

Alucon Public Company Limited

Interim financial statements
and

Review report of Certified Public Accountant

For the three-month and six-month periods ended
30 June 2011

Review report of Certified Public Accountant

To the Board of Directors of Alucon Public Company Limited

I have reviewed the accompanying statement of financial position of Alucon Public Company Limited as at 30 June 2011; the related statements of comprehensive income for the three-month and six-month periods ended 30 June 2011 and 2010; and the related statements of changes in equity and cash flows for the six-month periods ended 30 June 2011 and 2010. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my reviews.

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

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

As explained in notes 2 and 3 to the financial statements, with effect from 1 January 2011 the Company has adopted certain new and revised financial reporting standards. The financial statements for the three-month and six-month periods ended 30 June 2010, which are included in the accompanying financial statements for comparative purposes, have been restated accordingly.

I have previously audited the financial statements of Alucon Public Company Limited for the year ended 31 December 2010 in accordance with generally accepted auditing standards and expressed an unqualified opinion on those financial statements in my report dated 23 February 2011. As explained in notes 2 and 3 to the accompanying financial statements, those financial statements have been restated consequent to the adoption of certain new and revised financial reporting standards. I have audited the adjustments that were applied to the restatement of those financial statements and in my opinion those adjustments are appropriate and have been properly applied. Other than the audit of those adjustments, I have not performed any auditing procedures since the date of my audit report. The statement of financial position as at 31 December 2010, which is included in the accompanying financial statements for comparative purposes, is a component of those restated financial statements.

(Siripen Sukcharoenyingyong)
Certified Public Accountant
Registration No. 3636

KPMG Phoomchai Audit Ltd.
Bangkok
9 August 2011

Alucon Public Company Limited
Statements of financial position
As at 30 June 2011 and 31 December 2010

Assets	<i>Note</i>	30 June 2011 (Unaudited)	31 December 2010 (Restated)
<i>(in thousand Baht)</i>			
<i>Current assets</i>			
Cash and cash equivalents		72,471	248,874
Trade accounts receivable	4, 5	747,162	618,716
Inventories		814,274	695,965
Refundable value added tax		29,667	32,663
Other current assets		10,891	8,184
Total current assets		<u>1,674,465</u>	<u>1,604,402</u>
<i>Non-current assets</i>			
Property, plant and equipment	6	2,972,512	2,803,915
Intangible assets		11,978	11,431
Deferred tax assets		102,376	98,795
Other non-current assets		239	239
Total non-current assets		<u>3,087,105</u>	<u>2,914,380</u>
Total assets		<u><u>4,761,570</u></u>	<u><u>4,518,782</u></u>

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

Alucon Public Company Limited
Statements of financial position
As at 30 June 2011 and 31 December 2010

Liabilities and equity	<i>Note</i>	30 June 2011 (Unaudited)	31 December 2010 (Restated)
		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>			
Bank overdrafts and short-term loans			
from financial institutions		164,740	158,581
Trade accounts payable	4, 7	169,238	180,023
Current portion of long-term loans from financial institutions		24,711	84,830
Other payable to and short-term loans from related parties	4	774,096	532,905
Current portion of long-term loans from and accrued			
interest payable to related party	4	30,436	-
Other payables and accrued expenses		222,881	116,759
Income tax payable		103,800	106,999
Other current liabilities		26,964	25,892
Total current liabilities		<u>1,516,866</u>	<u>1,205,989</u>
<i>Non-current liabilities</i>			
Long-term loans from and accrued interest			
payable to related party	4	40,685	70,451
Deferred income		49,694	52,564
Provisions for employees' long-term benefits		330,451	318,097
Total non-current liabilities		<u>420,830</u>	<u>441,112</u>
Total liabilities		<u>1,937,696</u>	<u>1,647,101</u>
<i>Equity</i>			
Share capital			
Authorised share capital		432,000	432,000
Issued and paid-up share capital		432,000	432,000
Additional paid-in capital			
Premium on ordinary shares		254,000	254,000
Retained earnings			
Appropriated			
Legal reserve		43,200	43,200
Unappropriated		2,094,674	2,142,481
Total equity		<u>2,823,874</u>	<u>2,871,681</u>
Total liabilities and equity		<u>4,761,570</u>	<u>4,518,782</u>

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

Alucon Public Company Limited

Statements of comprehensive income

For the three-month and six-month periods ended 30 June 2011 and 2010 (Unaudited)

	Note	For the three-month period		For the six-month period	
		2011	2010 (Restated) <i>(in thousand Baht)</i>	2011	2010 (Restated)
Income					
Revenue from sale of goods	4, 8	1,146,701	985,975	2,193,741	1,934,001
Net foreign exchange gain		7,271	690	12,023	4,373
Other income		37,031	24,886	69,997	50,997
Total income		1,191,003	1,011,551	2,275,761	1,989,371
Expenses					
Cost of sale of goods	4	958,549	775,524	1,804,259	1,456,929
Selling expenses	4	28,069	26,581	51,215	49,659
Administrative expenses		23,958	18,517	46,292	38,230
Key management personnel compensation	4	16,719	15,847	33,029	31,940
Finance costs	4	4,225	3,726	7,743	7,587
Total expenses	9	1,031,520	840,195	1,942,538	1,584,345
Profit before income tax expense		159,483	171,356	333,223	405,026
Income tax expense		48,007	47,952	100,230	106,842
Profit and total comprehensive income for the period		111,476	123,404	232,993	298,184
Basic earnings per share (in Baht)	10	2.58	2.86	5.39	6.90

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

Alucon Public Company Limited

Statements of changes in equity

For the six-month periods ended 30 June 2011 and 2010 (Unaudited) (Restated)

		Issued and paid-up share capital	Additional paid-in capital Premium on ordinary shares	Retained earnings Legal reserve	Unappropriated	Total equity
	<i>Note</i>					
<i>(in thousand Baht)</i>						
Balance at 1 January 2010		288,000	254,000	28,800	1,917,424	2,488,224
Profit and total comprehensive income						
for the period		-	-	-	298,184	298,184
Stock dividends	<i>11</i>	144,000	-	-	(144,000)	-
Dividends	<i>11</i>	-	-	-	(160,128)	(160,128)
Balance at 30 June 2010		432,000	254,000	28,800	1,911,480	2,626,280
Balance at 1 January 2011		432,000	254,000	43,200	2,142,481	2,871,681
Profit and total comprehensive income						
for the period		-	-	-	232,993	232,993
Dividends	<i>11</i>	-	-	-	(280,800)	(280,800)
Balance at 30 June 2011		432,000	254,000	43,200	2,094,674	2,823,874

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

Alucon Public Company Limited

Statements of cash flows

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

	2011	2010 (Restated)
		<i>(in thousand Baht)</i>
<i>Cash flows from operating activities</i>		
Profit for the period	232,993	298,184
<i>Adjustments for</i>		
Depreciation	184,794	160,966
Amortisation of intangible assets	777	722
Recognised deferred income	(2,870)	(2,378)
Interest income	(933)	(636)
Finance costs	7,743	7,587
Unrealised loss (gain) on exchange	525	(6,937)
Provision for loss from devaluation of inventories	2,564	3,277
Provision for employees' long-term benefits	24,185	16,234
(Gain) loss on disposal of equipment	(1,115)	189
Income tax expense	100,230	106,842
	<u>548,893</u>	<u>584,050</u>
<i>Changes in operating assets and liabilities</i>		
Trade accounts receivable	(123,224)	(108,913)
Inventories	(120,873)	(73,248)
Refundable value added tax	2,996	(2,128)
Other current assets	(2,717)	356
Trade accounts payable	(11,477)	9,460
Other payables to related parties	(974)	(2,141)
Other payables and accrued expenses	38,694	40,966
Other current liabilities	1,072	(4,543)
Provision for employees' long-term benefits paid	(11,831)	(13,580)
Cash generated from operating activities	320,559	430,279
Income tax paid	(107,010)	(127,768)
Net cash from operating activities	213,549	302,511

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

Alucon Public Company Limited

Statements of cash flows

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

	2011	2010 (Restated)
	<i>(in thousand Baht)</i>	
<i>Cash flows from investing activities</i>		
Interest received	945	646
Purchase of plant and equipment	(283,635)	(115,230)
Interest paid for plant and equipment	(863)	-
Sale of equipment	1,289	185
Purchase of intangible assets	<u>(1,009)</u>	<u>(60)</u>
Net cash used in investing activities	<u>(283,273)</u>	<u>(114,459)</u>
<i>Cash flows from financing activities</i>		
Finance costs paid	(6,909)	(8,249)
Dividends paid	(280,800)	(160,128)
Increase in bank overdrafts and short-term loans from financial institutions	1,624	1,451
Proceeds from short-term loans from related party	240,000	-
Repayment of long-term loans from financial institutions	<u>(60,594)</u>	<u>(67,034)</u>
Net cash used in financing activities	<u>(106,679)</u>	<u>(233,960)</u>
Net decrease in cash and cash equivalents	(176,403)	(45,908)
Cash and cash equivalents at 1 January	<u>248,874</u>	<u>292,850</u>
Cash and cash equivalents at 30 June	<u>72,471</u>	<u>246,942</u>

Non-cash transactions

During the period ended 30 June 2011, the Company acquired plant and equipment totalling Baht 354 million (2010: Baht 142 million), cash payments of Baht 284 million (2010: Baht 115 million) were made to purchase plant and equipment. During the period ended 30 June 2010, 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 six-month periods ended 30 June 2011 (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 Board of Directors on 9 August 2011.

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 66.40% of the paid-up share capital.

The principal businesses of the Company are producing and distributing aluminium containers such as aluminium collapsible tubes, aluminium monobloc aerosol cans, aluminium rigid wall containers, aluminium bottles, technical impact extrusions, aluminium slugs (blanks), aluminium coils, aluminium pellets, strips, plates, etc.

2 Basis of preparation of the financial statements

(a) Statement of compliance

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

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2009) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2010. They do not include all of the financial information required for full annual financial statements but 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 of the Company for the year ended 31 December 2010.

During 2010 and 2011, the FAP issued the following new and revised Thai Financial Reporting Standards (TFRS) relevant to the Company’s operations and effective for accounting periods beginning on or after 1 January 2011:

TFRS	Topic
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows

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TFRS	Topic
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 18 (revised 2009)	Revenue
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

The adoption of these new and revised TFRS has resulted in changes in the Company's accounting policies. The effects of these changes are disclosed in note 3. Except for these changes, 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 2010.

In addition to the above new and revised TFRS, the FAP has issued during 2010 a number of other TFRS which are expected to be effective for financial statements beginning on or after 1 January 2013 and have not been adopted in the preparation of these interim financial statements. These new and revised TFRS are disclosed in note 13.

(b) *Presentation currency*

The interim financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

(c) *Use of estimates and judgements*

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Alucon Public Company Limited
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

3 Changes in accounting policies

(a) Overview

From 1 January 2011, consequent to the adoption of new and revised TFRS as set out in note 2, the Company has changed its accounting policies in the following areas:

- Presentation of financial statements
- Accounting for property, plant and equipment
- Accounting for borrowing costs

Details of the new accounting policies adopted by the Company and the impact of the changes on the financial statements are included in notes 3(b) to 3(d) below. Other new and revised TFRS did not have any impact on the accounting policies, financial position or performance of the Company.

(b) Presentation of financial statements

The Company has adopted TAS 1 Presentation of Financial Statements (revised 2009). Under the revised standard, a set of financial statements comprises:

- Statement of financial position;
- Statement of comprehensive income;
- Statement of changes in equity;
- Statement of cash flows; and
- Notes to the financial statements.

As a result, the Company presents all owner changes in equity in the statement of changes in equity and all non-owner changes in equity in the statement of comprehensive income. Previously, all such changes were included in the statement of changes in equity.

Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on reported profit or earnings per share.

(c) Accounting for property, plant and equipment

The Company has adopted TAS 16 (revised 2009) Property, Plant and Equipment in determining and accounting for the cost and depreciable amount of property, plant and equipment.

The principal changes introduced by the revised TAS 16 and affecting the Company are that (i) costs of asset dismantlement, removal and restoration have to be included as asset costs and subject to annual depreciation; (ii) the depreciation charge has to be determined separately for each significant part of an asset; and (iii) in determining the depreciable amount, the residual value of an item of property, plant and equipment has to be measured at the amount estimated receivable currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life. Furthermore, the residual value and useful life of an asset have to be reviewed at least at each financial year-end.

Alucon Public Company Limited
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The changes have been applied prospectively in accordance with the transitional provisions of the revised standard, except that consideration of the costs of asset dismantlement, removal and restoration, have been applied retrospectively; however, these costs had no significant impact. The changes have had the following impact on the 2011 financial statements:

<i>Statement of comprehensive income</i>	Three-month period ended 30 June 2011	Six-month period ended 30 June 2011
	<i>(in thousand Baht)</i>	
Increase in depreciation charge resulting in increase in:		
Cost of sales	(1,697)	(3,557)
Decrease in profit before income tax expense	(1,697)	(3,557)
Decrease in income tax expense	509	1,067
Decrease in profit	(1,188)	(2,490)
Decrease in basic earnings per share (in Baht)	(0.03)	(0.06)

(d) Accounting for borrowing costs

The Company has adopted TAS 23 (revised 2009) Borrowing Costs.

Under the revised standard, borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Under the former standard, there was also an option to expense borrowing costs on qualifying assets when incurred.

It was the Company's policy under the former TAS 23 to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. Consequently the adoption of the revised standard has had no impact on reported profit or earnings per share.

4 Related party transactions

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation	Nature of relationships
Takeuchi Press Industries Company Limited	Japan	Parent, 66.40% shareholding
Key management personnel		Person having authority and responsibility for planning directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the company.

Alucon Public Company Limited
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

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	1.25-2.75% per annum in 2011 and 1.25% per annum in 2010.
License fee	As determined in an agreement.
Commission expenses	Percentage of sales amount.
Key management personnel compensation	Amount approved by the directors and / or the shareholders.

Significant transactions for the three-month and six-month periods ended 30 June 2011 and 2010 with related parties were as follows:

	Three-month periods ended 30 June		Six-month periods ended 30 June	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Parent				
Revenue from sale of goods	280,658	232,192	517,589	441,689
Purchase of raw materials and spare parts	3,612	2,771	6,366	3,913
Purchase of machinery and equipment	164	2,054	164	2,800
Interest expense	2,761	1,176	4,453	2,339
License fee	623	-	623	-
Commission expenses	161	57	217	95
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	15,811	15,074	31,213	30,423
Termination benefits	908	773	1,816	1,517
Total	<u>16,719</u>	<u>15,847</u>	<u>33,029</u>	<u>31,940</u>

Alucon Public Company Limited
Notes to the interim financial statements
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Balances as at 30 June 2011 and 31 December 2010 with related parties were as follows:

Trade account receivable from related party

	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>	
Parent		
Takeuchi Press Industries Company Limited	<u>75,390</u>	<u>69,022</u>

Trade account payable to related party

	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>	
Parent		
Takeuchi Press Industries Company Limited	<u>1,488</u>	<u>1,475</u>

Other payable to and short-term loans from related parties

	Interest rate		30 June 2011	31 December 2010
	2011	2010	<i>(in thousand Baht)</i>	
	<i>(% per annum)</i>			
<i>Short-term loans</i>				
Parent				
Takeuchi Press Industries Company Limited	1.50 - 2.75	1.25 - 2.00	767,295	527,295
<i>Accrued commission payable</i>				
Parent				
Takeuchi Press Industries Company Limited			785	50
<i>Accrued interest expense</i>				
Parent				
Takeuchi Press Industries Company Limited			4,192	2,026
<i>Accrued management's remuneration and other benefits</i>				
Key management personnel			<u>1,824</u>	<u>3,534</u>
Total			<u>774,096</u>	<u>532,905</u>

Movements during the six-month periods ended 30 June 2011 and 2010 of short-term loans from related party were as follows:

	2011	2010
	<i>(in thousand Baht)</i>	
<i>Short-term loans</i>		
Parent		
At 1 January	527,295	377,295
Increase	<u>240,000</u>	<u>-</u>
At 30 June	<u>767,295</u>	<u>377,295</u>

Alucon Public Company Limited
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Current portion of long-term loans from and accrued interest payable to related party

	Interest rate		30 June	31 December
	2011	2010	2011	2010
	(% per annum)		(in thousand Baht)	
Current portion of long-term loans				
Parent				
Takeuchi Press Industries Company Limited	1.75	-	30,000	-
Accrued interest expense				
Parent				
Takeuchi Press Industries Company Limited			436	-
Total			30,436	-

Long-term loans from and accrued interest payable to related party

	Interest rate		30 June	31 December
	2011	2010	2011	2010
	(% per annum)		(in thousand Baht)	
Long-term loans				
Parent				
Takeuchi Press Industries Company Limited	2.00 - 2.25	1.75 - 2.25	40,000	70,000
Accrued interest expense				
Parent				
Takeuchi Press Industries Company Limited			685	451
Total			40,685	70,451

On 1 September 2010, the Company has issued promissory notes to related party totalling Baht 70 million which bore 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.

Significant agreement with related party

Technical license agreement

The Company entered into a technical license agreement with Takeuchi Press Industries Company Limited, the parent company. Under the term of the agreement, the parent company agrees to provide technical assistance inclusive technical information and know-how, equipment for manufacturing and right to sell the products. The Company is committed to pay a license and commission fee as indicated in an agreement. This agreement is valid for 10 years and shall be renewed from year to year unless either party notified by a written notice at least 6 months prior to the expiration of the agreement.

Commitments for purchase of raw materials and spare parts

	30 June	31 December
	2011	2010
	(in thousand Baht)	
Parent		
Takeuchi Press Industries Company Limited	25,842	25,384

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Significant memorandum of understanding

On 2 February 2010, the Company entered into a memorandum of understanding with Takeuchi Press Industries Company Limited to supply aluminium slugs in quantity of about 5,000 MT for the production of aluminum monobloc aerosol cans and collapsible tubes for a period from April 2010 to March 2011.

Subsequently, on 9 February 2011, the Company entered into a new memorandum of understanding to supply aluminium slugs in quantity about of 5,000 MT for a period from April 2011 to March 2012.

5 Trade accounts receivable

	<i>Note</i>	30 June 2011	31 December 2010
<i>(in thousand Baht)</i>			
Related party	4	75,390	69,022
Other parties		677,717	555,639
Total		<u>753,107</u>	<u>624,661</u>
<i>Less</i> allowance for doubtful accounts		(5,945)	(5,945)
Net		<u>747,162</u>	<u>618,716</u>

Aging analyses for trade accounts receivable were as follows:

	30 June 2011	31 December 2010
<i>(in thousand Baht)</i>		
Related party		
Within credit terms	75,390	69,022
Total	<u>75,390</u>	<u>69,022</u>
Other parties		
Within credit terms	561,342	440,763
Overdue:		
Less than 3 months	110,401	108,898
3 - 6 months	27	33
6 - 12 months	2	-
Over 12 months	5,945	5,945
Total	<u>677,717</u>	<u>555,639</u>
<i>Less</i> allowance for doubtful accounts	(5,945)	(5,945)
Net	<u>671,772</u>	<u>549,694</u>
Total	<u>747,162</u>	<u>618,716</u>

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

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6 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended 30 June 2011 and 2010 were as follows:

	2011		2010	
	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	5,918	-	25,358	-
Machinery and equipment	51,638	(182)	37,892	(374)
Office equipment	510	(6)	1,020	-
Vehicles	-	-	874	-
Construction in progress	295,514	-	76,689	-
Total	353,580	(188)	141,833	(374)

7 Trade accounts payable

	<i>Note</i>	30 June 2011	31 December 2010
		<i>(in thousand Baht)</i>	
Related party	4	1,488	1,475
Other parties		167,750	178,548
Total		169,238	180,023

8 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.

Geographical segments

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

The following are the main geographical locations:

Segment 1	Domestic
Segment 2	Export

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Information about reportable segments:

Geographical segments	Domestic		Export		Total	
<i>Three-month periods ended</i>						
<i>30 June</i>	2011	2010	2011	2010	2011	2010
	<i>(in thousand Baht)</i>					
Revenue from sale of goods	<u>331,438</u>	<u>234,578</u>	<u>815,263</u>	<u>751,397</u>	<u>1,146,701</u>	<u>985,975</u>
Reportable segment gross profit	<u>54,383</u>	<u>50,069</u>	<u>133,769</u>	<u>160,382</u>	<u>188,152</u>	<u>210,451</u>
<i>Six-month periods ended</i>						
<i>30 June</i>	2011	2010	2011	2010	2011	2010
	<i>(in thousand Baht)</i>					
Revenue from sale of goods	<u>634,171</u>	<u>492,300</u>	<u>1,559,570</u>	<u>1,441,701</u>	<u>2,193,741</u>	<u>1,934,001</u>
Reportable segment gross profit	<u>112,594</u>	<u>121,439</u>	<u>276,888</u>	<u>355,633</u>	<u>389,482</u>	<u>477,072</u>
<i>Reportable segment assets</i>						
	30 June	31 December	30 June	31 December	30 June	31 December
	2011	2010	2011	2010	2011	2010
	<i>(in thousand Baht)</i>					
Trade accounts receivable	329,164	200,505	417,998	418,211	747,162	618,716
Unallocated assets					<u>4,014,408</u>	<u>3,900,066</u>
					<u>4,761,570</u>	<u>4,518,782</u>

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 31 December 2010.

9 Expenses by nature

	Note	Three-month periods		Six-month periods	
		ended 30 June		ended 30 June	
		2011	2010	2011	2010
		<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress		(19,115)	(53,394)	(151,756)	(61,906)
Raw materials and consumables used		596,883	514,816	1,230,364	917,089
Employee benefit expenses		137,081	118,547	259,972	222,750
Depreciation and amortisation		93,389	82,865	185,571	161,688
Utilities expenses		79,682	66,738	152,978	131,103
Repair and maintenance		29,328	28,076	61,022	55,547
Key management personnel compensation	4	16,719	15,847	33,029	31,940
Freight expenses		18,546	12,139	34,630	28,331
Finance costs	4	4,225	3,726	7,743	7,587
Others		74,782	50,835	128,985	90,216
Total expenses		<u>1,031,520</u>	<u>840,195</u>	<u>1,942,538</u>	<u>1,584,345</u>

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10 Basic earnings per share

The calculation of basic earnings per share for the three-month and six-month periods ended 30 June 2011 and 2010 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 periods as follows:

	Three-month periods ended 30 June		Six-month periods ended 30 June	
	2011	2010	2011	2010
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to equity holders of the Company	111,476	123,404	232,993	298,184
Number of ordinary shares outstanding at beginning of period	43,200	28,800	43,200	28,800
Effect from issue for stock dividends	-	14,400	-	14,400
Weighted average number of ordinary shares outstanding	43,200	43,200	43,200	43,200
Basic earnings per share (in Baht)	2.58	2.86	5.39	6.90

11 Dividends

At the annual general meeting of the shareholders of the Company held on 27 April 2011, the shareholders approved the appropriation of cash dividends of Baht 6.50 per share, amounting to Baht 280.8 million, which will be paid to shareholders in May 2011.

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.

12 Commitments with non-related parties

	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>	
Capital commitments		
Contracted but not provided for:		
Machinery and equipment	330,618	517,299
Other commitments		
Unused letters of credits	6,396	71,012
Purchase orders accepted by suppliers		
Within one year	1,523,597	1,570,684
After one year but within five years	1,352,780	1,926,352
After five years but within ten years	114,184	221,567
	2,990,561	3,718,603

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	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>	
Commodity Price Swap agreement	97,891	105,529
Forward exchange contracts	-	29,510
Bank guarantees	20,414	20,414
Total	<u>3,115,262</u>	<u>3,945,068</u>

Purchase orders accepted by suppliers

As at 30 June 2011, the Company had purchase orders accepted by suppliers for purchase of aluminium ingot for a total quantity 45,000 MT (*31 December 2010: 56,600 MT*), at the prices in the range of YEN 123,000 - 141,600 per MT, and at the price as determined in purchase orders (*31 December 2010: at the prices in the range of YEN 123,000 - 141,600 per MT and at the price as determined in purchase orders*), that will be delivered during 2011 to 2016 (*31 December 2010: 2011 to 2016*).

Commodity Price Swap agreement

As at 30 June 2011 and 31 December 2010, the Company had a Commodity Price Swap agreement to hedge the risk of aluminium price fluctuation with a foreign financial institution for a 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 31 December 2010, the Company had utilised forward exchange contracts to hedge sale orders denominated in foreign currencies with a branch of financial institution approximately GBP 0.6 million.

13 Thai Financial Reporting Standard (TFRS) not yet adopted

The Company has not adopted TAS 21 (revised 2009) The Effects of Changes in Foreign Exchange Rates that has been issued as of the reporting date but are not yet effective. The revised TFRS is anticipated to become effective for annual financial periods beginning on or after 1 January 2013.

Management is presently considering the potential impact of adopting and initially applying the revised TFRS on Company's financial statements.