

# **Alucon Public Company Limited**

Interim financial statements  
and  
Review Report of Certified Public Accountant

For the three-month and nine-month periods ended  
30 September 2010

## **Review Report of Certified Public Accountant**

### **To the Board of Directors of Alucon Public Company Limited**

I have reviewed the accompanying balance sheet of Alucon Public Company Limited as at 30 September 2010, and the related statements of income for the three-month and nine-month periods ended 30 September 2010 and 2009, and the related statements of changes in equity and cash flows for the nine-month periods ended 30 September 2010 and 2009 of Alucon Public Company Limited. 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 Company's financial statements for the three-month and nine-month periods ended 30 September 2009 have been restated for the effects of the adoption of two International Financial Reporting Standard (IAS 12 "Income taxes" and IAS 19 "Employee benefits") as described in note 12 to the interim financial statements. I have reviewed the adjustments made to the Company's financial statements. Based on my review, nothing has come to my attention to indicate that those adjustments are not appropriate and have not been properly applied.

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 accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the financial statements for the year ended 31 December 2009 of Alucon Public Company Limited in accordance with generally accepted auditing standards and expressed an unqualified opinion on those financial statements in my report dated 23 February 2010. I have not performed any auditing procedures since that date. The balance sheet as at 31 December 2009, which is included in the accompanying financial statements for comparative purposes, is a component of those financial statements.

(Siripen Sukcharoenyingyong)  
Certified Public Accountant  
Registration No. 3636

KPMG Phoomchai Audit Ltd.  
Bangkok  
9 November 2010

# Alucon Public Company Limited

## Balance sheets

As at 30 September 2010 and 31 December 2009

Assets	<i>Note</i>	30 September 2010 (Unaudited)	31 December 2009
<i>(in thousand Baht)</i>			
<b><i>Current assets</i></b>			
Cash and cash equivalents		184,954	292,850
Trade accounts receivable	3, 4	696,948	507,142
Inventories		644,815	469,600
Refundable value added tax		28,057	21,185
Other current assets		5,698	6,124
<b>Total current assets</b>		<b><u>1,560,472</u></b>	<b><u>1,296,901</u></b>
<b><i>Non-current assets</i></b>			
Property, plant and equipment	5	2,673,347	2,518,790
Intangible assets		11,701	12,666
Deferred tax assets		97,046	96,091
Other non-current assets		239	239
<b>Total non-current assets</b>		<b><u>2,782,333</u></b>	<b><u>2,627,786</u></b>
<b>Total assets</b>		<b><u>4,342,805</u></b>	<b><u>3,924,687</u></b>

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

# Alucon Public Company Limited

## Balance sheets

As at 30 September 2010 and 31 December 2009

<b>Liabilities and equity</b>	<i>Note</i>	30 September 2010 (Unaudited)	31 December 2009
<i>(in thousand Baht)</i>			
<b>Current liabilities</b>			
Bank overdrafts and short-term loans			
from financial institutions		156,340	160,019
Trade accounts payable		86,114	73,528
Current portion of long-term loans from financial institutions		85,562	134,067
Other payables to and short-term loans from related parties	3	531,865	382,325
Other payables and accrued expenses		205,261	82,929
Income tax payable		62,025	127,723
Other current liabilities		14,743	24,124
<b>Total current liabilities</b>		<b><u>1,141,910</u></b>	<b><u>984,715</u></b>
<b>Non-current liabilities</b>			
Long-term loans from financial institutions		-	93,847
Long-term loans from and accrued interest payable to related party	3	70,111	-
Deferred income		54,022	57,858
Provisions for employees' long-term benefits		306,923	300,043
<b>Total non-current liabilities</b>		<b><u>431,056</u></b>	<b><u>451,748</u></b>
<b>Total liabilities</b>		<b><u>1,572,966</u></b>	<b><u>1,436,463</u></b>
<b>Equity</b>			
Share capital	6		
Authorised share capital		432,000	288,000
Issued and paid-up share capital		432,000	288,000
Additional paid-in capital			
Premium on ordinary shares		254,000	254,000
Retained earnings			
Appropriated			
Legal reserve		28,800	28,800
Unappropriated		2,055,039	1,917,424
<b>Total equity</b>		<b><u>2,769,839</u></b>	<b><u>2,488,224</u></b>
<b>Total liabilities and equity</b>		<b><u>4,342,805</u></b>	<b><u>3,924,687</u></b>

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

# Alucon Public Company Limited

## Statements of income

For the three-month and nine-month periods ended 30 September 2010 and 2009 (Unaudited)

		For the three-month period		For the nine-month period	
	Note	2010	2009	2010	2009
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
<b>Revenues</b>					
Revenue from sale of goods	3, 7	1,102,740	862,079	3,036,741	2,622,759
Net foreign exchange gain		-	5,221	-	17,050
Other income		25,436	18,523	76,433	53,262
<b>Total revenues</b>		<b>1,128,176</b>	<b>885,823</b>	<b>3,113,174</b>	<b>2,693,071</b>
<b>Expenses</b>					
Cost of sale of goods	3	808,036	609,754	2,264,965	1,947,559
Selling expenses	3	68,648	20,996	118,307	57,104
Administrative expenses		17,659	16,556	55,889	54,282
Management benefit expenses	3	14,826	16,086	46,766	47,090
Net foreign exchange loss		9,794	-	5,421	-
<b>Total expenses</b>	8	<b>918,963</b>	<b>663,392</b>	<b>2,491,348</b>	<b>2,106,035</b>
<b>Profit before finance costs and income tax expense</b>					
		<b>209,213</b>	<b>222,431</b>	<b>621,826</b>	<b>587,036</b>
Finance costs	3	4,060	5,164	11,647	16,919
<b>Profit before income tax expense</b>		<b>205,153</b>	<b>217,267</b>	<b>610,179</b>	<b>570,117</b>
Income tax expense		61,594	61,516	168,436	158,255
<b>Profit for the period</b>		<b>143,559</b>	<b>155,751</b>	<b>441,743</b>	<b>411,862</b>
<b>Basic earnings per share (in Baht)</b>	9	<b>3.32</b>	<b>3.60</b>	<b>10.22</b>	<b>9.53</b>

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

# Alucon Public Company Limited

## Statements of changes in equity

For the nine-month periods ended 30 September 2010 and 2009 (Unaudited)

	Note	Issued and paid-up share capital	Additional	Retained earnings		Total equity
			paid-in capital Premium on ordinary shares	Legal reserve	Unappropriated	
<i>(in thousand Baht)</i>						
<b>Balance at 1 January 2009</b>		<b>288,000</b>	<b>254,000</b>	<b>28,800</b>	<b>1,633,184</b>	<b>2,203,984</b>
Effects of the adoption of IAS 12 and IAS 19		-	-	-	(26,802)	(26,802)
<b>Restated balance</b>		<b>288,000</b>	<b>254,000</b>	<b>28,800</b>	<b>1,606,382</b>	<b>2,177,182</b>
Profit for the period		-	-	-	411,862	411,862
Dividends	11	-	-	-	(259,200)	(259,200)
<b>Balance at 30 September 2009</b>		<b>288,000</b>	<b>254,000</b>	<b>28,800</b>	<b>1,759,044</b>	<b>2,329,844</b>
<b>Balance at 1 January 2010</b>		<b>288,000</b>	<b>254,000</b>	<b>28,800</b>	<b>1,917,424</b>	<b>2,488,224</b>
Profit for the period		-	-	-	441,743	441,743
Stock dividends	11	144,000	-	-	(144,000)	-
Dividends	11	-	-	-	(160,128)	(160,128)
<b>Balance at 30 September 2010</b>		<b>432,000</b>	<b>254,000</b>	<b>28,800</b>	<b>2,055,039</b>	<b>2,769,839</b>

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

# Alucon Public Company Limited

## Statements of cash flows

For the nine-month periods ended 30 September 2010 and 2009 (Unaudited)

	2010	2009
		(Restated)
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	441,743	411,862
<i>Adjustments for</i>		
Depreciation and amortisation	246,350	213,439
Doubtful debt expenses	-	6
Recognised deferred income	(3,836)	-
Interest income	(687)	(530)
Finance costs	11,647	16,919
Unrealised gain on exchange	(2,563)	(14,251)
Loss from devaluation of inventories (reversal of)	3,245	(4,355)
Provision for employees' long-term benefits	25,199	45,959
Gain on disposal of equipment	(352)	(1,743)
Income tax expense	168,436	158,255
	<u>889,182</u>	<u>825,561</u>
<i>Changes in operating assets and liabilities</i>		
Trade accounts receivable	(199,263)	1,455
Inventories	(178,460)	36,758
Refundable value added tax	(6,872)	(5,551)
Other current assets	426	6,650
Other non-current assets	-	(5)
Trade accounts payable	12,431	12,775
Other payables to related parties	(1,263)	(1,945)
Other payables and accrued expenses	93,044	24,898
Other current liabilities	(9,381)	(10,004)
Deferred income	-	57,858
Provision for employees' long-term benefits paid	(18,319)	(24,589)
Income tax paid	(235,089)	(218,345)
<b>Net cash provided by operating activities</b>	<b><u>346,436</u></b>	<b><u>705,516</u></b>

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

# Alucon Public Company Limited

## Statements of cash flows

For the nine-month periods ended 30 September 2010 and 2009 (Unaudited)

	2010	2009 (Restated)
	<i>(in thousand Baht)</i>	
<b><i>Cash flows from investing activities</i></b>		
Interest received	687	646
Purchase of plant and equipment	(369,055)	(251,830)
Interest paid for plant and equipment	-	(1,129)
Sale of equipment	728	2,107
Purchase of intangible assets	(77)	(342)
<b>Net cash used in investing activities</b>	<b>(367,717)</b>	<b>(250,548)</b>
<b><i>Cash flows from financing activities</i></b>		
Finance costs paid	(12,612)	(20,869)
Dividends paid	(160,128)	(259,200)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	192	(31)
Repayment of long-term loans from financial institutions	(134,067)	(180,480)
Proceeds from short-term loans from related party	150,000	50,000
Repayment of short-term loans from related party	-	(50,000)
Proceeds from long-term loans from related party	70,000	-
<b>Net cash used in financing activities</b>	<b>(86,615)</b>	<b>(460,580)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(107,896)</b>	<b>(5,612)</b>
Cash and cash equivalents at beginning of period	292,850	277,094
<b>Cash and cash equivalents at end of period</b>	<b>184,954</b>	<b>271,482</b>

### ***Non-cash transaction***

During the period ended 30 September 2010, the Company acquired plant and equipment totalling Baht 400 million (2009: Baht 266 million), cash payments of Baht 369 million (2009: Baht 253 million) were made to purchase plant and equipment. Moreover, the Company paid the stock dividends of Baht 144 million.

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

**Alucon Public Company Limited**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2010 (Unaudited)**

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**Alucon Public Company Limited**  
**Notes to the interim financial statements**  
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These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by the Board of Directors on 9 November 2010.

**1 General information**

Alucon Public Company Limited, “the Company”, is incorporated in Thailand and has its registered head office at 500 Moo 1, Soi Sirikam, Sukhumvit 72 Road, North Samrong, Muang, Samut Prakarn. Another plant at Chonburi is located at 272/5, Moo 3, Bor Win, Sriracha, Chonburi.

The Company was listed on the Stock Exchange of Thailand in November 1989 and converted to a public company in May 1994.

The parent company during the financial period was Takeuchi Press Industries Company Limited, incorporated in Japan, who held 66.41% of the paid-up share capital.

The principal businesses of the Company are producing and distributing aluminum containers such as Aluminum Collapsible Tubes, Aluminum Monobloc Aerosol Cans, Aluminum Rigid Wall Containers, Aluminum Bottles, Technical Impact Extrusions, Aluminum Slugs (Blanks), Aluminum Coils, Aluminum Pellets, strips, plates, etc.

**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. 34 *Interim Financial Reporting* including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”), 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 2009. 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 2009.

On 26 May 2010 and 30 August 2010, the FAP made announcements No. 17/2010 and No. 34/2010 relating to the issuance of a revised Framework and a number of new and revised Thai Accounting Standards (“TAS”) and Thai Financial Reporting Standards (“TFRS”).

The Company has adopted the revised Framework (revised 2009) for the Preparation and Presentation of Financial Statements. The adoption of the revised Framework does not have any material impact on the Company’s financial statements.

Revised TAS issued by the FAP which are not currently effective and have not been adopted in the preparation of these financial statements are disclosed in note 14.

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

Accounting policies and methods of computation applied in the interim financial statements for the

**Alucon Public Company Limited**  
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three-month and nine-month periods ended 30 September 2010 are consistent with those applied in the financial statements for the year ended 31 December 2009.

**3 Related party transactions and balances**

Related parties are those parties linked to 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 control or jointly control the Company or are being controlled or jointly-controlled by the Company or have transactions with the Company were as follows:

<b>Name of entity</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationship</b>
Takeuchi Press Industries Company Limited	Japan	Parent, 66.41% shareholding

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

**Transactions**

**Pricing policies**

Revenue from sale of goods	The market price or the price based on the memorandum of understanding. The selling price structure with the parent company is based on the actual cost incurred plus gross margin rate including the consideration of size, sale volume, country and transportation.
Purchase of raw materials and spare part	The market price.
Purchase of machinery and equipment	The market price / the invoice price.
Interest expense	1.25-2.25% per annum in 2010 and 1.25-3.5% per annum in 2009
Commission expenses	Percentage of sales amount.
Management benefit expenses	Amount approved by the directors and / or the shareholders.

Significant transactions for the three-month and nine-month periods ended 30 September 2010 and 2009 with related parties were as follows:

	Three-month periods ended 30 September		Nine-month periods ended 30 September	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
<b>Parent</b>				
Revenue from sale of goods	241,321	226,381	683,010	652,310
Purchase of raw materials and spare parts	3,506	1,921	7,419	3,989
Purchase of machinery and equipment	11,493	28	14,293	2,613
Interest expense	1,624	1,499	3,963	6,306
Commission expenses	67	30	162	88
<b>Management</b>				
Management benefit expenses	14,826	16,086	46,766	47,090

**Alucon Public Company Limited**  
**Notes to the interim financial statements**  
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Balances as at 30 September 2010 and 31 December 2009 with related parties were as follows:

*Trade accounts receivable from related party*

	30 September 2010	31 December 2009
	<i>(in thousand Baht)</i>	
<b>Parent</b>		
Takeuchi Press Industries Company Limited	<u>62,775</u>	<u>46,986</u>

*Other payable to and short-term loans from related parties*

	Interest rate 2010      2009 <i>(% per annum)</i>	30 September 2010	31 December 2009
		<i>(in thousand Baht)</i>	
<b>Short-term loans</b>			
<b>Parent</b>			
Takeuchi Press Industries Company Limited	1.25 - 1.75      1.25	527,295	377,295
<b>Other payables</b>			
<b>Parent</b>			
Takeuchi Press Industries Company Limited		82	489
<b>Accrued commission payable</b>			
<b>Parent</b>			
Takeuchi Press Industries Company Limited		67	31
<b>Accrued interest expense</b>			
<b>Parent</b>			
Takeuchi Press Industries Company Limited		1,712	991
<b>Accrued management's remuneration and other benefits</b>			
Management		<u>2,709</u>	<u>3,519</u>
<b>Total</b>		<u><b>531,865</b></u>	<u><b>382,325</b></u>

Movements during the nine-month periods ended 30 September 2010 and 2009 of short-term loans from related party were as follows:

	2010	2009
	<i>(in thousand Baht)</i>	
<b>Short-term loans</b>		
<b>Parent</b>		
At 1 January	377,295	377,295
Increase	150,000	50,000
Decrease	-	(50,000)
<b>At 30 September</b>	<u><b>527,295</b></u>	<u><b>377,295</b></u>

**Alucon Public Company Limited**  
**Notes to the interim financial statements**  
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*Long-term loans from and accrued interest payable to related party*

	Interest rate		30 September	31 December
	2010	2009	2010	2009
	(% per annum)		(in thousand Baht)	
<i>Long-term loans</i>				
<b>Parent</b>				
Takeuchi Press Industries Company Limited	1.75 - 2.25	-	70,000	-
<i>Accrued interest payable</i>				
<b>Parent</b>				
Takeuchi Press Industries Company Limited			111	-
<b>Total</b>			<b>70,111</b>	<b>-</b>

Movements during the nine-month periods ended 30 September 2010 and 2009 of long-term loans from related party were as follows:

	2010	2009
	(in thousand Baht)	
<i>Long-term loans</i>		
<b>Parent</b>		
At 1 January	-	-
Increase	70,000	-
<b>At 30 September</b>	<b>70,000</b>	<b>-</b>

On 1 September 2010, the Company has issued promissory notes to related party totalling Baht 70 million which bear interests at the rates ranging from 1.75% - 2.25% per annum. These long-term loans will be repayable together with interest expenses on various dates from March 2012 to March 2013.

*Commitments for purchase of machinery and equipment, raw materials and spare parts*

	30 September	31 December
	2010	2009
	(in thousand Baht)	
<b>Parent</b>		
Takeuchi Press Industries Company Limited	24,083	5,433

*Significant memorandum of understanding*

On 4 February 2009, the Company entered into a memorandum of understanding with Takeuchi Press Industries Company Limited to supply aluminium slugs in quantity of about 5,200 MT for the production of aluminum monobloc aerosol cans and collapsible tubes for a period from April 2009 to March 2010.

Subsequently, on 2 February 2010, the Company entered into another memorandum of understanding to supply aluminium slugs in quantity about of 5,000 MT for a period from April 2010 to March 2011.

**Alucon Public Company Limited**  
**Notes to the interim financial statements**  
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**4 Trade accounts receivable**

	<i>Note</i>	30 September 2010	31 December 2009
		<i>(in thousand Baht)</i>	
Related party	3	62,775	46,986
Other parties		640,118	466,101
		<u>702,893</u>	<u>513,087</u>
<i>Less</i> allowance for doubtful accounts		(5,945)	(5,945)
<b>Total</b>		<b><u>696,948</u></b>	<b><u>507,142</u></b>

Aging analyses for trade accounts receivable were as follows:

	30 September 2010	31 December 2009
	<i>(in thousand Baht)</i>	
<b>Related party</b>		
Within credit terms	<u>62,775</u>	<u>46,986</u>
	<b><u>62,775</u></b>	<b><u>46,986</u></b>
<b>Other parties</b>		
Within credit terms	534,070	358,413
Overdue:		
Less than 3 months	99,816	101,743
3 - 6 months	267	-
6 - 12 months	20	-
Over 12 months	5,945	5,945
Total	<u>640,118</u>	<u>466,101</u>
<i>Less</i> allowance for doubtful accounts	(5,945)	(5,945)
<b>Net</b>	<b><u>634,173</u></b>	<b><u>460,156</u></b>
<b>Total</b>	<b><u>696,948</u></b>	<b><u>507,142</u></b>

The normal credit term granted by the Company ranges from 7 days to 90 days.

**5 Property, plant and equipment**

Acquisitions, disposals and transfers of property, plant and equipment during the nine-month periods ended 30 September 2010 and 2009 were as follows:

	2010		2009	
	Acquisitions and transfers - at cost	Disposals - net book value	Acquisitions and transfers - at cost	Disposals - net book value
	<i>(in thousand Baht)</i>			
Buildings and building improvement	27,158	-	10,945	(183)
Machineries and equipment	455,272	(376)	70,131	(176)
Office equipment	1,380	-	882	(5)
Vehicles	874	-	4,482	-
Construction in progress	(84,492)	-	179,503	-
<b>Total</b>	<b><u>400,192</u></b>	<b><u>(376)</u></b>	<b><u>265,943</u></b>	<b><u>(364)</u></b>

**Alucon Public Company Limited**  
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**6 Share capital**

	Par value per share (in Baht)	Number	2010 Amount (thousand shares / thousand Baht)	Number	2009 Amount
<i>Authorised</i>					
At 1 January					
- ordinary shares	10	28,800	288,000	28,800	288,000
Increase of new shares	10	14,400	144,000	-	-
<b>At 30 September</b>					
<b>- ordinary shares</b>	<b>10</b>	<b>43,200</b>	<b>432,000</b>	<b>28,800</b>	<b>288,000</b>
<i>Issued and paid-up</i>					
At 1 January					
- ordinary shares	10	28,800	288,000	28,800	288,000
Increase of new shares	10	14,400	144,000	-	-
<b>At 30 September</b>					
<b>- ordinary shares</b>	<b>10</b>	<b>43,200</b>	<b>432,000</b>	<b>28,800</b>	<b>288,000</b>

At the annual general meeting of the shareholders of the Company held on 27 April 2010, the shareholders passed the resolution to approve an increase in the Company's authorised share capital from Baht 288 million (28,800,000 shares at Baht 10 par value) to Baht 432 million (43,200,000 shares at Baht 10 par value) by issuing new shares for the stock dividend. The increase in share capital and change in paid-up share capital were registered with the Ministry of Commerce on 27 May 2010.

**7 Segment information**

Segment information is presented in respect of the Company's business and geographic segments. The primary format, geographic segments, is based on the Company's management and internal reporting structure.

*Business segments*

Management considers that the Company operates in a single line of business, namely aluminium containers, and has, therefore, only one major business segment.

*Geographic segments*

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

**Alucon Public Company Limited**  
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The following are the main geographical locations:

Segment 1	Domestic
Segment 2	Export

Revenue and results, based on geographical segments, in the Company's financial statements for the three-month and nine-month periods ended 30 September 2010 and 2009 were as follows:

	Three-month periods ended 30 September		Nine-month periods ended 30 September	
	2010	2009 (Restated)	2010	2009 (Restated)
	<i>(in thousand Baht)</i>			
<b>Segment revenue</b>				
Domestic	237,303	208,575	729,603	719,812
Export	865,437	653,504	2,307,138	1,902,947
<b>Total</b>	<b>1,102,740</b>	<b>862,079</b>	<b>3,036,741</b>	<b>2,622,759</b>
<b>Segment results</b>				
Domestic	63,419	61,049	185,426	185,308
Export	231,285	191,276	586,350	489,892
<b>Total</b>	<b>294,704</b>	<b>252,325</b>	<b>771,776</b>	<b>675,200</b>

**8 Expenses by nature**

	Three-month periods ended 30 September		Nine-month periods ended 30 September	
	2010	2009	2010	2009
	<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress	4,440	(33,777)	(57,466)	61,799
Raw materials and consumables used	475,104	369,494	1,392,193	971,812
Employee benefit expenses	118,390	98,806	341,140	322,790
Depreciation and amortisation	84,662	73,258	246,350	213,439
Management benefit expenses	14,826	16,086	46,766	47,090
Others	221,541	139,525	522,365	489,105
<b>Total</b>	<b>918,963</b>	<b>663,392</b>	<b>2,491,348</b>	<b>2,106,035</b>

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**9 Basic earnings per share**

The calculation of basic earnings per share for the three-month and nine-month periods ended 30 September 2010 and 2009 were based on the profit for the periods attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the period as follows:

	Three-month periods ended 30 September		Nine-month periods ended 30 September	
	2010	2009	2010	2009
	<i>(in thousand Baht / thousand shares)</i>			
<b>Profit attributable to equity holders of the Company</b>	<b>143,559</b>	<b>155,751</b>	<b>441,743</b>	<b>411,862</b>
Number of ordinary shares outstanding at beginning of period	28,800	28,800	28,800	28,800
Effect from issue for stock dividends	14,400	14,400	14,400	14,400
<b>Weighted average number of ordinary shares outstanding</b>	<b>43,200</b>	<b>43,200</b>	<b>43,200</b>	<b>43,200</b>
<b>Basic earnings per share (in Baht)</b>	<b>3.32</b>	<b>3.60</b>	<b>10.22</b>	<b>9.53</b>

**10 Promotional privileges**

By virtue of the provisions of the Industrial Investment Promotion Act B.E. 2520, the Company has been granted privileges by the Board of Investment relating to the production of aluminum containers. The privileges granted include:

- (a) exemption from payment of import duty on machinery and equipment approved by the Board;
- (b) exemption from payment of income tax for certain operations for a period of three years from the date on which the income is first derived from such operation

As a promoted company, the Company must comply with certain terms and conditions prescribed in the promotional certificate.

The Company's revenue from sale of goods for the three-month and nine-month periods ended 30 September 2010 and 2009 are derived from non-promoted business.

**11 Dividends**

At the annual general meeting of the shareholders of the Company held on 27 April 2010, the shareholders approved the appropriation of cash dividends of Baht 5.56 per share and stock dividend of Baht 5 per share comprising new common shares of Baht 10 par value in the ratio of 1 new common share for every 2 common shares hold (2:1). The total dividend is Baht 10.56 per share, amounting to Baht 304.1 million. The dividend was paid to shareholders during 2010.

At the annual general meeting of the shareholders of the Company held on 27 April 2009, the shareholders approved the appropriation of dividends of Baht 9.00 per share, amounting to Baht 259.2 million. The dividend was paid to shareholders during 2009.

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**12 Adoption of two International Financial Reporting Standards – IAS 12 and IAS 19**

Accounting for income taxes and employee benefits are topics that are currently under consideration by the FAP who have issued Exposure Drafts for discussion and comment. However, as of 31 December 2009 no TAS on these topics is currently effective. The Company, therefore, has followed the guidance issued by the FAP that in instances where there is no applicable TAS, it is appropriate to look to the guidance set-down in the relevant International Financial Reporting Standard or US Accounting Standard. Consequently, the Company has voluntarily adopted the requirements of IAS 12 “Income taxes” and IAS 19 “Employee benefits”.

The adoption of International Financial Reporting Standard (IAS 12 and IAS 19) has been applied retrospectively and the financial statements for three-month and nine-month periods ended 30 September 2009, which are included for comparative purposes, have been restated according as follows:

	Three-month period ended 30 September 2009	Nine-month period ended 30 September 2009
	<i>(in thousand Baht)</i>	
<b>Profit for the periods before the effects of the adoption of IAS 12 and IAS 19</b>	<b>155,863</b>	<b>423,907</b>
Increase in employees’ long-term benefits	(1,410)	(16,635)
Increase in deferred tax assets	1,298	4,590
<b>Profit for the periods after the effects of the adoption of IAS 12 and IAS 19</b>	<b>155,751</b>	<b>411,862</b>
	<i>(in thousand shares)</i>	
Number of ordinary shares outstanding at beginning of period	28,800	28,800
Effect from issue for stock dividends	14,400	14,400
<b>Weighted average number of ordinary shares outstanding</b>	<b>43,200</b>	<b>43,200</b>
<b>Basic earnings per share decrease <i>(in Baht)</i></b>	<b>(0.01)</b>	<b>(0.28)</b>

**13 Commitments with non-related parties**

	30 September 2010	31 December 2009
	<i>(in thousand Baht)</i>	
<b>Capital commitments</b>		
Contracted but not provided for:		
Machinery and equipment	<b>511,588</b>	<b>208,852</b>

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	30 September 2010	31 December 2009
	<i>(in thousand Baht)</i>	
<b><i>Other commitments</i></b>		
Unused letters of credits	82,790	29,148
Purchase orders accepted by suppliers		
Within one year	1,466,309	1,397,910
After one year but within five years	1,653,000	822,086
After five years but within ten years	249,233	333,435
	<u>3,368,542</u>	<u>2,553,431</u>
Commodity Price Swap agreement	108,818	123,722
Forward exchange contracts	16,290	-
Bank guarantees	20,414	24,634
<b>Total</b>	<b><u>3,596,854</u></b>	<b><u>2,730,935</u></b>

*Purchase orders accepted by suppliers*

As at 30 September 2010, the Company had purchase orders accepted by suppliers for purchase of aluminium ingot in total quantity of 53,750 MT (*31 December 2009: 42,164 MT*), at the ranging fixed price of YEN 123,000 – YEN 151,500 per MT and at the price as determined in purchase orders (*31 December 2009: at the ranging fixed price of YEN 123,000 - YEN 151,500 per MT and USD 1,600 – USD 1,638 per MT and at the price as determined in purchase orders*) that will be delivered during 2010 to 2016 (*31 December 2009: 2009 to 2016*).

*Commodity Price Swap agreement*

As at 30 September 2010 and 31 December 2009, the Company had a Commodity Price Swap agreement to hedge the risk of aluminium price fluctuation with a foreign financial institution in quantity of 25 MT per month, maximum totaling 1,800 MT, at a price of YEN 188,000 per MT. This agreement is for 6 years from 1 January 2010 to 31 December 2015.

*Forward exchange contract*

As at 30 September 2010, the Company had foreign exchange forward contracts to anticipate future sale orders with a branch of financial institution approximately GBP 0.3 million.

**14 Thai Accounting Standards (TAS) not yet adopted**

The Company has not adopted the following revised TAS that have been issued as of the reporting date but are not yet effective. The revised TAS are anticipated to become effective for annual financial periods beginning on or after 1 January 2011.

TAS	Topic
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors

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TAS	Topic
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 17 (revised 2009)	Leases
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets

Management is presently considering the potential impact of adopting these revised TAS on the Company's financial statements.