

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARY COMPANIES
REVIEW REPORT AND INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007

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 subsidiary companies as at 30 September 2007, the related consolidated statements of income for the three-month and nine-month periods ended 30 September 2007 and 2006, and the consolidated statements of changes in shareholders' equity, and cash flows for the nine-month periods ended 30 September 2007 and 2006, 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 Company's management 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 subsidiary companies, Thai Union International, Inc. and its subsidiary companies and PT Juifa International Foods, which are included in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2007. The consolidated financial statements of these subsidiary companies as at 30 September 2007 presented total assets of Baht 11,968 million and total revenues for the three-month and nine-month periods then ended of Baht 6,703 million and Baht 19,774 million, respectively. The financial statements of these subsidiary companies 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 subsidiary companies 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 provides 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.

I have previously audited the consolidated financial statements of Thai Union Frozen Products Public Company Limited and its subsidiary companies, and the separate financial statements of Thai Union Frozen Products Public Company Limited for the year ended 31 December 2006 in accordance with generally accepted auditing standards, and expressed an unqualified opinion on those statements, based on my audit and the reports of the other auditors of the overseas subsidiary companies, under my report dated 22 February 2007. The consolidated and separate balance sheet as at 31 December 2006, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report, except for the Company's restatement of these financial statements for the period of 2006 to reflect the change in accounting policy for recording investments in subsidiary and associated companies in the separate financial statements from the equity method to the cost method, and the changes in differing accounting policies of the Company and its subsidiary companies in the consolidated financial statements, as described in Note 2 to the financial statements. In my opinion, the adjustments made for the preparation of such statements are appropriate and have been properly applied.

Sophon Permsirivallop

Certified Public Accountant (Thailand) No. 3182

Ernst & Young Office Limited

Bangkok: 9 November 2007

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS

AS AT 30 SEPTEMBER 2007 AND 31 DECEMBER 2006

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2007	31 December 2006	30 September 2007	31 December 2006
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Assets					
Current assets					
Cash and cash equivalents		264,866	365,142	22,547	3,819
Trade accounts receivable	3				
Related companies	4	41,992	19,641	1,118,321	901,668
Others		5,691,318	5,324,993	848,585	705,021
Total trade accounts receivable		5,733,310	5,344,634	1,966,906	1,606,689
Less: Allowance for doubtful accounts		(160,802)	(129,404)	(717)	(432)
Trade accounts receivable - net		5,572,508	5,215,230	1,966,189	1,606,257
Short-term loans to subsidiary companies	4	-	-	51,142	521,660
Short-term loans to associated company	4	1,000	-	-	-
Short-term loans to other companies		4,484	33,780	-	-
Current portion of long-term loan to subsidiary company	4	-	-	324,347	-
Inventories - net	5	14,425,514	12,082,776	2,636,688	2,267,719
Other current assets					
Prepaid expenses		87,325	144,175	8,627	10,354
Prepaid income tax		185,035	195,597	52,027	44,369
Spareparts		130,691	126,334	11,700	11,218
Advance payments		26,805	25,739	7,943	860
Current portion of forward exchange contracts receivables		25,934	77,663	7,102	33,636
Value added tax refundable		122,837	118,895	65,597	50,365
Others	4	94,280	50,504	75,448	32,168
Total other current assets		672,907	738,907	228,444	182,970
Total current assets		20,941,279	18,435,835	5,229,357	4,582,425

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

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS (Continued)

AS AT 30 SEPTEMBER 2007 AND 31 DECEMBER 2006

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2007	31 December 2006	30 September 2007	31 December 2006
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Non-current assets					
Restricted deposits with financial institutions		669	442	-	-
Investment - net	6				
Subsidiary companies		-	-	3,325,408	3,340,522
Associated companies		281,320	242,194	43,560	43,560
Total investments - net		281,320	242,194	3,368,968	3,384,082
Long-term investments	7	70,825	72,231	4,564	4,654
Long-term loans to subsidiary companies					
- net of current portion	4	-	-	4,421,363	4,984,554
Long-term loans to other company		16,667	18,750	-	-
Property, plant and equipment - net	8	7,745,536	6,054,203	1,621,107	1,514,579
Properties foreclosed - net		51,653	65,940	51,653	65,940
Leasehold rights - net		17,727	18,531	-	-
Intangible assets - net	9	753,510	844,790	-	-
Goodwill - net		200,682	224,599	-	-
Deferred tax assets	13	353,732	366,950	18,633	15,181
Other non-current assets		587,061	455,987	440,531	325,392
Total non-current assets		10,079,382	8,364,617	9,926,819	10,294,382
Total assets		31,020,661	26,800,452	15,156,176	14,876,807

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

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS (Continued)

AS AT 30 SEPTEMBER 2007 AND 31 DECEMBER 2006

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2007	31 December 2006	30 September 2007	31 December 2006
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	10	7,175,124	5,277,391	1,909,108	1,539,032
Trade accounts payable					
Related companies	4	104,241	21,553	241,216	243,845
Others		2,450,268	2,110,726	678,211	494,735
Total trade accounts payable		2,554,509	2,132,279	919,427	738,580
Current portion of long-term loans	11	166,880	91,800	-	-
Short-term loans from subsidiary company	4	-	-	136,100	829,600
Short-term loans from shareholders of subsidiary companies	4	30,000	123,100	-	-
Other current liabilities					
Corporate income tax payable		68,462	51,067	17,026	-
Accrued expenses	4	587,697	428,245	176,220	124,397
Accounts payable - construction and asset purchase		163,536	45,574	24,139	26,600
Billback		213,187	224,239	-	-
Others		552,992	572,289	175,662	119,959
Total other current liabilities		1,585,874	1,321,414	393,047	270,956
Total current liabilities		11,512,387	8,945,984	3,357,682	3,378,168
Non-current liabilities					
Long-term loans from shareholders of subsidiary company	4	34,599	-	-	-
Long-term loans - net of current portion	11	1,775,157	3,630,691	-	3,260,772
Debentures	12	3,200,000	-	3,200,000	-
Deferred tax liabilities	13	277,866	286,564	-	-
Other non-current liabilities		123,682	169,277	29,451	39,724
Total non-current liabilities		5,411,304	4,086,532	3,229,451	3,300,496
Total liabilities		16,923,691	13,032,516	6,587,133	6,678,664

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

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

BALANCE SHEETS (Continued)

AS AT 30 SEPTEMBER 2007 AND 31 DECEMBER 2006

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 September 2007</u>	<u>31 December 2006</u>	<u>30 September 2007</u>	<u>31 December 2006</u>
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
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					
878,794,950 ordinary shares of Baht 1 each	14				
(31 December 2006: 874,055,950 ordinary shares of Baht 1 each)		878,795	874,056	878,795	874,056
Premium on shares capital		4,481,688	4,411,978	4,481,688	4,411,978
Unrealised loss on changes in the value of investments	7	(3,492)	(2,086)	(461)	(371)
Provision for changes in the value of pension fund		(22,614)	(23,790)	-	-
Currency translation differences		(59,076)	(11,968)	-	-
Retained earnings					
Appropriated - statutory reserve		89,000	89,000	89,000	89,000
Unappropriated		7,278,392	6,975,830	3,120,021	2,823,480
Equity attributable to the Company's shareholders		12,642,693	12,313,020	8,569,043	8,198,143
Minority interest - equity attributable to minority shareholders of subsidiary companies		1,454,277	1,454,916	-	-
Total shareholders' equity		14,096,970	13,767,936	8,569,043	8,198,143
Total liabilities and shareholders' equity		31,020,661	26,800,452	15,156,176	14,876,807
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The accompanying notes are an integral part of the financial statements.

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DIRECTORS
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(UNAUDITED BUT REVIEWED)

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

INCOME STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006 (Restated)	2007	2006 (Restated)
Revenues				
Sales	13,723,637	14,635,924	3,805,438	3,442,635
Other income				
Interest income	3,236	1,697	88,406	98,551
Dividend income	-	-	317,485	338,942
Compensation from accounts payable	290	4,198	200	1,481
Tax coupon received	17,480	13,393	2,460	2,069
Exchange gains	6,919	48,397	5,393	18,150
Others	40,499	42,928	13,668	12,397
Total other income	68,424	110,613	427,612	471,590
Share of profit of associated companies accounted for under the equity method	1,911	3,963	-	-
Total revenues	13,793,972	14,750,500	4,233,050	3,914,225
Expenses				
Cost of sales	11,883,691	12,282,248	3,360,675	3,013,845
Selling and administrative expenses	1,228,672	1,440,363	251,861	291,966
Other expenses	979	1,054	343	74
Total expenses	13,113,342	13,723,665	3,612,879	3,305,885
Income before interest expense, income tax and minority interest	680,630	1,026,835	620,171	608,340
Interest expense	(145,607)	(154,782)	(62,941)	(92,620)
Corporate income tax (Note 13)	(58,701)	(107,114)	(17,208)	(11,876)
Income after corporate income tax	476,322	764,939	540,022	503,844
Net income of minority interest	(53,952)	(129,583)	-	-
Net income for the period	422,370	635,356	540,022	503,844
				(Unit: Baht)
Basic earnings per share (Note 15)				
Net income	0.48	0.73	0.61	0.58
Diluted earnings per share (Note 15)				
Net income	0.48	0.72	0.61	0.57

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

(UNAUDITED BUT REVIEWED)

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

INCOME STATEMENTS

FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006 (Restated)	2007	2006 (Restated)
Revenues				
Sales	40,253,532	41,543,001	10,021,370	9,785,487
Other income				
Interest income	12,681	2,495	270,618	235,849
Dividend income	215	90	821,451	744,434
Compensation from accounts payable	57,978	59,190	30,922	29,113
Tax coupon received	66,379	39,583	11,654	2,013
Exchange gains	144,323	42,666	79,887	14,453
Others	146,144	166,906	45,081	36,981
Total other income	427,720	310,930	1,259,613	1,062,843
Share of profit of associated companies accounted for under the equity method	5,567	17,849	-	-
Total revenues	40,686,819	41,871,780	11,280,983	10,848,330
Expenses				
Cost of sales	34,738,387	35,138,769	8,912,130	8,670,763
Selling and administrative expenses	3,794,086	4,475,223	733,349	896,297
Other expenses	3,052	4,381	723	400
Total expenses	38,535,525	39,618,373	9,646,202	9,567,460
Income before interest expense, income tax and minority interest	2,151,294	2,253,407	1,634,781	1,280,870
Interest expense	(408,750)	(439,748)	(205,230)	(195,789)
Corporate income tax (Note 13)	(206,679)	(163,324)	(55,314)	(14,826)
Income after corporate income tax	1,535,865	1,650,335	1,374,237	1,070,255
Net income of minority interest	(155,607)	(258,878)	-	-
Net income for the period	1,380,258	1,391,457	1,374,237	1,070,255
				(Unit: Baht)
Basic earnings per share (Note 15)				
Net income	1.58	1.60	1.57	1.23
Diluted earnings per share (Note 15)				
Net income	1.57	1.59	1.56	1.22

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

(UNAUDITED BUT REVIEWED)

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006 (Restated)	2007	2006 (Restated)
Cash flows from operating activities				
Net income for the period	1,380,258	1,391,457	1,374,237	1,070,255
Adjustments to reconcile net income to net cash provided by (used in) operating activities				
Net income of minority interest in subsidiary companies	155,607	258,878	-	-
	1,535,865	1,650,335	1,374,237	1,070,255
Adjustment for:				
Depreciation and amortisation	696,658	690,680	151,253	148,165
Amortisation of premium/discount from forward contracts	3,552	(5,657)	9,254	(2,170)
Share of profit of associated companies accounted for under the equity method	(5,567)	(17,849)	-	-
Gain on sale of investment in subsidiary company	-	(1,568)	-	-
Gain on disposal / write-off of assets	(4,306)	(3,485)	(544)	(487)
Loss on disposal of properties foreclosed	11,077	3,600	11,077	3,600
Loss on impairment of assets (reversal)	(52)	10,000	-	10,000
Deferred income tax (Note 13)	(1,050)	24,670	(3,452)	(364)
Unrealised exchange (gain) loss	21,609	(296,822)	(12,076)	(12,251)
Allowance for doubtful accounts	32,221	45,367	285	-
Allowance for diminution in value of inventories (reversal)	35,090	(8,965)	34,179	(7,656)
Income from operating activities before change in operating assets and liabilities	2,325,097	2,090,306	1,564,213	1,209,092
Decrease (increase) in operating assets				
Trade accounts receivable	(499,835)	(187,090)	(358,802)	235,331
Inventories	(2,708,122)	(1,172,556)	(405,035)	57,260
Other current assets	29,111	17,343	(58,910)	(72,359)
Other non-current assets	(15,798)	15,160	137	(4,221)
Increase (decrease) in operating liabilities				
Trade accounts payable	463,458	(78,793)	184,463	(59,055)
Other current liabilities	127,846	49,241	109,523	191,838
Other non-current liabilities	(8,275)	3,137	(3,486)	7,627
Net cash from (used in) operating activities	(286,518)	736,748	1,032,103	1,565,513

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

(UNAUDITED BUT REVIEWED)

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006 (Restated)	2007	2006 (Restated)
Cash flows from investing activities				
Increase in restricted deposits with financial institutions	(227)	-	-	-
Cash paid for purchase of investment in subsidiary company	-	(105,193)	-	(110,064)
Acquisition of property, plant and equipment	(2,238,298)	(817,530)	(260,483)	(169,202)
Proceeds from disposal of property, plant and equipment	11,600	51,882	785	2,663
Proceeds from disposal of properties foreclosed	3,209	300	3,209	300
Decrease in short-term loans to subsidiary companies	-	-	468,800	-
Increase in short-term loans to associated company	(1,000)	-	-	-
Decrease (increase) in short-term loans to other companies	29,295	(1,446)	-	-
Increase in long-term loan to subsidiary company	-	-	-	(3,600,451)
Proceed from sale of investment	-	2,010	-	-
Proceed from sale of investments in associated company	-	3,671	-	-
Proceeds from return of capital of subsidiary company	-	-	35,514	-
Increase in investments in subsidiary company	-	-	(20,400)	-
Increase in investments in associated company	(34,850)	-	-	-
Acquisitions of intangible assets	(3,631)	(150)	-	-
Acquisitions of leasehold rights	(334)	-	-	-
Increase in accrued dividend income from subsidiary company	-	-	-	(30,600)
Dividend received (Note 4)	-	18,750	-	-
Net cash from (used in) investing activities	(2,234,236)	(847,706)	227,425	(3,907,354)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	2,024,164	185,255	369,947	(408,660)
Increase (decrease) in short-term loans from subsidiary companies	-	-	(693,500)	163,000
Decrease in short-term loans from associated company	-	(16,000)	-	(16,000)
Decrease in short-term loans from shareholders of subsidiary	(93,100)	-	-	-
Increase in long-term loans from shareholders of associated company	34,599	-	-	-
Increase (decrease) in long-term loans	(1,619,916)	503,208	(3,114,000)	3,494,715
Decrease in financial lease payable	(34,349)	(95,416)	-	-
Increase in debentures	3,200,000	-	3,200,000	-
Cash proceed from increase in capital	74,449	83,324	74,449	83,324
Decrease in minority interest - equity attributable to minority shareholders of subsidiary companies	(156,246)	(116,695)	-	-
Dividend paid	(1,077,696)	(949,665)	(1,077,696)	(949,665)
Net cash from (used in) financing activities	2,351,905	(405,989)	(1,240,800)	2,366,714
Effect of exchange rate change to cash and cash equivalents				
	68,573	387,485	-	-
Net increase (decrease) in cash and cash equivalents	(100,276)	(129,462)	18,728	24,873
Cash and cash equivalents at beginning of period	365,142	470,198	3,819	6,798
Cash and cash equivalents at end of period	264,866	340,736	22,547	31,671
Supplement cash flows information				
Cash paid during the period for				
Interest expense	395,739	433,205	208,294	180,183
Corporate income tax	238,755	242,312	69,768	22,213
Non-cash items				
Undue installments for acquisition of property, plant and equipment	163,536	52,627	24,139	24,033
Intangible assets increased from minority interest	-	19,180	-	-
Unrealised loss (gain) on changes in the value of investments	1,406	4,727	90	(34)

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

(UNAUDITED BUT REVIEWED)

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements							Minority interest - equity attributable to minority shareholders of subsidiary companies	Total
	Issued and paid-up share capital	Premium on shares capital	Unrealised gain (loss) on changes in the value of investments	Provision for changes in the value of pension fund	Currency translation differences	Retained earnings			
						Appropriated - statutory reserve	Unappropriated		
Balance as at 1 January 2006 - as previously reported	869,281	4,333,429	2,049	(26,751)	85,667	89,000	6,342,612	1,124,927	12,820,214
Cumulative effect of the change in accounting policies (Note 2)	-	-	-	-	(402)	-	(318,370)	-	(318,772)
Balance as at 1 January 2006 - as restated	869,281	4,333,429	2,049	(26,751)	85,265	89,000	6,024,242	1,124,927	12,501,442
Unrealised loss on changes in the value of investments	-	-	(4,727)	-	-	-	-	-	(4,727)
Provision for changes in the value of pension fund	-	-	-	2,274	-	-	-	-	2,274
Currency translation differences	-	-	-	-	(75,524)	-	-	-	(75,524)
Items not recognised in income statements	-	-	(4,727)	2,274	(75,524)	-	-	-	(77,977)
Net income for the period - restated	-	-	-	-	-	-	1,391,457	258,878	1,650,335
Dividend paid (Note 16)	-	-	-	-	-	-	(949,665)	(113,006)	(1,062,671)
Issuance of share capital by converted warrants to ordinary shares	4,775	78,549	-	-	-	-	-	-	83,324
Increase in capital in subsidiary company	-	-	-	-	-	-	-	56,975	56,975
Balance as at 30 September 2006	<u>874,056</u>	<u>4,411,978</u>	<u>(2,678)</u>	<u>(24,477)</u>	<u>9,741</u>	<u>89,000</u>	<u>6,466,034</u>	<u>1,327,774</u>	<u>13,151,428</u>
Balance as at 1 January 2007 - as previously reported	874,056	4,411,978	(2,086)	(23,790)	(54,458)	89,000	7,353,507	1,454,916	14,103,123
Cumulative effect of the change in accounting policies (Note 2)	-	-	-	-	42,490	-	(377,677)	-	(335,187)
Balance as at 1 January 2007 - as restated	874,056	4,411,978	(2,086)	(23,790)	(11,968)	89,000	6,975,830	1,454,916	13,767,936
Unrealised loss on changes in the value of investments	-	-	(1,406)	-	-	-	-	-	(1,406)
Provision for changes in the value of pension fund	-	-	-	1,176	-	-	-	-	1,176
Currency translation differences	-	-	-	-	(47,108)	-	-	-	(47,108)
Items not recognised in income statements	-	-	(1,406)	1,176	(47,108)	-	-	-	(47,338)
Net income for the period	-	-	-	-	-	-	1,380,258	155,607	1,535,865
Dividend paid (Note 16)	-	-	-	-	-	-	(1,077,696)	(175,846)	(1,253,542)
Issuance of share capital by converted warrants to ordinary shares (Note 14)	4,739	69,710	-	-	-	-	-	-	74,449
Addition investment in subsidiary company	-	-	-	-	-	-	-	19,600	19,600
Balance as at 30 September 2007	<u>878,795</u>	<u>4,481,688</u>	<u>(3,492)</u>	<u>(22,614)</u>	<u>(59,076)</u>	<u>89,000</u>	<u>7,278,392</u>	<u>1,454,277</u>	<u>14,096,970</u>

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

(UNAUDITED BUT REVIEWED)

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Bah)

Separate financial statements

	Issued and paid-up share capital	Premium on shares capital	Unrealised gain (loss) on changes in the value of investments	Provision for changes in the value of pension fund	Currency translation differences	Retained earnings		Total
						Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2006 - as previously reported	869,281	4,333,429	2,049	(26,751)	85,667	89,000	6,342,612	11,695,287
Cumulative effect of the change in accounting policy (Note 2)	-	-	(2,594)	26,751	(85,667)	-	(3,711,839)	(3,773,349)
Balance as at 1 January 2006 - as restated	869,281	4,333,429	(545)	-	-	89,000	2,630,773	7,921,938
Unrealised gain on changes in the value of investments	-	-	34	-	-	-	-	34
Items not recognised in income statements	-	-	34	-	-	-	-	34
Net income for the period - restated	-	-	-	-	-	-	1,070,255	1,070,255
Dividend paid (Note 16)	-	-	-	-	-	-	(949,665)	(949,665)
Issuance of share capital by converted warrants to ordinary shares	4,775	78,549	-	-	-	-	-	83,324
Balance as at 30 September 2006	874,056	4,411,978	(511)	-	-	89,000	2,751,363	8,125,886
Balance as at 1 January 2007 - as previously reported	874,056	4,411,978	(2,086)	(23,790)	(54,458)	89,000	7,353,507	12,648,207
Cumulative effect of the change in accounting policy (Note 2)	-	-	1,715	23,790	54,458	-	(4,530,027)	(4,450,064)
Balance as at 1 January 2007 - as restated	874,056	4,411,978	(371)	-	-	89,000	2,823,480	8,198,143
Unrealised loss on changes in the value of investments	-	-	(90)	-	-	-	-	(90)
Items not recognised in income statements	-	-	(90)	-	-	-	-	(90)
Net income for the period	-	-	-	-	-	-	1,374,237	1,374,237
Dividend paid (Note 16)	-	-	-	-	-	-	(1,077,696)	(1,077,696)
Issuance of share capital by converted warrants to ordinary shares (Note 14)	4,739	69,710	-	-	-	-	-	74,449
Balance as at 30 September 2007	878,795	4,481,688	(461)	-	-	89,000	3,120,021	8,569,043

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

(UNAUDITED BUT REVIEWED)

THAI UNION FROZEN PRODUCTS PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARY COMPANIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2007 AND 2006

1. GENERAL INFORMATION

Thai Union Frozen Products Public Company Limited (hereinafter referred to as “the Company”) was incorporated as a public limited company under Thai laws and listed in the Stock Exchange of Thailand on 22 November 1994. The Company operates its business in Thailand and its subsidiary companies operate their businesses in Thailand and overseas. Their principal activities in Thailand are the manufacture and export of frozen and canned seafood, and local subsidiary companies are also engaged in the packaging and printing, pet food businesses and fishery. The principal activities of the overseas subsidiary companies 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. The Company’s registered office is located at 72/1 Moo 7, Sethakit 1 Road, Tambon Tarsrai, Amphur Muang, Samutsakorn.

1.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 41, “Interim financial statements”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, and 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.

1.2 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 2006. There have been no changes in the composition of the group of company during the current period except Thai Union Manufacturing Co., Ltd., the subsidiary, established 5 subsidiaries as described in Note 6.

The percentages of the total assets and total revenues of the subsidiary companies in relation to the total assets and total revenues as included in the consolidated financial statements for the nine-month period ended 30 September 2007 are as follows:

Company's name	Percentage of total assets included in the consolidated balance sheet	Percentage of total revenues included in the consolidated income statements
Thai Union Manufacturing Co., Ltd. and its subsidiary companies	17.62	18.27
Songkla Canning Pcl. and its subsidiary company	13.04	9.14
Thai Union Seafood Co., Ltd.	2.13	0.82
T-Holding Co., Ltd.	1.08	1.64
Thai Union Numhong Co., Ltd.	0.01	-
Thai Union Feedmill Co., Ltd. and its subsidiary companies	7.33	6.40
Thai Union Graphic Co., Ltd.	0.87	0.28
Thai Union International, Inc. (TUI) and its subsidiary companies	37.64	47.41
PT Juifa International Foods	0.94	1.19

1.3 Adoption of new accounting standards

The Federation of Accounting Professions (FAP) has issued Notifications No. 9/2550 and 38/2550 regarding Thai Accounting Standards, and these have been published in the Royal Gazette. The Notifications mandate the use of the following Thai Accounting Standards (Revised 2007) in place of the previous versions, which are cancelled.

a) Thai Accounting Standards (revised version) which are effective for the current year

TAS 44	Consolidated Financial Statements and Separate Financial Statements
TAS 45	Investments in Associates
TAS 46	Interests in Joint Ventures

These accounting standards become effective for the financial statements for fiscal years beginning on or after 1 January 2007. During the first quarter of the current year, the Company changed its accounting policy for recording investments in subsidiary and associated companies in the separate financial statements in order to comply with the revised Thai Accounting Standards No. 44 and 45, as discussed in Note 2.

b) Thai Accounting Standards (revised version) which are not effective for the current year

TAS 25	Cash Flow Statements
TAS 33	Borrowing Costs
TAS 35	Presentation of Financial Statements
TAS 39	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 41	Interim Financial Reporting
TAS 49	Construction Contracts

These accounting standards will become effective for the financial statements for fiscal years beginning on or after 1 January 2008. The management has assessed the effect of these revised accounting standards and believes that they will not have any significant impact on the financial statements for the year in which they are initially applied.

1.4 Significant accounting policies

These 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 2006, except for the change in accounting policy for recording investments in subsidiary and associated companies in the separate financial statements from the equity method to the cost method and the change in the accounting policies between the Company and its subsidiary companies in the consolidated financial statements, as described in Note 2.

2. CHANGE IN ACCOUNTING POLICIES

(UNAUDITED BUT REVIEWED)

During the first quarter of the current year, the Company changed its accounting policy for recording investments in subsidiary and associated companies in the separate financial statements from the equity method to the cost method, in compliance with Accounting Standard No. 44 (Revised 2007) regarding “Consolidated Financial Statements and Separate Financial Statements”, under which investments in subsidiaries, jointly controlled entities and associates are to be presented in the separate financial statements under the cost method.

In this regard, the Company has restated the previous period’s separate financial statements as though the investments in the subsidiary and associated companies had originally been recorded using the cost method. The effects of the change to the separate income statements for the three-month and nine-month periods ended 30 September 2007 are to increase net income by Baht 118 million (Baht 0.13 per share) and decrease net income by Baht 6 million (Baht 0.01 per share), respectively (2006: decreasing by Baht 132 million (Baht 0.15 per share) and Baht 321 million (Baht 0.37 per share), respectively). The cumulative effect of the change in accounting policy has been presented under the heading of “Cumulative effect of the change in accounting policy” in the separate statements of changes in shareholders’ equity.

In addition, during the first quarter of the current year, the Company changed the method for recording inventory of the overseas subsidiaries from the weighted average to first-in-first-out method, changed the method of recording goodwill and intangible assets of the overseas subsidiaries from using impairment tests at least annually to amortising them over their estimated useful lives of 20 years, and has not recorded interest rate swap of the overseas subsidiaries to fair value. The Company recorded the effects of these changes in recording of the accounting transactions of changed the results from the overseas subsidiaries as an adjustment against the beginning balance of retained earnings, and restated the financial statements presented herein for comparative purposes as though the Company had always recorded such transactions. The change have the effects of decreasing net income in the consolidated income statements for the three-month and nine-month periods ended 30 September 2007 by Baht 15.4 million (Baht 0.02 per share) and by Baht 16.1 million (Baht 0.02 per share) (2006: decreasing by Baht 42 million (Baht 0.05 per share) and Baht 62 million (Baht 0.07 per share), respectively). The cumulative effect of the change in accounting policy has been presented under the heading of “Cumulative effect of the change in accounting policies” in the consolidated statements of changes in shareholders’ equity.

3. 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	
	30 September 2007	31 December 2006	30 September 2007	31 December 2006
Age of receivable				
Trade accounts receivable - related companies				
Not yet due	9,165	13,416	800,357	675,967
Overdue				
1 - 30 days	32,827	5,965	213,551	151,730
31 - 60 days	-	260	24,061	40,026
61 - 90 days	-	-	64,359	33,945
91 - 120 days	-	-	11,172	-
181 - 365 days	-	-	4,821	-
Total trade accounts receivable - related companies	41,992	19,641	1,118,321	901,668
Trade accounts receivable - others				
Not yet due	4,232,929	3,936,271	691,439	510,659
Overdue				
1 - 30 days	1,102,605	1,066,013	140,313	169,089
31 - 60 days	101,460	138,194	9,289	10,867
61 - 90 days	44,962	45,610	2,239	3,951
91 - 120 days	41,055	31,678	18	2,906
121 - 180 days	34,150	21,767	15	3,430
181 - 365 days	59,760	19,002	2,128	957
Over 365 days	74,397	66,458	3,144	3,162
Total trade accounts receivable - others	5,691,318	5,324,993	848,585	705,021
Total trade accounts receivable	5,733,310	5,344,634	1,966,906	1,606,689
Less: Allowance for doubtful accounts	(160,802)	(129,404)	(717)	(432)
Trade accounts receivable - net	5,572,508	5,215,230	1,966,189	1,606,257

As at 30 September 2007, certain trade accounts receivable of two overseas subsidiary companies have secured their credit facilities as mentioned in Note 10.

4. RELATED PARTY TRANSACTIONS

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	For the three-month periods ended 30 September				
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	
Transactions with subsidiary companies:					
(Eliminated from consolidated financial statements)					
Sales	-	-	1,615,817	1,468,053	Cost plus margin
Dividend received	-	-	317,485	338,942	As declared
Interest income	-	-	88,347	97,141	3.70 - 5.92 percent per annum (2006: 5.10 - 6.75 percent per annum)
Purchases of goods	-	-	375,682	284,667	Cost plus margin
Interest expense	-	-	5,660	5,472	3.70 - 5.92 percent per annum (2006: 5.05 - 6.75 percent per annum)
Transactions with associated companies:					
Purchases of goods	1,788	1,863	-	-	Cost plus margin
Purchases service expense	2,600	2,580	2,560	3,291	Near market price
Transactions with related companies:					
Sales	63,885	120,840	23,290	51,432	Cost plus margin
Purchases of goods	723,824	788,907	360,262	669,336	Cost plus margin
Interest income	985	-	-	-	10 percent per annum

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	For the nine-month periods ended 30 September				
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	
Transactions with subsidiary companies:					
(Eliminated from consolidated financial statements)					
Sales	-	-	4,156,988	3,615,428	Cost plus margin
Dividend received	-	-	821,236	725,594	As declared
Interest income	-	-	265,594	234,421	3.70 - 6.60 percent per annum (2006: 5.10 - 6.75 percent per annum)
Purchases of goods	-	-	878,387	706,570	Cost plus margin
Interest expense	-	-	24,165	12,114	3.70 - 6.60 percent per annum (2006: 5.05 - 6.75 percent per annum)

(UNAUDITED BUT REVIEWED)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	For the nine-month periods ended 30 September				
	2007	2006	2007	2006	
Transactions with associated companies:					
Purchases of goods	6,088	6,252	-	-	Cost plus margin
Purchase service expense	8,194	10,229	7,806	9,869	Near market price
Dividend received	-	18,750	-	18,750	As declared
Transactions with related companies:					
Sales	227,588	346,913	79,663	147,148	Cost plus margin
Purchase of goods	1,553,546	1,741,750	841,755	1,117,500	Cost plus margin
Interest income	3,613	-	-	-	10 percent per annum

The Company and its subsidiary companies 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 and nine-month periods ended 30 September 2007, insurance premiums paid through that company amounted to Baht 6.3 million and Baht 25.3 million, respectively.

The Company paid salaries, meeting allowances and gratuities to its directors and management for the three-month and nine-month periods ended 30 September 2007 amounted to Baht 7.6 million and Baht 22.7 million, respectively.

In addition, the Company allotted warrants to purchase the ordinary shares to directors of the Company and its subsidiaries, as discussed in Note 14.

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

List of related companies	Relationship
Songkla Canning Pcl.	Subsidiary company
Thai Union Manufacturing Co., Ltd.	Subsidiary company
Thai Union Seafood Co., Ltd.	Subsidiary company
T-Holding Co., Ltd.	Subsidiary company
Thai Union Numhong Co., Ltd.	Subsidiary company
Thai Union Feedmill Co., Ltd.	Subsidiary company
Thai Union Graphic Co., Ltd.	Subsidiary company
Thai Union International, Inc. (TUI)	Subsidiary company
PT Juifa International Foods	Subsidiary company
COSI Trading (Shanghai) Co., Ltd.	Subsidiary company (Held by subsidiary company)
Tri-Union Seafoods, LLC	Subsidiary company (Held by subsidiary company)
Tri-Union Samoa Packing Corporation	Subsidiary company (Held by subsidiary company)
Tri-Union Frozen Foods, LLC	Subsidiary company (Held by subsidiary company)

List of related companies	Relationship
Empress International, Ltd. (Empress)	Subsidiary company (Held by subsidiary company)
Empress International of California Ltd.	Subsidiary company (Held by subsidiary company)
Empress International Midwest Ltd.	Subsidiary company (Held by subsidiary company)
Asian-Pacific Can Co., Ltd.	Subsidiary company (Held by subsidiary company)
Marine Biotech Co., Ltd.	Subsidiary company (Held by subsidiary company)
Thai Marine Development Products Co., Ltd.	Subsidiary company (Held by subsidiary company)
High Health (Thailand) Co., Ltd.	Subsidiary company (Held by subsidiary company)
Phuket Fishing Co., Ltd.	Subsidiary company (Held by subsidiary company)
Samui Fishing Co., Ltd.	Subsidiary company (Held by subsidiary company)
Phang-nga Fishing Co., Ltd.	Subsidiary company (Held by subsidiary company)
Songkla Fishing Co., Ltd.	Subsidiary company (Held by subsidiary company)
Siam Fishing Pte. Ltd.	Subsidiary company (Held by subsidiary company)
Lucky Union Foods Co., Ltd.	Associated company
Biz Dimension Co., Ltd.	Associated company
Thai Quality Shrimp Co., Ltd.	Associated company (Held by subsidiary company)
Century Trading (Shanghai) Co., Ltd.	Associated company (Held by subsidiary company)
Sudamar Cia, Ltda.	Associated company (Held by subsidiary company)
Maison Mer S.A.	Associated company (Held by subsidiary company)
Societe Internationale Agroalimentaire	Associated company (Held by subsidiary company)
Chansiri Real Estate Co., Ltd.	Common major shareholders/Common directors
Venturetec Marketing Co., Ltd.	Common major shareholders/Common directors
Geminai & Associate 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
Pae Ekawat	Common directors
Lucky Surimi Products Co., Ltd.	Common directors
Asia-Pacific Risk Consultants (Thailand) Co., Ltd.	Common directors
Ahead Way International Co., Ltd.	Common directors

(UNAUDITED BUT REVIEWED)

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2007	31 December 2006	30 September 2007	31 December 2006
<u>Trade accounts receivable - related companies</u>				
<u>Subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Empress International, Ltd.	-	-	294,585	212,725
Tri-Union Seafoods, LLC	-	-	143,697	285,994
Tri-Union Samoa Packing Corporation	-	-	88,279	-
Tri-Union Frozen Foods, LLC	-	-	287,225	133,214
Thai Union Manufacturing Co., Ltd.	-	-	19,482	125,398
T-Holding Co., Ltd.	-	-	159,071	112,370
Songkla Canning Pcl.	-	-	6,157	5,364
Thai Union Seafood Co., Ltd.	-	-	109,276	3,818
Asian-Pacific Can Co., Ltd.	-	-	4,821	10,616
Others	-	-	1,031	147
Total trade accounts receivable - subsidiary companies	-	-	1,113,624	889,646
<u>Associated companies</u>				
Trade accounts receivable - associated companies	133	80	28	19
<u>Related companies</u>				
T.C. Union Agrotech Co., Ltd.	4,730	5,602	4,669	5,495
Jana Fish Industries Limited	1,167	1,627	-	-
Venturetec Marketing Co., Ltd.	-	6,508	-	6,508
Lucky Surimi Products Co., Ltd.	5,959	5,824	-	-
Ahead Way International Co., Ltd.	30,003	-	-	-
Total trade accounts receivable - related companies	41,859	19,561	4,669	12,003
Total	41,992	19,641	1,118,321	901,668
<u>Short-term loans to subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Thai Union International, Inc.	-	-	34,142	35,860
Songkla Canning Pcl.	-	-	-	354,900
Thai Union Graphic Co., Ltd.	-	-	17,000	57,000
Thai Union Seafood Co., Ltd.	-	-	-	73,900
Total	-	-	51,142	521,660
<u>Short-term loans to associated company</u>				
Thai Quality Shrimp Co., Ltd.	1,000	-	-	-

(UNAUDITED BUT REVIEWED)

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	30 September	31 December	30 September	31 December
	2007	2006	2007	2006
<u>Long-term loans to subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Thai Union International, Inc.	-	-	2,697,202	2,832,948
Thai Union Manufacturing Co., Ltd.	-	-	2,048,508	2,151,606
Total	-	-	4,745,710	4,984,554
Less: Current portion				
Thai Union International, Inc.	-	-	(324,347)	-
Net	-	-	4,421,363	4,984,554
<u>Other current assets - others</u>				
<u>Interest receivable</u>				
(Eliminated from consolidated financial statements)				
Thai Union International, Inc.	-	-	36,092	5,586
Songkla Canning Pcl.	-	-	-	149
Thai Union Graphic Co., Ltd.	-	-	27	148
Thai Union Seafood Co., Ltd.	-	-	-	31
Thai Union Manufacturing Co., Ltd.	-	-	8,114	8,893
Total	-	-	44,233	14,807
<u>Trade accounts payable - related companies</u>				
<u>Subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Thai Union Manufacturing Co., Ltd.	-	-	70,155	28,203
Asian-Pacific Can Co., Ltd.	-	-	65,784	87,089
Thai Union Graphic Co., Ltd.	-	-	7,027	11,409
T-Holding Co., Ltd.	-	-	5,546	8,931
Tri-Union Seafoods, LLC	-	-	3,430	1,517
Empress International, Ltd.	-	-	2,969	10,494
Songkla Canning Pcl.	-	-	-	80,395
Thai Union Seafood Co., Ltd.	-	-	22,250	331
Others	-	-	1,678	652
Total trade accounts payable - subsidiary companies	-	-	178,839	229,021
<u>Associated companies</u>				
Trade accounts payable - associated companies	776	1,239	-	-
<u>Related companies</u>				
Pae Ekawat	62,377	14,824	62,377	14,824
Thai Union Securities Co., Ltd.	35,604	-	-	-
T.C. Union Global Pcl.	2,923	844	-	-
T.C. Union Agrotech Co., Ltd.	2,550	4,624	-	-
Others	11	22	-	-
Total trade accounts payable - related companies	103,465	20,314	62,377	14,824
Total	104,241	21,553	241,216	243,845

(UNAUDITED BUT REVIEWED)

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	30 September	31 December	30 September	31 December
	2007	2006	2007	2006
<u>Short-term loans from subsidiary company</u>				
(Eliminated from consolidated financial statements)				
Thai Union Manufacturing Co., Ltd.	-	-	136,100	829,600
<u>Short-term loans from shareholders of subsidiaries</u>				
Mr.Prasert Boonmechote	-	38,000	-	-
Mr.Cheng Niruttinanon	30,000	30,000	-	-
Mr.Thawil Nandatheero	-	22,800	-	-
Mr.Rittirong Boonmechote	-	17,100	-	-
Ms.Orawan Sirivarasant	-	9,975	-	-
Other shareholders	-	5,225	-	-
Total	30,000	123,100	-	-
<u>Long-term loans from shareholders of subsidiary</u>				
Mr.Cheng Niruttinanon	34,599	-	-	-
<u>Accrued expenses</u>				
<u>Accrued interest</u>				
Thai Union Manufacturing Co., Ltd.	-	-	-	468
<u>Others</u>				
Asia-Pacific Risk Consultants (Thailand) Co., Ltd.	5,006	22,685	1,760	10,773
Total	5,006	22,685	1,760	11,241

The movements of loans to/from related companies during the nine-month period ended 30 September 2007 is as follows:

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>					<u>Due date</u>
	1 January 2007	Additional loans	Repayment	Revaluation	30 September 2007	
<u>Short-term loans to associated company</u>						
Thai Quality Shrimp Co., Ltd.	-	1,000	-	-	1,000	26.11.2007
<u>Short-term loans to director and employees</u>						
Director and employees of subsidiary company	-	110,065	(109,400)	(665)	-	
<u>Short-term loans from shareholders of subsidiaries</u>						
Mr.Prasert Boonmechote	38,000	-	(38,000)	-	-	
Mr. Cheng Niruttinanon	30,000	-	-	-	30,000	3.11.2007
Mr.Thawil Nandatheero	22,800	-	(22,800)	-	-	
Mr.Rittirong Boonmechote	17,100	-	(17,100)	-	-	
Ms.Orawan Sirivarasant	9,975	-	(9,975)	-	-	
Other shareholders	5,225	-	(5,225)	-	-	
	123,100	-	(93,100)	-	30,000	
<u>Long-term loans from shareholders of subsidiary</u>						
Mr. Cheng Niruttinanon	-	34,599	-	-	34,599	29.10.2007

(UNAUDITED BUT REVIEWED)

(Unit: Thousand Baht)

Separate financial statements						
	1 January 2007	Additional loans	Repayment	Revaluation	30 September 2007	Due date
<u>Short-term loans to subsidiary companies</u>						
Thai Union International, Inc.	35,860	-	-	(1,718)	34,142	at call
Songkla Canning Pcl.	354,900	2,132,600	(2,487,500)	-	-	
Thai Union Graphic Co., Ltd.	57,000	10,000	(50,000)	-	17,000	17.10.2007 and 24.10.2007
Thai Union Seafood Co., Ltd.	73,900	856,590	(930,490)	-	-	
	<u>521,660</u>	<u>2,999,190</u>	<u>(3,467,990)</u>	<u>(1,718)</u>	<u>51,142</u>	
<u>Long-term loans to subsidiary companies</u>						
Thai Union International, Inc.	2,832,948	-	-	(135,746)	2,697,202	31.7.2008 - 30.9.2012
Thai Union Manufacturing Co., Ltd.	2,151,606	-	-	(103,098)	2,048,508	7.3.2008
	<u>4,984,554</u>	<u>-</u>	<u>-</u>	<u>(238,844)</u>	<u>4,745,710</u>	
<u>Short-term loans from subsidiary company</u>						
Thai Union Manufacturing Co., Ltd.	829,600	3,149,990	(3,843,490)	-	136,100	at call, 17.10.2007 and 24.10.2007

As at 30 September 2007, the Company had outstanding loans totalling USD 60 million (Baht 2,049 million) under promissory notes to Thai Union Manufacturing Co., Ltd., subject to interest at the rate of 6.2 percent per annum and due within 2008. However, the Company does not intend to call the loans within one year and has therefore presented the loans as long-term loans to subsidiary company.

As at 30 September 2007, the Company had an outstanding loan of USD 80 million (Baht 2,731 million) to Thai Union International, Inc., on which interest is charged at the rates of LIBOR plus 2.5 percent per annum and 3-month LIBOR plus 1.25 percent per annum and 3-month LIBOR plus 2.5 percent per annum.

(UNAUDITED BUT REVIEWED)

5. INVENTORY / ALLOWANCE FOR DIMINUTION IN VALUE OF INVENTORY

As at 30 September 2007, two overseas subsidiary companies have mortgaged the certain inventories of those companies to financial institutions to secure its credit facilities as mentioned in Note 10.

Movements in the allowance for diminution in value of inventory account during the nine-month period ended 30 September 2007 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2007	85,526	21,691
Add: Allowance made during the period	89,036	49,160
Less: Allowance reversed during the period	(51,716)	(14,981)
Less: Write-off for obsolete and damaged stock	(2,230)	-
Currency translation differences	(1,092)	-
Balance as at 30 September 2007	<u>119,524</u>	<u>55,870</u>

6. INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES

These represent investments in ordinary shares in the following subsidiary and associated companies.

Consolidated financial statements						
Company's name	Nature of business	Country of incorporation	Paid-up capital		Investments proportion	
			30 September 2007	31 December 2006	30 September 2007 Percent	31 December 2006 Percent
Investments in associated companies						
Lucky Union Foods Co., Ltd.	Manufacturer & exporter of crab sticks	Thailand	Baht 150.0 million	Baht 150.0 million	25.00	25.00
Biz Dimension Co., Ltd.	E-Commerce under website	Thailand	Baht 150.0 million	Baht 150.0 million	20.00	20.00
Thai Quality Shrimp Co., Ltd.	Shrimp breeding and species developer	Thailand	Baht 8.0 million	Baht 8.0 million	25.49	25.49
Century Trading (Shanghai) Co., Ltd.	Importer & Exporter of food products	China	USD 4.0 million	USD 2.0 million	45.04	45.04
Sudamar Cia, Ltda.	Quality control	Ecuador	USD 0.3 million	USD 0.3 million	50.00	50.00
Maison Mer S.A.	Shrimp cooker	France	USD 1.9 million	USD 1.9 million	24.00	24.00
Societe Internationale Agroalimentaire	Shrimp importer	France	USD 0.8 million	USD 0.8 million	24.00	24.00

(UNAUDITED BUT REVIEWED)

(Unit: Thousand Baht)

Consolidated financial statements

Company's name	Cost method		Equity method	
	30 September	31 December	30 September	31 December
	2007	2006	2007	2006
Investments in associated companies				
Lucky Union Foods Co., Ltd.	37,500	37,500	195,676	178,900
Biz Dimension Co., Ltd.	6,060	6,060	19,343	15,004
Thai Quality Shrimp Co., Ltd.	4,000	4,000	3,165	5,788
Century Trading (Shanghai) Co., Ltd.	75,900	41,050	38,294	16,369
Sudamar Cia, Ltda.	838	838	-	-
Maison Mer S.A.	8,395	8,395	16,584	17,446
Societe Internationale Agroalimentaire	5,543	5,543	8,258	8,687
	<u>138,286</u>	<u>103,386</u>	<u>281,320</u>	<u>242,194</u>

Separate financial statements

Company's name	Nature of business	Country of incorporation	Paid-up capital		Investments proportion	
			30 September 2007	31 December 2006	30 September 2007	31 December 2006
					Percent	Percent
Investments in subsidiary companies						
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 200 million	Baht 200 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. (cessation of the operations)	Manufacturer & exporter of canned vegetables and fruit	Thailand	Baht 125 million	Baht 125 million	100.00	100.00
Thai Union Feedmill Co., Ltd.	Manufacturer & distributor of animal feeds	Thailand	Baht 300 million	Baht 260 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
COSI Trading (Shanghai) Co., Ltd. (100 percent held by Thai Union Manufacturing Co., Ltd.)	Not yet commence its operation	China	USD 0.2 million	USD 0.2 million	90.08	90.08

(UNAUDITED BUT REVIEWED)

Separate financial statements

Company's name	Nature of business	Country of incorporation	Paid-up capital		Investments proportion	
			30 September 2007	31 December 2006	30 September 2007	31 December 2006
					Percent	Percent
Phuket Fishing Co., Ltd. (100 percent held by Thai Union Manufacturing Co., Ltd.)	Deep-sea fishing fleet operation and fishery supply trading	Thailand	Baht 32.5 million	-	90.08	-
Samui Fishing Co., Ltd. (100 percent held by Thai Union Manufacturing Co., Ltd.)	Deep-sea fishing fleet operation and fishery supply trading	Thailand	Baht 27.5 million	-	90.08	-
Phang-nga Fishing Co., Ltd. (100 percent held by Thai Union Manufacturing Co., Ltd.)	Deep-sea fishing fleet operation and fishery supply trading	Thailand	Baht 25.0 million	-	90.08	-
Songkla Fishing Co., Ltd. (100 percent held by Thai Union Manufacturing Co., Ltd.)	Deep-sea fishing fleet operation and fishery supply trading	Thailand	Baht 25.0 million	-	90.08	-
Siam Fishing Pte. Ltd. (100 percent held by Thai Union Manufacturing Co., Ltd.)	General wholesale trade (including importers and exporters)	Singapore	SGD 0.1 million	-	90.08	-
Tri-Union Seafoods, LLC (100 percent held by TUI)	Manufacturer & distributor of canned tuna and seafood	USA	USD 32.1 million	USD 32.1 million	100.00	100.00
Tri-Union Samoa Packing Corporation (100 percent held by Tri-Union Seafoods, LLC)	Manufacturer & distributor of canned tuna and seafood	USA	-	-	100.00	100.00
Tri-Union Frozen Foods, LLC (70 percent held by TUI)	Importer and distributor of frozen seafood	USA	USD 3 million	USD 3 million	70.00	70.00
Empress International, Ltd. (Empress) (100 percent held by TUI)	Importer and distributor of frozen shrimp and seafood	USA	USD 1	USD 1	100.00	100.00
Empress International of California Ltd. (100 percent held by Empress)	Sales office	USA	-	-	100.00	100.00
Empress International Midwest Ltd. (100 percent held by Empress)	Sales office	USA	-	-	100.00	100.00
Asian-Pacific Can Co., Ltd. (90.5 percent held by Songkla Canning Pcl.)	Manufacturer & distributor of packaging for food products	Thailand	Baht 80 million	Baht 80 million	81.85	81.85
High Health (Thailand) Co., Ltd. (60 percent held by Thai Union Feedmill Co., Ltd.)	Shrimp breeding and rearing	Thailand	Baht 40 million	Baht 40 million	30.60	30.60
Marine Biotech Co., Ltd. (51 percent held by Thai Union Feedmill Co., Ltd.)	Distributor of aquaculture supplies	Thailand	Baht 5 million	Baht 5 million	26.01	26.01
Thai Marine Development Products Co., Ltd. (99.99 percent held by Thai Union Feedmill Co., Ltd.) (temporary cessation of the operations)	Shrimp breeding and rearing	Thailand	Baht 15 million	Baht 15 million	50.99	50.99
Investments in associated companies						
Lucky Union Foods Co., Ltd.	Manufacturer & exporter of crab sticks	Thailand	Baht 150 million	Baht 150 million	25.00	25.00
Biz Dimension Co., Ltd.	E-Commerce under website	Thailand	Baht 150 million	Baht 150 million	20.00	20.00

(UNAUDITED BUT REVIEWED)

Separate financial statements						
Company's name	Nature of business	Country of incorporation	Paid-up capital		Investments proportion	
			30 September 2007	31 December 2006	30 September 2007	31 December 2006
					Percent	Percent
Investments in associated companies held by subsidiaries						
Thai Quality Shrimp Co., Ltd. (49.99 percent held by Thai Union Feedmill Co., Ltd.)	Shrimp breeding and species developer	Thailand	Baht 8 million	Baht 8 million	25.49	25.49
Century Trading (Shanghai) Co., Ltd. (50 percent held by Thai Union Manufacturing Co., Ltd.)	Importer & Exporter of food products	China	USD 4 million	USD 2 million	45.04	45.04
Sudamar Cia, Ltda. (50 percent held by Empress)	Quality control	Ecuador	USD 0.3 million	USD 0.3 million	50.00	50.00
Maison Mer S.A. (24 percent held by Empress)	Shrimp cooker	France	USD 1.9 million	USD 1.9 million	24.00	24.00
Societe Internationale Agroalimentaire (24 percent held by Empress)	Shrimp importer	France	USD 0.8 million	USD 0.8 million	24.00	24.00

(Unit: Thousand Baht)

Separate financial statements		
Company's name	Cost method	
	30 September 2007	31 December 2006
Investments in subsidiary companies		
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.	138,316	138,316
T-Holding Co., Ltd.	20,699	20,699
Thai Union Numhong Co., Ltd.	91,000	91,000
Thai Union Feedmill Co., Ltd.	153,000	132,600
Thai Union Graphic Co., Ltd.	45,331	45,331
Thai Union International, Inc.	325,771	325,771
PT Juifa International Foods	74,550	110,064
Total	3,440,630	3,455,744
Less: Allowance for loss on impairment of investments	(115,222)	(115,222)
Net	3,325,408	3,340,522

(UNAUDITED BUT REVIEWED)

(Unit: Thousand Baht)

Separate financial statements		
Company's name	Cost method	
	30 September 2007	31 December 2006
<u>Investments in associated companies</u>		
Lucky Union Foods Co., Ltd.	37,500	37,500
Biz Dimension Co., Ltd.	6,060	6,060
	<u>43,560</u>	<u>43,560</u>

During the first quarter of the current year, Thai Union Manufacturing Co., Ltd., the subsidiary, paid up additional 25 percent of the price of its shares in Century Trading (Shanghai) Co., Ltd., totalling USD 1 million.

During the second quarter of the current year, the Company additionally invested Baht 20.4 million to maintain its existing interest of 51 percent in Thai Union Feedmill Co., Ltd.

During the current period, Thai Union Manufacturing Co., Ltd., the subsidiary, established 4 subsidiaries in Thailand and 1 subsidiary in Singapore the totaling Baht 112 million to engage in fishery and related businesses.

On 5 September 2007, an extraordinary meeting of the shareholders of Thai Quality Shrimp Co., Ltd., associated company of Thai Union Feedmill Co., Ltd., the subsidiary, passed a special resolution approving a reduction in its registered capital by reducing the number of ordinary shares from 800,000 shares to 400,000 shares. As a result of this decrease in registered capital, that company will become a subsidiary company. The capital reduction is in the process of being registered with the Ministry of Commerce.

Investments in some subsidiary and 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 subsidiary and associated companies are immaterial.

7. LONG-TERM INVESTMENTS

(Unit: Thousand Baht)

	Consolidated financial statements			
	30 September 2007		31 December 2006	
	Cost	Fair value	Cost	Fair value
Long-term investments				
Available-for-sale securities - Unit trusts	74,217	70,725	74,217	72,131
Unrealised loss on changes in the value of investments	(3,492)	-	(2,086)	-
Total available-for-sale securities	70,725	70,725	72,131	72,131
Other securities - Ordinary shares	100		100	
Total long-term investments	70,825		72,231	

(Unit: Thousand Baht)

	Separate financial statements			
	30 September 2007		31 December 2006	
	Cost	Fair value	Cost	Fair value
Long-term investments				
Available-for-sale securities - Unit trusts	5,025	4,564	5,025	4,654
Unrealised loss on changes in the value of investments	(461)	-	(371)	-
Total long-term investments	4,564	4,564	4,654	4,654

Unrealised loss on changes in the value of investments as at 30 September 2007 and 31 December 2006 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2007	31 December 2006	30 September 2007	31 December 2006
Unrealised loss on changes in the value of investments in				
- the Company	(461)	(371)	(461)	(371)
- the subsidiary companies	(3,031)	(1,715)	-	-
Balance at equity method	(3,492)	(2,086)	(461)	(371)

(UNAUDITED BUT REVIEWED)

8. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2007 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2007	6,054,203	1,514,579
Acquisitions during period - at cost	2,356,260	258,022
Disposals during period - net book value		
at disposal date	(7,294)	(241)
Depreciation for period	(628,790)	(151,253)
Currency translation differences	(28,843)	-
Net book value as at 30 September 2007	<u>7,745,536</u>	<u>1,621,107</u>

An overseas subsidiary company has mortgaged the construction and machinery, with net book values totalling approximately USD 0.1 million (31 December 2006: USD 0.6 million), to financial institutions to secure their credit facilities, as mentioned in Note 10.

As at 30 September 2007, certain machinery of the local subsidiary company, which has net book value of Baht 186 million, was acquired under financial lease agreement with a financial institution.

9. INTANGIBLE ASSETS

The aggregate carrying value of the overseas subsidiary company's indefinite-lived intangible assets, consisting of trademarks, was USD 26 million as at 30 September 2007 (31 December 2006: USD 26 million). Finite lived intangible assets consist of the following:

	30 September 2007			31 December 2006		
	Accumulated			Accumulated		
	Cost	amortisation	Net	Cost	amortisation	Net
Customer relationships	4,237	(1,766)	2,471	4,237	(1,448)	2,789
Covenant not to compete	413	(344)	69	413	(282)	131
Total	<u>4,650</u>	<u>(2,110)</u>	<u>2,540</u>	<u>4,650</u>	<u>(1,730)</u>	<u>2,920</u>

As at 30 September 2007, the local subsidiary companies have intangible assets - net amounting to Baht 42.6 million (31 December 2006: Baht 44.1 million).

10. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

The Company entered into interest rate swap agreements for short-term loans from financial institutions to hedge interest rate risk, as mentioned in Note 19 c).

On 31 January 2007, an overseas subsidiary company entered into a new revolving credit facility with Bank of America N.A. to replace the existing two loans with two financial institutions. The credit facility, which expires on 31 January 2010, provides for borrowings and the 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 company's option, at LIBOR plus a margin of 1.25 percent per annum or the bank's prime rate less 0.25 percent per annum, subject to adjustment quarterly. An unused line fee is charged at 0.25 percent 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 company. As at 30 September 2007, the balance under this facility was USD 28 million with USD 2 million at prime less 0.25 percent per annum (7.75%), USD 21 million at LIBOR plus 1.25 percent per annum (7.06%), USD 3 million at LIBOR plus 1.25 percent per annum (6.75%), and USD 2 million at LIBOR plus 1.25 percent per annum (6.44%) and actual unused availability based upon substantially all of collateralised assets was approximately USD 2 million. The subsidiary company is subject to certain financial covenants including interest coverage ratio and leverage coverage ratio and others. As at 30 September 2007, the subsidiary company determined it was in compliance with all of these covenants.

Tri-Union Seafoods, LLC (Tri-U) maintains a revolving credit facility with Bank of America N.A., which replaced its previous revolving credit facility. The credit facility, which expires on 31 October 2009, provides for borrowings and the issuance of letters of credit up to USD 50 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 1.25 percent per annum or the bank's prime rate less 0.25 percent per annum, subject to adjustment quarterly. An unused line fee is charged at 0.25 percent 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 30 September 2007, the balance under the credit facility was USD 40 million with USD 2 million at prime less 0.25 percent per annum (7.50%), USD 3 million at LIBOR plus 1.25 percent per annum (6.44%), USD 12 million at LIBOR plus 1.25 percent per

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annum (7.06%), USD 10 million at LIBOR plus 1.25 percent per annum (6.75%), and USD 13 million at LIBOR plus 1.25 percent per annum (6.81%) and actual unused availability was approximately USD 10 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 30 September 2007.

Tri-Union Frozen Foods, LLC (TUFF) entered into a USD 20 million revolving line of credit facility with Rabobank International, which provides for advances up to 180 days and for the issuance of 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 at LIBOR plus a margin of 1.5 percent per annum or cost of funds (as defined in the facility) plus a margin of 1.5 percent 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 30 September 2007, the amount outstanding under the TUFF facility was USD 17.1 million with interest at rates ranging from 6.55 percent to 7.12 percent per annum. The subsidiary company was contingently liable for open letters of credit issued under this facility totaling USD 2.2 million, and actual unused availability was approximately USD 0.1 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 30 September 2007, TUFF determined it was in compliance with these covenants.

11. LONG-TERM LOANS

Long-term loans as at 30 September 2007 and 31 December 2006 consist of:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30 September	31 December	30 September	31 December
	2007	2006	2007	2006
USD loans	237	3,585	-	3,261
Baht loans	1,705	137	-	-
Total	1,942	3,722	-	3,261
Less: Current portion	(167)	(92)	-	-
Net	1,775	3,630	-	3,261

(UNAUDITED BUT REVIEWED)

Movements in the long-term loans account during the nine-month period ended 30 September 2007 are summarised below.

	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Balance as at 1 January 2007	3,722	3,261
Add: Additional borrowings	1,587	-
Less: Repayment	(3,207)	(3,114)
Less: Exchange gain	(161)	(147)
Balance as at 30 September 2007	<u>1,942</u>	<u>-</u>

On 21 July 2003, an overseas subsidiary company 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 percent 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 first quarter of 2006, the Company entered into a loan agreement with Calyon whereby it obtained a facility of USD 100 million at an interest rate of LIBOR plus 0.65 percent per annum. The Company has to draw down the loan within 6 months from the date of the agreement and the principal is to be repaid within January 2011. However, the Company paid the full amount of debts during the second quarter of the current period.

During the third quarter of 2006, a local subsidiary company entered into two loan agreements amounting to Baht 150 million from two local financial institutions, carrying interest at MLR minus 1.50 percent per annum, MLR minus 1.25 percent per annum and MLR minus 1.00 percent per annum. These loans are to be repaid within year 2010 and have guaranteed by a local subsidiary company.

During the second quarter of the current year, a local subsidiary company draw Baht 380 million of two loan agreements from a local financial institution, carrying interest at 4.85 percent per annum, and THBFIX plus 0.5 percent per annum. These loans are to be repaid within year 2012. As at 30 September 2007, the balance of this loan is Baht 365 million.

During the third quarter of the current year, a local subsidiary company entered into a 7-year loan agreement with a local financial institution for a facility of Baht 1,400 million. The loan carries interest at THBFIX Plus 0.39 percent per annum and is to be repaid in semi-annually installments, the first of which will be due in January 2011. This company has already drawn Baht 1,190 million. The loan contains covenants relating to various matters stipulated in the agreement.

(UNAUDITED BUT REVIEWED)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September			
	2007	2006	2007	2006
Income tax on taxable income	201,684	131,900	58,766	15,190
Currency translation differences	6,045	6,754	-	-
Expense (income) in deferred income tax	(1,050)	24,670	(3,452)	(364)
Income tax as included in income statements	<u>206,679</u>	<u>163,324</u>	<u>55,314</u>	<u>14,826</u>

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2007	31 December 2006	30 September 2007	31 December 2006
Tax losses brought forward	132,722	139,618	-	-
Tax effect of non-deductible expenses				
Allowance for doubtful accounts	9,509	8,323	215	130
Allowance for diminution in the value of inventories	5,083	2,614	4,025	658
Other allowance	15,194	16,558	14,393	14,393
Accrued liabilities	140,480	147,787	-	-
Inventory cost capitalisation	49,476	52,050	-	-
Others	1,268	-	-	-
Total	<u>353,732</u>	<u>366,950</u>	<u>18,633</u>	<u>15,181</u>

As at 30 September 2007, a local subsidiary company has deferred tax liabilities amounting to Baht 44.1 million (31 December 2006: Baht 38.4 million) and overseas subsidiary companies have deferred tax liabilities amounting to Baht 233.8 million or USD 6.8 million (31 December 2006: Baht 248.2 million or USD 6.9 million).

14. ESOP

In August 2003, the Company issued warrants to purchase the ordinary shares to directors and employees of the Company and its subsidiaries (ESOP). The Company also issued 26 million additional ordinary shares, with a par value of Baht 1 each, to support the exercise of these named non-transferable warrants offered to directors and employees of the Company and its subsidiaries. The terms and conditions of this exercise are as follows:

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- (1) The warrants, are named, non-transferable and have a life of 5 years.
- (2) The exercise price is the average closing price of the shares of the Company on SET in the 30 days before the exercise date discounted by Baht 8 and the exercise ratio is 1 warrant per 1 ordinary share.
- (3) Exercises of the warrants can be made on the 2 July of each year.

During the current period, the warrant holders exercised rights to purchase 4.7 million ordinary shares. The Company registered the additional shares with the Ministry of Commerce on 5 July 2007. There are 6.3 million outstanding unexercised warrants offered to directors and employees of the Company and its subsidiaries as at 30 September 2007.

15. RECONCILIATION OF DILUTED EARNINGS PER SHARE

For the three-month periods ended 30 September										
Consolidated financial statements		Separate financial statements		Weighted average number of		Earnings per share				
2007		2006		2007		2007		2006		
Million Baht	Million Baht	Million Baht	Million Baht	Million shares	Million shares	Baht	Baht	Baht	Baht	
	(Restated)		(Restated)				(Restated)		(Restated)	
Basic earnings per share										
Net income	422.4	635.4	540.0	503.8	878.7	874.0	0.48	0.73	0.61	0.58
Dilutive effect of warrants conversion	-	-	-	-	2.1	2.7				
Diluted earnings per share										
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	422.4	635.4	540.0	503.8	880.8	876.7	0.48	0.72	0.61	0.57

For the nine-month periods ended 30 September										
Consolidated financial statements		Separate financial statements		Weighted average number of		Earnings per share				
2007		2006		2007		2007		2006		
Million Baht	Million Baht	Million Baht	Million Baht	Million shares	Million shares	Baht	Baht	Baht	Baht	
	(Restated)		(Restated)				(Restated)		(Restated)	
Basic earnings per share										
Net income	1,380.3	1,391.5	1,374.2	1,070.3	875.6	870.9	1.58	1.60	1.57	1.23
Dilutive effect of warrants conversion	-	-	-	-	3.3	4.8				
Diluted earnings per share										
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares	1,380.3	1,391.5	1,374.2	1,070.3	878.9	875.7	1.57	1.59	1.56	1.22

16. DIVIDEND PAID

Dividends declared in 2007 and 2006 consist of the following:

	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>	
Final dividends for 2006	Annual General Meeting of the shareholders on 25 April 2007	594,358,046	0.68	
Interim dividends for 2007	Board of Directors' meeting on 20 August 2007	<u>483,337,223</u>	0.55	
Total for 2007		<u><u>1,077,695,269</u></u>		
Final dividends for 2005	Annual General Meeting of the shareholders on 25 April 2006	556,339,808	0.64	17.
Interim dividends for 2006	Board of Directors' meeting on 6 September 2006	<u>393,325,178</u>	0.45	E
Total for 2006		<u><u>949,664,986</u></u>		x c e

FINANCIA

pt for an overseas subsidiary company of which the principal business activity is overseas investments, the operations of the Company and its subsidiary companies principally involve the production, distribution and export of frozen seafood products, and these activities are carried out in Thailand and overseas. Their income come from both local and export sales. Financial information of the Company and its subsidiary companies presented by business segment for the three-month and nine-month periods ended 30 September 2007 and 2006 is as follows:

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

	For the three-month periods ended 30 September									
	Frozen and canned food products		Other businesses		Total		Elimination		Grand total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	(Restated)									
Sales										
- Local	718	417	2,087	2,043	2,805	2,460	(1,456)	(1,042)	1,349	1,418
- Export	14,391	15,253	206	215	14,597	15,468	(2,222)	(2,250)	12,375	13,218
Total sales	15,109	15,670	2,293	2,258	17,402	17,928	(3,678)	(3,292)	13,724	14,636
Segment operating profit	505	811	159	262	664	1,073	12	(9)	676	1,064
Unallocated income (expenses):										
Interest income									4	1
Selling and administrative expenses									(1)	(42)
Share of gain from investment in associated companies									2	4
Interest expense									(146)	(155)
Corporate income tax									(59)	(107)
Minority interest in gains of subsidiaries									(54)	(130)
Net income									422	635

(Unit: Million Baht)

	For the nine-month periods ended 30 September									
	Frozen and canned food products		Other businesses		Total		Elimination		Grand total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	(Restated)									
Sales										
- Local	1,722	1,261	5,852	5,815	7,574	7,076	(3,758)	(2,980)	3,816	4,096
- Export	41,290	42,177	637	656	41,927	42,833	(5,489)	(5,386)	36,438	37,447
Total sales	43,012	43,438	6,489	6,471	49,501	49,909	(9,247)	(8,366)	40,254	41,543
Segment operating profit	1,636	1,689	495	677	2,131	2,366	14	(16)	2,145	2,350
Unallocated income (expenses):										
Interest income									13	2
Selling and administrative expenses									(12)	(117)
Share of gain from investment in associated companies									6	18
Interest expense									(409)	(440)
Corporate income tax									(207)	(163)
Minority interest in gains of subsidiaries									(156)	(259)
Net income									1,380	1,391

Financial information of the Company and its subsidiary companies presented by geographical segment for the three-month and nine-month periods ended 30 September 2007 and 2006 is as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 September									
	Thailand		Overseas		Total		Elimination		Grand total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Sales										
- Frozen and canned food products	8,528	8,240	6,581	7,430	15,109	15,670	(2,736)	(2,422)	12,373	13,248
- Other businesses	2,293	2,258	-	-	2,293	2,258	(942)	(870)	1,351	1,388
Total sales	10,821	10,498	6,581	7,430	17,402	17,928	(3,678)	(3,292)	13,724	14,636
Segment operating profit									676	1,064

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

	For the nine-month periods ended 30 September									
	Thailand		Overseas		Total		Elimination		Grand total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Sales										
- Frozen and canned food products	23,218	23,017	19,794	20,421	43,012	43,438	(6,554)	(5,906)	36,458	37,532
- Other businesses	6,489	6,471	-	-	6,489	6,471	(2,693)	(2,460)	3,796	4,011
Total sales	29,707	29,488	19,794	20,421	49,501	49,909	(9,247)	(8,366)	40,254	41,543
Segment operating profit									2,145	2,350

18. COMMITMENTS

As at 30 September 2007, the Company and its subsidiary companies have the following commitments:

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

		2007	2008 - 2009	As from 2010	Total
Office rental and service agreements	Baht	5.5 million	Baht 18.6 million	Baht 35.0 million	Baht 59.1 million
Land lease agreements	Baht	4.4 million	Baht 21.3 million	Baht 46.7 million	Baht 72.4 million
	USD	0.8 million	USD 5.1 million	USD 3.9 million	USD 9.8 million
Car lease agreements	Baht	1.3 million	Baht 4.6 million	-	Baht 5.9 million
Machinery and equipment lease agreements	USD	0.1 million	USD 0.3 million	USD 0.1 million	USD 0.5 million
Computer lease agreements	Baht	0.4 million	Baht 2.0 million	Baht 0.2 million	Baht 2.6 million
Computer maintenance service agreements	Baht	0.7 million	-	-	Baht 0.7 million
Warehouse and factory construction agreements	Baht	33.3 million	Baht 3.4 million	-	Baht 36.7 million
Purchase machinery and equipment agreements	Baht	10.4 million	-	-	Baht 10.4 million
	Yen	1.4 million	Yen 144.0 million	-	Yen 145.4 million
	Euro	0.3 million	-	-	Euro 0.3 million
	GBP	0.1 million	-	-	GBP 0.1 million
	CHF	0.5 million	-	-	CHF 0.5 million
Advertising agreements	Baht	4.7 million	-	-	Baht 4.7 million

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

	Amount
The local subsidiary companies	Baht 330.0 million
The overseas subsidiary company	USD 1.9 million
The local associated company	Baht 30.0 million
The overseas associated companies	USD 2.3 million

- c) The overseas subsidiary company 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 and nine-month periods ended 30 September 2007 amounting to USD 0.2 million and USD 0.5 million, respectively.
- d) Purchase commitments of the overseas subsidiary companies
- 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 purchases under the terms of these contracts approximated 7 percent and 10 percent of total raw fish purchases for the three-month and nine-month periods ended 30 September 2007, respectively.
 - 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 company 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 10 - 15 percent of total inventory purchases by Empress. Since the acquisition, Empress has entered into purchase commitments with the Company and a local subsidiary company to procure inventory.

- 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 company 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 company. Either the overseas subsidiary company or the vendor may elect to terminate the agreement with 18 months' prior written notice at any time after June 2009.
- 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 2004, TUI entered into a three-year 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 extensions 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 company is reimbursed for production costs. In connection with the agreement, the third party provided equipment which the overseas subsidiary company 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 has the option to purchase the equipment upon termination of the agreement for cost plus interest, less lease payments previously made.

- f) As the result of TUI's acquisition of the stock of Empress in 2003, TUI has payment commitments to the sellers of such stock, who are entitled to shares of future profits until July 2008, if certain annual net profit targets of Empress are achieved. The earn-outs are payable annually.

19. CONTINGENT LIABILITIES

a) Forward foreign exchange contracts

Significant forward exchange contracts outstanding are summarised below.

Buying / Selling forward foreign exchange contracts	Amount	Forward exchange rate	b)	Option agr
<u>As at 30 September 2007</u>				
<u>The Company</u>				
Selling forward foreign exchange contracts	USD 200.07 million against Baht	33.05 - 43.55	A	
	JPY 19.34 million against Baht	0.2993	s	
<u>Subsidiary companies</u>				
Selling forward foreign exchange contracts	USD 98.86 million against Baht	33.05 - 37.05	3	
	EURO 0.32 million against Baht	46.55 - 48.60	0	
			S	
			e	

September 2007, the Company and its subsidiary companies have outstanding option agreements under which they will sell “put option” USD 10.60 - 15.90 million at rates from Baht 33.80 to Baht 37.60 per USD 1.

c) Interest rate swap transaction agreements

During the year 2004, an overseas subsidiary company entered into two interest rate swap agreements to convert the variable interest rate payments on credit facilities of USD 10 million from Citicorp USA, Inc. and USD 10 million from Standard Chartered Bank to fixed rates of 3 percent and 3 percent, respectively. In July 2005, the above subsidiary entered into two additional interest rate swap agreements. The first agreement was entered to reverse the effect of one of the 2004 swap agreements and the second agreement was entered to convert one of the credit facilities to a fixed rate of 4 percent. During February 2006, one of the 2004 swap agreements was cancelled, resulting in a loss of USD 0.2 million. The remaining swap agreements terminate in 2010.

During the year 2005, the Company entered into two interest rate swap agreements with The Hongkong and Shanghai Banking Corporation Limited for short-term loans from financial institutions amounting to Baht 400 million, as mentioned in Note 10. Under these, interest was to be paid at fixed rates of 4.22 and 4.64 percent, respectively. In March 2007, the Company entered into two additional interest rate swap agreements, which reverse the effect of the 2005 swap agreements. These agreements terminate in 2008.

During the year 2006, the Company entered into three interest rate swap agreements on USD 80 million, to swap a rate of 3-month LIBOR plus 0.65 percent to a fixed rate of 5.79 percent on a nominal amount of USD 60 million and to swap a rate of 3-month LIBOR plus 0.65 percent to a rate of 3-month LIBOR minus 0.105 percent plus stipulated rate in the agreements on a nominal amount of USD 20 million.

During the current period, the Company entered into interest rate swap agreements to reverse the effect of the above agreement to swap a fixed rate of 5.79 percent to a rate of 3-month LIBOR plus 0.47 percent on a nominal amount of USD 60 million. The above agreements terminate in 2011. In addition, the Company entered into a cross currency swap agreement with a contract value equivalent to USD 90 million, whereby Baht-denominated debt from the issuance of Baht debenture, subject to interest at a rate of 3.91 percent per annum is to be converted to USD liabilities subject to interest at 3-month LIBOR plus 0.47 percent, in order to match both cash flows and currency with long-term loans provided to group companies. The agreement terminates in 2011.

d) Others

- 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.

(UNAUDITED BUT REVIEWED)

- 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 but TUI is presently unable to estimate the amount of any damage. The Office of Attorney General of a US state filed notice of appeal in 2007, and a decision on the appeal is anticipated in late 2007. In addition, other states in the US have filed similar suits against TUI and TUI is presently unable to estimate the amount of any damages.

20. GUARANTEES

- a) The Company's board of directors approved the issuance of corporate guarantees of USD 26.7 million (31 December 2006: Baht 1,234 million and USD 23.9 million) to several financial institutions to secure credit facilities of its subsidiary companies and their loans.
- b) As at 30 September 2007, there were outstanding bank guarantees of approximately Baht 34.9 million (31 December 2006: Baht 32.8 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 30 September 2007, there were outstanding bank guarantees of approximately Baht 64.2 million (31 December 2006: Baht 60.9 million) issued by banks on behalf of the subsidiary companies in respect of certain performance bonds as required in the normal course of businesses.

21. FINANCIAL INSTRUMENTS

The following is a summary of significant unhedged foreign currency-denominated assets and liabilities as at 30 September 2007:

(Unit: Thousand)

Foreign currency	Consolidated financial statements		Separate financial statements	
	Assets	Liabilities	Assets	Liabilities
US dollars	4,854	16,766	3,000	12,217
Yen	11,081	229,869	11,081	219,624
EURO	7	730	-	207

22. SUBSEQUENT EVENTS

On 24 October 2007, a meeting of the Board of Directors of Thai Union Feedmill Co., Ltd., the subsidiary, approved additionally investment in High Health (Thailand) Co., Ltd. to acquire an additional 40 percent of that company. As a result Thai Union Feedmill Co., Ltd. holds a 100 percent interest that company.

23. RECLASSIFICATION

In addition to the changes in accounting policies as mentioned in Note 2, which affects the previously reported net income and shareholders' equity, certain other amounts in the financial statements for the prior period have been reclassified to conform to the current period's classification, but with no effect to previously reported net income or shareholders' equity other than from the change in accounting policy.

24. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorised for issue by the Audit Committee and the Company's management on 9 November 2007.