

Thai Union Frozen Products Public Company Limited
and its subsidiaries
Review report and consolidated interim financial statements
For the three-month periods ended
31 March 2009

Review report of Independent Auditor

To the Shareholders of Thai Union Frozen Products Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Thai Union Frozen Products Public Company Limited and its subsidiaries as at 31 March 2009, the related consolidated statements of income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2009, and the separate financial statements of Thai Union Frozen Products Public Company Limited for the same period. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review. I did not review the interim financial statements of overseas subsidiaries, Thai Union International, Inc. and its subsidiaries and PT Juifa International Foods, which are included in the consolidated financial statements for the three-month period ended 31 March 2009. The consolidated financial statements of these subsidiaries as at 31 March 2009 presented total assets of Baht 13,481 million and total revenues for the three-month period then ended of Baht 8,084 million. The financial statements of these subsidiaries were reviewed by other auditors, whose reports have been furnished to me, and my review report, insofar as it relates to the amounts included for those subsidiaries in the consolidated financial statements is based solely on the reports of those auditors.

I conducted my review in accordance with the auditing standard applicable to 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 provide less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my review and the review reports of other auditors, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The consolidated financial statements of Thai Union Frozen Products Public Company Limited and its subsidiaries, and the separate financial statements of Thai Union Frozen Products Public Company Limited for the year ended 31 December 2008 were audited in accordance with generally accepted auditing standards by another auditor of our firm who, under his report dated 18 February 2009, and expressed an unqualified opinion on those statements and drew attention to the change in accounting policy on presentation of goodwill and negative goodwill in the consolidated financial statements. The balance sheet as at 31 December 2008, as presented herein for comparative purposes, formed an integral part of the financial statements which that auditor audited and reported on, based partially on the reports of other auditors of the overseas subsidiaries.

The consolidated statements of income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2008 of Thai Union Frozen Products Public Company Limited and its subsidiaries and the separate financial statements of Thai Union Frozen Products Public Company Limited, as presented herein for comparative purposes, formed an integral part of the interim financial statements which were reviewed by the aforementioned auditor of our firm who, under his review report dated 7 May 2008, reported that based on his review and the review reports of the other auditors of the overseas subsidiaries, nothing had come to his attention that caused him to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Rungnapa Lertsuwankul
Certified Public Accountant (Thailand) No. 3516

Ernst & Young Office Limited
Bangkok: 30 April 2009

Thai Union Frozen Products Public Company Limited and its subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)	31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)
Assets					
Current assets					
Cash and cash equivalents		707,387	556,782	34,402	28,084
Current investments					
Bill of exchange		-	1,000,000	-	1,000,000
Trade accounts receivable	2				
Related companies	3	52,528	31,044	1,253,900	1,982,980
Others		7,603,766	7,225,471	1,156,225	1,405,188
Total trade accounts receivable		7,656,294	7,256,515	2,410,125	3,388,168
Less: Allowance for doubtful accounts		(164,333)	(151,627)	(717)	(717)
Trade accounts receivable - net		7,491,961	7,104,888	2,409,408	3,387,451
Short-term loans to subsidiaries	3	-	-	1,319,408	1,196,832
Short-term loans to other company		15,000	15,000	15,000	15,000
Current portion of long-term loans to subsidiaries	3	-	-	176,955	173,565
Current portion of long-term loans to other companies		3,091	3,065	-	-
Inventories - net	4	16,696,822	19,228,747	3,870,206	3,654,821
Other current assets					
Prepaid expenses		143,209	153,677	14,274	16,634
Prepaid income tax		79,984	85,982	27,140	14,042
Spareparts		104,157	97,448	17,739	15,287
Interest receivables	3	2,873	7,923	39,141	44,427
Advance payments		39,626	115,309	12,478	3,235
Current portion of forward exchange contracts receivables		69,321	128,784	54,697	111,346
Value added tax refundable		138,227	173,069	58,762	60,845
Others		175,535	145,393	44,278	46,682
Total other current assets		752,932	907,585	268,509	312,498
Total current assets		25,667,193	28,816,067	8,093,888	9,768,251

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

Thai Union Frozen Products Public Company Limited and its subsidiaries

Balance sheets (Continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)	31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)
Non-current assets					
Restricted deposits with financial institutions		730	730	-	-
Investments in subsidiaries - net	5	-	-	3,343,953	3,345,868
Investments in associates - net	6	275,650	264,341	38,510	38,510
Other long-term investments	7	94,901	102,587	39,149	39,130
Long-term loans to subsidiaries - net of current portion	3	-	-	4,742,394	4,477,964
Long-term loans to other companies - net of current portion		15,570	16,218	-	-
Property, plant and equipment - net	8	8,685,912	8,514,957	2,196,370	2,127,716
Properties foreclosed - net		58,606	58,607	58,607	58,607
Intangible assets - net	9	762,738	754,474	-	-
Other non-current assets					
Forward exchange contracts receivables - net of current portion		88,045	95,011	88,045	95,011
Goodwill - net		305,837	301,466	-	-
Leasehold rights - net		20,684	21,529	-	-
Deferred tax assets	13	652,703	650,856	11,075	11,034
Others		264,337	268,438	12,825	13,539
Total non-current assets		11,225,713	11,049,214	10,530,928	10,207,379
Total assets		36,892,906	39,865,281	18,624,816	19,975,630

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

Thai Union Frozen Products Public Company Limited and its subsidiaries

Balance sheets (Continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)	31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	10	7,730,392	10,659,179	1,904,372	3,289,678
Trade accounts payable					
Related companies	3	42,357	23,934	198,883	326,350
Others		2,697,735	3,423,616	977,936	1,069,864
Total trade accounts payable		2,740,092	3,447,550	1,176,819	1,396,214
Short-term loans from related parties	3	-	2,500	-	2,500
Short-term loans from directors of subsidiary	3	-	109,746	-	-
Short-term loans from shareholders of subsidiary		400	400	-	-
Current portion of long-term loans	11	227,159	225,775	-	-
Other current liabilities					
Corporate income tax payable		188,086	139,732	43,106	25,640
Accrued expenses	3	560,315	606,180	189,711	184,707
Accounts payable - construction and asset purchase		99,081	66,284	28,504	16,184
Billback		196,180	145,593	-	-
Current portion of forward exchange contracts payable		203,604	170,690	65,537	60,530
Others		557,614	648,025	121,664	167,024
Total other current liabilities		1,804,880	1,776,504	448,522	454,085
Total current liabilities		12,502,923	16,221,654	3,529,713	5,142,477
Non-current liabilities					
Long-term loans from shareholder of subsidiary	3	36,578	-	-	-
Long-term loans - net of current portion	11	1,351,297	1,416,042	-	-
Debentures	12	5,200,000	5,200,000	5,200,000	5,200,000
Deferred tax liabilities	13	295,643	293,153	-	-
Forward exchange contracts payable - net of					
current portion		168,250	95,688	168,250	95,688
Other non-current liabilities		408,750	408,019	25,876	24,920
Total non-current liabilities		7,460,518	7,412,902	5,394,126	5,320,608
Total liabilities		19,963,441	23,634,556	8,923,839	10,463,085

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

Thai Union Frozen Products Public Company Limited and its subsidiaries

Balance sheets (Continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)	31 March 2009 (Unaudited but reviewed)	31 December 2008 (Audited)
Shareholders' equity					
Share capital					
Registered					
885,090,950 ordinary shares of Baht 1 each		885,091	885,091	885,091	885,091
Issued and paid-up					
883,170,950 ordinary shares of Baht 1 each		883,171	883,171	883,171	883,171
Premium on shares capital		4,518,797	4,518,797	4,518,797	4,518,797
Unrealised loss					
Revaluation deficit on change in value of investments	7	(21,797)	(18,503)	(455)	(474)
Provision for changes in the value of pension fund		(87,503)	(85,953)	-	-
Translation adjustment		(63,312)	(47,418)	-	-
Retained earnings					
Appropriated - statutory reserve		89,000	89,000	89,000	89,000
Unappropriated		9,676,213	9,023,177	4,210,464	4,022,051
Equity attributable to the Company's shareholders		14,994,569	14,362,271	9,700,977	9,512,545
Minority interest - equity attributable to minority shareholders of subsidiaries					
		1,934,896	1,868,454	-	-
Total shareholders' equity		16,929,465	16,230,725	9,700,977	9,512,545
Total liabilities and shareholders' equity		36,892,906	39,865,281	18,624,816	19,975,630
		-	-	-	-

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

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Directors
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Thai Union Frozen Products Public Company Limited and its subsidiaries
Income statements
For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Revenues					
Sales		17,666,368	15,415,593	4,342,742	3,979,093
Other income					
Interest income		5,028	77	87,110	62,695
Dividend income		-	-	20,506	-
Compensation from accounts payable		11,646	60,552	11,632	30,653
Tax coupon received		24,343	18,794	4,121	1,356
Exchange gains		127,105	444,363	94,101	197,637
Others		54,583	48,703	41,848	29,539
Total other income		222,705	572,489	259,318	321,880
Total revenues		17,889,073	15,988,082	4,602,060	4,300,973
Expenses					
Cost of sales		15,529,575	13,807,678	3,994,557	3,648,904
Selling expenses		862,964	885,104	179,335	193,493
Administrative expenses		496,454	426,528	123,512	86,976
Management benefit expenses		11,252	9,733	11,252	9,733
Other expenses		1,738	2,191	311	1,391
Total expenses		16,901,983	15,131,234	4,308,967	3,940,497
Income before finance cost and corporate income tax		987,090	856,848	293,093	360,476
Finance cost		(168,557)	(152,089)	(87,255)	(46,925)
Share of income (loss) from investments in associates		11,309	(507)	-	-
Income before corporate income tax		829,842	704,252	205,838	313,551
Corporate income tax	13	(96,168)	(69,833)	(17,425)	(16,535)
Net income for the period		733,674	634,419	188,413	297,016
Net income attributable to:					
Equity holders of the parent		653,036	577,983	188,413	297,016
Minority interests of the subsidiaries		80,638	56,436		
		733,674	634,419		
(Unit: Baht)					
Earnings per share					
14					
Basic earnings per share					
Net income attributable to equity holders of the parent		0.74	0.66	0.21	0.34
Diluted earnings per share					
Net income attributable to equity holders of the parent		0.74	0.66	0.21	0.34

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

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries

Statements of cash flows

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from operating activities				
Net income before tax	829,842	704,252	205,838	313,551
Adjustments to reconcile net income before tax to net cash provided by (used in) operating activities				
Depreciation and amortisation	259,951	238,454	67,805	52,033
Amortisation of premium/discount from forward foreign exchange contracts	57,287	26,505	38,751	22,268
Allowance for doubtful accounts	12,335	3,873	-	-
Allowance for diminution in value of inventories (reversal)	(71,244)	20,580	241	12,146
Share of loss (income) from investments in associates	(11,309)	507	-	-
Loss on sale of investment	1,032	-	-	-
Loss (gain) on liquidation of subsidiary	(194)	-	368	-
Loss (gain) on sale/write off of property, plant and equipment	(733)	(1,338)	17	(157)
Loss on disposal of leasehold rights	227	-	-	-
Exchange gain from repayment of loans	-	(9,960)	-	-
Unrealised exchange gains	(60,977)	(304,359)	(71,374)	(163,262)
Dividend income	-	-	(20,506)	-
Interest income	(5,028)	(77)	(87,110)	(62,695)
Interest expense	164,364	143,245	90,224	44,731
Income from operating activities before change in operating assets and liabilities	1,175,553	821,682	224,254	218,615
Decrease (increase) in operating assets				
Trade accounts receivable	(339,318)	104,316	992,235	526,909
Inventories	2,773,802	1,175,269	(217,422)	175,819
Other current assets	86,102	(23,809)	(837)	(32,486)
Other non-current assets	7,673	571	(97)	(31)
Increase (decrease) in operating liabilities				
Trade accounts payable	(728,777)	(595,829)	(220,325)	121,513
Other current liabilities	(105,309)	(1,920)	(47,316)	84,315
Other non-current liabilities	(3,283)	5,196	2,368	3,429
Cash flows from (used in) operating activities				
Cash paid for corporate income tax	(32,336)	(25,738)	(13,097)	(3,610)
Net cash from operating activities	2,834,107	1,459,738	719,763	1,094,473

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

Thai Union Frozen Products Public Company Limited and its subsidiaries
Statements of cash flows (Continued)
For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from investing activities				
Acquisitions of property, plant and equipment	(391,232)	(451,744)	(124,277)	(254,841)
Acquisitions of intangible assets	(538)	-	-	-
Decrease (increase) in short-term loans to subsidiaries	-	-	(68,308)	80,611
Decrease (increase) in short-term loans to other companies	507	(14,800)	-	(15,000)
Decrease (increase) in long-term loans to subsidiaries	-	-	(165,750)	37,633
Liquidation of subsidiary	(11)	-	1,547	-
Interest income	10,077	488	92,396	45,364
Dividend received	-	-	20,506	-
Proceeds from sale of investment	3,665	-	-	-
Proceeds from disposal of property, plant and equipment	1,870	3,943	121	163
Net cash used in investing activities	(375,662)	(462,113)	(243,765)	(106,070)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from financial institutions	(2,997,104)	(1,037,477)	(1,385,305)	(1,191,545)
Increase in short-term loans from subsidiary	-	-	-	280,250
Decrease in short-term loans from associate	(2,500)	-	(2,500)	-
Decrease in short-term loans from director of subsidiaries	(106,560)	-	-	-
Decrease in long-term loans	(66,305)	(146,598)	-	-
Increase (decrease) in long-term loans from director of subsidiary	36,578	(25,494)	-	-
Decrease in financial lease payable	-	(11,450)	-	-
Cash paid for interest expense	(150,849)	(156,259)	(81,875)	(48,796)
Increase (decrease) in minority interest - equity attributable to minority shareholders of subsidiaries	(14,196)	17	-	-
Net cash used in financing activities	(3,300,936)	(1,377,261)	(1,469,680)	(960,091)
Increase (decrease) in translation adjustment	(6,904)	260,790	-	-
Net increase (decrease) in cash and cash equivalents	(849,395)	(118,846)	(993,682)	28,312
Cash and cash equivalents at beginning of period	1,556,782	485,405	1,028,084	1,717
Cash and cash equivalents at end of period	707,387	366,559	34,402	30,029
Supplement cash flows information				
Non-cash items:				
Undue installments for acquisition of fixed assets	177,707	152,798	28,504	25,478
Unrealised loss (gain) on changes in the value of investments	3,294	8,496	(19)	(40)
Transfer of land to pay down other current liabilities	3,394	-	-	-

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

Thai Union Frozen Products Public Company Limited and its subsidiaries
 Statements of changes in shareholders' equity
 For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to the parent's shareholders							Total equity attributable to the parent's shareholders	Minority interest - equity attributable to minority shareholders of subsidiaries	
	Issued and paid-up share capital	Share premium	Revaluation deficit on changes in the value of investments	Provision for changes in value of pension fund	Translation adjustment	Retained earnings			Total	
						Appropriated	Unappropriated			
Balance as at 1 January 2008	878,795	4,481,688	(8,161)	(6,440)	(73,045)	89,000	7,809,391	13,171,228	1,483,705	14,654,933
Income and expenses recognised directly in equity:										
Investments in available-for-sale securities										
Loss recognised in shareholders' equity	-	-	(8,496)	-	-	-	-	(8,496)	-	(8,496)
Provision for changes in the value of pension fund	-	-	-	422	-	-	-	422	-	422
Translation adjustment	-	-	-	-	(48,763)	-	-	(48,763)	-	(48,763)
Net income and expenses recognised directly in equity	-	-	(8,496)	422	(48,763)	-	-	(56,837)	-	(56,837)
Net income for the period	-	-	-	-	-	-	577,983	577,983	56,436	634,419
Total income and expenses for the period	-	-	(8,496)	422	(48,763)	-	577,983	521,146	56,436	577,582
Dividend paid	-	-	-	-	-	-	-	-	17	17
Balance as at 31 March 2008	<u>878,795</u>	<u>4,481,688</u>	<u>(16,657)</u>	<u>(6,018)</u>	<u>(121,808)</u>	<u>89,000</u>	<u>8,387,374</u>	<u>13,692,374</u>	<u>1,540,158</u>	<u>15,232,532</u>
Balance as at 1 January 2009	883,171	4,518,797	(18,503)	(85,953)	(47,418)	89,000	9,023,177	14,362,271	1,868,454	16,230,725
Income and expenses recognised directly in equity:										
Investments in available-for-sale securities										
Loss recognised in shareholders' equity	-	-	(3,294)	-	-	-	-	(3,294)	-	(3,294)
Provision for changes in the value of pension fund	-	-	-	(1,550)	-	-	-	(1,550)	-	(1,550)
Translation adjustment	-	-	-	-	(15,894)	-	-	(15,894)	-	(15,894)
Net income and expenses recognised directly in equity	-	-	(3,294)	(1,550)	(15,894)	-	-	(20,738)	-	(20,738)
Net income for the period	-	-	-	-	-	-	653,036	653,036	80,638	733,674
Total income and expenses for the period	-	-	(3,294)	(1,550)	(15,894)	-	653,036	632,298	80,638	712,936
Decrease in minority interest	-	-	-	-	-	-	-	-	(14,196)	(14,196)
Balance as at 31 March 2009	<u>883,171</u>	<u>4,518,797</u>	<u>(21,797)</u>	<u>(87,503)</u>	<u>(63,312)</u>	<u>89,000</u>	<u>9,676,213</u>	<u>14,994,569</u>	<u>1,934,896</u>	<u>16,929,465</u>

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

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity
For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Separate financial statements					Total
	Issued and paid-up share capital	Share premium	Revaluation deficit on changes in value of investments	Retained earnings		
				Appropriated	Unappropriated	
Balance as at 1 January 2008	878,795	4,481,688	(485)	89,000	3,379,301	8,828,299
Income and expenses recognised directly in equity:						
Investments in available-for-sale securities						
Gain recognised in shareholders' equity	-	-	40	-	-	40
Net income recognised directly in equity	-	-	40	-	-	40
Net income for the period	-	-	-	-	297,016	297,016
Total income for the period	-	-	40	-	297,016	297,056
Balance as at 31 March 2008	<u>878,795</u>	<u>4,481,688</u>	<u>(445)</u>	<u>89,000</u>	<u>3,676,317</u>	<u>9,125,355</u>
Balance as at 1 January 2009	883,171	4,518,797	(474)	89,000	4,022,051	9,512,545
Income and expenses recognised directly in equity:						
Investments in available-for-sale securities						
Gain recognised in shareholders' equity	-	-	19	-	-	19
Net income recognised directly in equity	-	-	19	-	-	19
Net income for the period	-	-	-	-	188,413	188,413
Total income for the period	-	-	19	-	188,413	188,432
Balance as at 31 March 2009	<u>883,171</u>	<u>4,518,797</u>	<u>(455)</u>	<u>89,000</u>	<u>4,210,464</u>	<u>9,700,977</u>

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

Thai Union Frozen Products Public Company Limited and its subsidiaries

Notes to consolidated interim financial statements

31 March 2009 and 2008

1. General information

1.1 Corporate information

Thai Union Frozen Products Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand and listed on the Stock Exchange of Thailand on 22 November 1994.

The Company operates its business in Thailand and its subsidiaries operate their businesses in Thailand and overseas. Their principal activities in Thailand are the manufacture and export of frozen and canned seafood, and local subsidiaries are also engaged in the packaging and printing, pet food businesses and fishery. The principal activities of the overseas subsidiaries are the manufacture and distribution of canned seafood, and the import of shrimp and other frozen seafood products for sale to restaurant chains, retailers, wholesalers and food processors which are principally located in the United States and the manufacture and distribution of seafood which are principally located in Indonesia and Vietnam.

The Company’s registered address is 72/1 Moo 7, Sethakit 1 Road, Tambon Tarsrai, Amphur Muang, Samutsakorn. The Company has 3 branches in Bangkok and Samutsakorn.

1.2 Economic crisis

The financial crisis experienced by the United States of America over the past year has had a far reaching adverse effect on the global economy as evidenced by sharp falls in share prices worldwide, a tight squeeze on credit including interbank lending, failures of large financial institutions and reduced consumer confidence. The crisis has substantially affected the business and financial plans of Thailand enterprises and asset value. Despite efforts made by governments of many countries to contain the crisis, it remains uncertain as to when the global economy will return to normalcy. These financial statements have been prepared on the bases of facts currently known to the Company, and on estimates and assumptions currently considered appropriate. However, they could be adversely affected by an array of future events.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 41 (revised 2007), "Interim financial statements", with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, the income statements, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from such financial statements in Thai language.

1.4 Basis of consolidation

These consolidated interim financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2008. There has been no change in the composition of the group of company during the current period.

The total assets and total revenues of the subsidiaries included in the consolidated financial statements for the three-month period ended 31 March 2009 are as follows:

Company's name	Assets as a percentage to the consolidated total assets	Revenues as a percentage to the consolidated total revenues
Thai Union Manufacturing Co., Ltd. and subsidiaries	18.95	18.98
Songkla Canning Pcl. and subsidiaries	13.34	9.65
Thai Union Seafood Co., Ltd.	1.67	1.65
T-Holding Co., Ltd.	1.13	1.63
Thai Union Feedmill Co., Ltd. and subsidiaries	5.59	3.99

(Unaudited but reviewed)

Company's name	Assets as a percentage to the consolidated total assets	Revenues as a percentage to the consolidated total revenues
Thai Union Graphic Co., Ltd.	1.07	0.30
Thai Union International, Inc. (TUI) and subsidiaries	36.03	44.62
PT Juifa International Foods	0.51	0.57

1.5 Accounting Standards which are effective for the current year

The Federation of Accounting Professions has also issued Notification No. 86/2551 mandating the use of the following new accounting standards.

TAS 36 (revised 2007)	Impairment of Assets
TAS 54 (revised 2007)	Non-current Assets Held for Sale and Discontinued Operations

These accounting standards will become effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management has assessed the effect of these standards and believes that they will not have any significant impact on the financial statements for the year in which they are initially applied.

1.6 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2008.

(Unaudited but reviewed)

2. Trade accounts receivable

The balances of trade accounts receivable are classified by aging as presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
<u>Age of receivable</u>				
Trade accounts receivable - related companies				
Not yet due	15,652	12,465	715,307	797,429
Overdue				
1 - 30 days	36,876	18,579	122,518	544,106
31 - 60 days	-	-	124,818	411,691
61 - 90 days	-	-	83,089	219,108
91 - 120 days	-	-	98,578	7,220
121 - 180 days	-	-	105,414	3,357
181 - 365 days	-	-	4,176	69
Total trade accounts receivable - related companies	52,528	31,044	1,253,900	1,982,980
Trade accounts receivable - others				
Not yet due	5,995,621	5,455,020	842,999	1,047,543
Overdue				
1 - 30 days	1,141,985	1,255,124	204,633	206,010
31 - 60 days	99,709	160,307	17,266	69,709
61 - 90 days	79,594	114,656	19,248	43,219
91 - 120 days	55,643	61,488	11,737	24,903
121 - 180 days	78,317	53,222	39,139	8,655
181 - 365 days	82,670	55,459	20,544	1,933
Over 365 days	70,227	70,195	659	3,216
Total trade accounts receivable - others	7,603,766	7,225,471	1,156,225	1,405,188
Total trade accounts receivable	7,656,294	7,256,515	2,410,125	3,388,168
Less: Allowance for doubtful accounts	(164,333)	(151,627)	(717)	(717)
Trade accounts receivable - net	7,491,961	7,104,888	2,409,408	3,387,451

As at 31 March 2009, certain trade accounts receivable of three overseas subsidiaries have secured their credit facilities as mentioned in Note 10.

3. Related party transactions

During the periods, the Company had significant business transactions with related companies which are related by way of common shareholders and/or common directors. Such transactions are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the three-month periods ended 31 March				
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
Transactions with subsidiaries:					
(Eliminated from consolidated financial statements)					
Sales	-	-	1,170,196	972,505	Cost plus margin
Dividend income	-	-	20,506	-	As declared
Interest income	-	-	82,314	63,779	2.35 - 6.25% per annum (2008: 4.30 - 6.40% per annum)
Other income	-	-	8,033	11,215	Near market price
Purchases of goods	-	-	276,695	556,608	Cost plus margin
Interest expense	-	-	397	3,938	3.65 - 5.04% per annum (2008: 3.30 - 3.45% per annum)
Management fee	-	-	7,122	-	Contract price
Other expenses	-	-	5,831	660	Near market price
Transactions with associates:					
Purchases of goods	3,062	3,340	-	3	Cost plus margin
Purchases service expense	225	100	165	60	Near market price
Transactions with related companies:					
Sales	210,310	109,269	38,018	43,983	Cost plus margin
Purchases of goods	634,819	713,224	331,801	296,866	Cost plus margin
Transportation	11,504	10,873	1,599	1,005	Near market price
Expenses relating to assets	12,464	20,022	10,834	17,482	Near market price

The Company and its subsidiaries have insured with Asia-Pacific Risk Consultants (Thailand) Co., Ltd. which is an insurance broker related by the way of having common directors. During the three-month periods ended 31 March 2009 and 2008, insurance premiums paid through that company amounted to Baht 13.7 million and Baht 13.5 million, respectively.

(Unaudited but reviewed)

The relationships between the Company and the related companies are summarised below.

List of related companies	Relationship
Songkla Canning Pcl.	Subsidiary
Thai Union Manufacturing Co., Ltd.	Subsidiary
Thai Union Seafood Co., Ltd.	Subsidiary
T-Holding Co., Ltd.	Subsidiary
Thai Union Numhong Co., Ltd.	Subsidiary
Thai Union Feedmill Co., Ltd.	Subsidiary
Thai Union Graphic Co., Ltd.	Subsidiary
Thai Union International, Inc. (TUI)	Subsidiary
PT Juifa International Foods	Subsidiary
Tri-Union Seafoods, LLC	Subsidiary (Held by subsidiary)
Tri-Union Samoa Packing Corporation	Subsidiary (Held by subsidiary)
Tri-Union Frozen Foods, LLC	Subsidiary (Held by subsidiary)
Empress International, Ltd. (Empress)	Subsidiary (Held by subsidiary)
Empress International of California Ltd.	Subsidiary (Held by subsidiary)
Empress International Midwest Ltd.	Subsidiary (Held by subsidiary)
Asian-Pacific Can Co., Ltd.	Subsidiary (Held by subsidiary)
Yueh Chyang Canned Food Co., Ltd.	Subsidiary (Held by subsidiary)
Marine Biotech Co., Ltd.	Subsidiary (Held by subsidiary)
Thai Union Hatchary Co., Ltd.	Subsidiary (Held by subsidiary)
Phuket Fishing Co., Ltd.	Subsidiary (Held by subsidiary)
Samui Fishing Co., Ltd.	Subsidiary (Held by subsidiary)
Phang-nga Fishing Co., Ltd.	Subsidiary (Held by subsidiary)
Songkla Fishing Co., Ltd.	Subsidiary (Held by subsidiary)
Siam Fishing Pte. Ltd.	Subsidiary (Held by subsidiary)
Thai Quality Shrimp Co., Ltd.	Subsidiary (Held by subsidiary)
Lucky Union Foods Co., Ltd.	Associated company
Biz Dimension Co., Ltd.	Associated company
Century Trading (Shanghai) Co., Ltd.	Associated company (Held by subsidiary)
Chansiri Real Estate Co., Ltd.	Common major shareholders/Common directors
Thai Union Securities Co., Ltd.	Common major shareholders/Common directors
Asian Pacific Thai Tuna Co., Ltd.	Common major shareholders/Common directors
T.C. Union Global Pcl.	Common major shareholders/Common directors
Jana Fish Industries Limited	Common major shareholders/Common directors
T.C. Union Agrotech Co., Ltd.	Common major shareholders/Common directors
Waithai Co., Ltd.	Common major shareholders/Common directors
Thaipatana Stainless Steel Co., Ltd.	Common major shareholders/Common directors
Hanhong Kanchang Registered Ordinary Partnership	Common major shareholders/Common directors
Ahead Way International Co., Ltd.	Common major shareholder/Common directors
Merchant Partners Securities Pcl.	Common shareholders/Common directors
Geminai & Associate Co., Ltd.	Common shareholders
Lucky Surimi Products Co., Ltd.	Common directors

(Unaudited but reviewed)

List of related companies	Relationship
Asia-Pacific Risk Consultants (Thailand) Co., Ltd.	Common directors
Pae Ekawat	Relative of director
Ekawat Products Co., Ltd.	Relative of director
Pae Rungtiwa Boonmechote	Relative of director

The Company had the following significant balances of assets and liabilities with its related companies:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
<u>Trade accounts receivable - related companies</u>				
<u>Subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Empress International, Ltd.	-	-	414,122	647,619
Tri-Union Seafoods, LLC	-	-	220,854	398,749
Tri-Union Samoa Packing Corporation	-	-	35,585	278,527
Tri-Union Frozen Foods, LLC	-	-	331,565	399,395
Thai Union Manufacturing Co., Ltd.	-	-	23,027	11,625
T-Holding Co., Ltd.	-	-	217,937	216,256
Songkla Canning Pcl.	-	-	1,850	10,466
Thai Union Seafood Co., Ltd.	-	-	1,296	13,587
Others	-	-	379	980
Total trade accounts receivable - subsidiary companies	-	-	1,246,615	1,977,204
<u>Associated companies</u>				
Trade accounts receivable - associated companies	9	10	9	4
<u>Related companies</u>				
T.C. Union Agrotech Co., Ltd.	16,019	5,772	7,276	5,772
Jana Fish Industries Limited	3,875	2,652	-	-
Lucky Surimi Products Co., Ltd.	-	7,775	-	-
Ahead Way International Co., Ltd.	32,596	14,436	-	-
Others	29	399	-	-
Total trade accounts receivable - related companies	52,519	31,034	7,276	5,772
Total	52,528	31,044	1,253,900	1,982,980
<u>Short-term loans to subsidiaries</u>				
(Eliminated from consolidated financial statements)				
Thai Union International, Inc.	-	-	557,408	624,832
Thai Union Manufacturing Co., Ltd.	-	-	500,000	300,000
Songkla Canning Pcl.	-	-	200,000	200,000
Thai Union Graphic Co., Ltd.	-	-	12,000	22,000
Asian-Pacific Can Co., Ltd.	-	-	50,000	50,000
Total	-	-	1,319,408	1,196,832

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
<u>Long-term loans to subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Thai Union International, Inc.	-	-	2,795,889	2,568,755
Thai Union Manufacturing Co., Ltd.	-	-	2,123,460	2,082,774
Total	-	-	4,919,349	4,651,529
Less: Current portion				
Thai Union International, Inc.	-	-	(176,955)	(173,565)
Net	-	-	4,742,394	4,477,964
<u>Other current assets</u>				
<u>Interest receivable</u>				
(Eliminated from consolidated financial statements)				
Thai Union International, Inc.	-	-	29,675	30,376
Thai Union Manufacturing Co., Ltd.	-	-	8,245	7,533
Songkla Canning Pcl.	-	-	856	856
Thai Union Graphic Co., Ltd.	-	-	28	83
Asian-Pacific Can Co., Ltd.	-	-	106	179
Total	-	-	38,910	39,027
<u>Trade accounts payable - related companies</u>				
<u>Subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Thai Union Manufacturing Co., Ltd.	-	-	8,905	138,924
Asian-Pacific Can Co., Ltd.	-	-	132,632	122,785
Thai Union Graphic Co., Ltd.	-	-	9,900	9,779
T-Holding Co., Ltd.	-	-	7,294	14,446
Tri-Union Seafoods, LLC	-	-	2,513	835
Tri-Union Frozen Foods, LLC	-	-	882	-
Empress International, Ltd.	-	-	4,579	6,183
Thai Union Feedmill Co., Ltd.	-	-	391	5,362
Thai Union Seafood Co., Ltd.	-	-	682	13,918
Songkla Canning Pcl.	-	-	5,660	4
Total trade accounts payable - subsidiary companies	-	-	173,438	312,236
<u>Associated companies</u>				
Trade accounts payable - associated companies	1,507	1,170	37	101
<u>Related companies</u>				
Pae Ekawat	-	11,220	-	11,220
T.C. Union Global Pcl.	-	4,948	-	-
T.C. Union Agrotech Co., Ltd.	15,442	3,803	-	-
Ekawat Products Co., Ltd.	23,683	670	23,683	670
Pae Rungtiwa Boonmechote	1,725	2,123	1,725	2,123
Total trade accounts payable - related companies	40,850	22,764	25,408	14,013
Total	42,357	23,934	198,883	326,350

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
<u>Short-term loans from related parties</u>				
<u>Associated company</u>				
Biz Dimension Co., Ltd.	-	2,500	-	2,500
Total	-	2,500	-	2,500
<u>Short-term loans from director of subsidiary</u>				
Mr. Cheng Niruttinanon	-	109,746	-	-
<u>Accrued expenses</u>				
<u>Accrued interest</u>				
Biz Dimension Co., Ltd.	-	8	-	8
	-	8	-	8
<u>Others</u>				
Biz Dimension Co., Ltd.	96	140	-	-
Asia-Pacific Risk Consultants (Thailand) Co., Ltd.	6,187	35,231	3,920	15,678
Waithai Co., Ltd.	3,570	3,919	339	64
Thaipatana Stainless Steel Co., Ltd.	1,543	615	1,511	615
Hanhong Kanchang Registered Ordinary Partnership	430	3,208	430	2,802
Total	11,826	43,113	6,200	19,159
<u>Long-term loans from director of subsidiary</u>				
Mr. Cheng Niruttinanon	36,578	-	-	-

The movements of loans to/from related companies during the three-month period ended 31 March 2009 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				Balance as at 31 March 2009
	Balance as at 1 January 2009	During the period			
		Increase	Decrease	Revaluation	
<u>Short-term loans from related parties</u>					
Biz Dimension Co., Ltd.	2,500	-	(2,500)	-	-
<u>Short-term loans from director of subsidiary</u>					
Mr. Cheng Niruttinanon	109,746	-	(106,560)	(3,186)	-
<u>Long-term loans from director of subsidiary</u>					
Mr. Cheng Niruttinanon	-	36,578	-	-	36,578

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements				Balance as at 31 March 2009
	Balance as at 1 January 2009	During the period			
		Increase	Decrease	Revaluation	
<u>Short-term loans to subsidiaries</u>					
Thai Union International, Inc.	624,832	96,058	(217,750)	54,268	557,408
Thai Union Manufacturing Co., Ltd.	300,000	200,000	-	-	500,000
Songkla Canning Pcl.	200,000	-	-	-	200,000
Thai Union Seafood Co., Ltd.	-	200,600	(200,600)	-	-
Thai Union Feedmill Co., Ltd.	-	5,000	(5,000)	-	-
Thai Union Graphic Co., Ltd.	22,000	-	(10,000)	-	12,000
Asian-Pacific Can Co., Ltd.	50,000	-	-	-	50,000
	<u>1,196,832</u>	<u>501,658</u>	<u>(433,350)</u>	<u>54,268</u>	<u>1,319,408</u>
<u>Long-term loans to subsidiaries</u>					
Thai Union International, Inc.	2,568,755	165,750	-	61,384	2,795,889
Thai Union Manufacturing Co., Ltd.	2,082,774	-	-	40,686	2,123,460
	<u>4,651,529</u>	<u>165,750</u>	<u>-</u>	<u>102,070</u>	<u>4,919,349</u>
<u>Short-term loans from related parties</u>					
Songkla Canning Pcl.	-	451,200	(451,200)	-	-
Biz Dimension Co., Ltd.	2,500	-	(2,500)	-	-
	<u>2,500</u>	<u>451,200</u>	<u>(453,700)</u>	<u>-</u>	<u>-</u>

4. Inventory / allowance for diminution in value of inventory

As at 31 March 2009, three overseas subsidiaries have mortgaged the certain inventories of those companies to financial institutions to secure their credit facilities as mentioned in Note 10.

Movements in the allowance for diminution in value of inventory account during the three-month period ended 31 March 2009 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2009	325,332	17,864
Add: Allowance made during the period	94,981	2,145
Less: Allowance reversed during the period	(166,225)	(1,904)
Translation adjustment	3,304	-
Balance as at 31 March 2009	<u>257,392</u>	<u>18,105</u>

5. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows.

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage	
			31 March 2009	31 December 2008	31 March 2009	31 December 2008
					%	%
Songkla Canning Pcl.	Manufacturer & exporter of canned seafood	Thailand	Baht 360 million	Baht 360 million	90.44	90.44
Thai Union Manufacturing Co., Ltd.	Manufacturer & exporter of canned tuna and pet food	Thailand	Baht 300 million	Baht 300 million	90.08	90.08
Thai Union Seafood Co., Ltd.	Manufacturer & exporter of frozen shrimp	Thailand	Baht 250 million	Baht 250 million	51.00	51.00
T-Holding Co., Ltd.	Distributor	Thailand	Baht 70 million	Baht 70 million	90.00	90.00
Thai Union Numhong Co., Ltd.	Liquidation	Thailand	-	Baht 125 million	-	100.00
Thai Union Feedmill Co., Ltd.	Manufacturer & distributor of animal feeds	Thailand	Baht 300 million	Baht 300 million	51.00	51.00
Thai Union Graphic Co., Ltd.	Printing manufacturer	Thailand	Baht 40 million	Baht 40 million	74.00	74.00
Thai Union International, Inc. (TUI)	Holding company	USA	USD 8.1 million	USD 8.1 million	100.00	100.00
PT Juifa International Foods	Manufacturer & distributor of seafood	Indonesia	USD 2.7 million	USD 2.7 million	76.50	76.50

(Unit: Thousand Baht)

Company's name	Cost	
	31 March 2009	31 December 2008
<u>Investments in subsidiaries</u>		
Songkla Canning Pcl.	1,379,791	1,379,791
Thai Union Manufacturing Co., Ltd.	1,212,172	1,212,172
Thai Union Seafood Co., Ltd.	163,816	163,816
T-Holding Co., Ltd.	20,699	20,699
Thai Union Numhong Co., Ltd.	-	91,000
Thai Union Feedmill Co., Ltd.	153,000	153,000
Thai Union Graphic Co., Ltd.	45,331	45,331
Thai Union International, Inc.	325,771	325,771
PT Juifa International Foods	69,510	69,510
Total	3,370,090	3,461,090
Less: Allowance for loss on impairment of investments	(26,137)	(115,222)
Net	<u>3,343,953</u>	<u>3,345,868</u>

Thai Union Numhong Co., Ltd. has registered its dissolution with the Ministry of Commerce on 18 September 2008. Its liquidation was registered with the Ministry of Commerce on 6 January 2009.

(Unaudited but reviewed)

6. Investments in associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008
			%	%				
Investments in associates, directly held by the Company								
Lucky Union Foods Co., Ltd.	Manufacturer & exporter of crab sticks	Thailand	25.00	25.00	37,500	37,500	233,171	222,534
Biz Dimension Co., Ltd.	E-Commerce under website	Thailand	20.00	20.00	1,010	1,010	18,231	16,740
Investments in associates, directly held by subsidiary								
Century Trading (Shanghai) Co., Ltd. (50% held by Thai Union Manufacturing Co., Ltd.)	Importer & exporter of food products	The People's Republic of China	45.04	45.04	75,900	75,900	24,248	25,067
					114,410	114,410	275,650	264,341

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			31 March 2009	31 December 2008	31 March 2009	31 December 2008
			%	%		
Lucky Union Foods Co., Ltd.	Manufacturer & exporter of crab sticks	Thailand	25.00	25.00	37,500	37,500
Biz Dimension Co., Ltd.	E-Commerce under website	Thailand	20.00	20.00	1,010	1,010
					38,510	38,510

On 30 March 2009, a meeting of the Board of Directors of Thai Union Manufacturing Co., Ltd., its subsidiary, approved joint investment to set-up a new company, "TN Fine Chemicals Co., Ltd.". The purpose of the investment is to manufacture and export by-products from seafoods. This subsidiary invests 49 percent of its registered capital of Baht 90 million. In April 2009, the subsidiary paid Baht 22 million.

Investments in some associated companies were determined on the basis of financial information provided by those companies' management. These were unreviewed by their external auditors due to time constraints. However, the values of the investments in associated companies are immaterial.

(Unaudited but reviewed)

7. Other long-term investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 March 2009		31 December 2008	
	Cost	Fair value	Cost	Fair value
Other long-term investments				
Available-for-sale securities - Unit trusts	64,824	43,027	69,520	51,017
Unrealised loss on changes in the value of investments	(21,797)	-	(18,503)	-
Total available-for-sale securities	43,027	<u>43,027</u>	51,017	<u>51,017</u>
Other securities				
- Ordinary shares	51,774		51,470	
- Unit trust	100		100	
Total other long-term investments	<u>94,901</u>		<u>102,587</u>	

(Unit: Thousand Baht)

	Separate financial statements			
	31 March 2009		31 December 2008	
	Cost	Fair value	Cost	Fair value
Other long-term investments				
Available-for-sale securities - Unit trusts	5,025	4,570	5,025	4,551
Unrealised loss on changes in the value of investments	(455)	-	(474)	-
Total available-for-sales securities	4,570	<u>4,570</u>	4,551	<u>4,551</u>
Other securities - ordinary shares	34,579		34,579	
Total other long-term investments	<u>39,149</u>		<u>39,130</u>	

8. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2009 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2009	8,514,957	2,127,716
Acquisitions during period - at cost	429,719	136,597

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Disposals during period - net book value at disposal date	(1,137)	(138)
Depreciation for period	(254,711)	(67,805)
Transfer of asset to pay down debt	(3,394)	-
Translation adjustment	478	-
Net book value as at 31 March 2009	<u>8,685,912</u>	<u>2,196,370</u>

An overseas subsidiary has mortgaged the construction and machinery, with net book values totalling approximately USD 0.1 million (31 December 2008: USD 0.1 million), to financial institutions to secure their credit facilities, as mentioned in Note 10.

9. Intangible assets

(Unit: Million Baht)

	Consolidated financial statements					
	31 March 2009			31 December 2008		
	Cost	Accumulated amortisation	Net	Cost	Accumulated amortisation	Net
Copyrights	10	(1)	9	13	(3)	10
Trademarks	958	(305)	653	942	(301)	641
Patent	36	-	36	36	-	36
Customer relationships	151	(86)	65	147	(80)	67
Covenant not to compete	14	(14)	-	14	(14)	-
Total	<u>1,169</u>	<u>(406)</u>	<u>763</u>	<u>1,152</u>	<u>(398)</u>	<u>754</u>

10. Bank overdrafts and short-term loans from financial institutions

The Company entered into interest rate swap agreements for short-term loans from financial institution to hedge interest rate risk, as mentioned in Note 17.2.

(Unaudited but reviewed)

An overseas subsidiary entered into a revolving credit facility with Bank of America N.A.. The credit facility, which expires in 31 January 2010, provides for borrowings and issuance of letters of credit up to USD 30 million subject to limitations based on eligible accounts receivable and inventory and may be increased to USD 40 million under certain conditions. The issuance of letter of credit reduces the amount of borrowing capacity. Borrowings under the credit facility bear interest, at the subsidiary's option, at LIBOR plus a margin of 1.25% per annum or the bank's prime rate less 0.25% per annum, subject to quarterly adjustment. An unused line fee is charged at 0.25% per annum, subject to adjustment, on the average daily unused portion of the credit facility. The credit facility is secured by accounts receivable and inventory of the subsidiary. As at 31 March 2009, the balance under this facility was USD 17 million at interest rate between 2.06% to 3.0% per annum and actual unused availability based upon substantially all of collateralised assets was approximately USD 12 million. The subsidiary is subject to certain financial covenants including interest coverage ratio and leverage coverage ratio and others. As at 31 March 2009, the subsidiary determined it was not in compliance with the interest coverage ratio covenant. The Company has committed to provide any necessary funds to replace, in full, any bank debt which may be required to be repaid due to any covenant related default through at least 1 April 2010.

Tri-Union Seafoods, LLC (Tri-U) entered into a revolving credit facility with Bank of America N.A. The credit facility, which expires on 31 October 2009, provides for borrowings and the issuance of letters of credit up to USD 60 million subject to limitations based on eligible accounts receivable and inventory and may be increased to USD 70 million under certain conditions. The issuance of letters of credit reduces the amount of borrowing capacity. Borrowings under the credit facility bear interest, at Tri-U's option, at LIBOR plus a margin of 1.5% per annum or LIBOR plus a margin of 1.75% per annum or the bank's prime rate plus 0.25% per annum, subject to quarterly adjustment. An unused line fee is charged at 0.25% or 0.375% per annum, subject to adjustment, on the average daily unused portion of the credit facility. The credit facility is secured by accounts receivable and inventory of Tri-U. As at 31 March 2009, the balance under the credit facility was USD 57 million with interest rates of 2.06% per annum and actual unused availability was approximately USD 1 million. Tri-U is subject to certain financial covenants including an interest coverage ratio and leverage ratio and others. Tri-U determined it was in compliance with all of these covenants as of 31 March 2009.

(Unaudited but reviewed)

Tri-Union Frozen Foods, LLC (TUFF) entered into a USD 30 million revolving line of credit facility with Rabobank International, for advances up to 90 days and for the issuance of commercial letters of credit of up to 364 days. The issuance of letters of credit reduces the borrowing capacity. Borrowings under the credit agreement bear interest cost of funds (as defined in the facility) plus a margin of 2.5% per annum or the bank's prime rate depending on subsidiary's option. Advances under the facility are subject to limitations based on inventory and accounts receivable levels. The agreement remains in effect until terminated by either party with written notice of termination to the other. The facility is guaranteed by the Company and collateralised by TUFF's assets. As of 31 March 2009, the amount outstanding under the TUFF facility was USD 21.3 million with interest at rates ranging from 2.90% to 5.45% per annum. The subsidiary was contingently liable to open letters of credit issued under this facility totally USD 1.2 million, and actual unused availability was approximately USD 7.5 million.

TUFF is required to maintain certain financial covenants including a working capital ratio, and ratio of total liabilities to tangible net worth and other covenants. As of 31 March 2009, the subsidiary determined it was in compliance with these covenants.

11. Long-term loans

Long-term loans as at 31 March 2009 and 31 December 2008 consist of:

	(Unit: Million Baht)	
	Consolidated financial statements	
	31 March 2009	31 December 2008
USD loans	129	165
Baht loans	1,449	1,477
Total	1,578	1,642
Less: Current portion	(227)	(226)
Net	1,351	1,416

(Unaudited but reviewed)

Movements in the long-term loan account during the three-month period ended 31 March 2009 are summarised below.

	(Unit: Million Baht) Consolidated financial statements
Balance as at 1 January 2009	1,642
Less: Repayment	(67)
Less: Unrealised exchange loss	3
Balance as at 31 March 2009	<u>1,578</u>

On 21 July 2003, an overseas subsidiary entered into an agreement to borrow a total of USD 10 million from Standard Chartered Bank for use in the acquisition of Empress. Interest is charged at SIBOR plus 0.93% per annum, payable quarterly commencing from October 2003. Principal is to be repaid every six months commencing in July 2006. The Company has guaranteed repayment.

During the third quarter of 2006, a local subsidiary entered into two loan agreements amounting to Baht 150 million from two local financial institutions, carrying interest at MLR minus 1.25% per annum and MLR minus 1.00% per annum. These loans are to be repaid within year 2010 and have been guaranteed by a local subsidiary. As at 31 March 2009, the balance of this loan is Baht 112.5 million.

During the second quarter of 2007, a local subsidiary drew Baht 380 million of two loan agreements from a local financial institution, carrying interest at 4.85% per annum, and THBFIX plus 0.5% per annum. These loans are to be repaid within year 2012. As at 31 March 2009, the balance of this loan is Baht 246.8 million.

During the third quarter of 2007, a local subsidiary entered into a 7-year loan agreement amounting to Baht 1,190 million with a local financial institution. The loan carries interest at THBFIX plus 0.39% per annum and is to be repaid in semi-annually installments, the first of which will be due in January 2011. The loan contains covenants relating to various matters stipulated in the agreement. However, during 2008, the above subsidiary had repaid principal amount of Baht 100 million. As at 31 March 2009, the balance of this loan is Baht 1,090 million.

12. Debentures

On 26 October 2005, a meeting of the Company's Board of Directors approved the issuance of debentures of the Company and/or its subsidiary companies in an amount of up to Baht 8,500 million or the equivalent in another currency, for the purposes of refinancing debt and future expansion. Such debentures may be offered to the public and/or institutional investors and/or local and/or foreign investors.

On 7 June 2007, the Company issued Baht 3,200 million (3,200,000 units of debentures of Baht 1,000 each) of registered, unsubordinated, unsecured debentures with no trustee, with interest rate at 3.91% per annum and the redemption in full is in June 2011.

On 12 November 2008, the Company issued the 2-year debentures of Baht 1,500 million (1,500,000 units of debentures of Baht 1,000 each) of registered, unsubordinated, unsecured debentures with no trustee, with interest rate at 4.7% per annum and the 5-year debentures of Baht 500 million (500,000 units of debentures of Baht 1,000 each) of registered, unsubordinated, unsecured debentures with no trustee, with interest rate at 5.5% per annum.

The debentures contain covenants relating to various matters such as the maintenance of debt to shareholders' equity ratio and interest cover ratio, and certain conditions in issuance of debentures agreements, for example, annual dividend payment in the form of cash exceeding 60 percent of net income of the year is prohibited, etc.

13. Corporate income tax/deferred tax assets (liabilities)

Corporate income tax of the Company and local subsidiaries has been calculated on the income from the non-promoted activities after adding back certain provisions and expenses which are disallowable for tax computation purposes.

Corporate income tax of the overseas subsidiaries has been calculated by applying the federal statutory rate.

(Unaudited but reviewed)

Corporate income tax of the Company and subsidiaries for the three-month periods ended 31 March 2009 and 2008 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March			
	2009	2008	2009	2008
Income tax on taxable income	95,525	32,516	17,466	14,569
Translation adjustment	(7,197)	7,742	-	-
Expense (income) in deferred income tax	7,840	29,575	(41)	1,966
Income tax as included in income statements	<u>96,168</u>	<u>69,833</u>	<u>17,425</u>	<u>16,535</u>

The components of deferred tax assets as presented in balance sheets consist of:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2009	2008	2009	2008
Tax losses brought forward	277,093	272,188	-	-
Tax effect of non-deductible expenses				
Allowance for doubtful accounts	10,641	10,822	179	179
Allowance for devaluation in the value of inventories	4,951	13,986	1,545	1,504
Other allowance	11,285	11,304	9,351	9,351
Accrued liabilities	255,723	251,194	-	-
Inventory cost capitalisation	93,010	91,362	-	-
Total	<u>652,703</u>	<u>650,856</u>	<u>11,075</u>	<u>11,034</u>

As at 31 March 2009, a local subsidiary has deferred tax liabilities amounting to Baht 46.6 million (31 December 2008: Baht 48.1 million) and overseas subsidiaries have deferred tax liabilities amounting to Baht 249.0 million or USD 7.0 million (31 December 2008: Baht 245.1 million or USD 7.0 million).

(Unaudited but reviewed)

14. Reconciliation of diluted earnings per share

For the three-month periods ended 31 March									
				Weighted average		Earnings per share			
Consolidated financial statements		Separate financial statements		number of ordinary shares		Consolidated financial statements		Separate financial statements	
2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Million Baht	Million Baht	Million Baht	Million Baht	Million share	Million shares	Baht	Baht	Baht	Baht
Basic earnings per share									
Net income attributable to equity holders of the parent									
653.0	578.0	188.4	297.0	883.2	874.1	0.74	0.66	0.21	0.34
Dilutive effect of warrants conversion									
-	-	-	-	-	2.5				
Diluted earnings per share									
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares									
653.0	578.0	188.4	297.0	883.2	876.6	0.74	0.66	0.21	0.34

15. Financial information by segment

Except for an overseas subsidiary of which the principal business activity is overseas investments, the operations of the Company and its subsidiaries principally involve the production, distribution and export of frozen seafood products, and these activities are carried out in Thailand and overseas. Their income comes from both local and export sales. Financial information of the Company and its subsidiaries presented by business segment for the three-month periods ended 31 March 2009 and 2008 is as follows:

(Unit: Million Baht)										
For the three-month periods ended 31 March										
Frozen and canned food products		Other businesses		Total		Elimination		Grand total		
2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	
Sales										
- Local	700	748	1,956	2,130	2,656	2,878	(1,109)	(1,587)	1,547	1,291
- Export	17,670	15,424	95	169	17,765	15,593	(1,646)	(1,468)	16,119	14,125
Total sales	18,370	16,172	2,051	2,299	20,421	18,471	(2,755)	(3,055)	17,666	15,416
Segment operating income	747	584	209	270	956	854	27	3	983	858
Unallocated income (expenses):										
Interest income									5	-
Administrative expenses									-	(1)
Share of loss (income) from investments in associates									11	(1)

(Unaudited but reviewed)

Financial cost	(169)	(152)
Corporate income tax	(96)	(70)
Net income of minority interest	<u>(81)</u>	<u>(56)</u>
Net income attributable to equity holders of the parent	<u>653</u>	<u>578</u>

(Unaudited but reviewed)

Financial information of the Company and its subsidiaries presented by geographical segment for the three-month periods ended 31 March 2009 and 2008 is as follows:

(Unit: Million Baht)

		For the three-month periods ended 31 March									
		Thailand		Overseas		Total		Elimination		Grand total	
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Sales											
- Frozen and canned											
food products		10,040	9,118	8,330	7,054	18,370	16,172	(1,765)	(1,867)	16,605	14,305
- Other businesses		2,051	2,299	-	-	2,051	2,299	(990)	(1,188)	1,061	1,111
Total sales		12,091	11,417	8,330	7,054	20,421	18,471	(2,755)	(3,055)	17,666	15,416
Segment	operating										
income										983	858

16. Commitments

As at 31 March 2009, the Company and its subsidiaries have the following commitments:

- a) The Company and its subsidiaries have the commitments under the following agreements:

	Payable within			
	Less than 1 year	1 - 5 years	More than 5 years	Total
Office rental and service agreements	Baht 25.4 million USD 0.07 million	Baht 46.2 million USD 0.01 million	Baht 10.5 million -	Baht 82.1 million USD 0.08 million
Land lease agreements	Baht 0.9 million USD 2.8 million	Baht 3.7 million USD 5.6 million	Baht 5.5 million USD 0.7 million	Baht 10.1 million USD 9.1 million
Car lease agreements	Baht 3.2 million	Baht 1.1 million	-	Baht 4.3 million
Machinery and equipment lease agreements	Baht 9.3 million USD 0.05 million	- USD 0.27 million	-	Baht 9.3 million USD 0.32 million
Warehouse and factory construction agreements	Baht 43.7 million	Baht 6.6 million	-	Baht 50.3 million
Purchase machinery and equipment agreements	Baht 166.2 million USD 1.9 million JPY 4.6 million	-	-	Baht 166.2 million USD 1.9 million JPY 4.6 million
Advertising agreements	Baht 14.4 million	-	-	Baht 14.4 million
Communication agreements	Baht 0.7 million	Baht 2.9 million	-	Baht 3.6 million
Computer and copy machine lease agreements	Baht 1.4 million	Baht 1.4 million	-	Baht 2.8 million

- b) The Company and its subsidiaries are committed to pay the uncalled portions of their investments as follows:

	Amount
The local subsidiaries	Baht 406.5 million
The overseas subsidiary	USD 1.9 million

(Unaudited but reviewed)

The overseas associated companies USD 2.3 million

- c) The overseas subsidiary has agreed to make payments under royalty agreements for the use of certain production machinery and equipment. The agreements require fixed payments plus an additional sum based on output. Total payments made under these arrangements for the three-month periods ended 31 March 2009 amounting to USD 0.1 million.
- d) Purchase commitments of the overseas subsidiaries
- TUI entered into contracts with independent fishing vessel operators to guarantee the supply of raw tuna. These contracts generally provide for the purchase of all fish caught by the respective vessel at the United Tuna Cooperative price and are renewable each year. Fish purchased under the terms of these contracts approximated 24% of total raw fish purchased for the three-month period ended 31 March 2009.
 - In order to ensure procurement of frozen seafood, primarily shrimp products, from certain suppliers, Empress has entered into various purchase agreements with them ranging in length from one to four years. These agreements typically require either the purchase of a minimum amount of product during the year, or they require the company to purchase a portion, or in certain cases all, of the selected products produced by the supplier. The overseas subsidiary considers these agreements necessary to maintain a consistent supply of quality products and believes these commitments are within the normal requirements of the business. These purchase commitments have represented approximately 5 - 10% of total inventory purchases by Empress.
 - Tri-U entered into an agreement with a vendor to supply cans and ends to Tri-U's American Samoa facility. This agreement expires on 31 December 2010. The overseas subsidiary is required to purchase a minimum quantity of cans and ends per year from the vendor, or the vendor may terminate the agreement with 18 months prior written notice. The price for cans and ends purchased through this agreement is variable within a range based on the quantity purchased by the overseas subsidiary. Either the overseas subsidiary or the vendor may elect to terminate the agreement with 18 months prior written notice at any time after June 2009.

(Unaudited but reviewed)

- Tri-U has a transportation contract with a freight carrier in which Tri-U agrees to transport a minimum amount of containers to and from American Samoa per calendar year. This agreement is in effect until 15 November 2009. Rates vary based on the contents of each shipment.

e) Co-Pack agreement

During the year 2007, TUI renewed co-pack agreement with a third party whereby it supplies canned tuna products in compliance with the third party's specifications. The agreement is automatically renewed in one-year extension indefinitely, unless either party gives the other party twelve months' written notice of termination. The third party supplies the raw materials, and the overseas subsidiary is reimbursed for production costs. In connection with the agreement, the third party provided equipment which the overseas subsidiary installed in its facility and which it uses for its own production as well as for that under the co-pack agreement. The amount paid for the lease of the equipment is based on production and the Company has the option to purchase the equipment upon termination of the agreement for cost plus interest, less lease payments previously made.

17. Contingent liabilities

17.1 Forward foreign exchange contracts

Significant forward exchange contracts outstanding are summarised below.

Foreign currency	Bought amount	Sold amount	Contractual exchange rate	
			Bought	Sold
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
<u>As at 31 March 2009</u>				
<u>The Company</u>				
US dollar	9	211	33.15 - 35.98	32.18 - 43.00
Japanese yen	-	240	-	0.3645 - 0.3872
Euro	6	1	44.56 - 49.03	46.14 - 49.68
<u>Subsidiaries</u>				
US dollar	10	112	33.30 - 36.22	31.78 - 36.26
Euro	-	1	-	46.21 - 49.68

(Unaudited but reviewed)

As at 31 March 2009, the Company and its subsidiaries have outstanding option agreements with special conditions with a financial institution under which they have obligations to buy amounts of between USD 45 million to USD 60 million, depending on conditions stipulated in the agreements, at rates ranging from Baht 33.22 to Baht 35.80 per USD 1. These agreements will terminate within June 2009.

As at 31 March 2009, the Company and its subsidiaries have outstanding option agreements with special conditions with a financial institution under which they have obligations to sell amounts of between 30 million to USD 45 million, depending on conditions stipulated in the agreements, at rates Baht 33.22 per USD 1. These agreements will terminate within June 2009.

17.2 Interest rate swap transaction agreements

Interest rate swap agreements

The Company

	Principal amount	Interest Revenue Rate Swap agreements	Interest Expense Rate Swap agreements	Terminal date
1	USD 90 million	Float rate 3-month LIBOR plus 0.47 %	Fixed rate 3.81 - 3.94%	June 2011
2	USD 30 million	Fixed rate 3.94% as stipulated in the agreement	Float rate 3-month LIBOR plus 0.47% (7 Mar 08 to 7 Mar 09) Fixed rate 3.29% (7 Mar 09 to 7 Jun 11)	June 2011
3	USD 20 million	Float rate 3-month LIBOR plus 0.65 %	Float rate 3-month LIBOR minus 0.105 % plus stipulated rate in the agreement	January 2011

Subsidiaries

	Principal amount	Interest Revenue Rate Swap agreements	Interest Expense Rate Swap agreements	Terminal date
1	USD 10 million	Fixed rate 3.00 %	Fixed rate 4.00 %	2010
2	USD 10 million (To convert contract 1)	Fixed rate 4.00 %	Fixed rate 3.00 %	2010
3	USD 40 million	Float rate 1-month LIBOR	Fixed rate 3.56 %	January 2011
4	USD 10 million	Float rate 1-month LIBOR	Fixed rate 3.07 %	January 2011
5	Baht 200 million	Float rate 3-month THBFIX	Fixed rate 3.32%	February 2010
6	Baht 100 million	Fixed rate 5.12%	Float rate 3-month THBFIX	February 2010
7	Baht 300 million	Float rate 3-month THBFIX	Fixed rate 3.98%	August 2010

Cross currency swap agreements

The Company

	Currency and Interest Revenue Rate Swap agreements		Currency and Interest Expense Rate Swap agreements		Terminal date
	Principal amount	Interest rate	Principal amount	Interest rate	
1	Baht 3,114 million	Fixed rate 3.91%	USD 90 million	Float rate 3-month LIBOR plus 0.47%	June 2011
2	Baht 1,561.8 million	Float rate 3-month THBFIX	USD 47 million	Fixed rate 3.58% to 4.4086%	July 2010 to July 2012
3	Baht 484.9 million	Fixed rate 5.00%	USD 13.75 million	Float rate 3-month LIBOR plus 2.36% to 3.245%	December 2009

17.3 Others

- a) In connection with TUI's production facilities in American Samoa, TUI may become obligated to remove its improvements and installations of property and equipment upon expiration of its lease agreement with the American Samoa Government, which expires on 30 September 2013. TUI has not recognised a liability related to the asset retirement obligations because TUI lacks sufficient information to reasonably estimate the fair value.
- b) The Office of the Attorney General of a US state filed a lawsuit against the three largest canned tuna companies in the US, including TUI, for failure to warn consumers that certain tuna contains mercury. TUI and the other producers have agreed to provide indemnification for related damages. However, on 10 May 2006 a decision was issued in the tuna companies' favor on all issues contained in the lawsuit. The Office of Attorney General of a US state filed an objection to the decision, but on 29 September 2006, the Superior Court of this state rendered its decision that the objections raised were without merit. However, on 18 January 2007 the Office of Attorney General of the state filed notice of appeal, and a decision on the appeal is pending.
- c) Other states in the US have filed similar suits against TUI, for failure to warn consumers of the potential health hazards of mercury in tuna. On 13 January 2009, TUI filed a petition with the U.S. Supreme Court. TUI is presently unable to estimate the amount of any damages.
- d) In March 2008, the US Department of Commerce announced a preliminary anti-dumping (AD) rate for the Company and its subsidiary's shrimp exports to

(Unaudited but reviewed)

the US for the period of 1 February 2006 to 31 January 2007 from a rate of 5.95% (average rate of Thailand) to 15.3%. The Company and its subsidiary will pay AD USD 7.9 million for that period and the Company and its subsidiary have not recorded this amount in the accounts since the announcement is preliminary and not a final announcement. The Company has appointed a lawyer in US to negotiate with the US Department of Commerce. In September 2008, the announcement is finalised at a rate of 2.85% for the Company and its subsidiary. The Company and its subsidiary will receive the different amount. However, the management of the Company and its subsidiary have not recorded this amount because it is in the process of refunding.

18. Guarantees

- a) The Company's board of directors approved the issuance of corporate guarantees of USD 33.4 million (31 December 2008: USD 34.5 million) to several financial institutions to secure credit facilities of its subsidiaries and their loans.
- b) As at 31 March 2009, there were outstanding bank guarantees of approximately Baht 41.4 million (31 December 2008: Baht 40.9 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.
- c) As at 31 March 2009, there were outstanding bank guarantees of approximately Baht 114.1 million (31 December 2008: Baht 87.0 million) issued by banks on behalf of the subsidiaries in respect of certain performance bonds as required in the normal course of businesses.

(Unaudited but reviewed)

19. Financial instruments

The following is a summary of significant unhedged foreign currency-denominated assets and liabilities as at 31 March 2009.

(Unit: Thousand)

Foreign currency	Consolidated financial statements		Separate financial statements	
	Assets	Liabilities	Assets	Liabilities
US dollar	18,961	12,886	4,487	6,911
Japanese yen	-	881,739	-	652,927
Euro	-	318	-	-
Singapore dollar	-	2,756	-	-

20. Subsequent event

On 9 April 2009, the Annual General Meeting of Shareholders passed resolution approving the payment of dividend of Baht 0.70 per share from its income for the period of 1 July 2008 to 31 December 2008 to the Company's shareholders, totaling Baht 618 million and will be paid on 22 April 2009.

21. Approval of interim financial statements

These interim financial statements were authorised for issue by the Audit Committee and the Company's management on 30 April 2009.