



# ASIA PACIFIC BREWERIES LIMITED

(Company Registration No. 193100007-K)  
(Incorporated in the Republic of Singapore)

## RESULTS FOR THE 2ND QUARTER ENDED 31 MARCH 2007 Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the 2nd Quarter ended 31 March 2007.

### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF AND FULL YEAR RESULTS

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### 1(a)(i) GROUP PROFIT STATEMENT

	2nd Quarter to 31/3/2007 \$'000	2nd Quarter to 31/3/2006 \$'000	Change %	6 Months to 31/3/2007 \$'000	6 Months to 31/3/2006 \$'000	Change %
Revenue	449,430	356,577	26.0	925,671	809,640	14.3
Cost of sales	<u>(278,608)</u>	<u>(220,507)</u>	26.3	<u>(567,502)</u>	<u>(485,126)</u>	17.0
Gross profit	170,822	136,070	25.5	358,169	324,514	10.4
Operating expenses						
- Distribution	(16,173)	(12,374)	30.7	(32,874)	(26,910)	22.2
- Marketing	(56,210)	(37,008)	51.9	(122,446)	(110,077)	11.2
- Administration	(31,732)	(24,855)	27.7	(63,676)	(54,461)	16.9
	<u>(104,115)</u>	<u>(74,237)</u>	40.2	<u>(218,996)</u>	<u>(191,448)</u>	14.4
Trading profit	66,707	61,833	7.9	139,173	133,066	4.6
Share of joint venture and associated companies' profits	4,609	439	949.9	7,371	3,208	129.8
Gross income from investments	1,112	644	72.7	2,084	2,104	(1.0)
Profit before interest, taxation and exceptional items	72,428	62,916	15.1	148,628	138,378	7.4
Interest income	2,480	1,434	72.9	4,350	2,499	74.1
Interest expense	(1,191)	(1,210)	(1.6)	(2,622)	(2,230)	17.6
Net interest income	1,289	224	475.4	1,728	269	542.4
Profit before taxation and exceptional items	73,717	63,140	16.8	150,356	138,647	8.4
Exceptional items	-	(479)	NM	(75)	728	NM
Profit before taxation	73,717	62,661	17.6	150,281	139,375	7.8
Taxation	(24,615)	(13,865)	77.5	(49,315)	(37,609)	31.1
Profit after taxation	49,102	48,796	0.6	100,966	101,766	(0.8)
Profit attributable to:						
Shareholders of the Company						
- Before exceptional items	38,646	38,451	0.5	79,162	77,887	1.6
- Exceptional items	-	(479)	NM	(75)	728	NM
	<u>38,646</u>	<u>37,972</u>	1.8	<u>79,087</u>	<u>78,615</u>	0.6
Minority interests	10,456	10,824	(3.4)	21,879	23,151	(5.5)
	<u>49,102</u>	<u>48,796</u>	0.6	<u>100,966</u>	<u>101,766</u>	(0.8)

NM - Not meaningful

**1(a)(ii) BREAKDOWN AND EXPLANATORY NOTES TO GROUP PROFIT STATEMENT**

	<b>Group</b>					
	<b>2nd Quarter to 31/3/2007 \$'000</b>	<b>2nd Quarter to 31/3/2006 \$'000</b>	<b>Change %</b>	<b>6 Months to 31/3/2007 \$'000</b>	<b>6 Months to 31/3/2006 \$'000</b>	<b>Change %</b>
<b>Operating expenses</b>						
Included in operating expenses are:						
Depreciation & amortisation	(13,204)	(11,301)	16.8	(25,745)	(22,705)	13.4
Provision for doubtful debts & bad debts written off	(604)	(41)	NM	(597)	(24)	NM
Write (off)/back for inventory obsolescence	(956)	(2)	NM	(545)	20	NM
Foreign exchange gain/(loss)	267	(1,286)	NM	(660)	(1,682)	(60.8)
Profit/(loss) on sale of fixed assets	23	(157)	NM	(111)	88	NM
Employee share-based expense	(1,281)	(346)	270.2	(2,457)	(696)	253.0
<b>Taxation</b>						
Over provision of prior year taxation	1,488	1,307	13.8	1,507	1,307	15.3
<b>Exceptional items</b>						
Gain on disposal of short term investment	-	-	-	-	1,847	NM
Restructuring cost and professional fee	-	(479)	NM	(75)	(1,119)	(93.3)
	-	(479)	NM	(75)	728	NM
Profit before interest, taxation and exceptional items as a percentage of revenue	<u>16.1%</u>	<u>17.6%</u>		<u>16.1%</u>	<u>17.1%</u>	

NM - Not meaningful

## 1(a)(iii) ADDITIONAL INFORMATION

## GROUP REVENUE AND PROFIT ANALYSIS

	2nd Quarter to 31/3/2007 \$'000	2nd Quarter to 31/3/2006 \$'000	6 Months to 31/3/2007 \$'000	6 Months to 31/3/2006 \$'000
<b>Revenue</b>				
<b>By Business Activity</b>				
Brewery operations - subsidiary companies	448,474	355,943	923,881	808,368
Corporate office	956	634	1,790	1,272
	<u>449,430</u>	<u>356,577</u>	<u>925,671</u>	<u>809,640</u>
<b>By Territory</b>				
Singapore	118,906	106,473	242,702	227,526
Papua New Guinea	43,830	36,299	95,076	82,322
New Zealand	95,269	75,239	225,535	210,253
Indochina	185,393	135,764	345,761	284,474
Mongolia	424	152	884	184
South Asia	4,652	2,016	13,923	3,609
Corporate office	956	634	1,790	1,272
	<u>449,430</u>	<u>356,577</u>	<u>925,671</u>	<u>809,640</u>
<b>Profit before interest, taxation and exceptional items</b>				
<b>By Business Activity</b>				
Brewery operations				
- subsidiary companies	70,508	60,879	147,215	138,056
- joint venture and associated companies	4,609	439	7,371	3,208
Investment income	1,112	644	2,084	2,104
Corporate office	(3,801)	954	(8,042)	(4,990)
	<u>72,428</u>	<u>62,916</u>	<u>148,628</u>	<u>138,378</u>
<b>By Territory</b>				
Singapore	12,160	11,990	22,510	21,727
Malaysia	3,833	2,354	6,527	5,791
Papua New Guinea	10,613	8,044	25,548	19,410
New Zealand	12,233	12,657	34,662	38,093
Indochina	39,643	30,809	72,361	64,371
Mongolia	(720)	(156)	(1,272)	(172)
South Asia	(937)	(518)	(1,996)	(841)
China	(1,460)	(3,695)	(3,815)	(6,062)
Thailand	864	477	2,145	1,051
Corporate office	(3,801)	954	(8,042)	(4,990)
	<u>72,428</u>	<u>62,916</u>	<u>148,628</u>	<u>138,378</u>
<b>Attributable profit</b>				
<b>By Business Activity</b>				
Brewery operations				
- subsidiary companies	38,403	36,142	81,170	80,203
- joint venture and associated companies	4,205	312	6,831	3,070
Investment income	745	432	1,396	1,470
Corporate office	(4,707)	1,565	(10,235)	(6,856)
	<u>38,646</u>	<u>38,451</u>	<u>79,162</u>	<u>77,887</u>
Exceptional items	-	(479)	(75)	728
	<u>38,646</u>	<u>37,972</u>	<u>79,087</u>	<u>78,615</u>

**1(b)(i) A balance sheet (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

<b>BALANCE SHEET</b>	<b>Group</b>		<b>Company</b>	
	<b>As at 31/3/2007 \$'000</b>	<b>As at 30/9/2006 \$'000</b>	<b>As at 31/3/2007 \$'000</b>	<b>As at 30/9/2006 \$'000</b>
<b>CAPITAL AND RESERVES</b>				
Share capital	277,328	276,688	277,328	276,688
Reserves	650,293	609,319	632,211	617,323
	<u>927,621</u>	<u>886,007</u>	<u>909,539</u>	<u>894,011</u>
<b>MINORITY INTERESTS</b>	92,345	86,650	-	-
	<u>1,019,966</u>	<u>972,657</u>	<u>909,539</u>	<u>894,011</u>
Represented by:				
Fixed assets	561,844	550,381	1,926	1,792
Subsidiary companies	-	-	632,908	610,592
Joint venture companies	276,357	273,441	262,872	262,952
Associated company	412	395	-	-
Other investments	9,902	11,848	28	28
Intangibles	248,038	249,457	3,627	3,840
Deferred tax assets	7,177	6,212	590	590
Other debtors	27,888	27,718	1,118	1,103
<b>CURRENT ASSETS</b>				
Inventories	94,009	100,840	-	-
Trade debtors	141,534	114,178	-	-
Other debtors	52,726	31,058	7,945	3,427
Amounts due from subsidiary companies	-	-	201,126	199,656
Amounts due from joint venture and associated companies	23,574	22,617	23,540	22,622
Amounts due from related companies	2,318	2,885	144	91
Short term investments	4,609	5,029	-	-
Bank fixed deposits	138,562	114,832	4,392	3,711
Cash and bank balances	41,855	36,924	1,231	603
	<u>499,187</u>	<u>428,363</u>	<u>238,378</u>	<u>230,110</u>
<b>Deduct: CURRENT LIABILITIES</b>				
Trade creditors	145,799	139,787	-	-
Other creditors	117,739	96,626	20,972	23,701
Amounts due to joint venture and associated companies	3,208	4,332	-	72
Amounts due to related companies	28,145	23,355	9,402	9,590
Borrowings	230,161	235,090	189,551	173,200
Provision for taxation	54,721	39,542	11,983	10,433
	<u>579,773</u>	<u>538,732</u>	<u>231,908</u>	<u>216,996</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>	<u>(80,586)</u>	<u>(110,369)</u>	<u>6,470</u>	<u>13,114</u>
	<u>1,051,032</u>	<u>1,009,083</u>	<u>909,539</u>	<u>894,011</u>
<b>Deduct: DEFERRED LIABILITIES</b>				
Other creditors	4,799	7,296	-	-
Borrowings	2,083	2,193	-	-
Deferred tax liabilities	20,074	23,381	-	-
Provision for employee benefits	4,110	3,556	-	-
	<u>31,066</u>	<u>36,426</u>	<u>-</u>	<u>-</u>
	<u>1,019,966</u>	<u>972,657</u>	<u>909,539</u>	<u>894,011</u>

- 1(b)(ii) **Aggregate amount of Group's borrowings and debt securities.**  
The Group's borrowings and debt securities as at the end of the financial period reported on, and comparative figures as at the end of the immediately preceding financial year:

**Amount repayable in one year or less, or on demand**

	<b>As at 31/3/2007 \$'000</b>	<b>As at 30/9/2006 \$'000</b>
Secured :	5,627	7,675
Unsecured :	224,534	227,415
	<u>230,161</u>	<u>235,090</u>

**Amount repayable after one year**

	<b>As at 31/3/2007 \$'000</b>	<b>As at 30/9/2006 \$'000</b>
Secured :	2,083	2,193
Unsecured :	-	-
	<u>2,083</u>	<u>2,193</u>

**Details of any collateral**

The secured group borrowings as at 31 March 2007 are secured on the assets of the respective borrowing subsidiary companies.

**1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**GROUP CASH FLOW STATEMENT**

	2nd Quarter to 31/3/2007 \$'000	2nd Quarter to 31/3/2006 \$'000	6 Months to 31/3/2007 \$'000	6 Months to 31/3/2006 \$'000
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>				
Profit before taxation and exceptional items	73,717	63,140	150,356	138,647
Adjustments for:				
Depreciation of fixed assets	13,097	11,194	25,532	22,491
Provision for employee benefits	258	163	457	383
(Gain)/loss on disposal of fixed assets	(23)	157	111	(88)
Fair value loss/(gain) on derivatives	81	(433)	580	(775)
Amortisation of brand	107	107	213	214
Investment income	(1,112)	(644)	(2,084)	(2,104)
Interest income	(2,480)	(1,434)	(4,350)	(2,499)
Interest expense	1,191	1,210	2,622	2,230
Provision for fixed assets write off/(back)	34	(242)	62	67
Employee share-based expense	1,281	346	2,457	696
Share of joint venture and associated companies' profits	(4,609)	(439)	(7,371)	(3,208)
Operating cash before working capital changes	81,542	73,125	168,585	156,054
Change in inventories	9,043	6,045	8,397	9,180
Change in trade and other debtors	36,967	49,779	(46,908)	(29,384)
Change in trade and other creditors	(5,435)	(60,259)	18,745	(20,845)
Change in related companies' balances	4,182	(4,131)	3,276	289
Currency realignment	(6,218)	(1,197)	4,094	(1,032)
Cash generated from operations	120,081	63,362	156,189	114,262
Interest received	2,621	1,408	4,579	2,792
Interest paid	(1,088)	(1,300)	(2,564)	(2,316)
Employee benefits paid	(59)	(31)	(124)	(114)
Income taxes paid	(24,830)	(14,658)	(37,571)	(27,594)
<b>Net cash from operating activities</b>	<b>96,725</b>	<b>48,781</b>	<b>120,509</b>	<b>87,030</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>				
Dividends from joint venture and associated companies	-	1,594	6,872	8,800
Proceeds from disposal of investments	2,748	-	3,480	2,407
Proceeds from disposal of fixed assets	66	164	231	1,690
Investment income	1,058	670	2,157	2,230
Purchase of fixed assets	(18,866)	(9,675)	(34,214)	(40,012)
Purchase of investments	-	-	(395)	-
Loans to joint venture company	-	(8,150)	-	(8,992)
Repayment/(payment) of trade advances	1,098	284	1,429	(3,901)
Acquisition of a subsidiary company	(10,577)	-	(10,577)	-
<b>Net cash used in investing activities</b>	<b>(24,473)</b>	<b>(15,113)</b>	<b>(31,017)</b>	<b>(37,778)</b>

## GROUP CASH FLOW STATEMENT (cont'd)

	2nd Quarter to 31/3/2007 \$'000	2nd Quarter to 31/3/2006 \$'000	6 Months to 31/3/2007 \$'000	6 Months to 31/3/2006 \$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of shares by the company	347	1,461	524	2,020
Proceeds from issue of shares by a subsidiary company	-	660	-	735
Proceeds/(repayments) from borrowings	617	(2,454)	2,433	33,007
Payment of dividends:				
- by parent company to shareholders	(41,300)	(41,083)	(41,300)	(41,083)
- by subsidiaries to minority interests	(7,019)	(1,887)	(17,696)	(16,087)
Additional loan from minority interests	524	-	524	-
<b>Net cash used in financing activities</b>	<b>(46,831)</b>	<b>(43,303)</b>	<b>(55,515)</b>	<b>(21,408)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>25,421</b>	<b>(9,635)</b>	<b>33,977</b>	<b>27,844</b>
Effect of exchange rate changes on cash and cash equivalents	(1,103)	(2,084)	(5,436)	(3,669)
Cash and cash equivalents at beginning of period	155,876	138,040	151,653	102,146
<b>Cash and cash equivalents at end of period</b>	<b>180,194</b>	<b>126,321</b>	<b>180,194</b>	<b>126,321</b>
<b>Cash and cash equivalents at end of period consist of:</b>				
Bank fixed deposits	138,562	82,433	138,562	82,433
Cash and bank balances	41,855	44,025	41,855	44,025
Bank overdrafts	(223)	(137)	(223)	(137)
	<b>180,194</b>	<b>126,321</b>	<b>180,194</b>	<b>126,321</b>
<b>Analysis of the acquisition of a subsidiary company:</b>				
Fixed assets	8,539		8,539	
Current assets	1,796		1,796	
Cash and cash equivalents	568		568	
Net assets	10,903		10,903	
Less: Minority interest	(2,181)		(2,181)	
Net assets acquired	8,722		8,722	
Goodwill	2,423		2,423	
Consideration paid	11,145		11,145	
Less: Cash and cash equivalents of subsidiary company acquired	(568)		(568)	
Net cash outflow on acquisition	10,577		10,577	

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

### STATEMENT OF CHANGES IN EQUITY

	Group								
	Share Capital \$'000	Capital Reserve \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserves \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000
<b>6 Months ended 31 March 2007</b>									
Balance at 1 October 2006	276,688	15,799	633,546	(81,503)	41,290	187	886,007	86,650	972,657
Currency exchange difference	-	-	-	3,303	-	-	3,303	(3,095)	208
Net gains/(losses) recognised directly in equity	-	-	-	3,303	-	-	3,303	(3,095)	208
Profit after taxation	-	-	79,087	-	-	-	79,087	21,879	100,966
Share capital contribution by minority interests	-	-	-	-	-	-	-	2,426	2,426
Issue of shares in the Company upon exercise of Share Options	640	-	-	-	-	(116)	524	-	524
Dividend paid to minority interests	-	-	-	-	-	-	-	(17,696)	(17,696)
Acquisition of a subsidiary company	-	-	-	-	-	-	-	2,181	2,181
<b>Dividends</b>									
Additional dividend due to exercise of share options	-	-	(10)	-	10	-	-	-	-
Final dividend paid for the previous year	-	-	-	-	(41,300)	-	(41,300)	-	(41,300)
Interim dividend proposed for the year	-	-	(36,140)	-	36,140	-	-	-	-
	-	-	(36,150)	-	(5,150)	-	(41,300)	-	(41,300)
Balance at 31 March 2007	277,328	15,799	676,483	(78,200)	36,140	71	927,621	92,345	1,019,966



	<b>Group</b>									
	Share Capital \$'000	Share Premium \$'000	Capital Reserve \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserves \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000
<b>6 Months ended 31 March 2006</b>										
Balance at 1 October 2005	256,405	9,983	15,799	582,668	(42,430)	41,025	1,072	864,522	73,842	938,364
Effect of adopting FRS 39	-	-	-	(1,189)	-	-	1,184	(5)	(500)	(505)
	256,405	9,983	15,799	581,479	(42,430)	41,025	2,256	864,517	73,342	937,859
Currency exchange difference	-	-	-	-	(42,203)	-	-	(42,203)	(4,367)	(46,570)
Disposal of available-for-sale financial assets	-	-	-	-	-	-	(1,851)	(1,851)	-	(1,851)
Net change in fair value of cashflow hedge	-	-	-	-	-	-	667	667	445	1,112
Net losses recognised directly in equity	-	-	-	-	(42,203)	-	(1,184)	(43,387)	(3,922)	(47,309)
Profit after taxation	-	-	-	78,615	-	-	-	78,615	23,151	101,766
Share capital contribution by minority interests	-	-	-	-	-	-	-	-	735	735
Issue of shares in the Company upon exercise of Share Options	728	1,292	-	-	-	-	-	2,020	-	2,020
Transfer to share capital *	11,275	(11,275)	-	-	-	-	-	-	-	-
Dividend paid to minority interests	-	-	-	-	-	-	-	-	(16,087)	(16,087)
Employee share-based expense	-	-	-	-	-	-	234	234	-	234
<b>Dividends</b>										
Additional dividend due to exercise of share options	-	-	-	(58)	-	58	-	-	-	-
Final dividend paid for the previous year	-	-	-	-	-	(41,083)	-	(41,083)	-	(41,083)
Interim dividend proposed for the year	-	-	-	(35,957)	-	35,957	-	-	-	-
	-	-	-	(36,015)	-	(5,068)	-	(41,083)	-	(41,083)
Balance at 31 March 2006	268,408	-	15,799	624,079	(84,633)	35,957	1,306	860,916	77,219	938,135

\* In accordance with the amendments to the Companies Act that came into effect on 30 January 2006, the Share Premium has been combined into the Share Capital Account.

**STATEMENT OF CHANGES IN EQUITY (cont'd)**

	Company					
	Share Capital \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserves \$'000	Total \$'000
<b>6 Months ended 31 March 2007</b>						
Balance at 1 October 2006	276,688	575,846	-	41,290	187	894,011
Profit after taxation	-	56,304	-	-	-	56,304
Issue of shares in the Company upon exercise of Share Options	640	-	-	-	(116)	524
<b>Dividends</b>						
Additional dividend due to exercise of Share Options	-	(10)	-	10	-	-
Final dividend paid for the previous year	-	-	-	(41,300)	-	(41,300)
Interim dividend proposed for the year	-	(36,140)	-	36,140	-	-
	-	(36,150)	-	(5,150)	-	(41,300)
Balance at 31 March 2007	277,328	596,000	-	36,140	71	909,539

	Company						
	Share Capital \$'000	Share Premium \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserves \$'000	Total \$'000
<b>6 Months ended 31 March 2006</b>							
Balance at 1 October 2005	256,405	9,983	538,979	-	41,025	1,072	847,464
Effect of adopting FRS 39	-	-	(112)	-	-	1,851	1,739
	256,405	9,983	538,867	-	41,025	2,923	849,203
Disposal of available-for-sale financial assets	-	-	-	-	-	(1,851)	(1,851)
Net losses recognised directly in equity	-	-	-	-	-	(1,851)	(1,851)
Profit after taxation	-	-	53,548	-	-	-	53,548
Issue of shares in the Company upon exercise of Share Options	728	1,292	-	-	-	-	2,020
Transfer to share capital *	11,275	(11,275)	-	-	-	-	-
Employee share-based expense	-	-	-	-	-	234	234
<b>Dividends</b>							
Additional dividend due to exercise of Share Options	-	-	(58)	-	58	-	-
Final dividend paid for the previous year	-	-	-	-	(41,083)	-	(41,083)
Interim dividend proposed for the year	-	-	(35,957)	-	35,957	-	-
	-	-	(36,015)	-	(5,068)	-	(41,083)
Balance at 31 March 2006	268,408	-	556,400	-	35,957	1,306	862,071

\* In accordance with the amendments to the Companies Act that came into effect on 30 January 2006, the Share Premium has been combined into the Share Capital Account.

## STATEMENT OF CHANGES IN EQUITY

	Group									
	Share Capital \$'000	Capital Reserve \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserves \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000	
<b>2nd Quarter ended 31 March 2007</b>										
Balance at 1 January 2007	276,903	15,799	673,987	(82,121)	41,290	149	926,007	85,132	1,011,139	
Currency exchange difference	-	-	-	3,921	-	-	3,921	(831)	3,090	
Net gains/(losses) recognised directly in equity	-	-	-	3,921	-	-	3,921	(831)	3,090	
Profit after taxation	-	-	38,646	-	-	-	38,646	10,456	49,102	
Share capital contribution by minority interests	-	-	-	-	-	-	-	2,426	2,426	
Issue of shares in the Company upon exercise of Share Options	425	-	-	-	-	(78)	347	-	347	
Dividend paid to minority interests	-	-	-	-	-	-	-	(7,019)	(7,019)	
Acquisition of a subsidiary company	-	-	-	-	-	-	-	2,181	2,181	
<b>Dividends</b>										
Additional dividend due to exercise of share options	-	-	(10)	-	10	-	-	-	-	
Final dividend paid for the previous year	-	-	-	-	(41,300)	-	(41,300)	-	(41,300)	
Interim dividend proposed for the year	-	-	(36,140)	-	36,140	-	-	-	-	
	-	-	(36,150)	-	(5,150)	-	(41,300)	-	(41,300)	
Balance at 31 March 2007	277,328	15,799	676,483	(78,200)	36,140	71	927,621	92,345	1,019,966	
	Share Capital \$'000	Share Premium \$'000	Capital Reserve \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserves \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000
<b>2nd Quarter ended 31 March 2006</b>										
Balance at 1 January 2006	256,523	10,424	15,799	622,122	(54,399)	41,025	1,199	892,693	70,399	963,092
Currency exchange difference	-	-	-	-	(30,234)	-	-	(30,234)	(2,777)	(33,011)
Net losses recognised directly in equity	-	-	-	-	(30,234)	-	-	(30,234)	(2,777)	(33,011)
Profit after taxation	-	-	-	37,972	-	-	-	37,972	10,824	48,796
Contribution of share capital by minority interests	-	-	-	-	-	-	-	-	660	660
Issue of shares in the Company upon exercise of Share Options	610	851	-	-	-	-	-	1,461	-	1,461
Transfer to share capital *	11,275	(11,275)	-	-	-	-	-	-	-	-
Dividend paid to minority interests	-	-	-	-	-	-	-	-	(1,887)	(1,887)
Employee share-based expense	-	-	-	-	-	-	107	107	-	107
<b>Dividends</b>										
Additional dividend due to exercise of share options	-	-	-	(58)	-	58	-	-	-	-
Final dividend paid for the previous year	-	-	-	-	-	(41,083)	-	(41,083)	-	(41,083)
Interim dividend proposed for the year	-	-	-	(35,957)	-	35,957	-	-	-	-
	-	-	-	(36,015)	-	(5,068)	-	(41,083)	-	(41,083)
Balance at 31 March 2006	268,408	-	15,799	624,079	(84,633)	35,957	1,306	860,916	77,219	938,135

\* In accordance with the amendments to the Companies Act that came into effect on 30 January 2006, the Share Premium has been combined into the Share Capital Account.

**STATEMENT OF CHANGES IN EQUITY (cont'd)**

	Company					Total \$'000
	Share Capital \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserves \$'000	
<b><u>2nd Quarter ended 31 March 2007</u></b>						
Balance at 1 January 2007	276,903	597,539	-	41,290	149	915,881
Profit after taxation	-	34,611	-	-	-	34,611
Issue of shares in the Company upon exercise of Share Options	425	-	-	-	(78)	347
<b><u>Dividends</u></b>						
Additional dividend due to exercise of share options	-	(10)	-	10	-	-
Final dividend paid for the previous year	-	-	-	(41,300)	-	(41,300)
Interim dividend proposed for the year	-	(36,140)	-	36,140	-	-
	-	(36,150)	-	(5,150)	-	(41,300)
Balance at 31 March 2007	277,328	596,000	-	36,140	71	909,539

	Share Capital \$'000	Share Premium \$'000	Revenue Reserve \$'000	Exchange Reserve \$'000	Dividend Reserve \$'000	Other Reserves \$'000	Total \$'000
	<b><u>2nd Quarter ended 31 March 2006</u></b>						
Balance at 1 January 2006	256,523	10,424	586,527	-	41,025	1,199	895,698
Profit after taxation	-	-	5,888	-	-	-	5,888
Issue of shares in the Company upon exercise of Share Options	610	851	-	-	-	-	1,461
Transfer to share capital *	11,275	(11,275)	-	-	-	-	-
Employee share-based expense	-	-	-	-	-	107	107
<b><u>Dividends</u></b>							
Additional dividend due to exercise of share options	-	-	(58)	-	58	-	-
Final dividend paid for the previous year	-	-	-	-	(41,083)	-	(41,083)
Interim dividend proposed for the year	-	-	(35,957)	-	35,957	-	-
	-	-	(36,015)	-	(5,068)	-	(41,083)
Balance at 31 March 2006	268,408	-	556,400	-	35,957	1,306	862,071

\* In accordance with the amendments to the Companies Act that came into effect on 30 January 2006, the Share Premium has been combined into the Share Capital Account.

**1(d)(ii) SHARE CAPITAL**

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

	<b>Number of Shares</b>	
	<b>2nd Quarter to 31/3/2007</b>	<b>1st Quarter to 31/12/2006</b>
Issued Share Capital of ordinary shares:		
As at beginning of period	258,089,429	258,060,779
Issue during the period - Exercise of share options	55,800	28,650
	<hr/>	<hr/>
As at end of period	258,145,229	258,089,429
	<hr/>	<hr/>
	<b>As at 31/3/2007</b>	<b>As at 31/3/2006</b>
The number of shares that may be issued on exercise of share options outstanding at the end of the period	121,619	1,426,234
	<hr/> <hr/>	<hr/> <hr/>

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

The figures have not been audited or reviewed by our auditors.

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

Not applicable.

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

The Group and the Company have applied the same accounting policies and methods of computation as in the most recently audited financial statements.

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

Not applicable.

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

- (a) based on the weighted average number of ordinary shares on issue and  
(b) on a fully diluted basis (detailing any adjustments made to the earnings).

	<b>Group</b>			
	<b>2nd Quarter to 31/3/2007</b>	<b>2nd Quarter to 31/3/2006</b>	<b>6 Months to 31/3/2007</b>	<b>6 Months to 31/3/2006</b>
Earnings per ordinary share (cents):				
(a) Based on the weighted average number of ordinary shares on issue				
- before exceptional items	15.0	15.0	30.7	30.3
- after exceptional items	15.0	14.8	30.6	30.6
(b) On a fully diluted basis				
- before exceptional items	15.0	14.9	30.7	30.3
- after exceptional items	15.0	14.8	30.6	30.6

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	<b>Group</b>		<b>Company</b>	
	<b>As at 31/3/2007</b>	<b>As at 30/9/2006</b>	<b>As at 31/3/2007</b>	<b>As at 30/9/2006</b>
Net asset value per ordinary share based on issued share capital	\$3.59	\$3.43	\$3.52	\$3.46

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **REVIEW OF PERFORMANCE – 2ND QUARTER**

The principal activities of the Group are the brewing and sale of beer and stout. These activities are carried out through the Company's subsidiaries, joint ventures and associated companies to which the Company provides management and administrative services.

The Directors are pleased to announce the financial results for the second quarter ended 31 March 2007. The Group saw strong and healthy volume growth in Singapore, Papua New Guinea, New Zealand, Indochina and China. Sales for the quarter also benefited from seasonably high sales from the later Chinese New Year and Tet festivals, and from acquisition of Fosters' brewery assets in Vietnam. The volume growth underpinned the increase in Group profit before interest and tax (PBIT) to \$72.4 million for the quarter which grew strongly by \$9.5 million or 15.1% over last year. Excluding translation differences and gestation losses, PBIT grew organically by \$11.8 million or 18.7% to \$74.7 million over last year.

The higher tax rates in this period (see note on Taxation) have resulted in attributable net profit before exceptional items increasing by \$0.2 million or 0.5% to reach \$38.6 million as compared with a 15.1% increase on PBIT. Excluding translation differences and gestation losses, attributable net profit before exceptional items grew organically by \$0.6 million or 1.4% to \$39.0 million over last year.

#### **Singapore**

Overall volume grew by 19% on the back of strong export and contract brew sales. Investment in marketing for *TigerLIVE\** which was launched in the financial year, resulted in PBIT growing at a slower rate of 1%.

#### **Malaysia**

Volume grew by 25% as a result of the strong festive demand arising from the Chinese New Year which is a month later than the previous year. Consequently PBIT grew by 63%.

#### **Papua New Guinea**

PBIT gained 32% due to improved margins from price increases and volume growth of 18%.

#### **New Zealand**

Volume grew by 13%. However, due to the weaker NZ dollar, PBIT declined by 3% in Singapore dollar terms.

#### **Indochina**

The region registered a robust 58% increase in volume while PBIT grew by 29%. The positive result was attributable to the group's growth strategy in the region which includes newly acquired Foster's Vietnam assets, and, Tet which was one month later this year.

#### **China**

Sales volume continued to grow, and increased by 16%. Coupled with the synergies realised from the integration of operational activities in China, overall losses reduced by 61% against the previous period to \$1.5 million.

#### **Thailand**

Volume fell by 15% as a result of intensifying competition, economic uncertainties and the regulations restricting the consumption and advertising of alcoholic products. However, PBIT rose by 82% due to lower marketing expenditures for *Cheers*.

#### **South Asia and Mongolia**

Gestation losses incurred by new and start-up ventures in Sri Lanka, Mongolia and India stood at \$1.6 million.

**Corporate Office**

Corporate expenses incurred were higher due mainly to the timing of marketing expenditure.

**Taxation**

The group effective tax rate of 33.4% (2Q 2006: 22.1%) is higher than the Singapore statutory tax rate of 18%. This is mainly due to the higher profit contribution from operating companies located in high-tax countries and the payment of full corporate tax rate following the expiry of concessionary tax rates in the overseas subsidiaries.

\* *TigerLIVE* is a multi-sensory brand entertainment centre showcasing Tiger's rich Asian heritage and award winning legacy, located at St James Power Station.

**REVIEW OF BALANCE SHEET****Company**

The increase in investments in subsidiaries was mainly due to injection of capital and this was financed by cash from bank borrowings and internal resources.

**Group**

The increase in trade debtors was mainly attributable to higher sales. The increase in other debtors was attributed to higher prepayment of sales taxes by overseas subsidiaries and deposits paid for plant and machinery. Trade creditors increased due mainly to higher purchases to support increased sales.

**REVIEW OF CASHFLOW**

Increase in cash and cash equivalents for the quarter was due mainly to cash generated from operations net of cash used in purchase of plant and machinery, acquisition of an overseas subsidiary and payment of dividends.

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

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

**OUTLOOK**

Today, APB has 31 operational breweries in 10 countries. APB's footprint is expected to extend further to 35 breweries in 12 countries by the first quarter of 2008, as greenfield breweries come on stream in China (Foshan), Mongolia (Ulaan Baatar), Laos (Vientiane) and India (Hyderabad). Although gestation losses from the new start-up breweries are being incurred, we expect net earnings for the current financial year to be maintained at about the same level as last year. It is imperative that APB continues to invest in new markets to position the company for further and sustainable growth in the coming years.

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

(a) **Whether an interim ordinary dividend has been declared: Yes**

(b) (i) **Amount per share** : 14 cents, 1-tier tax exempt

(ii) **Previous corresponding period** : 14 cents, after deduction of Singapore tax at 20%

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

1-tier tax exempt.

(d) **The date the dividend is payable.**

The Directors have declared an interim dividend of 14 cents per share, 1-tier tax exempt, to be paid on 13 June 2007 (last year: 14 cents per share, after deduction of Singapore tax at 20%).

(e) **Book Closure date**

Registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 8 Cross Street, #11-00 PWC Building, Singapore 048424 up to 5.00pm on 1 June 2007 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed on 4 June 2007 and 5 June 2007 for the preparation of dividend warrants.

**12. INTERESTED PERSON TRANSACTIONS**

Particulars of interested person transactions for the period 1 October 2006 to 31 March 2007 as required under SGX Listing Rule 907.

<b>Name of interested person</b>	<b>Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 902)</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)</b>
Heineken Group of Companies	\$2,388,641	\$8,412,899
Fraser & Neave Holdings Bhd	-	\$24,247,769

BY ORDER OF THE BOARD  
Anthony Cheong Fook Seng  
Company Secretary

11 May 2007



STATEMENT BY DIRECTORS  
Pursuant to SGX Listing Rule 705(4)

To the best of our knowledge, nothing has come to the attention of the Directors which may render the interim financial results to be false or misleading. Based on our knowledge, the financial statements and other financial information included in this report, present fairly in all material respects the financial condition, results of operations and cash flows of the Group as of, and for, the periods presented in this report.

On behalf of the Board

Michael Fam  
Director

Koh Poh Tiong  
Director