

**THAI BEVERAGE PUBLIC COMPANY LIMITED**

---

**ENCLOSURE 3**

**FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31, 2005 – 2007  
INTERIM FINANCIAL STATEMENT FOR SIX MONTHS ENDED JUNE 30, 2008  
AND  
INTERIM FINANCIAL STATEMENT FOR NINE-MONTH PERIOD ENDED  
SEPTEMBER 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 nine-month periods ended  
30 September 2008



**KPMG Phoomchai Audit Ltd.**

Empire Tower, 50<sup>th</sup>-51<sup>st</sup> Floors  
195 South Sathorn Road  
Bangkok 10120, Thailand

บริษัท เคพีเอ็มจี ภูมิภาค ไทย สอบบัญชี จำกัด

ชั้น 50-51 เอ็มไพร์ทาวเวอร์  
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 September 2008, and the related statements of income for the three-month and nine-month periods then ended, and the related statements of changes in equity and cash flows for the nine-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 nine-month periods ended 30 September 2007 and the related statements of changes in equity and cash flows for the nine-month period ended 30 September 2007 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 November 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.

*M*



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.

*m. Chetchotiros*

(Nittaya Chetchotiros)  
Certified Public Accountant  
Registration No. 4439

KPMG Phoomchai Audit Ltd.  
Bangkok  
14 November 2008

# Thai Beverage Public Company Limited and its Subsidiaries

## Balance sheets

As at 30 September 2008 and 31 December 2007

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 September 2008 (Unaudited)	31 December 2007 (Restated)	30 September 2008 (Unaudited)	31 December 2007
<i>(in thousand Baht)</i>					
<b>Current assets</b>					
Cash and cash equivalents		4,544,910	2,587,796	2,428,496	9,168
Current investments	7	9,627	114,185	-	-
Trade accounts receivable	6, 8	1,186,008	1,956,547	-	-
Short-term loans to and amounts due from related parties	6	9,625	4,371	3,614,150	3,916,012
Inventories		32,266,488	28,277,663	-	-
Other current assets		2,353,441	1,428,373	15,208	8,482
<b>Total current assets</b>		<b>40,370,099</b>	<b>34,368,935</b>	<b>6,057,854</b>	<b>3,933,662</b>
<b>Non-current assets</b>					
Investments in subsidiaries and associates	9	113,482	124,518	74,018,339	71,470,330
Other long-term investments	7	10,893	5,633	-	-
Long-term loans to and amounts due from related parties	6	58,509	5,798	6,059,666	9,418,244
Property, plant and equipment	10	40,084,199	44,639,783	61,382	71,001
Intangible assets		1,135,805	1,129,073	17,919	16,766
Other non-current assets		2,067,034	2,132,229	337,870	344,564
<b>Total non-current assets</b>		<b>43,469,922</b>	<b>48,037,034</b>	<b>80,495,176</b>	<b>81,320,905</b>
<b>Total assets</b>		<b>83,840,021</b>	<b>82,405,969</b>	<b>86,553,030</b>	<b>85,254,567</b>

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Balance sheets

As at 30 September 2008 and 31 December 2007

Liabilities and equity	Note	Consolidated		Separate	
		30 September 2008 (Unaudited)	31 December 2007 (Restated)	30 September 2008 (Unaudited)	31 December 2007
<i>(in thousand Baht)</i>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	11	15,134,474	5,998,234	8,880,309	4,797,684
Trade accounts payable	6, 12	2,921,475	2,640,053	-	-
Current portion of long-term					
guaranteed bonds	11	-	3,000,000	-	3,000,000
Current portion of long-term loans	11	3,900,000	1,755,000	3,900,000	1,755,000
Short-term loans from and amounts due					
to related parties	6	63,675	69,686	2,736,301	2,115,288
Other short-term loan		7,000	7,000	-	-
Income tax payable		1,257,070	2,783,233	103,448	146,249
Liabilities from business combination					
under common control	3	3,053,785	-	3,053,785	-
Other current liabilities		2,981,435	3,497,752	415,391	161,543
<b>Total current liabilities</b>		<b>29,318,914</b>	<b>19,750,958</b>	<b>19,089,234</b>	<b>11,975,764</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions	11	1,500,000	5,400,000	1,500,000	5,400,000
Long-term loans from and amounts due					
to related parties	6, 11	4,388	270	5,902,100	6,540,500
Other non-current liabilities		125,267	160,106	-	118
<b>Total non-current liabilities</b>		<b>1,629,655</b>	<b>5,560,376</b>	<b>7,402,100</b>	<b>11,940,618</b>
<b>Total liabilities</b>		<b>30,948,569</b>	<b>25,311,334</b>	<b>26,491,334</b>	<b>23,916,382</b>

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Balance sheets

As at 30 September 2008 and 31 December 2007

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		30 September 2008 (Unaudited)	31 December 2007 (Restated)	30 September 2008 (Unaudited)	31 December 2007
<i>(in thousand Baht)</i>					
<b>Equity</b>					
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	3	(19,732,227)	(16,201,123)	-	-
Reserves					
Share premium		17,215,737	17,215,737	17,215,737	17,215,737
Currency translation changes		(660,402)	(208,076)	-	-
Fair value changes and revaluation surplus		4,262,802	4,388,935	-	-
Retained earnings					
Appropriated-legal reserve		2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated		22,544,582	22,644,726	14,835,934	16,112,423
<b>Total equity attributable to equity holders of the Company</b>		<b>51,640,517</b>	<b>55,850,224</b>	<b>60,061,696</b>	<b>61,338,185</b>
Minority interests		1,250,935	1,244,411	-	-
<b>Total equity</b>		<b>52,891,452</b>	<b>57,094,635</b>	<b>60,061,696</b>	<b>61,338,185</b>
<b>Total liabilities and equity</b>		<b>83,840,021</b>	<b>82,405,969</b>	<b>86,553,030</b>	<b>85,254,567</b>

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 September 2008 and 2007 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2008	2007	2008	2007
			(Restated)		
		<i>(in thousand Baht)</i>			
<b>Revenues</b>	6				
Revenue from sales		22,650,133	23,282,523	-	-
Management fees		-	-	527,618	604,473
Interest income		3,336	9,154	117,522	195,405
Dividends		-	-	2,882,005	4,888,734
Gain on sale of investment		525,879	-	216,460	-
Other income		60,561	35,386	(2,217)	11,151
<b>Total revenues</b>		<b>23,239,909</b>	<b>23,327,063</b>	<b>3,741,388</b>	<b>5,699,763</b>
<b>Expenses</b>	6				
Cost of sales		16,438,765	16,077,976	-	-
Selling and administrative expenses		3,320,790	3,868,189	283,981	263,813
<b>Total expenses</b>		<b>19,759,555</b>	<b>19,946,165</b>	<b>283,981</b>	<b>263,813</b>
<b>Profit before interest and income tax expenses</b>		<b>3,480,354</b>	<b>3,380,898</b>	<b>3,457,407</b>	<b>5,435,950</b>
Interest expense		173,430	261,030	249,281	342,329
Income tax expense		971,945	1,044,268	112,076	63,434
<b>Profit for the period</b>		<b>2,334,979</b>	<b>2,075,600</b>	<b>3,096,050</b>	<b>5,030,187</b>
<b>Attributable to:</b>					
Equity holders of the Company		2,238,082	1,993,658	3,096,050	5,030,187
Minority interests		96,897	81,942	-	-
<b>Profit for the period</b>		<b>2,334,979</b>	<b>2,075,600</b>	<b>3,096,050</b>	<b>5,030,187</b>
<b>Basic earnings per share (Baht)</b>	14	<b>0.09</b>	<b>0.08</b>	<b>0.12</b>	<b>0.20</b>

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



# Thai Beverage Public Company Limited and its Subsidiaries

## Statements of income

For the nine-month periods ended 30 September 2008 and 2007 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2008	2007	2008	2007
			(Restated)		
		<i>(in thousand Baht)</i>			
<b>Revenues</b>	6				
Revenue from sales		76,517,665	74,668,722	-	-
Management fees		-	-	1,853,902	1,860,865
Interest income		22,393	30,152	399,468	558,459
Dividends		-	-	5,431,439	20,290,213
Gain on sale of investment		525,879	-	216,460	6
Other income		142,100	202,492	12,091	84,265
<b>Total revenues</b>		<b>77,208,037</b>	<b>74,901,366</b>	<b>7,913,360</b>	<b>22,793,808</b>
<b>Expenses</b>	6				
Cost of sales		55,335,878	52,150,282	-	-
Selling and administrative expenses		10,520,786	10,640,842	875,024	844,353
<b>Total expenses</b>		<b>65,856,664</b>	<b>62,791,124</b>	<b>875,024</b>	<b>844,353</b>
<b>Profit before interest and income tax expenses</b>		<b>11,351,373</b>	<b>12,110,242</b>	<b>7,038,336</b>	<b>21,949,455</b>
Interest expense		463,469	819,002	765,514	1,272,327
Income tax expense		3,252,116	3,721,527	267,404	174,958
<b>Profit for the period</b>		<b>7,635,788</b>	<b>7,569,713</b>	<b>6,005,418</b>	<b>20,502,170</b>
<b>Attributable to:</b>					
Equity holders of the Company		7,380,662	7,356,412	6,005,418	20,502,170
Minority interests		255,126	213,301	-	-
<b>Profit for the period</b>		<b>7,635,788</b>	<b>7,569,713</b>	<b>6,005,418</b>	<b>20,502,170</b>
<b>Basic earnings per share (Baht)</b>	3, 14	<b>0.29</b>	<b>0.29</b>	<b>0.24</b>	<b>0.82</b>

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 nine-month periods ended 30 September 2008 and 2007 (Unaudited)

	Consolidated financial statements (Restated)							
	Reserves				Retained earnings			
	Issued and paid-up share capital	Difference arising from common control transactions	Currency translation changes	Fair value changes and revaluation surpluses	Appropriated to legal reserve	Unappropriated	Minority interests	Total equity attributable to equity holders of the Company
				<i>(in thousand Baht)</i>				
<b>Balance at 1 January 2007</b>	<b>25,110,025</b>	<b>(17,141,406)</b>	<b>(19,508)</b>	<b>6,586,263</b>	<b>1,700,000</b>	<b>19,102,445</b>	<b>506</b>	<b>52,554,062</b>
Difference arising from common control transactions	-	795,570	-	-	-	-	1,016,618	1,812,188
<b>Restated balance</b>	<b>25,110,025</b>	<b>(16,345,836)</b>	<b>(19,508)</b>	<b>6,586,263</b>	<b>1,700,000</b>	<b>19,102,445</b>	<b>1,017,124</b>	<b>54,366,250</b>
<b>Change in equity for the period</b>								
Net surplus on property revaluation	-	-	-	(134,521)	-	134,521	-	-
Translation loss relating to financial statements of foreign operations	-	-	(39,528)	-	-	-	-	(39,528)
Net expense recognised directly in equity	-	-	(39,528)	(134,521)	-	134,521	-	(39,528)
Profit for the period	-	166,863	-	-	-	7,189,549	213,301	7,569,713
<b>Total recognised income and expense</b>	<b>-</b>	<b>166,863</b>	<b>(39,528)</b>	<b>(134,521)</b>	<b>-</b>	<b>7,324,070</b>	<b>213,301</b>	<b>7,530,185</b>
Effects of change to percentage of holding	-	-	-	-	-	-	(21)	(21)
Legal reserve	-	-	-	-	800,000	(800,000)	-	-
Dividends	-	-	-	-	-	(5,775,306)	(465)	(5,775,771)
Dividends paid by subsidiaries before business restructuring	-	(42,804)	-	-	-	-	(54,696)	(97,500)
<b>Balance at 30 September 2007</b>	<b>25,110,025</b>	<b>(16,221,777)</b>	<b>(59,036)</b>	<b>6,451,742</b>	<b>2,500,000</b>	<b>19,851,209</b>	<b>1,175,243</b>	<b>56,023,143</b>

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 nine-month periods ended 30 September 2008 and 2007 (Unaudited)**

	Consolidated financial statements (Restated)							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	Reserves	Retained earnings						
Note			Share premium	Currency translation changes	Fair value changes and revaluation surpluses	Appropriated to legal reserve	Unappropriated			
					<i>(in thousand Baht)</i>					
<b>Balance at 1 January 2008</b>	<b>25,110,025</b>	<b>(17,141,406)</b>	<b>17,215,737</b>	<b>(208,076)</b>	<b>4,388,935</b>	<b>2,900,000</b>	<b>22,644,726</b>	<b>54,909,941</b>	<b>42,872</b>	<b>54,952,813</b>
Difference arising from common control transactions	-	940,283	-	-	-	-	-	940,283	1,201,539	2,141,822
<b>Restated balance</b>	<b>25,110,025</b>	<b>(16,201,123)</b>	<b>17,215,737</b>	<b>(208,076)</b>	<b>4,388,935</b>	<b>2,900,000</b>	<b>22,644,726</b>	<b>55,850,224</b>	<b>1,244,411</b>	<b>57,094,635</b>
<b>Change in equity for the period</b>										
Sale of a subsidiary	-	-	-	-	(126,133)	-	-	(126,133)	-	(126,133)
Translation loss relating to financial statements of foreign operations	-	-	-	(452,326)	-	-	-	(452,326)	-	(452,326)
Net expense recognised directly in equity	-	-	-	(452,326)	(126,133)	-	-	(578,459)	-	(578,459)
Profit for the period	-	198,899	-	-	-	-	7,181,763	7,380,662	255,126	7,635,788
<b>Total recognised income and expense</b>	<b>-</b>	<b>198,899</b>	<b>-</b>	<b>(452,326)</b>	<b>(126,133)</b>	<b>-</b>	<b>7,181,763</b>	<b>6,802,203</b>	<b>255,126</b>	<b>7,057,329</b>
Effects of change to percentage of holding	-	-	-	-	-	-	-	-	(38,118)	(38,118)
Consideration paid to shareholder of subsidiary for common control transactions	-	(3,053,252)	-	-	-	-	-	(3,053,252)	-	(3,053,252)
Sale of a subsidiary	-	(512,122)	-	-	-	-	-	(512,122)	-	(512,122)
Dividends	-	-	-	-	-	-	(7,281,907)	(7,281,907)	(113)	(7,282,020)
Dividends paid by subsidiaries before business restructuring	-	(164,629)	-	-	-	-	-	(164,629)	(210,371)	(375,000)
<b>Balance at 30 September 2008</b>	<b>25,110,025</b>	<b>(19,732,227)</b>	<b>17,215,737</b>	<b>(660,402)</b>	<b>4,262,802</b>	<b>2,900,000</b>	<b>22,544,582</b>	<b>51,640,517</b>	<b>1,250,935</b>	<b>52,891,452</b>

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 nine-month periods ended 30 September 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 <i>(in thousand Baht)</i>	Appropriated to legal reserve	Unappropriated		
<b>Balance at 1 January 2007</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>134,521</b>	<b>1,700,000</b>	<b>3,534,895</b>	<b>47,695,178</b>	
Net surplus on property revaluation	-	-	(134,521)	-	134,521	-	
Profit for the period	-	-	-	-	20,502,170	20,502,170	
<b>Total recognised income and expense</b>			<b>(134,521)</b>		<b>20,636,691</b>	<b>20,502,170</b>	
Legal reserve	-	-	-	800,000	(800,000)	-	
Dividends	-	-	-	-	(5,775,306)	(5,775,306)	
<b>Balance at 30 September 2007</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>-</b>	<b>2,500,000</b>	<b>17,596,280</b>	<b>62,422,042</b>	
<b>Balance at 1 January 2008</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>-</b>	<b>2,900,000</b>	<b>16,112,423</b>	<b>61,338,185</b>	
Profit for the period	-	-	-	-	6,005,418	6,005,418	
Dividends	-	-	-	-	(7,281,907)	(7,281,907)	
<b>Balance at 30 September 2008</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>-</b>	<b>2,900,000</b>	<b>14,835,934</b>	<b>60,061,696</b>	

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 nine-month periods ended 30 September 2008 and 2007 (Unaudited)

	Consolidated		Separate		
	<i>Note</i>	financial statements	financial statements		
	2008	2007	2008	2007	
		(Restated)			
		<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>					
Profit for the period		7,635,788	7,569,713	6,005,418	20,502,170
<i>Adjustments for</i>					
Depreciation and amortisation		3,941,386	3,925,603	23,158	21,897
Interest income		(22,393)	(30,152)	(399,468)	(558,459)
Interest expense		463,469	819,002	765,514	1,272,327
Unrealised (gain) loss on exchange rate		(4,787)	18,180	-	4,628
(Reversal of) bad debts and allowance for doubtful accounts		2,129	(22,844)	-	-
Amortisation of advance payments to a specialist		37,500	37,500	7,031	7,031
(Reversal of) allowance for obsolete inventories		(327,205)	175,793	-	-
Gain on sale and disposal of property, plant and equipment and intangible assets		(8,059)	(67,099)	(402)	(63,881)
Gain on sale of investment		(525,879)	-	(216,460)	(6)
Dividends		-	-	(5,431,439)	(20,290,213)
Income tax expense		3,252,116	3,721,527	267,404	174,958
		<u>14,444,065</u>	<u>16,147,223</u>	<u>1,020,756</u>	<u>1,070,452</u>
<b><i>Changes in operating assets and liabilities</i></b>					
Trade accounts receivable		768,382	405,540	-	-
Amounts due from related parties		(5,304)	34,024	121,661	1,391,370
Inventories		(3,661,620)	(3,091,465)	-	-
Other current assets		(925,254)	348,841	(6,727)	(35,739)
Other non-current assets		-	-	(336)	-
Trade accounts payable		285,130	(306,526)	-	-
Amounts due to related parties		(1,595)	(154,352)	(5,013)	7,729
Other current liabilities		(237,689)	699,579	319,618	199,040
Other non-current liabilities		(34,840)	(13,738)	(118)	-
Income taxes paid		<u>(4,778,279)</u>	<u>(4,206,755)</u>	<u>(310,205)</u>	<u>(157,772)</u>
<b>Net cash provided by operating activities</b>		<b><u>5,852,996</u></b>	<b><u>9,862,371</u></b>	<b><u>1,139,636</u></b>	<b><u>2,475,080</u></b>

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 nine-month periods ended 30 September 2008 and 2007 (Unaudited)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
Note	2008	2007	2008	2007
	(Restated)			
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Interest received	22,496	30,458	424,581	548,295
Dividends received	-	-	5,431,439	20,290,213
Current investments	104,559	(102,105)	-	-
Loans to and amounts due from related parties	296,157	(611)	3,513,666	(660,138)
Investments in subsidiaries and associates	11,037	36,010	(869,250)	(8,565,547)
Long-term investments	(5,260)	(110,320)	-	-
Purchase of property, plant and equipment	(1,767,440)	(770,162)	(10,245)	(2,161)
Decrease in property, plant and equipment	164,289	877,553	1,893	819,206
Purchase of intangible assets	(24,013)	(78,228)	(5,090)	(10,319)
Decrease of intangible assets	18,030	4,733	-	-
Other non-current assets	27,695	(7,144)	-	-
Purchase of investments in subsidiaries	(81,050)	(21)	-	(115)
Proceeds from sale of subsidiaries	1,590,953	-	1,590,953	8
<b>Net cash provided by (used in)</b>				
<b>investing activities</b>	<b>357,453</b>	<b>(119,837)</b>	<b>10,077,947</b>	<b>12,419,442</b>
<b><i>Cash flows from financing activities</i></b>				
Interest paid	(525,229)	(931,532)	(838,173)	(1,452,991)
Dividends paid to equity holders of the Company	(7,281,907)	(5,775,306)	(7,281,907)	(5,775,306)
Dividends paid to minority interests	(113)	(465)	-	-
Dividends paid by subsidiary before business restructuring	(375,000)	(97,500)	-	-
Bank overdrafts and short-term loans from financial institutions	9,136,240	5,558,094	4,082,625	6,521,226
Repayment of short-term guaranteed bonds	-	(2,200,000)	-	(2,200,000)
Repayment of long-term guaranteed bonds	(3,000,000)	(2,300,000)	(3,000,000)	(2,300,000)
Loans from related parties	-	(4,615,232)	(5,800)	(11,075,200)
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)	(3,125,000)	(1,755,000)	(3,125,000)
<b>Net cash used in financing activities</b>	<b>(3,801,009)</b>	<b>(8,986,941)</b>	<b>(8,798,255)</b>	<b>(14,907,271)</b>

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 nine-month periods ended 30 September 2008 and 2007 (Unaudited)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2008	2007 (Restated)	2008	2007
<i>(in thousand Baht)</i>					
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>2,409,440</b>	<b>755,593</b>	<b>2,419,328</b>	<b>(12,749)</b>
Cash and cash equivalents at beginning of period		2,587,796	1,941,381	9,168	15,623
Effect of exchange rate changes on balances held in foreign currencies		(452,326)	(39,528)	-	-
<b>Cash and cash equivalents at end of period</b>		<b><u>4,544,910</u></b>	<b><u>2,657,446</u></b>	<b><u>2,428,496</u></b>	<b><u>2,874</u></b>
<b><i>Non-cash transaction</i></b>					
Purchase of investments in subsidiary	3	3,053,252	-	3,053,252	-

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 nine-month periods ended 30 September 2008 (Unaudited)**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the financial statements
3	Common control transactions
4	Seasonal operations
5	Significant transactions
6	Related party transactions and balances
7	Other investments
8	Trade accounts receivable
9	Investments in subsidiaries and associates
10	Property, plant and equipment
11	Interest-bearing liabilities
12	Trade accounts payable
13	Segment information
14	Earnings per share
15	Dividends
16	Changes in accounting policy
17	Commitments with non-related parties
18	Events after the balance sheet date
19	Reclassification of accounts
20	Significant differences between Thai GAAP and IFRS



**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 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 November 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 and distribution of alcoholic and non-alcoholic beverages, industrial alcohol, semi-finished food, finished food, bread, ramen and other by-products including Japanese restaurants. Details of the Company’s subsidiaries as at 30 September 2008 and 31 December 2007 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 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. 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. Kanchanasing Korn 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
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

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

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2008	31 December 2007
<b>Direct subsidiaries (continued)</b>				
31. Num Thurakij Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
32. Thipchalothorn Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
33. Krittayabun Co., Ltd.	Beer and spirits 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
37. Thai beverage Energy Co., Ltd. (Formerly: 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. Feed Addition Co., Ltd. (Formerly: 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 52 Co., Ltd.	Brick producer	Thailand	100.00	100.00
43. Thai Cooperage Co., Ltd.	Oak barrel producer	Thailand	100.00	100.00
44. Thai Beverage Recycle Co., Ltd. (Formerly: 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. Archa 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	-
56. Oishi Group PCL.*	Japanese restaurant business and production and distribution of food and beverage	Thailand	43.90	-
<b>Indirect subsidiaries</b>				
57. Thai Thum Distillery Co., Ltd. #	Trading of spirits	Thailand	99.90	99.90
58. Sura Piset Sahasan Co., Ltd. #	Production and distribution of spirits	Thailand	100.00	100.00
59. Sura Piset Sampan Co., Ltd. #	Production and distribution of spirits	Thailand	100.00	100.00
60. Muangkij Co., Ltd. #	Import of oak woods	Thailand	100.00	100.00
61. Sint Ek Panich Co., Ltd. #	Mining	Thailand	-	100.00
62. Pan Alcohol Co., Ltd. #	Production and distribution of vinegar	Thailand	100.00	100.00

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

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2008	31 December 2007
<b>Indirect subsidiaries (continued)</b>				
63. Banglen Agriculture Co., Ltd. #	Agriculture	Thailand	-	100.00
64. Vitayathan Co., Ltd.	Environmental public relations	Thailand	100.00	100.00
65. InterBev (Singapore) Limited	Trading of alcoholic beverages	Singapore	100.00	100.00
66. InterBev (Cambodia) Co., Ltd.	Trading of alcoholic beverages	Cambodia	100.00	100.00
67. InterBev Malaysia Sdn. Bhd.	Trading of alcoholic beverages	Malaysia	100.00	100.00
68. International Beverage Holdings Limited USA, Inc.	Trading of alcoholic beverages	United States of America	100.00	100.00
69. Best Spirits Company Limited	Trading of alcoholic beverages	Hong Kong	100.00	100.00
70. International Beverage Holdings (UK) Limited	Holding company	United Kingdom	100.00	100.00
71. United Products Co., Ltd.	Production and distribution of spirits	Thailand	97.98	80.82
72. S P M Foods and Beverages Co., Ltd.	Production and distribution of water and energy drinks, and spirits agency	Thailand	83.20	83.20
73. Oishi Trading Co., Ltd.*	Production and distribution of food and beverage	Thailand	43.90	-
74. Oishi Ramen Co., Ltd.*	Japanese ramen restaurants	Thailand	43.90	-
<b>Subsidiaries of indirect subsidiaries**</b>				
75. Blairmhor Limited #	Holding Company	United Kingdom	100.00	100.00
76. Inver House Distillers Limited	Production and distribution of spirits	United Kingdom	100.00	100.00
77. Blairmhor Distillers Limited #	Dormant	United Kingdom	100.00	100.00
78. Wee Beastie Limited #	Dormant	United Kingdom	100.00	100.00
79. Speyburn-Glenlivet Distillery Company Limited #	Dormant	United Kingdom	100.00	100.00
80. The Knockdhu Distillery Company Limited #	Dormant	United Kingdom	100.00	100.00
81. The Pulteney Distillery Company Limited #	Dormant	United Kingdom	100.00	100.00
82. The Balblair Distillery Company Limited #	Dormant	United Kingdom	100.00	100.00
83. R. Carmichael & Sons Limited #	Dormant	United Kingdom	100.00	100.00
84. J MacArthur Junior & Company Limited #	Dormant	United Kingdom	100.00	100.00
85. Mason & Summers Limited #	Dormant	United Kingdom	100.00	100.00
86. Hankey Bannister Limited #	Dormant	United Kingdom	100.00	100.00
87. James Catto & Company Limited #	Dormant	United Kingdom	100.00	100.00
88. Glen Calder Blenders Limited #	Dormant	United Kingdom	100.00	100.00
89. Moffat & Towers Limited #	Dormant	United Kingdom	100.00	100.00
<b>Associates of indirect subsidiaries***</b>				
90. Liquorland Limited	Off licences	United Kingdom	49.49	49.49
91. Inver House Polska Limited	Trading of alcoholic beverages	Poland	44.00	44.00
92. Inver House Distribution SA #	Dormant	France	50.02	50.02

\* The Company has the power to govern the financial and operating policies of these subsidiaries.

\*\* Subsidiaries of International Beverage Holdings (UK) Limited

\*\*\* Associates of International Beverage Holdings (UK) Limited

# These are currently non-trading.

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

**2 Basis of preparation of the 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.

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 16 to the financial statements.

Accounting policies and methods of computation applied in the interim financial statements for the three-month and nine-month periods ended 30 September 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 16 to the financial statements.

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

**3 Common control transactions**

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 between 2003 and 2006. Prior to the restructuring these business were under the common control of the ultimate controlling shareholder of the Company.

As the same ultimate controlling shareholder controlled the businesses and operations transferred to the Company both before and after the recent restructuring, the consolidated financial statements have been prepared on the basis of a business combination involving entities and businesses under common control. Accordingly, the transfer of businesses and operations has been accounted for in a manner similar to a pooling of interests and the assets, liabilities and contingent liabilities transferred have been accounted for at book values.

On 30 September 2008, the Company acquired 43.9% interest in Oishi Group Public Company Limited and its subsidiaries, "Oishi", from a company affiliated with the controlling shareholders of the Company, under a common ultimate controlling shareholder. As the same ultimate controlling shareholder controlled Oishi both before and after the acquisition, the consolidated financial statements have been prepared on the basis of a business combination involving an entity under common control.

The consolidated balance sheets have been prepared to present assets and liabilities of Oishi as if the acquisition had taken place at the beginning of 2007. Therefore, the consolidated financial statements for the year ended 31 December 2007 have been revised to include the assets, liabilities and operations of Oishi acquired during 2008. The assets and liabilities acquired have been stated at their carrying values, after adjusting for intercompany transactions and transactions with the ultimate controlling shareholder. The consolidated statements of income and cash flows include the results of operations and cash flows as if the businesses and operations of Oishi had been acquired at the beginning of 2007.

The difference of Baht 2,079 million between the consideration of Baht 3,053 million to be paid by the Company for the acquisition of the 43.9% interest in Oishi and the carrying amount of the net identifiable assets of Oishi at the date of the transaction and attributable to the Company's equity interest of Baht 974 million is included in "Difference arising from common control transactions".

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

**Restatement**

The consolidated financial statements for the year ended 31 December 2007 and 2006 have been restated accordingly. The effects of the restatement on the consolidated balance sheets as at 31 December 2007 and 2006, and the consolidated statement of income for the nine-month period ended 30 September 2007 are summarized as follows:

	Balance previously reported	<b>Consolidated</b> Effect of the restatement <i>(in million Baht)</i>	Balance restated
<b>2007</b>			
<b>Balance sheet</b>			
Total assets	79,527	2,879	82,406
Total liabilities	24,574	737	25,311
Difference arising from common control transactions	(17,141)	940	(16,201)
Minority interests	43	1,201	1,244
Equity	54,953	2,142	57,095
<b>2006</b>			
<b>Balance sheet</b>			
Total assets	85,579	2,485	88,064
Total liabilities	33,025	673	33,698
Difference arising from common control transactions	(17,141)	795	(16,346)
Minority interests	1	1,016	1,017
Equity	52,554	1,812	54,366
<b>2007</b>			
<b>Statement of income</b>			
Net profit	7,190	380	7,570
Basic earnings per share (Baht)	0.29	-	0.29

**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.

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

**5 Significant transactions**

Significant transactions occurring during the nine-month period ended 30 September 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 the majority of the ordinary shares in Carabao Tawandaeng Co., Ltd., a company engaged in the production and sales of energy drinks. It is currently in the process of negotiating the details of the aforementioned acquisition.
- (c) The Executive Board of Directors' meeting held on 18 February 2008 unanimously passed the resolution to approve in principle the decrease of authorised share capital of S P M Foods and Beverages Co., Ltd. in two stages of 75% each and the subsequent increase of authorised share capital. The authorised share capital will be decreased first from Baht 100 million to Baht 25 million and second from Baht 25 million to Baht 6.25 million. Subsequently, 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 invest in the increase in capital of its subsidiary, International Beverage Holdings Limited USA, Inc., required for increased working capital.
- (f) On 10 April 2008, Thai Beverage Energy Co., Ltd. (Formerly: Bionic Humus Co., Ltd.), the Company's subsidiary, received the second payment for the increase in its authorised share capital at 40% of the additional authorised share capital amounting to Baht 340 million.
- (g) On 22 May 2008, Thai Drinks Co., Ltd., the Company's subsidiary, was incorporated with authorised share capital of Baht 1 million by issuing 10,000 ordinary shares with a Baht 100 par value. The first call for the capital paid up was Baht 25 per share. Currently, this subsidiary is in the process of increasing its authorized share capital from Baht 1 million to Baht 60 million by issuing 590,000 ordinary shares with a Baht 100 par value, totalling Baht 59 million.

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2008 (Unaudited)

- (h) On 2 June 2008, Sura Piset Phatra Lanna Co., Ltd., the Company's subsidiary, acquired an additional 600,369 ordinary shares in United Products Co., Ltd., the Company's indirect subsidiary, from an existing shareholder at Baht 135 per share, totalling Baht 81 million.
- (i) On 26 September 2008, the Company issued and sold short-term bills of exchange amounting to Baht 5,000 million to two domestic financial institutions with the periods to maturity between March 2009 and June 2009.
- (j) On 30 September 2008, the Company purchased from Yodkij Business Co., Ltd., a company affiliated with the controlling shareholders of the Company, 82,314,537 ordinary shares, representing 43.9% of the share capital of Oishi Group Public Company Limited, a company listed in the Stock Exchange of Thailand, for a consideration of Baht 37 per share, totalling Baht 3,045.64 million. Then, the Company sold its entire share holding of Thai Alcohol Public Company Limited to Damrongfah Co., Ltd., a company affiliated with the controlling shareholders of the Company, for a consideration of Baht 1,590.95 million based on a discounted cash flow valuation by Prime Partners Corporate Finance Pte Ltd., an independent financial adviser licensed by the Monetary Authority of Singapore. The net gain on sale of the investment was Baht 525.79 million, after transferring the net surplus on property revaluation of Baht 126.13 million and "Difference arising from common control transactions" of Baht 512.12 million, previously recorded in equity, to the statement of income.

## 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.

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. Kanchanasingkorn 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. Karnsura 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. Pomthip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding



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

<b>Name of the entity</b>	<b>Country of incorporation</b>	<b>Nature of relationships</b>
20. Pomkit Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
21. Pomkung Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
22. Pomchok Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
23. Pomcharoen Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
24. Pomburapa Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
25. Num Yuk Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
26. Num Kijjakarn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
27. Num Palang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
28. Num Muang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
29. Num Nakorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
30. Num Thurakij Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
31. Thipchalothorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
32. Krittayabun Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
33. Surathip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
34. Sunthronpirom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
35. Piromsurang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
36. Thai Beverage Energy Co., Ltd. (Formerly: Bionic Humus Co., Ltd.)	Thailand	Direct subsidiary, 100% shareholding
37. Wrangyer Beverage (2008) Co., Ltd. (Formerly: Maharas Agri Co., Ltd.)	Thailand	Direct subsidiary, 100% shareholding
38. Thai Molasses Co., Ltd.	Thailand	Direct subsidiary, 99.72% shareholding
39. Feed Addition Co., Ltd. (Formerly: Additive Food Co., Ltd.)	Thailand	Direct subsidiary, 100% shareholding
40. Pan International (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
41. Charun Business 52 Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
42. Thai Cooperage Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
43. The Beverage Recycle Co., Ltd. (Formerly: Bang-Na Logistic Co., Ltd.)	Thailand	Direct subsidiary, 100% shareholding
44. Thai Beverage Logistics Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
45. Thai Beverage Marketing Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
46. Dhanasindhi Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
47. Dhospaak Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
48. International Beverage Holdings Ltd.	Hong Kong	Direct subsidiary, 100% shareholding
49. Cosmos Brewery (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
50. Thai Beverage Brands Co., Ltd. (Formerly: T.C.C. Cosmo Corporation Ltd.)	Thailand	Direct subsidiary, 100% shareholding
51. Beer Chang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
52. Archa Beer Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
53. Sura Piset Phatra Lanna Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
54. Thai Drinks Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
55. Oishi Group PCL.	Thailand	Direct subsidiary, 43.90% shareholding
56. Thai Thum Distillery Co., Ltd.	Thailand	Indirect subsidiary, 99.90% shareholding
57. Sura Piset Sahasan 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. Pan Alcohol Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
61. Vitayathan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
62. InterBev (Singapore) Limited	Singapore	Indirect subsidiary, 100% shareholding
63. InterBev (Cambodia) Co., Ltd.	Cambodia	Indirect subsidiary, 100% shareholding
64. InterBev Malaysia Sdn. Bhd.	Malaysia	Indirect subsidiary, 100% shareholding
65. International Beverage Holdings Limited USA, Inc.	United States of America	Indirect subsidiary, 100% shareholding
66. Best Spirits Company Limited	Hong Kong	Indirect subsidiary, 100% shareholding

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

<b>Name of the entity</b>	<b>Country of incorporation</b>	<b>Nature of relationships</b>
67. International Beverage Holdings (UK) Limited	United Kingdom	Indirect subsidiary, 100% shareholding
68. United Products Co., Ltd.	Thailand	Indirect subsidiary, 97.98% shareholding
69. S P M Foods and Beverages Co., Ltd.	Thailand	Indirect subsidiary, 83.20% shareholding
70. Oishi Trading Co., Ltd.	Thailand	Indirect subsidiary, 43.90% shareholding
71. Oishi Ramen Co., Ltd.	Thailand	Indirect subsidiary, 43.90% shareholding
72. Blairmhor Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
73. Inver House Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
74. Blairmhor Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
75. Wee Beastie 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 Balblair 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. Liquorland 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. Thai Alcohol PCL.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
91. Sint Ek Panich Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
92. Banglen Agriculture Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
93. O.G.T. Co., Ltd.	Thailand	Director of subsidiary is relative of director of O.G.T. Co., Ltd.
94. Pisetkij Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
95. PS Recycle Co., Ltd.	Thailand	Directors and controlling shareholders are relatives of controlling person
96. The Southeast Insurance Co., Ltd. (Formerly: The Southeast Insurance (2000) Co., Ltd.)	Thailand	Directors and controlling shareholders hold substantial shares indirectly
97. New Noble Property and Loan Fund	Thailand	Directors and controlling shareholders are the principal unit holder of this real estate investment fund
98. The Maewang Sugar Industry Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
99. The Chonburi Sugar Corp. Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
100. The Utaradit Sugar Industry Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
101. The Suphanburi Sugar Industry Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
102. Dynamic Assets Property and Loan Fund	Thailand	Directors and controlling shareholders are the principal unit holder of this real estate investment fund
103. Berli Jucker PCL.	Thailand	Directors and controlling shareholders hold substantial shares indirectly

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

<b>Name of the entity</b>	<b>Country of incorporation</b>	<b>Nature of relationships</b>
104. Thai Beverage Can Ltd.	Thailand	Directors and controlling shareholders hold 50% shares
105. Southeast Capital Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
106. T.C.C. Technology Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
107. TCC Capital Land Limited (Formerly: T.C.C. Capital Land Limited)	Thailand	Directors and controlling shareholders hold substantial shares indirectly
108. Great Oriole Limited	British Virgin Islands	Have common controlling shareholders
109. Madrigal Trading Limited	British Virgin Islands	Directors and shareholders are the directors of subsidiary
110. Thai Glass Industries PCL.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
111. Bang-Na Glass Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
112. Plaza Athenee Hotel (Thailand) Co., Ltd.	Thailand	Directors and controlling shareholders are the directors and hold substantial shares indirectly
113. TCC Hotel Collection Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
114. Siam Realty Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
115. Best Fortune Property and Loan Fund	Thailand	Directors and controlling shareholders are the principal unit holder of this real estate investment fund
116. Terragro Fertilizer Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
117. Dhipaya Sugar (1999) Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
118. BJC Industrial and Trading Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
119. North Park Real Estate Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
120. North Park Golf And Sport Club Co., Ltd.	Thailand	Directors and controlling shareholders are directors and hold substantial shares indirectly
121. TCC PD 11 Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
122. Thippatana Arcade Co., Ltd.	Thailand	Directors and controlling shareholders hold substantial shares indirectly
123. Siam Food Products PCL.	Thailand	Directors and controlling shareholders hold substantial shares indirectly

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

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

<b>Transactions</b>	<b>Pricing policies</b>
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 nine-month periods ended 30 September 2008 and 2007 with related parties were as follows:

<i>Three-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b>Subsidiaries</b>				
Management fees	-	-	528	605
Dividends	-	-	2,882	4,889
Purchases of investments	-	-	-	1,720
Interest income	-	-	118	196
Interest expense	-	-	134	137
Other income	-	-	1	1
Other expenses	-	-	13	18
<b>Other related parties</b>				
Revenue from sales	127	119	-	-
Service income	1	4	-	-
Purchases of raw materials and packaging	1,351	1,239	-	-
Overhead costs	47	59	-	-
Purchases of property, plant and equipment	2	1	-	-
Sales investment (See Note 5 to the financial statements)	1,591	-	1,591	-
Interest expense	-	16	-	-
Other income	530	4	217	-
Other expenses	99	71	18	23
Directors' remuneration	39	38	37	37

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2008 (Unaudited)

<i>Nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b>Subsidiaries</b>				
Management fees	-	-	1,854	1,861
Dividends	-	-	5,431	20,290
Purchases of investments	-	-	-	8,565
Interest income	-	-	398	558
Interest expense	-	-	417	629
Other income	-	-	3	6
Other expenses	-	-	32	38
<b>Other related parties</b>				
Revenue from sales	412	357	-	-
Service income	2	11	-	-
Purchases of raw materials and packaging	3,950	3,541	-	-
Overhead costs	132	164	-	-
Sales of property, plant and equipment	5	819	-	819
Purchases of property, plant and equipment	2	32	-	-
Sales investment (See Note 5 to the financial statements)	1,591	-	1,591	-
Interest expense	-	66	-	-
Other income	537	77	217	64
Other expenses	306	224	63	55
Directors' remuneration	233	201	204	189

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

<i>Trade accounts receivable from related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
<b>Other related parties</b>				
O.G.T. Co., Ltd.	53	49	-	-
PS Recycle Co., Ltd.	3	3	-	-
Pisetkij Co., Ltd.	2	3	-	-
Others	4	5	-	-
<b>Total</b>	<b>62</b>	<b>60</b>	<b>-</b>	<b>-</b>

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

**Short-term loans to and amounts due from related parties**

	Consolidated financial statements				Separate financial statements					
	30 September 2008		31 December 2007		30 September 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		Total		Total		Total	
			<i>(in million Baht)</i>							
<b>Subsidiaries</b>										
Beer Thai (1991) PCL.	-	-	-	-	536	26	562	1,786	54	
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	9	9	-	26	
Sangsom Co., Ltd.	-	-	-	-	-	3	3	-	6	
Fuengfunant Co., Ltd.	-	-	-	-	-	2	2	-	2	
Mongkolsamai Co., Ltd.	-	-	-	-	-	1	1	-	1	
Thanapakdi Co., Ltd.	-	-	-	-	-	1	1	-	1	
Kanchanasingkorn Co., Ltd.	-	-	-	-	-	1	1	182	3	
Sura Bangyikhon Co., Ltd.	-	-	-	-	366	9	375	-	8	
Athimart Co., Ltd.	-	-	-	-	-	2	2	-	3	
S.S. Karnsura Co., Ltd.	-	-	-	-	-	2	2	-	3	
Kankwan Co., Ltd.	-	-	-	-	-	2	2	-	4	
Theparunothai Co., Ltd.	-	-	-	-	-	2	2	-	3	
Red Bull Distillery (1988) Co., Ltd.	-	-	-	-	232	9	241	-	9	
United Winery and Distillery Co., Ltd.	-	-	-	-	-	1	1	-	1	
Simathurakij Co., Ltd.	-	-	-	-	389	3	392	519	5	
Natechai Co., Ltd.	-	-	-	-	150	2	152	219	3	
Luekchai Liquor Trading Co., Ltd.	-	-	-	-	75	3	78	431	7	
Sura Piset Thipparat Co., Ltd.	-	-	-	-	133	2	135	-	3	
Pomthip Co., Ltd.	-	-	-	-	-	6	6	-	9	
Pomkit Co., Ltd.	-	-	-	-	-	4	4	-	16	
Pomkung Co., Ltd.	-	-	-	-	-	5	5	-	7	
Pomchok Co., Ltd.	-	-	-	-	-	6	6	-	9	
Pomcharoen Co., Ltd.	-	-	-	-	-	3	3	-	5	
Pomburapa Co., Ltd.	-	-	-	-	-	3	3	-	7	
Num Yuk Co., Ltd.	-	-	-	-	550	12	562	85	12	
Num Kijjakarn Co., Ltd.	-	-	-	-	-	13	13	-	21	
Num Palang Co., Ltd.	-	-	-	-	207	7	214	-	8	
Num Muang Co., Ltd.	-	-	-	-	106	7	113	-	9	

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

**Short-term loans to and amounts due from related parties**

	Consolidated financial statements				Separate financial statements															
	30 September 2008		31 December 2007		30 September 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												
			<i>(in million Baht)</i>																	
<b>Subsidiaries (continued)</b>																				
Num Nakorn Co., Ltd.	-	-	-	-	-	-	-	4	-	4	-	-	5	-	5	-	-	-	5	
Num Thurakij Co., Ltd.	-	-	-	-	-	50	-	55	-	55	-	-	7	-	7	-	-	-	7	
Thipecthalothorn Co., Ltd.	-	-	-	-	-	12	-	34	-	34	-	120	-	38	-	158	-	-	158	
Krittayabun Co., Ltd.	-	-	-	-	-	-	-	27	-	27	-	-	-	42	-	42	-	-	42	
Surathip Co., Ltd.	-	-	-	-	-	-	-	9	-	9	-	-	-	17	-	17	-	-	17	
Sunthronpirom Co., Ltd.	-	-	-	-	-	-	-	2	-	2	-	-	-	3	-	3	-	-	3	
Piromsurang Co., Ltd.	-	-	-	-	-	-	-	1	-	1	-	-	-	1	-	1	-	-	1	
Wangyer Beverage (2008) Co., Ltd. (Formerly: Maharas Agri Co., Ltd.)	-	-	-	-	-	262	-	262	-	262	-	-	-	-	-	-	-	-	-	
Thai Beverage Logistics Co., Ltd. International Beverage Holdings Ltd.	-	-	-	-	-	-	-	-	-	-	-	67	-	-	-	67	-	-	67	
Thai Beverage Brands Co., Ltd. (Formerly: T.C.C. Cosmo Corp., Ltd.)	-	-	-	-	-	-	-	-	-	-	14	-	-	3	-	14	-	-	3	
Sura Piset Phatra Lanna Co., Ltd. Thai Beverage Recycle Co., Ltd. (Formerly: Bang-Na Logistic Co., Ltd.)	-	-	-	-	-	-	-	-	-	-	221	-	-	-	-	221	-	-	2	
<b>Total subsidiaries</b>	-	-	-	-	-	<b>3,393</b>	<b>90</b>	<b>3,613</b>	<b>3,424</b>	<b>3,613</b>	<b>3,393</b>	<b>3,424</b>	<b>361</b>	<b>3,785</b>	<b>361</b>	<b>3,785</b>	<b>361</b>	<b>3,785</b>	<b>361</b>	<b>3,785</b>
<b>Other related parties</b>																				
Thai Alcohol PCL. Pisetkij Co., Ltd. Thai Glass Industries PCL. Others	-	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	1	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	10	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other related parties</b>	-	<b>10</b>	<b>10</b>	<b>4</b>	<b>4</b>	<b>3,393</b>	<b>221</b>	<b>3,614</b>	<b>3,548</b>	<b>3,614</b>	<b>3,393</b>	<b>3,548</b>	<b>368</b>	<b>3,916</b>	<b>368</b>	<b>3,916</b>	<b>368</b>	<b>3,916</b>	<b>368</b>	<b>3,916</b>
<b>Total</b>	-	-	-	-	-	<b>3,393</b>	<b>90</b>	<b>3,613</b>	<b>3,424</b>	<b>3,613</b>	<b>3,393</b>	<b>3,424</b>	<b>361</b>	<b>3,785</b>	<b>361</b>	<b>3,785</b>	<b>361</b>	<b>3,785</b>	<b>361</b>	<b>3,785</b>

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

**Long-term loans to and amounts due from related parties**

	Consolidated financial statements			Separate financial statements			
	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007	
	Long-term loans to	Long-term loans to	Long-term loans to	Long-term loans to	Long-term loans to	Long-term loans to	
	Amounts due from	Amounts due from	Amounts due from	Amounts due from	Amounts due from	Amounts due from	
	Total	Total	Total	Total	Total	Total	
	<i>(in million Baht)</i>						Total
<b>Subsidiaries</b>							
Beer Thai (1991) PCL.	-	-	2,941	-	2,941	4,210	
Thanapakdi Co., Ltd.	-	-	-	-	-	7	
Kanchanasingkorn Co., Ltd.	-	-	-	-	-	286	
Sura Bangyikhan Co., Ltd.	-	-	656	-	656	785	
Kankwan Co., Ltd.	-	-	-	-	-	106	
Red Bull Distillery (1988) Co., Ltd.	-	-	778	-	778	565	
Simathurakij Co., Ltd.	-	-	67	-	67	96	
Natechai Co., Ltd.	-	-	43	-	43	61	
Luckchai Liquor Trading Co., Ltd.	-	-	600	-	600	859	
Sura Piset Thipparat Co., Ltd.	-	-	419	-	419	600	
Thai Alcohol PCL.	-	-	-	-	-	1,145	
Num Yuk Co., Ltd.	-	-	213	-	213	155	
Num Palang Co., Ltd.	-	-	28	-	28	-	
Thai Beverage Recycle Co., Ltd. (Formerly: Bang-Na Logistic Co., Ltd.)	-	-	45	-	45	-	
International Beverage Holdings Ltd.	-	-	-	-	-	196	
Sura Piset Phatra Lanna Co., Ltd.	-	-	238	-	238	340	
Thipecthothorn Co., Ltd.	-	-	20	-	20	-	
<b>Total subsidiaries</b>	<b>-</b>	<b>-</b>	<b>6,048</b>	<b>-</b>	<b>6,048</b>	<b>9,411</b>	



# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month and nine-month periods ended 30 September 2008 (Unaudited)

#### Long-term loans to and amounts due from related parties

	Consolidated financial statements			Separate financial statements		
	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	Long-term loans to	Long-term loans to	Long-term loans to	Long-term loans to	Long-term loans to	Long-term loans to
	Amounts due from	Amounts due from	Amounts due from	Amounts due from	Amounts due from	Amounts due from
	Total	Total	Total	Total	Total	Total
	<i>(in million Baht)</i>					
<b>Other related parties</b>						
North Park Real Estate Co., Ltd.	-	26	-	-	3	-
Best Fortune Property and Loan Fund	-	9	-	-	-	-
T.C.C. Technology Co., Ltd.	-	8	-	-	8	7
Kluey Kluey Co., Ltd.	-	4	-	4	-	-
Others	-	12	-	2	-	-
<b>Total other related parties</b>	-	<b>59</b>	-	<b>6</b>	<b>11</b>	<b>7</b>
<b>Total</b>	-	<b>59</b>	-	<b>6</b>	<b>6,059</b>	<b>9,418</b>

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2008 (Unaudited)

<i>Summary of loans to related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
Short-term loans	-	-	3,393	3,548
Long-term loans	-	-	6,048	9,411
<b>Total loans to related parties</b>	<b>-</b>	<b>-</b>	<b>9,441</b>	<b>12,959</b>

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

<i>Loans to related parties</i>	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b>Short-term loans Subsidiaries</b>				
At 1 January	-	-	3,548	9,367
Increase	-	-	2,142	5,071
Decrease	-	-	(2,297)	(4,562)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>3,393</b>	<b>9,876</b>
<b>Long-term loans Subsidiaries</b>				
At 1 January	-	-	9,411	5,501
Increase	-	-	365	1,776
Decrease	-	-	(3,728)	(1,633)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>6,048</b>	<b>5,644</b>
<i>Trade accounts payable to related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
<b>Other related parties</b>				
Berli Jucker PCL.	592	471	-	-
Thai Beverage Can Ltd.	102	139	-	-
PS Recycle Co., Ltd.	31	46	-	-
Others	18	24	-	-
<b>Total</b>	<b>743</b>	<b>680</b>	<b>-</b>	<b>-</b>

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

**Short-term loans from and amounts due to related parties**

	Consolidated financial statements				Separate financial statements					
	30 September 2008		31 December 2007		30 September 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)	
<b>Subsidiaries</b>										
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	11	11	129	12	141
Sansom Co., Ltd.	-	-	-	-	700	5	705	-	-	-
Fuengfuanant Co., Ltd.	-	-	-	-	199	1	200	-	-	-
Thanapakdi Co., Ltd.	-	-	-	-	50	-	50	-	-	-
Kanchanasingkorn Co., Ltd.	-	-	-	-	114	1	115	-	-	-
Athimart Co., Ltd.	-	-	-	-	44	-	44	45	-	45
S.S. Karnsura Co., Ltd.	-	-	-	-	130	1	131	50	-	50
Kankwan Co., Ltd.	-	-	-	-	144	1	145	-	-	-
Theparunothai Co., Ltd.	-	-	-	-	41	1	42	-	1	1
United Winery and Distillery Co., Ltd.	-	-	-	-	73	-	73	193	2	195
Pomthip Co., Ltd.	-	-	-	-	-	1	1	39	2	41
Pomkit Co., Ltd.	-	-	-	-	-	1	1	80	4	84
Pomkung Co., Ltd.	-	-	-	-	-	-	-	29	2	31
Pomechok Co., Ltd.	-	-	-	-	-	1	1	25	2	27
Pomecharoen Co., Ltd.	-	-	-	-	-	-	-	-	1	1
Pomburapa Co., Ltd.	-	-	-	-	-	1	1	-	1	1
Num Kijjakarn Co., Ltd.	-	-	-	-	240	-	240	406	2	408
Num Nakorn Co., Ltd.	-	-	-	-	92	-	92	100	-	100
Num Thurakij Co., Ltd.	-	-	-	-	-	-	-	65	-	65
Krittayabun Co., Ltd.	-	-	-	-	199	1	200	189	9	198
Surathip Co., Ltd.	-	-	-	-	142	1	143	10	5	15
Sunthronpirom Co., Ltd.	-	-	-	-	38	1	39	81	1	82
Piromsurang Co., Ltd.	-	-	-	-	65	1	66	64	1	65
Thai Beverage Energy Co., Ltd. (Formerly: Bionic Humus Co., Ltd.)	-	-	-	-	132	-	132	121	-	121
Thai Molasses Co., Ltd. Feed Addition Co., Ltd. (Formerly: Additive Food Co., Ltd.)	-	-	-	-	22	-	22	22	-	22
	-	-	-	-	35	-	35	-	-	35

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

**Short-term loans from and amounts due to related parties**

	Consolidated financial statements				Separate financial statements			
	30 September 2008		31 December 2007		30 September 2008		31 December 2007	
	Short-term loans from	Amounts due to	Total	Short-term loans from	Amounts due to	Total	Short-term loans from	Amounts due to
	<i>(in million Baht)</i>							
<b>Subsidiaries (continued)</b>								
Pan International (Thailand) Co., Ltd.	-	-	-	-	15	15	-	-
Charun Business 52 Co., Ltd.	-	-	-	10	-	10	-	-
Thai Beverage Recycle Co., Ltd. (Formerly: Bang-Na Logistic Co., Ltd.)	-	-	-	-	-	-	30	-
Thai Beverage Logistics Co., Ltd.	-	-	-	142	1	143	-	-
Thai Beverage Marketing Co., Ltd.	-	-	-	-	-	-	150	1
Dhospaak Co., Ltd.	-	-	-	45	12	57	-	14
International Beverage Holdings Ltd.	-	-	-	-	6	6	-	1
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	-	1	1	177	3
Beer Chang Co., Ltd.	-	-	-	-	-	-	-	1
Archa Beer Co., Ltd.	-	-	-	-	-	-	35	-
Inverhouse Distillers Limited	-	-	-	-	1	1	-	-
<b>Total subsidiaries</b>	-	-	-	<b>2,672</b>	<b>50</b>	<b>2,722</b>	<b>2,040</b>	<b>65</b>
<b>Other related parties</b>								
Plaza Athenee Hotel (Thailand) Co., Ltd.	-	17	17	-	-	-	-	-
Southeast Capital Co., Ltd.	-	13	13	-	2	2	-	2
T.C.C. Technology Co., Ltd.	-	10	10	-	9	9	-	7
TCC Hotel Collection Co., Ltd.	-	5	5	-	-	-	-	1
The Southeast Insurance Co., Ltd. (Formerly: The Southeast Insurance (2000) Co., Ltd.)	-	2	2	-	20	20	-	-
BJC Healthcare Company limited	-	2	2	-	2	2	-	-
Others	-	15	15	-	2	2	-	-
<b>Total other related parties</b>	-	<b>64</b>	<b>64</b>	-	<b>15</b>	<b>15</b>	-	<b>10</b>
<b>Total</b>	-	<b>64</b>	<b>64</b>	<b>2,672</b>	<b>65</b>	<b>2,737</b>	<b>2,040</b>	<b>75</b>
								<b>2,105</b>

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

**Long-term loans from and amounts due to related parties**

	Consolidated financial statements				Separate financial statements			
	30 September 2008		31 December 2007		30 September 2008		31 December 2007	
	Long-term loans from	Amounts due to	Long-term loans from	Amounts due to	Long-term loans from	Amounts due to	Long-term loans from	Amounts due to
	<i>(in million Baht)</i>							
<b>Subsidiaries</b>								
Beer Thip Brewery (1991) Co., Ltd.	-	-	2,775	-	2,775	2,910	-	2,910
Sangsom Co., Ltd.	-	-	400	-	400	-	-	-
Fuengfuanant Co., Ltd.	-	-	126	-	126	90	-	90
Mongkolsamai Co., Ltd.	-	-	94	-	94	104	-	104
Athimart Co., Ltd.	-	-	40	-	40	-	-	-
Theparunothai Co., Ltd.	-	-	152	-	152	133	-	133
United Winery and Distillery Co., Ltd.	-	-	210	-	210	210	-	210
Pomthip Co., Ltd.	-	-	264	-	264	329	-	329
Pomkit Co., Ltd.	-	-	159	-	159	682	-	682
Pomkung Co., Ltd.	-	-	169	-	169	309	-	309
Pomchok Co., Ltd.	-	-	305	-	305	426	-	426
Pomcharoen Co., Ltd.	-	-	52	-	52	115	-	115
Pomburapa Co., Ltd.	-	-	215	-	215	284	-	284
Krittayabun Co., Ltd.	-	-	101	-	101	101	-	101
Surathip Co., Ltd.	-	-	38	-	38	-	-	-
Sunthronpirom Co., Ltd.	-	-	198	-	198	178	-	178
Piromsurang Co., Ltd.	-	-	86	-	86	78	-	78
Pan International (Thailand) Co., Ltd.	-	-	10	-	10	10	-	10
Charun Business 52 Co., Ltd.	-	-	10	-	10	10	-	10
Thai Cooperage Co., Ltd.	-	-	78	-	78	71	-	71
Thai Beverage Marketing Co., Ltd.	-	-	-	-	-	50	-	50
Dhospaak Co., Ltd.	-	-	10	-	10	10	-	10
Cosmos Brewery (Thailand) Co., Ltd.	-	-	263	-	263	320	-	320
Beer Chang Co., Ltd.	-	-	107	-	107	107	-	107
Archa Beer Co., Ltd.	-	-	40	-	40	13	-	13
<b>Total subsidiaries</b>	-	-	<b>5,902</b>	-	<b>5,902</b>	<b>6,540</b>	-	<b>6,540</b>

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

*Long-term loans from and amounts due to related parties*

	Consolidated financial statements			Separate financial statements		
	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	Long-term loans from	Long-term loans from	Long-term loans from	Long-term loans from	Long-term loans from	Long-term loans from
	due to	due to	due to	due to	due to	due to
	Amounts	Amounts	Amounts	Amounts	Amounts	Amounts
	Total	Total	Total	Total	Total	Total
	<i>(in million Baht)</i>					
<i>Other related parties</i>	-	-	-	-	-	-
Southeast Capital Co., Ltd.	4	-	-	-	-	-
<b>Total</b>	<b>4</b>	<b>4</b>	<b>5,902</b>	<b>5,902</b>	<b>6,540</b>	<b>6,540</b>

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

<i>Summary of loans from related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
Short-term loans	-	-	2,672	2,040
Long-term loans	-	-	5,902	6,540
<b>Total loans from related parties</b>	<b>-</b>	<b>-</b>	<b>8,574</b>	<b>8,580</b>

Movements during the nine-month periods ended 30 September 2008 and 2007 of loans from related parties were as follows:

<i>Loans from related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<i>Short-term loans</i>				
<b>Subsidiaries</b>				
At 1 January	-	-	2,040	12,984
Increase	-	-	1,729	357
Decrease	-	-	(1,097)	(12,051)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>2,672</b>	<b>1,290</b>
 <b>Other related parties</b>				
At 1 January	-	4,615	-	-
Decrease	-	(4,615)	-	-
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
 <b>Total short-term loans from related parties</b>				
At 1 January	-	4,615	2,040	12,984
Increase	-	-	1,729	357
Decrease	-	(4,615)	(1,097)	(12,051)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>2,672</b>	<b>1,290</b>
 <i>Long-term loans</i>				
<b>Subsidiaries</b>				
At 1 January	-	-	6,540	4,372
Increase	-	-	595	873
Decrease	-	-	(1,233)	(254)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>5,902</b>	<b>4,991</b>

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

*Significant agreements with related parties*

*Supporting service agreements*

The Company entered into supporting service agreements with subsidiaries for supporting service such as human resource, administration, accounting, finance, public relations, public co-ordination, 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.

With effect from 1 January 2007, the supporting service fee rate was adjusted to 1% of the principal revenue. Service fee rate was adjusted for development of new product, experiment and quality test, analysis, research and marketing survey for new products and procurement of information.

*Application service provisioning agreement*

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

*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 agreements*

Thai Molasses Co., Ltd., the Company's subsidiary, entered into molasses purchase agreements with various related companies in order to sell to other subsidiary companies within the Group. The terms and conditions of these agreements specify that the seller would sell molasses to the buyers in specified quantity, price, quality, delivery and received, payments, responsibility, weight, sample analysis on molasses, and quality control, etc.

*Glass bottle purchase and sale agreement*

Thai Beverage Recycle Co., Ltd. (Formerly: 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 from 1 May 2007 to 31 December 2009, under the prices and conditions stated in the contract.



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

*License agreements*

- Three subsidiaries entered into license agreements with Beer Chang Co., Ltd., Archa Beer Co., Ltd., and Thai Beverage Brands Co., Ltd., the Company's subsidiaries, for rights and obligations for the sale of drinking water, soda water, beer, draft beer and lager beer under the trade names of "CHANG", "ARCHA" and "FEDERBRAU". The subsidiaries are committed to pay fees at a rate of 2% based on net sales at price, ex factory, excluding VAT and after deducting excise tax and contributions to the health promotion fund.
- Sura Bangyikhan Co., Ltd., the Company's subsidiary, entered into license agreements with 12 subsidiaries for the rights to use trademarks for white liquor and Chiang - Chun blended liquor as stipulated in the agreement. The trademark fee is from Baht 0.50 - 1.50 per bottle, based on the contents and size of the bottle.

*Sales Distributor Agreements*

Thai Beverage Marketing Co., Ltd., the Company's subsidiary, entered into sales distributor agreements with two subsidiaries to sell beverage products under the prices and conditions stated in the agreements for five years, effective from 3 October 2008 to 2 October 2013.

*Commitments with related parties*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
<b><i>Non-cancellable operating lease commitments</i></b>				
Within one year	180	146	18	22
After one year but within five years	275	256	29	32
After five years	23	23	-	-
<b>Total</b>	<b>478</b>	<b>425</b>	<b>47</b>	<b>54</b>
<b><i>Other commitments</i></b>				
Application service provisioning agreement	112	142	112	142
Brewing supervision agreement	29	30	-	-
Other agreements	3	5	4	17
<b>Total</b>	<b>144</b>	<b>177</b>	<b>116</b>	<b>159</b>

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

**7 Other investments**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
<b>Current investments</b>				
Short-term deposits at financial institutions	10	8	-	-
Investment in government bonds	-	106	-	-
<b>Net</b>	<b>10</b>	<b>114</b>	<b>-</b>	<b>-</b>
<b>Other long term investments</b>				
Investment in government bonds	8	2	-	-
Other non marketable equity securities	7	8	-	-
Less allowance for decline in value of investments	(4)	(4)	-	-
<b>Net</b>	<b>11</b>	<b>6</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>21</b>	<b>120</b>	<b>-</b>	<b>-</b>

As at 31 December 2007, an indirect subsidiary invested in government bonds in the amount of Baht 8.5 million, bearing interest rates at 3.875% and 4.25% per annum. The bonds have 3-6 year periods, and will be withdrawn in 2008 and 2013. The indirect subsidiary has pledged the bonds as collateral for electricity utilisation.

Subsequently, during 2008, the indirect subsidiary redeemed the government bonds in the amount of Baht 6.5 million at maturity and invested in a 6-year government bond, bearing interest rates at 5.90% per annum and will be withdrawn in 2014.

**8 Trade accounts receivable**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		30 September 2008	31 December 2007	30 September 2008	31 December 2007
		<i>(in million Baht)</i>			
Related parties	6	62	60	-	-
Other parties		1,282	2,052	-	-
		1,344	2,112	-	-
Less allowance for doubtful accounts		(158)	(155)	-	-
<b>Total</b>		<b>1,186</b>	<b>1,957</b>	<b>-</b>	<b>-</b>

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

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
<b>Related parties</b>				
Within credit terms	44	58	-	-
Overdue:				
Less than 3 months	18	2	-	-
	<u>62</u>	<u>60</u>	<u>-</u>	<u>-</u>
<b>Other parties</b>				
Within credit terms	954	1,412	-	-
Overdue:				
Less than 3 months	155	364	-	-
3-6 months	12	64	-	-
6-12 months	18	72	-	-
Over 12 months	143	140	-	-
	<u>1,282</u>	<u>2,052</u>	<u>-</u>	<u>-</u>
Less allowance for doubtful accounts	(158)	(155)	-	-
<b>Net</b>	<u>1,124</u>	<u>1,897</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>1,186</u>	<u>1,957</u>	<u>-</u>	<u>-</u>

The normal credit term granted by the Group ranges from 7 days to 180 days.

**9 Investments in subsidiaries and associates**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
At 1 January	124	135	71,470	63,595
Acquisitions	-	-	3,053	-
Increase in share capital in subsidiaries	-	-	869	8,565
Disposals	-	-	(1,374)	-
Translation differences on consolidation	(11)	(36)	-	-
<b>At 30 September</b>	<u>113</u>	<u>99</u>	<u>74,018</u>	<u>72,160</u>

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

Investments in subsidiaries and associates as at 30 September 2008 and 31 December 2007 were as follows:

	Ownership interest		Paid-up capital		Consolidated financial statements			
	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	(in million Baht)							
<b>Associates</b>								
<i>Held by subsidiaries of indirect subsidiaries</i>								
Liquorland Limited	49.49	49.49	69	69	18	18	113	124
Inver House Polska Limited	44.00	44.00	8	8	4	4	-	-
Inver House Distribution SA	50.02	50.02	2	2	1	1	-	-
<b>Total</b>			<b>79</b>	<b>79</b>	<b>23</b>	<b>23</b>	<b>113</b>	<b>124</b>

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

**Separate financial statements**

	Ownership interest		Paid-up capital		Cost method		Dividend income	
	30 September	31 December	30 September	31 December	30 September	31 December	30 September	30 September
	2008	2007	2008	2007	2008	2007	2008	2007
	(%)							
<b>Direct subsidiaries</b>								
Beer Thai (1991) PCL.	100.00	100.00	5,550	5,550	12,500	12,500	117	2,259
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	858	2,277
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	-	750
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	59	307
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	700	700	21	-
Thanapakdi Co., Ltd.	100.00	100.00	700	700	700	700	25	57
Kanchanasingkorn Co., Ltd.	100.00	100.00	700	700	700	700	39	85
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	492	628
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	94	273
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	132	398
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	102	340
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	108	190
Red Bull Distillery (1988) Co., Ltd.	100.00	100.00	5,000	5,000	5,000	5,000	230	-
United Winery and Distillery Co., Ltd.	100.00	100.00	1,800	1,800	1,800	1,800	52	70
Simathurakij Co., Ltd.	100.00	100.00	900	900	889	889	100	149
Natechai Co., Ltd.	100.00	100.00	800	800	800	800	42	157
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	766	766	-	70
Sura Piset Thipparat Co., Ltd.	100.00	100.00	500	500	510	510	-	-
Thai Alcohol PCL.	-	100.00	-	800	-	1,374	-	357
Pomthip Co., Ltd.	100.00	100.00	10	10	10	10	101	292
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	126	570
Pomkung Co., Ltd.	100.00	100.00	10	10	10	10	105	275
Pomchok Co., Ltd.	100.00	100.00	10	10	10	10	161	534

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

**Separate financial statements**

	Ownership interest		Paid-up capital		Cost method		Dividend income	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	30 September 2007
	(%)				(in million Baht)			
<b>Direct subsidiaries (continued)</b>								
Pomcharoen Co., Ltd.	100.00	100.00	10	10	10	10	33	26
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	103	382
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	233	858
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	333	1,424
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	138	387
Num Muang Co., Ltd.	100.00	100.00	10	10	10	10	215	528
Num Nakorn Co., Ltd.	100.00	100.00	10	10	10	10	131	238
Num Thurakij Co., Ltd.	100.00	100.00	10	10	10	10	173	413
Thipecthalothorn Co., Ltd.	100.00	100.00	1	1	3	3	137	573
Krittayabun Co., Ltd.	100.00	100.00	5	5	27	27	128	359
Surathip Co., Ltd.	100.00	100.00	1	1	7	7	103	649
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	25	25	102	1,075
Piromsurang Co., Ltd.	100.00	100.00	5	5	24	24	53	711
Thai Beverage Energy Co., Ltd.								
(Formerly: Bionic Humus Co., Ltd.)	100.00	100.00	690	350	694	354	-	-
Wrangyer Beverage (2008) Co., Ltd.								
(Formerly: Maharas Agri Co., Ltd.)	100.00	100.00	200	2	200	2	-	-
Thai Molasses Co., Ltd.	99.72	99.72	40	40	35	35	26	165
Feed Addition Co., Ltd.								
(Formerly: Additive Food Co., Ltd.)	100.00	100.00	1	1	32	32	32	49
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	34	34	20	80
Charun Business 52 Co., Ltd.	100.00	100.00	122	122	84	84	-	-
Thai Cooperage Co., Ltd.	100.00	100.00	300	300	296	296	-	31

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

	Separate financial statements							
	Ownership interest 30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007	Dividend income for nine-months ended 30 September 2008	30 September 2007
<i>Direct subsidiaries (continued)</i>								
Thai Beverage Recycle Co., Ltd. (Formerly: Bang-Na Logistic Co., Ltd.)	100.00	100.00	123	123	134	134	7	75
Thai Beverage Logistics Co., Ltd.	100.00	100.00	262	12	262	12	-	118
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	107	100
Dhanasindhi Co., Ltd.	100.00	100.00	20	20	24	24	6	27
Dhospaak Co., Ltd.	100.00	100.00	25	25	61	61	14	20
International Beverage Holdings Ltd.	100.00	100.00	6,841	6,760	6,841	6,760	-	-
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	4,212	4,212	208	1,610
Thai Beverage Brands Co., Ltd. (Formerly: T.C.C. Cosmo Corp., Ltd.)	100.00	100.00	5	5	39	39	-	5
Beer Chang Co., Ltd.	100.00	100.00	1	1	4,301	4,301	114	277
Archa Beer Co., Ltd.	100.00	100.00	1	1	130	130	51	72
Sura Piset Phatra Lanna Co., Ltd.	100.00	100.00	600	600	615	615	-	-
Oishi Group Public Co., Ltd.*	43.90	-	375	-	3,053	-	-	-
Thai Drinks Co., Ltd.**	100.00	-	-	-	-	-	-	-
<b>Total</b>			<b>51,361</b>	<b>50,917</b>	<b>74,018</b>	<b>71,470</b>	<b>5,431</b>	<b>20,290</b>

\* Investment at cost method included directly attributable expenses.

\*\* Paid-up capital and investment at cost method as at 30 September 2008 is Baht 249,825.

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

**10 Property, plant and equipment**

Acquisitions and disposals of property, plant and equipment during the nine-month periods ended 30 September 2008 and 2007 were as follows:

	<b>Consolidated financial statements</b>			
	2008		2007	
	Acquisitions - at cost	Disposals - net book value <i>(in million Baht)</i>	Acquisitions - at cost	Disposals - net book value
Land	204	(874)	24	(545)
Land improvement	-	(1)	1	-
Buildings and improvements	145	(228)	47	(2)
Machinery and equipment	423	(922)	174	(17)
Oak barrels	21	-	1	-
Furniture, fixtures and office equipment	56	(8)	50	(1)
Vehicles	77	(10)	15	(5)
Construction in progress	626	(36)	726	(210)
<b>Total</b>	<b>1,552</b>	<b>(2,079)</b>	<b>1,038</b>	<b>(780)</b>

  

	<b>Separate financial statements</b>			
	2008		2007	
	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	9	-	2	-
Vehicles	2	(3)	-	-
Construction in progress	-	-	-	(210)
<b>Total</b>	<b>11</b>	<b>(3)</b>	<b>2</b>	<b>(755)</b>



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

**11 Interest-bearing liabilities**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i> 30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
<b>Current</b>				
Bank overdrafts				
Secured	512	899	-	-
Unsecured	-	101	-	-
Short-term loans from financial institutions				
Letter of comfort	222	-	-	-
Unsecured	14,400	4,998	8,880	4,798
Bank overdrafts and short-term loans from financial institutions	<b>15,134</b>	<b>5,998</b>	<b>8,880</b>	<b>4,798</b>
Current portion of long-term guaranteed bonds				
Guaranteed / Negative pledge	-	3,000	-	3,000
Current portion of long-term loans				
Guaranteed / Negative pledge	-	1,755	-	1,755
Unsecured	3,900	-	3,900	-
Short-term loans from related parties				
Unsecured	<i>6</i> -	-	2,672	2,040
	<b>19,034</b>	<b>10,753</b>	<b>15,452</b>	<b>11,593</b>
<b>Non-current</b>				
Long-term loans from financial institutions				
Unsecured	1,500	5,400	1,500	5,400
Long-term loans from related parties				
Unsecured	<i>6</i> -	-	5,902	6,540
	<b>1,500</b>	<b>5,400</b>	<b>7,402</b>	<b>11,940</b>
<b>Total</b>	<b>20,534</b>	<b>16,153</b>	<b>22,854</b>	<b>23,533</b>

The periods to maturity of interest-bearing liabilities as at 30 September 2008 and 31 December 2007 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
Within one year	19,034	10,753	15,452	11,593
After one year but within five years	1,500	5,400	7,402	11,940
<b>Total</b>	<b>20,534</b>	<b>16,153</b>	<b>22,854</b>	<b>23,533</b>

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

The currency denomination of the unutilised credit facilities of the Group as at 30 September 2008 and 31 December 2007 denominated currency were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 September	31 December	30 September	31 December
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
Thai Baht (THB)	17,780	25,465	4,368	7,168
Great Britain Pound (GBP)	412	259	-	-
United States Dollars (USD)	120	-	-	-
<b>Total</b>	<b>18,312</b>	<b>25,724</b>	<b>4,368</b>	<b>7,168</b>

The principal features of the borrowings were as follows:

- (a) Bank overdrafts are repayable on demand as at 30 September 2008, the Group has total overdraft facilities amounting to Baht 3,926 million (*31 December 2007: Baht 3,774 million*) which is partially guaranteed by five subsidiaries and is partially supported by Letter of Awareness issued by the Company.
- (b) Short-term loans from financial institutions as at 30 September 2008, the Group has short-term loan facilities from several financial institutions totalling Baht 29,640 million (*31 December 2007: Baht 25,950 million*) with money market rate quoted by bank. The Group utilised those facilities in term of promissory notes issued by the Group to several domestic financial institutions totalling Baht 9,520 million (*31 December 2007: Baht 3,000 million*).

In 2007, the Company issued and offered short-term bills of exchange amounting to Baht 5,000 million to two domestic financial institutions, the said bills represent short-term bill of exchange offered to and exchanged among institutional investors and/or substantial high net worth investors as prescribed in accordance with Notifications of the Securities and Exchange Commission. The Company repaid the short-term bills of exchange at maturity during November 2007 and January 2008 (*31 December 2007: Baht 2,000 million*).

Subsequently, on 26 September 2008, the Company issued and sold short-term bills of exchange amounting to Baht 5,000 million to two domestic financial institutions with the periods to maturity between March 2009 and June 2009. The said bills represent short-term bills of exchange offered to and exchanged among institutional investors and/or substantial high net worth investors as prescribed in accordance with Notifications of the Securities and Exchange Commission.

- (c) In 2006, the Company had long-term loan agreements totalling Baht 26,600 million with eight financial institutions. 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 702.2 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.

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

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 2007, the Company partially prepaid long-term loans amounting to Baht 22,220 million with accrued interest to seven financial institutions and the interest rate in the second year was decreased from 6% to 5% per annum. Subsequently, in March 2008, the Company fully prepaid the remaining long-term loans of Baht 1,380 million with accrued interest to the financial institutions. The co-guarantees by four subsidiaries and the negative pledge made by 17 subsidiaries were terminated in March 2008.

In 2007, the Company entered into a long-term loan agreement with a financial institution 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. Subsequently, the Company has been granted the reduction of interest rate to 4.50% per annum for the first year and 4.75% per annum afterwards. In addition, the Company entered into a long-term loan agreement with a financial institution in the amount of Baht 900 million which is to be repaid in 2009. The interest is payable monthly at 3.9625% per annum.

**12 Trade accounts payable**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		30 September 2008	31 December 2007	30 September 2008	31 December 2007
		<i>(in million Baht)</i>			
Related parties	6	743	680	-	-
Other parties		2,178	1,960	-	-
<b>Total</b>		<b>2,921</b>	<b>2,640</b>	<b>-</b>	<b>-</b>

**13 Segment information**

Segment information is presented in respect of the Group's 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.

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

***Business segments***

The Group comprises the following main business segments:

<i>Beer</i>	Production and sales of branded beer products (mostly outside the group);
<i>Spirits</i>	Production and sales of branded spirits products (mostly outside the group);
<i>Non-alcoholic beverages</i>	Production and sales of branded soda, water, ready-to-drink coffee, energy drink, green tea and fruit juice flavour (mostly outside the group);
<i>Food</i>	Japanese restaurants, ramen and bakery (mostly outside the group); and
<i>Alcohol</i>	Production and sales of alcohol (mostly outside the group)

***Geographical 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.

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

**Business segment results**

Revenue and results, based on business segments, in the consolidated financial statements for the three-month periods ended 30 September 2008 and 2007 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Alcohol		Elimination		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenue from sales	7,468	11,013	13,545	11,328	1,061	581	679	513	136	154	(239)	(306)	22,650	23,283
Interest income	1	6	10	-	-	-	2	-	-	-	(10)	3	3	9
Other income	7	25	47	11	6	-	2	4	527	-	(2)	(5)	587	35
<b>Total revenues</b>	<b>7,476</b>	<b>11,044</b>	<b>13,602</b>	<b>11,339</b>	<b>1,067</b>	<b>581</b>	<b>683</b>	<b>517</b>	<b>663</b>	<b>154</b>	<b>(251)</b>	<b>(308)</b>	<b>23,240</b>	<b>23,327</b>
Cost of sales	6,357	8,593	8,959	6,996	837	402	399	289	128	165	(241)	(367)	16,439	16,078
Selling and administrative expenses	1,126	1,706	1,747	1,809	190	92	232	166	48	62	(22)	33	3,321	3,868
<b>Total expenses</b>	<b>7,483</b>	<b>10,299</b>	<b>10,706</b>	<b>8,805</b>	<b>1,027</b>	<b>494</b>	<b>631</b>	<b>455</b>	<b>176</b>	<b>227</b>	<b>(263)</b>	<b>(334)</b>	<b>19,760</b>	<b>19,946</b>
<b>Profit (loss) before interest and income tax expenses</b>	(7)	745	2,896	2,534	40	87	52	62	487	(73)	12	26	3,480	3,381
Interest expense	66	65	105	182	12	1	-	-	-	10	(10)	3	173	261
Income tax expense	(24)	452	819	590	18	-	2	2	157	-	-	-	972	1,044
<b>Profit (loss) for the period</b>	<b>(49)</b>	<b>228</b>	<b>1,972</b>	<b>1,762</b>	<b>10</b>	<b>86</b>	<b>50</b>	<b>60</b>	<b>330</b>	<b>(83)</b>	<b>22</b>	<b>23</b>	<b>2,335</b>	<b>2,076</b>

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

Business segments capital expenditure, depreciation and amortisation for the three-month periods ended 30 September 2008 and 2007 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Alcohol		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
<b>Capital expenditure</b>												
- Property, plant and equipment	124	148	210	162	6	-	28	33	9	9	377	352
- Intangible assets	-	9	1	9	-	-	-	32	-	-	1	50
Depreciation	540	603	580	601	102	37	28	33	46	48	1,296	1,322
Amortisation	2	1	7	13	-	-	3	3	-	-	12	17

*(in million Baht)*

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

**Business segment results**

Revenue and results, based on business segments, in the consolidated financial statements for the nine-month periods ended 30 September 2008 and 2007 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Alcohol		Elimination		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenue from sales	28,740	34,099	42,263	37,491	2,970	1,912	1,930	1,471	893	503	(278)	(807)	76,518	74,669
Interest income	7	18	35	10	1	1	8	1	-	-	(29)	-	22	30
Other income	33	75	99	114	14	2	8	10	529	15	(15)	(14)	668	202
<b>Total revenues</b>	<b>28,780</b>	<b>34,192</b>	<b>42,397</b>	<b>37,615</b>	<b>2,985</b>	<b>1,915</b>	<b>1,946</b>	<b>1,482</b>	<b>1,422</b>	<b>518</b>	<b>(322)</b>	<b>(821)</b>	<b>77,208</b>	<b>74,901</b>
Cost of sales	23,452	26,457	28,007	23,932	2,234	1,341	1,120	843	806	485	(283)	(908)	55,336	52,150
Selling and administrative expenses	3,974	4,618	5,136	5,057	593	284	689	531	138	126	(9)	25	10,521	10,641
<b>Total expenses</b>	<b>27,426</b>	<b>31,075</b>	<b>33,143</b>	<b>28,989</b>	<b>2,827</b>	<b>1,625</b>	<b>1,809</b>	<b>1,374</b>	<b>944</b>	<b>611</b>	<b>(292)</b>	<b>(883)</b>	<b>65,857</b>	<b>62,791</b>
<b>Profit (loss) before interest and income tax expenses</b>	<b>1,354</b>	<b>3,117</b>	<b>9,254</b>	<b>8,626</b>	<b>158</b>	<b>290</b>	<b>137</b>	<b>108</b>	<b>478</b>	<b>(93)</b>	<b>(30)</b>	<b>62</b>	<b>11,351</b>	<b>12,110</b>
Interest expense	148	207	296	582	39	2	-	-	9	28	(29)	-	463	819
Income tax expense	376	1,633	2,721	2,071	(9)	(4)	5	20	159	1	-	-	3,252	3,721
<b>Profit (loss) for the period</b>	<b>830</b>	<b>1,277</b>	<b>6,237</b>	<b>5,973</b>	<b>128</b>	<b>292</b>	<b>132</b>	<b>88</b>	<b>310</b>	<b>(122)</b>	<b>(1)</b>	<b>62</b>	<b>7,636</b>	<b>7,570</b>

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

Business segments capital expenditure, depreciation and amortisation for the nine-month periods ended 30 September 2008 and 2007 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Alcohol		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
<b>Capital expenditure</b>												
- Property, plant and equipment	220	270	639	637	540	16	125	77	28	38	1,552	1,038
- Intangible assets	2	12	57	17	2	1	6	47	-	1	67	78
Depreciation	1,602	1,762	1,755	1,760	322	115	86	95	141	145	3,906	3,877
Amortisation	3	3	22	36	1	1	9	8	-	-	35	48

*(in million Baht)*



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

***Business segments financial position***

Business segment assets and liabilities as at 30 September 2008 and 31 December 2007 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Food		Alcohol		Total	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007
Inventories	5,881	3,588	25,794	23,988	527	182	65	39	-	481	32,267	28,278
Property, plant and equipment	15,388	17,910	21,734	23,137	2,681	1,181	281	243	-	2,169	40,084	44,640
Other assets	2,530	1,815	7,491	5,920	895	736	573	502	-	515	11,489	9,488
<b>Total Assets</b>	<b>23,799</b>	<b>23,313</b>	<b>55,019</b>	<b>53,045</b>	<b>4,103</b>	<b>2,099</b>	<b>919</b>	<b>784</b>	<b>-</b>	<b>3,165</b>	<b>83,840</b>	<b>82,406</b>
Total debts	7,156	4,441	13,003	11,051	383	-	-	-	-	668	20,542	16,160
Other liabilities	2,652	4,065	6,698	4,307	679	368	378	369	-	42	10,407	9,151
<b>Total liabilities</b>	<b>9,808</b>	<b>8,506</b>	<b>19,701</b>	<b>15,358</b>	<b>1,062</b>	<b>368</b>	<b>378</b>	<b>369</b>	<b>-</b>	<b>710</b>	<b>30,949</b>	<b>25,311</b>

(in million Baht)

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

*Geographic segments*

The segment financial information of the Group based on geographical segments in the consolidated financial statements for the nine-month periods ended 30 September was as follows:

	<b>Consolidated financial statements</b>			
	Revenue		Property, plant and equipment	
	30 September 2008	30 September 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
Thailand	74,732	72,329	38,621	43,037
Overseas	2,476	2,572	1,463	1,603
<b>Total</b>	<b>77,208</b>	<b>74,901</b>	<b>40,084</b>	<b>44,640</b>

**14 Earnings per share**

The calculations of basic earnings per share for the three-month and nine-month periods ended 30 September 2008 and 2007 were based on the profit for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period as follows:

<i>Three-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	(Restated)			
	<i>(in million Baht / million shares)</i>			
Profit attributable to equity holders of the Company (basic)	2,238	1,994	3,096	5,030
Number of ordinary shares outstanding	25,110	25,110	25,110	25,110
<b>Earnings per share (basic) (in Baht)</b>	<b>0.09</b>	<b>0.08</b>	<b>0.12</b>	<b>0.20</b>

<i>Nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	(Restated)			
	<i>(in million Baht / million shares)</i>			
Profit attributable to equity holders of the Company (basic)	7,380	7,356	6,005	20,502
Number of ordinary shares outstanding	25,110	25,110	25,110	25,110
<b>Earnings per share (basic) (in Baht)</b>	<b>0.29</b>	<b>0.29</b>	<b>0.24</b>	<b>0.82</b>

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

**15 Dividends**

At the Board of Directors' meeting held on 14 August 2008, the directors approved an interim dividend payment for the first half of 2008 of Baht 0.12 per share on 25,110 million ordinary shares, totalling Baht 3,013 million. The interim dividend was paid to shareholders on 11 September 2008.

At the annual general meeting of the shareholders of the Company held on 28 April 2008, the shareholders approved the appropriation of dividends of Baht 0.29 per share, amounting to Baht 7,282 million. On 11 September 2007, the interim dividend of Baht 0.12 per share was paid, totalling Baht 3,013 million. The remaining dividend of Baht 0.17 per share, totalling Baht 4,269 million, was paid on 26 May 2008.

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 of Baht 0.11 per share, totalling Baht 2,762 million, was paid. The remaining dividend of Baht 0.11 per share, totalling Baht 2,762 million, was paid on 16 May 2007.

**16 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 nine-month period ended 30 September 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 41 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 September 2008.

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

**17 Commitments with non-related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
	<i>(in million Baht)</i>			
<b>Capital commitments</b>				
<i>Contracted but not provided for</i>				
Land, buildings and other constructions	46	231	-	-
Machinery and equipment	217	218	-	-
<b>Total</b>	<b>263</b>	<b>449</b>	<b>-</b>	<b>-</b>
<b>Non-cancellable operating lease commitments</b>				
Within one year	206	246	9	9
After one year but within five years	160	223	9	14
After five years	30	30	-	-
<b>Total</b>	<b>396</b>	<b>499</b>	<b>18</b>	<b>23</b>
<b>Other commitments</b>				
Unused letters of credits	59	86	-	-
Goods and raw materials purchase agreements	3,351	4,386	-	-
Molasses purchase agreements	74	296	-	-
Computer system installation agreements	29	53	29	53
Advertising services and sponsorship agreements	697	157	-	-
Service agreements	192	190	-	-
Specialist agreements	1,533	1,579	-	-
Purchase forward contracts	3,462	5,036	-	-
Sale forward contracts	-	524	-	217
Bank guarantees	195	247	47	31
Other agreements	-	28	-	1
<b>Total</b>	<b>9,592</b>	<b>12,582</b>	<b>76</b>	<b>302</b>

*Specialist agreements*

In 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 September 2008 the remaining commitments to be paid, relating to these agreements, amounted to Baht 1,533.3 million.

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

*Sponsorship agreement*

In 2005, a subsidiary renewed a sponsorship agreement with Everton Football Club, in the United Kingdom, for a period of three years 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 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.

*Distributor agreement*

In 2005, a subsidiary entered into a distributor agreement with Serm Suk Public Company Limited to act as a distributor for green tea products for a period of three years from 4 November 2005 to 3 November 2008.

Subsequently, on 3 November 2008, the distributor agreement was extended to another period of three years from 4 November 2008 to 3 November 2011.

*Hot-fill PET bottle trading agreement*

In 2004, a subsidiary entered into a hot-fill PET bottle trading agreement with a local company, total 450 million bottles, at the price specified in the agreement for five years, commencing from 1 June 2004. During 2005, the said subsidiary entered into a hot-fill PET bottle trading agreement with another local company according to the quantity required from the subsidiary on a monthly basis at the price specified in the agreement. The agreement is for a 15 year period, commencing 150 days after the agreement date.

*Material and package trading agreement*

In 2007, two subsidiaries entered into a material and package trading agreement with a local company for distribution of products to the Group's shops and for materials and packaging management. The two subsidiaries agreed to pay the service charge at the rate specified in the agreement for a period of three years from 1 April 2007 to 31 March 2010 with the renewal option for another three years.

*Transportation agreement*

In 2007, two subsidiaries entered into a transportation agreement with a local company to transport products from factory to the destination. Transportation cost is calculated for each trip at the rate stated in the agreement. The term of the agreement is three years from 1 November 2007 to 31 October 2010 and may be extended for successive terms of one year each or terminated if any party does not comply with the terms and conditions stated in the agreement or if not less than 90 days prior written notice is given by any one party to the other.

*Shrink film purchase agreement*

In 2007, a subsidiary entered into an agreement with a local company for purchasing 80 million pieces of shrink film at the price stated in the agreement within five years from the date of the agreement.

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

*License agreement*

A subsidiary entered into a license agreement for operating a chain of Japanese restaurants in the Kingdom of Thailand as the master license for the period 10 years from 20 May 2008. This agreement shall be automatically renewed for additional terms of 10 years each, unless there is a written notice not to renew this agreement at least 180 days prior to the expiration of the initial term of any renewal term. The subsidiary committed to pay Initial License Fee, License Fee and Royalty Fee as stated in the agreement.

**18 Events after the balance sheet date**

- (a) The Company is in the process of complying with the notification of the Securities and Exchange Commission to make a tender offer for the remaining shares of Oishi Group Public Company Limited, a company listed in the Stock Exchange of Thailand, at the same purchase price paid by the Company on 30 September 2008, which was Baht 37 per share.
- (b) On 22 October 2008, the Company applied to the Stock Exchange of Thailand (“SET”) to list its common stocks. Beer Thip Brewery (1991) Co., Ltd., the Company’s subsidiary, is a core subsidiary company applying to list the company’s common shares on SET in accordance with the criteria of SET. If the listing is approved, the Company will be dual listed on SGX-ST and SET.

**19 Reclassification of accounts**

Certain accounts in the 2007 financial statements have been reclassified to conform to the presentation in the 2008 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.

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

**(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.

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.

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

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)**

Until 31 December 2007, Thai GAAP required 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.

During 2007, Thai GAAP on goodwill was revised in accordance with IFRS which is effective for accounting period beginning on or after 1 January 2008.

Under the newly revised Thai GAAP, 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.

	<b>Consolidated net profit</b>	
	Nine-month period ended 30 September 2008	Nine-month period ended 30 September 2007
	<i>(in million Baht)</i>	
<b>As reported in these consolidated financial statements under Thai GAAP</b>	<b>7,636</b>	<b>7,570</b>
<i>Add (less) : Thai GAAP/IFRS differences (net of tax effect)</i>		
(a) Deferred tax	61	257
(b) Employee benefits	(61)	(56)
(c) Financial instruments	(28)	87
(d) Business combination (Goodwill)	-	18
<b>Under IFRS</b>	<b>7,608</b>	<b>7,876</b>

	<b>Consolidated total shareholders' equity</b>	
	30 September 2008	31 December 2007
	<i>(in million Baht)</i>	
<b>As reported in these consolidated financial statements under Thai GAAP</b>	<b>52,891</b>	<b>57,095</b>
<i>Add (less) : Thai GAAP/IFRS differences (net of tax effect)</i>		
(a) Deferred tax	(259)	(595)
(b) Employee benefits	(657)	(596)
(c) Financial instruments	(16)	12
(d) Investment in property	(47)	(47)
(e) Business combination (Goodwill)	102	102
<b>Under IFRS</b>	<b>52,014</b>	<b>55,971</b>



**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, 50<sup>th</sup>-51<sup>st</sup> Floors  
195 South Sathorn Road  
Bangkok 10120, Thailand

บริษัท เคพีเอ็มจี ภูมิภาค ไทย สอบบัญชี จำกัด

ชั้น 50-51 เอ็มไพร์ทาวเวอร์  
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.

*M*



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 'M. 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		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2008	2007	2008	2007
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b>Current assets</b>					
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
<b>Total current assets</b>		<b>34,950,730</b>	<b>33,128,940</b>	<b>2,896,074</b>	<b>3,933,662</b>
<b>Non-current assets</b>					
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
<b>Total non-current assets</b>		<b>44,881,271</b>	<b>46,398,016</b>	<b>79,522,392</b>	<b>81,320,905</b>
<b>Total assets</b>		<b>79,832,001</b>	<b>79,526,956</b>	<b>82,418,466</b>	<b>85,254,567</b>

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		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2008	2007	2008	2007
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b>Current liabilities</b>					
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
<b>Total current liabilities</b>		<b>21,447,338</b>	<b>19,048,831</b>	<b>12,882,717</b>	<b>11,975,764</b>
<b>Non-current liabilities</b>					
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
<b>Total non-current liabilities</b>		<b>2,748,299</b>	<b>5,525,312</b>	<b>9,556,900</b>	<b>11,940,618</b>
<b>Total liabilities</b>		<b>24,195,637</b>	<b>24,574,143</b>	<b>22,439,617</b>	<b>23,916,382</b>

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		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2008	2007	2008	2007
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b>Equity</b>					
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
<b>Total equity attributable to equity holders of the Company</b>		<b>55,631,361</b>	<b>54,909,941</b>	<b>59,978,849</b>	<b>61,338,185</b>
Minority interests		5,003	42,872	-	-
<b>Total equity</b>		<b>55,636,364</b>	<b>54,952,813</b>	<b>59,978,849</b>	<b>61,338,185</b>
<b>Total liabilities and equity</b>		<b>79,832,001</b>	<b>79,526,956</b>	<b>82,418,466</b>	<b>85,254,567</b>

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

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)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2008	2007	2008	2007
		<i>(in thousand Baht)</i>			
<b>Revenues</b>	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
<b>Total revenues</b>		<b>51,321,816</b>	<b>49,285,529</b>	<b>4,171,972</b>	<b>17,094,045</b>
<b>Expenses</b>	5				
Cost of sales		37,083,028	34,589,938	-	-
Selling and administrative expenses		6,652,970	6,215,732	591,043	580,540
<b>Total expenses</b>		<b>43,735,998</b>	<b>40,805,670</b>	<b>591,043</b>	<b>580,540</b>
<b>Profit before interest and income tax expenses</b>		<b>7,585,818</b>	<b>8,479,859</b>	<b>3,580,929</b>	<b>16,513,505</b>
Interest expense		289,304	556,703	516,233	929,998
Income tax expense		2,277,314	2,663,107	155,328	111,524
<b>Profit for the period</b>		<b>5,019,200</b>	<b>5,260,049</b>	<b>2,909,368</b>	<b>15,471,983</b>
<b>Attributable to:</b>					
Equity holders of the Company		5,018,951	5,259,997	2,909,368	15,471,983
Minority interests		249	52	-	-
<b>Profit for the period</b>		<b>5,019,200</b>	<b>5,260,049</b>	<b>2,909,368</b>	<b>15,471,983</b>
<b>Basic earnings per share (Baht)</b>	13	<b>0.20</b>	<b>0.21</b>	<b>0.12</b>	<b>0.62</b>

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
	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	Appropriated to legal reserve	Unappropriated			
	<i>(in thousand Baht)</i>									
<b>Balance at 1 January 2007</b>	<b>25,110,025</b>	<b>(17,141,406)</b>	<b>17,215,737</b>	<b>(19,508)</b>	<b>6,586,263</b>	<b>1,700,000</b>	<b>19,102,445</b>	<b>52,553,556</b>	<b>506</b>	<b>52,554,062</b>
Net surplus on property revaluation	-	-	-	-	(134,521)	-	134,521	-	-	-
Translation loss relating to financial statements of foreign operations	-	-	-	(56,440)	-	-	-	(56,440)	-	(56,440)
Net expense recognised directly in equity	-	-	-	(56,440)	(134,521)	-	134,521	(56,440)	-	(56,440)
Profit for the period	-	-	-	-	-	-	5,259,997	5,259,997	52	5,260,049
<b>Total recognised income and expense</b>	-	-	-	<b>(56,440)</b>	<b>(134,521)</b>	-	<b>5,394,518</b>	<b>5,203,557</b>	<b>52</b>	<b>5,203,609</b>
Effects of change to percentage of holding	-	-	-	-	-	-	-	-	(21)	(21)
Dividends	-	-	-	-	-	-	(2,762,103)	(2,762,103)	(219)	(2,762,322)
<b>Balance at 30 June 2007</b>	<b>25,110,025</b>	<b>(17,141,406)</b>	<b>17,215,737</b>	<b>(75,948)</b>	<b>6,451,742</b>	<b>1,700,000</b>	<b>21,734,860</b>	<b>54,995,010</b>	<b>318</b>	<b>54,995,328</b>

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	Appropriated to legal reserve	Unappropriated	Total equity attributable to equity holders of the Company	Minority interests	Total equity
	<i>(in thousand Baht)</i>									
<b>Balance at 1 January 2008</b>	<b>25,110,025</b>	<b>(17,141,406)</b>	<b>17,215,737</b>	<b>(208,076)</b>	<b>4,388,935</b>	<b>2,900,000</b>	<b>22,644,726</b>	<b>54,909,941</b>	<b>42,872</b>	<b>54,952,813</b>
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
<b>Total recognised income and expense</b>	-	-	-	<b>(28,827)</b>	-	-	<b>5,018,951</b>	<b>4,990,124</b>	<b>249</b>	<b>4,990,373</b>
Effects of change to percentage of holding	-	-	-	-	-	-	-	-	(38,118)	(38,118)
Dividends	-	-	-	-	-	-	(4,268,704)	(4,268,704)	-	(4,268,704)
<b>Balance at 30 June 2008</b>	<b>25,110,025</b>	<b>(17,141,406)</b>	<b>17,215,737</b>	<b>(236,903)</b>	<b>4,388,935</b>	<b>2,900,000</b>	<b>23,394,973</b>	<b>55,631,361</b>	<b>5,003</b>	<b>55,636,364</b>

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>				
<b>Balance at 1 January 2007</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>134,521</b>	<b>1,700,000</b>	<b>3,534,895</b>	<b>47,695,178</b>	
Net surplus on property revaluation	-	-	(134,521)	-	134,521	-	
Profit for the period	-	-	-	-	15,471,983	15,471,983	
<b>Total recognised income and expense</b>	<b>-</b>	<b>-</b>	<b>(134,521)</b>	<b>-</b>	<b>15,606,504</b>	<b>15,471,983</b>	
Dividends	-	-	-	-	(2,762,103)	(2,762,103)	
<b>Balance at 30 June 2007</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>-</b>	<b>1,700,000</b>	<b>16,379,296</b>	<b>60,405,058</b>	
<b>Balance at 1 January 2008</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>-</b>	<b>2,900,000</b>	<b>16,112,423</b>	<b>61,338,185</b>	
Profit for the period	-	-	-	-	2,909,368	2,909,368	
Dividends	-	-	-	-	(4,268,704)	(4,268,704)	
<b>Balance at 30 June 2008</b>	<b>25,110,025</b>	<b>17,215,737</b>	<b>-</b>	<b>2,900,000</b>	<b>14,753,087</b>	<b>59,978,849</b>	

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)

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		2008	2007	2008	2007
		<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>					
Profit for the period		5,019,200	5,260,049	2,909,368	15,471,983
<b><i>Adjustments for</i></b>					
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>
<b><i>Changes in operating assets and liabilities</i></b>					
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		(2,838,327)	(2,331,397)	(191,724)	(136,282)
<b>Net cash provided by operating activities</b>		<b><u>5,995,225</u></b>	<b><u>6,276,590</u></b>	<b><u>634,291</u></b>	<b><u>1,820,822</u></b>

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	
<i>Note</i>	2008	2007	2008	2007
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Interest received	12,600	19,761	297,865	366,581
Short-term loans from and amounts due to related parties	- (1,831)	- (34,984)	2,549,434 (869,000)	6,600,156 (6,844,982)
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)
<b>Net cash provided by (used in) investing activities</b>	<b>(1,174,404)</b>	<b>473,472</b>	<b>5,579,181</b>	<b>4,032,502</b>
<b><i>Cash flows from financing activities</i></b>				
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)
<b>Net cash used in financing activities</b>	<b>(5,096,197)</b>	<b>(6,630,137)</b>	<b>(6,210,710)</b>	<b>(5,845,971)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(275,376)</b>	<b>119,925</b>	<b>2,762</b>	<b>7,353</b>
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)	-	-
<b>Cash and cash equivalents at end of period</b>	<b>1,884,789</b>	<b>1,983,062</b>	<b>11,930</b>	<b>22,976</b>

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)**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the financial statements
3	Seasonal operations
4	Significant transactions
5	Related party transactions and balances
6	Other investments
7	Trade accounts receivable
8	Investments in subsidiaries and associates
9	Property, plant and equipment
10	Interest-bearing liabilities
11	Trade accounts payable
12	Segment information
13	Earnings per share
14	Dividends
15	Changes in accounting policy
16	Commitments with non-related parties
17	Events after the balance sheet date
18	Reclassification of accounts
19	Significant differences between Thai GAAP and IFRS

**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. 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. Kanchanasing Korn 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

**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)**

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2008	31 December 2007
<b>Direct subsidiaries (continued)</b>				
36. Piromsurang 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 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.	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. Archa 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	-
<b>Indirect subsidiaries</b>				
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



**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)**

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2008	31 December 2007
<i>Subsidiaries of indirect subsidiaries*</i>				
72. Blairmhor 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. Blairmhor 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 Balblair 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.

**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)**

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.

**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)**

- (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.

**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)**

**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:

<b>Name of the entity</b>	<b>Country of incorporation</b>	<b>Nature of relationships</b>
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. Kanchanasingkorn 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. Karnsura 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. Pomkung Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
23. Pomchok Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
24. Pomcharoen 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 Kijjakarn 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. Surathip 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. Charun Business 52 Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding

**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)**

<b>Name of the entity</b>	<b>Country of incorporation</b>	<b>Nature of relationships</b>
43. Thai Cooperage 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. Dhospaak 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 Sahasan 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. Blairmhor Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
73. Inver House Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
74. Blairmhor Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
75. Wee Beastie 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 Balblair 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. Liquorland 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

**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)**

<b>Name of the entity</b>	<b>Country of incorporation</b>	<b>Nature of relationships</b>
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 Utaradit 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 Athenee 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

**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)**

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

<b>Transactions</b>	<b>Pricing policies</b>
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>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b>Subsidiaries</b>				
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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b>Other related parties</b>				
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

**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)**

<i>Six-month period ended 30 June</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b>Subsidiaries</b>				
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
<b>Other related parties</b>				
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>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in million Baht)</i>			
<b>Other related companies</b>				
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	-	-
<b>Total</b>	<b>15</b>	<b>14</b>	<b>-</b>	<b>-</b>









**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)**

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

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>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b>Short-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	3,548	9,367
Increase	-	-	1,043	1,065
Decrease	-	-	(1,984)	(5,937)
<b>At 30 June</b>	<b>-</b>	<b>-</b>	<b>2,607</b>	<b>4,495</b>

<b>Long-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	9,411	5,501
Increase	-	-	226	2,142
Decrease	-	-	(2,890)	(394)
<b>At 30 June</b>	<b>-</b>	<b>-</b>	<b>6,747</b>	<b>7,249</b>

<i>Trade accounts payable to related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in million Baht)</i>			
<b>Other related companies</b>				
Berli Jucker PCL.	554	471	-	-
Thai Beverage Can Ltd.	103	139	-	-
PS Recycle Co., Ltd.	35	46	-	-
Others	20	24	-	-
<b>Total</b>	<b>712</b>	<b>680</b>	<b>-</b>	<b>-</b>

**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)**

**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)	
<b>Subsidiaries</b>										
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	1,075	16	1,091	129	12	141
Sangsom Co., Ltd.	-	-	-	-	675	5	680	-	-	-
Fuengfuanant Co., Ltd.	-	-	-	-	21	1	22	-	-	-
Athimart Co., Ltd.	-	-	-	-	39	-	39	45	-	45
S.S. Karnsura Co., Ltd.	-	-	-	-	160	1	161	50	-	50
Kankwan Co., Ltd.	-	-	-	-	89	-	89	-	-	-
Theparunothai Co., Ltd.	-	-	-	-	110	1	111	-	1	1
United Winery and Distillery Co., Ltd.	-	-	-	-	103	1	104	193	2	195
Pomthip Co., Ltd.	-	-	-	-	29	1	30	39	2	41
Pomkit Co., Ltd.	-	-	-	-	-	1	1	80	4	84
Pomkung 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
Num Kijjakarn Co., Ltd.	-	-	-	-	115	-	115	406	2	408
Num Muang Co., Ltd.	-	-	-	-	28	-	28	-	-	-
Num Nakorn Co., Ltd.	-	-	-	-	96	-	96	100	-	100
Num Thurakij Co., Ltd.	-	-	-	-	30	-	30	65	-	65
Krittayabun Co., Ltd.	-	-	-	-	234	1	235	189	9	198
Surathip Co., Ltd.	-	-	-	-	136	1	137	10	5	15
Sunthronpirom Co., Ltd.	-	-	-	-	119	1	120	81	1	82
Piromsurang 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	-	-	-

**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)**

**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)		Total		Total
<b>Subsidiaries (continued)</b>									
Bang-Na Logistic Co., Ltd.	-	-	-	-	-	-	-	-	30
Thai Beverage Logistics Co., Ltd.	-	-	-	198	-	199	-	-	-
Thai Beverage Marketing Co., Ltd.	-	-	-	50	-	50	150	1	151
Dhospaak Co., Ltd.	-	-	-	25	-	30	-	14	14
International Beverage Holdings Ltd.	-	-	-	-	-	-	-	1	1
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	132	2	134	177	3	180
Beer Chang Co., Ltd.	-	-	-	97	1	98	-	1	1
Archa Beer Co., Ltd.	-	-	-	55	-	55	35	-	35
<b>Total subsidiaries</b>	-	-	-	<b>4,237</b>	<b>45</b>	<b>4,282</b>	<b>2,040</b>	<b>65</b>	<b>2,105</b>
<b>Other related companies</b>									
The Southeast Insurance (2000) Co., Ltd.	-	122	122	-	19	5	-	-	-
Plaza Athenee Hotel (Thailand) Co., Ltd.	-	17	17	-	10	-	-	-	-
Southeast Capital Co., Ltd.	-	11	11	-	14	-	-	2	2
T.C.C. Technology Co., Ltd.	-	11	11	-	11	10	-	7	7
TCC Hotel Collection Co., Ltd.	-	5	5	-	10	-	-	1	1
Others	-	8	8	-	5	-	-	-	-
<b>Total other related companies</b>	-	<b>174</b>	<b>174</b>	-	<b>69</b>	<b>15</b>	-	<b>10</b>	<b>10</b>
<b>Total</b>	-	<b>174</b>	<b>174</b>	-	<b>69</b>	<b>4,297</b>	<b>2,040</b>	<b>75</b>	<b>2,115</b>







**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)**

<i>Summary of loans from related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in million Baht)</i>			
Short-term loans	-	-	4,237	2,040
Long-term loans	-	-	6,932	6,540
<b>Total loans from related parties</b>	<b>-</b>	<b>-</b>	<b>11,169</b>	<b>8,580</b>

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

<i>Loans from related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b>Short-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	2,040	12,984
Increase	-	-	2,888	1,226
Decrease	-	-	(691)	(4,748)
<b>At 30 June</b>	<b>-</b>	<b>-</b>	<b>4,237</b>	<b>9,462</b>
<b>Other related parties</b>				
At 1 January	-	4,615	-	-
Increase	-	-	-	-
Decrease	-	(3,082)	-	-
<b>At 30 June</b>	<b>-</b>	<b>1,533</b>	<b>-</b>	<b>-</b>
<b>Total short-term loans from related parties</b>				
At 1 January	-	4,615	2,040	12,984
Increase	-	-	2,888	1,226
Decrease	-	(3,082)	(691)	(4,748)
<b>At 30 June</b>	<b>-</b>	<b>1,533</b>	<b>4,237</b>	<b>9,462</b>
<b>Long-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	6,540	4,372
Increase	-	-	784	1,048
Decrease	-	-	(392)	(36)
<b>At 30 June</b>	<b>-</b>	<b>-</b>	<b>6,932</b>	<b>5,384</b>

**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)**

*Significant agreements with related parties*

*Supporting service agreements*

The Company entered into the supporting service agreements 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 product, experiment and quality test, analysis, research and marketing survey for new products and procurement of information.

*Application service provisioning agreement*

The Company 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 is committed to pay system, hardware and software rental fee and service fee on monthly basis throughout the contract period for five years.

*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 agreements*

Thai Molasses Co., Ltd., the Company's subsidiary, entered into the molasses purchase agreements 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 sell 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.

**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)**

*License agreements*

- Three subsidiaries entered into license agreements with Beer Chang Co., Ltd., Archa Beer Co., Ltd., and Thai Beverage Brands Co., Ltd. the Company's subsidiaries, 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", "ARCHA" and "FEDERBRAU". 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 at Baht 0.50-1.50 per bottle based on contents of each type of bottles.

*Commitments with related parties*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b><i>Non-cancellable operating lease commitments</i></b>				
Within one year	164	131	21	22
After one year but within five years	264	228	35	32
After five years	16	17	-	-
<b>Total</b>	<b>444</b>	<b>376</b>	<b>56</b>	<b>54</b>
<b><i>Other commitments</i></b>				
Application service provisioning agreement	122	142	122	142
Brewing supervision agreement	30	30	-	-
Molasses purchase agreements	34	-	-	-
Other agreements	6	4	8	17
<b>Total</b>	<b>192</b>	<b>176</b>	<b>130</b>	<b>159</b>

**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)**

**6 Other investments**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in million Baht)</i>			
<b><i>Current investments</i></b>				
Short-term deposits at financial institutions	9	8	-	-
<b><i>Other long term investments</i></b>				
Other non marketable equity securities	8	8	-	-
Less allowance for decline in value of investments	(4)	(4)	-	-
<b>Net</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>13</b>	<b>12</b>	<b>-</b>	<b>-</b>

**7 Trade accounts receivable**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		30 June 2008	31 December 2007	30 June 2008	31 December 2007
		<i>(in million Baht)</i>			
Related parties	5	15	14	-	-
Other parties		1,095	1,608	-	-
		1,110	1,622	-	-
Less allowance for doubtful accounts		(155)	(155)	-	-
<b>Total</b>		<b>955</b>	<b>1,467</b>	<b>-</b>	<b>-</b>

**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)**

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	<i>(in million Baht)</i>			
<b>Related parties</b>				
Within credit terms	8	10	-	-
Overdue:				
Less than 3 months	7	4	-	-
	<u>15</u>	<u>14</u>	<u>-</u>	<u>-</u>
<b>Other parties</b>				
Within credit terms	717	979	-	-
Overdue:				
Less than 3 months	192	353	-	-
3-6 months	23	64	-	-
6-12 months	10	72	-	-
Over 12 months	153	140	-	-
	<u>1,095</u>	<u>1,608</u>	<u>-</u>	<u>-</u>
Less allowance for doubtful accounts	(155)	(155)	-	-
<b>Net</b>	<u>940</u>	<u>1,453</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>955</u>	<u>1,467</u>	<u>-</u>	<u>-</u>

The normal credit term granted by the Group ranges from 7 days to 180 days.

**8 Investments in subsidiaries and associates**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
At 1 January	124	135	71,470	63,595
Acquisitions	-	-	869	6,845
Translation differences on consolidation	(1)	(36)	-	-
<b>At 30 June</b>	<u>123</u>	<u>99</u>	<u>72,339</u>	<u>70,440</u>

The consolidated financial statements of the Company for the six-month period ended 30 June 2008 include the financial statements of two subsidiary companies as follows: United Products Co., Ltd. and S P M Foods and Beverages Co., Ltd., which the financial statements were prepared by their management and which have not been reviewed by the auditors. The total assets of these subsidiary companies represent 0.94% of the consolidated assets as at 30 June 2008 and their revenues represent 1.22% of the consolidated revenues for the six-month period then ended.

**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)**

Investments in subsidiaries and associates as at 30 June 2008 and 31 December 2007 were as follows:

	Ownership interest		Paid-up capital		Consolidated financial statements			
	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	31 December 2007
	(%)		(in million Baht)					
<b>Associates</b>								
<i>Held by subsidiaries of indirect subsidiaries</i>								
Liquorland Limited	49.49	49.49	69	69	18	18	123	124
Inver House Polska Limited	44.00	44.00	8	8	4	4	-	-
Inver House Distribution SA	50.02	50.02	2	2	1	1	-	-
<b>Total</b>			<b>79</b>	<b>79</b>	<b>23</b>	<b>23</b>	<b>123</b>	<b>124</b>

**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)**

**Separate financial statements**

	Ownership interest		Paid-up capital		Cost method		Dividend income	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	30 June 2007
	(in million Baht)							
<b>Direct subsidiaries</b>								
Beer Thai (1991) PCL.	100.00	100.00	5,550	5,550	12,500	12,500	117	1,870
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	462	1,617
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	-	750
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	32	253
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	700	700	21	-
Thanapakdi Co., Ltd.	100.00	100.00	700	700	700	700	17	36
Kanchanasingkorn Co., Ltd.	100.00	100.00	700	700	700	700	17	85
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	180	228
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	63	237
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	72	326
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	40	244
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	63	134
Red Bull Distillery (1988) Co., Ltd.	100.00	100.00	5,000	5,000	5,000	5,000	125	-
United Winery and Distillery Co., Ltd.	100.00	100.00	1,800	1,800	1,800	1,800	27	52
Simathurakij Co., Ltd.	100.00	100.00	900	900	889	889	54	104
Nateechai Co., Ltd.	100.00	100.00	800	800	800	800	8	101
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	766	766	-	70
Sura Piset Thipparat Co., Ltd.	100.00	100.00	500	500	510	510	-	-
Thai Alcohol PCL.	100.00	100.00	800	800	1,374	1,374	-	357
Pomthip Co., Ltd.	100.00	100.00	10	10	10	10	27	190
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	51	281
Pomkung Co., Ltd.	100.00	100.00	10	10	10	10	34	173
Pomchok Co., Ltd.	100.00	100.00	10	10	10	10	57	359
Pomcharoen Co., Ltd.	100.00	100.00	10	10	10	10	17	16
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	36	255
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	112	631
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	133	1,077
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	61	257

**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)**

**Separate financial statements**

	Ownership interest		Paid-up capital		Cost method		Dividend income for six months ended
	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	31 December 2007	
	(in million Baht)						
	(%)						
<b>Direct subsidiaries (continued)</b>							
Num Muang Co., Ltd.	100.00	100.00	10	10	101	10	400
Num Nakorn Co., Ltd.	100.00	100.00	10	10	64	10	168
Num Tharakij Co., Ltd.	100.00	100.00	10	10	77	10	306
Thipecthalothorn Co., Ltd.	100.00	100.00	1	1	-	3	214
Krittayabun Co., Ltd.	100.00	100.00	5	5	38	27	241
Surathip Co., Ltd.	100.00	100.00	1	1	32	7	649
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	50	25	951
Piromsurang Co., Ltd.	100.00	100.00	5	5	20	24	654
Bionic Humus Co., Ltd.	100.00	100.00	690	350	-	354	-
Wrangyer Beverage (2008) Co., Ltd. (Formerly: Maharas Agri Co., Ltd.)	100.00	100.00	200	2	-	2	-
Thai Molasses Co., Ltd.	99.72	99.72	40	40	-	35	76
Additive Food Co., Ltd.	100.00	100.00	1	1	32	32	36
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	34	34	65
Charun Business 52 Co., Ltd.	100.00	100.00	122	122	84	84	-
Thai Cooperage Co., Ltd.	100.00	100.00	300	300	296	296	31
Bang-Na Logistic Co., Ltd.	100.00	100.00	123	123	134	134	53
Thai Beverage Logistics Co., Ltd.	100.00	100.00	262	12	262	12	64
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	100
Dhanasindhi Co., Ltd.	100.00	100.00	20	20	24	24	20
Dhospaak Co., Ltd.	100.00	100.00	25	25	61	61	20
International Beverage Holdings Ltd.	100.00	100.00	6,841	6,760	6,841	6,760	-
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	4,212	4,212	1,427
Thai Beverage Brands Co., Ltd. (Formerly: T.C.C. Cosmo Corp., Ltd.)	100.00	100.00	5	5	39	39	3
Beer Chang Co., Ltd.	100.00	100.00	1	1	4,301	4,301	190
Archa beer Co., Ltd.	100.00	100.00	1	1	130	130	30
Sura Piset Phatra Lanna Co., Ltd.	100.00	100.00	600	600	615	615	-
<b>Total</b>			<b>51,786</b>	<b>50,917</b>	<b>72,339</b>	<b>71,470</b>	<b>15,401</b>



**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)**

**9 Property, plant and equipment**

Acquisitions and disposals of property, plant and equipment during the six-month periods ended 30 June 2008 and 2007 were as follows:

	<b>Consolidated financial statements</b>			
	2008		2007	
	Acquisitions - at cost	Disposals - net book value <i>(in million Baht)</i>	Acquisitions - at cost	Disposals - net book value
Land	55	-	24	(546)
Land improvement	-	(1)	1	-
Buildings and improvements	127	(1)	9	(1)
Machinery and equipment	324	(10)	64	(9)
Furniture, fixtures and office equipment	27	-	30	-
Vehicles	68	(2)	7	(4)
Construction in progress	366	-	491	(210)
<b>Total</b>	<b>967</b>	<b>(14)</b>	<b>626</b>	<b>(770)</b>

  

	<b>Separate financial statements</b>			
	2008		2007	
	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	7	-	1	-
Vehicles	2	(1)	-	-
Construction in progress	-	-	-	(210)
<b>Total</b>	<b>9</b>	<b>(1)</b>	<b>1</b>	<b>(755)</b>

**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)**

**10 Interest-bearing liabilities**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		30 June 2008	31 December 2007	30 June 2008	31 December 2007
<i>(in million Baht)</i>					
<b>Current</b>					
Bank overdrafts					
Secured		581	899	-	-
Unsecured		12	101	1	-
Short-term loans from financial institutions					
Unsecured		9,690	4,998	5,600	4,798
Bank overdraft and short-term loans from financial institutions		<b>10,283</b>	<b>5,998</b>	<b>5,601</b>	<b>4,798</b>
Current portion of long-term guaranteed bonds					
Guaranteed / Negative pledge		-	3,000	-	3,000
Current portion of long-term loans					
Guaranteed / Negative pledge		-	1,755	-	1,755
Unsecured		2,775	-	2,775	-
Short-term loans from related parties					
Unsecured	5	-	-	4,237	2,040
		<b>13,058</b>	<b>10,753</b>	<b>12,613</b>	<b>11,593</b>
<b>Non-current</b>					
Long-term loans from financial institutions					
Unsecured		2,625	5,400	2,625	5,400
Long-term loans from related parties					
Unsecured	5	-	-	6,932	6,540
		<b>2,625</b>	<b>5,400</b>	<b>9,557</b>	<b>11,940</b>
<b>Total</b>		<b>15,683</b>	<b>16,153</b>	<b>22,170</b>	<b>23,533</b>

The periods to maturity of interest-bearing liabilities as at 30 June 2008 and 31 December 2007 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
<i>(in million Baht)</i>				
Within one year	13,058	10,753	12,613	11,593
After one year but within five years	2,625	5,400	9,557	11,940
<b>Total</b>	<b>15,683</b>	<b>16,153</b>	<b>22,170</b>	<b>23,533</b>

**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)**

As at 30 June 2008 the Group had unutilised credit facilities totalling Baht 18,174 million (*31 December 2007: Baht 24,724 million*).

The principal features of the borrowings were as follows:

- (a) Bank overdrafts are repayable on demand as at 30 June 2008, the Group has a total overdraft facilities amounting to Baht 3,946 million (*31 December 2007: Baht 3,714 million*) which is partially guaranteed by five subsidiaries.
- (b) Short-term loans from financial institutions as at 30 June 2008, the Group has short-term loan facilities from several financial institutions totalling Baht 24,510 million (*31 December 2007: Baht 25,010 million*) with money market rate quoted by bank. The Group utilised those facilities in term of promissory notes issued by the Group to several domestic financial institutions totalling Baht 9,690 million (*31 December 2007: Baht 3,000 million*).

In 2007, the Company issued and offered short-term bill of exchange amounting to Baht 5,000 million to two financial institutions, the said bills represents short-term bill of exchange offered to and exchanged among institutional investors and/or substantial high net worth investors as prescribed in accordance with Notifications of the Securities and Exchange Commission. The Company repaid the short-term bill of exchange at maturity during November 2007 and January 2008. The Company fully repaid the short-term bill of exchange in January 2008 and there was no outstanding balance as at 30 June 2008 (*31 December 2007: Baht 2,000 million*).

- (c) 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 702.2 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 2007, the Company partially repaid long-term loans amounting to Baht 22,220 million with accrued interest to seven financial institutions and the interest rate in the second year decrease from 6% to 5% per annum. Subsequently, in March 2008, the Company fully prepaid the remaining long-term loans of Baht 1,380 million with accrued interest to the financial institutions. The fully co-guarantee by four subsidiaries and the negative pledge made by 17 subsidiaries were terminated in March 2008.

**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)**

In 2007, the Company entered into a long-term loan agreement with a financial institution 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. Subsequently, the Company has been granted the reduction of interest rate to be 4.50% per annum for the first year and 4.75% per annum afterwards. In addition, the Company entered into a long-term loan agreement with a financial institution in the amount of Baht 900 million which is to be repaid in 2009. The interest is payable monthly at 3.9625% per annum.

**11 Trade accounts payable**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		30 June 2008	31 December 2007	30 June 2008	31 December 2007
			<i>(in million Baht)</i>		
Related parties	5	712	680	-	-
Other parties		1,739	1,569	-	-
<b>Total</b>		<b>2,451</b>	<b>2,249</b>	<b>-</b>	<b>-</b>

**12 Segment information**

Segment information is presented in respect of the Group's 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:

<i>Beer</i>	Production and sales of branded beer products (mostly outside the group);
<i>Spirits</i>	Production and sales of branded spirits products (mostly outside the group);
<i>Non-alcoholic beverages</i>	Production and sales of branded soda, water, energy drinks and fruit drinks products (mostly outside the group); and
<i>Alcohol</i>	Production and sales of alcohol (mostly outside the group)

**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)**

*Geographical 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.

**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)**

***Business segment results***

Revenue and results, based on business segments, in the consolidated financial statements for the three-month periods ended 30 June 2008 and 2007 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Alcohol		Elimination		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenue from sales	9,402	10,722	14,273	12,574	221	-	267	131	180	(281)	24,343	23,146
Interest income	5	7	15	5	-	-	-	1	(10)	(1)	10	12
Other income	49	4	136	34	2	-	1	12	(8)	(5)	180	45
<b>Total revenues</b>	<b>9,456</b>	<b>10,733</b>	<b>14,424</b>	<b>12,613</b>	<b>223</b>	-	<b>268</b>	<b>144</b>	<b>162</b>	<b>(287)</b>	<b>24,533</b>	<b>23,203</b>
Cost of sales	7,804	8,310	9,391	8,127	164	-	244	135	172	(292)	17,775	16,280
Selling and administrative expenses	1,364	1,474	1,644	1,595	89	-	59	31	6	(3)	3,162	3,097
<b>Total expenses</b>	<b>9,168</b>	<b>9,784</b>	<b>11,035</b>	<b>9,722</b>	<b>253</b>	-	<b>303</b>	<b>166</b>	<b>178</b>	<b>(295)</b>	<b>20,937</b>	<b>19,377</b>
<b>Profit (loss) before interest and income tax expenses</b>	<b>288</b>	<b>949</b>	<b>3,389</b>	<b>2,891</b>	<b>(30)</b>	-	<b>(35)</b>	<b>(22)</b>	<b>(16)</b>	<b>8</b>	<b>3,596</b>	<b>3,826</b>
Interest expense	38	69	85	183	13	-	4	9	(10)	(1)	130	260
Income tax expense	133	707	959	477	(16)	-	1	-	-	-	1,077	1,184
<b>Profit (loss) for the period</b>	<b>117</b>	<b>173</b>	<b>2,345</b>	<b>2,231</b>	<b>(27)</b>	-	<b>(40)</b>	<b>(31)</b>	<b>(6)</b>	<b>9</b>	<b>2,389</b>	<b>2,382</b>

**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)**

Business segments capital expenditure, depreciation and amortisation for the three-month periods ended 30 June 2008 and 2007 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Alcohol		Total
	2008	2007	2008	2007	2008	2007	2008	2007	
<b>Capital expenditure</b>									
- Property, plant and equipment	28	64	172	206	3	-	2	22	292
- Intangible assets	1	-	55	-	-	-	-	-	56
Depreciation	532	582	590	581	78	-	48	48	1,211
Amortisation	1	1	8	12	-	-	-	-	13

*(in million Baht)*

**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)**

**Business segment results**

Revenue and results, based on business segments, in the consolidated financial statements for the six-month periods ended 30 June 2008 and 2007 were as follows:

	Beer		Spirits		Non-alcoholic beverages		Alcohol		Elimination		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenue from sales	21,272	23,086	28,719	26,162	365	-	757	350	(30)	(491)	51,083	49,107
Interest income	6	12	25	10	-	-	-	1	(19)	(3)	12	20
Other income	55	50	178	103	5	-	2	15	(13)	(9)	227	159
<b>Total revenues</b>	<b>21,333</b>	<b>23,148</b>	<b>28,922</b>	<b>26,275</b>	<b>370</b>	-	<b>759</b>	<b>366</b>	<b>(62)</b>	<b>(503)</b>	<b>51,322</b>	<b>49,286</b>
Cost of sales	17,096	17,864	19,048	16,936	293	-	678	321	(32)	(531)	37,083	34,590
Selling and administrative expenses	2,876	2,913	3,516	3,248	159	-	89	63	13	(8)	6,653	6,216
<b>Total expenses</b>	<b>19,972</b>	<b>20,777</b>	<b>22,564</b>	<b>20,184</b>	<b>452</b>	-	<b>767</b>	<b>384</b>	<b>(19)</b>	<b>(539)</b>	<b>43,736</b>	<b>40,806</b>
<b>Profit (loss) before interest and income tax expenses</b>	<b>1,361</b>	<b>2,371</b>	<b>6,358</b>	<b>6,091</b>	<b>(82)</b>	-	<b>(8)</b>	<b>(18)</b>	<b>(43)</b>	<b>36</b>	<b>7,586</b>	<b>8,480</b>
Interest expense	82	141	191	400	26	-	10	19	(19)	(3)	290	557
Income tax expense	400	1,181	1,902	1,481	(27)	-	2	1	-	-	2,277	2,663
<b>Profit (loss) for the period</b>	<b>879</b>	<b>1,049</b>	<b>4,265</b>	<b>4,210</b>	<b>(81)</b>	-	<b>(20)</b>	<b>(38)</b>	<b>(24)</b>	<b>39</b>	<b>5,019</b>	<b>5,260</b>





**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)**

***Business segments financial position***

Business segment assets and liabilities as at 30 June 2008 and 31 December 2007 were as follows:

	<b>Beer</b>		<b>Spirits</b>		<b>Non-alcoholic beverages</b>		<b>Alcohol</b>		<b>Total</b>	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	31 December 2007
Inventories	3,704	3,588	25,611	23,988	344	-	138	481	29,797	28,057
Property, plant and equipment	15,773	17,910	22,212	23,137	1,603	-	2,094	2,169	41,682	43,216
Other assets	2,201	1,817	5,546	5,921	153	-	453	516	8,353	8,254
<b>Total Assets</b>	<b>21,678</b>	<b>23,315</b>	<b>53,369</b>	<b>53,046</b>	<b>2,100</b>	<b>-</b>	<b>2,685</b>	<b>3,166</b>	<b>79,832</b>	<b>79,527</b>
Total debts	4,992	4,444	9,942	11,048	320	-	436	668	15,690	16,160
Other liabilities	3,173	4,065	5,129	4,307	162	-	42	42	8,506	8,414
<b>Total liabilities</b>	<b>8,165</b>	<b>8,509</b>	<b>15,071</b>	<b>15,355</b>	<b>482</b>	<b>-</b>	<b>478</b>	<b>710</b>	<b>24,196</b>	<b>24,574</b>

*(in million Baht)*

**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)**

***Geographic segments***

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

	<b>Consolidated financial statements</b>			
	Revenue		Property, plant and equipment	
	30 June 2008	30 June 2007	30 June 2008	31 December 2007
	<i>(in million Baht)</i>			
Thailand	49,609	47,425	40,107	41,613
Overseas	1,713	1,861	1,575	1,603
<b>Total</b>	<b><u>51,322</u></b>	<b><u>49,286</u></b>	<b><u>41,682</u></b>	<b><u>43,216</u></b>

**13 Earnings per share**

The calculation of basic earnings per share for the three-month and six-month periods ended 30 June 2008 and 2007 were based on the profit for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period as follows:

<b><i>Three-month period ended 30 June</i></b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht / million shares)</i>			
Profit attributable to equity holders of the Company (basic)	<u>2,388</u>	<u>2,382</u>	<u>2,734</u>	<u>15,463</u>
Number of ordinary shares outstanding	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
<b>Earnings per share (basic) (in Baht)</b>	<b><u>0.10</u></b>	<b><u>0.09</u></b>	<b><u>0.11</u></b>	<b><u>0.62</u></b>

<b><i>Six-month period ended 30 June</i></b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
	<i>(in million Baht / million shares)</i>			
Profit attributable to equity holders of the Company (basic)	<u>5,019</u>	<u>5,260</u>	<u>2,909</u>	<u>15,472</u>
Number of ordinary shares outstanding	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
<b>Earnings per share (basic) (in Baht)</b>	<b><u>0.20</u></b>	<b><u>0.21</u></b>	<b><u>0.12</u></b>	<b><u>0.62</u></b>

**14 Dividends**

At the annual general meeting of the shareholders of the Company held on 28 April 2008, the shareholders approved the appropriation of dividends of Baht 0.29 per share, amounting to Baht 7,282 million. On 11 September 2007, the interim dividend were paid of Baht 0.12 per share, totalling Baht 3,013 million. The remaining dividend payment of Baht 0.17 per share, totalling Baht 4,269 million was paid on 26 May 2008.

**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)**

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**

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

**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)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2008	2007	2008	2007
	<i>(in million Baht)</i>			
<b><i>Other commitments</i></b>				
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
<b>Total</b>	<b>9,084</b>	<b>10,842</b>	<b>285</b>	<b>302</b>

- (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.

**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)**

**17 Events after the balance sheet date**

- (a) The Executive Board of Directors' Meeting held on 28 July 2008 unanimously passed the resolution of approval in principle of acquiring the additional 64,656 ordinary shares in United Products Co., Ltd. by Sura Piset Phatra Lanna Co., Ltd., the Company's subsidiary, from existing shareholders at Baht 130 per share, totaling Baht 8.4 million.
- (b) The Board of Directors' Meeting held on 14 August 2008 unanimously passed the resolution of approval for the interim dividend payment for the year 2008 of 25,110.03 million ordinary shares at Baht 0.12 per share, totaling Baht 3,013 million.

**18 Reclassification of accounts**

Certain accounts in the 2007 financial statements have been reclassified to conform to the presentation in the 2008 interim financial statements.

**19 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.

**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)**

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.

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.

**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)**

**(e) Business combination (Goodwill)**

Until 31 December 2007, 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.

During 2007, Thai GAAP on goodwill was revised in accordance with IFRS which is effective for accounting period beginning on or after 1 January 2008.

Under the newly revised Thai GAAP, 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.

	<b>Consolidated net profit</b>	
	Six-month period ended 30 June 2008	Six-month period ended 30 June 2007
	<i>(in million Baht)</i>	
<b>As reported in these consolidated financial statements under Thai GAAP</b>	<b>5,019</b>	<b>5,260</b>
<i>Add (less) : Thai GAAP/IFRS differences (net of tax effect)</i>		
(a) Deferred tax	7	168
(b) Employee benefits	(36)	(35)
(c) Financial instruments	79	14
(d) Business combination (Goodwill)	-	15
<b>Under IFRS</b>	<b>5,069</b>	<b>5,422</b>

	<b>Consolidated total shareholders' equity</b>	
	30 June 2008	31 December 2007
	<i>(in million Baht)</i>	
<b>As reported in these consolidated financial statements under Thai GAAP</b>	<b>55,636</b>	<b>54,953</b>
<i>Add (less) : Thai GAAP/IFRS differences (net of tax effect)</i>		
(a) Deferred tax	(628)	(636)
(b) Employee benefits	(617)	(581)
(c) Financial instruments	91	12
(d) Investment in property	(47)	(47)
(e) Business combination (Goodwill)	102	102
<b>Under IFRS</b>	<b>54,537</b>	<b>53,803</b>