

LAM SOON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
REPORT AND INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2006

Review Report of Independent Auditor

To The Board of Directors and Shareholders of
Lam Soon (Thailand) Public Company Limited

I have reviewed the consolidated balance sheet of Lam Soon (Thailand) Public Company Limited and its subsidiaries as at 31 March 2006, and the related consolidated statements of earnings, changes in shareholders' equity, and cash flows for the three-month periods ended 31 March 2006 and 2005 and the separate financial statements of Lam Soon (Thailand) Public Company Limited for the same periods. 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 report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform a 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, 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 Lam Soon (Thailand) Public Company Limited and its subsidiaries and the separate financial statements of Lam Soon (Thailand) Public Company Limited for the year ended 31 December 2005 in accordance with generally accepted auditing standards and, under my report dated 27 February 2006, expressed an unqualified opinion on those financial statements. The balance sheet as at 31 December 2005, as presented herein for comparative purpose, formed an integral part of the financial statements which I audited and reported on. I have not performed any other procedures subsequent to the date of that report.

Ruth Chaowanagawi

Certified Public Accountant (Thailand) No. 3247

Ernst & Young Office Limited

Bangkok : 11 May 2006

LAMSON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit: Thousand Baht)

	Nte	CONSOLIDATED		THE COMPANY ONLY	
		As at	As at	As at	As at
		31 March 2006 (Unaudited but reviewed)	31 December 2005 (Audited)	31 March 2006 (Unaudited but reviewed)	31 December 2005 (Audited)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		369,230	268,545	87,179	27,408
Trade accounts receivable					
Related parties	2, 3	1,509	1,776	998	261
Other companies	2	558,370	550,808	447,356	404,849
Total trade accounts receivable - net		559,879	552,579	448,351	405,110
Short-term loans and advances to related parties - net	3	21	17	477	3,276
Inventories - net		754,250	820,970	330,752	434,034
Other current assets		33,153	27,623	16,453	14,948
TOTAL CURRENT ASSETS		1,716,593	1,669,734	943,212	884,776
NONCURRENT ASSETS					
Investments in subsidiaries accounted for under equity method	4	-	-	1,024,124	1,009,768
Other long-term investments - net	5	14,865	14,351	695	701
Property, plant and equipment - net	6, 7	1,301,780	1,256,654	438,232	442,543
Non-current land		109,482	109,482	-	-
Excess of acquisition cost of investments over net book value of subsidiaries		239,337	242,254	-	-
Deposit at financial institutions subject to restrictions		900	900	-	-
Other non-current assets		921	1,302	412	417
TOTAL NONCURRENT ASSETS		1,667,285	1,664,943	1,463,463	1,453,429
TOTAL ASSETS		3,383,878	3,334,677	2,406,675	2,338,205

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

LAMSON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

	N/A	CONSOLIDATED		THE COMPANY ONLY	
		As at	As at	As at	As at
		31 March 2006 (Unaudited but reviewed)	31 December 2005 (Audited)	31 March 2006 (Unaudited but reviewed)	31 December 2005 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	6	625,502	802,928	300,000	470,000
Trade accounts payable					
Related parties	3	-	2,705	51,222	2,183
Other companies		361,635	170,412	233,714	99,051
Total trade accounts payable		361,635	173,117	304,936	101,234
Advances from related party	3	-	-	176	-
Current portion of long-term loans	7	215,017	212,884	171,900	171,900
Dividend payable		30,374	30,424	25,404	25,404
Other current liabilities					
Corporate income tax payable		18,530	15,242	10,152	8,020
Accrued expenses		64,917	60,504	33,386	27,109
Unearned income		19,951	27,043	19,561	26,653
Others		59,778	65,527	29,352	33,400
Total other current liabilities		163,176	168,316	92,451	95,182
TOTAL CURRENT LIABILITIES		1,385,704	1,387,669	894,867	863,730
NON-CURRENT LIABILITIES					
Long-term loans - net of current portion	7	201,753	201,546	69,650	69,650
Provision for bad debt allowance	8	17,458	17,028	-	-
Others		56	154	-	-
TOTAL NON-CURRENT LIABILITIES		219,267	218,728	69,650	69,650
TOTAL LIABILITIES		1,604,971	1,606,397	964,517	933,380

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

LAMSON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	As at	As at	As at	As at
	31 March 2006 (Unaudited but reviewed)	31 December 2005 (Audited)	31 March 2006 (Unaudited but reviewed)	31 December 2005 (Audited)
SHAREHOLDERS' EQUITY				
Share capital				
Registered issued and fully paid up				
800,000,000 ordinary shares of Baht 1 each	800,000	800,000	800,000	800,000
Share premium	241,970	241,970	241,970	241,970
Premium on treasury stock	9 6,138	8,305	6,138	8,305
Unrealised loss from other long term investments	5 -2,584	-2,923	-2,584	-2,923
Retained earnings				
Appropriated - statutory reserve	71,718	70,748	71,718	70,748
- treasury stock reserve	6,850	26,619	6,850	26,619
Unappropriated	304,916	266,725	304,916	266,725
Total shareholders' equity	1,449,008	1,431,444	1,449,008	1,431,444
Less: Treasury stock	9 -6,850	-26,619	-6,850	-26,619
EQUITY ATTRIBUTABLE TO THE COMPANY'S				
SHAREHOLDERS - NET				
	1,442,158	1,404,825	1,442,158	1,404,825
MINORITY INTERESTS - EQUITY ATTRIBUTABLE TO				
MINORITY SHAREHOLDERS OF SUBSIDIARIES				
	326,749	323,455	-	-
TOTAL SHAREHOLDERS' EQUITY	1,768,907	1,728,280	1,442,158	1,404,825
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,383,878	3,334,677	2,406,675	2,338,205
	0	0	0	0

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

DIRECTORS

(UNAUDITED BUT REVIEWED)

LAMSON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF EARNINGS

FOR THE THREE MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Nte	CONSOLIDATED		THE COMPANY ONLY	
		2006	2005	2006	2005
REVENUES					
Sales		1,335,154	1,405,794	1,091,349	1,154,434
Share of profit from investments accounted for under equity method		-	-	8,453	19,409
Other income		36,316	22,463	4,080	4,732
TOTAL REVENUES		<u>1,371,470</u>	<u>1,428,257</u>	<u>1,103,882</u>	<u>1,178,575</u>
EXPENSES					
Cost of sales		1,184,768	1,272,280	997,496	1,038,222
Selling and administrative expenses		139,094	110,902	76,233	54,317
Directors' remuneration		3,009	2,923	900	913
TOTAL EXPENSES		<u>1,326,871</u>	<u>1,386,105</u>	<u>1,074,749</u>	<u>1,153,452</u>
EARNINGS BEFORE INTEREST EXPENSES AND INCOME TAX		44,599	42,152	29,133	25,123
INTEREST EXPENSES		-14,133	-12,726	-7,609	-6,694
CORPORATE INCOME TAX	10	-3,840	-3,161	-2,132	-
EARNINGS BEFORE MINORITY INTERESTS		<u>26,626</u>	<u>26,265</u>	<u>19,392</u>	<u>18,429</u>
EARNINGS IN RESPECT OF MINORITY INTERESTS		-7,234	-7,836	-	-
NET EARNINGS FOR THE PERIOD		<u><u>19,392</u></u>	<u><u>18,429</u></u>	<u><u>19,392</u></u>	<u><u>18,429</u></u>
BASIC EARNINGS PER SHARE (Baht)					
Net earnings		<u>0.02</u>	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>
Weighted average number of ordinary shares - net (Thousand shares)		<u>806,573</u>	<u>738,000</u>	<u>806,573</u>	<u>738,000</u>

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

(UNAUDITED BUT REVIEWED)

LAMSON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CASH FLOWS
 FOR THE THREE MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

	(Unit: Thousand Baht)			
	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
Cash flows from operating activities:				
Net earnings	19,392	18,429	19,392	18,429
Adjustments to reconcile net earnings to net cash provided by (paid for) operating activities:-				
Depreciation	34,495	37,400	11,473	12,244
Amortisation of excess of acquisition cost of investments over net book value of subsidiaries	4,359	4,359	-	-
Share of profit from investments accounted for under equity method	-	-	-8,453	-19,409
Increase (decrease) in allowance for doubtful accounts	-27	970	288	-
Reversal of provision for diminution in value of inventories	-28,546	-22,854	-	-9,215
Gain on disposal of fixed assets	-755	-516	-	-
Loss from write off of fixed assets	13	1,111	-	-
Unrealised loss (gain) on exchange	42	-1,012	-254	-332
Provision for bad and doubtful debts	480	480	-	-
Earnings in respect of minority interests	7,234	7,836	-	-
Earnings before changes in operating assets and liabilities	36,637	46,173	22,446	1,717
Decrease (increase) in operating assets:-				
Trade accounts receivable - related parties	267	-1,747	-734	-4
Trade accounts receivable - other companies	-7,771	34,356	-42,827	25,906
Inventories	95,266	521,386	43,282	488,210
Other current assets	-5,530	-8,178	-1,305	-7,147
Other non-current assets	381	-544	5	-
Increase (decrease) in operating liabilities:-				
Trade accounts payable - related parties	-2,705	-	49,089	33,052
Trade accounts payable - other companies	191,552	19,449	154,989	-7,788
Other current liabilities	-5,139	19,120	-2,731	25,576
Net cash from operating activities	302,958	630,015	221,914	559,532

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

(UNAUDITED BUT REVIEWED)

LAMSON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CASH FLOWS (Continued)
 FOR THE THREE MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

	(Unit: Thousand Baht)			
	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
Cash flows from investing activities:				
(Increase) decrease in short-term loans and advances to related parties	-144	-	2,799	-
Increase in investment in subsidiary	-5,588	-	-5,588	-
Acquisition of equipment	-39,889	-22,575	-7,162	-8,088
Proceeds from disposal of fixed assets	980	-	-	-
Net cash used in investing activities	<u>-44,581</u>	<u>-22,575</u>	<u>-9,921</u>	<u>-8,088</u>
Cash flows from financing activities:				
Decrease in bank overdrafts and short-term loans from financial institutions	-177,426	-551,051	-170,000	-575,000
Repayment of line purchase credits	-98	-97	-	-
Increase in advances from related party	-	-	176	-
Increase in long-term loans	12,200	-	-	-
Cash paid for long-term loans	-9,880	-10,440	-	-
Proceeds from disposal of treasury stock	17,602	-	17,602	-
Dividend paid	-50	-32	-	-25
Net cash used in financing activities	<u>-157,632</u>	<u>-561,600</u>	<u>-152,222</u>	<u>-575,025</u>
Net increase (decrease) in cash and cash equivalents	100,745	45,820	99,771	-23,581
Cash and cash equivalents at beginning of the period	268,545	195,464	27,408	56,983
Cash and cash equivalents at end of the period	<u>369,290</u>	<u>241,284</u>	<u>127,179</u>	<u>33,402</u>
Supplementary disclosures of cash flows information				
Cash paid during the period for:-				
Interest expenses	10,983	7,893	4,573	2,290
Corporate income tax	212	576	849	33

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

(UNAUDITED BUT REVIEWED)

LAMSON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(Unit: Thousand Baht)

	Note	CONSOLIDATED									
		Issued and paid up share capital	Share premium	Premium on treasury stock	Unrealised loss from other long term investments	Retained earnings			Treasury stock	Minority interests	Total
						statutory reserve	treasury stock reserve	Unappropriated			
Balance as at 1 January 2006		820,000	241,970	8,305	(29,253)	71,748	26,619	266,725	(26,619)	323,455	1,728,280
Adjustment of fair value of investments		-	-	-	339	-	-	-	-	-	339
Appropriation of statutory reserve		-	-	-	-	970	-	(970)	-	-	-
Adjustment of treasury stock reserve	9	-	-	-	-	-	(19,769)	19,769	-	-	-
Disposal of treasury stock	9	-	-	(2,167)	-	-	-	-	19,769	-	17,602
Net earnings for the period		-	-	-	-	-	-	19,392	-	-	19,392
Increase in minority interests		-	-	-	-	-	-	-	-	3,294	3,294
Balance as at 31 March 2006		820,000	241,970	6,138	(28,914)	71,718	6,850	304,916	(6,850)	326,749	1,768,907
Balance as at 1 January 2005		820,000	241,970	-	(3,092)	68,054	-	260,608	(127,613)	311,165	1,571,092
Adjustment of fair value of investments		-	-	-	(211)	-	-	-	-	-	(211)
Appropriation of statutory reserve		-	-	-	-	921	-	(921)	-	-	-
Appropriation of treasury stock reserve	9	-	-	-	-	-	127,613	(127,613)	-	-	-
Net earnings for the period		-	-	-	-	-	-	18,429	-	-	18,429
Increase in minority interests		-	-	-	-	-	-	-	-	7,704	7,704
Balance as at 31 March 2005		820,000	241,970	-	(3,303)	68,975	127,613	150,508	(127,613)	318,869	1,597,014

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

LAMSON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE THREE MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(Unit: Thousand Baht)

		THE COMPANY ONLY								
					Retained earnings					
					Appropriated					
					statutory	treasury				
					reserve	stock reserve	Unappropriated	Treasury stock	Total	
	Note	Issued and paid up share capital	Share premium	Peniumon treasury stock	Unrealised loss from other long-term investments					
Balance as at 1 January 2006		820,000	241,970	8,305	(2,923)	70,748	26,619	266,725	(26,619)	1,404,825
Adjustment of fair value of investments		-	-	-	339	-	-	-	-	339
Appropriation of statutory reserve		-	-	-	-	970	-	(970)	-	-
Adjustment of treasury stock reserve	9	-	-	-	-	-	(19,769)	19,769	-	-
Disposal of treasury stock	9	-	-	(2,167)	-	-	-	-	19,769	17,602
Net earnings for the period		-	-	-	-	-	-	19,392	-	19,392
Balance as at 31 March 2006		<u>820,000</u>	<u>241,970</u>	<u>6,138</u>	<u>(2,584)</u>	<u>71,718</u>	<u>6,850</u>	<u>304,916</u>	<u>(6,850)</u>	<u>1,442,158</u>
Balance as at 1 January 2005		820,000	241,970	-	(3,092)	68,054	-	200,608	(127,613)	1,259,927
Adjustment of fair value of investments		-	-	-	(211)	-	-	-	-	(211)
Appropriation of statutory reserve		-	-	-	-	921	-	(921)	-	-
Appropriation of treasury stock reserve	9	-	-	-	-	-	127,613	(127,613)	-	-
Net earnings for the period		-	-	-	-	-	-	18,429	-	18,429
Balance as at 31 March 2005		<u>820,000</u>	<u>241,970</u>	<u>-</u>	<u>(3,303)</u>	<u>68,975</u>	<u>127,613</u>	<u>150,505</u>	<u>(127,613)</u>	<u>1,278,145</u>

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

(UNAUDITED BUT REVIEWED)

LAM SOON (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

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, additional line items are presented in the balance sheets, and the statements of earnings, changes in shareholders’ equity, and cash flows as in 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

The interim consolidated financial statements include the financial statements of Lam Soon (Thailand) Public Company Limited (herein after called ‘the Company’) and the financial statements of its subsidiaries (herein after called ‘the subsidiaries’), which were incorporated in Thailand, and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2005. There is no significant change in the structure of the subsidiaries during the current period.

1.3 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 2005.

(UNAUDITED BUT REVIEWED)

2. TRADE ACCOUNTS RECEIVABLE

The outstanding balances of trade accounts receivable as at 31 March 2006 and 31 December 2005 classified by ageing were as follows :-

	(Unit: Thousand Bht)			
	Consolidated		The Company Only	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
Related parties				
- Less than 3 months	1,515	1,776	995	261
- 3-6 months	(6)	-	-	-
- Over 12 months	452	452	-	-
Total related parties	1,961	2,228	995	261
Less: Allowance for doubtful accounts	(452)	(452)	-	-
Trade accounts receivable - related parties, net	1,509	1,776	995	261
Other companies				
Post dated cheques receivable	28,722	28,720	20,591	18,688
Cheques returned	14,979	13,044	9,444	8,348
Trade accounts receivable				
- Less than 3 months	521,571	513,920	420,167	378,908
- 3-6 months	3,114	5,270	2,717	4,353
- 6-12 months	3,041	1,619	2,278	1,871
- Over 12 months	23,404	24,858	1,818	2,052
Total other companies	594,831	587,431	457,015	414,220
Less: Allowance for doubtful accounts	(36,461)	(36,628)	(9,659)	(9,371)
Total trade accounts receivable - other companies, net	558,370	550,803	447,356	404,849
Total trade accounts receivable - net	559,879	552,579	448,351	405,110

(UNAUDITED BUT REVIEWED)

3. RELATED PARTY TRANSACTIONS

During the periods, the Company had significant business transactions with its subsidiaries and related companies (related by the way of common shareholders and/or common directors) mainly in respect of purchases and sales of goods. Such transactions are summarized below :-

	For the three-month periods ended 31 March				Pricing policy
	Consolidated		The Company Only		
	2006	2005	2006	2005	
(Unit : Million Bht)					
<u>Transactions with subsidiaries</u>					
Purchase of raw material	-	-	145.6	163.8	Forward contract prices by using market prices at the date of agreement or market prices
Purchase of finished goods	-	-	25.9	-	Market prices less fixed margin
Rental income	-	-	0.5	0.5	Market prices
<u>Transactions with related companies</u>					
Sales of goods	1.2	0.7	1.2	0.7	Agreed prices

The outstanding balances of the above transactions as at 31 March 2006 and 31 December 2005 have been separately shown in the balance sheets with the details as follows :-

	(Unit : Thousand Bht)			
	Consolidated		The Company Only	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
<u>Trade accounts receivable - related parties</u>				
<u>Related companies</u>				
Lam Soon Singapore Pte Limited	766	1,220	242	-
Lam Soon Edible Oils Sdn. Bhd	749	256	749	256
Union Fresh Company Limited	452	452	-	-
ACE Ganning Corporation Sdn. Bhd	(6)	300	-	-
Union Frost Company Limited	-	-	4	5
Total trade accounts receivable - related companies	1,961	2,228	995	261
Less : Allowance for doubtful accounts	(452)	(452)	-	-
Trade accounts receivable - related parties, net	1,509	1,776	995	261

(UNAUDITED BUT REVIEWED)

	Consolidated		(Unit : Thousand Baht) The Company Only	
	31 March	31 December	31 March	31 December
	2006	2005	2006	2005
<u>Short-term loans and advances to related parties</u>				
<u>Short-term loans - related companies</u>				
Union Fresh Company Limited	40,286	40,286	-	-
Siam Unison Company Limited	5,325	5,325	-	-
Total short-term loans - related companies	45,611	45,611	-	-
<u>Advances - related parties</u>				
<u>Subsidiaries</u>				
United Palm Oil Industry Public Company Limited	-	-	422	4
Universal Foods Public Company Limited	-	-	31	3,272
Total advances - subsidiaries	-	-	453	3,276
<u>Related companies</u>				
Union Frost Company Limited	-	-	24	-
Union Fresh Company Limited	17,993	17,809	-	-
Siam Unison Company Limited	1,795	1,779	-	-
Lam Soon Edible Oils Sdn. Bhd	21	17	-	-
Total advances - related companies	19,809	19,665	24	-
Total advances - related parties	19,809	19,665	477	3,276
Total short-term loans and advances to related parties	65,420	65,276	477	3,276
Less : Allowance for doubtful accounts	(65,399)	(65,259)	-	-
Short-term loans and advances to related parties - net	21	17	477	3,276

(UNAUDITED BUT REVIEWED)

(Unit : Thousand Baht)

	Consolidated		The Company Only	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
<u>Trade account payable-related parties</u>				
<u>Subsidiaries</u>				
Universal Foods Public Company Limited	-	-	27,712	225
United Palm Oil Industry Public Company Limited	-	-	23,510	1,958
Total trade accounts payable—subsidiaries	-	-	51,222	2,183
<u>Related company</u>				
ACE Ginning Corporation Sdn. Bhd	-	2,705	-	-
Total trade accounts payable—related company	-	2,705	-	-
Total trade accounts payable—related parties	-	2,705	51,222	2,183
<u>Advances from related party</u>				
<u>Subsidiary</u>				
Universal Foods Public Company Limited	-	-	176	-
Total advances from related party	-	-	176	-

4. INVESTMENTS IN SUBSIDIARIES ACCOUNTED FOR UNDER EQUITY METHOD

(Unit : Thousand Baht)

Company's name	Type of business	Paid up share capital		Equity interest		Investments			
						Cost method		Equity method	
		31 March 2006	31 December 2005	31 March 2006	31 December 2005	31 March 2006	31 December 2005	31 March 2006	31 December 2005
United Palm Oil Industry Public Company Limited	Oil palm plantation, crude palm oil and kernel palm oil processing	324,080	324,080	66,81	66,29	704,064	698,506	632,060	613,026
Universal Foods Public Company Limited	Manufacture and distribution of canned fruits and vegetables, juice and drinks	350,000	350,000	96,79	96,79	406,498	406,498	392,064	396,742
Total investments in subsidiaries accounted for under equity method						1,110,562	1,105,004	1,024,124	1,009,768

(UNAUDITED BUT REVIEWED)

5. OTHER LONG-TERM INVESTMENTS

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
Equity securities				
Open-ended Kinlai Pam Poon Fund	1,000	1,000	1,000	1,000
Open-ended TCM Equity Fund (formerly known as Thai orchid Fund)	300	300	300	300
Open-ended Kinrakin Fund	200	200	200	200
Bangkok Bank Commn Share	16,854	16,854	-	-
Total	18,354	18,354	1,500	1,500
Less : Unrealised loss from other long-term investments	(3,489)	(4,003)	(805)	(799)
Other long-term investments - net	14,865	14,351	695	701
Unrealised loss from other long-term investments				
Portion of the Company	805	799	805	799
Portion of the subsidiary	2,684	3,204	-	-
Total	3,489	4,003	805	799
Unrealised loss attributable to the Company's investments and minority interests	(905)	(1,080)	1,779	2,124
Unrealised loss from other long-term investments	2,584	2,923	2,584	2,923

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

As at 31 March 2006, the Company and its subsidiaries had bank overdrafts and short-term loans from financial institutions totaling Baht 626 million (the Company Only : Baht 300 million), carrying interest at the rate of 3.9 - 6.0 percent per annum (the Company Only : 5.1 - 5.5 percent per annum).

Overdraft facilities and short-term loans from financial institutions of the subsidiaries are secured by the mortgage and pledge of land and buildings thereon and machinery of the subsidiaries.

(UNAUDITED BUT REVIEWED)

7. LONG-TERM LOANS

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
Long-term loans	416,770	414,430	241,550	241,550
Less : Current portion	(215,017)	(212,884)	(171,900)	(171,900)
Long-term loans - net of current portion	201,753	201,546	69,650	69,650

During the year 2004, the Company entered into a long-term loan agreement with a local bank and drew down loan of Baht 395 million (credit facilities provided under the agreement are Baht 420 million). The loan is repayable every 6 months in total 9 installments, after a year from the first date on which a disbursement of the loan is made, and bears interest at the rate of THBFIX plus applicable margin. As at 31 March 2006, there was the outstanding loan of Baht 156.5 million (31 December 2005 : Baht 156.5 million).

During the year 2003, the Company entered into a long-term loan agreement with a local bank and drew down loan of Baht 370 million (credit facilities provided under the agreement are Baht 600 million). The loan is repayable every 6 months in total 8 installments, commencing the first date on which a disbursement of the loan is made, and bears interest at the rate of THBFIX plus applicable margin. As at 31 March 2006, there was the outstanding loan of Baht 85.0 million (31 December 2005 : Baht 85.0 million).

The subsidiaries entered into long-term loan agreements with a local bank and branches of foreign banks and drew down loans of totaling Baht 241.5 million (credit facilities provided under the agreements are Baht 315.4 million). The loans bear interest at the rate of 5.75 - 6.00 percent per annum. As at 31 March 2006, there were the outstanding loans of Baht 175.2 million (31 December 2005 : Baht 172.9 million). Long-term loans of the subsidiaries are secured by the Company and the mortgage and pledge of land and buildings thereon, and machinery of the subsidiaries.

(UNAUDITED BUT REVIEWED)

Under the loan agreements, the Company has to comply with certain covenants and restrictions normally required by the banks, which include dividend payment policy, and the pledge of assets other than permitted encumbrances.

8. PROVISION FOR LAND RENTAL CHARGE

In 2001, a subsidiary company received notification from the Surat Thani Provincial Treasury Office of the Ministry of Finance indicating that the land with an area of 8,600 rai covered by the concession previously granted to the subsidiary company by the Forestry Department was state property, under the jurisdiction of the Ministry of Finance, by virtue of a ruling issued by the Judicial Council. The notice called for the subsidiary company to enter into a land lease agreement commencing 1 January 2001, and also to pay retroactive land rental for the years 1991 to 2000. At present, the subsidiary company is in the process of negotiating with the relevant government agencies. However, for the prudent reasons the subsidiary company has set up a full provision for its estimated liabilities in the accounts.

9. TREASURY STOCK

	Consolidated		The Company Only	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
Number of shares (shares)	4,401,900	17,104,400	4,401,900	17,104,400
Average price per share (Bht)	1.56	1.56	1.56	1.56

A resolution of the meeting of the Company's Board of Directors held on 12 November 2002 approved a reacquisition of shares of the Company in order to manage its excess cash, with a budget of not more than Bht 150 million. Not more than 82 million shares, equivalent to 10% of the total issued and paid-up shares of the Company are to be repurchased and these shares are to be sold during the stipulated period from 1 December 2003 to 23 April 2006 (more than 6 months from the date of completing the reacquisition of shares and not more than 3 years). In the event that the Company does not or is unable to dispose of all of the repurchased shares within the stipulated period, it is to reduce its paid-up capital by writing-off the remaining unsold shares.

(UNAUDITED BUT REVIEWED)

On 16 April 2004, the annual general meeting of the Company's shareholders passed a resolution to approve the amendment of the par value of the Company's shares from Baht 10 per share to Baht 1 per share, resulting in the increase in the number of treasury stock of the Company from 8.2 million shares to 82 million shares and the average price is changed from Baht 15.56 each to Baht 1.56 each.

On 14 February 2005, the Securities and Exchange Commission of Thailand (SEC) imposed an official requirement for all listed companies to follow the deliberation of the Judicial Council on the issue of treasury share schemes under Section 66/1(2) of the Public Limited Companies Act BE 2535, that the cost of treasury shares as acquired by a public limited company should not exceed its unappropriated retained earnings. The public limited company is also required to set aside a separate reserve account in an amount equal to the cost of the treasury shares. The reserve shall remain outstanding until either the shares are sold or paid-up capital is reduced by cancellation of any remaining unsold shares. The Company has set aside approximately Baht 127.6 million to a treasury stock reserve account according to the SEC's requirement since the first quarter of 2005.

By a resolution of the meeting of the Board of Directors of the Company held on 4 July 2005, the Company was approved to dispose 82 million treasury shares by an offer of sale on the main board of the Stock Exchange of Thailand from 19 July 2005 to 23 April 2006.

During three-month period ended 31 March 2006, the Company disposed 12.7 million treasury shares with cost of Baht 19.8 million at total price of Baht 17.6 million. The resale price took into account the prevailing market price at the time of sale. The Company recorded the lower of the resale price than the carrying amount of treasury shares of Baht 2.2 million to "Premium on treasury stock" in the shareholders' equity.

10. CORPORATE INCOME TAX

Corporate income tax for the period of the Company and its subsidiaries has been calculated from the earnings of the operations which are not entitled to corporate income tax exemption privileges from the Board of Investment, after deducting (adding back) shares of profit (loss) from investments accounted for under the equity method and adding back expenses which are disallowable for tax computation

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11. PROPOSED DIVIDEND

On 27 February 2006, the meeting of the Board of Directors of the Company passed a resolution to approve a dividend payment in respect of the 2005 earnings at Baht 0.03 per share, totaling Baht 24.6 million, which will be paid to the shareholders on 22 May 2006. This proposed dividend was approved by the resolution of the Annual General Meeting of the Company's shareholders on 25 April 2006.

On 27 February 2006, the meeting of the Board of Directors of a subsidiary company approved the proposal of a final dividend in respect of the 2005 earnings of Baht 1 per share, totaling Baht 32.41 million, which will be paid to the shareholders on 22 May 2006. This proposed dividend was approved by resolution of Annual General Meeting of the subsidiary's shareholders on 25 April 2006.

12. BANK GUARANTEES

As at 31 March 2006, there were outstanding bank guarantees of approximately Baht 10.7 million (The Company Only: Baht 4.4 million) issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of their businesses.

13. COMMITMENTS

As at 31 March 2006, the Company and its subsidiaries had the following outstanding commitments:

- 13.1 Capital expenditure under the agreements and purchase orders for purchase of equipment including services payable in the future amounting to approximately Baht 41.2 million and USD 0.2 million (The Company Only: Baht 5.7 million and USD 0.2 million).
- 13.2 Commitments in respect of lease and service agreements payable in the future of approximately Baht 3.2 million (The Company Only: Baht 3.2 million).

14. CONTINGENT LIABILITIES

14.1 In January 2006, the Company was sued by the Metropolitan Electricity Authority for payment of additional electricity expenses totaling approximately Baht 7.1 million for the 18-month period from 30 June 2004 to 30 November 2005. In October 2005, the Metropolitan Electricity Authority received Baht 2.9 million from the bank which was guarantor for electricity payment, leaving an outstanding amount of Baht 4.2 million. However, the Company countersued to recover the guarantee amount from the Metropolitan Electricity Authority because the Company did not have any outstanding late electricity payments due to the Metropolitan Electricity Authority as per the guarantee issued by the bank, but the claim made was a retrospective claim for additional payments. At present, the case is under the consideration of the Civil Court. However, the management believes that there will be no adverse impact to the Company as a result of the case and hence no provision for loss has been set aside in the accounts.

14.2 In 2004, a subsidiary company has received a letter of invitation from the Agricultural Land Reform Office (ALRO) concerning the issue of land overlapping with ALRO land. On 6 October 2004, the subsidiary company attended a fact-finding consultation meeting with the ALRO and handed over various relevant documents for use by ALRO in considering this issue. The end result of this consideration is not known at this stage.

15. FINANCIAL INFORMATION BY SEGMENT

The operations of the Company and its subsidiaries are the manufacture and distribution of palm oil and manufacture and distribution of canned fruits and vegetables. These activities are carried on in the single geographic area in Thailand. The financial information by segment of the Company and its subsidiaries as at 31 March 2006 and 31 December 2005 and for the three-month periods ended 31 March 2006 and 2005 were as follows :-

(UNAUDITED BUT REVIEWED)

(Unit : Million Baht)

Consolidated for the three month periods ended 31 March

	Manufacture and distribution		Total	Eliminated	Total	
	Palm oil	Canned fruits and vegetables			2006	2005
Sales - third parties	1,103	232	1,335	-	1,335	1,405
Sales - related parties	146	28	174	(174)	-	-
Total sales	1,249	260	1,509	(174)	1,335	1,405
Gross profit					150	134
Other income					36	22
Selling and administrative expenses					(139)	(111)
Directors' remuneration					(3)	(3)
Earnings before interest expenses and income tax					44	42
Interest expenses					(14)	(13)
Corporate income tax					(4)	(3)
Earnings before minority interests					26	26
Earnings in respect of minority interests					(7)	(8)
Net earnings for the period					19	18

(Unit : Million Baht)

Consolidated as at 31 March 2006 and 31 December 2005

	Manufacture and distribution		Total	Eliminated	Total	
	Palm oil	Canned fruits and vegetables			31 March 2006	31 December 2005
Property, plant and equipment - net	947	355	1,302	-	1,302	1,297
Non-operating land	-	109	109	-	109	109
Other assets	2,345	508	2,848	(875)	1,973	1,929
Total assets	3,292	967	4,259	(875)	3,384	3,335

(UNAUDITED BUT REVIEWED)

16. FOREIGN CURRENCY RISK

The Company's and its subsidiaries' exposure to foreign currency risk relates primarily to accounts receivable and payable which are denominated in foreign currencies. The Company and its subsidiaries primarily utilize forward exchange contracts with maturities of less than one year to hedge such risk.

Below is the outstanding forward exchange contracts of the Company and its subsidiary as at 31 March 2006.

Foreign currency	Amount bought	Amount sold	Forward rate for amount bought/sold (Bht per foreign currency unit)
Euro	1,619,000	-	47.52-48.65
US dollars	-	22,290	39.75

Below is the summary of Company's and its subsidiaries' foreign currency-denominated assets and liabilities as at 31 March 2006 which were unhedged.

Foreign currency	Consolidated		The Company Only		Average exchange rate as at 31 March 2006 (Bht per foreign currency unit)
	Assets	Liabilities	Assets	Liabilities	
US dollars	1,625,909	246,915	164,284	100,758	38.843

17. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorised by the board of directors on 11 May 2006.