

**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 2007



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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 2007, and the related statements of income for the three-month and six-month periods ended 30 June 2007 and 2006, and the related statements of changes in shareholders' equity and cash flows for the six-month periods ended 30 June 2007 and 2006 of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my reviews.

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

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

I have previously audited the consolidated and the Company's financial statements for the year ended 31 December 2006 of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those financial statements in my report dated 27 February 2007. The Company's financial statements for the year ended 31 December 2006 have been restated for the effects of the change in accounting policy for investments in subsidiaries and associates from the equity method of accounting to the cost method, as described in note 15 to the financial statements, and are now termed 'separate' financial statements. I have audited the adjustments that were applied to the restatement of the Company's 2006 financial statements and in my opinion these adjustments are appropriate and have been properly applied. Except for the audit of those adjustments, I have not performed any auditing procedures since the date of my audit report. The consolidated and separate balance sheets as at 31 December 2006, 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 20 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 be 'N. Lilamethwat', written in a cursive style.

(Nirand Lilamethwat)
Certified Public Accountant
Registration No. 2316

KPMG Phoomchai Audit Ltd.
Bangkok
14 August 2007

Thai Beverage Public Company Limited and its Subsidiaries

Balance sheets

As at 30 June 2007 and 31 December 2006

Assets	Note	Consolidated		Separate	
		30 June 2007 (Unaudited)	31 December 2006	30 June 2007 (Unaudited)	31 December 2006 (Restated)
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents		1,983,062	1,919,577	22,976	15,623
Current investments		39,343	4,359	-	-
Trade accounts receivable	7	1,032,013	1,317,930	-	-
Short-term loans to and amounts due from related parties	6	19,368	64,335	20,819,772	16,536,017
Inventories		30,169,481	28,315,158	-	-
Other current assets		2,181,962	1,914,238	11,394	16,989
Total current assets		35,425,229	33,535,597	20,854,142	16,568,629
Non-current assets					
Investments in subsidiaries and associates	8	99,121	135,490	70,439,710	63,594,730
Other long-term investments		3,695	3,754	-	-
Amounts due from related parties	6	14,175	-	-	-
Property, plant and equipment	9	46,938,438	49,532,724	80,387	845,926
Intangible assets		335,707	354,845	20,134	12,353
Other non-current assets		1,991,998	2,017,102	355,202	357,129
Total non-current assets		49,383,134	52,043,915	70,895,433	64,810,138
Total assets		84,808,363	85,579,512	91,749,575	81,378,767

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 2007 and 31 December 2006

Liabilities and shareholders' equity	Note	Consolidated		Separate	
		30 June 2007 (Unaudited)	31 December 2006	30 June 2007 (Unaudited)	31 December 2006 (Restated)
<i>(in thousand Baht)</i>					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	11	7,019,571	6,753,305	3,900,000	3,029,559
Trade accounts payable	10	2,279,372	2,275,671	-	-
Short-term guaranteed bonds	11	-	2,200,000	-	2,200,000
Current portion of long-term guaranteed bonds	11	5,300,000	2,300,000	5,300,000	2,300,000
Current portion of long-term loans	11	2,262,000	1,500,000	2,262,000	1,500,000
Short-term loans from and amounts due					
to related parties	6	1,622,568	4,837,787	14,923,937	17,457,029
Income tax payable		2,512,580	2,180,870	23,033	47,792
Other current liabilities		3,948,485	4,103,315	192,547	394,209
Total current liabilities		24,944,576	26,150,948	26,601,517	26,928,589
Non-current liabilities					
Long-term guaranteed bonds	11	-	3,000,000	-	3,000,000
Long-term loans from financial institutions	11	4,743,000	3,755,000	4,743,000	3,755,000
Amounts due to related parties		270	-	-	-
Other non-current liabilities		125,507	120,008	-	-
Total non-current liabilities		4,868,777	6,875,008	4,743,000	6,755,000
Total liabilities		29,813,353	33,025,956	31,344,517	33,683,589

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 2007 and 31 December 2006

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2007	2006	2007	2006
		(Unaudited)		(Unaudited)	(Restated)
<i>(in thousand Baht)</i>					
Shareholders' equity					
Share capital					
Authorised share capital		29,000,000	29,000,000	29,000,000	29,000,000
Issued and paid-up share capital	12	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		(75,948)	(19,508)	-	-
Fair value changes and revaluation surplus		6,451,742	6,586,263	-	134,521
Retained earnings					
Appropriated to legal reserve		1,700,000	1,700,000	1,700,000	1,700,000
Unappropriated		21,734,860	19,102,445	16,379,296	3,534,895
Total shareholders' equity		54,995,010	52,553,556	60,405,058	47,695,178
Total liabilities and shareholders' equity		84,808,363	85,579,512	91,749,575	81,378,767

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 2007 and 2006 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2007	2006	2007	2006
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
Revenues	6				
Revenue from sales		23,146,197	24,481,045	-	-
Interest income		11,780	22,588	161,742	237,426
Management fees		-	-	583,478	805,164
Dividends		-	-	15,401,479	4,034,146
Other income		44,921	27,386	(7,936)	1,125
Total revenues		23,202,898	24,531,019	16,138,763	5,077,861
Expenses	6				
Cost of sales		16,280,005	17,563,867	-	-
Selling and administrative expenses		3,097,041	2,913,225	197,975	176,943
Total expenses		19,377,046	20,477,092	197,975	176,943
Profit before interest and					
income tax expenses		3,825,852	4,053,927	15,940,788	4,900,918
Interest expense		259,742	470,984	448,985	691,638
Income tax expense		1,184,144	1,042,565	28,608	(9,920)
Net profit	3, 15	2,381,966	2,540,378	15,463,195	4,219,200
Basic earnings per share (Baht)	3, 15	0.09	0.11	0.62	0.18

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of income

For the six-month periods ended 30 June 2007 and 2006 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2007	2006	2007	2006
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
Revenues	6				
Revenue from sales		49,107,270	47,780,045	-	-
Interest income		19,514	27,556	363,054	424,918
Management fees		-	-	1,256,392	1,561,956
Dividends		-	-	15,401,479	5,285,896
Other income		158,745	51,498	73,120	2,252
Total revenues		49,285,529	47,859,099	17,094,045	7,275,022
Expenses	6				
Cost of sales		34,589,938	33,632,993	-	-
Selling and administrative expenses		6,215,784	6,086,216	580,540	442,311
Total expenses		40,805,722	39,719,209	580,540	442,311
Profit before interest and					
income tax expenses		8,479,807	8,139,890	16,513,505	6,832,711
Interest expense		556,703	945,741	929,998	1,343,295
Income tax expense		2,663,107	2,111,045	111,524	-
Net profit	3, 15	5,259,997	5,083,104	15,471,983	5,489,416
Basic earnings per share (Baht)	3, 15	0.21	0.23	0.62	0.24

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in shareholders' equity

For the six-month periods ended 30 June 2007 and 2006 (Unaudited)

Consolidated financial statements (Restated)

	Note	Issued and paid- up share capital	Difference arising from common control transactions	Share premium	Reserves		Retained earnings		Total shareholders' equity
					Currency translation changes	Fair value changes and revaluation surpluses	Appropriated to legal reserve	Unappropriated	
<i>(in thousand Baht)</i>									
Balance at 1 January 2006		22,000,000	(15,630,790)	-	(5,341)	6,584,735	1,110,000	17,655,899	31,714,503
Change in shareholders' equity for 2006									
Translation loss relating to financial statements of foreign operations		-	(6,640)	-	(30,744)	-	-	-	(37,384)
Net expense recognised directly in shareholder's equity		-	(6,640)	-	(30,744)	-	-	-	(37,384)
Net profit		-	(25,474)	-	-	-	-	5,108,578	5,083,104
Total recognised income and expense		-	(32,114)	-	(30,744)	-	-	5,108,578	5,045,720
Dividends	14	-	-	-	-	-	-	(5,280,000)	(5,280,000)
Increase in share capital in subsidiaries before business restructuring		-	27,040	-	-	-	-	-	27,040
Issue of ordinary shares	12	2,444,450	-	13,585,416	-	-	-	-	16,029,866
Balance at 30 June 2006		24,444,450	(15,635,864)	13,585,416	(36,085)	6,584,735	1,110,000	17,484,477	47,537,129

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in shareholders' equity

For the six-month periods ended 30 June 2007 and 2006 (Unaudited)

	<i>Note</i>	Consolidated financial statements							Total shareholders' equity
		Issued and paid-up share capital	Difference arising from common control transactions	Share premium	Reserves		Retained earnings		
					Currency translation changes	Fair value changes and revaluation surpluses	Appropriated to legal reserve	Unappropriated	
<i>(in thousand Baht)</i>									
Balance at 1 January 2007		25,110,025	(17,141,406)	17,215,737	(19,508)	6,586,263	1,700,000	19,102,445	52,553,556
Change in shareholders' equity for 2007									
Net surplus on property revaluation	5	-	-	-	-	(134,521)	-	134,521	-
Translation loss relating to financial statements of foreign operations		-	-	-	(56,440)	-	-	-	(56,440)
Net expense recognised directly in shareholder's equity		-	-	-	(56,440)	(134,521)	-	134,521	(56,440)
Net profit		-	-	-	-	-	-	5,259,997	5,259,997
Total recognised income and expense		-	-	-	(56,440)	(134,521)	-	5,394,518	5,203,557
Dividends	14	-	-	-	-	-	-	(2,762,103)	(2,762,103)
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

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in shareholders' equity

For the six-month periods ended 30 June 2007 and 2006 (Unaudited)

	<i>Note</i>	Separate financial statements (Restated)							Total shareholders' equity
		Issued and paid-up share capital	Difference arising from common control transactions	Share premium	<i>Reserves</i>		<i>Retained earnings</i>		
					Currency translation changes	Fair value changes and revaluation surpluses	Appropriated to legal reserve	Unappropriated	
<i>(in thousand Baht)</i>									
Balance at 1 January 2006		22,000,000	(15,979,265)	-	(5,341)	6,584,735	1,110,000	17,655,899	31,366,028
Changes in accounting policy	15	-	15,979,265	-	5,341	(6,450,214)	-	(14,494,368)	(4,959,976)
Restated balance		22,000,000	-	-	-	134,521	1,110,000	3,161,531	26,406,052
Changes in shareholders' equity for 2006									
Net profit		-	-	-	-	-	-	5,489,416	5,489,416
Dividends	14	-	-	-	-	-	-	(5,280,000)	(5,280,000)
Issue of ordinary shares	12	2,444,450	-	13,585,416	-	-	-	-	16,029,866
Balance at 30 June 2006		24,444,450	-	13,585,416	-	134,521	1,110,000	3,370,947	42,645,334

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 2007 and 2006 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2007	2006	2007	2006
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>					
Net profit		5,259,997	5,083,104	15,471,983	5,489,416
<i>Adjustments for</i>					
Depreciation and amortisation		2,445,568	2,291,639	14,515	11,124
Interest income		(19,514)	(27,556)	(363,054)	(424,918)
Interest expense		556,703	945,741	929,998	1,343,295
Unrealised (gain) loss on exchange rate		5,557	(16,040)	14,010	-
Amortisation of advance payments to a specialist		25,000	25,000	4,688	4,688
Reversal of an allowance for obsolete inventories		(17,973)	(36,334)	-	-
(Gain) loss on sale and disposal of property, plant and equipment		(36,390)	17,732	(63,870)	(2)
Gain on sale of investment		-	-	(6)	-
Dividends		-	-	(15,401,479)	(5,285,896)
Income tax expense		2,663,107	2,111,045	111,524	-
		<u>10,882,055</u>	<u>10,394,331</u>	<u>718,309</u>	<u>1,137,707</u>
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		285,798	560,965	-	-
Amounts due from related parties		17,287	88,282	1,389,329	950,465
Inventories		(1,836,350)	(1,104,368)	-	-
Prepaid excise tax		(230,960)	624,955	-	-
Other current assets		(37,047)	(348,277)	5,594	2,916
Trade accounts payable		4,698	1,410,344	-	-
Amounts due to related parties		(133,532)	41,571	(4,496)	(10,810)
Other current liabilities		(101,762)	(265,393)	(156,322)	89,413
Other non-current liabilities		5,499	(1,978)	-	-
Advance payments to a specialist		-	(2,000,000)	-	(375,000)
Income taxes paid		(2,331,397)	(2,565,069)	(136,282)	(174,824)
Net cash provided by operating activities		<u>6,524,289</u>	<u>6,835,363</u>	<u>1,816,132</u>	<u>1,619,867</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 2007 and 2006 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2007	2006	2007	2006
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>					
Interest received		19,761	29,098	366,581	423,740
Dividends received		-	-	6,600,156	5,285,896
Current investments		(34,984)	5,708	(6,844,982)	-
Short-term loans to related parties		-	40,850	3,110,702	(1,101,700)
Investments in subsidiaries and associates		36,368	(2,566)	-	-
Increase in share capital in subsidiaries before business restructuring		-	27,040	-	-
Purchase of long-term investments		58	-	-	-
Sale of long-term investments		1	736	8	-
Purchase of property, plant and equipment	9	(625,933)	(1,670,884)	(1,193)	(73,596)
Sale of property, plant and equipment	9	841,472	41,423	819,000	54
Purchase of intangible assets		(11,293)	(7,193)	(10,319)	(4,953)
Other non-current assets		104	(35,362)	(2,761)	(91)
Net cash provided by (used in) investing activities		225,554	(1,571,150)	4,037,192	4,529,350
<i>Cash flows from financing activities</i>					
Interest paid		(602,362)	(748,450)	(994,059)	(1,138,050)
Dividends paid		(2,762,103)	(5,280,000)	(2,762,103)	(5,280,000)
Bank overdrafts and short-term loans from financial institutions		266,266	(36,067,623)	870,441	(36,100,000)
Proceeds from short-term guaranteed bonds		-	4,700,000	-	4,700,000
Short-term loans to related parties		(3,081,719)	(58,868)	(2,510,250)	(41,600)
Proceeds from long-term guaranteed bonds		-	5,300,000	-	5,300,000
Repayment of short-term guaranteed bonds		(2,200,000)	-	(2,200,000)	-
Proceeds from issuance of share capital		-	16,029,866	-	16,029,866
Proceeds from long-term loans from financial institutions		4,500,000	26,600,000	4,500,000	26,600,000
Repayment of long-term loans from financial institutions		(2,750,000)	(16,885,000)	(2,750,000)	(16,225,000)
Net cash used in financing activities		(6,629,918)	(6,410,075)	(5,845,971)	(6,154,784)
Currency translation changes		(56,440)	(37,384)	-	-
Net increase (decrease) in cash and cash equivalents		63,485	(1,183,246)	7,353	(5,567)
Cash and cash equivalents at beginning of period		1,919,577	3,397,994	15,623	18,562
Cash and cash equivalents at end of period		1,983,062	2,214,748	22,976	12,995

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 2007 (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 2007.

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 are as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			2007	2006
<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. Fuengfuanant Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
5. Mongkolsamai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
6. Thanapakdi Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
7. Kanchanasingkorn Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
8. Sura Bangyikhan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
9. Athimart Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
10. S.S. Karnsura Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
11. Kankwan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
12. Theparunothai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
13. Red Bull Distillery (1988) Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
14. United Winery and Distillery Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
15. Simathurakij Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
16. Nateechai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
17. Luckchai Liquor Trading Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
18. Sura Piset Thipparat Co., Ltd.*	Spirits distillery	Thailand	100.00	100.00
19. Thai Alcohol PCL.	Alcohol distillery	Thailand	100.00	100.00
20. Pomthip 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 Kijjakarn 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. Thipchalothorn 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. Sunthronpirom Co., Ltd.	Spirits agency	Thailand	100.00	100.00
36. Piromsurang Co., Ltd.	Spirits agency	Thailand	100.00	100.00

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
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Name of the entity	Type of business	Country of incorporation	Ownership interest	
			2007	2006
(%)				
Direct subsidiaries (continued)				
37. Bionic Humus Co., Ltd.	Trading of fertilizer	Thailand	100.00	100.00
38. Maharas Agri Co., Ltd.	Japanese rice farming	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 equipment and supplies	Thailand	100.00	100.00
42. Charun Business 52 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. (Formerly: Sahatipkarnkonsong 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. 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. Archa Beer Co., Ltd.	Trademark holding and production of concentrate materials	Thailand	100.00	100.00
Indirect subsidiaries				
54. Thai Thum Distillery Co., Ltd. #	Trading of spirits	Thailand	99.90	99.90
55. Sura Piset Sahasan Co., Ltd. #	Production and distribution of spirits	Thailand	100.00	100.00
56. Sura Piset Sampan Co., Ltd. #	Production and distribution of spirits	Thailand	100.00	100.00
57. Sura Piset Phatra Lanna Co., Ltd. #	Production and distribution of spirits	Thailand	100.00	100.00
58. Muangkij Co., Ltd. #	Import of oak woods	Thailand	100.00	100.00
59. Sint Ek Panich Co., Ltd. #	Mining	Thailand	100.00	100.00
60. Pan Alcohol Co., Ltd. #	Production and distribution of vinegar	Thailand	100.00	100.00
61. Banglen Agriculture Co., Ltd. #	Agriculture	Thailand	100.00	100.00
62. Vitayathan Co., Ltd.	Environmental public relations	Thailand	100.00	100.00
63. InterBev (Singapore) Limited	Trading of alcoholic beverages	Singapore	100.00	100.00
64. InterBev (Cambodia) Co., Ltd.	Trading of alcoholic beverages	Cambodia	100.00	100.00
65. InterBev Malaysia Sdn. Bhd.	Trading of alcoholic beverages	Malaysia	100.00	100.00
66. InterBev USA Inc.	Trading of alcoholic beverages	United States of America	100.00	100.00
67. Best Spirits Company Limited**	Trading of alcoholic beverages	Hong Kong	100.00	-
68. Pacific Spirits (UK) Limited**	Holding company	United Kingdom	100.00	-
Subsidiaries of indirect subsidiaries***				
69. Blairmhor Limited	Production and distribution of spirits	United Kingdom	100.00	-
70. Inver House Distillers Limited	Production and distribution of spirits	United Kingdom	100.00	-
71. Blairmhor Distillers Limited	Spirits distillery	United Kingdom	100.00	-
72. Wee Beastie Limited	Trading of alcoholic beverages	United Kingdom	100.00	-
73. Speyburn-Glenlivet Distillery Company Limited #	Dormant	United Kingdom	100.00	-
74. The Knockdhu Distillery Company Limited #	Dormant	United Kingdom	100.00	-
75. The Pulteney Distillery Company Limited #	Dormant	United Kingdom	100.00	-
76. The Balblair Distillery Company Limited #	Dormant	United Kingdom	100.00	-
77. R. Carmichael & Sons Limited #	Dormant	United Kingdom	100.00	-
78. J MacArthur Junior & Company Limited #	Dormant	United Kingdom	100.00	-
79. Mason & Summers Limited #	Dormant	United Kingdom	100.00	-

Thai Beverage Public Company Limited and its Subsidiaries
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Name of the entity	Type of business	Country of incorporation	Ownership interest	
			2007	2006
<i>Subsidiaries of indirect subsidiaries*** (continued)</i>				
80. Hankey Bannister Limited #	Dormant	United Kingdom	100.00	-
81. James Catto & Company Limited #	Dormant	United Kingdom	100.00	-
82. Glen Calder Blenders Limited #	Dormant	United Kingdom	100.00	-
83. Moffat & Towers Limited # (Formerly: Blairmhor Blender Limited)	Dormant	United Kingdom	100.00	-
<i>Associates of indirect subsidiaries****</i>				
84. Liquorland Limited	Off licences	United Kingdom	49.00	-
85. Inver House Polska Limited #	Spirits distillery	Poland	40.00	-
86. Inver House Distribution SA #	Spirits distillery	France	50.00	-

* A subsidiary was changed from indirect subsidiary to direct subsidiary in October 2006.

** These subsidiaries were transferred from ultimate controlling shareholder controlled the business to the Company in October 2006.

*** Subsidiaries of Pacific Spirits (UK) Limited

**** Associates of Pacific Spirits (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 (“TAS”) No. 41 *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 2006. 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 2006.

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

Accounting policies and methods of computation applied in the interim financial statements for the three-month and six-month periods ended 30 June 2007 are consistent with those applied in the financial statements for the year ended 31 December 2006, except for the change in the accounting policy as discussed in Note 15 to the financial statements in respect of interests in subsidiaries and associates in the separate financial statements.

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the interim financial statements

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

3 Business restructuring

The Company was formed in 2003 to combine the separate beverages businesses of the ultimate controlling shareholder group, the Siriwadhanabhakdi family, which were held as part of the operations of 89 separate companies, into a single group of companies. Of these, 65 businesses were transferred between 2003 and 2004, four businesses were transferred during 2005 and 20 businesses were transferred during 2006. Prior to the restructuring these business were under the common control of the ultimate controlling shareholder of the Company.

The Company recognised these transfers as business combinations involving entities and businesses under common control and were accounted for in a manner similar to a pooling of interest. This business restructuring is disclosed further in the financial statements for the year ended 31 December 2006. However, the effect of the restated financial statements has decreased the consolidated net profit for the six-month period ended 30 June 2006 by Baht 25 million.

4 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.

5 Significant transactions

Significant transactions occurring during the six-month period ended 30 June 2007 are as follows:

- (a) On 5 February 2007, the Company entered into a long-term loan agreement with a commercial bank in the amount of Baht 4,500 million in order to increase the capital of International Beverage Holdings Ltd., the Company's subsidiary, in the amount of HK Dollar 980 million.
- (b) On 20 March 2007, the Company sold its land and building of ThaiBev Tower Project to T.C.C. Hotel Collection Company Limited, a related party, in the amount of Baht 819 million. Gain on sale of Baht 64 million was recognised in the statement of income and revaluation surplus on a revalued asset in the amount of Baht 134 million was transferred from equity to retained earnings directly.
- (c) On 27 March 2007, the Company purchased the new ordinary shares of Red Bull Distillery (1988) Co., Ltd., the Company's subsidiary, which issued 200 million ordinary shares with a Baht 10 par value, totaling Baht 2,000 million.
- (d) On 29 March 2007, a subsidiary company submitted a conditional bid in the amount of RMB 980 million for the purchase of all businesses of Anhui Gujing Group Limited, a state-owned enterprise, which engaged in distillery, hotels and other businesses from a state entity of The People's Republic of China. If the bidding is successful, such subsidiary will dispose of the non liquor-related businesses to T.C.C. International Limited who issued a written undertaking, to purchase the non liquor-related businesses per pro-rata of bidding value of the fair value of non liquor-related businesses and the fair value of total businesses. On 3 April 2007, that subsidiary had been selected to negotiate the final terms of the acquisition and has paid a deposit for bidding in the amount of RMB 50 million.

Subsequently, on 28 June 2007, the subsidiary did not proceed with the acquisition of those businesses and the deposit for bidding was entirely refunded to the subsidiary on 6 July 2007.

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 2007 (Unaudited)

- (e) On 22 May 2007, the Company purchased the new ordinary shares of Bionic Humus Co., Ltd., the Company's subsidiary, which issued 8.5 million ordinary shares with a Baht 100 par value. The first call for the capital paid up is to be 40% in the amount of Baht 340 million.
- (f) On 28 May 2007, International Beverage Holdings Ltd., the Company's subsidiary, increased paid-in capital of InterBev USA Inc., the Company's indirect subsidiary, from USD 1,000 to USD 2.6 million for providing its working capital for 2007.
- (g) On 28 May 2007, the Company issued an irrevocable and unconditional guarantee in favour of Barclays Bank PLC. to support a loan of GBP 24 million to Pacific Spirits (UK) Limited, the Company's indirect subsidiary.

6 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.

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

Transactions

Sale of finished goods
Purchase of raw materials
Purchase of services
Purchase and sale of property, plant
and equipment
Purchase and sale of investments
Interest income and expense

Pricing policies

Agreed prices which approximate market prices
Agreed prices which approximate market prices
Contractual prices

Contractual prices
Contractual prices
Rate as mutually agreed by shareholders with
reference interest rates quoted by domestic
commercial banks

Thai Beverage Public Company Limited and its Subsidiaries
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Significant transactions for the three-month periods ended 30 June 2007 and 2006 with related parties were summarised as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Subsidiaries				
Service income	-	-	583	805
Dividends	-	-	15,401	4,034
Purchases of investments (See note 5 to the financial statements)	-	-	340	-
Interest income	-	-	161	232
Interest expense	-	-	244	235
Other income	-	-	3	1
Other expenses	-	-	13	3
Others				
Revenue from sales	52	43	-	-
Service income	3	14	-	-
Purchases of raw materials and packaging	1,089	1,640	-	-
Overhead costs	57	36	-	-
Interest expense	21	23	-	-
Other income	3	4	-	-
Other expenses	82	57	18	6
Directors' remuneration	35	40	37	37

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 2007 (Unaudited)

Significant transactions for the six-month periods ended 30 June 2007 and 2006 with related parties were summarised as follows:

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Subsidiaries				
Service income	-	-	1,256	1,562
Dividends	-	-	15,401	5,286
Purchases of investments (See note 5 to the financial statements)	-	-	6,845	-
Interest income	-	-	362	419
Interest expense	-	-	492	436
Other income	-	-	5	2
Other expenses	-	-	20	6
Others				
Revenue from sales	77	89	-	-
Service income	7	22	-	-
Purchases of raw materials and packaging	2,302	2,584	-	-
Overhead costs	105	67	-	-
Sales of property, plant and equipment	819	-	819	-
Purchases of property, plant and equipment	31	3	-	-
Interest expense	50	46	-	-
Other income	72	6	64	-
Other expenses	148	132	32	12
Directors' remuneration	153	157	152	152

Balances as at 30 June 2007 and 31 December 2006 with related parties were as follows:

Trade accounts receivable from related parties	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006
	<i>(in million Baht)</i>			
Other related companies				
PS Recycle Co., Ltd.	15	7	-	-
Pisetkij Co., Ltd.	6	4	-	-
Oishi Trading Co., Ltd.	3	2	-	-
Others	1	8	-	-
Total	25	21	-	-

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 2007			31 December 2006			30 June 2007			31 December 2006		
	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total
	<i>(in million Baht)</i>											
Subsidiaries												
Beer Thai (1991) PCL.	-	-	-	-	-	-	3,529	1,695	5,224	3,626	136	3,762
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	-	-	1,337	1,337	-	146	146
Sangsom Co., Ltd.	-	-	-	-	-	-	-	754	754	-	47	47
Fuengfuanant Co., Ltd.	-	-	-	-	-	-	-	181	181	-	12	12
Thanapakdi Co., Ltd.	-	-	-	-	-	-	-	-	-	-	4	4
Mongkolsamai Co., Ltd.	-	-	-	-	-	-	-	-	-	-	3	3
Kanchanasingkorn Co., Ltd.	-	-	-	-	-	-	429	2	431	412	6	418
Sura Piset Thipparat Co., Ltd.	-	-	-	-	-	-	678	3	681	760	2	762
Sura Bangyikhan Co., Ltd.	-	-	-	-	-	-	1,197	14	1,211	1,919	45	1,964
Athimart Co., Ltd.	-	-	-	-	-	-	112	2	114	-	13	13
S.S. Karnsura Co., Ltd.	-	-	-	-	-	-	90	1	91	-	12	12
Kankwan Co., Ltd.	-	-	-	-	-	-	427	4	431	330	14	344
Theparunothai Co., Ltd.	-	-	-	-	-	-	-	1	1	-	10	10
United Winery and Distillery Co., Ltd.	-	-	-	-	-	-	-	1	1	-	7	7
Red Bull Distillery (1988) Co., Ltd.	-	-	-	-	-	-	870	8	878	2,962	32	2,994
Simathurakij Co., Ltd.	-	-	-	-	-	-	838	5	843	670	9	679
Nateechai Co., Ltd.	-	-	-	-	-	-	505	4	509	694	12	706
Luckchai Liquor Trading Co., Ltd.	-	-	-	-	-	-	1,367	7	1,374	1,160	11	1,171
Thai Alcohol PCL.	-	-	-	-	-	-	819	325	1,144	680	14	694
Thipchalothorn Co., Ltd.	-	-	-	-	-	-	-	18	18	85	203	288
Krittayabun Co., Ltd.	-	-	-	-	-	-	-	25	25	-	190	190
Surathip Co., Ltd.	-	-	-	-	-	-	-	435	435	-	72	72
Sunthronpirom Co., Ltd.	-	-	-	-	-	-	-	613	613	-	61	61
Piromsurang Co., Ltd.	-	-	-	-	-	-	-	459	459	-	14	14
Num Yuk Co., Ltd.	-	-	-	-	-	-	-	404	404	-	67	67
Num Thurakij Co., Ltd.	-	-	-	-	-	-	-	185	185	-	30	30

Thai Beverage Public Company Limited and its Subsidiaries
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Short-term loans to and amounts due from related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2007			31 December 2006			30 June 2007			31 December 2006		
	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total
	<i>(in million Baht)</i>											
<i>Subsidiaries (continued)</i>												
Num Muang Co., Ltd.	-	-	-	-	-	-	-	224	224	-	47	47
Num Nakorn Co., Ltd.	-	-	-	-	-	-	-	97	97	-	25	25
Num Palang Co., Ltd.	-	-	-	-	-	-	135	6	141	-	39	39
Num Kijjakarn Co., Ltd.	-	-	-	-	-	-	-	601	601	-	89	89
Pomthip Co., Ltd.	-	-	-	-	-	-	-	8	8	-	37	37
Pomkit Co., Ltd.	-	-	-	-	-	-	-	12	12	-	107	107
Pomkung Co., Ltd.	-	-	-	-	-	-	-	6	6	-	40	40
Pomchok Co., Ltd.	-	-	-	-	-	-	-	8	8	-	48	48
Pomcharoen Co., Ltd.	-	-	-	-	-	-	-	4	4	-	21	21
Pomburapa Co., Ltd.	-	-	-	-	-	-	-	6	6	-	35	35
Bionic Humus Co., Ltd.	-	-	-	-	-	-	-	-	-	23	-	23
Maharas Agri Co., Ltd.	-	-	-	-	-	-	15	-	15	13	-	13
Thai Beverage Logistics Co., Ltd. (Formerly: Sahatipkarnkonsong Co., Ltd.)	-	-	-	-	-	-	26	20	46	50	-	50
International Beverage Holdings Ltd.	-	-	-	-	-	-	705	13	718	1,484	8	1,492
T.C.C. Cosmo Corp., Ltd.	-	-	-	-	-	-	2	-	2	-	-	-
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	-	-	-	-	1,333	1,333	-	-	-
Thai Molasses Co., Ltd.	-	-	-	-	-	-	-	63	63	-	-	-
Additive Food Co., Ltd.	-	-	-	-	-	-	-	21	21	-	-	-
Beer Chang Co., Ltd.	-	-	-	-	-	-	-	104	104	-	-	-
Pan International (Thailand) Co., Ltd.	-	-	-	-	-	-	-	46	46	-	-	-
Dhospaak Co., Ltd.	-	-	-	-	-	-	-	20	20	-	-	-
Total subsidiaries	-	-	-	-	-	-	11,744	9,075	20,819	14,868	1,668	16,536

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 2007			31 December 2006			30 June 2007			31 December 2006		
	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total
	<i>(in million Baht)</i>											
Related companies												
The Southeast Insurance (2000) Co., Ltd.	-	5	5	-	2	2	-	-	-	-	-	-
Pisetkij Co., Ltd.	-	3	3	-	7	7	-	-	-	-	-	-
New Noble Property And Loan Fund	-	3	3	-	3	3	-	-	-	-	-	-
The Mae Wang Sugar Industry Co., Ltd.	-	2	2	-	6	6	-	-	-	-	-	-
The Cholburi Sugar Corp. Ltd.	-	1	1	-	8	8	-	-	-	-	-	-
The Uttaradit Sugar Industry Co., Ltd.	-	1	1	-	7	7	-	-	-	-	-	-
Dynamic Assets Property and Loan Fund	-	-	-	-	13	13	-	-	-	-	-	-
The Suphanburi Sugar Industry Co., Ltd.	-	-	-	-	12	12	-	-	-	-	-	-
Others	-	4	4	-	6	6	-	1	1	-	-	-
Total related companies	-	19	19	-	64	64	-	1	1	-	-	-
Total	-	19	19	-	64	64	11,744	9,076	20,820	14,868	1,668	16,536

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Movements of short-term loans to related parties during the six-month periods ended 30 June 2007 and 2006 were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Subsidiaries				
At 1 January	-	-	14,868	13,740
Increase	-	-	7,037	7,713
Decrease	-	-	(10,161)	(6,611)
At 30 June	-	-	11,744	14,842
Others				
At 1 January	-	41	-	-
Decrease	-	(41)	-	-
At 30 June	-	-	-	-
Total				
At 1 January	-	41	14,868	13,740
Increase	-	-	7,037	7,713
Decrease	-	(41)	(10,161)	(6,611)
At 30 June	-	-	11,744	14,842

Long-term amount due from related parties

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30 June	31 December	30 June	31 December
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Other related company				
Dynamic Assets Property and Loan Fund	14	-	-	-

Trade accounts payable - related parties

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30 June	31 December	30 June	31 December
	2007	2006	2007	2007
	<i>(in million Baht)</i>			
Other related companies				
Berli Jucker PCL.	408	554	-	-
Thai Beverage Can Ltd.	111	126	-	-
PS Recycle Co., Ltd.	51	74	-	-
Pisetkij Co., Ltd.	27	60	-	-
Others	23	5	-	-
Total	620	819	-	-

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Short-term loans from and amounts due to related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2007			31 December 2006			30 June 2007			31 December 2006		
	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total
	<i>(in million Baht)</i>											
Subsidiaries												
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	-	4,310	20	4,330	3,489	18	3,507
Sangsom Co., Ltd.	-	-	-	-	-	-	1,171	5	1,176	1,052	5	1,057
Fuengfuanant Co., Ltd.	-	-	-	-	-	-	230	1	231	200	1	201
Thanapakdi Co., Ltd.	-	-	-	-	-	-	12	-	12	130	-	130
Mongkolsamai Co., Ltd.	-	-	-	-	-	-	20	-	20	92	-	92
Athimart Co., Ltd.	-	-	-	-	-	-	-	-	-	193	1	194
S.S. Karnsura Co., Ltd.	-	-	-	-	-	-	-	-	-	396	2	398
Theparunothai Co., Ltd.	-	-	-	-	-	-	120	1	121	286	1	287
United Winery and Distillery Co., Ltd.	-	-	-	-	-	-	404	2	406	394	2	396
Krittayabun Co., Ltd.	-	-	-	-	-	-	430	2	432	474	3	477
Surathip Co., Ltd.	-	-	-	-	-	-	225	1	226	594	3	597
Sunthronpirom Co., Ltd.	-	-	-	-	-	-	894	4	898	1,201	6	1,207
Piromsurang Co., Ltd.	-	-	-	-	-	-	614	3	617	772	4	776
Num Yuk Co., Ltd.	-	-	-	-	-	-	92	-	92	120	-	120
Num Thurakij Co., Ltd.	-	-	-	-	-	-	122	1	123	175	1	176
Num Muang Co., Ltd.	-	-	-	-	-	-	60	-	60	170	1	171
Num Nakorn Co., Ltd.	-	-	-	-	-	-	15	-	15	126	-	126
Num Palang Co., Ltd.	-	-	-	-	-	-	-	-	-	95	-	95
Num Kijjakarn Co., Ltd.	-	-	-	-	-	-	844	4	848	1,249	5	1,254
Thai Molasses Co., Ltd.	-	-	-	-	-	-	83	-	83	83	-	83
Thai Cooperage Co., Ltd.	-	-	-	-	-	-	144	1	145	176	1	177
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	-	-	-	1,918	5	1,923	2,097	11	2,108
Pomthip Co., Ltd.	-	-	-	-	-	-	377	1	378	445	2	447
Pomkit Co., Ltd.	-	-	-	-	-	-	751	2	753	1,603	7	1,610
Pomkung Co., Ltd.	-	-	-	-	-	-	284	-	284	311	1	312
Pomchok Co., Ltd.	-	-	-	-	-	-	486	2	488	573	2	575

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Short-term loans from and amounts due to related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2007			31 December 2006			30 June 2007			31 December 2006		
	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total	Short-term loans to	Amounts due from	Total
	<i>(in million Baht)</i>											
Subsidiaries (continued)												
Pomcharoen Co., Ltd.	-	-	-	-	-	-	84	-	84	123	1	124
Pomburapa Co., Ltd.	-	-	-	-	-	-	406	2	408	497	2	499
Additive Food Co., Ltd.	-	-	-	-	-	-	25	-	25	25	-	25
Beer Chang Co., Ltd.	-	-	-	-	-	-	185	1	186	100	1	101
Archa Beer Co., Ltd.	-	-	-	-	-	-	35	-	35	20	-	20
Pan International (Thailand) Co., Ltd.	-	-	-	-	-	-	55	1	56	55	-	55
Charun Business 52 Co., Ltd.	-	-	-	-	-	-	10	-	10	-	-	-
Dhospaak Co., Ltd.	-	-	-	-	-	-	40	8	48	40	13	53
Thai Beverage Marketing Co., Ltd.	-	-	-	-	-	-	190	1	191	-	-	-
Bionic Humus Co., Ltd.	-	-	-	-	-	-	210	-	210	-	-	-
Total subsidiaries	-	-	-	-	-	-	14,846	68	14,914	17,356	94	17,450
Related companies												
Great Oriole Limited	1,533	30	1,563	4,615	129	4,744	-	-	-	-	-	-
South East Capital Co., Ltd.	-	14	14	-	17	17	-	2	2	-	2	2
T.C.C. Technology Co., Ltd.	-	11	11	-	10	10	-	7	7	-	5	5
Plaza Athenee Hotel (Thailand) Co., Ltd.	-	11	11	-	11	11	-	1	1	-	-	-
Dynamic Assets Property and Loan Fund	-	8	8	-	-	-	-	-	-	-	-	-
TCC Hotel Collection Co., Ltd. (Formerly: Queen's Park Hotel Group Co., Ltd.)	-	7	7	-	7	7	-	-	-	-	-	-
The Southeast Insurance (2000) Co., Ltd.	-	4	4	-	41	41	-	-	-	-	-	-
Others	-	5	5	-	8	8	-	-	-	-	-	-
Total related companies	1,533	90	1,623	4,615	223	4,838	-	10	10	-	7	7
Total	1,533	90	1,623	4,615	223	4,838	14,846	78	14,924	17,356	101	17,457

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Movements of short-term loans from related parties during the six-month periods ended 30 June 2007 and 2006 were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Subsidiaries				
At 1 January	-	-	17,356	15,541
Increase	-	-	13,982	11,586
Decrease	-	-	(16,492)	(11,628)
At 30 June	-	-	14,846	15,499
Others				
At 1 January	4,615	4,015	-	-
Decrease	(3,082)	(176)	-	-
At 30 June	1,533	3,839	-	-
Total				
At 1 January	4,615	4,015	17,356	15,541
Increase	-	-	13,982	11,586
Decrease	(3,082)	(176)	(16,492)	(11,628)
At 30 June	1,533	3,839	14,846	15,499

Significant agreements with related parties

Supporting service agreement

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

Up to date, supporting service fee rate was adjusted to 1% of the principal revenue. Service fee rate was adjusted for development of new goods, experiment and quality test, analysis, research and marketing survey for new products and procurement of information.

Application service provisioning agreement

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

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Procurement agreement

The Group entered into the procurement agreement with Pan International (Thailand) Company Limited, the Company's subsidiary, for necessary purchase and procurement services to the Group. The Group is committed to pay procurement fee at 1% of the value of goods and services purchased under such agreement.

Molasses purchase agreement

Thai Molasses Co., Ltd., the Company's subsidiary, entered into the molasses purchase agreement with various related companies in order to sell to other subsidiary companies within the Group. The term and condition as specified in the agreements is that the sellers would sales molasses to the buyers in specified quantity, price, quality, delivery and received, payments, responsibility, weight, sample analysis on molasses, and quality control, etc. These were mutually agreed by the parties.

Glass bottle purchase and sale agreement

Bang-Na Logistic Co., Ltd., the Company's subsidiary, entered into the glass bottle purchase and sale agreement with Berli Jucker Public Company Limited, a related party, to purchase various types of new glass bottles in order to sell to other subsidiaries within the Group for a period of two years and eight months, effective date from 1 May 2007 to 31 December 2009 under the price and condition stated in the contract.

License agreement

- Three subsidiaries entered into license agreements with Beer Chang Co., Ltd. and Archa Beer Co., Ltd., related companies, in order to receive the rights and obligations in drinking water, soda water, beer draft beer and lager beer under the trade names of "CHANG" and "ARCHA". Subsidiaries are committed to pay fee at a rate of 2% based on net sale at price distributing at the factory (excluding VAT) after deducting the excise tax and health promotion fund.
- Sura Bangyikhan Co., Ltd., the Company's subsidiary, entered into license agreements with 12 subsidiaries to provide the rights to use trademark for white liquor and Chiang - Chun blended liquor as stipulated in the agreement. The trademark fee the rate ranging from Baht 0.50 - 1.50 per bottle based on contents of each type of bottles.

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7 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2007	31 December 2006	30 June 2007	31 December 2006
		<i>(in million Baht)</i>			
Related parties	6	25	21	-	-
Other parties		1,031	1,321	-	-
		<u>1,056</u>	<u>1,342</u>	<u>-</u>	<u>-</u>
<i>Less</i> allowance for doubtful accounts		(24)	(24)	-	-
Total		<u>1,032</u>	<u>1,318</u>	<u>-</u>	<u>-</u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	19	18	-	-
Overdue:				
Less than 3 months	6	3	-	-
	<u>25</u>	<u>21</u>	<u>-</u>	<u>-</u>
Other parties				
Within credit terms	613	940	-	-
Overdue:				
Less than 3 months	335	340	-	-
3-6 months	48	17	-	-
6-12 months	20	19	-	-
Over 12 months	15	5	-	-
	<u>1,031</u>	<u>1,321</u>	<u>-</u>	<u>-</u>
<i>Less</i> allowance for doubtful accounts	(24)	(24)	-	-
Net	<u>1,007</u>	<u>1,297</u>	<u>-</u>	<u>-</u>
Total	<u>1,032</u>	<u>1,318</u>	<u>-</u>	<u>-</u>

The normal credit term granted by the Group is ranging from 7 days to 150 days.

Thai Beverage Public Company Limited and its Subsidiaries
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8 Investments in subsidiaries and associates

Movements on investments during the six-month periods ended 30 June 2007 and 2006 were as follows:

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006 (Restated)
	<i>(in million Baht)</i>			
At 1 January	135	129	63,595	63,085
Share of net profits (losses) of investments - equity method	(36)	2	-	-
Acquisitions (See note 5 to the financial statements)	-	-	6,845	-
At 30 June	99	131	70,440	63,085

Thai Beverage Public Company Limited and its Subsidiaries
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Investments in subsidiaries and associates as at 30 June 2007 and 31 December 2006 were detailed as follows:

Consolidated financial statements

	Ownership interest (%)		Paid-up capital		Cost method		Equity method		Dividends for six-months ended	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	30 June 2006
<i>Associates</i>										
<i>Held by subsidiaries of indirect subsidiaries</i>										
Liquorland Limited	49.90	49.90	69	69	51	51	99	135	-	-
Inver House Polska Limited	40.00	40.00	8	8	4	4	-	-	-	-
Inver House Distribution SA	50.00	50.00	2	2	1	1	-	-	-	-
Total			79	79	56	56	99	135	-	-

(in million Baht)

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

	Separate financial statements (Restated)							
	Ownership interest (%)		Paid-up capital		Cost method		Dividends for six-months ended	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	30 June 2006
	<i>(in million Baht)</i>							
Direct subsidiaries								
Beer Thai (1991) PCL.	100.00	100.00	5,550	5,550	12,500	12,500	1,870	472
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	1,617	660
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	5,150	5,150	1,427	150
Thai Alcohol PCL.	100.00	100.00	800	800	1,666	1,666	357	120
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	750	712
Red Bull Distillery (1988) Co., Ltd.	100.00	100.00	5,000	3,000	5,000	3,000	-	-
United Winery and Distillery Co., Ltd.	100.00	100.00	1,800	1,800	1,800	1,800	52	45
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	228	24
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	253	81
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	237	81
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	326	92
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	244	92
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	134	66
Thanapakdi Co., Ltd.	100.00	100.00	700	700	700	700	36	25
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	700	700	-	25
Simathurakij Co., Ltd.	100.00	100.00	900	900	900	900	104	23
Kanchanasingkorn Co., Ltd.	100.00	100.00	700	700	700	700	85	28
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	800	800	70	24
Nateechai Co., Ltd.	100.00	100.00	800	800	800	800	101	20
Thipchalothorn Co., Ltd.	100.00	100.00	1	1	3	3	214	140
Krittayabun Co., Ltd.	100.00	100.00	5	5	27	27	241	135
Surathip Co., Ltd.	100.00	100.00	1	1	7	7	649	258
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	25	25	951	270
Piromsurang Co., Ltd.	100.00	100.00	5	5	24	24	654	230

Thai Beverage Public Company Limited and its Subsidiaries
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Separate financial statements (Restated)

	Ownership interest (%)		Paid-up capital		Cost method		Dividends for six-months ended	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	30 June 2006
	<i>(in million Baht)</i>							
Direct subsidiaries (Continued)								
T.C.C. Cosmo Corp., Ltd.	100.00	100.00	5	5	39	39	3	-
Pomthip Co., Ltd.	100.00	100.00	10	10	10	10	190	34
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	281	-
Pomkung Co., Ltd.	100.00	100.00	10	10	10	10	173	14
Pomchok Co., Ltd.	100.00	100.00	10	10	10	10	359	45
Pomcharoen Co., Ltd.	100.00	100.00	10	10	10	10	16	-
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	255	27
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	631	215
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	1,077	430
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	257	130
Num Muang Co., Ltd.	100.00	100.00	10	10	10	10	400	200
Num Nakorn Co., Ltd.	100.00	100.00	10	10	10	10	168	90
Num Thurakij Co., Ltd.	100.00	100.00	10	10	10	10	306	150
Beer Chang Co., Ltd.	100.00	100.00	1	1	4,301	4,301	190	76
Archa beer Co., Ltd.	100.00	100.00	1	1	130	130	30	2
Maharas Agri Co., Ltd.	100.00	100.00	2	2	2	2	-	-
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	54	54	65	10
Additive Food Co., Ltd.	100.00	100.00	1	1	38	38	36	7
Charun Business 52 Co., Ltd.	100.00	100.00	122	122	84	84	-	-
Bionic Humus Co., Ltd.	100.00	100.00	350	10	354	14	-	-
Thai Molasses Co., Ltd.	99.72	99.72	40	40	35	35	76	29
Thai Beverage Logistics Co., Ltd. (Formerly: Sahatipkarnkonsong Co., Ltd.)	100.00	100.00	12	12	12	12	64	23
Thai Cooperage Co., Ltd.	100.00	100.00	300	300	300	300	31	8
Dhanasindhi Co., Ltd.	100.00	100.00	20	20	24	24	20	8
Bang-Na Logistic Co., Ltd.	100.00	100.00	123	123	134	134	53	8
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	100	7

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9 Property, plant and equipment

Acquisitions and disposals of property, plant and equipment during the six-month periods ended 30 June 2007 and 2006 were as follows:

	Consolidated financial statements			
	2007		2006	
	Acquisitions - at cost	Disposals - net book value <i>(in million Baht)</i>	Acquisitions - at cost	Disposals - net book value
Land	24	(546)	289	-
Land improvement	1	-	-	-
Building and improvements	9	(22)	64	(13)
Machinery and equipment	64	(18)	102	(42)
Oak barrels	-	(4)	6	(2)
Furniture, fixtures and office equipment	30	(1)	35	(1)
Vehicles	7	(4)	12	(1)
Construction in progress	491	(210)	1,163	-
Total	626	(805)	1,671	(59)

	Separate financial statements			
	2007		2006	
	Acquisitions - at cost	Disposals - net book value <i>(in million Baht)</i>	Acquisitions - at cost	Disposals - net book value
Land	-	(545)	-	-
Furniture, fixtures and office equipment	1	-	5	-
Construction in progress	-	(210)	69	-
Total	1	(755)	74	-

10 Trade accounts payable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2007	31 December 2006	30 June 2007	31 December 2006
		<i>(in million Baht)</i>			
Related parties	6	620	819	-	-
Other parties		1,659	1,457	-	-
Total		2,279	2,276	-	-

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11 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006
	<i>(in million Baht)</i>			
Current				
Bank overdrafts				
- Guaranteed	477	1,516	-	-
- Unsecured	73	367	-	30
	<u>550</u>	<u>1,883</u>	<u>-</u>	<u>30</u>
Short-term loans from financial institutions				
- Unsecured	6,470	4,870	3,900	3,000
Short-term guaranteed bonds				
- Guaranteed / Negative pledge	-	2,200	-	2,200
Current portion of long-term guaranteed bonds				
- Guaranteed / Negative pledge	5,300	2,300	5,300	2,300
Current portion of long-term loan				
- Guaranteed / Negative pledge	2,262	1,500	2,262	1,500
	<u>14,582</u>	<u>12,753</u>	<u>11,462</u>	<u>9,030</u>
Non-current				
Long-term guaranteed bonds				
- Guaranteed / Negative pledge	-	3,000	-	3,000
Long-term loans from financial institutions				
- Guaranteed / Negative pledge	243	3,755	243	3,755
- Unsecured	4,500	-	4,500	-
	<u>4,743</u>	<u>6,755</u>	<u>4,743</u>	<u>6,755</u>
Total	<u>19,325</u>	<u>19,508</u>	<u>16,205</u>	<u>15,785</u>

The interest rate exposure of the borrowings as at 30 June 2007 and 31 December 2006 were as follows:

	30 June 2007		31 December 2006	
	Range	Weighted	Range	Weighted
Bank overdrafts	6.50 - 8.25	6.65	6.00 - 10.75	7.16
Short-term loans from financial institutions	3.95 - 4.10	4.03	5.27 - 5.45	5.41
Short-term guaranteed bonds	-	-	5.40	5.40
Long-term guaranteed bonds and current portion	5.55 - 5.75	5.66	5.55 - 5.75	5.66
Long-term loans and current portion	5.00 - 5.70	5.50	5.70 - 5.75	5.73

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The principal features of the borrowings are as follows:

- (a) Bank overdrafts are repayable on demand. As at 30 June 2007, the Group has a total overdraft facilities amounting to Baht 3,741 million (*31 December 2006: Baht 3,705 million*) which is partially guaranteed by five subsidiaries.
- (b) Short-term loans from financial institutions as at 30 June 2007, the Group has short-term loan facilities from several financial institutions totalling Baht 23,510 million (*31 December 2006: Baht 20,820 million*) with money market rate quoted by bank. The Group utilized those facilities in term of promissory notes issued by the Group to several domestic financial institutions totalling Baht 6,470 million (*31 December 2006: Baht 4,870 million*).
- (c) Guaranteed bonds as at 30 June 2007 and 31 December 2006 were guaranteed bonds with a full co-guarantee by four subsidiaries and negative pledge undertaken by the Company whereby 17 subsidiaries agree not to sell, transfer, mortgage, pledge, encumber or grant any preferential right in relation to their land, buildings, plants and machinery. The Company is required to maintain a consolidated debt (interest-bearing debt) to equity (excluding unrealised foreign exchange gain or loss) ratio of not more than 2.5 to 1 based on the annual consolidated financial statements prepared in accordance with generally accepted accounting standards in Thailand.

The bonds have the following payment terms:

	Amount	Fixed interest rate	Maturity
	<i>(in million Baht)</i>	<i>(% per annum)</i>	
First tranche	2,500	4.95	22 August 2006
Second tranche	2,200	5.40	22 February 2007
Third tranche	2,300	5.55	22 August 2007
Fourth tranche	3,000	5.75	22 February 2008

The principal is to be redeemed at maturity. Interest is payable semi-annually commencing on 22 August 2006.

- (d) Long-term loan and its current portion as at 31 December 2006 were loan agreements with eight financial institutions to obtain long-term borrowings totalling Baht 26,600 million. Of this, the principal of Baht 23,600 million has a grace period of 2 years and is to be repaid in 36 monthly installments, Baht 654.22 million each for the first 35 installments and Baht 702.20 million for the last installment, from 28 April 2008 to 31 March 2011 with interest at the fixed rates of 5.75% and 6% per annum for the first and the second years, respectively, and MLR-1.5% to MLR-1.75% per annum from the third year onwards, payable monthly, commencing in March 2006. The remaining principal of Baht 3,000 million is to be repaid in eight quarterly installments, Baht 375 million each, from 28 June 2006 to 28 March 2008 with a fixed interest rate of 5.70% per annum, payable quarterly, commencing in June 2006.

The borrowings are fully co-guaranteed by four subsidiaries with a negative pledge made by 17 subsidiaries whereby these subsidiaries agree not to sell, transfer, mortgage, pledge, encumber or grant any preferential right in relation to their land, buildings, plant and machinery.

In 2006 and May 2007, the Company partially repaid long-term loans amounting to Baht 20,220 million and Baht 2,000 million, respectively, with accrued interest to seven financial institutions and the interest rate in the second year decrease from 6% to 5% per annum.

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During February 2007, the Company entered into a long-term loan agreement with a commercial bank in the amount of Baht 4,500 million which is to be repaid monthly in 12 installments, Baht 375 million each, commencing in February 2009. Interest is payable monthly at 5.60% per annum for the first year and 5.75% per annum afterwards.

12 Share capital

The Company listed on the SGX-ST on 29 May 2006 and issued 2,444.45 million new ordinary shares, sold to the public through an Initial Public Offering (“the IPO”). The Company registered the change in paid-up capital with the Ministry of Commerce on 29 May 2006 from Baht 22,000 million to Baht 24,444.45 million.

On 3 July 2006, an over allotment option was exercised related to its recent IPO, whereby the Company sold a further 665.58 million new ordinary shares. The Company registered the change in paid-up capital with the Ministry of Commerce on 3 July 2006 from Baht 24,444.45 million to Baht 25,110.03 million.

13 Segment information

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

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

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

Inter-segment transactions are eliminated on consolidation.

Business segments

The Group comprises the following main business segments:

Beer/water Production and sales of branded beer and water products (mostly outside the group);
Spirits Production and sales of branded spirits products (mostly outside the group);
Alcohol Production and sales of alcohol (mostly outside the group); and
Related Purchasing of packaging materials and sale of byproducts (mostly within the group).

Geographic segments

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

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

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Business segment results

Business segment results for the three-month periods ended 30 June were as follows:

	Beer/water		Spirits		Alcohol		Related		Elimination		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	<i>(in million Baht)</i>											
Revenue	10,896	12,015	12,541	12,663	130	137	1,510	1,965	(1,931)	(2,299)	23,146	24,481
Interest income	6	9	4	11	1	1	3	3	(2)	(1)	12	23
Other income	3	12	38	26	12	-	5	6	(13)	(17)	45	27
Total revenue	10,905	12,036	12,583	12,700	143	138	1,518	1,974	(1,946)	(2,317)	23,203	24,531
Cost of sales	8,301	9,194	8,078	8,130	135	107	1,328	1,788	(1,562)	(1,655)	16,280	17,564
Selling and administrative expenses	1,661	1,690	1,692	1,664	31	47	103	109	(390)	(597)	3,097	2,913
Total expenses	9,962	10,884	9,770	9,794	166	154	1,431	1,897	(1,952)	(2,252)	19,377	20,477
Profit (loss) before interest and income tax expenses	943	1,152	2,813	2,906	(23)	(16)	87	77	6	(65)	3,826	4,054
Interest expense	68	62	181	378	8	20	5	12	(2)	(1)	260	471
Income tax	454	495	690	524	(1)	-	41	24	-	-	1,184	1,043
Net profit (loss)	421	595	1,942	2,004	(30)	(36)	41	41	8	(64)	2,382	2,540

Business segment capital expenditure, depreciation and amortisation for the three-month periods ended 30 June were as follows:

	Beer/water		Spirits		Alcohol		Related		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	<i>(in million Baht)</i>									
Capital expenditure										
- Fixed assets	57	254	200	744	22	24	13	4	292	1,026
- Intangible assets	-	3	-	3	-	-	-	-	-	6
Depreciation	575	472	575	553	48	30	13	24	1,211	1,079
Amortisation	-	1	11	3	-	-	-	121	11	125

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Business segment results

Business segment results for the six-month periods ended 30 June were as follows:

	Beer/water		Spirits		Alcohol		Related		Elimination		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	<i>(in million Baht)</i>											
Revenue	23,452	22,820	26,100	25,263	349	213	3,249	3,573	(4,043)	(4,089)	49,107	47,780
Interest income	11	13	7	12	1	1	5	4	(4)	(2)	20	28
Other income	47	20	106	50	15	-	14	14	(23)	(33)	159	51
Total revenue	23,510	22,853	26,213	25,325	365	214	3,268	3,591	(4,070)	(4,124)	49,286	47,859
Cost of sales	17,901	17,381	16,843	15,882	321	160	2,811	3,236	(3,286)	(3,026)	34,590	33,633
Selling and administrative expenses	3,316	3,285	3,437	3,477	63	103	219	240	(819)	(1,019)	6,216	6,086
Total expenses	21,217	20,666	20,280	19,359	384	263	3,030	3,476	(4,105)	(4,045)	40,806	39,719
Profit (loss) before interest and income tax expenses	2,293	2,187	5,933	5,966	(19)	(49)	238	115	35	(79)	8,480	8,140
Interest expense	139	154	395	733	16	34	11	27	(4)	(2)	557	946
Income tax	1,125	949	1,434	1,118	1	-	103	44	-	-	2,663	2,111
Net profit (loss)	1,029	1,084	4,104	4,115	(36)	(83)	124	44	39	(77)	5,260	5,083

Business segment capital expenditure, depreciation and amortisation for the six-month periods ended 30 June were as follows:

	Beer/water		Spirits		Alcohol		Related		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	<i>(in million Baht)</i>									
Capital expenditure										
- Fixed assets	113	763	462	864	29	37	22	7	626	1,671
- Intangible assets	3	3	8	4	-	-	-	-	11	7
Depreciation	1,142	940	1,149	1,097	97	60	27	48	2,415	2,145
Amortisation	1	1	29	25	-	-	-	121	30	147

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Business segments financial position

Business segment assets and liabilities as at 30 June 2007 and 31 December 2006 were as follows:

	Beer/water		Spirits		Alcohol		Related		Total	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006
	<i>(in million Baht)</i>									
Inventories, net	3,853	2,823	25,620	25,078	557	275	139	139	30,169	28,315
Property, plant and equipment, net	18,714	19,941	24,424	25,673	1,586	1,681	2,214	2,237	46,938	49,532
Other assets	2,173	1,680	4,963	5,298	426	563	139	192	7,701	7,733
Total assets	24,740	24,444	55,007	56,049	2,569	2,519	2,492	2,568	84,808	85,580
Total debts	6,130	5,567	12,239	13,012	577	571	378	358	19,324	19,508
Other liabilities	4,077	4,616	5,540	7,837	31	46	841	1,019	10,489	13,518
Total liabilities	10,207	10,183	17,779	20,849	608	617	1,219	1,377	29,813	33,026

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Geographic segments

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

	Consolidated financial statements			
	Revenue		Fixed assets	
	30 June 2007	30 June 2006	30 June 2007	31 December 2006
	<i>(in million Baht)</i>			
Thailand	47,425	46,609	45,521	48,032
Overseas	1,861	1,250	1,417	1,500
Total	<u>49,286</u>	<u>47,859</u>	<u>46,938</u>	<u>49,532</u>

14 Dividends

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.

At the Annual General Meeting of the shareholders of the Company held on 27 March 2006, the shareholders approved the appropriation of dividends of Baht 0.24 per share, amounting to Baht 5,280 million. The dividend was paid to shareholders on 26 April 2006.

15 Changes in accounting policy

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

Until 31 December 2006, the Company accounted for its investments in subsidiary companies and associates in its financial statements using the equity method.

On 11 October 2006, the Federation of Accounting Professions (FAP) announced that the Thai Accounting Standard No. 44 (TAS No. 44) "Consolidated Financial Statements and Accounting for Investments in Subsidiaries" is to be revised. FAP announcement No. 26/2006 requires a parent company which has investments in a subsidiary company, or an associate company, which is not classified as a "held for sale" investment, to record such investment in accordance with either the cost method or with the recognition and measurement basis for financial instruments (when an announcement is made), instead of the equity method currently used.

Starting from 1 January 2007, the Company has, accordingly, changed its accounting policy for its investments in subsidiary companies and associate companies in its financial statements from the equity method to the cost method. The change in accounting policy has been applied retrospectively and the Company's 2006 financial statements, which are included in the Company's 2007 interim financial statements for comparative purposes, have been restated accordingly. The effects of the change in accounting policy on the Company's 2007 and 2006 interim financial statements are as follows:

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	2007	Separate financial statements		2006
		2007	2006	
		(in million Baht)		
<i>Investments in subsidiaries and associates</i>				
Balance at 1 January before change in accounting policy		69,391		68,046
Balance at 1 April before change in accounting policy	-		69,318	
Decrease in retained earnings	-	(15,567)	(15,789)	(14,494)
Decrease in revaluation surpluses	-	(6,452)	(6,450)	(6,450)
Increase in currency translation changes	-	20	30	5
Increase in difference arising from common control transactions	-	17,141	15,979	15,979
Decrease in excess of share losses over cost of investment	-	(938)	(3)	(1)
Net decrease	-	(5,796)	(6,233)	(4,961)
Balance at 1 January after change in accounting policy		63,595		63,085
Balance at 1 April after change in accounting policy	-		63,085	
<i>Retained earnings (deficit)</i>				
Balance at 1 January before change in accounting policy		19,102		17,656
Balance at 1 April before change in accounting policy	-		14,941	
Increase in dividend income from subsidiaries and associates	-	14,358	7,554	6,302
Decrease in share of profits from investments accounted for using the equity method, net	-	(29,925)	(23,343)	(20,796)
Net decrease	-	(15,567)	(15,789)	(14,494)
Balance at 1 January after change in accounting policy		3,535		3,162
Balance at 1 April after change in accounting policy	-		(848)	
<i>Net profit</i>				
Net profit before change in accounting policy	2,382	5,260	2,544	5,108
Increase in dividend income from subsidiaries and associates	15,401	15,401	4,034	5,286
Decrease in share of profits from investments accounted for using the equity method, net	(2,320)	(5,189)	(2,359)	(4,905)
Net increase	13,081	10,212	1,675	381
Net profit after change in accounting policy	15,463	15,472	4,219	5,489
Increase in earnings per share (Baht)	0.52	0.41	0.07	0.02
		Separate financial statements		
	Three months period ended 30 June 2007	Six months period ended 30 June 2007	Three months period ended 30 June 2006	Six months period ended 30 June 2006
		(in million Baht)		

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16 Commitments with non related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006

(in million)

Capital commitments

Contracted but not provided for

Buildings and other constructions				
Baht	385	392	-	86
Machinery and equipment				
Baht	143	232	-	-
Euro (EUR)	5	9	-	-
Great Britain Pound (GBP)	-	3	-	-

	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006

(in million Baht)

**Non-cancellable operating lease
commitments**

Within one year	120	142	8	-
After one year but within five years	82	70	15	1
Total	202	212	23	1

	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006

(in million)

Other commitments

Unused letters of credits (Baht)	520	20	500	-
Forward exchange contracts to sell foreign currencies (Baht)	721	1,505	721	1,505
Forward exchange contracts to buy foreign currencies (Baht)	5,468	3,330	-	-
Bank guarantees				
Baht	109	102	14	154
US Dollar (USD)	4	-	-	-
Raw materials purchasing agreements (Malt & Hop)				
US Dollar (USD)	33	44	-	-
Euro (EUR)	5	9	-	-
Great Britain Pound (GBP)	4	6	-	-
Molasses purchasing agreements (Baht)	722	1,596	-	-
Computer system installation agreements (Baht)	78	96	76	96
Others (Baht)	209	158	2	-

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- (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 1,766.20 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 3,766.20 million.

As at 30 June 2007 the remaining commitments to be paid, relating to these agreements, amounted to Baht 1,608.27 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 £0.50 million and a maximum amount of £2.90 million per year, dependent on the performance of Everton football team in each year.

17 Litigation

The application filed by a subsidiary to the Central Tax Court to withdraw the assessment of the property tax of 2002 up to 2006 in the amount of Baht 151.32 million. The subsidiary has appealed and the case is currently being considered by the Central Tax Court and the Supreme Court. The management of the subsidiary ensures that they will receive the above property tax back.

18 Events after the balance sheet date

- (a) The Executive Board of Directors' Meeting held on 24 July 2007 unanimously approved the principle for distribution center construction project of Thai Beverage Logistics Co., Ltd. under the budget of Baht 2,541 million.
- (b) The Board of Directors' Meeting held on 14 August 2007 unanimously passed the following resolutions:
- Approval for the capital increase of International Beverage Holdings Ltd., the Company's subsidiary, in the amount of HKD 390 million in order to increase the capital of Pacific Spirits (UK) Limited of GBP 24 million.
 - Approval for the borrowing of one year term loan from a financial institution in the amount of Baht 1,600 million in order to increase the capital of International Beverage Holdings Ltd.
 - Approval for the issuance and offering of bill of exchange in the amount not exceed Baht 5,000 million and/or equivalent amount in any other currency with the redemption period not more than 270 days from the date of issuance to the public and/or specific investors and/or institutional investors and/or substantial investors in whole or in part, domestic and/or international once or several times.

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- Approval for the interim dividend payment of 25,110.03 million ordinary shares, Baht 0.12 per share, totalling Baht 3,013 million and appropriation of net profit to legal reserve totalling Baht 800 million.

19 Reclassification of accounts

Certain accounts in the 2006 interim financial statements have been reclassified to conform with the presentation in the 2007 interim financial statements.

20 Significant differences between Thai GAAP and IFRS (unaudited/ unreviewed)

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

(a) Deferred tax

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

Under IFRS, provision is made for deferred tax using a balance sheet approach, with deferred tax calculated on temporary differences, being the differences between the tax and the book values of assets and liabilities. The deferred tax charge or credit is the change in the period in deferred tax liabilities and assets. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be fully utilised.

(b) Employee benefits

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

Under IFRS, employee benefits are accounted for in accordance with IAS No. 19 *Employee Benefits*. Accordingly, termination benefits are recognised as a liability and an expense when, and only when, the enterprise is demonstrably committed to either terminate the employment of an employee or group of employees before the normal retirement date or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

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

(c) *Financial instruments*

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

Under IFRS, derivative financial instruments are recognised on the balance sheet as either an asset or a liability initially at cost, which is the fair value of consideration given (in the case of an asset) or received (in the case of a liability). Transaction costs are included in the initial measurement. Subsequent to initial recognition, derivative financial instruments are stated at fair value. Movements in fair values are recognised in the consolidated statement of income.

(d) *Investment in property*

In accordance with Thai GAAP, owned land held to earn rentals is classified as part of property, plant and equipment. This land is carried at a revalued amount less any subsequent accumulated impairment losses. Movements on the revaluation surplus are reflected in equity.

Under IFRS, owned property held to earn rentals is classified as part of investment property. This is covered by IAS No. 40 *Investment Property*. IAS No. 40 allows enterprises to choose either a fair value model or a cost model to measure investment property.

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

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

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

(e) *Business combination (Goodwill)*

Thai GAAP requires goodwill acquired in business combination to be systematically amortised over its estimated useful life, although its useful life should not exceed 20 years from initial recognition.

Under IFRS, acquired goodwill is measured after initial recognition at cost less any accumulated impairment losses. Therefore, goodwill is not amortised and must be tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

