Half Year Report 2008

Company announcement No. 8/2008

25 August 2008

UNITED INTERNATIONAL ENTERPRISES LIMITED

Announcement to the OMX Nordic Exchange Copenhagen

Announcement of the results of United International Enterprises Limited ("UIE" or "the Company") for the half year ended 30 June 2008, expressed in United States Dollars ("USD" or "$").

Highlights

- For the first half year of 2008, consolidated profits amounted to $28.920 million, a four-fold increase compared to the $7.015 million profit achieved in the first half year of 2007.

- The Company's share of associated company earnings increased substantially, from $7.366 million in the first half year of 2007 to $28.742 million in the first half year of 2008, due to much stronger earnings reported by associated companies United Plantations Berhad ("United Plantations") and AarhusKarlshamn AB ("AAK"). Included in associate company income is the Company's post tax share of the AAK income derived from IAS 39 adjustments of SEK 155 million ($25.2 million) and SEK 216 million (($35.2 million) insurance compensation, recognized as income, in connection with the incident in Aarhus in December 2007, as well as a non-recurring insurance receipt of SEK 47 million ($7.7 million) relating to 2007.

- Associate company, United Plantations' net revenue for the first half year of 2008, amounting to MYR 148.359 million ($46.4 million), increased almost three times relative to MYR 51.294 ($14.8 million) in the first half of 2007 as a consequence of significant production increases and higher palm oil and kernel prices. Also, better margins from Palm Oil and Kernel products at its Unitata refinery improved the company's profit contribution considerably relative to the first half of 2007.

- Associate company, AAK generated significantly better post-tax profits in the first half year of 2008, of SEK 313 million ($51.0 million) (after taking into account IAS 39 adjustments and business interruption insurance receipts arising in connection with the incident in Aarhus in December 2007 and a non-recurring insurance receipt relating to 2007) compared with SEK 35 million ($5.1 million) in the first half year of 2007, primarily on account of excellent growth in the confectionery fats division coupled with continued positive developments within the food ingredients sector. The negative financial impact due to the explosion at the company's Aarhus facility, in December 2007, has been largely covered by insurance and in March 2008 the new production capacity was commissioned.

- Shareholders' equity increased from $312.645 million by the end of 2007 to $339.284 million at 30 June 2008. Profits of $28.920 million and equity adjustments of $6.646 million arising from foreign currency translation, less a dividend distribution of $8.927 million, accounted for the increase.

Outlook for 2008

Although both United Plantations and AAK, which constitute the bulk of the Company's investment portfolio, both achieved record first half year results, the ability of the Company to respond with its own earnings estimate for the full year is constrained, as neither issue profit estimates. However, given that the first half year profit of $28.920 million is just short of the full year profit of $30.959 million achieved in the whole of 2007 and taking into account current trends, the Board is confident of a significant improvement in the result for the full year, relative to 2007.

Consolidated Key Figures

(Expressed in USD)	First Six Months 2008 $'000	2007 $'000	Full Year 2007 $'000
Income (including equity in net income of Group companies)	**29,423**	7,529	31,777
Net earnings before taxation	**27,871**	6,137	28,662
Net earnings for the period	**28,920**	7,015	30,959
Total assets, end of period	**339,841**	277,836	314,443
Total equity, end of period	**339,284**	277,223	312,645

	2008 DKK	First Six Months 2008 $	2007 $	Full Year 2007 $
Result per share	**30.66**	**6.48**	1.57	6.94
Intrinsic value per share	**359.60**	**76.01**	62.11	70.04
Market price, end of period	**525.00**	**110.97**	111.48	106.99

(The result per share and intrinsic value per share are calculated after deducting UIE's interest in own shares from total shares.)

	First Six Months 2008 %	2007 %	Full Year 2007 %
Return on equity capital (annualized)	**17.74**	5.14	10.65
Solvency ratio	**99.84**	99.78	99.43

(Return on equity capital is calculated as net earnings for the period/average equity for the period.)

Result

The consolidated profit for the first half year of 2008, after taxation, amounted to $28.920 million, and represents a four-fold increase relative to the $7.015 million profit achieved in the equivalent period in 2007. Substantially larger contributions from associates, United Plantations and AAK accounted for the improvement in the period under review. In the case of both, the high level of commodity prices sustained good margins, with higher palm oil prices bolstering United Plantation's performance and higher cocoa prices increasing the demand for AAK speciality fats. In the case of United Plantations, higher production also exerted a material impact on the result for the first half of 2008.

Income for the first half year of 2008 totaled $29.423 million (2007: $7.529 million) of which $28.742 million (2007: $7.366 million) comprised the Company's share of the net equity of its associated company interests.

Income from other sources in the first half year of 2008 was substantially unchanged relative to the equivalent period in 2007.

An analysis of contributions from associates, including the Company's share of the first half year result of its 41.5% interest in Durisol, a start-up investment (see page 5) is also included in the table below;

(Expressed in USD)	**Half year 2008**	Half year 2007	Full year 2007
UP	**20,914**	6,639	23,487
AAK	**8,301**	727	7,564
Durisol	**(473)**	-	(343)
Total	**28,742**	7,366	30,708

Contributions from associate companies in the first half of 2008, at $28.742 million, were nearly a four-fold increase compared to $7.366 million achieved in the corresponding period in 2007, and just short of the full year contribution made by associates in 2007. Although the level of the edible oil price complex has fallen from the peaks attained at the beginning of 2008, prices remained reasonably firm during the period and, coupled with the benefits of United Plantations' forward selling policy and materially improved productivity, the company was able to achieve a record first half year result. In the case of AAK, a continued upward pressure on the cocoa price, coupled with capacity limitations within the industry supported margins for its confectionery fats and, particularly, cocoa butter equivalents enabled the company to achieve a record first half year result of SEK 313 million ($51.0 million) compared with SEK 35 million ($14.8 million) achieved in the first half of 2007.

- Associate company, United Plantations attained a net profit of MYR 148.359 million ($46.4 million), after tax for the first half year of 2008, which represented an almost three-fold increase relative to the net profit of MYR 51.294 million ($14.8 million) achieved in the first half of 2007. Relative to the first half of 2007, the production of crude palm oil and palm kernels in the first half of 2008 increased by 30.5% and 28.4%, respectively, and higher selling prices for both, with crude palm oil prices rising 49.0% and palm kernel prices rising 69.1% relative to the first half year of 2007 were the prime factors in the dramatically improved result. The coconut production also increased during the period by 15.2% while nut prices were 5.9% higher compared to the first half of 2007. At the company's refinery, better margins led to an improved performance relative to the first half of 2007.

- Associate company, AAK achieved a net profit after tax for the first half year of 2008 of SEK 313 million ($51.0 million), representing a major improvement over the first half year of 2007 of SEK 35 million ($5.1 million). The high price of cocoa butter stimulated demand for AAK's cocoa butter equivalents derived from specialty vegetable oils, and generated strong growth in the confectionery fats business area. Positive synergies generated by the merger process, coupled with the insurance claims arising from business interruptions experienced in the wake of the incident at the Aarhus facility at the end of 2007 further supported the strong performance. During the first half year of 2008, insurance compensation amounted to SEK 216 million ($35.2 million) and represented a significant recovery of lost profitability. The operating result of SEK 580 million ($94.5 million) for the first half of 2008 (2007: SEK 128 million ($18.5 million)) also included non-recurring income of SEK 47 million ($7.7 million) arising from insurance claims lodged in December 2007 and took into account the impact of accounting for IAS 39, which led to a surplus of SEK 155 million ($25.2 million) (2007: SEK -36 million ($-5.2 million)) being brought into the result for the period.

- Associate company, Durisol which is 41.5% held by the Company, commissioned its plant in Wales - UK in March 2008, and has since been actively developing sales in the UK market of Durisol wall-form units (building blocks), comprising 80% wood chips, which are then concretized. A three month delay in the start-up process has retarded development and given rise to working capital deficiencies in the third quarter of 2008.

Expenses of $1.552 million (excluding foreign exchange movements) incurred by the Company in the six months ended 30 June 2008, were marginally above $1.392 million incurred in first half of 2007, with the increase being primarily due to the USD weakness.

Foreign exchange movements in the first half year of 2008 were positive in the sum of $0.312 million (2007 first half year: $0.222 million negative).

Taxation recovered in the first half year of 2008 amounted to $1.049 million compared with $0.878 million recovered in the first half of 2007 and comprised mainly the recovery of withholding taxes on dividends received by the Company's Malaysian holding company through which the majority of the Company's interest in United Plantations is held.

Shareholders' Equity

Shareholders' equity increased from $312.645 million by the end of 2007 to $339.284 million at 30 June 2008. Profits of $28.920 million and equity adjustments of $6.646 million arising on foreign currency translation, less a dividend distribution of $8.927 million, accounted for the increase.

There was no Group bank indebtedness outstanding by the end of the period under review.

Accounting Policies

The current accounting policies have been applied consistently with those of the preceding year. However, it should be noted that the International Accounting Standard 41 should apply in the case of all of the Company's main operating interests. This specifically applies to biological assets, which are required to be accounted for in a manner reflecting changes in the fair value of biological assets, such as United Plantations' operations in Malaysia. However, as this standard remains unadopted by the Malaysian industry, it continues not to be possible to comply with this directive.

Investments

New Investments

The Company

At the end of the first quarter of 2008, the Company invested the final tranche of its investment in Durisol, amounting to £0.264 million ($0.5 million), in accordance with the contractual commitment to conclude the share subscription upon the successful commissioning of the Welsh, UK, plant in March 2008.

In the second quarter of 2008, the Company acquired 325.000 shares in United Plantations for a consideration of $1.388 million, and thereby increased its interest in the company by 0.16% to 45.28%.

The Company is actively continuing to review new investment possibilities, in addition to which, if suitable opportunities arise, will consider further marginal purchases of shares in United Plantations.

The Group

Satisfactory progress continues to be made in respect of United Plantations' new development in Central Kalimantan where the ultimate plan is to develop 35,000 to 40,000 hectares under oil palms.

No acquisitions or disposals were concluded by AAK in the half year ended 30 June 2008.

Group Companies

Extracts from the announcements of the first half year results of both of the listed Group associated companies, which made up the bulk of the Company's investment portfolio at 30 June 2008, are commented upon below.

United Plantations

The first half year of 2008 for United Plantations was very impressive:

- Average selling prices of Crude Palm Oil ("CPO") and Palm Kernel ("PK") realized within United Plantations increased significantly by 49.0% and 69.1%, respectively. This was consolidated by higher production, which, relative to the first half year of 2007, increased by 30.5% and 28.4% in the case of crude palm oil and palm kernels, respectively. The production of coconuts increased by 15.2% and selling prices improved by 5.9%.

- The result for the first half year of 2008, at MYR 148.359 million ($46.4 million) was almost three times higher than the MYR 51.294 million ($14.8 million) profit reported in the first half of 2007.

- United Plantations is maintaining its commitment to venture into Central Kalimantan, Indonesia, where the long term target is to secure access to 35,000 to 40,000 hectares of plantation land.

As at 30 June 2008 the Company's interest in United Plantations amounted to 45.28%.

The following extracts have been taken from United Plantations first half year announcement released on 18 August 2008;

"Condensed Consolidated Income Statements
for the Quarter ended 30 June 2008
(The figures have not been audited)

(MYR'000)	Individual Quarter 3 months ended 30 June 2008	2007	Cumulative Quarter 6 months ended 30 June 2008	2007
Revenue	**246,615**	156,156	**473,063**	282,263
Operating expenses	**(142,238)**	(121,155)	**(288,221)**	(217,749)
Other operating income	**1,097**	837	**7,359**	2,675
Finance costs	**(56)**	(55)	**(107)**	(85)
Interest income	**1,478**	1,250	**2,462**	2,339
Investment income	**13**	84	**19**	423
Profit before taxation	**106,909**	37,117	**194,575**	69,866
Income tax expense	**(27,510)**	(9,262)	**(46,216)**	(18,572)
Profit after taxation	**79,399**	27,855	**148,359**	51,294
Extraordinary items	**-**	-	**-**	-
Profit for the period	**79,399**	27,855	**148,359**	51,294
Net profit attributable to:				
Equity holders of the parent	**79,399**	27,855	**148,359**	51,294
Minority interest	**-**	-	**-**	-
Net profit	**79,399**	27,855	**148,359**	51,294
Earnings per share				
(i) Basic - based on an average 208,134,266 (2007: 208,134,266) ordinary shares (sen)	**38.15**	13.38	**71.28**	24.64

Condensed Consolidated Balance Sheet
as at 30 June 2008
(The figures have not been audited)

(MYR'000)	**30 June 2008**	31 December 2007
Assets		
Non-current assets		
Biological assets	**217,482**	196,499
Property, plant and equipment	**369,868**	364,946
Prepaid lease payments	**385,738**	385,073
Associated company	**-**	-
Amount due from associated company	**22**	17
Advances to a foreign company	**25,541**	18,651
Available for sale financial assets	**8,247**	8,247
Total non-current assets	**1,006,898**	973,433
Current assets		
Inventories	**178,499**	118,034
Trade & other receivables	**82,943**	99,025
Tax recoverable	**546**	546
Financial assets at fair value	**-**	3,060
Cash, bank balances & fixed deposits	**239,237**	168,405
Total current assets	**501,225**	389,070
Total assets	**1,508,123**	1,362,503
Equity and liabilities		
Equity attributable to equity holders of the parent		
Share capital	**208,134**	208,134
Share premium	**181,920**	181,920
Other reserves	**19,856**	19,838
Retained profits	**904,144**	786,589
	1,314,054	1,196,481
Minority interest	**673**	672
Total equity	**1,314,727**	1,197,153
Non-current liabilities		
Retirement benefit obligations	**7,267**	2,958
Provision for deferred taxation	**60,414**	60,714
Total non-current liabilities	**67,681**	63,672
Current liabilities		
Trade & other payables	**54,166**	51,824
Overdraft & short term borrowings	**-**	232
Retirement benefit obligations	**951**	635
Interim/final dividend declared	**30,804**	30,804
Provision for taxation	**39,794**	18,183
Total current liabilities	**125,715**	101,678
Total liabilities	**193,396**	165,350
Total equity and liabilities	**1,508,123**	1,362,503
Net assets per share (MYR)	**6.31**	5.75

Directors' Review of the Group's Performance

The group's profit before tax for the current period under review surged 179% from that of the corresponding period in 2007 resulting from:

- *Plantation*

  The production of CPO and PK increased by 30.5% and 28.4% respectively; this coupled with higher selling prices of CPO and PK by 49.0% and 69.1% respectively during the current period contributed significantly to the increase in the profit before tax. Production of coconuts also increased by 15.2% with the selling price higher by 5.9% as compared to the corresponding period.

- *Refinery*

  Better margins from Palm Kernel and Palm Oil products improved the refinery's profit contribution significantly as compared to the corresponding period.

Comparison of Results with Preceding Quarter

Profit before tax increased by 22.0% from MYR 87.7 million in the preceding quarter to MYR 106.9 million for the quarter under review. The increase was due to:

(i) higher production of CPO and PK by 7.6% and 7.2% respectively as compared to the preceding quarter; and

(ii) the increase in the average selling prices of CPO and PK by 6.7% and 2.9% respectively as compared to the preceding quarter.

Prospects and Outlook

The half year of 2008 saw record high prices for CPO and PK and many other vegetable oils. However, bearish sentiment set-in in July 2008 following downward corrections in fuel oil prices as well as other vegetable oils. Continued high prices appear to have dampened demand. Political pressure regarding a possible freeze/reduction of biofuel usage targets coupled with bearish trends in the energy market and the soya complex and the large Malaysian CPO inventories have all exerted downward pressure.

However, after the recent sharp setback in the CPO price, demand is expected to recover somewhat, particularly in the energy sector where the current price levels of vegetable oils make it attractive to produce biofuels. If better demand in the energy sector materializes, further erosion of the CPO price could be limited.

The Company's production of CPO and PK for the first half of 2008 has been good but might moderate in the coming months.

Based on the foregoing, we expect 2008 to be a satisfactory year.

Profit Forecasts

The Group has not issued any profit forecasts for the quarter under review.

Corporate Proposals

Status of Corporate Proposal

Proposed Acquisition of Indonesian Investment in PT Sawit Seberang Seberang ("PT SSS2")

As at the date of this report, the approvals of the relevant Indonesian and Malaysian authorities are still pending."

AarhusKarlshamn AB

The financial performance of AAK in the first half of 2008, represented the highest first half year outcome since the company was established, with profits after taxation reaching SEK 313 million ($51.0 million) (after including non-recurring items and adjustments arising in connection with IAS 39 compliance) compared to SEK 35 million ($5.1 million) in the first half of 2007.

During the first half of 2008, AAK management has continued to commit itself to the dual task of consolidating the company's position as arguably the world's leading producer of specialty confectionery products based on vegetable oil solutions, and sustaining performance in other business areas whilst realizing the considerable synergies arising from the merger in 2005.

The price of cocoa butter has continued to rise, from SEK 30,000 ($4,341) per tonne by the beginning of 2007 to a high of SEK 50,000 ($8,143) per tonne in 2008, primarily as a consequence of disappointing crops. This has increased the demand for AAK's cocoa butter equivalents, generating a strong growth in the Confectionery Fat business area. The Food Ingredients and Technical Products business areas have continued to develop positively, although volatile raw material prices and intense competition have created a difficult business environment.

The Company's interest in AAK is held through an intermediary company, BNS Holding AB ("BNSH") in which UIE holds a 41.5% share, with the balance owned by MS Karl Invest AB, a Swedish investment holding company under the control of Swedish Industrialist Melker Schörling. BNSH in turn holds 39.3% of the capital of AAK. The Company's effective interest in AAK is therefore 16.3%.

The following extracts have been taken from AAK's Interim report announcement released on 12 August 2008;

"The Group CEO comment

Business is developing positively. The specialization strategy is continuing according to plan. Rapidly rising prices of energy, consumables and transport have led to increased costs for which we have not gained full compensation during the second quarter", says Group CEO Jerker Hartwall in a comment to the report.

Second quarter

- *Net turnover +37%, SEK 4,067 million (SEK 2,965 million).*
- *Operating profit, excluding non-recurring items and IAS 39 was +13%, SEK 171 million (SEK 152 million), of which insurance compensation received of SEK 81 million has been recognised as income during the second quarter related to the incident in Aarhus, Denmark.*
- *Including IAS 39 effects of SEK 19 million (SEK -38 million), operating profit increased to SEK 190 million (SEK -36 million).*
- *Earnings per share SEK 2.03 (SEK -1.32).*

Six months

- *Net turnover +31 %, SEK 7,750 million (SEK 5,936 million).*
- *Operating profit, excluding non-recurring items and IAS 39 was +20%, SEK 378 million (SEK 314 million), of which insurance compensation received of SEK 216 million has been recognised as income during the first six months related to the incident in Aarhus, Denmark. In addition, during the half year SEK 47 million was recognised as income in relation to December 2007.*
- *Including IAS 39 effects of SEK 155 million (SEK -36 million), operating profit increased to SEK 580 million (SEK 128 million).*
- *Earnings per share SEK 7.60 (SEK 0.78).*

Second quarter 2008

The volume growth for CBE continues to be good with double digit growth. We are following our start-up plan for our two CBE factories in Aarhus, Denmark. The new factory has started as planned during the half year and production has been according to plan. The old factory is expected to restart during the second half following approval from the Danish authorities.

The business area Food Ingredients shows continued stability in a very volatile raw materials market with very stiff competition. The specialization strategy is continuing, and one example is the market progress in Mexico following the acquisition of Croda Food Service last year.

The business area Technical Products & Feed is showing a stable/unchanged result.

Except for a smaller, negative currency translation impact of SEK 7 million the result for all business areas has been affected by rapidly increased prices of energy, input products and transport, which have entailed increased costs.

Insurance

Insurance compensation of SEK 81 million has been recognised as income during the second quarter and, in total, SEK 216 million has been recognised as income during the first six months as a result of the accident in Aarhus in December 2007. In addition, during the half year SEK 47 million was recognised as income in relation to December 2007.

External forces and specialization strategy

Market growth for CBE is strong with double digit growth.

The price of cocoa butter is traded at a higher price level than seen over the last years. CBE growth will be a considerable driving force in the Group's profit growth over the next few years. AAK is a world leader within the CBE area, and for this reason the raw material shea is a particularly important factor. The increased presence in Western Africa has helped to strengthen the supply chain for this raw material and has meant that we today have considerably better supply than before.

The biggest change in the external world has been the accelerating consumption of vegetable oils in the energy sector. This has contributed, among other things, to raising raw material prices considerably for the Group.

In combination with competitive pressure in the retail sector, this means that all the players in the food industry value chain are under strong price pressure, and the need for innovative and cost-effective solutions is increasing.

Subsequent to the end of the second quarter however the vegetable oils have shown a declining price trend. If this continues it will imply reduced working capital and improved cash flow over time.

The specialization strategy is developing organically with the aid of strong product development focus on, in particular, health promoting solutions. Selective acquisitions complement this strategy, and the acquisition of Croda Food Service and joint venture with Enzymotec in the area of mother's milk replacer has been developed during 2008.

Prospects

The specialization strategy is being further developed. CBE will be a growth engine following the start-up of the new factory and restoration of the old. Acquisitions and organic growth will gradually raise margins within Food Ingredients.

Synergies in excess of SEK 175 million will be fully realized during 2008. The majority of these savings were realized during 2007. The rationalization programme in the Nordic countries of around SEK 100 million is being developed and will come fully into force during 2010.

Development for the Group
Consolidated income statement

(SEK million)	***Apr-Jun 2008***	*April-Jun 2007*	***Jan-Jun 2008***	*Jan-Jun 2007*	*Rolling 12 months*	*Full year 2007*
Net sales	***4,067***	*2,965*	***7,750***	*5,936*	*14,819*	*13,005*
*Other income**	***82***	*10*	***268***	*16*	*275*	*23*
Total operating income	***4,149***	*2,975*	***8,018***	*5,952*	*15,094*	*13,028*
Raw materials and supplies	***(3,242)***	*(2,240)*	***(6,045)***	*(4,438)*	*(11,236)*	*(9,629)*
Other external expenses	***(331)***	*(274)*	***(650)***	*(556)*	*(1,271)*	*(1,177)*
Costs for remuneration to employees)*	***(284)***	*(364)*	***(550)***	*(612)*	*(1,102)*	*(1,164)*
*Amortization and impairment losses****	***(89)***	*(129)*	***(177)***	*(210)*	*(352)*	*(385)*
Other operating expenses	***(13)***	*(4)*	***(16)***	*(8)*	*(35)*	*(27)*
Total operating expenses	***(3,959)***	*(3,011)*	***(7,438)***	*(5,824)*	*(13,996)*	*(12,382)*
Operating result	***190***	*(36)*	***580***	*128*	*1,098*	*646*
Interest income	***5***	*9*	***7***	*12*	*10*	*15*
Interest cost	***(68)***	*46*	***(131)***	*(84)*	*(251)*	*(204)*
Other financial items	***(3)***	*(4)*	***(10)***	*(5)*	*(14)*	*(9)*
Result before tax	***124***	*(77)*	***446***	*51*	*843*	*448*
Income tax	***(40)***	*24*	***(133)***	*(16)*	*(246)*	*(129)*
Net result for the year	***84***	*(53)*	***313***	*35*	*597*	*319*
Attributable to minority	***1***	*1*	***2***	*3*	*4*	*5*
Attributable to the Parent Company's shareholders	***83***	*(54)*	***311***	*32*	*593*	*314*

Share data

Number of shares, thousand	***41,384***	*41,384*	***41,384***	*41,384*	-	*41,384*
Thereof own shares	***487***	*516*	***487***	*516*	-	*516*
*Earnings per share, SEK*****	***2.03***	*(1.32)*	***7.60***	*0.78*	-	*7.67*
Equity per share, SEK	***61.38***	*53.52*	***61.38***	*53.52*	-	*58.94*
Market value on closing date	***164.50***	*170.00*	***164.50***	*170.00*	-	*117.00*

* *SEK 263 million relates to insurance compensation, of which SEK 216 million relates to 2008.*
** *During the second quarter of 2007, SEK 100 million was charged as expenses for restructuring costs.*
*** *During the second quarter of 2007, SEK 50 million was charged as expenses for restructuring costs.*
**** *The calculation of earnings per share is based on a weighted average number of outstanding shares.At present, the Group has no outstanding convertible debentures or outstanding subscription options.*

Balance sheet in summary for the Group

(SEK million)	***2008-06-30***	*2007-06-30*	*2007-12-31*
Assets			
Goodwill	***609***	*616*	*614*
Other intangible assets	***106***	*54*	*115*
Tangible assets	***2,926***	*2,881*	*2,964*
Financial assets	***95***	*161*	*141*
Total fixed assets	***3,736***	*3,712*	*3,834*
Inventory	***2,874***	*1,798*	*2,451*
Current receivables	***2,743***	*1,920*	*2,405*
Cash equivalents	***143***	*116*	*167*
Total current assets	***5,760***	*3,834*	*5,023*
Total assets	***9,496***	*7,546*	*8,857*
Equity and liabilities			
Shareholders' equity	***2,510***	*2,187*	*2,409*
Minority interest	***35***	*35*	*34*
Total equity including minority share	***2,545***	*2,222*	*2,443*
Non-current liabilities	***5,302***	*3,417*	*4,489*
Accounts payable	***453***	*563*	*723*
Other current liabilities	***1,196***	*1,344*	*1,202*
Total current liabilities	***1,649***	*1,907*	*1,925*
Total equity and liabilities	***9,496***	*7,546*	*8,857*

No changes have arisen in contingent liabilities."

Elements of Risk

Taking the major contributors to Group income into account, the major risks are as follows:

Commodity prices: The major commodity price influence on profitability is the palm oil price, as it especially affects the performance of the Company's interest in United Plantations. A $10 per tonne change in the price of CPO would affect the Company's share of the United Plantations' profits by appox. $1 million. It should be noted that it is the policy of United Plantations to hedge a proportion of palm oil prices in the forward markets and, as a result, spot price movements will not, in the short run, have full impact on the output subject to such arrangements. As a routine, AAK seeks to hedge as many as possible of its forward sales and commodity positions.

Competition: AAK is exposed to fierce competition, which characterizes the industry, as well as fluctuations in the absolute level of raw material prices, which affect the level of working capital tied up in the business.

Currency rates: The Company draws its accounts in USD, however, certain members of the Group account in a range of currencies and the Company's major asset is United Plantations, which draws its accounts in Malaysian Ringgit. The Malaysian currency decoupled from the USD in 2005, since when the two currencies have remained relatively closely linked, although with the continuing USD weakness the Malaysian currency has strengthened to a certain extent. The impact of this development is double-sided, as the weaker USD, in which commodity prices are generally quoted, has depressed revenues, but the converted value of United Plantations result has appreciated. In the case of the Company's investment in AAK, a movement in the USD against the SEK would exert a moderate influence.

Interest rates: Neither the Company nor United Plantations carry external debt. An increase of 1% point in interest rates would reduce the Company's share of AAK's result by approximately SEK 8.0 million ($1.3 million).

Weather: Generally the impact of changing weather patterns has not exerted a material effect on the profitability of the Company's agricultural interests in Malaysia, the extreme effects of El Niño and its successor, La Niña, in past years has served to affect productivity.

Seasonal and Cyclical Nature within agricultural interests: Crop production is seasonal. United Plantations' production of CPO and PK gradually increases from March, peaking around July to September, and then declines from October to February. This pattern can be affected by global weather conditions, such as El-Niño. In addition, oil palms have a cyclical tendency, entering into resting periods, such as experienced in 2007, which vary both in terms of duration and periodicity.

Outlook

The outlook of UIE remains substantially dependent upon the performance of associates, United Plantations and AAK, neither of which publishes a formal estimate of profits.

The published outlook from these two associates includes:

United Plantations has stated in its first half year announcement for 2008 that "...The first quarter of 2008 saw record high prices for Crude Palm Oil and Palm Kernels and many other vegetable oils. However, bearish sentiment set-in in July 2008 following downward corrections in fuel oil prices as well as other vegetable oils. Continued high prices appear to have dampened demand. Political pressure regarding a possible freeze/ reduction of biofuel usage targets, coupled with bearish trends in the energy market and the soya complex and the large Malaysian Crude Palm Oil inventories have all exerted downward pressure. However………. demand is expected to recover somewhat, particularly in the energy sector where the current price levels of vegetable oils makes it attractive to produce biofuels. If better demand in the energy sector materializes, further erosion of the CPO price might be limited. …..Production ……. for the first half of 2008 has been good but could moderate in the coming months."

In the case of AAK, the published outlook remains substantially unchanged and in the first half year announcement it is noted that "...The specialisation strategy is being developed further. CBE (cocoa butter equivalents) will be a growth engine following the start up of the new factory and restoration of the old. Acquisitions and organic growth will gradually raise margins within Food Ingredients."

United Plantations and AAK, the two companies that constitute the bulk of the Company's investment portfolio, both achieved record first half year results. Although the outlook perceived by both companies is positive, it is not sufficiently clear from published information to derive any certainty in terms of their prospective contribution toward the Company's profits in 2008. However, with UIE's first half year profit of $28.920 million already falling just short of the $30.959 million result achieved in the whole of 2007 and taking into account current trends, it appears, in the opinion of the Board, to be good reason to anticipate a significant improvement in the full year's result relative to 2007.

On behalf of the Board

Dato' Carl Bek-Nielsen
Chairman

25 August 2008

Consolidated Balance Sheets for the six months ended 30 June 2008

The figures have not been audited

(Expressed in USD)	**30 June 2008 $'000**	31 December 2007 $'000
Assets		
Current assets:		
Cash at bank	**1,495**	2,053
Fixed deposits	**10,055**	16,936
Amounts due from associated companies	**102**	98
Accounts receivable and other assets	**292**	1,038
Withholding tax recoverable	**5,726**	5,142
Dividends receivable from associated company	**4,077**	4,188
Investments	**38**	7
Total current assets	**21,785**	29,462
Investments	**316,391**	283,336
Loans to affiliated companies	**1,553**	1,526
Property, plant and equipment	**112**	119
Total assets	**339,841**	314,443
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable and accrued charges	**557**	1,798
Total current liabilities	**557**	1,798
Shareholders' equity	**339,284**	312,645
Total liabilities and shareholders' equity	**339,841**	314,443

Consolidated Statements of Operations for the six months ended 30 June 2008

The figures have not been audited

	2nd quarter		First six months	
	2008	2007	**2008**	2007
(Expressed in USD)	**$'000**	$'000	**$'000**	$'000
Income				
Equity in net income of Group companies	**13,141**	2,404	**28,742**	7,366
Interest income - affiliates	**10**	19	**27**	38
- other	**150**	206	**314**	392
Gain on investments	**(41)**	(28)	**15**	(65)
Other income	**6**	14	**13**	20
Net foreign exchange gain	**73**	(269)	**312**	(222)
Total income	**13,339**	2,346	**29,423**	7,529
Expenses				
Depreciation	**10**	6	**19**	10
Interest expense	**-**	12	**-**	12
General and administrative	**663**	526	**1,165**	1,024
Directors' fees and remuneration	**204**	159	**368**	346
Total expenses	**877**	703	**1,552**	1,392
Net earnings before taxation	**12,462**	1,643	**27,871**	6,137
Taxation recovery	**1,913**	1,407	**1,049**	878
Net earnings for the period	**14,375**	3,050	**28,920**	7,015

Statement of Shareholders' Equity for the six months ended 30 June 2008,
The figures have not been audited

(Expressed in USD)	Share Capital $'000	Share Premium $'000	Treasury Shares $'000	Retained Earnings $'000	Other Reserves $'000	Total $'000
Balance at 1 January 2007	51,433	13,248	(9,610)	197,997	15,788	268,856
Equity adjustment on foreign currency translation	-	-	-	-	15,954	15,954
Net income	-	-	-	30,959	-	30,959
Dividends	-	-	-	(3,124)	-	(3,124)
Total at 31 December 2007	51,433	13,248	(9,610)	225,832	31,742	312,645
Equity adjustment on foreign currency translation	-	-	-	-	6,646	6,646
Net income	-	-	-	28,920	-	28,920
Dividends	-	-	-	(8,927)	-	(8,927)
Total at 30 June 2008	**51,433**	**13,248**	**(9,610)**	**245,825**	**38,388**	**339,284**

Corporate Information

Country of Incorporation	The Commonwealth of The Bahamas
Board of Directors	DATO' CARL BEK-NIELSEN Chairman MARTIN BEK-NIELSEN Deputy Chairman JOHN A. GOODWIN Managing Director BRIAN BECH NIELSEN PETER GRUT* JOHN MADSEN KJELD RANUM*
Company Secretary	ALISON TRECO*
Registered Office and Principal Register of Shareholders	2nd Floor, One Montague Place East Bay Street Nassau, Bahamas
Copenhagen Representative Office	International Plantation Services Limited Plantations House 49 H.C. Andersens Boulevard 1553 Copenhagen V, Denmark
Auditors	Ernst & Young Nassau, Bahamas
Attorneys	Philip & Partners Copenhagen, Denmark McKinney, Bancroft & Hughes Nassau, Bahamas
Bankers	Danske Bank A/S DnB NOR A/S Handelsbanken A/S Hongkong & Shanghai Banking Corp.
Contact Persons	John A. Goodwin Ulrik Juul Østergaard Kenneth Nilsson Phone: +45 33933330
Links	www.uie.dk www.unitedplantations.com www.aak.com

*Member of Audit Committee