15,471,983
Minority interests		249	52	-	-
Profit for the period		5,019,200	5,260,049	2,909,368	15,471,983
Basic earnings per share (Baht)	13	0.20	0.21	0.12	0.62

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in equity

For the six-month periods ended 30 June 2008 and 2007 (Unaudited)

	Consolidated financial statements									
	Reserves				Retained earnings					
	Issued and paid-up share capital	Difference arising from common control transactions	Share premium	Currency translation changes	Fair value changes and revaluation surpluses <i>(in thousand Baht)</i>	Appropriated to legal reserve	Unappropriated	Total equity attributable to equity holders of the Company	Minority interests	Total equity
Balance at 1 January 2007	25,110,025	(17,141,406)	17,215,737	(19,598)	6,586,263	1,709,000	19,102,445	52,553,556	506	52,554,062
Net surplus on property revaluation	-	-	-	-	(134,321)	-	134,321	-	-	-
Translation loss relating to financial statements of foreign operations	-	-	-	(56,440)	-	-	-	(56,440)	-	(56,440)
Net expense recognised directly in equity	-	-	-	(56,440)	(134,321)	-	134,321	(56,440)	-	(56,440)
Profit for the period	-	-	-	-	-	-	5,259,997	5,259,997	52	5,260,049
Total recognised income and expense	-	-	-	(56,440)	(134,321)	-	5,394,518	5,203,557	52	5,203,609
Effects of change to percentage of holding	-	-	-	-	-	-	-	-	(21)	(21)
Dividends	-	-	-	-	-	-	(2,762,103)	(2,762,103)	(219)	(2,762,322)
Balance at 30 June 2007	25,110,025	(17,141,406)	17,215,737	(75,948)	6,451,742	1,700,000	21,734,860	54,995,010	318	54,995,328

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in equity

For the six-month periods ended 30 June 2008 and 2007 (Unaudited)

	Consolidated financial statements							Total equity attributable to equity holders of the Company	Minority interests	Total equity
	Issued and paid-up share capital	Difference arising from common control transactions	Share premium	Currency translation changes	Fair value changes and revaluation surpluses	Appropriated to legal reserve	Unappropriated			
Balance at 1 January 2008	25,110,025	(17,141,406)	17,215,737	(208,076)	4,388,935	2,900,000	22,644,726	54,909,941	42,872	54,952,813
Translation loss relating to financial statements of foreign operations	-	-	-	(28,827)	-	-	-	(28,827)	-	(28,827)
Profit for the period	-	-	-	-	-	-	5,018,951	5,018,951	249	5,019,200
Total recognised income and expense	-	-	-	(28,827)	-	-	5,018,951	4,990,124	249	4,990,373
Effects of change to percentage of holding	-	-	-	-	-	-	-	-	(38,118)	(38,118)
Dividends	-	-	-	-	-	-	(4,268,704)	(4,268,704)	-	(4,268,704)
Balance at 30 June 2008	25,110,025	(17,141,406)	17,215,737	(236,903)	4,388,935	2,900,000	23,394,973	55,631,361	5,003	55,636,364

(in thousand Baht)

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

Thai Beverage Public Company Limited and its Subsidiaries
Statements of changes in equity

For the six-month periods ended 30 June 2008 and 2007 (Unaudited)

	Separate financial statements						Total equity attributable to equity holders of the Company
	Reserves			Retained earnings			
	Issued and paid-up share capital	Share premium	Fair value changes and revaluation surpluses	Appropriated to legal reserve	Unappropriated		
			<i>(in thousand Baht)</i>				
Balance at 1 January 2007	25,110,025	17,215,737	134,521	1,700,000	3,534,895	47,695,178	
Net surplus on property revaluation	-	-	(134,521)	-	134,521	-	
Profit for the period	-	-	-	-	15,471,983	15,471,983	
Total recognised income and expense	-	-	(134,521)	-	15,606,504	15,471,983	
Dividends	-	-	-	-	(2,762,103)	(2,762,103)	
Balance at 30 June 2007	25,110,025	17,215,737	-	1,700,000	16,379,296	60,405,058	
Balance at 1 January 2008	25,110,025	17,215,737	-	2,900,000	16,112,423	61,338,185	
Profit for the period	-	-	-	-	2,909,368	2,909,368	
Dividends	-	-	-	-	(4,268,704)	(4,268,704)	
Balance at 30 June 2008	25,110,025	17,215,737	-	2,900,000	14,753,087	59,978,849	

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of cash flows

For the six-month periods ended 30 June 2008 and 2007 (Unaudited)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
Note	2008	2007	2008	2007
	<i>(In thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	5,019,200	5,260,049	2,909,368	15,471,983
<i>Adjustments for</i>				
Depreciation and amortisation	2,492,150	2,440,011	15,248	14,515
Interest income	(12,343)	(19,514)	(281,946)	(363,054)
Interest expense	289,304	556,703	516,233	929,998
Unrealised (gain) loss on exchange rate	(6,290)	5,557	(12,115)	14,010
Doubtful debts expense	162	257	-	-
Amortisation of advance payments to a specialist	25,000	25,000	4,688	4,688
Reversal of an allowance for obsolete inventories	(212,386)	(17,973)	-	-
Gain on sale and disposal of property, plant and equipment and intangible assets	(5,836)	(71,725)	(162)	(63,870)
Gain on sale of investment	-	-	-	(6)
Dividends	-	-	(2,549,434)	(15,401,479)
Income tax expense	2,277,314	2,663,107	155,328	111,524
	<u>9,866,275</u>	<u>10,841,472</u>	<u>757,208</u>	<u>718,309</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	514,395	285,541	-	-
Amounts due from related parties	1,992	31,462	93,983	1,389,329
Inventories	(1,528,130)	(1,836,350)	-	-
Other current assets	(886,064)	(268,007)	(9,588)	5,594
Trade accounts payable	195,402	4,698	-	-
Amounts due to related parties	108,463	(133,532)	(19,084)	(4,496)
Other current liabilities	568,130	(322,984)	3,614	(151,632)
Other non-current liabilities	(6,911)	5,687	(118)	-
Income taxes paid	<u>(2,838,327)</u>	<u>(2,331,397)</u>	<u>(191,724)</u>	<u>(136,282)</u>
Net cash provided by operating activities	<u>5,995,225</u>	<u>6,276,590</u>	<u>634,291</u>	<u>1,820,822</u>

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of cash flows

For the six-month periods ended 30 June 2008 and 2007 (Unaudited)

Note	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	12,600	19,761	297,865	366,581
Short-term loans from and amounts due to related parties	-	-	2,549,434	6,600,156
Loans to and amounts due from related parties	(50,839)	(14,175)	3,612,567	3,109,442
Investments in subsidiaries and associates	1,002	36,369	-	-
Purchase of investments in indirect subsidiaries	(81,050)	(21)	-	-
Decrease in long-term investments	50	58	-	8
Purchase of property, plant and equipment	(1,119,638)	(404,711)	(8,027)	(5,883)
Decrease in property, plant and equipment	37,894	876,808	865	819,000
Purchase of intangible assets	(16,967)	(11,293)	(4,523)	(10,319)
Long-term loans and amounts due to related parties	1,629	5,556	-	-
Other non-current assets	42,746	104	-	(1,501)
Net cash provided by (used in) investing activities	(1,174,404)	473,472	5,579,181	4,032,502
<i>Cash flows from financing activities</i>				
Interest paid	(356,853)	(602,362)	(578,475)	(994,059)
Dividends paid to equity holders of the Company	(4,268,704)	(2,762,103)	(4,268,704)	(2,762,103)
Dividend paid to the minority interests	-	(219)	-	-
Bank overdrafts and short-term loans from financial institutions	4,284,360	266,266	802,969	870,441
Repayment of short-term guaranteed bonds	-	(2,200,000)	-	(2,200,000)
Repayment of long-term guaranteed bonds	(3,000,000)	-	(3,000,000)	-
Loans from related parties	-	(3,081,719)	2,588,500	(2,510,250)
Proceeds from long-term loans from financial institutions	-	4,500,000	-	4,500,000
Repayment of long-term loans from financial institutions	(1,755,000)	(2,750,000)	(1,755,000)	(2,750,000)
Net cash used in financing activities	(5,096,197)	(6,630,137)	(6,210,710)	(5,845,971)
Net increase (decrease) in cash and cash equivalents	(275,376)	119,925	2,762	7,353
Cash and cash equivalents at beginning of period	2,188,992	1,919,577	9,168	15,623
Effect of exchange rate changes on balances held in foreign currencies	(28,827)	(56,440)	-	-
Cash and cash equivalents at end of period	1,894,789	1,983,062	11,930	22,976

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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

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Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2008 (Unaudited)

These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by the directors on 14 August 2008.

1 General information

Thai Beverage Public Company Limited, the "Company", is incorporated and registered as a public company in Thailand on 29 October 2003. The registered office of the Company is at 14 Vibhavadi Rangsit Road, Chomphon, Chatuchak Bangkok.

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

The principal activities of the Company and its subsidiaries are the production, distribution and marketing of alcoholic and non-alcoholic beverages, industrial alcohol and other by-products. Details of the Company's subsidiaries as at 30 June 2008 and 31 December 2007 were as follows:

Name of the entity	Type of business	Country of Incorporation	Ownership Interest (%)	
			30 June 2008	31 December 2007
<i>Direct subsidiaries</i>				
1. Beer Thai (1991) PCL.	Beer brewery	Thailand	100.00	100.00
2. Beer Thip Brewery (1991) Co., Ltd.	Beer brewery	Thailand	100.00	100.00
3. Sangsom Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
4. Fuengbuanant Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
5. Mongkotsamai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
6. Thanapakdi Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
7. Kanchanasingkom Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
8. Sura Bangyikhan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
9. Athimart Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
10. S.S. Karnsura Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
11. Kanlewan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
12. Theparunothai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
13. Red Bull Distillery (1988) Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
14. United Winery and Distillery Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
15. Simathurakij Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
16. Nateechai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
17. Luckchai Liquor Trading Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
18. Sura Piset Thipparat Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
19. Thai Alcohol PCL.	Alcohol distillery	Thailand	100.00	100.00
20. Ponthip Co., Ltd.	Beer distributor	Thailand	100.00	100.00
21. Pomkit Co., Ltd.	Beer distributor	Thailand	100.00	100.00
22. Pomkung Co., Ltd.	Beer distributor	Thailand	100.00	100.00
23. Pomchok Co., Ltd.	Beer distributor	Thailand	100.00	100.00
24. Pomcharoen Co., Ltd.	Beer distributor	Thailand	100.00	100.00
25. Pomburapa Co., Ltd.	Beer distributor	Thailand	100.00	100.00
26. Num Yuk Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
27. Num Kijjekam Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
28. Num Palang Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
29. Num Muang Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
30. Num Nakorn Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
31. Num Thurakij Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
32. Thipchalathorn Co., Ltd.	Beer and sprits agency	Thailand	100.00	100.00
33. Krittayabun Co., Ltd.	Beer and sprits agency	Thailand	100.00	100.00
34. Surathip Co., Ltd.	Spirits agency	Thailand	100.00	100.00
35. Sunthronpitrom Co., Ltd.	Spirits agency	Thailand	100.00	100.00

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Name of the entity	Type of business	Country of incorporation	Ownership Interest (%)	
			30 June 2008	31 December 2007
<i>Direct subsidiaries (continued)</i>				
36. Pitomsurang Co., Ltd.	Spirits agency	Thailand	100.00	100.00
37. Bionic Humus Co., Ltd.	Trading of fertilizer	Thailand	100.00	100.00
38. Wrangyer Beverage (2008) Co., Ltd. (Formerly: Maharas Agri Co., Ltd.)	Production and distribution of energy drink	Thailand	100.00	100.00
39. Thai Molasses Co., Ltd.	Trading of molasses	Thailand	99.72	99.72
40. Additive Food Co., Ltd.	Trading of feeds	Thailand	100.00	100.00
41. Pan International (Thailand) Co., Ltd.	Trading of supplies and procurement	Thailand	100.00	100.00
42. Charun Business S2 Co., Ltd.	Brick producer	Thailand	100.00	100.00
43. Thai Cooperage Co., Ltd.	Oak barrel producer	Thailand	100.00	100.00
44. Bang-Na Logistic Co., Ltd.	Trading of bottles	Thailand	100.00	100.00
45. Thai Beverage Logistics Co., Ltd.	Transportation	Thailand	100.00	100.00
46. Thai Beverage Marketing Co., Ltd.	Import and export spirits for trading/ international marketing	Thailand	100.00	100.00
47. Dhanasindhi Co., Ltd.	Construction	Thailand	100.00	100.00
48. Dhospaak Co., Ltd.	Advertising agency	Thailand	100.00	100.00
49. International Beverage Holdings Ltd.	Holding company	Hong Kong	100.00	100.00
50. Cosmos Brewery (Thailand) Co., Ltd.	Beer brewery	Thailand	100.00	100.00
51. Thai Beverage Brands Co., Ltd. (Formerly: T.C.C. Cosmo Corporation Ltd.)	Trademark holding	Thailand	100.00	100.00
52. Beer Chang Co., Ltd.	Trademark holding and production of concentrate materials	Thailand	100.00	100.00
53. Aroha Beer Co., Ltd.	Trademark holding and production of concentrate materials	Thailand	100.00	100.00
54. Sura Piset Phatra Lanna Co., Ltd.	Holding company	Thailand	100.00	100.00
55. Thai Drinks Co., Ltd.	Production and distribution of water	Thailand	100.00	-
<i>Indirect subsidiaries</i>				
56. Thai Thum Distillery Co., Ltd. #	Trading of spirits	Thailand	99.90	99.90
57. Sura Piset Sahasan Co., Ltd. #	Production and distribution of spirits	Thailand	100.00	100.00
58. Sura Piset Sampan Co., Ltd. #	Production and distribution of spirits	Thailand	100.00	100.00
59. Muangkij Co., Ltd. #	Import of oak woods	Thailand	100.00	100.00
60. Sint Ek Panich Co., Ltd. #	Mining	Thailand	100.00	100.00
61. Pan Alcohol Co., Ltd. #	Production and distribution of vinegar	Thailand	100.00	100.00
62. Banglen Agriculture Co., Ltd. #	Agriculture	Thailand	100.00	100.00
63. Vitayathan Co., Ltd.	Environmental public relations	Thailand	100.00	100.00
64. InterBev (Singapore) Limited	Trading of alcoholic beverages	Singapore	100.00	100.00
65. InterBev (Cambodia) Co., Ltd.	Trading of alcoholic beverages	Cambodia	100.00	100.00
66. InterBev Malaysia Sdn. Bhd.	Trading of alcoholic beverages	Malaysia	100.00	100.00
67. International Beverage Holdings Limited USA, Inc.	Trading of alcoholic beverages	United States of America	100.00	100.00
68. Best Spirits Company Limited	Trading of alcoholic beverages	Hong Kong	100.00	100.00
69. International Beverage Holdings (UK) Limited	Holding company	United Kingdom	100.00	100.00
70. United Products Co., Ltd.	Production and distribution of spirits	Thailand	97.98	80.82
71. S P M Foods and Beverages Co., Ltd.	Production and distribution of water and energy drinks, and spirits agency	Thailand	83.20	83.20

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			30 June 2008	31 December 2007
<i>Subsidiaries of indirect subsidiaries*</i>				
72. Blairholm Limited #	Holding Company	United Kingdom	100.00	100.00
73. Inver House Distillers Limited	Production and distribution of spirits	United Kingdom	100.00	100.00
74. Blairholm Distillers Limited #	Dormant	United Kingdom	100.00	100.00
75. Wee Beastie Limited #	Dormant	United Kingdom	100.00	100.00
76. Speyburn-Glenlivet Distillery Company Limited #	Dormant	United Kingdom	100.00	100.00
77. The Knockdhu Distillery Company Limited #	Dormant	United Kingdom	100.00	100.00
78. The Pulteney Distillery Company Limited #	Dormant	United Kingdom	100.00	100.00
79. The Belblair Distillery Company Limited #	Dormant	United Kingdom	100.00	100.00
80. R. Carmichael & Sons Limited #	Dormant	United Kingdom	100.00	100.00
81. J MacArthur Junior & Company Limited #	Dormant	United Kingdom	100.00	100.00
82. Mason & Summers Limited #	Dormant	United Kingdom	100.00	100.00
83. Hankey Bannister Limited #	Dormant	United Kingdom	100.00	100.00
84. James Catto & Company Limited #	Dormant	United Kingdom	100.00	100.00
85. Glen Calder Blenders Limited #	Dormant	United Kingdom	100.00	100.00
86. Moffat & Towers Limited #	Dormant	United Kingdom	100.00	100.00
<i>Associates of indirect subsidiaries**</i>				
87. Liquorland Limited	Off licences	United Kingdom	49.49	49.49
88. Inver House Polska Limited	Trading of alcoholic beverages	Poland	44.00	44.00
89. Inver House Distribution SA #	Dormant	France	50.02	50.02

* Subsidiaries of International Beverage Holdings (UK) Limited

** Associates of International Beverage Holdings (UK) Limited

These are currently non-trading.

2 Basis of preparation of financial statements

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

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 41 (revised 2007) *Interim Financial Reporting* including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2007. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2007.

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

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In 2008, the Group adopted the following new Thai Accounting Standards (TAS) which are relevant to its operations:

TAS 25 (revised 2007)	<i>Cash Flows Statements</i>
TAS 29 (revised 2007)	<i>Leases</i>
TAS 31 (revised 2007)	<i>Inventories</i>
TAS 33 (revised 2007)	<i>Borrowing Costs</i>
TAS 35 (revised 2007)	<i>Presentation of Financial Statements</i>
TAS 39 (revised 2007)	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
TAS 41 (revised 2007)	<i>Interim Financial Reporting</i>
TAS 43 (revised 2007)	<i>Business Combinations</i>
TAS 49 (revised 2007)	<i>Construction Contracts</i>
TAS 51	<i>Intangible Assets</i>

The adoption of these new and revised TAS does not have any material impact on the consolidated or separate financial statements except as disclosed in Note 15 to the financial statements.

Accounting policies and methods of computation applied in the interim financial statements for the three-month and six-month periods ended 30 June 2008 are consistent with those applied in the financial statements for the year ended 31 December 2007 except for the change in accounting policy discussed in Note 15 to the financial statements.

3 Seasonal operations

The Group is subject to seasonal sales revenue from both its beer and spirits operations. Sales revenue fluctuates particularly around festive occasions, whilst expenditure is generally incurred evenly throughout the year.

4 Significant transactions

Significant transactions occurring during the six-month period ended 30 June 2008 were as follows:

- (a) On 25 January 2008, Wrangyer Beverage (2008) Co., Ltd. (formerly: Maharas Agri Co., Ltd.), the Company's subsidiary increased its authorised share capital from Baht 2 million to Baht 200 million by issuing 19.8 million ordinary shares with a Baht 10 par value, totalling Baht 198 million.

Subsequently, on 28 January 2008, the said subsidiary entered into a sale and purchase agreement to acquire assets in the production and sale of energy drink and ready-to-drink coffee owned by Wrangyer Beverage Co., Ltd. at a consideration of Baht 420 million. Part of the fund was derived from the increase of the authorised share capital in the amount of Baht 200 million.

- (b) On 31 January 2008, Pan Alcohol Co., Ltd., the Company's indirect subsidiary, entered into a memorandum of understanding to acquire majority of ordinary shares in Carabao Tawandaeng Co., Ltd. who is engaging in the production and sales of energy drink. It is currently in the process of negotiation in details of the aforementioned acquisition.

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- (c) The Executive Board of Directors' meeting held on 18 February 2008 unanimously passed the resolution of approval in principle of the decrease of authorised share capital of S P M Foods and Beverages Co., Ltd. twice at 75% each and the increase of authorised share capital afterwards. The authorised share capital will be decreased from Baht 100 million to Baht 25 million firstly and from Baht 25 million to Baht 6.25 million secondly. After that the authorised share capital will be increased by Baht 600 million to Baht 606.25 million. The first decrease of authorised share capital was completed on 23 July 2008.
- (d) On 27 February 2008, Thai Beverage Logistics Co., Ltd., the Company's subsidiary, increased its authorised share capital from Baht 12 million to Baht 1,012 million by issuing 100 million ordinary shares with a Baht 10 par value. The first call for the capital paid up was 25% of the increased share capital, totalling Baht 250 million.
- (e) On 20 March 2008, International Beverage Holdings Limited, the Company's subsidiary, increased its authorised share capital from HKD 1,470 million to HKD 1,490 million to increase in capital of International Beverage Holdings Limited USA, Inc. for working capital.
- (f) On 10 April 2008, Bionic Humus Co., Ltd., the Company's subsidiary, received the second payment for the increase share capital of ordinary shares at 40% of the additional authorised share capital amounting to Baht 340 million.
- (g) The Board of Directors of the Company at their meeting held on 14 May 2008 unanimously approved the investment in 82,314,537 shares which represent 43.9% in share capital of Oishi Group Public Company Limited, a company listed in the Stock Exchange of Thailand, from Yodkij Business Co., Ltd., a company affiliated with the controlling shareholders of the Company at Baht 37 per share, totalling Baht 3,045.64 million. The Board of Directors also approved the sale of its 100% investment in shares of Thai Alcohol Public Company Limited to Damrongfah Co., Ltd., another company affiliated with the controlling shareholders of the Company at the total value of Baht 1,590.95 million. The share prices of both companies were valued by Prime Partners Corporate Finance Pte Ltd., a licensed independent financial adviser granted by the Monetary Authority of Singapore. The Board of Directors also approved in principle of calling for the extraordinary meeting of the shareholders to consider the aforementioned acquisition and resolved to authorise the Chairman to set the date, time and venue of the meeting and the closing date of share register to identify the right of the attendants and conduct any related performance as stipulated by associated laws or regulations necessary to complete the aforementioned acquisition. It is currently in the process of reviewing the circulation letter by the Singapore Exchange. The Extraordinary Meeting of the shareholders will be scheduled following the completion of the review.
- (h) On 22 May 2008, Thai Drinks Co., Ltd., the Company's wholly owned subsidiary, is incorporated with authorised share capital of Baht 1 million by issuing 10,000 ordinary shares with a Baht 100 par value. The initial called up capital was Baht 25 per share.
- (i) On 2 June 2008, Sura Piset Phatra Lanna Co., Ltd., the Company's subsidiary, acquired the additional 600,369 ordinary shares in United Products Co., Ltd. from an existing shareholder at Baht 135 per share, totaling Baht 81 million.

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5 Related party transactions and balances

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

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

Name of the entity	Country of incorporation	Nature of relationships
1. Beer Thai (1991) PCL.	Thailand	Direct subsidiary, 100% shareholding
2. Beer Thip Brewery (1991) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
3. Sangsom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
4. Fuengfuanant Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
5. Mongkolsamai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
6. Thanapakdi Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
7. Kanchanasingkom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
8. Sura Bangyikhan Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
9. Athimart Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
10. S.S. Kamsura Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
11. Kankwan Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
12. Theparunothai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
13. Red Bull Distillery (1988) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
14. United Winery and Distillery Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
15. Simathurakij Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
16. Nateechai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
17. Luckchai Liquor Trading Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
18. Sura Piset Thipparat Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
19. Thai Alcohol PCL.	Thailand	Direct subsidiary, 100% shareholding
20. Pomthip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
21. Pomkit Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
22. Pongkum Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
23. Pomchok Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
24. Pomecharoen Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
25. Pomburapa Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
26. Num Yuk Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
27. Num Kijjekam Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
28. Num Palang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
29. Num Muang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
30. Num Nakorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
31. Num Thurakij Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
32. Thipchalothorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
33. Krittayabun Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
34. Sarathip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
35. Sunthronpirom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
36. Piromsurang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
37. Bionic Humus Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
38. Wrangyer Beverage (2008) Co., Ltd. (Formerly: Maharas Agri Co., Ltd.)	Thailand	Direct subsidiary, 100% shareholding
39. Thai Molasses Co., Ltd.	Thailand	Direct subsidiary, 99.72% shareholding
40. Additive Food Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
41. Pan International (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
42. Charon Business S2 Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding

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Name of the entity	Country of incorporation	Nature of relationships
43. Thai Coopperage Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
44. Bang-Na Logistic Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
45. Thai Beverage Logistics Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
46. Thai Beverage Marketing Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
47. Dhanasindhi Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
48. Dhospak Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
49. International Beverage Holdings Ltd.	Hong Kong	Direct subsidiary, 100% shareholding
50. Cosmos Brewery (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
51. Thai Beverage Brands Co., Ltd. (Formerly: T.C.C. Cosmo Corporation Ltd.)	Thailand	Direct subsidiary, 100% shareholding
52. Beer Chang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
53. Archa Beer Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
54. Sura Piset Phatra Lanna Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
55. Thai Drinks Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
56. Thai Thum Distillery Co., Ltd.	Thailand	Indirect subsidiary, 99.90% shareholding
57. Sura Piset Sahsan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
58. Sura Piset Sampan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
59. Muangkij Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
60. Sint Ek Panich Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
61. Pan Alcohol Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
62. Banglen Agriculture Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
63. Vitayathan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
64. InterBev (Singapore) Limited	Singapore	Indirect subsidiary, 100% shareholding
65. InterBev (Cambodia) Co., Ltd.	Cambodia	Indirect subsidiary, 100% shareholding
66. InterBev Malaysia Sdn. Bhd.	Malaysia	Indirect subsidiary, 100% shareholding
67. International Beverage Holdings Limited USA, Inc.	United States of America	Indirect subsidiary, 100% shareholding
68. Best Spirits Company Limited	Hong Kong	Indirect subsidiary, 100% shareholding
69. International Beverage Holdings (UK) Limited	United Kingdom	Indirect subsidiary, 100% shareholding
70. United Products Co., Ltd.	Thailand	Indirect subsidiary, 97.98% shareholding
71. S P M Foods and Beverages Co., Ltd.	Thailand	Indirect subsidiary, 83.20% shareholding
72. Blairnhor Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
73. Inver House Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
74. Blairnhor Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
75. Wee Beaslie Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
76. Speyburn-Glenlivet Distillery Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
77. The Knockdhu Distillery Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
78. The Pulteney Distillery Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
79. The Balbfair Distillery Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
80. R. Carmichael & Sons Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
81. J MacArthur Junior & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
82. Mason & Summers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
83. Hankey Bannister Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
84. James Catto & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
85. Glen Calder Blenders Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
86. Moffat & Towers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
87. Liqueurland Limited	United Kingdom	Associates of indirect subsidiary, 49.90% shareholding
88. Inver House Polska Limited	Poland	Associates of indirect subsidiary, 44.00% shareholding
89. Inver House Distribution SA	France	Associates of indirect subsidiary, 50.02% shareholding
90. Pisetkij Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
91. Oishi Trading Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly

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Name of the entity	Country of incorporation	Nature of relationships
92. PS Recycle Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
93. The Southeast Insurance (2000) Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
94. New Noble Property and Loan Fund	Thailand	Directors and controlling shareholders are the principal unit holder of this real estate investment fund
95. The Maewang Sugar Industry Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
96. The Chonburi Sugar Corp. Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
97. The Utsaradit Sugar Industry Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
98. The Suphanburi Sugar Industry Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
99. Dynamic Assets Property and Loan Fund	Thailand	Directors and controlling shareholders are the principal unit holder of this real estate investment fund
100. Berli Jucker PCL.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
101. Thai Beverage Can Ltd.	Thailand	Directors and controlling shareholders hold 50% shares
102. Southeast Capital Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
103. T.C.C. Technology Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
104. TCC Capital Land Limited (Formerly: T.C.C. Capital Land Limited)	Thailand	Directors and controlling shareholders hold substantial shares indirectly
105. Great Oriole Limited	British Virgin Islands	Have common controlling shareholders
106. Madrigal Trading Limited	British Virgin Islands	Directors and controlling shareholders hold substantial shares indirectly
107. Thai Glass Industries PCL.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
108. Bang-Na Glass Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
109. Plaza Athence Hotel (Thailand) Co., Ltd.	Thailand	Directors and controlling shareholders are the directors and hold substantial shares indirectly
110. TCC Hotel Collection Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
111. Siam Realty Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
112. Best Fortune Property and Loan Fund	Thailand	Directors and controlling shareholders are the principal unit holder of this real estate investment fund
113. Terragro Fertilizer Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
114. Dhipaya Sugar (1999) Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
115. BJC Industrial and Trading Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
116. North Park Real Estate Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
117. North Park Golf And Sport Club Co., Ltd.	Thailand	Directors and controlling shareholders are directors and hold substantial shares indirectly

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

Transactions	Pricing policies
Sale of finished goods	Agreed prices which approximate market prices
Rendering of services	Contractual prices
Purchase of raw materials	Agreed prices which approximate market prices
Receiving of services	Contractual prices
Purchase and sale of property, plant and equipment	Contractual prices
Purchase and sale of investments	Contractual prices
Interest income and expense	Rate as mutually agreed by shareholders with reference interest rates quoted by domestic commercial banks

Significant transactions for the three-month and six-month periods ended 30 June 2008 and 2007 with related parties were as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
Subsidiaries				
Management fees	-	-	630	583
Dividends	-	-	2,549	15,401
Purchases of investments	-	-	340	340
Interest income	-	-	119	161
Interest expense	-	-	137	244
Other income	-	-	1	3
Other expenses	-	-	8	13

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
Other related parties				
Revenue from sales	36	52	-	-
Service income	1	3	-	-
Purchases of raw materials and packaging	1,364	1,089	-	-
Overhead costs	42	57	-	-
Purchases of property, plant and equipment	1	-	-	-
Interest expense	-	21	-	-
Other income	3	3	-	-
Other expenses	110	82	26	18
Directors' remuneration	49	35	48	37

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<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
Subsidiaries				
Management fees	-	-	1,326	1,256
Dividends	-	-	2,549	15,401
Purchases of investments	-	-	869	6,845
Interest income	-	-	280	362
Interest expense	-	-	283	492
Other income	-	-	2	5
Other expenses	-	-	19	20
Other related parties				
Revenue from sales	79	77	-	-
Service income	1	7	-	-
Purchases of raw materials and packaging	2,598	2,302	-	-
Overhead costs	85	105	-	-
Sales of property, plant and equipment	4	819	-	819
Purchases of property, plant and equipment	1	31	-	-
Interest expense	-	50	-	-
Other income	6	72	-	64
Other expenses	193	148	45	32
Directors' remuneration	169	153	167	152

Balances as at 30 June 2008 and 31 December 2007 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in million Baht)</i>			
Other related companies				
PS Recycle Co., Ltd.	4	3	-	-
Oishi Trading Co., Ltd.	3	4	-	-
Pisetkij Co., Ltd.	3	3	-	-
Terragro Fertilizer Co., Ltd.	3	-	-	-
Others	2	4	-	-
Total	15	14	-	-

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Short-term loans to and amounts due from related parties

Subsidiaries	Consolidated financial statements				Separate financial statements					
	30 June 2008		31 December 2007		30 June 2008		31 December 2007			
	Short-term loans to	Amounts due from	Short-term loans to	Amounts due from	Short-term loans to	Amounts due from	Short-term loans to	Amounts due from		
									Total	
									(in million Baht)	
Beer Thai (1991) PCL.	-	-	-	-	508	24	532	1,786	54	1,840
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	17	17	-	26	26
Sangsom Co., Ltd.	-	-	-	-	-	4	4	-	6	6
Fuengfuanant Co., Ltd.	-	-	-	-	-	2	2	-	2	2
Mongkolsemai Co., Ltd.	-	-	-	-	-	-	-	-	1	1
Thanapakdi Co., Ltd.	-	-	-	-	-	1	1	-	1	1
Kanchanastangkorn Co., Ltd.	-	-	-	-	-	1	1	182	3	185
Sura Bangyikhan Co., Ltd.	-	-	-	-	-	15	15	-	8	8
Atthimart Co., Ltd.	-	-	-	-	-	2	2	-	3	3
S.S. Kansura Co., Ltd.	-	-	-	-	-	2	2	-	3	3
Kanfwan Co., Ltd.	-	-	-	-	-	2	2	-	4	4
Theparomothai Co., Ltd.	-	-	-	-	-	1	1	-	3	3
Red Bull Distillery (1988) Co., Ltd.	-	-	-	-	-	9	9	-	9	9
United Winery and Distillery Co., Ltd.	-	-	-	-	-	1	1	-	1	1
Sinathrabai Co., Ltd.	-	-	-	-	-	478	481	519	5	524
Natechai Co., Ltd.	-	-	-	-	-	153	155	219	3	222
Luckchai Liquor Trading Co., Ltd.	-	-	-	-	-	212	216	431	7	438
Sura Piset Thipparat Co., Ltd.	-	-	-	-	-	161	163	-	3	3
Thai Alcohol PCL.	-	-	-	-	-	38	42	124	7	131
Pomthip Co., Ltd.	-	-	-	-	-	7	7	-	9	9
Pomkit Co., Ltd.	-	-	-	-	-	6	6	-	16	16
Pomkung Co., Ltd.	-	-	-	-	-	6	6	-	7	7
Pomechok Co., Ltd.	-	-	-	-	-	7	7	-	9	9
Pomcharoen Co., Ltd.	-	-	-	-	-	4	4	-	5	5
Pomburapa Co., Ltd.	-	-	-	-	-	4	4	-	7	7
Nim Yek Co., Ltd.	-	-	-	-	-	182	193	85	12	97

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
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Short-term loans to and amounts due from related parties

	Consolidated financial statements				Separate financial statements				
	30 June 2008		31 December 2007		30 June 2008		31 December 2007		
	Short-term loans to	Amounts due from	Short-term loans to	Amounts due from	Short-term loans to	Amounts due from	Short-term loans to	Amounts due from	
									Total
									(in million Baht)
<i>Subsidiaries (continued)</i>									
Nura Kijjakorn Co., Ltd.	-	-	-	-	12	-	-	21	21
Nura Palang Co., Ltd.	-	-	-	-	6	147	-	8	8
Nura Muang Co., Ltd.	-	-	-	-	7	-	-	9	9
Nura Nakorn Co., Ltd.	-	-	-	-	4	-	-	5	5
Nura Thrasakij Co., Ltd.	-	-	-	-	5	-	-	7	7
Thipsalathorn Co., Ltd.	-	-	-	-	25	76	120	38	158
Kritayabun Co., Ltd.	-	-	-	-	35	-	-	42	42
Surabhip Co., Ltd.	-	-	-	-	10	-	-	17	17
Sunthornprom Co., Ltd.	-	-	-	-	1	-	-	3	3
Promsurang Co., Ltd.	-	-	-	-	1	-	-	1	1
Wangyee Beverage (2008) Co., Ltd. (Formerly: Maharas Agri Co., Ltd.)	-	-	-	-	1	335	-	-	-
Thai Beverage Logistics Co., Ltd. International Beverage Holdings Ltd.	-	-	-	-	-	-	-	67	67
Thai Beverage Brands Co., Ltd. (Formerly: T.C.C. Cosmo Corp., Ltd.)	-	-	-	-	-	84	90	1	13
Sera Piset Phatra Lanna Co., Ltd.	-	-	-	-	-	14	14	-	3
Total subsidiaries	-	-	-	-	2,607	-	-	2	2
	-	-	-	-	259	3,548	2,866	368	3,916
<i>Other related companies</i>									
The Maewang Sugar Industry Co., Ltd.	-	3	-	-	-	-	-	-	-
The Suphamburi Sugar Industry Co., Ltd.	-	3	-	-	-	-	-	-	-
Pisetsaj Co., Ltd.	-	2	-	2	-	-	-	-	-
The Utratadit Sugar Industry Co., Ltd.	-	2	-	-	-	-	-	-	-
Others	-	5	-	2	-	-	-	-	-
Total other related companies	-	15	-	4	-	-	-	-	-
Total	-	15	-	4	2,607	3,548	2,866	368	3,916

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<i>Summary of loans to related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
Short-term loans	-	-	2,607	3,548
Long-term loans	-	-	6,747	9,411
Total loans to related parties	-	-	9,354	12,959

Movements during the six-month periods ended 30 June 2008 and 2007 of loans to related parties were as follows:

<i>Loans to related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<i>Short-term loans</i>				
Subsidiaries				
At 1 January	-	-	3,548	9,367
Increase	-	-	1,043	1,065
Decrease	-	-	(1,984)	(5,937)
At 30 June	-	-	2,607	4,495
<i>Long-term loans</i>				
Subsidiaries				
At 1 January	-	-	9,411	5,501
Increase	-	-	226	2,142
Decrease	-	-	(2,890)	(394)
At 30 June	-	-	6,747	7,249
 <i>Trade accounts payable to related parties</i>	 Consolidated		 Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
Other related companies				
Berli Jucker PCL.	554	471	-	-
Thai Beverage Can Ltd.	103	139	-	-
PS Recycle Co., Ltd.	35	46	-	-
Others	20	24	-	-
Total	712	680	-	-

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Short-term loans from and amounts due to related parties

	Consolidated financial statements				Separate financial statements					
	30 June 2008		31 December 2007		30 June 2008		31 December 2007			
	Short-term loans from	Amounts due to	Short-term loans from	Amounts due to	Short-term loans from	Amounts due to	Short-term loans from	Amounts due to		
									Total	
									Total	
									(in million Baht)	
Subsidiaries										
Beer Tup Brewery (1991) Co., Ltd.	-	-	-	-	1,075	16	1,091	129	12	141
Sangsom Co., Ltd.	-	-	-	-	675	5	680	-	-	-
Foengsuant Co., Ltd.	-	-	-	-	21	1	22	-	-	-
Albhart Co., Ltd.	-	-	-	-	39	-	39	45	-	45
S.S. Karnsua Co., Ltd.	-	-	-	-	160	1	161	50	-	50
Kankwan Co., Ltd.	-	-	-	-	89	-	89	-	-	-
Theparunofai Co., Ltd.	-	-	-	-	110	1	111	-	1	1
United Winery and Distillery Co., Ltd.	-	-	-	-	103	1	104	193	2	195
Pornpip Co., Ltd.	-	-	-	-	29	1	30	39	2	41
Pomkit Co., Ltd.	-	-	-	-	-	1	1	80	4	84
Pomkang Co., Ltd.	-	-	-	-	91	1	92	29	2	31
Pomechok Co., Ltd.	-	-	-	-	98	2	100	25	2	27
Pomecharoen Co., Ltd.	-	-	-	-	-	-	-	-	1	1
Pomburapa Co., Ltd.	-	-	-	-	-	1	1	-	1	1
Nun Kijjakom Co., Ltd.	-	-	-	-	115	-	115	406	2	408
Nun Muang Co., Ltd.	-	-	-	-	28	-	28	-	-	-
Nun Nakorn Co., Ltd.	-	-	-	-	96	-	96	100	-	100
Nun Tharakij Co., Ltd.	-	-	-	-	30	-	30	65	-	65
Knittayabun Co., Ltd.	-	-	-	-	234	1	235	189	9	198
Surathip Co., Ltd.	-	-	-	-	136	1	137	10	5	15
Sundhronprom Co., Ltd.	-	-	-	-	119	1	120	81	1	82
Promsurang Co., Ltd.	-	-	-	-	102	1	103	64	1	65
Bionic Humus Co., Ltd.	-	-	-	-	258	1	259	121	-	121
Thai Molasses Co., Ltd.	-	-	-	-	22	-	22	22	-	22
Additive Food Co., Ltd.	-	-	-	-	25	-	25	-	-	-
Pan International (Thailand) Co., Ltd.	-	-	-	-	15	-	15	-	-	-
Charun Business 52 Co., Ltd.	-	-	-	-	10	-	10	-	-	-

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At the annual general meeting of the shareholders of the Company held on 20 April 2007, the shareholders approved the appropriation of dividends of Baht 0.22 per share, totalling Baht 5,524 million. On 8 September 2006, the interim dividend were paid of Baht 0.11 per share, totalling Baht 2,762 million. The remaining dividend payment of Baht 0.11 per share, totalling Baht 2,762 million was paid on 16 May 2007.

15 Changes in accounting policy

The following change of accounting policy by the Group has no effect on the separate financial statements of the Company.

Until 31 December 2007, the Group accounted for goodwill arising from a business combination at cost less accumulated amortisation. Amortisation was charged to the statement of income over the estimated useful life of 20 years.

During 2007, the Federation of Accounting Professions issued Thai Accounting Standard (TAS) 43 (revised 2007) "Business Combinations" which is effective for annual accounting periods beginning on or after 1 January 2008. TAS 43 (revised 2007) requires that the acquirer shall, at the acquisition date, recognise goodwill acquired in a business combination as an asset at cost. After initial recognition, goodwill shall be measured at cost less any accumulated impairment losses.

The Group has, accordingly, changed its accounting policy for goodwill prospectively from 1 January 2008. The effect of the change in accounting policy on the Group's consolidated financial statements for the six-month period ended 30 June 2008 is to reduce the charge to the statement of income resulting from the amortisation of goodwill that would have been recognised under the previous accounting policy by approximately Baht 26.1 million, with a corresponding increase in reported profit for the period. Management has determined that there is no impairment in the carrying value of goodwill as at 30 June 2008.

16 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in million Baht)</i>			
<i>Capital commitments</i>				
<i>Contracted but not provided for</i>				
Land, buildings and other constructions	48	217	-	-
Machinery and equipment	199	218	-	-
Total	247	435	-	-
<i>Non-cancellable operating lease commitments</i>				
Within one year	126	165	9	9
After one year but within five years	88	157	11	14
Total	214	322	20	23

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	Consolidated financial statements		Separate financial statements	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in million Baht)</i>			
<i>Other commitments</i>				
Unused letters of credits	122	86	-	-
Goods and raw materials purchase agreements	3,828	4,386	-	-
Molasses purchase agreements	281	296	-	-
Computer system installation agreements	36	53	36	53
Advertising services and sponsorship agreements	773	154	-	-
Purchase forward contracts	3,593	5,036	-	-
Sale forward contracts	245	524	217	217
Bank guarantees	177	247	30	31
Other agreements	29	60	2	1
Total	9,084	10,842	285	302

- (a) During 2004, the Company and four subsidiaries entered into production and blending control agreements with a specialist for a period of 40 years from 1 August 2004 to 1 August 2044. Under the agreements, the Company and its subsidiaries are obliged to pay monthly service fees of Baht 4.3 million which are to be annually increased by 5% for the first 20 years from 1 August 2004 to 1 August 2024. Afterwards, the Company and its subsidiaries have to pay monthly service fees of Baht 250,000 until the expiration of the agreements. Service fee under the agreements totaled Baht 1,766.2 million. Subsequently, the addendums were made on 5 January 2006, under which the Company and its subsidiaries have to pay additional amount to this specialist amounting to Baht 2,000 million. Therefore, the total service fees under the agreements both outstanding and already paid by the Company and its subsidiaries amounted to Baht 3,766.2 million.

As at 30 June 2008 the remaining commitments to be paid, relating to these agreements, amounted to Baht 1,548.8 million.

- (b) During 2005, a subsidiary renewed a sponsorship agreement with Everton Football Club, in the United Kingdom, for a period of three years as from 1 June 2005 to 31 May 2008 in order to promote the Group's businesses globally. Under the agreement, the subsidiary is obliged to pay a minimum amount of GBP 0.5 million and a maximum amount of GBP 2.9 million per year, dependent on the performance of Everton football team in each year.

Subsequently, on 17 January 2008, the sponsorship agreement was extended to another period of three years as from 1 June 2008 to 31 May 2011. The subsidiary is obliged to pay a minimum amount of GBP 0.5 million and a maximum amount of GBP 3.5 million per year, dependent on the performance of Everton football team in each year.