

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 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 September 2011; the related statements of comprehensive income for the three-month and nine-month periods ended 30 September 2011 and 2010; and the related statements of changes in equity and cash flows for the nine-month periods ended 30 September 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 nine-month periods ended 30 September 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 November 2011

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

Assets	<i>Note</i>	30 September 2011 (Unaudited)	31 December 2010 (Restated)
<i>(in thousand Baht)</i>			
<i>Current assets</i>			
Cash and cash equivalents		178,665	248,874
Trade accounts receivable	4, 5	822,246	618,716
Inventories		694,923	695,965
Refundable value added tax		37,331	32,663
Other current assets		7,304	8,184
Total current assets		1,740,469	1,604,402
<i>Non-current assets</i>			
Property, plant and equipment	6	3,067,760	2,803,915
Intangible assets		12,182	11,431
Deferred tax assets		103,704	98,795
Other non-current assets		249	239
Total non-current assets		3,183,895	2,914,380
Total assets		4,924,364	4,518,782

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

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

Liabilities and equity	<i>Note</i>	30 September 2011 (Unaudited)	31 December 2010 (Restated)
<i>(in thousand Baht)</i>			
<i>Current liabilities</i>			
Bank overdrafts and short-term loans			
from financial institutions		205,044	158,581
Trade accounts payable	4, 7	225,087	180,023
Current portion of long-term loans from financial institutions		-	84,830
Other payable to and short-term loans from related parties	4	776,486	532,905
Current portion of long-term loans from and accrued			
interest payable to related party	4	61,217	-
Other payables and accrued expenses		205,883	116,759
Income tax payable		65,685	106,999
Other current liabilities		13,730	25,892
Total current liabilities		1,553,132	1,205,989
<i>Non-current liabilities</i>			
Long-term loans from and accrued interest			
payable to related party	4	10,243	70,451
Deferred income		48,236	52,564
Provisions for employees' long-term benefits		338,326	318,097
Total non-current liabilities		396,805	441,112
Total liabilities		1,949,937	1,647,101
<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		2,245,227	2,142,481
Total equity		2,974,427	2,871,681
Total liabilities and equity		4,924,364	4,518,782

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

Alucon Public Company Limited

Statements of comprehensive income

For the three-month and nine-month periods ended 30 September 2011 and 2010 (Unaudited)

		For the three-month period		For the nine-month period	
	<i>Note</i>	2011	2010	2011	2010
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
<i>Income</i>					
Revenue from sale of goods	4, 8	1,283,102	1,102,740	3,476,843	3,036,741
Net foreign exchange gain		5,389	-	17,412	-
Other income		38,813	25,436	108,810	76,433
Total income		1,327,304	1,128,176	3,603,065	3,113,174
<i>Expenses</i>					
Cost of sale of goods	4	1,039,609	808,036	2,843,868	2,264,965
Selling expenses	4	31,086	68,648	82,301	118,307
Administrative expenses		20,579	17,659	66,871	55,889
Key management personnel compensation	4	16,281	14,826	49,310	46,766
Net foreign exchange loss		-	9,794	-	5,421
Finance costs	4	4,839	4,060	12,582	11,647
Total expenses	9	1,112,394	923,023	3,054,932	2,502,995
Profit before income tax expense		214,910	205,153	548,133	610,179
Income tax expense		64,357	61,594	164,587	168,436
Profit and total comprehensive income for the period		150,553	143,559	383,546	441,743
Basic earnings per share <i>(in Baht)</i>	10	3.49	3.32	8.88	10.22

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

For the nine-month periods ended 30 September 2011 and 2010 (Unaudited) (Restated)5

Alucon Public Company Limited

Statements of cash flows

For the nine-month periods ended 30 September 2011 and 2010 (Unaudited)

	2011	2010 (Restated)
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	383,546	441,743
<i>Adjustments for</i>		
Depreciation	281,135	245,259
Amortisation of intangible assets	1,231	1,091
Recognised deferred income	(4,328)	(3,836)
Interest income	(944)	(687)
Finance costs	12,582	11,647
Unrealised loss (gain) on exchange	3,335	(2,563)
Provision for loss from devaluation of inventories	892	3,245
Provision for employees' long-term benefits	33,906	25,199
Loss (gain) on disposal of equipment	3,193	(352)
Income tax expense	164,587	168,436
	<u>879,135</u>	<u>889,182</u>
<i>Changes in operating assets and liabilities</i>		
Trade accounts receivable	(193,225)	(199,263)
Inventories	150	(178,460)
Refundable value added tax	(4,667)	(6,872)
Other current assets	873	426
Other non-current assets	(10)	-
Trade accounts payable	44,131	12,431
Other payables to related parties	761	(1,263)
Other payables and accrued expenses	57,598	93,044
Other current liabilities	(12,162)	(9,381)
Provision for employees' long-term benefits paid	(13,677)	(18,319)
Cash generated from operating activities	<u>758,907</u>	<u>581,525</u>
Income tax paid	(210,811)	(235,089)
Net cash from operating activities	<u>548,096</u>	<u>346,436</u>

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 2011 and 2010 (Unaudited)

	2011	2010 (Restated)
	<i>(in thousand Baht)</i>	
<i>Cash flows from investing activities</i>		
Interest received	950	687
Purchase of plant and equipment	(513,799)	(369,055)
Interest paid for plant and equipment	(2,975)	-
Sale of equipment	1,419	728
Purchase of intangible assets	(1,503)	(77)
Net cash used in investing activities	(515,908)	(367,717)
<i>Cash flows from financing activities</i>		
Finance costs paid	(10,514)	(12,612)
Dividends paid	(280,800)	(160,128)
Increase in bank overdrafts and short-term loans		
from financial institutions	33,747	192
Proceeds from short-term loans from related party	240,000	150,000
Repayment of long-term loans from financial institutions	(84,830)	(134,067)
Proceeds from long-term loans from related party	-	70,000
Net cash used in financing activities	(102,397)	(86,615)
Net decrease in cash and cash equivalents	(70,209)	(107,896)
Cash and cash equivalents at 1 January	248,874	292,850
Cash and cash equivalents at 30 September	178,665	184,954

Non-cash transactions

During the period ended 30 September 2011, the Company acquired plant and equipment and intangible assets totalling Baht 552 million (2010: Baht 400 million), cash payments of Baht 518 million (2010: Baht 369 million) were made to purchase plant and equipment and intangible assets. During the period ended 30 September 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 nine-month periods ended 30 September 2011 (Unaudited)

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

These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by Board of Directors on 9 November 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
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors

Alucon Public Company Limited
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TFRS	Topic
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 14.

(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.

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

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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.

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:

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

Statement of comprehensive income

	Three-month period ended 30 September 2011 (in thousand Baht)	Nine-month period ended 30 September 2011
Increase in depreciation charge resulting in increase in:		
Cost of sales	(1,519)	(5,076)
Decrease in profit before income tax expense	(1,519)	(5,076)
Decrease in income tax expense	456	1,523
Decrease in profit	(1,063)	(3,553)
Decrease in basic earnings per share (in Baht)	(0.02)	(0.08)

(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
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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	1.25-3.25% per annum in 2011 and 1.25-2.25% 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 nine-month periods ended 30 September 2011 and 2010 with related parties were as follows:

	Three-month periods ended 30 September 2011		Nine-month periods ended 30 September 2011	
	2010		2010	
	(in thousand Baht)			
Parent				
Revenue from sale of goods	300,710	241,321	818,299	683,010
Purchase of raw materials and spare parts	2,442	3,506	8,808	7,419
Purchase of machinery and equipment	23,733	11,493	23,897	14,293
Interest expense	3,561	1,624	8,014	3,963
License fee	1,489	-	2,112	-
Commission expenses	289	67	506	162
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	15,403	14,415	46,616	44,838
Termination benefits	878	411	2,694	1,928
Total	16,281	14,826	49,310	46,766

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

Balances as at 30 September 2011 and 31 December 2010 with related parties were as follows:

Trade account receivable from related party

	30 September 2011 (in thousand Baht)	31 December 2010
Parent		
Takeuchi Press Industries Company Limited	<u>69,773</u>	<u>69,022</u>

Trade account payable to related party

	30 September 2011 (in thousand Baht)	31 December 2010
Parent		
Takeuchi Press Industries Company Limited	<u>1,764</u>	<u>1,475</u>

Other payable to and short-term loans from related parties

	Interest rate 2011 2010 (% per annum)	30 September 2011 (in thousand Baht)	31 December 2010
<i>Short-term loans</i>			
Parent			
Takeuchi Press Industries Company Limited	2.25 - 3.25 1.25 - 2.00	767,295	527,295
<i>Other payable</i>			
Parent			
Takeuchi Press Industries Company Limited		152	-
<i>Accrued commission payable</i>			
Parent			
Takeuchi Press Industries Company Limited		291	50
<i>Accrued license fee</i>			
Parent			
Takeuchi Press Industries Company Limited		1,489	-
<i>Accrued interest expense</i>			
Parent			
Takeuchi Press Industries Company Limited		4,690	2,026
<i>Accrued management's remuneration and other benefits</i>			
Key management personnel		<u>2,569</u>	<u>3,534</u>
Total		<u>776,486</u>	<u>532,905</u>

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

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

	2011 (in thousand Baht)	2010
Short-term loans		
Parent		
At 1 January	527,295	377,295
Increase	240,000	150,000
At 30 September	767,295	527,295

Current portion of long-term loans from and accrued interest payable to related party

	Interest rate 2011 2010 (% per annum)		30 September 2011 (in thousand Baht)	31 December 2010
Current portion of long-term loans				
Parent				
Takeuchi Press Industries Company Limited	1.75 - 2.00	-	60,000	-
Accrued interest expense				
Parent				
Takeuchi Press Industries Company Limited			1,217	-
Total			61,217	-

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

	Interest rate 2011 2010 (% per annum)		30 September 2011 (in thousand Baht)	31 December 2010
Long-term loans				
Parent				
Takeuchi Press Industries Company Limited	2.25	1.75 - 2.25	10,000	70,000
Accrued interest expense				
Parent				
Takeuchi Press Industries Company Limited			243	451
Total			10,243	70,451

On 1 September 2010, the Company has issued promissory notes to a related party totalling Baht 70 million which bore interest 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 automatically from year to year unless either party notifies the other party by a written notice at least 6 months prior to the expiration of the agreement.

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Commitments for purchase of raw materials and spare parts

	30 September 2011	31 December 2010
	<i>(in thousand Baht)</i>	
Parent		
Takeuchi Press Industries Company Limited	<u>3,603</u>	<u>25,384</u>

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

	Note	30 September 2011	31 December 2010
		<i>(in thousand Baht)</i>	
Related party	4	69,773	69,022
Other parties		758,418	555,639
Total		<u>828,191</u>	<u>624,661</u>
Less allowance for doubtful accounts		<u>(5,945)</u>	<u>(5,945)</u>
Net		<u>822,246</u>	<u>618,716</u>

Aging analyses for trade accounts receivable were as follows:

	30 September 2011	31 December 2010
	<i>(in thousand Baht)</i>	
Related party		
Within credit terms	69,773	69,022
Total	<u>69,773</u>	<u>69,022</u>
Other parties		
Within credit terms	609,114	440,763
Overdue:		
Less than 3 months	143,202	108,898
3 - 6 months	155	33
6 - 12 months	2	-
Over 12 months	5,945	5,945
Total	<u>758,418</u>	<u>555,639</u>
Less allowance for doubtful accounts	<u>(5,945)</u>	<u>(5,945)</u>
Net	<u>752,473</u>	<u>549,694</u>
Total	<u>822,246</u>	<u>618,716</u>

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

Alucon Public Company Limited
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6 Property, plant and equipment

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

	2011		2010	
	Acquisitions and transfers - at cost	Disposals - net book value (in thousand Baht)	Acquisitions and transfers - at cost	Disposals - net book value
Buildings and building Improvement	7,428	-	27,158	-
Machinery and equipment	103,526	(4,619)	455,272	(376)
Office equipment	714	(7)	1,380	-
Vehicles	-	-	874	-
Construction in progress	437,938	-	(84,492)	-
Total	549,606	(4,626)	400,192	(376)

7 Trade accounts payable

	Note	30 September 2011 (in thousand Baht)	31 December 2010
Related party	4	1,764	1,475
Other parties		223,323	178,548
Total		225,087	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 30 September</i>	2011	2010	2011	2010	2011	2010
	<i>(in thousand Baht)</i>					
Revenue from sale of goods	<u>357,046</u>	<u>237,303</u>	<u>926,056</u>	<u>865,437</u>	<u>1,283,102</u>	<u>1,102,740</u>
Reportable segment gross profit	<u>67,756</u>	<u>63,419</u>	<u>175,737</u>	<u>231,285</u>	<u>243,493</u>	<u>294,704</u>
	Domestic		Export		Total	
<i>Nine-month periods ended 30 September</i>	2011	2010	2011	2010	2011	2010
	<i>(in thousand Baht)</i>					
Revenue from sale of goods	<u>991,217</u>	<u>729,603</u>	<u>2,485,626</u>	<u>2,307,138</u>	<u>3,476,843</u>	<u>3,036,741</u>
Reportable segment gross profit	<u>180,456</u>	<u>185,426</u>	<u>452,519</u>	<u>586,350</u>	<u>632,975</u>	<u>771,776</u>
<i>Reportable segment assets</i>	30	31	30	31	30	31
	September	December	September	December	September	December
	2011	2010	2011	2010	2011	2010
	<i>(in thousand Baht)</i>					
Trade accounts receivable	348,410	200,505	473,836	418,211	822,246	618,716
Unallocated assets					<u>4,102,118</u>	<u>3,900,066</u>
					<u>4,924,364</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

	Three-month periods ended 30 September		Nine-month periods ended 30 September	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress	21,638	4,440	(130,118)	(57,466)
Raw materials and consumables used	632,969	475,103	1,863,333	1,392,192
Employee benefit expenses	137,619	118,390	397,591	341,140
Depreciation and amortisation	96,795	84,662	282,366	246,350
Utilities expenses	82,238	69,411	235,216	200,514
Repair and maintenance	27,364	28,743	88,386	84,290
Key management personnel compensation	16,281	14,826	49,310	46,766
Freight expenses	19,534	68,145	54,164	96,476
Finance costs	4,839	4,060	12,582	11,647
Others	<u>73,117</u>	<u>55,243</u>	<u>202,102</u>	<u>141,086</u>
Total expenses	<u>1,112,394</u>	<u>923,023</u>	<u>3,054,932</u>	<u>2,502,995</u>

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10 Basic earnings per share

The calculation of basic earnings per share for the three-month and nine-month periods ended 30 September 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 September		Nine-month periods ended 30 September	
	2011	2010	2011	2010
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to equity holders of the Company	150,553	143,559	383,546	441,743
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)	3.49	3.32	8.88	10.22

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 was 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 September 2011	31 December 2010
	<i>(in thousand Baht)</i>	
Capital commitments		
Contracted but not provided for:		
Machinery and equipment	309,199	517,299
Other commitments		
Unused letters of credits	56,064	71,012
Purchase orders accepted by suppliers		
Within one year	1,483,342	1,570,684
After one year but within five years	1,036,069	1,926,352
After five years but within ten years	60,818	221,567
	2,580,229	3,718,603

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	30 September 2011	31 December 2010
	<i>(in thousand Baht)</i>	
Commodity Price Swap agreement	98,487	105,529
Forward exchange contracts	-	29,510
Bank guarantees	24,718	20,414
Total	<u>2,759,498</u>	<u>3,945,068</u>

Purchase orders accepted by suppliers

As at 30 September 2011, the Company had purchase orders accepted by suppliers for purchase of aluminium ingot for a total quantity 41,400 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 September 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 Events after the reporting period

On 11 October 2011, the Cabinet announced the change in the corporate income tax rate to 23% for accounting periods ending 31 December 2012 or after, and to 20% for accounting periods beginning on or after 1 January 2013. The effect of this subsequent change in tax rate would be to reduce the recorded deferred tax assets carried as at 30 September 2011 in the Company's financial statements by approximately Baht 33.35 million.

14 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.