

Thai Beverage Public Company Limited

Financial Statements And Dividend Announcement For The Six-Month Period Ended 30 June 2014.

PART I INFORMATION REQUIRED FOR Q2 AND THE SIX-MONTH PERIOD ENDED 30 JUNE (HALF-YEAR) ANNOUNCEMENTS.

1. (a) (i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries
Statement of income (Unaudited)

(Unit : Thousand Baht)

	Consolidated financial statements Three-month period ended 30 June			Consolidated financial statements Six-month period ended 30 June		
	2014	2013	+ / (-)	2014	2013	+ / (-)
Revenues from sales and services						
Revenue from sale of goods and rendering of services	40,024,484	36,834,106	9%	81,067,961	75,988,055	7%
Total revenues from sales and services	40,024,484	36,834,106	9%	81,067,961	75,988,055	7%
Cost of sales and services						
Cost of sales of goods and rendering of services	28,317,680	26,588,042	7%	57,043,613	54,899,876	4%
Total cost of sales and services	28,317,680	26,588,042	7%	57,043,613	54,899,876	4%
Gross profit	11,706,804	10,246,064	14%	24,024,348	21,088,179	14%
Selling expenses	3,318,459	3,230,913	3%	6,255,324	6,239,779	0%
Administrative expenses	2,726,932	2,645,783	3%	5,284,472	5,349,574	(1%)
Finance costs	408,919	538,465	(24%)	803,581	1,098,624	(27%)
Operating profit	5,252,494	3,830,903	37%	11,680,971	8,400,202	39%
Interest income	60,941	24,380	150%	76,460	27,835	175%
Net gain on foreign exchange	22,397	1,016,251	(98%)	28,707	433,145	(93%)
Other income	135,870	381,637	(64%)	290,971	521,592	(44%)
Net operating profit	5,471,702	5,253,171	4%	12,077,109	9,382,774	29%
Share of profit of associates, net of income tax	1,150,637	761,196	51%	1,825,539	1,003,107	82%
Earnings before income tax expense	6,622,339	6,014,367	10%	13,902,648	10,385,881	34%
Income tax expense	1,142,118	1,123,014	2%	2,483,764	2,061,578	20%
Profit for the period	5,480,221	4,891,353	12%	11,418,884	8,324,303	37%
Profit attributable to:						
Owners of the Company	5,521,634	4,923,099	12%	11,490,278	8,375,361	37%
Non-controlling interests	(41,413)	(31,746)	30%	(71,394)	(51,058)	40%
Profit for the period	5,480,221	4,891,353	12%	11,418,884	8,324,303	37%
Basic earnings per share (Baht)	0.22	0.20	10%	0.46	0.33	39%
Diluted earnings per share (Baht)	0.22	0.20	10%	0.46	0.33	39%

Thai Beverage Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

(Unit : Thousand Baht)

	Consolidated financial statements Three-month period ended 30 June			Consolidated financial statements Six-month period ended 30 June		
	2014	2013	+ / (-)	2014	2013	+ / (-)
	Profit for the period	5,480,221	4,891,353	12%	11,418,884	8,324,303
Other comprehensive income						
Share of other comprehensive income of associates	(775,239)	337,315	(330%)	(262,596)	1,375,006	(119%)
Foreign currency translation differences for foreign operations	213,898	452,202	(53%)	150,172	(101,223)	(248%)
Revaluation of property	-	6,056	(100%)	-	(3,851)	(100%)
Defined benefit plan actuarial losses	-	-		-	(11,072)	(100%)
Net change in fair value of available-for-sale investments	(4,495)	(22,066)	(80%)	(2,115)	(23,706)	(91%)
Income tax on other comprehensive income	920	3,021	(70%)	3,775	8,864	(57%)
Other comprehensive income for the period, net of income tax	(564,916)	776,528	(173%)	(110,764)	1,244,018	(109%)
Total comprehensive income for the period	4,915,305	5,667,881	(13%)	11,308,120	9,568,321	18%
Total comprehensive income attributable to:						
Owners of the Company	4,957,772	5,704,140	(13%)	11,380,696	9,627,648	18%
Non-controlling interests	(42,467)	(36,259)	17%	(72,576)	(59,327)	22%
Total comprehensive income for the period	4,915,305	5,667,881	(13%)	11,308,120	9,568,321	18%

- (a) (ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:—

NOTE :

Net profit is arrived at after charging / (Crediting) the following :

(Unit : Thousand Baht)

	Consolidated financial statements			Consolidated financial statements		
	Three-month period ended 30 June			Six-month period ended 30 June		
	2014	2013	+ / (-)	2014	2013	+ / (-)
A Investment (income) expenses	(1,154,696)	(783,598)	47%	(1,829,598)	(1,025,845)	78%
B Other income including interest income	(136,465)	(332,424)	(59%)	(259,545)	(441,549)	(41%)
C Interest on borrowings	408,919	538,465	(24%)	803,581	1,098,624	(27%)
D Depreciation and amortization	999,312	982,998	2%	1,982,676	1,960,104	1%
E Allowance for doubtful debts and bad debts written off	2,334	8,543	(73%)	519	23,406	(98%)
F Write-off for stock obsolescence	101,884	30,770	231%	108,089	45,129	140%
G Impairment in value of investments	-	-	-	-	-	-
H Foreign exchange (gain) / loss	(22,397)	(1,016,251)	(98%)	(28,707)	(433,145)	(93%)
I Adjustments for under or overprovision of tax in respect of prior year	-	-	-	-	-	-
J (Profit) or loss on sale of investments, properties, and / or plant and equipment	(47,651)	(43,244)	10%	(86,479)	(67,436)	28%
K Exceptional items	-	-	-	-	-	-
L Extraordinary items	-	-	-	-	-	-

- (b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries
Statement of financial position
As at 30 June 2014 and 31 December 2013

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	30-Jun-2014	31-Dec-2013	30-Jun-2014	31-Dec-2013
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	2,963,127	5,101,568	1,330,918	763,196
Current investments	6,964	6,794	-	-
Trade accounts receivable	2,875,831	3,890,628	-	-
Other receivables	687,164	614,919	23,250	19,838
Current portion of long-term loans	210	2,245	-	24
Short-term loans to and other receivables				
from related parties	152,260	248,768	10,917,961	14,985,444
Inventories	36,612,326	34,836,910	-	-
Other current assets	4,457,433	5,022,144	14,060	14,460
Total current assets	47,755,315	49,723,976	12,286,189	15,782,962
Non-current assets				
Investments in associates	70,441,396	75,558,200	-	-
Investments in subsidiaries	-	-	88,750,918	85,446,603
Other long-term investments	271,725	273,794	-	-
Long-term loans to and other receivables				
from related parties	75,228	73,490	3,805,212	2,207,903
Investment properties	1,012,092	1,014,965	-	-
Property, plant and equipment	46,993,251	46,827,202	54,121	59,969
Goodwill	7,056,143	7,052,097	-	-
Other intangible assets	150,643	160,487	23,562	21,912
Leasehold rights	162,541	171,729	-	-
Deferred tax assets	408,527	391,897	30,764	29,401
Other non-current assets	1,855,812	2,081,649	282,124	286,812
Total non-current assets	128,427,358	133,605,510	92,946,701	88,052,600
Total assets	176,182,673	183,329,486	105,232,890	103,835,562

Thai Beverage Public Company Limited and its Subsidiaries
Statement of financial position
As at 30 June 2014 and 31 December 2013

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	30-Jun-2014	31-Dec-2013	30-Jun-2014	31-Dec-2013
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term loans				
from financial institutions	2,823,902	2,166,835	-	353
Trade accounts payable	4,558,063	5,202,481	-	-
Other payables	4,362,314	3,939,234	124,460	139,470
Current portion of long-term loans				
from financial institutions	10,581,913	10,189,869	3,000,000	2,667,000
Short-term loans from and other payables				
to related parties	159,790	237,729	6,636,680	7,639,931
Income tax payable	2,467,360	2,647,135	40,926	488,112
Short-term provisions	17,953	22,091	-	-
Other current liabilities	1,496,852	1,824,830	35,812	46,810
Total current liabilities	26,468,147	26,230,204	9,837,878	10,981,676
Non-current liabilities				
Long-term loans from and other payables				
to related parties	105	104	21,118,900	17,769,700
Debentures	1,000,000	1,000,000	-	-
Long-term loans from financial institutions	43,282,271	54,342,860	5,000,000	6,500,000
Deferred tax liabilities	1,171,658	1,314,814	-	-
Employee benefit obligations	2,390,870	2,313,712	146,804	138,321
Other non-current liabilities	139,560	134,702	15	15
Total non-current liabilities	47,984,464	59,106,192	26,265,719	24,408,036
Total liabilities	74,452,611	85,336,396	36,103,597	35,389,712
Equity				
Share capital:				
Authorised share capital	29,000,000	29,000,000	29,000,000	29,000,000
Issued and paid-up share capital	25,110,025	25,110,025	25,110,025	25,110,025
Difference arising from common				
control transactions	(19,718,440)	(19,718,440)	31,035	31,035
Premium on ordinary shares	17,215,737	17,215,737	17,215,737	17,215,737
Retained earnings:				
Appropriated - legal reserve	2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated	66,968,004	63,010,734	23,872,496	23,189,053
Other components of equity	5,658,482	5,768,064	-	-
Equity attributable to owners of				
 of the Company	98,133,808	94,286,120	69,129,293	68,445,850
Non-controlling interests	3,596,254	3,706,970	-	-
Total equity	101,730,062	97,993,090	69,129,293	68,445,850
Total liabilities and equity	176,182,673	183,329,486	105,232,890	103,835,562

(b) (ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:—

(ii) Aggregate amount of group's borrowings and debt securities

(A) the amount repayable in one year or less, or on demand;

As at 30 June 2014				As at 31 December 2013			
Letter of Comfort	Unsecured	Guaranteed	Unsecured with guarantee	Letter of Comfort	Unsecured	Guaranteed	Unsecured with guarantee
152,464	4,245,000	1,426,438	7,581,913	185,543	3,430,353	1,217,939	7,522,869

(Unit : Thousand Baht)

(B) the amount repayable after one year;

As at 30 June 2014				As at 31 December 2013			
Secured	Unsecured	Guaranteed	Unsecured with guarantee	Secured	Unsecured	Guaranteed	Unsecured with guarantee
-	7,000,000	-	37,282,271	-	8,500,000	-	46,842,860

(Unit : Thousand Baht)

(C) details of any collaterals.

N/A

- (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of cash flows (Unaudited)
 Six-month period ended 30 June 2014 and 2013

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit for the period	11,418,884	8,324,303	8,216,451	9,009,040
Adjustments for				
Depreciation and amortisation	1,957,676	1,935,104	11,447	12,171
Interest income	(76,460)	(27,835)	(430,497)	(533,101)
Finance costs	803,581	1,098,624	814,499	838,445
Unrealised (gain) loss on exchange	(26,705)	180,919	(28)	159,236
Bad and doubtful debts expenses	519	23,406	-	-
Amortisation of advance payments to a specialist	25,000	25,000	4,687	4,687
Reversal of allowance for decline in value of inventories	(11,348)	(288,442)	-	-
Gain on sale of investment	-	(26,208)	-	(1,896,097)
Gain on disposal and write-off of property, plant and equipment and intangible assets	(86,479)	(41,228)	(250)	-
Reversal of impairment loss on property, plant and equipment	(89)	(11,470)	-	-
Dividend income	(4,059)	(22,738)	(7,888,828)	(6,601,768)
Employee benefit expenses	103,656	108,572	8,483	8,134
Share of profit of associates, net of income tax	(1,825,539)	(1,003,107)	-	-
Income tax expense	2,483,764	2,061,578	95,742	608,023
	14,762,401	12,336,478	831,706	1,608,770
Changes in operating assets and liabilities				
Trade accounts receivable	1,014,115	993,667	-	-
Other receivables from related parties	95,170	488,415	216,269	61,491
Inventories	(1,764,068)	(1,244,851)	-	-
Other current assets	491,501	(214,142)	(3,012)	17,986
Trade accounts payable	(646,533)	(268,238)	-	-
Other payables to related parties	(70,789)	(126,536)	(101,530)	(251,377)
Other current liabilities	89,167	(911,292)	(12,940)	(36,603)
Other non-current liabilities	5,814	(23,254)	-	15
Employee benefit paid	(48,190)	(55,146)	-	-
Cash generated from operating activities	13,928,588	10,975,101	930,493	1,400,282
Income tax paid	(2,819,551)	(2,964,380)	(544,291)	(175,436)
Net cash from operating activities	11,109,037	8,010,721	386,202	1,224,846

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of cash flows (Unaudited)
 Six-month period ended 30 June 2014 and 2013

(Unit : Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash flows from investing activities				
Interest received	77,242	28,319	438,500	377,008
Dividends received	2,438,284	1,570,589	7,888,828	6,601,768
(Increase) decrease in current investments	(170)	1,998	-	-
Loans to related parties	-	-	(2,070,544)	(1,235,524)
Proceeds from loans to related parties	-	-	4,316,418	4,009,476
Decrease in other long-term loans	2,035	15,781	-	-
Cash inflow (outflow) on investments in subsidiaries	-	2,563,717	(3,304,315)	945,990
Cash inflow on investments in associates	-	1,461	-	-
Decrease in other long-term investments	-	60,449	-	-
Purchase of property, plant and equipment	(2,075,721)	(2,354,187)	(15,736)	(12,742)
Sale of property, plant and equipment	121,551	80,319	250	37
Purchase of intangible assets	(9,161)	(13,072)	(3,098)	(3,288)
Sale of intangible assets	2	5	-	-
(Increase) decrease in other non-current assets	200,837	(62,132)	24	292
Cash received from capital reduction of associate	4,464,928	-	-	-
Net cash from investing activities	<u>5,219,827</u>	<u>1,893,247</u>	<u>7,250,327</u>	<u>10,683,017</u>
Cash flows from financing activities				
Interest paid	(660,837)	(1,005,353)	(804,146)	(843,319)
Dividends paid to owners of the Company	(7,533,008)	(7,030,807)	(7,533,008)	(7,030,807)
Dividends paid to non-controlling interests	(38,140)	(257,827)	-	-
Bank overdrafts	175,067	404,953	(353)	136,427
Proceeds from short-term loans from financial institutions	4,357,000	25,464,596	500,000	16,596,596
Repayment of short-term loans from financial institutions	(3,875,000)	(27,340,341)	(500,000)	(19,170,341)
Proceeds from loans from related parties	-	-	6,998,000	5,810,150
Repayment of loans from related parties	-	-	(4,562,300)	(6,233,450)
Proceeds from long-term loans from financial institutions	-	1,000,000	-	-
Repayment of long-term loans from financial institutions	(11,079,810)	(4,138,772)	(1,167,000)	(1,200,000)
Net cash used in financing activities	<u>(18,654,728)</u>	<u>(12,903,551)</u>	<u>(7,068,807)</u>	<u>(11,934,744)</u>
Net increase (decrease) in cash and cash equivalents	<u>(2,325,864)</u>	<u>(2,999,583)</u>	<u>567,722</u>	<u>(26,881)</u>
Cash and cash equivalents at 1 January	5,101,568	4,544,966	763,196	28,230
Foreign currency transaction differences for foreign operations	187,423	10,290	-	-
Cash and cash equivalents at 30 June	<u>2,963,127</u>	<u>1,555,673</u>	<u>1,330,918</u>	<u>1,349</u>

(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

(Unit : Thousand Baht)

	Consolidated financial statements												
	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Retained earnings		Other components of equity				Equity attributable to owners of the Company	Non-controlling interests	Total equity	
				Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of associates				Total other components of equity
Six-month period ended 30 June 2013													
Balance at 1 January 2013	25,110,025	(19,718,440)	17,215,737	2,900,000	52,399,129	(1,475,765)	3,659,168	22,351	1,263,831	3,469,585	81,376,036	3,595,352	84,971,388
Transactions with owners, recorded directly in equity													
<i>Distributions to owners of the Company</i>													
Dividends to owners of the Company	-	-	-	-	(7,030,807)	-	-	-	-	-	(7,030,807)	(257,827)	(7,288,634)
<i>Total distributions to owners of the Company</i>	-	-	-	-	(7,030,807)	-	-	-	-	-	(7,030,807)	(257,827)	(7,288,634)
<i>Changes in ownership interests in subsidiaries</i>													
Disposal of investment in subsidiary without a change in control	-	-	-	-	1,907,525	-	-	-	-	-	1,907,525	276,973	2,184,498
<i>Total changes in ownership interests in subsidiaries</i>	-	-	-	-	1,907,525	-	-	-	-	-	1,907,525	276,973	2,184,498
Total transactions with owners, recorded directly in equity	-	-	-	-	(5,123,282)	-	-	-	-	-	(5,123,282)	19,146	(5,104,136)
Comprehensive income for the period													
Profit or loss	-	-	-	-	8,375,361	-	-	-	-	-	8,375,361	(51,058)	8,324,303
Other comprehensive income	-	-	-	-	(5,726)	(102,788)	(1,942)	(12,263)	1,375,006	1,258,013	1,252,287	(8,269)	1,244,018
Total comprehensive income for the period	-	-	-	-	8,369,635	(102,788)	(1,942)	(12,263)	1,375,006	1,258,013	9,627,648	(59,327)	9,568,321
Balance at 30 June 2013	25,110,025	(19,718,440)	17,215,737	2,900,000	55,645,482	(1,578,553)	3,657,226	10,088	2,638,837	4,727,598	85,880,402	3,555,171	89,435,573

(Unit : Thousand Baht)

Consolidated financial statements

	Retained earnings					Other components of equity					Equity attributable to owners of the Company	Non-controlling interests	Total equity	
	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of associates	Total other components of equity				
Six-month period ended 30 June 2014														
Balance at 1 January 2014	25,110,025	(19,718,440)	17,215,737	2,900,000	63,010,734	(695,599)	3,999,380	8,721	2,455,562	5,768,064	94,286,120	3,706,970	97,993,090	
Transactions with owners, recorded directly in equity														
Dividends to owners of the Company	-	-	-	-	(7,533,008)	-	-	-	-	-	(7,533,008)	(38,140)	(7,571,148)	
Total transactions with owners, recorded directly in equity	-	-	-	-	(7,533,008)	-	-	-	-	-	(7,533,008)	(38,140)	(7,571,148)	
Comprehensive income for the period														
Profit or loss	-	-	-	-	11,490,278	-	-	-	-	-	11,490,278	(71,394)	11,418,884	
Other comprehensive income	-	-	-	-	-	150,757	3,351	(1,094)	(262,596)	(109,582)	(109,582)	(1,182)	(110,764)	
Total comprehensive income for the period	-	-	-	-	11,490,278	150,757	3,351	(1,094)	(262,596)	(109,582)	11,380,696	(72,576)	11,308,120	
Balance at 30 June 2014	25,110,025	(19,718,440)	17,215,737	2,900,000	66,968,004	(544,842)	4,002,731	7,627	2,192,966	5,658,482	98,133,808	3,596,254	101,730,062	

(Unit : Thousand Baht)

	Separate financial statements					Total equity
	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Retained earnings		
Legal reserve				Unappropriated		
Six-month period ended 30 June 2013						
Balance at 1 January 2013	25,110,025	31,035	17,215,737	2,900,000	19,202,547	64,459,344
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	-	-	-	-	(7,030,807)	(7,030,807)
Total transactions with owners, recorded directly in equity	-	-	-	-	(7,030,807)	(7,030,807)
Comprehensive income for the period						
Profit	-	-	-	-	9,009,040	9,009,040
Total comprehensive income for the period	-	-	-	-	9,009,040	9,009,040
Balance at 30 June 2013	25,110,025	31,035	17,215,737	2,900,000	21,180,780	66,437,577

(Unit : Thousand Baht)

Separate financial statements

Retained earnings

	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Legal reserve	Unappropriated	Total equity
Six-month period ended 30 June 2014						
Balance at 1 January 2014	25,110,025	31,035	17,215,737	2,900,000	23,189,053	68,445,850
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	-	-	-	-	(7,533,008)	(7,533,008)
Total transactions with owners, recorded directly in equity	-	-	-	-	(7,533,008)	(7,533,008)
Comprehensive income for the period						
Profit	-	-	-	-	8,216,451	8,216,451
Total comprehensive income for the period	-	-	-	-	8,216,451	8,216,451
Balance at 30 June 2014	25,110,025	31,035	17,215,737	2,900,000	23,872,496	69,129,293

- (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

N/A

- (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	30 June 2014	31 December 2013
Total number of shares	25,110,025,000	25,110,025,000

- (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

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

The figures have been reviewed by the company's auditor in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

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

Please see page 1 of the attached interim financial statements.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2013.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

N/A

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

	Consolidated financial statements			Consolidated financial statements		
	Three-month period ended 30 June			Six-month period ended 30 June		
	Changes			Changes		
	2014	2013	+ / (-)	2014	2013	+ / (-)
Earning per ordinary share of the group based on net profit attributable to shareholders:-						
(a) based on the weighted average number of ordinary shares on issue	0.22	0.20	10%	0.46	0.33	39%
(b) on a fully diluted basis	0.22	0.20	10%	0.46	0.33	39%

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

	Consolidated financial statements			Separate financial statements		
	30 June	31 December	Changes	30 June	31 December	Changes
	2014	2013	+ / (-)	2014	2013	+ / (-)
Net asset value per ordinary share based on weighted average number of issued share capital	3.91	3.75	4.3%	2.75	2.73	0.7%

Remark: Net asset value = Total equity attributable to equity owners of the company

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors:
and

(b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Thai Beverage Public Company Limited

Management Discussion and Analysis

Performance for the second quarter and six-month period ended 30 June 2014

In April 2014, the Company recognized a capital reduction in cash from an associate, Fraser and Neave, Limited (F&N), for a net consideration of Baht 4,465 million. The proceeds were repaid to financial institutions for loans prior to maturity without penalty.

Frasers Centrepoint Limited (FCL) was demerged from F&N and has been listed on the main board of the Singapore Exchange Securities Trading Limited on 9 January 2014. FCL is an associate of indirect subsidiary of the Company and principally engaged in property business.

Effective from 4 September 2013, the Ministry of Finance has changed the method for alcohol excise tax. Previously, the alcohol excise tax was imposed by one of the two methods whichever was higher, an ad valorem rate or a specific rate. The ad valorem rate is based on value from a percentage of the ex-factory price. The specific rate is based on alcohol content from an amount in Baht on every one litre of pure alcohol of the product. Now, the alcohol excise tax will be based on both value and alcohol content. The changes have increased the excise tax rate for the Company products per below:

Beer,

-Prior : The higher of 100 Baht per litre of 100% alcohol content or 60% of the ex-factory price.

-New : The higher of 155 Baht per litre of 100% alcohol content or 8 Baht per litre plus 48% of the last

wholesale price excluding value-added tax.

White spirits,

-Prior : The higher of 150 Baht per litre of 100% alcohol content or 50% of the ex-factory price.

-New : The higher of 145 Baht per litre of 100% alcohol content or 40 Baht per litre plus 4% of the last

wholesale price excluding value-added tax.

Other distilled liquor,

-Prior : Compounded spirits, the higher of 350 Baht per litre of 100% alcohol content or 50% of the ex-factory price.

Special/blended spirits, the higher of 400 Baht per litre of 100% alcohol content or 50% of the ex-factory price.

-New : All other distilled liquor, the higher of 250 Baht per litre of 100% alcohol content or 50 Baht per

litre plus 25% of the last wholesale price excluding value-added tax.

Performance for the second quarter ended 30 June 2014

Group

Quarter 2 2014	ThaiBev	F&N/FCL	Total(Mil.Baht)
Sales	40,025	-	40,025
Gross profit	11,707	-	11,707
EBITDA	6,902	1,116	8,018
Net profit	4,677	803	5,480

Quarter 2 2013	ThaiBev	F&N/FCL	Total(Mil.Baht)
Sales	36,834	-	36,834
Gross profit	10,246	-	10,246
EBITDA	5,750	1,774	7,524
Net profit	3,593	1,298	4,891

% increase(decrease)	ThaiBev	F&N/FCL	Total(Mil.Baht)
Sales	8.7	-	8.7
Gross profit	14.3	-	14.3
EBITDA	20.0	(37.1)	6.6
Net profit	30.2	(38.1)	12.0

For the second quarter ended 30 June 2014, total sales revenue of the Company was Baht 40,025 million, an increase of 8.7% or Baht 3,191 million, from Baht 36,834 million of the same quarter of last year, due to an increase in sales revenue of the spirits business of 12.5%, the beer business of 10.2% and the food business of 8.1% although there was a decrease in sales revenue of the non-alcoholic beverages business of 10.8%.

Gross profit was Baht 11,707 million, an increase of 14.3% or Baht 1,461 million, from Baht 10,246 million of the same quarter of last year, due to an increase in gross profit of the spirits business of 15.6%, the beer business of 33.8% and the food business of 9.5% although there was a decrease in gross profit of the non-alcoholic beverages business of 10.0%.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 8,018 million, an increase of 6.6% or Baht 494 million, from Baht 7,524 million of the same quarter of last year, due to an increase in EBITDA of the spirits business of 15.8%, the beer business of 252.3%, the food business of 14.8% and a decrease in EBITDA loss of the non-alcoholic beverages business of 24.8% although there was a decrease in the F&N/FCL EBITDA of 37.1%. F&N/FCL EBITDA excluding net foreign exchange gain/loss was Baht 1,116 million, an increase of 55.6% or Baht 399 million. EBITDA excluding F&N/FCL was Baht 6,902 million, an increase of 20.0% or Baht 1,152 million.

Net profit was Baht 5,480 million, an increase of 12.0% or Baht 589 million, from Baht 4,891 million of the same quarter of last year, due to an increase in net profit of the spirits business of 19.3%, the beer business of 153.3% and a decrease in net loss of the non-alcoholic business of 13.0% although there was a decrease in net profit of the food business of 12.8% and the F&N/FCL of 38.1%. F&N/FCL net profit excluding net foreign exchange gain/loss was Baht 803 million, an increase of 233.2% or Baht 562 million. Net profit excluding F&N/FCL was Baht 4,677 million, an increase of 30.2% or Baht 1,084 million.

Unit :Million Baht

Q2_2014

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	25,307	100.0	8,750	100.0	4,372	100.0	1,637	100.0	(41)	100.0	40,025	100.0
Cost of sales	16,964	67.0	7,175	82.0	3,267	74.7	957	58.5	(45)	109.8	28,318	70.8
Gross profit	8,343	33.0	1,575	18.0	1,105	25.3	680	41.5	4	(9.8)	11,707	29.2
Selling expenses	840	3.3	1,105	12.6	1,179	27.0	203	12.4	(9)	22.0	3,318	8.3
Administrative expenses	1,278	5.0	514	5.9	494	11.3	446	27.2	(5)	12.2	2,727	6.8
Operating profit (loss)	6,225	24.6	(44)	(0.5)	(568)	(13.0)	31	1.9	18	(43.9)	5,662	14.1
Other income/ Interest income	76	0.3	100	1.1	83	1.9	12	0.7	(18)	43.9	253	0.6
EBIT (loss)	6,301	24.9	56	0.6	(485)	(11.1)	43	2.6	-	-	5,915	14.8
Finance costs	39	0.2	11	0.1	45	1.0	1	0.1	-	-	96	0.2
Income tax	1,326	5.2	(36)	(0.4)	(156)	(3.6)	8	0.5	-	-	1,142	2.9
Net Profit (loss) exclude F&N/FCL	4,936	19.5	81	0.9	(374)	(8.6)	34	2.1	-	-	4,677	11.7
F&N/FCL results:												
Operating results											1,116	2.8
Net foreign exchange gain (loss)											-	-
Finance costs											(313)	(0.8)
F&N/FCL Net Profit											803	2.0
Net Profit											5,480	13.7
Depreciation & Amortization	390	1.5	173	2.0	312	7.1	112	6.8	-	-	987	2.5
EBITDA (loss) exclude F&N/FCL	6,691	26.4	229	2.6	(173)	(4.0)	155	9.5	-	-	6,902	17.2
F&N/FCL EBITDA											1,116	2.8
EBITDA											8,018	20.0

Q2_2013

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	22,494	100.0	7,938	100.0	4,899	100.0	1,515	100.0	(12)	100.0	36,834	100.0
Cost of sales	15,274	67.9	6,761	85.2	3,671	74.9	894	59.0	(12)	100.0	26,588	72.2
Gross profit	7,220	32.1	1,177	14.8	1,228	25.1	621	41.0	-	-	10,246	27.8
Selling expenses	763	3.4	936	11.8	1,345	27.5	189	12.5	(3)	25.0	3,230	8.8
Administrative expenses	1,267	5.6	412	5.2	560	11.4	396	26.1	(16)	133.3	2,619	7.1
Operating profit (loss)	5,190	23.1	(171)	(2.2)	(677)	(13.8)	36	2.4	19	(158.3)	4,397	11.9
Other income/ Interest income	207	0.9	61	0.8	122	2.5	11	0.7	(19)	158.3	382	1.0
EBIT (loss)	5,397	24.0	(110)	(1.4)	(555)	(11.3)	47	3.1	-	-	4,779	13.0
Finance costs	26	0.1	7	0.1	29	0.6	1	0.1	-	-	63	0.2
Income tax	1,235	5.5	35	0.4	(154)	(3.1)	7	0.5	-	-	1,123	3.0
Net Profit (loss) exclude F&N/FCL	4,136	18.4	(152)	(1.9)	(430)	(8.8)	39	2.6	-	-	3,593	9.8
F&N/FCL results:												
Operating results											717	1.9
Net foreign exchange gain (loss)											1,057	2.9
Finance costs											(476)	(1.3)
F&N/FCL Net Profit											1,298	3.5
Net Profit											4,891	13.3
Depreciation & Amortization	383	1.7	175	2.2	325	6.6	88	5.8	-	-	971	2.6
EBITDA (loss) exclude F&N/FCL	5,780	25.7	65	0.8	(230)	(4.7)	135	8.9	-	-	5,750	15.6
F&N/FCL EBITDA											1,774	4.8
EBITDA											7,524	20.4

	Increase(Decrease)											
	Spirits	%	Beer	%	Non-alcoholic beverages	%	Food	%	Eliminate	%	Total	%
Revenue from sales	2,813	12.5	812	10.2	(527)	(10.8)	122	8.1	(29)	(241.7)	3,191	8.7
Cost of sales	1,690	11.1	414	6.1	(404)	(11.0)	63	7.0	(33)	(275.0)	1,730	6.5
Gross profit	1,123	15.6	398	33.8	(123)	(10.0)	59	9.5	4	-	1,461	14.3
Selling expenses	77	10.1	169	18.1	(166)	(12.3)	14	7.4	(6)	(200.0)	88	2.7
Administrative expenses	11	0.9	102	24.8	(66)	(11.8)	50	12.6	11	68.8	108	4.1
Operating profit (loss)	1,035	19.9	127	74.3	109	16.1	(5)	(13.9)	(1)	(5.3)	1,265	28.8
Other income/ Interest income	(131)	(63.3)	39	63.9	(39)	(32.0)	1	9.1	1	5.3	(129)	(33.8)
EBIT (loss)	904	16.8	166	150.9	70	12.6	(4)	(8.5)	-	-	1,136	23.8
Finance costs	13	50.0	4	57.1	16	55.2	-	-	-	-	33	52.4
Income tax	91	7.4	(71)	(202.9)	(2)	(1.3)	1	14.3	-	-	19	1.7
Net Profit (loss) exclude F&N/FCL	800	19.3	233	153.3	56	13.0	(5)	(12.8)	-	-	1,084	30.2
F&N/FCL results:												
Operating results											399	55.6
Net foreign exchange gain (loss)											(1,057)	(100.0)
Finance costs											163	34.2
F&N/FCL Net Profit											(495)	(38.1)
Net Profit											589	12.0
Depreciation &Amortization	7	1.8	(2)	(1.1)	(13)	(4.0)	24	27.3	-	-	16	1.6
EBITDA (loss) exclude F&N/FCL	911	15.8	164	252.3	57	24.8	20	14.8	-	-	1,152	20.0
F&N/FCL EBITDA											(658)	(37.1)
EBITDA											494	6.6

Spirits Business

For the second quarter ended 30 June 2014, sales revenue was Baht 25,307 million, an increase of Baht 2,813 million, or 12.5%, mainly due to an increase in sales price. Total sales volume of spirits was 133.8 million litres, an increase of 2.8%.

Gross profit was Baht 8,343 million, an increase of Baht 1,123 million or 15.6%, mainly due to an increase of sales price and sales volume.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 6,691 million, an increase of Baht 911 million, or 15.8%, mainly due to the increase in gross profit and a decrease in idle costs.

Net profit was Baht 4,936 million, an increase by Baht 800 million or 19.3%, mainly due to the increase in EBITDA.

Beer Business

For the second quarter ended 30 June 2014, sales revenue was Baht 8,750 million, an increase by Baht 812 million, or 10.2%, mainly due to an increase in sales price. Total sales volume of beer was 145.0 million litres, a decrease of 3.5%.

Gross profit was Baht 1,575 million, an increase by Baht 398 million, or 33.8%, mainly due to an increase in sales price and a decrease in material costs.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 229 million, an increase by Baht 164 million, or 252.3%, mainly due to the increase in gross profit although there was an increase in advertising and promotion expenses.

Net profit was Baht 81 million, an increase of Baht 233 million, or 153.3%, mainly due to the increase in EBITDA.

Non-Alcoholic Beverages Business

For the second quarter ended 30 June 2014, sales revenue was Baht 4,372 million, a decrease by Baht 527 million or 10.8%, mainly due to a decrease in sales volume of carbonated soft drinks. Sales volume of Sermasuk products which consist of carbonated soft drinks and other beverages was 260.1 million litres, an increase of 2.5%, mainly due to an increase in water although there was a decrease in carbonated soft drinks. Sales volume of Oishi beverages, which consist of green tea, black tea, and other non-alcoholic beverages, was 90.1 million litres, an increase of 15.0%. ThaiBev's soda and drinking water generated sales volume of 6.1 million litres and 49.9 million litres respectively, a decrease of 14.3% and an increase 8.4% respectively.

Gross profit was Baht 1,105 million, a decrease by Baht 123 million or 10.0%, mainly due to a decrease in sales.

Earnings before interest, tax, depreciation and amortization (EBITDA) loss was Baht 173 million, a decrease by Baht 57 million or 24.8%, mainly due to a decrease in advertising and promotion expenses although there was the decrease in gross profit.

Net loss was Baht 374 million, a decrease by Baht 56 million or 13.0% mainly due to the decrease in EBITDA loss.

Food Business

For the second quarter ended 30 June 2014, sales revenue was Baht 1,637 million, an increase by Baht 122 million or 8.1%, mainly due to an increase in number of branches.

Gross profit was Baht 680 million, an increase of Baht 59 million or 9.5% mainly due to a higher sales although food costs increased in accordance with the variety of foods offering and an increase in material costs but this was under closely control.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 155 million, an increase of Baht 20 million or 14.8%, mainly due to an increase in gross profit and a decrease in advertising and promotion expenses although there was an increase in rental costs and staff costs.

Net profit was Baht 34 million, a decrease by Baht 5 million, or 12.8% mainly due to an increase in depreciation although there was an increase in EBITDA.

Performance for the six-month period ended 30 June 2014

Group

6 months of 2014	ThaiBev	F&N/FCL	Total(Mil.Baht)
Sales	81,068	-	81,068
Gross profit	24,024	-	24,024
EBITDA	14,948	1,717	16,665
Net profit	10,308	1,111	11,419
6 months of 2013	ThaiBev	F&N/FCL	Total(Mil.Baht)
Sales	75,988	-	75,988
Gross profit	21,088	-	21,088
EBITDA	11,974	1,447	13,421
Net profit	7,830	494	8,324
% increase(decrease)	ThaiBev	F&N/FCL	Total(Mil.Baht)
Sales	6.7	-	6.7
Gross profit	13.9	-	13.9
EBITDA	24.8	18.7	24.2
Net profit	31.6	124.9	37.2

For the first six months of 2014, total sales revenue of the Company was Baht 81,068 million, an increase of 6.7% or Baht 5,080 million, from Baht 75,988 million of the corresponding period of last year, due to an increase in the sales of the spirits business of 11.4%, the beer business of 7.0% and the food business of 6.1% although there was a decrease in sales revenue from the non-alcoholic beverages business of 16.4%.

Gross profit was Baht 24,024 million, an increase of 13.9% or Baht 2,936 million, from Baht 21,088 million of the corresponding period of last year, due to an increase in gross profit of the spirits business of 15.6%, the beer business of 41.8% and the food business of 5.6% although there was a decrease in the non-alcoholic beverages business of 16.8%.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 16,665 million, an increase of 24.2 or Baht 3,244 million, from Baht 13,421 million of the corresponding period of last year, due to an increase in EBITDA of the spirits business of 18.1%, the beer business of 943.5%, the F&N/FCL EBITDA of 18.7% and a decrease in EBITDA loss of the non-alcoholic beverages business of 8.3% although there was a decrease in EBITDA of the food business of 3.3%. F&N/FCL EBITDA excluding net foreign exchange gain/loss was Baht 1,719 million, an increase of 81.5% or Baht 772 million. EBITDA excluding F&N/FCL was Baht 14,948 million, an increase of 24.8% or Baht 2,974 million.

Net profit was Baht 11,419 million, an increase of 37.2% or Baht 3,095 million, from Baht 8,324 million of the corresponding period of last year, due to an increase in net profit of the spirits business of 20.2%, the beer business of 294.2%, the F&N/FCL net profit of 124.9% and a decrease in net loss of the non-alcoholic business of 4.8% although there was a decrease in net profit of the food business of 35.0%. F&N/FCL net profit excluding net foreign exchange gain/loss was Baht 1,113 million, an increase of Baht 1,119 million. Net profit excluding F&N/FCL was Baht 10,308 million, an increase of 31.6% or Baht 2,478 million.

Unit :Million Baht

6mthsYTD_ 2014

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	52,201	100.0	17,709	100.0	8,076	100.0	3,155	100.0	(73)	100.0	81,068	100.0
Cost of sales	34,847	66.8	14,444	81.6	5,946	73.6	1,862	59.0	(55)	75.3	57,044	70.4
Gross profit	17,354	33.2	3,265	18.4	2,130	26.4	1,293	41.0	(18)	24.7	24,024	29.6
Selling expenses	1,897	3.6	1,810	10.2	2,200	27.2	368	11.7	(20)	27.4	6,255	7.7
Administrative expenses	2,610	5.0	970	5.5	897	11.1	843	26.7	(36)	49.3	5,284	6.5
Operating profit (loss)	12,847	24.6	485	2.7	(967)	(12.0)	82	2.6	38	(52.1)	12,485	15.4
Other income/ Interest income	158	0.3	130	0.7	234	2.9	21	0.7	(38)	52.1	505	0.6
EBIT (loss)	13,005	24.9	615	3.5	(733)	(9.1)	103	3.3	-	-	12,990	16.0
Finance costs	81	0.2	24	0.1	90	1.1	3	0.1	-	-	198	0.2
Income tax	2,630	5.0	88	0.5	(254)	(3.1)	20	0.6	-	-	2,484	3.1
Net Profit (loss) exclude F&N/FCL	10,294	19.7	503	2.8	(569)	(7.0)	80	2.5	-	-	10,308	12.7
F&N/FCL results:												
Operating results											1,719	2.1
Net foreign exchange gain (loss)											(2)	(0.0)
Finance costs											(606)	(0.7)
F&N/FCL Net Profit											1,111	1.4
Net Profit											11,419	14.1
Depreciation & Amortization	774	1.5	345	1.9	623	7.7	216	6.8	-	-	1,958	2.4
EBITDA (loss) exclude F&N/FCL	13,779	26.4	960	5.4	(110)	(1.4)	319	10.1	-	-	14,948	18.4
F&N/FCL EBITDA											1,717	2.1
EBITDA											16,665	20.6

6mthsYTD_ 2013

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	46,845	100.0	16,551	100.0	9,656	100.0	2,975	100.0	(39)	100.0	75,988	100.0
Cost of sales	31,829	67.9	14,249	86.1	7,096	73.5	1,751	58.9	(25)	64.1	54,900	72.2
Gross profit	15,016	32.1	2,302	13.9	2,560	26.5	1,224	41.1	(14)	35.9	21,088	27.8
Selling expenses	1,608	3.4	1,815	11.0	2,519	26.1	324	10.9	(27)	69.2	6,239	8.2
Administrative expenses	2,780	5.9	848	5.1	984	10.2	762	25.6	(25)	64.1	5,349	7.0
Operating profit (loss)	10,628	22.7	(361)	(2.2)	(943)	(9.8)	138	4.6	38	(97.4)	9,500	12.5
Other income/ Interest income	288	0.6	99	0.6	171	1.8	18	0.6	(38)	97.4	538	0.7
EBIT (loss)	10,916	23.3	(262)	(1.6)	(772)	(8.0)	156	5.2	-	-	10,038	13.2
Finance costs	65	0.1	20	0.1	59	0.6	2	0.1	-	-	146	0.2
Income tax	2,287	4.9	(23)	(0.1)	(233)	(2.4)	31	1.0	-	-	2,062	2.7
Net Profit (loss) exclude F&N/FCL	8,564	18.3	(259)	(1.6)	(598)	(6.2)	123	4.1	-	-	7,830	10.3
F&N/FCL results:												
Operating results											947	1.2
Net foreign exchange gain (loss)											500	0.7
Finance costs											(953)	(1.3)
F&N/FCL Net Profit											494	0.7
Net Profit											8,324	11.0
Depreciation & Amortization	756	1.6	354	2.1	652	6.8	174	5.8	-	-	1,936	2.5
EBITDA (loss) exclude F&N/FCL	11,672	24.9	92	0.6	(120)	(1.2)	330	11.1	-	-	11,974	15.8
F&N/FCL EBITDA											1,447	1.9
EBITDA											13,421	17.7

	Increase (Decrease)											
	Spirits	%	Beer	%	Non-alcoholic beverages	%	Food	%	Eliminate	%	Total	%
Revenue from sales	5,356	11.4	1,158	7.0	(1,580)	(16.4)	180	6.1	(34)	(87.2)	5,080	6.7
Cost of sales	3,018	9.5	195	1.4	(1,150)	(16.2)	111	6.3	(30)	(120.0)	2,144	3.9
Gross profit	2,338	15.6	963	41.8	(430)	(16.8)	69	5.6	(4)	(28.6)	2,936	13.9
Selling expenses	289	18.0	(5)	(0.3)	(319)	(12.7)	44	13.6	7	25.9	16	0.3
Administrative expenses	(170)	(6.1)	122	14.4	(87)	(8.8)	81	10.6	(11)	(44.0)	(65)	(1.2)
Operating profit (loss)	2,219	20.9	846	234.3	(24)	(2.5)	(56)	(40.6)	-	-	2,985	31.4
Other income/ Interest income	(130)	(45.1)	31	31.3	63	36.8	3	16.7	-	-	(33)	(6.1)
EBIT (loss)	2,089	19.1	877	334.7	39	5.1	(53)	(34.0)	-	-	2,952	29.4
Finance costs	16	24.6	4	20.0	31	52.5	1	50.0	-	-	52	35.6
Income tax	343	15.0	111	482.6	(21)	(9.0)	(11)	(35.5)	-	-	422	20.5
Net Profit (loss) exclude F&N/FCL	1,730	20.2	762	294.2	29	4.8	(43)	(35.0)	-	-	2,478	31.6
F&N/FCL results:												
Operating results											772	81.5
Net foreign exchange gain (loss)											(502)	(100.4)
Finance costs											347	36.4
F&N/FCL Net Profit											617	124.9
Net Profit											3,095	37.2
Depreciation & Amortization	18	2.4	(9)	(2.5)	(29)	(4.4)	42	24.1	-	-	22	1.1
EBITDA (loss) exclude F&N/FCL	2,107	18.1	868	943.5	10	8.3	(11)	(3.3)	-	-	2,974	24.8
F&N/FCL EBITDA											270	18.7
EBITDA											3,244	24.2

Spirits Business

For the first six months of 2014, sales revenue was Baht 52,201 million, an increase of Baht 5,356 million, or 11.4%, mainly due to an increase in sales price. Total sales volume of spirits was 275.1 million litres, an increase of 1.6%.

Gross profit was Baht 17,354 million, an increase of Baht 2,338 million or 15.6%, mainly due to an increase of sales price and sales volume.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 13,779 million, an increase of Baht 2,107 million, or 18.1%, mainly due to the increase in gross profit and a decrease in idle costs.

Net profit was Baht 10,294 million, an increase by Baht 1,730 million or 20.2%, mainly due to the increase in EBITDA.

Beer Business

For the first six months of 2014, sales revenue was Baht 17,709 million, an increase by Baht 1,158 million, or 7.0%, mainly due to an increase in sales price. Total sales volume of beer was 289.2 million litres, a decrease of 7.8%.

Gross profit was Baht 3,265 million, an increase by Baht 963 million, or 41.8%, mainly due to an increase in sales price and a decrease in material costs.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 960 million, an increase by Baht 868 million, or 943.5%, mainly due to the increase in gross profit although there was an increase in advertising and promotion expenses and staff costs.

Net profit was Baht 503 million, an increase of Baht 762 million, or 294.2%, mainly due to the increase in EBITDA.

Non-Alcoholic Beverages Business

For the first six months of 2014, sales revenue was Baht 8,076 million, a decrease by Baht 1,580 million or 16.4%, mainly due to a decrease in sales volume of carbonated soft drinks. Sales volume of Sermasuk products which consist of carbonated soft drinks and other beverages was 475.4 million litres, a decrease of 2.4% mainly due to a decrease in carbonated soft drinks although there was an increase in water. Sales volume of Oishi beverages, which consist of green tea, black tea, and other non-alcoholic beverages, was 147.8 million litres, an increase of 0.5%. ThaiBev's soda and drinking water generated sales volume of 12.9 million litres and 108.7 million litres respectively, a decrease of 4.8% and an increase 16.7% respectively.

Gross profit was Baht 2,130 million, a decrease by Baht 430 million or 16.8%, mainly due to the decrease in sales.

Earnings before interest, tax, depreciation and amortization (EBITDA) loss was Baht 110 million, a decrease by Baht 10.0 million or 8.3%, mainly due to an increase in other income from insurance claims by Sermasuk's associate and a decrease in advertising and promotion expenses and staff costs although there was the decrease in gross profit.

Net loss was Baht 569 million, a decrease by Baht 29 million or 4.8% mainly due to the decrease in EBITDA loss.

Food Business

For the first six months of 2014, sales revenue was Baht 3,155 million, an increase by Baht 180 million or 6.1%, mainly due to an increase in number of branches and sales prices.

Gross profit was Baht 1,293 million, an increase of Baht 69 million or 5.6% mainly due to a higher sales although food costs increased in accordance with the variety of foods offering and an increase in material costs but this was under closely control.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 319 million, a decrease of Baht 11 million or 3.3%, mainly due to an increase in advertising and promotion expenses, rental costs and staff costs although there was the increase in gross profit.

Net profit was Baht 80 million, a decrease by Baht 43 million, or 35 % mainly due to the decrease in EBITDA and an increase in depreciation.

Financial Position

Assets

Total assets as at the end of June 2014 was Baht 176,183 million, a decrease by Baht 7,147 million, or 3.9%, compared with the end of 2013. Current assets decreased by Baht 1,969 million, mainly due to a decrease in cash and cash equivalents and trade accounts receivables although there was an increase in inventories. Non-current assets decreased by Baht 5,178 million, mainly due to a decrease in overseas investment in an associate from a recognition of capital reduction.

Liabilities

Total liabilities as at the end of June 2014 was Baht 74,453 million, a decrease by Baht 10,884 million, or 12.8%, compared with the end of 2013. This was mainly due to a decrease in loans from financial institutions.

The maturity of interest-bearing loans was as follows.

	Unit: Million Baht
Within Jun. 2015	13,406
Within Jun. 2016	18,249
During Jul. 2016 – Dec.2017	26,033
Total	57,688

Shareholders' Equity

Total equity as at the end of June 2014 was Baht 101,730 million, an increase of Baht 3,737 million, or 3.8% compared with the end of 2013. This was mainly due to an increase in net retained earnings from profit for the period which deducted with dividend payment.

Liquidity

Cash and cash equivalents, as at June 30, 2014, was Baht 2,963 million. The net decrease from the beginning of the period was Baht 2,138 million. Details of activities were as follows.

	Unit: Million Baht
Net cash from operating activities	11,109
Net cash from investing activities	5,220
Net cash used in financing activities	(18,655)
Decrease in cash and cash equivalents in period	(2,326)
Adjustment from financial statement translation	187
Cash and cash equivalents at beginning of period	5,102
Cash and cash equivalents at end of period	2,963

Net cash from operating activities of Baht 11,109 million was derived from net income of Baht 11,419 million plus non-cash items from depreciation and amortization of Baht 1,958 million deducted with sharing of profit from associates of Baht 1,826 million and working capital and others decreases of Baht 442 million.

Net cash from investing activities of Baht 5,220 million was derived from dividend received from associates of Baht 2,438 million and cash received from capital reduction of an associate of Baht 4,465 million deducted with a purchase of property, plant and equipment and intangible assets of Baht 2,085 million plus others increases of Baht 402 million.

Net cash used in financing activities of Baht 18,655 million was due to net decrease of bank overdrafts and loans from financial institutions of Baht 10,423 million, dividend payment of Baht 7,571 million and interests paid of Baht 661 million.

Financial Ratios

	Jun.30, 14	Dec.31, 13
Current Ratio (times)	1.80	1.90
Liabilities to Equity Ratio (times)	0.73	0.87
Interest Bearing Debt to Equity Ratio (times)	0.57	0.69
Net Interest Bearing Debt to EBITDA	1.67	2.12
Book value per share (Baht)	3.91	3.75
	Jan. - Jun.14	Jan. - Dec.13
Accounts Receivable Turnover (days)	8	9
Inventory Turnover (days)		
Spirits Business: finished goods (excl. legacy stocks)	50	55
Beer Business : finished goods	21	23

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

N/A

10. Commentary to accompany the announcement regarding significant trends or competitive conditions in the industry and any known factors or events that may affect the group in the next reporting period or over the next 12 months.

Thailand's overall economy in the second quarter of 2014 has picked up from the previous quarter. The improvement in the political situation and greater clarity on the government's policies have helped restore confidence among consumers and the private sector. The Consumer Confidence Index in the second quarter stood at 61.2 points, an increase from 59.9 points in the first quarter. While the tourism sector contracted in comparison to the same period last year as several countries raised travel advisories on Thailand, the lifting of a nationwide curfew on June 13, 2014 boosted the sector at the end of the quarter.

Although confidence among consumers and the private sector showed signs of improvement, consumers remained cautious about spending due to a decline in farm income and a high level of household debt, amid the slow recovery in the political situation. These factors have impacted the overall beverage industry, such that it continued contracting during the quarter. Nevertheless, the Company's alcoholic beverage business was not substantially affected due to our diversified portfolio of products, ranging from white spirits to brown spirits to beer. Therefore, although consumers switched from one type of alcoholic beverage to another, they remained consumers of beverages from within our product portfolio. However, our non-alcoholic beverage business continued to be affected by a slow-down in on-premise consumption and intense competition in the non-alcoholic beverage market, with industry players deploying aggressive marketing promotions to gain market share.

Overall Business

In 2Q 2014, total sales revenue of the Company was Baht 40,025 million, an increase of 8.7% comparing YoY, attributable to the increase in sales revenue of spirits, beer, and food business. The group also saw an increase in net profit of 12% mainly from the improved net profit in spirits and beer business as well as a decrease in net loss in nonalcoholic business.

Spirits Business

The Company has been able to maintain its profitability and market leadership in the spirits business during the reporting period. Sales in the second quarter increased by 12.5 % as compared to sales in the same period last year as a result of an increase in sales volumes and sales prices. Overall sales volumes expanded by 2.8 %, led by an increase in the volume of white spirits sold. This was a result of a change in consumption patterns, with some consumers switching from brown spirits to white spirits after the excise tax hike. The net profit of the spirits business in 2Q 2014 was Baht 4,936 million, representing an increase of 19.3 % from that in the same period last year.

Beer Business

The growth momentum of the beer business, in general, continued in 2Q 2014. The business recorded sales of Baht 8,750 million during the quarter, an increase of 10.2 % from the previous corresponding period, due to increases in sales prices. Although sales volumes decreased by 3.5 % compared to the same period last year, they contracted less than the previous quarter, partly a result of marketing activities related to the World Cup, which helped boost sales volumes at the end of the quarter.

Profit from the beer business in 2Q 2014 was Baht 81 million, a decrease when compared to the previous quarter. This is attributed to an increase in selling and administrative expenses from our investment in brand equity during the World Cup season. However, the overall performance of the beer business during the reporting quarter showed improvement, and is satisfactory, compared to the net loss registered during the same period last year.

Non-alcoholic Business

The non-alcoholic beverage business continued to face intense competition and a slow-down in on-premise consumption during the second quarter. Sales amounted to Baht 4,372 million, representing a decrease of 10.8 % compared to that in the same period last year, as a result of a fall in sales volumes of carbonated soft drinks. However, sales volumes of Oishi's drinks increased by 15 % compared to that in the same period last year. Overall, the net loss registered by the non-alcoholic beverage business during the reporting quarter was reduced by 13 %, supported by decreased advertising and promotion expenses.

Food Business

Sales registered by the food business in 2Q 2014 amounted to Baht 1,637 million, representing a year-on-year increase of 8.1 %, due to the continued increase in the number of Oishi's food outlets. However, net profit fell 12.8 % year-on-year to Baht 34 million, as a result of increased rental and staff costs, as well as higher depreciation expenses.

International Business

Sales from the international business in 2Q 2014 continued to grow by 37 % compared to that in the same period last year. The increase in sales was driven by an increase in Chang beer sales in the ASEAN region, and an increase in whisky sales in UK and Europe.

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

(a) Whether an interim ordinary dividend has been declared (recommended); and

Yes.

(b) (i) Amount per share cents

The company board of director has approved interim dividend payment at the meeting held on August 14, 2014 as follows:

	<u>Per share Baht</u>	<u>Total value Baht</u>	<u>Pay out ratio</u>	<u>Book Closure</u>	<u>Payable date</u>
Interim dividend 2014	0.15	3,766,503,750	32.61%	28 Aug 14	11 Sep 14

(ii) Previous corresponding period cents

The company board of director has approved interim dividend payment at the meeting held on August 14, 2013 as follows:

	<u>Per share Baht</u>	<u>Total value Baht</u>	<u>Pay out ratio</u>	<u>Book Closure</u>	<u>Payable date</u>
Interim dividend 2013	0.14	3,515,403,500	42.42%	28 Aug 13	11 Sep 13

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Dividend is before tax.

Tax rate 10%

Country where the dividend is derived "Thailand".

(d) The date the dividend is payable.

September 11, 2014

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Registrable transfer received by the Company's Registrar up to 5.00 p.m. (Singapore Time) on August 27, 2014 will be registered before entitlements to the dividend are determined. Notice is hereby given that the share registers will be closed for the share transfer with respect to the entitlement to dividend payment on August 28, 2014.

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

Not Applicable

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Thai Beverage Public Company Limited

Unaudited but reviewed results for the three-month period (Apr-Jun) ended 30 June 2014

Interested persons transactions for the three-month period (Apr-Jun) ended 30 June 2014

	Aggregate value of all interested persons transactions during the three-month period (Apr-Jun) ended 30 June 2014 under review (excluding transactions less than S\$100,000* and transactions conducted under Shareholders' Mandate) Baht '000	Aggregate value of all interested persons transactions conducted under the mandate (excluding transactions less than S\$100,000*) Baht '000
A Revenue from sales and service income		
1 Pisetkij Co., Ltd.	-	5,990.63
2 PS Recycle Co., Ltd.	-	23,550.32
3 Berli Jucker PCL	-	6,557.77
4 Terragro Bio-Tech Co., Ltd.	-	5,707.87
5 Thai Alcohol PCL	-	110,561.66
6 Fraser and Neave, Limited	-	6,578.43
B Cost of sales		
1 PS Recycle Co., Ltd.	-	34,375.57
2 Thip Sugar Kamphaengphet Co., Ltd. ***	-	77,735.61
3 The Suphanburi Sugar Industry Co., Ltd.	-	21,484.60
4 Southeast Capital Co., Ltd.	-	2,875.51
5 Thai Beverage Can Co., Ltd.	-	354,991.51
6 Berli Jucker PCL	-	66,188.29
7 The Southeast Insurance PCL **	-	38,596.47
8 Thip Sugar Sukhothai Co., Ltd.	-	18,556.71
9 New Noble Property and Loan Fund	-	4,795.23
10 Siam Food Products PCL	-	9,987.30
11 Thai Malaya Glass Co., Ltd.	-	1,017,493.22
12 Dhanasindhi Co.,Ltd.	-	10,378.01
13 Thai Agro Products Co., Ltd.	-	120,857.74
C Selling expenses		
1 Southeast Capital Co., Ltd.	-	2,881.95
2 The Southeast Insurance PCL **	-	9,176.85
D Administrative expenses		
1 Southeast Capital Co., Ltd.	-	42,810.55
2 T.C.C. Technology Co., Ltd.	-	16,962.15
3 The Southeast Insurance PCL **	-	13,589.88
4 The Southeast Life Insurance PCL **	-	4,762.74
5 Plaza Athenee Hotel (Thailand) Co., Ltd.	-	4,656.65
6 North Park Golf And Sports Club Co., Ltd.	-	9,086.89
7 TCC Luxury Hotels & Resorts Co., Ltd.	-	3,315.84
8 Best Fortune Property and Loan Fund	-	9,393.63
9 Thai Alcohol PCL	-	3,350.87
10 Lertrattakarn Co., Ltd.	-	10,268.61
11 Thai Commercial Investment Freehold and Leasehold Fund	-	2,753.21
E Purchase of assets		
1 Berli Jucker PCL	5,584.22	-
2 Dhanasindhi Co.,Ltd.	-	14,410.48

* Exchange rate Baht 26.23 per 1 SGD.

** Converted from company limited to public company limited

*** Formerly : The Maewang Sugar Industry Co., Ltd.

Thai Beverage Public Company Limited
Unaudited but reviewed results for the six-month period (Jan-Jun) ended 30 June 2014

Interested persons transactions for the six-month period (Jan-Jun) ended 30 June 2014

	Aggregate value of all interested persons transactions during the six-month period (Jan-Jun) ended 30 June 2014 under review (excluding transactions less than S\$100,000* and transactions conducted under Shareholders' Mandate) Baht '000	Aggregate value of all interested persons transactions conducted under the mandate (excluding transactions less than S\$100,000*) Baht '000
A Revenue from sales and service income		
1 Pisetkij Co., Ltd.	-	11,108.52
2 PS Recycle Co., Ltd.	-	45,680.34
3 Berli Jucker PCL	-	23,928.16
4 Terragro Bio-Tech Co., Ltd.	-	10,726.97
5 Thai Alcohol PCL	-	265,337.77
6 Fraser and Neave, Limited	-	15,698.85
B Other income		
1 Pisetkij Co., Ltd.	-	4,537.66
2 Berli Jucker PCL	-	3,956.98
C Cost of sales		
1 PS Recycle Co., Ltd.	-	75,684.31
2 Thip Sugar Kamphaengphet Co., Ltd. ***	-	201,676.52
3 The Suphanburi Sugar Industry Co., Ltd.	-	71,955.21
4 Southeast Capital Co., Ltd.	-	5,296.87
5 T.C.C. Technology Co., Ltd.	-	3,011.61
6 Thai Beverage Can Co., Ltd.	-	653,083.90
7 Berli Jucker PCL	-	97,763.96
8 The Southeast Insurance PCL **	-	71,638.64
9 The Southeast Life Insurance PCL **	-	4,344.21
10 Thip Sugar Sukhothai Co., Ltd.	-	136,274.34
11 Berli Jucker Foods Co., Ltd.	-	6,389.91
12 New Noble Property and Loan Fund	-	9,590.46
13 Siam Food Products PCL	-	15,813.23
14 Thai Malaya Glass Co., Ltd.	-	2,100,528.98
15 Dhanasindhi Co., Ltd.	-	13,498.29
16 Fraser and Neave, Limited	-	3,220.29
17 Gaew Grung Thai Co., Ltd.	-	2,693.93
18 Thai Agro Products Co., Ltd.	-	219,015.92
D Selling expenses		
1 Southeast Capital Co., Ltd.	-	5,665.77
2 Berli Jucker PCL	-	4,152.04
3 The Southeast Insurance PCL **	-	17,679.29
4 at mediafront Co., Ltd.	-	4,884.49
5 Riverside Masterplan Co., Ltd.	-	3,055.00
E Administrative expenses		
1 Bang-Na Glass Co., Ltd.	-	3,337.89
2 Southeast Capital Co., Ltd.	-	87,030.00
3 T.C.C. Technology Co., Ltd.	-	34,759.30
4 Berli Jucker PCL	-	5,747.24
5 The Southeast Insurance PCL **	-	30,978.90
6 The Southeast Life Insurance PCL **	-	9,443.51
7 Plaza Athenee Hotel (Thailand) Co., Ltd.	-	13,810.76
8 North Park Golf And Sports Club Co., Ltd.	-	13,239.64
9 TCC Hotels Group Co., Ltd.	-	3,579.83
10 TCC Hotel Collection Co., Ltd.	-	6,488.26
11 Dynamic Assets Property and Loan Fund	-	3,129.91
12 Best Wishes Co., Ltd	-	3,440.59
13 TCC Luxury Hotels & Resorts Co., Ltd.	-	4,392.31
14 Best Fortune Property and Loan Fund	-	18,755.40
15 Thippatana Arcade Co., Ltd.	-	2,928.40
16 Thai Alcohol PCL	-	6,701.74
17 Lertrattakam Co., Ltd.	-	18,146.76
18 Thai Commercial Investment Freehold and Leasehold Fund	-	4,935.64
F Purchase of assets		
1 Berli Jucker PCL	7,296.60	-
2 Dhanasindhi Co., Ltd.	-	42,014.94

* Exchange rate Baht 26.23 per 1 SGD.

** Converted from company limited to public company limited

*** Formerly : The Maewang Sugar Industry Co., Ltd.

14. CONFIRMATION BY THE BOARD OF DIRECTORS

Pursuant to Rule 705(5) of the SGX Listing Manual

We, Thapana Sirivadhanabhakdi and Sithichai Chaikriangkrai, being two Directors of Thai Beverage Public Company Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render these six-month ended June 30, 2014 financial results to be false or misleading in any material respect.

On behalf of the Board

Thapana Sirivadhanabhakdi
Director

Sithichai Chaikriangkrai
Director