

Thai Union Frozen Products Public Company Limited
and its subsidiaries
Review report and consolidated interim financial statements
For the three-month and nine-month periods ended
30 September 2008 and 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 subsidiaries as at 30 September 2008, the related consolidated statements of income for the three-month and nine-month periods ended 30 September 2008 and 2007, the consolidated statements of changes in shareholders' equity and cash flows for the nine-month periods ended 30 September 2008 and 2007, 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 reviews. I did not review the interim financial statements of overseas subsidiaries, Thai Union International, Inc. and its subsidiaries and PT Juifa International Foods, which are included in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2008. The consolidated financial statements of these subsidiaries as at 30 September 2008 presented total assets of Baht 14,130 million and total revenues for the three-month and nine-month periods then ended of Baht 8,197 million and Baht 22,394 million, respectively. The financial statements of these subsidiaries were reviewed by other auditors whose reports have been furnished to me, and my review report, in so far as it relates to the amounts included for those subsidiaries in the consolidated financial statements is based solely on the reports of those auditors.

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

Based on my reviews 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 subsidiaries, and the separate financial statements of Thai Union Frozen Products Public Company Limited for the year ended 31 December 2007 in accordance with generally accepted auditing standards, and expressed an unqualified opinion on those statements and drew attention to the change in accounting policy for recording investments in subsidiaries and associates 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 subsidiaries in the consolidated financial statements, based on my audit and the reports of the other auditors of the overseas subsidiaries, under my report dated 22 February 2008. The consolidated and separate balance sheet as at 31 December 2007, 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.

Sophon Permsirivallop
Certified Public Accountant (Thailand) No. 3182

Ernst & Young Office Limited
Bangkok: 6 November 2008

Thai Union Frozen Products Public Company Limited and its subsidiaries

Balance sheets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2008	31 December 2007	30 September 2008	31 December 2007
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		337,136	485,405	32,055	1,717
Trade accounts receivable	3				
Related companies	4	68,190	15,195	1,785,559	1,546,486
Others		7,444,805	6,559,541	1,008,619	1,082,522
Total trade accounts receivable		7,512,995	6,574,736	2,794,178	2,629,008
Less: Allowance for doubtful accounts		(137,336)	(169,337)	(717)	(717)
Trade accounts receivable - net		7,375,659	6,405,399	2,793,461	2,628,291
Short-term loans to related parties	4	-	1,500	241,626	121,104
Short-term loans to other company		15,000	300	15,000	-
Current portion of long-term loans to subsidiary	4	-	-	169,626	192,923
Current portion of long-term loan to other company		3,140	2,083	-	-
Inventories - net	5	19,693,344	15,945,239	4,374,769	3,138,225
Other current assets					
Prepaid expenses		78,024	150,189	7,755	19,093
Prepaid income tax		214,461	92,306	39,447	39,088
Spareparts		109,855	132,670	15,061	13,882
Advance payments		81,833	42,435	13,925	7,474
Current portion of forward exchange contracts receivables		122,017	31,419	108,302	8,675
Value added tax refundable		183,249	114,227	89,613	48,365
Others	4	98,319	93,954	53,103	46,482
Total other current assets		887,758	657,200	327,206	183,059
Total current assets		28,312,037	23,497,126	7,953,743	6,265,319

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

Thai Union Frozen Products Public Company Limited and its subsidiaries

Balance sheets (Continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>30 September 2008</u>	<u>31 December 2007</u>	<u>30 September 2008</u>	<u>31 December 2007</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Non-current assets					
Restricted deposits with financial institutions		730	669	-	-
Investments in subsidiaries - net	6	-	-	3,320,368	3,320,368
Investments in associates - net	7	254,561	255,821	39,015	43,560
Long-term investments	8	70,495	90,602	4,554	4,540
Long-term loans to subsidiaries - net of current portion	4	-	-	4,476,351	4,470,791
Long-term loans to other companies - net of current portion		16,836	16,667	-	-
Property, plant and equipment - net	9	8,283,850	7,728,002	2,091,652	1,678,608
Properties foreclosed - net		60,142	60,342	60,142	60,341
Leasehold rights - net		21,807	17,420	-	-
Intangible assets - net	10	732,763	705,831	-	-
Goodwill - net		299,174	206,705	-	-
Deferred tax assets	14	343,557	370,603	11,653	13,898
Other non-current assets		316,428	626,074	158,710	476,047
Total non-current assets		<u>10,400,343</u>	<u>10,078,736</u>	<u>10,162,445</u>	<u>10,068,153</u>
Total assets		<u>38,712,380</u>	<u>33,575,862</u>	<u>18,116,188</u>	<u>16,333,472</u>

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

Thai Union Frozen Products Public Company Limited and its subsidiaries

Balance sheets (Continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2008 (Unaudited but reviewed)	31 December 2007 (Audited)	30 September 2008 (Unaudited but reviewed)	31 December 2007 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	11	12,144,580	8,939,339	3,797,857	2,687,169
Trade accounts payable					
Related companies	4	44,017	32,729	294,171	243,679
Others		3,243,241	2,943,642	971,657	814,998
Total trade accounts payable		3,287,258	2,976,371	1,265,828	1,058,677
Short-term loans from related parties	4	15,000	8,000	115,000	205,400
Short-term loans from director of subsidiaries	4	149,220	30,000	-	-
Short-term loan from shareholder of subsidiary	4	500	-	-	-
Current portion of long-term loans	12	203,910	178,181	-	-
Other current liabilities					
Corporate income tax payable		106,091	75,340	24,298	-
Accrued expenses	4	685,580	541,072	202,036	145,044
Accounts payable - construction and asset purchase		60,016	163,711	23,434	23,852
Billback		213,903	190,880	-	-
Others		851,382	563,065	168,834	156,153
Total other current liabilities		1,916,972	1,534,068	418,602	325,049
Total current liabilities		17,717,440	13,665,959	5,597,287	4,276,295
Non-current liabilities					
Long-term loan from shareholder of subsidiary	4	-	26,222	-	-
Long-term loans - net of current portion	12	1,473,831	1,735,349	-	-
Debentures	13	3,200,000	3,200,000	3,200,000	3,200,000
Deferred tax liabilities	14	279,417	276,397	-	-
Other non-current liabilities		157,424	102,226	51,964	28,878
Total non-current liabilities		5,110,672	5,340,194	3,251,964	3,228,878
Total liabilities		22,828,112	19,006,153	8,849,251	7,505,173

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

Thai Union Frozen Products Public Company Limited and its subsidiaries

Balance sheets (Continued)

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 September 2008</u>	<u>31 December 2007</u>	<u>30 September 2008</u>	<u>31 December 2007</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital					
Registered					
885,090,950 ordinary shares of Baht 1 each		885,091	885,091	885,091	885,091
Issued and paid-up					
883,170,950 ordinary shares of Baht 1 each					
(31 December 2007: 878,794,950 ordinary shares of Baht 1 each)		883,171	878,795	883,171	878,795
Premium on shares capital		4,518,797	4,481,688	4,518,797	4,481,688
Unrealised loss on changes in the value					
of investments	8	(20,302)	(8,161)	(471)	(485)
Provision for changes in the value of pension fund		(6,503)	(6,440)	-	-
Translation adjustment		(69,813)	(73,045)	-	-
Retained earnings					
Appropriated - statutory reserve		89,000	89,000	89,000	89,000
Unappropriated		8,716,071	7,724,167	3,776,440	3,379,301
Equity attributable to the Company's shareholders		14,110,421	13,086,004	9,266,937	8,828,299
Minority interest - equity attributable to minority shareholders					
of subsidiaries		1,773,847	1,483,705	-	-
Total shareholders' equity		15,884,268	14,569,709	9,266,937	8,828,299
Total liabilities and shareholders' equity		38,712,380	33,575,862	18,116,188	16,333,472
		-	-	-	-

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 subsidiaries**Income statements****For the three-month periods ended 30 September 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues				
Sales	18,430,737	13,723,637	4,806,921	3,805,438
Other income				
Interest income	271	3,236	66,844	88,406
Dividend income	-	-	274,144	317,485
Compensation from accounts payable	65	290	9	200
Tax coupon received	25,674	17,480	4,709	2,460
Exchange gain	34,721	6,919	-	5,393
Others	51,470	40,499	40,644	13,668
Total other income	112,201	68,424	386,350	427,612
Share of income from investments in associates	5,583	1,911	-	-
Total revenues	<u>18,548,521</u>	<u>13,793,972</u>	<u>5,193,271</u>	<u>4,233,050</u>
Expenses				
Cost of sales	15,663,138	11,883,691	4,122,156	3,360,675
Selling and administrative expenses	1,646,760	1,228,672	316,553	251,861
Exchange loss	-	-	232	-
Other expenses	1,291	979	86	343
Total expenses	<u>17,311,189</u>	<u>13,113,342</u>	<u>4,439,027</u>	<u>3,612,879</u>
Income before interest expense and income tax	1,237,332	680,630	754,244	620,171
Interest expense	(159,494)	(145,607)	(59,969)	(62,941)
Corporate income tax (Note 14)	(37,215)	(58,701)	(19,583)	(17,208)
Net income for the period	<u>1,040,623</u>	<u>476,322</u>	<u>674,692</u>	<u>540,022</u>
Net income attributable to:				
Equity holders of the parent	911,936	422,370	674,692	540,022
Minority interests of the subsidiaries	128,687	53,952		
	<u>1,040,623</u>	<u>476,322</u>		
				(Unit: Baht)
Earnings per share (Note 16)				
Basic earnings per share				
Net income attributable to equity holders of the parent	<u>1.04</u>	<u>0.48</u>	<u>0.77</u>	<u>0.61</u>
Diluted earnings per share				
Net income attributable to equity holders of the parent	<u>1.04</u>	<u>0.48</u>	<u>0.77</u>	<u>0.61</u>

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

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries**Income statements****For the nine-month periods ended 30 September 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues				
Sales	50,638,597	40,253,532	13,129,735	10,021,370
Other income				
Interest income	4,435	12,681	193,438	270,618
Dividend income	60	215	537,940	821,451
Compensation from accounts payable	61,328	57,978	31,355	30,922
Tax coupon received	61,909	66,379	8,327	11,654
Exchange gain	149,618	144,323	41,353	79,887
Others	158,143	146,144	89,053	45,081
Total other income	435,493	427,720	901,466	1,259,613
Share of income from investments in associates	6,179	5,567	-	-
Total revenues	<u>51,080,269</u>	<u>40,686,819</u>	<u>14,031,201</u>	<u>11,280,983</u>
Expenses				
Cost of sales	44,018,682	34,738,387	11,563,274	8,912,130
Selling and administrative expenses	4,277,976	3,794,086	870,881	733,349
Other expenses	9,946	3,052	2,194	723
Total expenses	<u>48,306,604</u>	<u>38,535,525</u>	<u>12,436,349</u>	<u>9,646,202</u>
Income before interest expense and income tax	2,773,665	2,151,294	1,594,852	1,634,781
Interest expense	(421,910)	(408,750)	(151,387)	(205,230)
Corporate income tax (Note 14)	(162,069)	(206,679)	(59,643)	(55,314)
Net income for the period	<u>2,189,686</u>	<u>1,535,865</u>	<u>1,383,822</u>	<u>1,374,237</u>
Net income attributable to:				
Equity holders of the parent	1,893,363	1,380,258	1,383,822	1,374,237
Minority interests of the subsidiaries	296,323	155,607		
	<u>2,189,686</u>	<u>1,535,865</u>		
				(Unit: Baht)
Earnings per share (Note 16)				
Basic earnings per share				
Net income attributable to equity holders of the parent	<u>2.16</u>	<u>1.58</u>	<u>1.58</u>	<u>1.57</u>
Diluted earnings per share				
Net income attributable to equity holders of the parent	<u>2.16</u>	<u>1.57</u>	<u>1.58</u>	<u>1.56</u>

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

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries
Statements of cash flows
For the nine-month periods ended 30 September 2008 and 2007

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Cash flows from operating activities				
Net income before tax	2,351,755	1,742,544	1,443,465	1,429,551
Adjustments to reconcile net income to net cash provided by (paid from) operating activities				
Depreciation and amortisation	737,472	696,658	168,229	151,253
Amortisation of premium/discount from forward contracts	(4,008)	3,552	(18,389)	9,254
Amortisation of withholding tax	11,404	-	11,404	-
Allowance for doubtful accounts (reversal)	(34,053)	32,221	-	285
Allowance for diminution in value of inventories (reversal)	(1,863)	35,090	(5,066)	34,179
Reversal of loss on impairment of assets	-	(52)	-	-
Share of income from investments in associates	(6,179)	(5,567)	-	-
Gain on returned capital of investment in associate	(5,285)	-	(5,285)	-
Gain on sale of investment	(291)	-	-	-
Gain on disposal / write-off of assets	(2,939)	(4,306)	(171)	(544)
Loss on disposal of properties foreclosed	-	11,077	-	11,077
Unrealised exchange loss (gain)	84,886	21,609	40,114	(12,076)
Dividend income	(60)	(215)	(537,940)	(821,451)
Interest income	(4,435)	(12,681)	(193,438)	(270,618)
Interest expense	421,910	408,750	151,387	205,230
Income from operating activities before change in operating assets and liabilities	3,548,314	2,928,680	1,054,310	736,140
Decrease (increase) in operating assets				
Trade accounts receivable	(811,376)	(499,835)	(155,637)	(358,802)
Inventories	(3,479,494)	(2,708,122)	(1,231,911)	(405,035)
Other current assets	40,293	77,281	(31,835)	(1,454)
Other non-current assets	(6,037)	(15,798)	83	137
Increase (decrease) in operating liabilities				
Trade accounts payable	291,557	463,458	193,733	184,463
Other current liabilities	386,833	97,705	50,645	95,560
Other non-current liabilities	35,665	(8,275)	5,600	(3,486)
Cash flows from (used in) operating activities	5,755	335,094	(115,012)	247,523
Cash paid for interest expense	(435,198)	(395,739)	(153,400)	(208,294)
Cash paid for corporate income tax	(247,240)	(238,755)	(49,690)	(69,768)
Net cash used in operating activities	(676,683)	(299,400)	(318,102)	(30,539)

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

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries
Statements of cash flows (continued)
For the nine-month periods ended 30 September 2008 and 2007

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Cash flows from investing activities				
Increase in restricted deposits with financial institutions	(61)	(227)	-	-
Acquisition of property, plant and equipment	(1,248,750)	(2,238,298)	(581,820)	(260,483)
Acquisition of intangible assets	(35,710)	(3,631)	-	-
Acquisition of leasehold rights	(500)	(334)	-	-
Decrease in short-term loans to subsidiaries	-	-	488,261	468,800
Increase in short-term loans to associate	-	(1,000)	-	-
Decrease (increase) in short-term loans to other companies	(11,128)	29,295	(15,000)	-
Increase in long-term loans to subsidiary	-	-	(340,017)	-
Increase in long-term loans to other companies	(1,226)	-	-	-
Cash paid for purchase of investment in subsidiary	(53,874)	-	-	-
Increase in investments in subsidiary	-	-	-	(20,400)
Increase in investments in associates	-	(34,850)	-	-
Interest received	4,522	12,667	173,656	241,191
Dividend received	60	215	537,940	821,451
Proceeds from sale of investment	8,090	-	-	-
Proceeds from returned capital of investment in subsidiary	-	-	-	35,514
Proceeds from returned capital of investment in associates	9,830	-	9,830	-
Proceeds from disposal of property, plant and equipment	10,708	11,600	500	785
Proceeds from disposal of properties foreclosed	-	3,209	-	3,209
Net cash from (used in) investing activities	(1,318,039)	(2,221,354)	273,350	1,290,067
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans from financial institutions	3,087,056	2,024,164	1,110,688	369,947
Decrease in short-term loans from subsidiaries	-	-	(97,400)	(693,500)
Increase in short-term loans from associate	7,000	-	7,000	-
Increase (decrease) in short-term loans from shareholders of subsidiary	500	(93,100)	-	-
Increase in short-term loans from director of subsidiaries	1,312	-	-	-
Increase (decrease) in long-term loans from shareholders of subsidiary	(26,222)	34,599	-	-
Decrease in long-term loans	(235,574)	(1,619,916)	-	(3,114,000)
Decrease in financial lease payable	(30,533)	(34,349)	-	-
Increase in debentures	-	3,200,000	-	3,200,000
Cash proceeds from increase in capital	41,485	74,449	41,485	74,449
Decrease in minority interest - equity attributable to minority shareholders of subsidiaries	(117,204)	(156,246)	-	-
Dividend paid	(986,683)	(1,077,696)	(986,683)	(1,077,696)
Net cash from (used in) financing activities	1,741,137	2,351,905	75,090	(1,240,800)
Effect of exchange rate change to cash and cash equivalents				
	105,316	68,573	-	-
Net increase (decrease) in cash and cash equivalents	(148,269)	(100,276)	30,338	18,728
Cash and cash equivalents at beginning of period	485,405	365,142	1,717	3,819
Cash and cash equivalents at end of period	<u>337,136</u>	<u>264,866</u>	<u>32,055</u>	<u>22,547</u>
Supplement cash flows information				
Non-cash items				
Undue installments for acquisition of property, plant and equipment	60,016	163,536	23,434	24,139
Unrealised loss (gain) on changes in the value of investments	12,141	1,406	(14)	90

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

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the nine-month periods ended 30 September 2008 and 2007

(Unit: Thousand Baht)

	Consolidated financial statements								
	Issued and paid-up share capital	Premium on shares capital	Unrealised loss on changes in the value of investments	Provision for changes in the value of pension fund	Translation adjustment	Retained earnings		Minority interest - equity attributable to minority shareholders of	
						Appropriated - statutory reserve	Unappropriated	subsidiaries	Total
Balance as at 1 January 2007	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
Translation adjustment	-	-	-	-	(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 17)	-	-	-	-	-	-	(1,077,696)	(175,846)	(1,253,542)
Issuance of share capital by converted warrants to ordinary shares (Note 15)	4,739	69,710	-	-	-	-	-	-	74,449
Increase in investment in subsidiary	-	-	-	-	-	-	-	19,600	19,600
Balance as at 30 September 2007	878,795	4,481,688	(3,492)	(22,614)	(59,076)	89,000	7,278,392	1,454,277	14,096,970
Balance as at 1 January 2008 - as previously reported	878,795	4,481,688	(8,161)	(6,440)	(73,045)	89,000	7,724,167	1,483,705	14,569,709
Cumulative effect of the change in accounting policy (Note 2)	-	-	-	-	-	-	85,224	-	85,224
Balance as at 1 January 2008 - as restated	878,795	4,481,688	(8,161)	(6,440)	(73,045)	89,000	7,809,391	1,483,705	14,654,933
Unrealised loss on changes in the value of investments	-	-	(12,141)	-	-	-	-	-	(12,141)
Provision for changes in the value of pension fund	-	-	-	(63)	-	-	-	-	(63)
Translation adjustment	-	-	-	-	3,232	-	-	-	3,232
Items not recognised in income statements	-	-	(12,141)	(63)	3,232	-	-	-	(8,972)
Net income for the period	-	-	-	-	-	-	1,893,363	296,323	2,189,686
Dividend paid (Note 17)	-	-	-	-	-	-	(986,683)	(117,204)	(1,103,887)
Issuance of share capital by converted warrants to ordinary shares (Note 15)	4,376	37,109	-	-	-	-	-	-	41,485
Increase in minority interest	-	-	-	-	-	-	-	111,023	111,023
Balance as at 30 September 2008	883,171	4,518,797	(20,302)	(6,503)	(69,813)	89,000	8,716,071	1,773,847	15,884,268

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

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the nine-month periods ended 30 September 2008 and 2007

(Unit: Thousand Baht)

	Separate financial statements					
	Issued and paid-up share capital	Premium on shares capital	Unrealised loss on changes in the value of investments	Retained earnings Appropriated - statutory reserve	Unappropriated	Total
Balance as at 1 January 2007	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 17)	-	-	-	-	(1,077,696)	(1,077,696)
Issuance of share capital by converted warrants to ordinary shares (Note 15)	4,739	69,710	-	-	-	74,449
Balance as at 30 September 2007	<u>878,795</u>	<u>4,481,688</u>	<u>(461)</u>	<u>89,000</u>	<u>3,120,021</u>	<u>8,569,043</u>
Balance as at 1 January 2008	878,795	4,481,688	(485)	89,000	3,379,301	8,828,299
Unrealised gain on changes in the value of investments	-	-	14	-	-	14
Items not recognised in income statements	-	-	14	-	-	14
Net income for the period	-	-	-	-	1,383,822	1,383,822
Dividend paid (Note 17)	-	-	-	-	(986,683)	(986,683)
Issuance of share capital by converted warrants to ordinary shares (Note 15)	4,376	37,109	-	-	-	41,485
Balance as at 30 September 2008	<u>883,171</u>	<u>4,518,797</u>	<u>(471)</u>	<u>89,000</u>	<u>3,776,440</u>	<u>9,266,937</u>

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

Thai Union Frozen Products Public Company Limited and its subsidiaries
Notes to consolidated interim financial statements
30 September 2008 and 2007

1. General information

1.1 The Company's 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 on the Stock Exchange of Thailand on 22 November 1994. The Company operates its business in Thailand and its subsidiaries operate their businesses in Thailand and overseas. Their principal activities in Thailand are the manufacture and export of frozen and canned seafood, and local subsidiaries are also engaged in the packaging and printing, pet food businesses and fishery. The principal activities of the overseas subsidiaries are the manufacture and distribution of canned seafood, and the import of shrimp and other frozen seafood products for sale to restaurant chains, retailers, wholesalers and food processors which are principally located in the United States and the manufacture and distribution of seafood which are principally located in Indonesia and Vietnam. The Company's registered office is located at 72/1 Moo 7, Sethakit 1 Road, Tambon Tarsrai, Amphur Muang, Samutsakorn. The Company has 3 branches in Bangkok and Samutsakorn.

1.2 Basis for the preparation of interim financial statements

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

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

(Unaudited but reviewed)

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

1.3 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 2007. There has been change in the composition of the group of company during the current period as follows:

In January 2008, Thai Quality Shrimp Co., Ltd., an associated company of Thai Union Feedmill Co., Ltd. is registered the capital reduction with the Ministry of Commerce, reduced its registered capital from Baht 8 million to Baht 4 million. As a result, the equity interest of Thai Union Feedmill Co., Ltd. increased from 49.99% to 95%. Consequently, that associated company will become a subsidiary.

During the third quarter of this year, Songkla Canning Pcl., its subsidiary purchased the investment of 51% of ordinary shares of Yueh Chyang Canned Food Co., Ltd., a company registered in Vietnam. These consolidated financial statements include the balance sheet of that company as at 30 September 2008 and the income statement for the period as from the investment date to 30 September 2008. Such company has recorded the net assets acquired at their net book value as of the acquisition date. The remaining excess of the purchase price over the net assets acquired has been recorded as other assets. The company is awaiting the receipt of a third party appraisal in order to allocate the fair value associated with the assets. The company expects to obtain this appraisal and complete the purchase price allocation within the end of 2008.

The net asset value of Yueh Chyang Canned Food Co., Ltd. at the investment date consisted of the following: -

	(Unit: Thousand Baht)
Cash and cash equivalents	65,275
Trade accounts receivable	84,626
Inventories	166,438
Property, plant and equipment - net	129,003
Other assets	35,272
Total assets	<u>480,614</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

Short-term loans from financial institutions	75,798
Trade accounts payable	53,548
Other liabilities	124,690
Total liabilities	<u>254,036</u>
Net asset value	226,578
Net asset value attributable to the company's investment	115,555
Positive goodwill	3,594
Purchase price	119,149
Less: Cash and deposits at financial institutions of subsidiary	<u>(65,275)</u>
Net cash paid for purchase of subsidiary	<u>53,874</u>

The financial statements of Thai Quality Shrimp Co., Ltd. and Yueh Chyang Canned Food Co., Ltd. are included in the consolidated financial statement even though the Company's shareholding are 48.45% and 46.12%, respectively. This is because the Company has control over the companies through its board of directors, and is therefore regarded as subsidiaries.

The percentages of the total assets and total revenues of the subsidiaries in relation to the total assets and total revenues as included in the consolidated financial statements for the nine-month period ended 30 September 2008 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	15.52	18.05
Songkla Canning Pcl. and its subsidiaries	12.80	12.19
Thai Union Seafood Co., Ltd.	1.73	1.01
T-Holding Co., Ltd.	0.88	1.40
Thai Union Numhong Co., Ltd.	0.01	0.01
Thai Union Feedmill Co., Ltd. and its subsidiaries	6.18	5.62
Thai Union Graphic Co., Ltd.	0.84	0.41
Thai Union International, Inc. (TUI) and its subsidiaries	35.82	42.93
PT Juifa International Foods	0.68	0.91

1.4 Accounting Standards which are effective for the current year

TAS 25 (revised 2007)	Cash Flow Statements
TAS 29 (revised 2007)	Leases
TAS 31 (revised 2007)	Inventories
TAS 33 (revised 2007)	Borrowing Costs
TAS 35 (revised 2007)	Presentation of Financial Statements
TAS 39 (revised 2007)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 41 (revised 2007)	Interim Financial Reporting
TAS 43 (revised 2007)	Business Combinations
TAS 49 (revised 2007)	Construction Contracts
TAS 51	Intangible Assets

These accounting standards become effective for the financial statements for fiscal years beginning on or after 1 January 2008. The management has assessed the effect of these accounting standards and believes that TAS 29 (revised 2007), TAS 39 (revised 2007) and TAS 49 (revised 2007) are not relevant to the business of the Company, whereas TAS 25 (revised 2007), TAS 31 (revised 2007), TAS 33 (revised 2007), TAS 35 (revised 2007), TAS 41 (revised 2007), and TAS 51 do not have any significant impact on the financial statements for the current period. The following accounting standard has an impact to the financial statements for the current period.

TAS 43 (revised 2007) “Business Combinations”

TAS 43 (revised 2007) does not require the amortisation of goodwill acquired in a business combination. Such goodwill is instead to be tested for impairment, and measured at cost less accumulated impairment losses. This accounting standard applies to goodwill arising from business combinations for which the agreement date is on or after 1 January 2008. Previously recognised goodwill can be accounted for prospectively, with the Company discontinuing the amortisation of the goodwill and instead testing for impairment, as from the beginning of the first fiscal year starting on or after 1 January 2008. Previously recognised negative goodwill is adjusted to the opening balance of retained earnings, as from the beginning of the first fiscal year starting on or after 1 January 2008.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2007, except for the following change in the accounting policy.

Goodwill on business combination

Goodwill on business combination is presented in the balance sheet at cost less accumulated impairment loss.

2. Change in accounting policy

During the current period, the Company changed its accounting policy for goodwill, in compliance with Accounting Standard No.43 (revised 2550) "Business Combinations", as mentioned in Note 1.4. Negative goodwill arising from business combinations before 1 January 2008 has been adjusted against the opening balance of retained earnings. The cumulative effect of the accounting change is presented under the heading of "Cumulative effect of the change in accounting policy" 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 2008	31 December 2007	30 September 2008	31 December 2007
<u>Age of receivable</u>				
Trade accounts receivable - related companies				
Not yet due	18,648	10,977	1,016,385	717,237
Overdue				
1 - 30 days	49,542	4,137	510,836	389,498
31 - 60 days	-	81	234,113	228,611
61 - 90 days	-	-	19,404	160,344
91 - 120 days	-	-	-	41,409
121 - 180 days	-	-	-	1,686
181 - 365 days	-	-	-	7,701
Over 365 days	-	-	4,821	-
Total trade accounts receivable - related companies	68,190	15,195	1,785,559	1,546,486

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
Trade accounts receivable - others				
Not yet due	5,638,571	4,744,999	725,363	856,353
Overdue				
1 - 30 days	1,342,021	1,377,031	216,780	186,698
31 - 60 days	176,883	133,731	40,212	19,321
61 - 90 days	54,421	74,699	3,959	6,252
91 - 120 days	69,394	45,337	294	7,832
121 - 180 days	37,455	18,623	951	3,851
181 - 365 days	31,031	89,014	7,321	21
Over 365 days	95,029	76,107	13,739	2,194
Total trade accounts receivable				
- others	7,444,805	6,559,541	1,008,619	1,082,522
Total trade accounts receivable	7,512,995	6,574,736	2,794,178	2,629,008
Less: Allowance for doubtful accounts	(137,336)	(169,337)	(717)	(717)
Trade accounts receivable - net	<u>7,375,659</u>	<u>6,405,399</u>	<u>2,793,461</u>	<u>2,628,291</u>

As at 30 September 2008, certain trade accounts receivable of three overseas subsidiaries have secured their credit facilities as mention in Note 11.

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		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 September				
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	
Transactions with subsidiary companies:					
(Eliminated from consolidated financial statements)					
Sales	-	-	2,044,446	1,615,817	Cost plus margin
Dividend received	-	-	274,144	317,485	As declared
Interest income	-	-	67,045	88,347	3.40 - 6.40% per annum (2007: 3.70 - 5.92% per annum)
Purchases of goods	-	-	576,842	375,682	Cost plus margin
Interest expense	-	-	910	5,660	3.20% per annum (2007: 3.70 - 5.92% per annum)
Transactions with associated companies:					
Purchases of goods	2,782	1,788	-	-	Cost plus margin
Purchases service expense	140	2,600	80	2,560	Near market price

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 September				
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	
Transactions with related parties:					
Sales	304,851	63,885	55,634	23,290	Cost plus margin
Purchases of goods	1,232,020	723,824	496,014	360,262	Cost plus margin
Interest income	-	985	-	-	10% per annum

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the nine-month periods ended 30 September				
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	
Transactions with subsidiary companies:					
(Eliminated from consolidated financial statements)					
Sales	-	-	4,351,560	4,156,988	Cost plus margin
Dividend received	-	-	537,880	821,236	As declared
Interest income	-	-	193,436	265,594	3.40 - 6.40% per annum (2007: 3.70 - 6.60% per annum)
Purchases of goods	-	-	1,605,097	878,387	Cost plus margin
Interest expense	-	-	9,362	24,165	3.20 - 3.45% per annum (2007: 3.70 - 6.60% per annum)
Transactions with associated companies:					
Purchases of goods	9,173	6,088	3	-	Cost plus margin
Purchases service expense	490	8,194	180	7,806	Near market price
Transactions with related parties:					
Sales	839,748	227,588	154,211	79,663	Cost plus margin
Purchases of goods	3,121,852	1,553,546	1,256,017	841,755	Cost plus margin
Interest income	-	3,613	-	-	10% per annum

The Company and its subsidiaries have insured with Asia-Pacific Risk Consultants (Thailand) Co., Ltd. which is an insurance broker related by way of having common directors. During the three-month and nine-month periods ended 30 September 2008, insurance premiums paid through that company amounted to Baht 21.1 million and Baht 40.4 million, respectively (2007: Baht 6.3 million and Baht 25.3 million, respectively).

The Company paid salaries and meeting allowances to its directors and management for the three-month and nine-month periods ended 30 September 2008 totaling Baht 8.2 million and Baht 25.1 million, respectively (2007: Baht 7.6 million and Baht 22.7 million, respectively).

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

List of related companies	Relationship
Songkla Canning Pcl.	Subsidiary
Thai Union Manufacturing Co., Ltd.	Subsidiary
Thai Union Seafood Co., Ltd.	Subsidiary
T-Holding Co., Ltd.	Subsidiary
Thai Union Numhong Co., Ltd.	Subsidiary
Thai Union Feedmill Co., Ltd.	Subsidiary
Thai Union Graphic Co., Ltd.	Subsidiary
Thai Union International, Inc. (TUI)	Subsidiary
PT Juifa International Foods	Subsidiary
Tri-Union Seafoods, LLC	Subsidiary (Held by subsidiary)
Tri-Union Samoa Packing Corporation	Subsidiary (Held by subsidiary)
Tri-Union Frozen Foods, LLC	Subsidiary (Held by subsidiary)
Empress International, Ltd. (Empress)	Subsidiary (Held by subsidiary)
Empress International of California Ltd.	Subsidiary (Held by subsidiary)
Empress International Midwest Ltd.	Subsidiary (Held by subsidiary)
Asian-Pacific Can Co., Ltd.	Subsidiary (Held by subsidiary)
Yueh Chyang Canned Food Co., Ltd.	Subsidiary (Held by subsidiary)
Marine Biotech Co., Ltd.	Subsidiary (Held by subsidiary)
Thai Marine Development Products Co., Ltd.	Subsidiary (Held by subsidiary)
Thai Union Hatchary Co., Ltd.	Subsidiary (Held by subsidiary)
Phuket Fishing Co., Ltd.	Subsidiary (Held by subsidiary)
Samui Fishing Co., Ltd.	Subsidiary (Held by subsidiary)
Phang-nga Fishing Co., Ltd.	Subsidiary (Held by subsidiary)
Songkla Fishing Co., Ltd.	Subsidiary (Held by subsidiary)
Siam Fishing Co., Ltd.	Subsidiary (Held by subsidiary)
Thai Quality Shrimp Co., Ltd.	Subsidiary (Held by subsidiary)
Lucky Union Foods Co., Ltd.	Associated company
Biz Dimension Co., Ltd.	Associated company
Century Trading (Shanghai) Co., Ltd.	Associated company (Held by subsidiary)
Chansiri Real Estate Co., Ltd.	Common major shareholders/Common directors
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
Waithai Co., Ltd.	Common major shareholders/Common directors
Merchant Partners Securities 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
Ekawat Products Co., Ltd.	Related directors
Miss Rungtiwa Boonmechote	Related person

(Unaudited but reviewed)

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
<u>Trade accounts receivable - related companies</u>				
<u>Subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Empress International, Ltd.	-	-	804,175	462,217
Tri-Union Seafoods, LLC	-	-	254,715	223,570
Tri-Union Samoa Packing Corporation	-	-	251,237	132,149
Tri-Union Frozen Foods, LLC	-	-	265,281	284,354
Thai Union Manufacturing Co., Ltd.	-	-	8,139	42,626
T-Holding Co., Ltd.	-	-	171,189	180,727
Songkla Canning Pcl.	-	-	11,882	3,516
Thai Union Seafood Co., Ltd.	-	-	4,890	206,551
Asian-Pacific Can Co., Ltd.	-	-	4,869	4,840
Others	-	-	60	66
Total trade accounts receivable - subsidiary companies	-	-	1,776,437	1,540,616
<u>Associated companies</u>				
Trade accounts receivable - associated companies	31	209	31	2
<u>Related companies</u>				
T.C. Union Agrotech Co., Ltd.	9,207	5,975	9,091	5,868
Jana Fish Industries Limited	3,287	1,166	-	-
Lucky Surimi Products Co., Ltd.	11,531	7,793	-	-
Ahead Way International Co., Ltd.	44,100	-	-	-
Others	34	52	-	-
Total trade accounts receivable - related companies	68,159	14,986	9,091	5,868
Total	68,190	15,195	1,785,559	1,546,486
<u>Short-term loans to related parties</u>				
<u>Subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Thai Union International, Inc.	-	-	169,626	67,104
Thai Union Graphic Co., Ltd.	-	-	22,000	4,000
Asian-Pacific Can Co., Ltd.	-	-	50,000	50,000
	-	-	241,626	121,104
<u>Associated company</u>				
Thai Quality Shrimp Co., Ltd.	-	1,500	-	-
Total	-	1,500	241,626	121,104
<u>Long-term loans to subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Thai Union International, Inc.	-	-	2,510,465	2,650,600
Thai Union Manufacturing Co., Ltd.	-	-	2,135,512	2,013,114
Total	-	-	4,645,977	4,663,714
Less: Current portion				
Thai Union International, Inc.	-	-	(169,626)	(192,923)
Net	-	-	4,476,351	4,470,791

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2008	2007	2008	2007
<u>Other current assets - others</u>				
<u>Interest receivable</u>				
(Eliminated from consolidated financial statements)				
Thai Union International, Inc.	-	-	26,589	5,191
Asian-Pacific Can Co., Ltd.	-	-	163	158
Thai Union Graphic Co., Ltd.	-	-	75	10
Thai Union Manufacturing Co., Ltd.	-	-	6,188	8,321
Total	-	-	33,015	13,680
<u>Trade accounts payable - related companies</u>				
<u>Subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Thai Union Manufacturing Co., Ltd.	-	-	81,735	68,159
Asian-Pacific Can Co., Ltd.	-	-	124,380	74,576
Thai Union Graphic Co., Ltd.	-	-	7,006	9,564
T-Holding Co., Ltd.	-	-	12,958	10,225
Tri-Union Seafoods, LLC	-	-	134	1,866
Empress International, Ltd.	-	-	3,281	11,113
Tri-Union Frozen Foods, LLC	-	-	2,396	2,274
Thai Union Seafood Co., Ltd.	-	-	1,702	29,034
Songkla Canning Pcl.	-	-	31,194	11,700
Others	-	-	-	1,601
Total trade accounts payable - subsidiary companies	-	-	264,786	220,112
<u>Associated company</u>				
Trade accounts payable - associated company	1,274	1,231	21	271
<u>Related companies</u>				
Pae Ekawat	11,200	23,296	11,220	23,296
T.C. Union Global Pcl.	3,293	2,488	-	-
T.C. Union Agrotech Co., Ltd.	10,086	5,714	-	-
Ekawat Products Co., Ltd.	16,089	-	16,089	-
Others	2,055	-	2,055	-
Total trade accounts payable - related companies	42,743	31,498	29,364	23,296
Total	44,017	32,729	294,171	243,679
<u>Short-term loans from related parties</u>				
<u>Subsidiary company</u>				
(Eliminated from consolidated financial statements)				
Thai Union Manufacturing Co., Ltd.	-	-	100,000	197,400
<u>Associated company</u>				
Biz Dimension Co., Ltd.	15,000	8,000	15,000	8,000
Total	15,000	8,000	115,000	205,400
<u>Short-term loans from director of subsidiaries</u>				
Mr. Cheng Niruttinanon	149,220	30,000	-	-
<u>Short-term loan from shareholder of subsidiary</u>				
Bio Solution Co., Ltd.	500	-	-	-
<u>Accrued expenses</u>				
<u>Accrued interest</u>				
Thai Union Manufacturing Co., Ltd.	-	-	318	88
Biz Dimension Co., Ltd.	45	21	45	21

(Unaudited but reviewed)

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(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2008	31 December 2007	30 September 2008	31 December 2007
Others				
Biz Dimension Co., Ltd.	96	130	-	-
Asia-Pacific Risk Consultants (Thailand) Co., Ltd.	10,112	30,379	3,482	13,177
Waithai Co., Ltd.	3,006	-	65	-
Total	13,259	30,530	3,910	13,286
Long-term loans from shareholder of subsidiary				
Mr. Cheng Niruttinanon	-	26,222	-	-

The movements of loans to/from related companies during the nine-month period ended 30 September 2008 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					Due date
	1 January 2008	Additional loans	Repayment	Revaluation	30 September 2008	
Short-term loans from associated company						
Biz Dimension Co., Ltd.	8,000	15,000	(8,000)	-	15,000	At call
Short-term loans from director of subsidiaries						
Mr. Cheng Niruttinanon	30,000	149,220*	(30,000)	-	149,220	15.10.2008 - 10.8.2009
Short-term loan from shareholder of subsidiary						
Bio Solution Co., Ltd.	-	500	-	-	500	At call
Long-term loans from shareholder of subsidiary						
Mr. Cheng Niruttinanon	26,222	-	(26,222)	-	-	

* The amount included a Baht 117.9 million increase due to the subsidiary acquisition during the current period.

(Unit: Thousand Baht)

	Separate financial statements						Due date
	1 January 2008	Additional loans	Repayment	Convert to short-term loan	Revaluation	30 September 2008	
Short-term loans to subsidiaries							
Thai Union International, Inc.	67,104	-	(506,261)	503,279	105,504	169,626	9.2.2009
Thai Union Graphic Co., Ltd.	4,000	22,000	(4,000)	-	-	22,000	At call
Asian-Pacific Can Co., Ltd.	50,000	-	-	-	-	50,000	At call
Thai Union Feedmill Co., Ltd.	-	4,100	(4,100)	-	-	-	
Songkla Canning Pcl.	-	5,100	(5,100)	-	-	-	
Thai Union Seafood Co., Ltd.	-	144,000	(144,000)	-	-	-	
	121,104	175,200	(663,461)	503,279	105,504	241,626	
Long-term loans to subsidiaries							
Thai Union International, Inc.	2,650,600	710,538	(470,521)	(503,279)	123,127	2,510,465	22.6.2009 - 10.7.2012
Thai Union Manufacturing Co., Ltd.	2,013,114	100,000	-	-	22,398	2,135,512	17.1.2011 - 7.6.2011
	4,663,714	810,538	(470,521)	(503,279)	145,525	4,645,977	
Short-term loans from related parties							
Thai Union Manufacturing Co., Ltd.	197,400	1,995,250	(2,092,650)	-	-	100,000	At call
Biz Dimension Co., Ltd.	8,000	15,000	(8,000)	-	-	15,000	At call
	205,400	2,010,250	(2,100,650)	-	-	115,000	

(Unaudited but reviewed)

5. Inventory / allowance for diminution in value of inventory

As at 30 September 2008, three overseas subsidiaries have mortgaged the certain inventories of those companies to financial institutions to secure their credit facilities as mentioned in Note 11.

Movements in the allowance for diminution in value of inventory account during the nine-month period ended 30 September 2008 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2008	67,831	28,659
Add: Allowance made during the period	61,052	27,251
Less: Allowance reversed during the period	(35,898)	(32,317)
Less: Write-off for obsolete and damaged stock	(27,017)	-
Translation adjustment	144	-
Balance as at 30 September 2008	<u>66,112</u>	<u>23,593</u>

6. Investments in subsidiaries

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Paid-up capital		Shareholding percentage	
			30 September 2008	31 December 2007	30 September 2008	31 December 2007
					%	%
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.	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 300 million	51.00	51.00
Thai Union Graphic Co., Ltd.	Printing manufacturer	Thailand	Baht 40 million	Baht 40 million	74.00	74.00
Thai Union International, Inc. (TUI)	Holding company	USA	USD 8.1 million	USD 8.1 million	100.00	100.00
PT Juifa International Foods	Manufacturer & distributor of seafood	Indonesia	USD 2.7 million	USD 2.7 million	76.50	76.50

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements

Company's name	Cost	
	30 September 2008	31 December 2007
<u>Investments in subsidiaries</u>		
Songkla Canning Pcl.	1,379,791	1,379,791
Thai Union Manufacturing Co., Ltd.	1,212,172	1,212,172
Thai Union Seafood Co., Ltd.	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	153,000
Thai Union Graphic Co., Ltd.	45,331	45,331
Thai Union International, Inc.	325,771	325,771
PT Juifa International Foods	69,510	69,510
Total	3,435,590	3,435,590
Less: Allowance for loss on impairment of investments	(115,222)	(115,222)
Net	3,320,368	3,320,368

On 14 December 2007, a meeting of the Board of Directors of the Company approved the acquisition of ordinary shares in Yueh Chyang Canned Food Co., Ltd. in Vietnam by Songkla Canning Pcl., its subsidiary. A total of USD 3.25 million is to be invested to acquire 51% of ordinary shares of this company which completed in July 2008.

7. Investments in associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007
			%	%				
<u>Investments in associates, directly held by the Company</u>								
Lucky Union Foods Co., Ltd.	Manufacturer & exporter of crab sticks	Thailand	25.00	25.00	37,500	37,500	210,314	202,302
Biz Dimension Co., Ltd.	E-Commerce under website	Thailand	20.00	20.00	1,515	6,060	17,031	20,112

(Unaudited but reviewed)

(Unit: Thousand Baht)

		Consolidated financial statements							
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method		
			30 September 2008	31 December 2007	30 September 2008	31 December 2007	30 September 2008	31 December 2007	
			%	%					
Investments in associates, directly held by subsidiaries									
Thai Quality Shrimp Co., Ltd. (49.99% held by Thai Union Feedmill Co., Ltd.)	Shrimp breeding and species developer	Thailand	-	25.49	-	4,000	-	2,894	
Century Trading (Shanghai) Co., Ltd. (50% held by Thai Union Manufacturing Co., Ltd.)	Importer & exporter of food products	The People's Republic of China	45.04	45.04	75,900	75,900	27,216	30,513	
					114,915	123,460	254,561	255,821	

(Unit: Thousand Baht)

		Separate financial statements					
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		
			30 September 2008	31 December 2007	30 September 2008	31 December 2007	
			%	%			
Lucky Union Foods Co., Ltd.	Manufacturer & exporter of crab sticks	Thailand	25.00	25.00	37,500	37,500	
Biz Dimension Co., Ltd.	E-Commerce under website	Thailand	20.00	20.00	1,515	6,060	
					39,015	43,560	

Thai Quality Shrimp Co., Ltd., an associated of Thai Union Feedmill Co., Ltd., reduced its registered capital from Baht 8 million to Baht 4 million. As a result, the equity interest of Thai Union Feedmill Co., Ltd. increased from 49.99% to 95%. Consequently, that associated will become a subsidiary. The capital reduction is registered with the Ministry of Commerce in January 2008.

During the current period, Biz Dimension Co., Ltd. decreased the Company's registered share capital from Baht 150 million to Baht 37.5 million by decreasing the number of shares held by existing shareholders to one of every four shares currently held. The Company received the returned capital of Baht 10 million.

Investments in some associates were determined on the basis of financial information provided by those companies' management. These were unreviewed

(Unaudited but reviewed)

by their external auditors due to time constraints. However, the values of the investments in associates are immaterial.

8. Long-term investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	30 September 2008		31 December 2007	
	Cost	Fair value	Cost	Fair value
Long-term investments				
Available-for-sale securities - Unit trusts	74,217	53,915	74,217	66,056
Unrealised loss on changes in the value of investments	(20,302)	-	(8,161)	-
Total available-for-sale securities	53,915	<u>53,915</u>	66,056	<u>66,056</u>
Other securities				
- Ordinary shares	16,480		24,446	
- Unit trust	100		100	
Total long-term investments	<u>70,495</u>		<u>90,602</u>	

(Unit: Thousand Baht)

	Separate financial statements			
	30 September 2008		31 December 2007	
	Cost	Fair value	Cost	Fair value
Long-term investments				
Available-for-sale securities - Unit trusts	5,025	4,554	5,025	4,540
Unrealised loss on changes in the value of investments	(471)	-	(485)	-
Total long-term investments	<u>4,554</u>	<u>4,554</u>	<u>4,540</u>	<u>4,540</u>

9. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2008 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2008	7,728,002	1,678,608
Acquisitions during period - at cost	1,145,055	581,402
Purchase of investment in subsidiary	129,003	-

(Unaudited but reviewed)

Increase as a result of change in company
shareholding in associate company

5,079

-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Disposals during period - net book value at disposal date	(7,708)	(329)
Depreciation for period	(721,280)	(168,229)
Transfer from properties foreclosed	200	200
Translation adjustment	5,499	-
Net book value as at 30 September 2008	<u>8,283,850</u>	<u>2,091,652</u>

An overseas subsidiary has mortgaged the construction and machinery, with net book values totalling approximately USD 0.1 million (31 December 2007: USD 0.1 million), to financial institutions to secure their credit facilities, as mentioned in Note 11.

10. Intangible assets

(Unit: Million Baht)

	Consolidated financial statements					
	30 September 2008			31 December 2007		
	Cost	Accumulated amortisation	Net	Cost	Accumulated amortisation	Net
Copyrights	10	(2)	8	15	(5)	10
Trademarks	913	(293)	620	924	(310)	614
Patent	36	-	36	-	-	-
Customer relationships	144	(75)	69	143	(63)	80
Covenant not to compete	14	(14)	-	14	(12)	2
Total	<u>1,117</u>	<u>(384)</u>	<u>733</u>	<u>1,096</u>	<u>(390)</u>	<u>706</u>

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

The Company entered into interest rate swap agreements for short-term loans from financial institution to hedge interest rate risk, as mentioned in Note 20.3.

(Unaudited but reviewed)

An overseas subsidiary entered into a revolving credit facility with Bank of America N.A.. The credit facility, which expires in 31 January 2010, provides for borrowings and issuance of letters of credit up to USD 30 million subject to limitations based on eligible accounts receivable and inventory and may be increased to USD 40 million under certain conditions. The issuance of letter of credit reduces the amount of borrowing capacity. Borrowings under the credit facility bear interest, at the subsidiary's option, at LIBOR plus a margin of 1.25% per annum or the bank's prime rate less 0.25% per annum, subject to adjustment quarterly. An unused line fee is charged at 0.25% per annum, subject to adjustment, on the average daily unused portion of the credit facility. The credit facility is secured by accounts receivable and inventory of the subsidiary. As at 30 September 2008, the balance under this facility was USD 27 million at interest rate between 3.75% to 5.00% per annum and actual unused availability based upon substantially all of collateralised assets was approximately USD 3 million. The subsidiary is subject to certain financial covenants including interest coverage ratio and leverage coverage ratio and others. As at 30 September 2008, the subsidiary determined it was in compliance with all of these covenants.

Tri-Union Seafoods, LLC (Tri-U) entered into a revolving credit facility with Bank of America N.A. The credit facility, which expires on 31 October 2009, provides for borrowings and the issuance of letters of credit up to USD 60 million subject to limitations based on eligible accounts receivable and inventory and may be increased to USD 70 million under certain conditions. The issuance of letters of credit reduces the amount of borrowing capacity. Borrowings under the credit facility bear interest, at Tri-U's option, at LIBOR plus a margin of 1.5% per annum or 1.75% per annum or the bank's prime rate less 0.25% per annum, subject to adjustment quarterly. An unused line fee is charged at 0.25% per annum or 0.375% per annum, subject to adjustment, on the average daily unused portion of the credit facility. The credit facility is secured by accounts receivable and inventory of Tri-U. As at 30 September 2008, the balance under the credit facility was USD 51 million with interest at rates ranging from 4.0% to 5.0% per annum and actual unused availability was approximately USD 9 million. Tri-U is subject to certain financial covenants including an interest coverage ratio and leverage ratio and others. As at 30 September 2008, Tri-U determined that it was in compliance with all of these covenants.

Tri-Union Frozen Foods, LLC (TUFF) entered into a USD 30 million revolving line of credit facility with Rabobank International, for advances up to 180 days and for the

(Unaudited but reviewed)

issuance of commercial letters of credit of up to 364 days. The issuance of letters of credit reduces the borrowing capacity. Borrowings under the credit agreement bear interest at LIBOR plus a margin of 1.5% per annum or cost of funds (as defined in the facility) plus a margin of 1.5% per annum or the bank's prime rate depending on subsidiary's option. Advances under the facility are subject to limitations based on inventory and accounts receivable levels. The agreement remains in effect until terminated by either party with writer notice of termination to the other. The facility is guaranteed by the Company and collateralised by TUFF's assets. As of 30 September 2008, the amount outstanding under the TUFF facility was USD 24.5 million with interest at rates ranging from 3.97% to 5.30% per annum. The subsidiary was contingently liable for open letters of credit issued under this facility totally USD 2.8 million, and actual unused availability was approximately USD 2.7 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 2008, the subsidiary determined it was in compliance with these covenants.

12. Long-term loans

Long-term loans as at 30 September 2008 and 31 December 2007 consist of:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2008	2007	2008	2007
USD loans	164	232	-	-
Baht loans	1,514	1,681	-	-
Total	1,678	1,913	-	-
Less: Current portion	(204)	(178)	-	-
Net	1,474	1,735	-	-

(Unaudited but reviewed)

Movements in the long-term loans account during the nine-month period ended 30 September 2008 are summarised below.

	Consolidated	(Unit: Million Baht) Separate
	<u>financial statements</u>	<u>financial statements</u>
Balance as at 1 January 2008	1,913	-
Add: Additional borrowings	4	-
Less: Repayment	<u>(239)</u>	<u>-</u>
Balance as at 30 September 2008	<u>1,678</u>	<u>-</u>

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

During the third quarter of 2006, a local subsidiary entered into two loan agreements amounting to Baht 150 million from two local financial institutions, carrying interest at MLR less 1.25% per annum and MLR less 1.00% per annum. These loans are to be repaid within year 2010 and have guaranteed by a local subsidiary. As at 30 September 2008, the balance of this loan is Baht 138 million.

During the second quarter of 2007, a local subsidiary draw Baht 380 million of two loan agreements from a local financial institution, carrying interest at 4.85% per annum, and THBFIX plus 0.5% per annum. These loans are to be repaid within year 2012. As at 30 September 2008, the balance of this loan is Baht 286 million.

During the third quarter of 2007, a local subsidiary entered into a 7-year loan agreement amounting to Baht 1,190 million with a local financial institution. The loan carries interest at THBFIX plus 0.39% per annum and is to be repaid in semi-annually installments, the first of which will be due in January 2011. The loan contains covenants relating to various matters stipulated in the agreement. However, during this period, the above subsidiary had repaid principal amount of Baht 100 million. As at 30 September 2008, the balance of this loan is Baht 1,090 million.

13. Debentures

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

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

The debentures contain covenants relating to various matters such as the maintenance of financial ratios and certain conditions in issuance of debentures agreement.

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

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

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September			
	2008	2007	2008	2007
Income tax on taxable income	39,452	55,897	17,670	17,026
Translation adjustment	(2,316)	956	-	-
Expense in deferred income tax	79	1,848	1,913	182
Income tax as included in income statements	<u>37,215</u>	<u>58,701</u>	<u>19,583</u>	<u>17,208</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September			
	2008	2007	2008	2007
Income tax on taxable income	132,003	201,684	57,398	58,766
Translation adjustment	(291)	6,045	-	-
Expense (income) in deferred income tax	30,357	(1,050)	2,245	(3,452)
Income tax as included in income statements	<u>162,069</u>	<u>206,679</u>	<u>59,643</u>	<u>55,314</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	31 December	30 September	31 December
	2008	2007	2008	2007
Tax losses brought forward	99,585	98,616	-	-
Tax effect of non-deductible expenses				
Allowance for doubtful accounts	10,435	10,523	179	215
Allowance for devaluation in the value of inventories	4,936	3,415	1,689	1,941
Other allowance	14,971	16,928	9,785	11,742
Accrued liabilities	165,211	163,602	-	-
Inventory cost capitalisation	48,419	47,948	-	-
Others	-	29,571	-	-
Total	<u>343,557</u>	<u>370,603</u>	<u>11,653</u>	<u>13,898</u>

As at 30 September 2008, a local subsidiary has deferred tax liabilities amounting to Baht 49.7 million (31 December 2007: Baht 46.0 million) and overseas subsidiaries have deferred tax liabilities amounting to Baht 229.7 million or USD 6.7 million (31 December 2007: Baht 230.4 million or USD 6.8 million).

15. 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:

- (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 2nd July of each year.

During the current period, the warrant holders exercised rights to purchase 4.4 million ordinary shares. The Company registered the additional shares with the Ministry of Commerce on 8 July 2008. There are 1.9 million warrants as expired during the current year and there is no outstanding warrant as at 30 September 2008.

16. Reconciliation of diluted earnings per share

For the three-month periods ended 30 September									
				Weighted average		Earnings per share			
Consolidated financial statements		Separate financial statements		number of ordinary shares		Consolidated financial statements		Separate financial statements	
<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Million Baht	Million Baht	Million Baht	Million Baht	Million share	Million shares	Baht	Baht	Baht	Baht
Basic earnings per share									
Net income attributable to equity holders of the parent									
911.9	422.4	674.7	540.0	876.2	878.7	1.04	0.48	0.77	0.61
Dilutive effect of warrants conversion									
-	-	-	-	-	2.1				
Diluted earnings per share									
Net income of ordinary shareholders assuming the conversion of warrants									

(Unaudited but reviewed)

to ordinary shares	<u>911.9</u>	<u>422.4</u>	<u>674.7</u>	<u>540.0</u>	<u>876.2</u>	<u>880.8</u>	<u>1.04</u>	<u>0.48</u>	<u>0.77</u>	<u>0.61</u>
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(Unaudited but reviewed)

For the nine-month periods ended 30 September									
				Weighted average		Earnings per share			
Consolidated financial statements		Separate financial statements		number of ordinary shares		Consolidated financial statements		Separate financial statements	
<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Million Baht	Million Baht	Million Baht	Million Baht	Million share	Million shares	Baht	Baht	Baht	Baht
Basic earnings per share									
Net income attributable to equity holders of the parent									
1,893.4	1,380.3	1,383.8	1,374.2	875.5	875.6	2.16	1.58	1.58	1.57
Dilutive effect of warrants conversion									
-	-	-	-	-	3.3				
Diluted earnings per share									
Net income of ordinary shareholders assuming the conversion of warrants to ordinary shares									
1,893.4	1,380.3	1,383.8	1,374.2	875.5	878.9	2.16	1.57	1.58	1.56

No calculation of diluted earnings per share for the three-month and nine-month periods ended 30 September 2008 is required for warrants since there is no outstanding warrant as at 30 September 2008.

17. Dividend paid

Dividends declared in 2008 and 2007 consist of the following:

			(Unit: Baht)	
	Approved by	Total dividends	Dividend per share	
Final dividends for 2007	Annual General Meeting of the shareholders on 21 April 2008	492,116,044	0.56	
Interim dividends for 2008	Board of Directors' meeting on 11 August 2008	494,566,604	0.56	
Total for 2008		986,682,648		

(Unaudited but reviewed)

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>	

18. Financial information by segment

Except for an overseas subsidiary of which the principal business activity is overseas investments, the operations of the Company and its subsidiaries principally involve the production, distribution and export of frozen seafood products, and these activities are carried out in Thailand and overseas. Their income comes from both local and export sales. Financial information of the Company and its subsidiaries presented by business segment for the three-month and nine-month periods ended 30 September 2008 and 2007 is as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 September									
	Frozen and canned food products		Other businesses		Total		Elimination		Grand total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Sales										
- Local	725	718	2,687	2,087	3,412	2,805	(1,543)	(1,456)	1,869	1,349
- Export	19,363	14,391	146	206	19,509	14,597	(2,947)	(2,222)	16,562	12,375
Total sales	<u>20,088</u>	<u>15,109</u>	<u>2,833</u>	<u>2,293</u>	<u>22,921</u>	<u>17,402</u>	<u>(4,490)</u>	<u>(3,678)</u>	<u>18,431</u>	<u>13,724</u>
Segment operating income	957	505	327	159	1,284	664	(47)	12	1,237	676
Unallocated income (expenses):										
Interest income									-	4
Selling and administrative expenses									(5)	(1)
Share of income from investments in associates									5	2
Interest expense									(160)	(146)
Corporate income tax									(37)	(59)
Net income of minority interest									(128)	(54)
Net income attributable to equity holders of the parent									<u>912</u>	<u>422</u>

(Unit: Million Baht)

	For the nine-month periods ended 30 September									
	Frozen and canned food products		Other businesses		Total		Elimination		Grand total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Sales										
- Local	2,400	1,722	7,239	5,852	9,639	7,574	(4,846)	(3,758)	4,793	3,816
- Export	51,382	41,290	542	637	51,924	41,927	(6,078)	(5,489)	45,846	36,438
Total sales	<u>53,782</u>	<u>43,012</u>	<u>7,781</u>	<u>6,489</u>	<u>61,563</u>	<u>49,501</u>	<u>(10,924)</u>	<u>(9,247)</u>	<u>50,639</u>	<u>40,254</u>
Segment operating income	1,915	1,636	897	495	2,812	2,131	(40)	14	2,772	2,145
Unallocated income (expenses):										
Interest income									4	13
Selling and administrative expenses									(9)	(12)
Share of income from investments in associates									6	6
Interest expense									(422)	(409)
Corporate income tax									(162)	(207)
Net income of minority interest									(296)	(156)
Net income attributable to equity holders of the parent									<u>1,893</u>	<u>1,380</u>

(Unaudited but reviewed)

Financial information of the Company and its subsidiaries presented by geographical segment for the three-month and nine-month periods ended 30 September 2008 and 2007 is as follows:

(Unit: Million Baht)

		For the three-month periods ended 30 September									
		Thailand		Overseas		Total		Elimination		Grand total	
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Sales											
-	Frozen and canned food products	11,351	8,528	8,737	6,581	20,088	15,109	(3,833)	(2,736)	16,255	12,373
-	Other businesses	2,833	2,293	-	-	2,833	2,293	(657)	(942)	2,176	1,351
	Total sales	14,184	10,821	8,737	6,581	22,921	17,402	(4,490)	(3,678)	18,431	13,724
Segment	operating income									1,237	676

(Unit: Million Baht)

		For the nine-month periods ended 30 September									
		Thailand		Overseas		Total		Elimination		Grand total	
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Sales											
-	Frozen and canned food products	30,845	23,218	22,937	19,794	53,782	43,012	(8,971)	(6,554)	44,811	36,458
-	Other businesses	7,781	6,489	-	-	7,781	6,489	(1,953)	(2,693)	5,828	3,796
	Total sales	38,626	29,707	22,937	19,794	61,563	49,501	(10,924)	(9,247)	50,639	40,254
Segment	operating income									2,772	2,145

19. Commitments

As at 30 September 2008, the Company and its subsidiaries have the following commitments:

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

	2008		2009 - 2010		As from 2011		Total	
Office rental and service agreements	Baht	5.8 million	Baht	46.9 million	Baht	29.3 million	Baht	82.0 million
			USD	0.1 million	USD	0.2 million	USD	0.3 million
Land lease agreements	Baht	0.4 million	Baht	1.7 million	Baht	6.3 million	Baht	8.4 million
	USD	0.9 million	USD	4.8 million	USD	3.1 million	USD	8.8 million
Car lease agreements	Baht	1.1 million	Baht	3.1 million		-	Baht	4.2 million
Machinery and equipment lease agreements	Baht	10.9 million	Baht	2.6 million	Baht	0.2 million	Baht	13.7 million
	USD	0.1 million	USD	0.2 million	USD	0.1 million	USD	0.4 million
Warehouse and factory construction agreements	Baht	12.7 million	Baht	1.0 million		-	Baht	13.7 million
	VND	2.0 million		-		-	VND	2.0 million
Purchase machinery and equipment agreements	Baht	15.3 million		-		-	Baht	15.3 million
	USD	4.7 million		-		-	USD	4.7 million
	CHF	0.7 million		-		-	CHF	0.7 million
	VND	3,046.3 million	VND	149.1 million		-	VND	3,195.4 million
	JPY	241.3 million		-		-	JPY	241.3 million
Advertising agreements	Baht	5.8 million	Baht	0.3 million		-	Baht	6.1 million

(Unaudited but reviewed)

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

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

- c) The overseas subsidiary has agreed to make payments under royalty agreements for the use of certain production machinery and equipment. The agreements require fixed payments plus an additional sum based on output. Total payments made under these arrangements for the three-month and nine-month periods ended 30 September 2008 amounting to USD 0.2 million and USD 0.5 million, respectively.

- d) Purchase commitments of the overseas subsidiaries

- TUI entered into contracts with independent fishing vessel operators to guarantee the supply of raw tuna. These contracts generally provide for the purchase of all fish caught by the respective vessel at the United Tuna Cooperative price and are renewable each year. Fish purchased under the terms of these contracts approximated 15% and 11% of total raw fish purchased for the three-month and nine-month periods ended 30 September 2008.
- In order to ensure procurement of frozen seafood, primarily shrimp products, from certain suppliers, Empress has entered into various purchase agreements with them ranging in length from one to four years. These agreements typically require either the purchase of a minimum amount of product during the year, or they require the company to purchase a portion, or in certain cases all, of the selected products produced by the supplier. The overseas subsidiary considers these agreements necessary to maintain a consistent supply of quality products and believes these commitments are within the normal requirements of the business. These purchase commitments have represented approximately 5 - 10% of total inventory purchases by Empress.

- Tri-U entered into an agreement with a vendor to supply cans and ends to Tri-U's American Samoa facility. This agreement expires on 31 December 2010. The overseas subsidiary is required to purchase a minimum quantity of cans and ends per year from the vendor, or the vendor may terminate the agreement within 18 months prior written notice. The price for cans and ends purchased through this agreement is variable within a range based on the quantity purchased by the overseas subsidiary. Either the overseas subsidiary or the vendor may elect to terminate the agreement within 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 2007, TUI renewed co-pack agreement with a third party whereby it supplies canned tuna products in compliance with the third party's specifications. The agreement is automatically renewed in one-year 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 is reimbursed for production costs. In connection with the agreement, the third party provided equipment which the overseas subsidiary installed in its facility and which it uses for its own production as well as for that under the co-pack agreement. The amount paid for the lease of the equipment is based on production and has the option to purchase the equipment upon termination of the agreement for cost plus interest, less lease payments previously made.

20. Contingent liabilities

20.1 Forward foreign exchange contracts

Significant forward exchange contracts outstanding are summarised below.

Buying / Selling forward foreign exchange contracts	Amount	Forward exchange rate
<u>As at 30 September 2008</u>		
<u>The Company</u>		
Selling forward foreign exchange contracts	USD 204 million against Baht	31.52 - 43.55
	JPY 87 million against Baht	0.3167 - 0.3260
Buying forward foreign exchange contracts	USD 25 million against Baht	33.15 - 34.55
	EURO 2 million against Baht	48.47 - 52.35
<u>Subsidiaries</u>		
Selling forward foreign exchange contracts	USD 115 million against Baht	31.40 - 34.73
	EURO 1 million against Baht	48.15 - 50.00
Buying forward foreign exchange contracts	USD 27 million against Baht	33.22 - 34.39

20.2 Option agreements

As at 30 September 2008, the Company and its subsidiaries have outstanding option agreements with special conditions with financial institutions under which they have obligations to buy amounts of between USD 107 million to USD 168 million, dependent on conditions stipulated in the agreements, at rates ranging from Baht 32.40 to Baht 33.30 per USD 1. These agreements will terminate within June 2009.

As at 30 September 2008, the Company and its subsidiaries have outstanding option agreements with special conditions with financial institutions under which they have obligations to sell amounts of between USD 92 million to USD 159 million, dependent on conditions stipulated in the agreements, at rates ranging from Baht 31.78 to Baht 34.35 per USD 1. These agreements will terminate within June 2009.

20.3 Interest rate swap transaction agreements

Interest rate swap agreements

The Company

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

Subsidiaries

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

Cross currency swap agreements

The Company

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

Subsidiary

	Currency and Interest Revenue Rate Swap agreement		Currency and Interest Expense Rate Swap agreement		Terminal date
	Loan amount	Interest rate	Loan amount	Interest rate	
1	Baht 683.8 million	Float rate 3-month THBFIX	USD 20 million	Float rate 3-month LIBOR	October 2008

20.4 Others

- a) In connection with TUI's production facilities in American Samoa, TUI may become obligated to remove its improvements and installations of property and equipment upon expiration of its lease agreement with the American Samoa Government, which expires on 30 September 2013. TUI has not recognised a liability related to the asset retirement obligations because TUI lacks sufficient information to reasonably estimate the fair value.
- b) The Office of the Attorney General of a US state filed a lawsuit against the three largest canned tuna companies in the US, including TUI, for failure to warn consumers that certain tuna contains mercury. However, on 10 May 2006 a decision was issued in the tuna companies' favor on all issues contained in the lawsuit. The Office of Attorney General of a US state filed an objection to the decision, but on 29 September 2006, the Superior Court of this state rendered its decision that the objections raised were without merit. However, on 18 January 2007 the Office of Attorney General of the state filed notice of appeal, and a decision on the appeal is anticipated in 2008. 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.

(Unaudited but reviewed)

- c) In March 2008, the US Department of Commerce announced a preliminary anti-dumping (AD) rate for the Company and its subsidiary's shrimp exports to the US for the period of 1 February 2006 to 31 January 2007 from a rate of 5.95% (average rate of Thailand) to 15.3%. The Company and its subsidiary will pay AD USD 7.9 million for that period and the Company and its subsidiary have not recorded this amount in the accounts since the announcement is preliminary and not a final announcement. The Company has appointed a lawyer in US to negotiate with the US Department of Commerce. In September 2008, the announcement is finalised at a rate of 2.85% for the Company and its subsidiary. The Company and its subsidiary will receive the different amount. However, the management of the Company and its subsidiary have not recorded this amount because it is in the process of refunding.
- d) In January 2007, TUI and two employees of TUFF were named in a lawsuit whereby the plaintiff alleged misappropriation of trade secrets, unfair business practices, and unfair competition. In September 2008, a jury returned special verdicts awarding damages to the plaintiff totaling USD 4.5 million, consisting of USD 2.8 million in compensatory damages and USD 1.7 million in punitive damages. The jury also found that prejudgment interest in an amount to be determined by the Court should be awarded. No final judgment has been entered. Issues remain to be determined by the Court that may increase or decrease the special verdicts including, among other things, exemplary damages, attorney's fees, interest, and potential injunctive relief. TUI is presently unable to predict the ultimate outcome of this matter; however, TUI recorded an accrual for contingent liabilities of USD 4.5 million during the nine-month period ended 30 September 2008.

21. Guarantees

- a) The Company's board of directors approved the issuance of corporate guarantees of USD 34.5 million (31 December 2007: USD 26.7 million) to several financial institutions to secure credit facilities of its subsidiaries.
- b) As at 30 September 2008, there were outstanding bank guarantees of approximately Baht 40.5 million (31 December 2007: Baht 35.8 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.

(Unaudited but reviewed)

- c) As at 30 September 2008, there were outstanding bank guarantees of approximately Baht 76.9 million (31 December 2007: Baht 65.7 million) issued by banks on behalf of the subsidiaries in respect of certain performance bonds as required in the normal course of businesses.

22. Financial instruments

The following is a summary of significant unhedged foreign currency-denominated assets and liabilities as at 30 September 2008:

(Unit: Thousand)

Foreign currency	Consolidated financial statements		Separate financial statements	
	Assets	Liabilities	Assets	Liabilities
US dollars	32,706	1,986	14,986	1,580
JPY	59,237	375,110	59,237	374,102
EURO	11	1,911	-	-

23. Subsequent event review

23.1 Economic crisis

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

23.2 Debentures

On 12 November 2008, the Company will issue the 2-year debentures of Baht 1,500 million with interest rate at 4.7% per annum and the 5-year debentures of Baht 500 million with interest rate at 5.5% per annum.

24. Reclassification

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.

25. Approval of interim financial statements

These interim financial statements were authorised for issue by the Audit Committee and the Company's management on 6 November 2008.