Preliminary Announcement of Annual Report 2007

Company announcement No. 2/2008

17 March 2008

UNITED INTERNATIONAL ENTERPRISES LIMITED

Announcement to OMX The Nordic Exchange Copenhagen

Herewith follows the announcement of the results of United International Enterprises Limited ("UIE" or "the Company") for the year ended 31 December 2007, expressed in United States Dollars ("USD" or "$").

Highlights

Year ended 31 December 2007

- Consolidated profits for the year amounted to $30.959 million compared with $21.904 million in 2006. The significant improvement, much of it registered in the final quarter of 2007, arose from materially better contributions from the Company's two major associate company investments, United Plantations Berhad ("United Plantations") and AarhusKarlshamn AB ("AAK").

- Shareholders' equity increased from $268.856 million at 31 December 2006 to $312.645 million at 31 December 2007, a 16.3% increase resulting from the movement in retained earnings, equity adjustments on foreign currency translation less the dividend distributed in June 2007.

Group companies

- The Company's share of the equity in net income of associate companies rose from $21.284 million in 2006 to $30.708 million in 2007.

- Associate company, United Plantations, achieved another record profit after taxation in 2007 of MYR 179.388 million ($52.256 million), which represented a 19.6% improvement relative to the 2006 record profit of MYR 150.008 million ($40.967 million). The record result was substantially due to the continued increase in palm oil prices, despite lower production in the year caused by biological resting phase leading to crude palm oil output falling by 8.3% and palm kernel output by 10.9% relative to 2006.

- The operating profit of associate company AAK in 2007, before the impact of IAS 39 and after excluding non-recurring costs, amounted to SEK 653 million ($97 million) (2006: SEK 455 million ($62 million)), an improvement resulting from increased cocoa butter equivalent ("CBE") sales and the positive impact of synergy programmes implemented previously. Profit after tax in 2007 amounted to SEK 319 million ($47 million)(2006: SEK 177 million ($24 million)). The result for 2007 was affected by an explosion at the Aarhus Plant in Denmark early in December 2007, which not only impacted negatively on the month's profit but has also given rise to short term production capacity limitations. An insurance claim of SEK 47 million ($7 million) has been filed in respect of losses incurred in December 2007.

Investments

- During 2007, the Company invested $2.516 million in 720,892 shares in United Plantations, which served to increase its interest in the company from 44.77% at the end of 2006 to 45.12% at 31 December 2007.

- In June 2007, UIE entered into an agreement whereby it undertook to invest £1.796 million ($3.6 million) for an equity interest of 41% (fully diluted 38% after exercise of executive options) in a company, Intelligent Business Systems Ltd. ("Durisol UK"), which has acquired the exclusive license to manufacture and distribute an environmentally stable modular building system, based upon Durisol building blocks, in the UK and Eire. At the end of 2007, £1.532 million ($3.081 million) of this total had been invested and the balance is scheduled to be invested in March 2008. The company's plant, located in South Wales in the UK, has been commissioned.

Outlook for 2008

- Neither AAK nor United Plantations, the two investments that constitute the bulk of the Company's portfolio, issue profit estimates and as a result the ability of the Company to respond with an estimate of its own is constrained. However, taking the continued strength of palm oil prices into account, coupled with the current recovery in production at United Plantations and the continued strength of AAK's confectionery business in particular, and presuming the negative impact of the Aarhus explosion can be contained, there seems good reason to anticipate continued improvement in the 2008 result relative to the previous year.

Consolidated Key Figures

(Expressed in USD)		**2007 $'000**	2006 $'000	2005 $'000	2004 $'000	2003 $'000
Net income before gain on sale of Group company		**30,959**	21,904	15,421	20,823	8,390
Gain on sale of Group company		**-**	-	24,417	-	50,803
Net income after gain on sale of Group company		**30,959**	21,904	39,838	21,904	59,193
Result per share	$	**6.94**	4.91	8.94	4.67	13.30
Result per share (before gain on sale of Group company)	$	**6.94**	4.91	3.46	4.67	1.89
Ordinary dividend - per share	$	**0.70***	0.70	0.70	0.70	0.70
Special dividend - per share	$	**1.30***	-	1.00	-	1.00
Total assets, end of period		**314,443**	269,949	233,442	207,188	184,442
Total equity, end of period		**312,645**	268,856	232,468	204,012	180,816
Solvency ratio		**99%**	100%	100%	98%	98%
Intrinsic value per share	$	**70.04**	60.23	52.16	45.85	40.64
Market price, end of period	$	**106.99**	83.01	62.98	44.93	28.20

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

* Proposed dividend

Result

Year ended 31 December 2007

The consolidated profit after taxation for the year amounted to $30.959 million, compared with $21.904 million achieved in 2006, an increase of 41.3% primarily attributable to significantly higher contributions from associates, United Plantations and AAK.

Income for the year to 31 December 2007 amounted to $31.777 million compared with $23.182 million in 2006. This comprised mainly the Company's equity interest in the net income of Group companies of $30.708 million (2006: $21.284 million) with the only other material component, namely interest income, decreasing slightly from $1.003 million in 2006 to $0.934 million in 2007.

Income from associates totalled $30.708 million, 44.3% higher than the $21.284 million contribution in 2006.

The breakdown of associate contributions, highlighting the improvement in the fourth quarter 2007 is as follows:

($'000)	Q1 2007	Q2 2007	Q3 2007	**Q4 2007**	**Full year 2007**	Full year 2006
UP	3,000	3,639	7,368	**9,480**	**23,487**	17,872
AAK	1,962	(1,235)	2,763	**4,074**	**7,564**	3,412
Durisol	-	-	(124)	**(219)**	**(343)**	-
Total	4,962	2,404	10,007	**13,335**	**30,708**	21,284

United Plantations generated another record profit in 2007, of MYR 179.388 million ($52.256 million), which was 19.6% above the previous record of MYR 150.008 million ($40.967 million) established in 2006. The improvement was substantially due to better palm oil and palm kernel prices, which rose by 25.3% and 23.7% respectively, which more than outweighed the effects of lower production of both palm oil (down by 8.3%) and palm kernels(down by 10.9%). United Plantations' position as the major producer of coconuts in Malaysia was consolidated further with the production of 87 million nuts in 2007, representing 17.6% over 2006.

In the case of AAK, the operating profit for 2007, before the impact of IAS 39 and after excluding non-recurring integration and rationalization costs, amounted to SEK 653 million ($97 million), which compares very favorably with the 2006 figure of SEK 455 million ($62 million). The improved earnings, the highest since the completion of the merger between Aarhus United A/S and Karlshamns AB in September 2005, were substantially due to increased CBE sales. Non-recurring costs arising in connection with the merger process and synergy investments amounted to SEK 150 million ($22 million) which was provided for in the second quarter of 2007 for a rationalization programme, which will primarily affect the Danish and Swedish production units and generate annual savings of SEK 100 million ($15 million) annually from 2010. Profit after tax for the full year to 31 December 2007 amounted to SEK 319 million ($47 million) (2006: SEK 177 million ($24 million)).

Expenses incurred by the Company in the year to 31 December 2007, excluding foreign exchange movements, amounted to $3.021 million and were marginally above the figure of $2.726 million expended in 2006 primarily due to the US Dollar weakness.

Foreign exchange movements in 2007 were negative in the sum of $0.094 million (2006: $0.766 million positive).

Taxation recovered in 2007 amounted to $2.297 million (2006: $1.554 million) 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 $268.856 million at 31 December 2006 to $312.645 million at 31 December 2007, reflecting primarily the profit generated by the Company in the year, equity adjustments on foreign currency translations, minus the dividend paid in June. There was no Group bank indebtedness outstanding at the end of the period under review and the solvency ratio was 99%.

Accounting Policies

Accounting policies have been applied consistently with those of the preceding year. It should be noted that International Accounting Standard 41 should apply in the case of all of the Company's main operating interests. Specifically this applies to biological assets, which are required to be accounted for in a manner that reflects 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.

Dividend

The Board has resolved to recommend an unchanged dividend of $0.70 per share to shareholders on the register on 11 June 2008. In addition, the Board has recommended a special dividend of $1.30 per share in recognition of the Company's 25th year anniversary.

Investments

New Investments

The Company

During 2007, the Company invested $2.516 million in 720,892 shares in United Plantations, which served to increase its interest in the company from 44.77% at the end of 2006 to 45.12% on 31 December 2007.

In June 2007, UIE entered into an agreement whereby it undertook to invest £1.796 million($3.6 million) for an equity interest of 41% (fully diluted 38% after the exercise of executive share options) in Durisol UK, which has acquired the exclusive license to manufacture and distribute an environmentally stable modular building system, based upon Durisol building blocks, in the UK and Eire. At the end of 2007, £1.532 million ($3.081 million) of this total had been invested and the balance is scheduled to be invested in March 2008. The company's plant, located in South Wales in the UK, has been commissioned.

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 plans are ultimately to develop 35,000 to 40,000 hectares under oil palms. By the close of 2007, 4,200 hectares had been planted.

In the second quarter, with a view to increasing integration forward in the value chain and strengthen the market position within the bakery sector, AAK acquired Croda Food Service from Croda Plc. This business, which is based in Oldham in the United Kingdom, has an annualised turnover of SEK 230 million ($ 34 million) and provides the bakery sector with a number of different products and services. In the third quarter 2007, AAK concluded an agreement to acquire the Deinking Chemicals business from Ciba Speciality Chemicals OY, Finland. Deinking Chemicals' business involves a product, based on speciality fatty acids, that removes ink from recycled paper. Also, the discussions with Lantmännen Energi following the execution by AAK of a letter of intent in the second quarter 2007, to establish a joint venture company with the aim of investing SEK 400 million ($58 million) in a new crushing plant for rapeseed, are proceeding according to plan. The new CBE capacity constructed in Aarhus, Denmark was undamaged by the explosion in December 2007 and is being commissioned and should enable the company to resume deliveries to customers. In 2007, outward cash flow to fund investments by AAK totalled SEK 700 million ($104 million) (2006: SEK 501 million ($68 million)).

Group Companies

The main operating Group companies, which made up the Company's investment portfolio at 31 December 2007, are commented upon below.

United Plantations Berhad

The year 2007 for United Plantations was marked in a number of ways:

- Average selling prices of Crude Palm Oil ("CPO") and Palm Kernel ("PK") increased within UP by 25.3% and 23.7%, respectively. This more than counterbalanced the negative impact of lower production caused by a biological resting phase which caused crude palm oil production to fall by 8.3% and palm kernel production by 10.9%. Production is expected to recover in 2008.

- United Plantations returned another record result, for the third year in a row, as a result of the strong commodity price trend, and comfortably exceeding the previous record attained in 2006.

- The venture into Central Kalimantan, Indonesia, where the company is targeting to secure access to 35,000 to 40,000 hectares of plantation land, commenced in earnest in 2006 and has continued into 2007 and by the end of the year 4,200 hectares had been planted with oil palms.

As at 31 December 2007 the Company's interest in United Plantations amounted to 45.12%.

The following extracts have been taken from United Plantations preliminary announcement released on 25 February 2008;

"Condensed Consolidated Income Statements
for the Year ended 31 December 2007
(The figures have not been audited)

	Individual Quarter 3 months ended 31 December		Cumulative Quarter 12 months ended 31 December	
(MYR'000)	**2007**	2006	**2007**	2006
Revenue	**208,992**	143,985	**674,193**	597,463
Operating expenses	**(123,850)**	(98,237)	**(456,907)**	(410,984)
Other operating income	**3,874**	4,993	**7,856**	8,273
Finance costs	**(6)**	(40)	**(14)**	(287)
Interest income	**1,042**	1,189	**4,589**	3,784
Investment income	**2**	410	**3,268**	1,320
Profit before taxation	**90,054**	52,300	**232,985**	199,569
Income tax expense	**(18,665)**	(9,935)	**(53,597)**	(49,561)
Profit after taxation	**71,389**	42,365	**179,388**	150,008
Extraordinary items	**-**	-	**-**	-
Profit for the period	**71,389**	42,365	**179,388**	150,008
Net profit attributable to:				
Equity holders of the parent	**71,389**	42,365	**179,401**	150,008
Minority interest	**-**	-	**(13)**	-
Net profit	**71,389**	42,365	**179,388**	150,008
Earnings per share				
(i) Basic - based on an average 208,134,266 (2006: 208,134,266) ordinary shares (sen)	**34.30**	20.35	**86.19**	72.07

Condensed Consolidated Balance Sheet
as at 31 December 2007
(The figures have not been audited)

(MYR'000)	31 December 2007	31 December 2006
Assets		
Non-current assets		
Biological assets	**200,816**	184,723
Property, plant and equipment	**359,113**	346,767
Prepaid lease payments	**386,589**	381,434
Amount due from associated company	**17**	11
Advances to a foreign company	**18,651**	-
Available for sale financial assets	**8,247**	3,247
Total non-current assets	**973,433**	916,182
Current assets		
Inventories	**118,034**	84,011
Trade & other receivables	**99,025**	59,511
Tax recoverable	**546**	482
Financial assets at fair value	**3,060**	5,921
Cash, bank balances & fixed deposits	**168,405**	156,873
Total current assets	**389,070**	306,798
Total assets	**1,362,503**	1,222,980
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	**19,838**	21,264
Retained profits	**786,589**	660,783
	1,196,481	1,072,101
Minority interest	**672**	304
Total equity	**1,197,153**	1,072,405
Non-current liabilities		
Retirement benefit obligations	**2,958**	3,323
Provision for deferred taxation	**60,714**	64,626
Total non-current liabilities	**63,672**	67,949
Current liabilities		
Trade & other payables	**51,824**	46,628
Overdraft & short term borrowings	**232**	16
Retirement benefit obligations	**635**	381
Interim/final dividend declared	**30,804**	22,791
Provision for taxation	**18,183**	12,810
Total current liabilities	**101,678**	82,626
Total liabilities	**165,350**	150,575
Total equity and liabilities	**1,362,503**	1,222,980
Net assets per share (MYR)	**5.75**	5.15

Directors' Review of the Group's Performance

The Group's profit before tax for the current year under review was 17% higher than that of the corresponding year 2006 resulting from:

- *Plantation*

  The production of CPO and PK decreased by 8.3% and 10.9%, respectively, during the year due to the cyclical nature of the lower yields which was a national phenomenon. However, this decrease in production was more than offset by the increase in the average selling prices of CPO and PK by 25.3% and 23.7%, respectively. Production of coconuts increased by 17.6% as compared to 2006.

  A 1% reduction in the Malaysian corporate tax rate also accounted for a savings of MYR 4.0 million.

  The impact of the increase in the average selling price of CPO and PK was, however, partly reduced by an increase in cess payment of MYR 13 million as a result of the implementation of a special cess on palm oil producers with effect from 1 June 2007 to subsidize the price of cooking oil for the consuming public.

- *Refinery*

  The sale of palm oil and palm kernel products increased by 14% and 8%, respectively, due to increasing demand, particularly within the segment of packed products. As a result, the profit contribution from the refinery increased by MYR 5.8 million compared to 2006.

Prospects and Outlook

The production of global vegetable oils in 2007 was affected by the lower palm oil production in Malaysia and Indonesia due to cyclical reasons, and prolonged dry weather in South America affected the production of soya. The drive for biofuels particularly in the EU and the USA combined with high mineral oil prices have contributed to the current record levels of vegetable oil prices.

The anticipated recession in the USA is expected to have an impact on the global economy and the demand for vegetable oils will likely be affected. However, due to the current low stock levels of vegetable oils globally, prices are expected to hold in the short to medium term.

The refinery's profit contribution for 2008 is not expected to be as good as for 2007 in anticipation of reduced margins for bulk products due to rising raw material and fuel costs.

Under our forward sales policy, we have sold substantial quantities of CPO for 2008. Accordingly, we expect the results for 2008 to be satisfactory."

AarhusKarlshamn AB

During the course of 2007 AAK management has continued to commit itself to the dual task of firstly continuing to capitalize upon the synergy potential arising from the merger process between Aarhus United and Karlshamns AB and secondly continuing to consolidate the company's position as arguably the world's leading producer of speciality confectionery products based on vegetable oil solutions, the two primary pillars supporting the merger process. This involved various initiatives:

- Extensive changes throughout the group continued to be undertaken in 2007 in integrating and coordinating group activity. In the second quarter a next phase of the synergy process, involving the commitment of SEK 150 million ($22 million) over the life of the project aimed at optimizing the large Swedish and Danish production units, was commissioned. Annual savings of SEK 100 million ($15 million) per annum are expected to accrue from 2010 onwards.

- Various investments were undertaken in 2007 to consolidate the specialty fats production strategy, the most significant of which was the construction of new capacity in Aarhus, Denmark, aimed at enabling the company to meet the burgeoning demand for speciality confectionery fats, and CBE products especially. The Deinking and Croda Food Service acquisitions provided further impetus toward this strategy.

- Recognising the critical importance of shea nuts, the principal raw material for CBE production in the supply chain, AAK has devoted significant resources to enhancing its ability to source this key raw material and to building up buffer stocks sufficient to ensure supply security of this vital ingredient.

The financial performance of AAK in 2007, as in 2006, was affected by high raw material and energy costs as well as problems encountered in sourcing shea nuts, a key raw material. Whilst the shea sourcing process has been considerably enhanced in 2007, the cost of stockpiling this key resource, as well as the continued escalation of raw material prices generally, has placed a significant strain on the company's working capital base, as has the investment programme, which itself involved investments of SEK 700 million ($104 million) in 2007.

The Company's interest in AAK is held through an intermediary company, BNS Holding AB ("BNSH") in which it 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%. During the year BNSH received dividends amounting SEK 65 million ($10 million) (2006: SEK 471 million ($ 64 million)) from AAK, which were applied to redeeming much of the balance of the company's outstanding bank indebtedness.

The following extracts have been taken from AAK's Interim report announcement released on 21 February 2008;

"Summarised Financial Statement 2007
Interim Report, Fourth Quarter as of 31 December 2007

Fourth quarter 2007

- *Net sales +21 %, SEK 3,709 million (2006: SEK 3,057 million).*
- *Operating result excluding non-recurring items and IAS 39 +65 %, SEK 178 million (2006: SEK 108 million).*
- *Profit after tax, SEK 166 million (2006: SEK 58 million).*
- *Earnings per share SEK 4.04 (2006: SEK 1.38).*
- *The company has filed an insurance claim of SEK 47 million for December, related to the impact of the Danish incident. This amount has not yet been recognized as income.*

The full year

- *Net sales +19 %, SEK 13,005 million (2006: SEK 10,929 million).*
- *Operating result excluding non-recurring items and IAS 39 +44 %, SEK 653 million (2006: SEK 455 million).*
- *The company has filed an insurance claim of SEK 47 million for December, related to the impact of the Danish incident. This amount has not been recognized as income.*
- *Non-recurring items in Q2, SEK (150) million (2006: SEK (102) million).*
- *Profit after tax, SEK 319 million (2006: SEK 177 million).*
- *Earnings per share SEK 7.67 (2006: SEK 4.18).*
- *Proposed dividend of SEK 4.00 (2006: SEK 4.00) per share.*

Key figures

(SEK million)	***Q 4 2007***	*Q 4 2006*	***Full year 2007***	*Full year 2006*
Net sales	***3,709***	*3,057*	***13,005***	*10,929*
Gross contribution, excluding IAS 39	***921***	*747*	***3,134***	*2,723*
Operating profit excluding IAS 39	***178***	*108*	***653***	*455*
Non-recurring items (rationalisation programme)	**-**	*(40)*	***(150)***	*(157)*

The CEO's comments

The full year 2007

Earnings for 2007 are the AAK Group's highest since the merger of 2005. The improvement in result is primarily attributable to increased CBE sales and implemented synergies. The operating result amounted to SEK 653 million (2006: SEK 455 million). The company has filed an insurance claim of SEK 47 million, related to the impact of the Danish incident. This claim has not yet been recognized as revenue.

During 2007 the company has had a negative operating cash flow after investments of SEK 1,083 million. The major part of this amount has been used for strategic purchases of shea and investments in the new CBE plant in Aarhus, Denmark. The cash flow has also been negatively affected by the general substantial increase in raw materials.

Fourth quarter 2007

The result for the fourth quarter is the AAK Group's best quarter so far, despite the incident. The improvement in earnings is primarily attributable to increased CBE sales. The operating result amounted to SEK 178 million (2006: SEK 108 million). The company has filed an insurance claim of SEK 47 million, related to the impact of the Danish incident. This claim has not yet been recognized as revenue.

The loss of earnings has primarily affected business area Chocolate & Confectionery Fats but has also impacted upon the results respectively of business area Food Ingredients and Technical Products & Feed.

Food Ingredients during the quarter shows good development of gross contribution per kilo. The costs have increased due to acquired units and effects of the accident in Denmark.

Technical Products & Feed show continued improvement of underlying profitability and gross contribution has increased. The quarter has been affected by higher raw material costs caused by compensation deliveries on account of the accident in Aarhus.

The speciality strategy

CBE market growth continues to be strong. Capacity utilisation for our chocolate fats has been high during the past year up until the accident.

AAK is world leader within the CBE sector, and therefore the key raw material of shea is an especially important factor. In order to increase the quantity of shea, a number of projects are being conducted in order to strengthen logistics from West Africa to our factory in Aarhus. We are now seeing positive results from initiatives taken and for 2008 we have good access to the shea raw material.

The specialisation strategy for Food Ingredients and Technical Products & Feed continues to yield positive effect in the form of increased gross contribution per kilo.

Important events 2007

Acquisition

Croda Food Service, second quarter

In order to increase integration forward in the value chain and strengthen market position within the bakery sector, AAK has acquired Croda Food Service from Croda Plc. The acquired business, which has sales of more than SEK 230 million on an annual basis, is based in Oldham, Great Britain, and provides the bakery sector with a number of different projects and services, together with specially adapted delivery systems. The acquisition generated a profit during 2007.

Baby food, second quarter

Within the specialty fats area of baby food, AAK entered into an agreement concerning a joint venture cooperation (50/50) with Enzymotec, an Israeli development company specialising in advanced lipids (special fats) with specific health-promoting effects. This will strengthen AAK's world-leading position in this area.

Deinking, third quarter

Business Area Technical Products & Feed entered into an agreement for the acquisition of the business unit, Deinking Chemicals, from Ciba Specialty Chemicals Oy in Finland. Products for Deinking (de-inking of wastepaper) is based on speciality fatty acids. The acquisition is an integration forward in the value chain. Sales are about SEK 25 million on an annual basis and will exert a positive impact on earnings from 2008.

Crushing capacity

The discussions reported earlier with Lantmännen concerning increased crushing capacity (oil recovery from rapeseed) are ongoing. AAK will use its share from the crushing plant for food oils, while the other share will be used for raw materials for biodiesel.

Rationalisation programme (non recurring items)

The earnings for the second quarter were burdened by the cost of SEK 150 million rationalisation programme, primarily affecting the Swedish and Danish production units. Of the total restructuring costs, SEK 50 million have no cash flow impact. The programme is estimated to produce savings of about SEK 100 million on a full year basis commencing 2010.

The accident in Aarhus, Denmark

On 4 December, a fire caused by an explosion occurred in AAK's factory in Aarhus, Denmark. Unfortunately, one employee, was killed. The accident occurred in that part of the factory where vegetable oils are used as components in special fats for chocolate and confectionery products.

At the time of the accident, AAKs new factory for CBE was ready for trials. The new factory, which was not damaged in the accident, is independent of the old plant and is being commissioned.

Approval by authorities for start-up has been delayed on account of the incident.

The raw material inventories of shea were unaffected by the event.

The company has started the process of restoring damaged buildings, equipment and infrastructure in order to recommission the old factory. The process equipment is, in the main undamaged. The start-up is currently estimated to take place in the second half of 2008.

In view of the current situation the company is prioritising the start up of production so as to be able to resume deliveries to the customers as well as other actions to limit the negative impact of the incident.

AAK has filed an insurance claim of SEK 47 million. This claim is presently subject to a verification and approval process by the insurance company. During 2008 AAK will file claims of the same nature for substantial amounts. The insurance compensation will be recognized as revenue when the insurance company has completed its verification and approval process.

Financial position

The Group's equity as at 31 December 2007 totalled SEK 2,443 million (2006: SEK 2,319 million) and the balance sheet total was SEK 8,857 million. The equity/assets ratio was 28 percent (2006: 33 percent). The Group's net borrowings as at 31.12.07 amounted to SEK 4,279 million. Unutilised credit facilities granted totalled SEK 1,111 million.

Personnel

The average number of employees in the Group as at 31 December 2007 rose to 2,569 (31 December 2006: 2,529), primarily on account of acquisitions concluded.

Future prospects

The specialisation strategy has been developed further. Cocoa Butter Equivalents (CBE) will continue to be a growth-engine after the start-up of the new factory and restoration of the old factory. Acquisitions and organic growth will progressively improve margins in Food Ingredients.

Synergies of about SEK 175 million will be fully realised during 2008. The major part of this program has effected the 2007 profit. The rationalisation programme in the Nordic Area of about SEK 100 million being developed will show full effect in 2010.

Consolidated income statement

(SEK million)	**Q 4 2007**	Q 4 2006	**Full year 2007**	Full year 2006
Net sales	**3,709**	3,057	**13,005**	10,929
Other income	**7**	33	**23**	44
Total operating income	**3,716**	3,090	**13,028**	10,973
Raw materials, consumables and goods for resale	**(2,686)**	(2,316)	**(9,629)**	(8,061)
Other external costs	**(334)**	(270)	**(1,177)**	(1,186)
Cost of remuneration to employees	**(300)**	(303)	**(1,164)**	(1,063)
Depreciation/amortisation and impairment losses	**(89)**	(81)	**(385)**	(306)
Other expenses	**(13)**	(10)	**(27)**	(15)
Total operating expenses	**(3,422)**	(2,980)	**(12,382)**	(10,631)
Operating profit	**294**	110	**646**	342
Interest income	**3**	6	**15**	15
Interest expense	**(68)**	(37)	**(204)**	(102)
Other financial items	**-**	15	**(9)**	13
Profit before tax	**229**	94	**448**	268
Tax	**(63)**	(36)	**(129)**	(91)
Profit for the year	**166**	58	**319**	177
Attributable to minority share	**-**	2	**5**	6
Attributable to Parent Company's shareholders	**166**	56	**314**	171

Summary consolidated balance sheet

(SEK million)	***31/12/2007***	*31/12/2006*
Assets		
Goodwill	***614***	*579*
Other intangible assets	***115***	*59*
Tangible assets	***2,964***	*2,752*
Financial assets	***141***	*164*
Total non-current assets	***3,834***	*3,554*
Inventories	***2,451***	*1,512*
Current receivables	***2,405***	*1,738*
Cash and cash equivalents	***167***	*129*
Total current assets	***5,023***	*3,379*
Total assets	***8,857***	*6,933*
Equity and liabilities		
Equity	***2,409***	*2,287*
Minority share	***34***	*32*
Total equity including minority share	***2,443***	*2,319*
Non-current liabilities	***4,489***	*2,716*
Accounts payable	***723***	*502*
Other current liabilities	***1,202***	*1,396*
Total current liabilities	***1,925***	*1,898*
Total equity and liabilities	***8,857***	*6,933*

No changes have arisen in contingent liabilities."

Elements of Risk

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

Commodity prices: The major commodity price influence on profitability is the palm oil price, especially insofar as it 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 around $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, impact upon the proportion of output subject to such arrangements. As a routine, AAK seeks to hedge as many as possible of its forward sale 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. Whilst certain members of the Group account in a range of currencies, the Company's major asset is now 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 somewhat. The impact of this development is mixed. Whilst the weaker USD, in which commodity prices are generally quoted, has depressed revenues, 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 Swedish Kroner would exert a moderate influence.

Interest rates: Whilst neither the Company nor United Plantations carry external debt of material proportions, an increase of 1% point in interest rates would reduce the Company's share of AAK's result by approximately SEK 7.0 million ($1.1 million).

Weather: Whilst 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.

Directors

In 2008, Mr. Carl Bek-Nielsen and Mr. Peter Grut retire by rotation. A resolution proposing their reappointment will be tabled at the forthcoming Annual General Meeting.

Events after the Balance Sheet date

There were no material events after the balance sheet date.

Outlook

Neither AAK nor United Plantations, the two investments that constitute the bulk of the Company's investment portfolio, issue a formal estimate of profits.

United Plantations has stated that it expects "……. the results for 2008 to be satisfactory."

In the case of AAK, the published outlook is for "...The specialisation strategy has been developed further. Cocoa Butter Equivalents (CBE) will continue to be a growth-engine after the start-up of the new factory and restoration of the old factory. Acquisitions and organic growth will progressively improve margins in Food Ingredients. Synergies of about SEK 175 million ($ 26 million) will be fully realized during 2008...".

Whilst the outlook perceived by both companies is positive, it is not sufficiently clear from published information they have released to derive any certainty in terms of the likely level of the Company's profits in 2008. However, taking the continued strength of palm oil prices into account, coupled with the current recovery in production at United Plantations and the continued strength of AAK's confectionery business in particular, and presuming the negative impact of the Aarhus explosion can be contained, there seems good reason to anticipate continued improvement in the 2008 result relative to the previous year.

Annual General Meeting

The Annual General Meeting of the Company will be held on 11 June 2008 at the Company's registered office in Nassau, Bahamas. Matters to be considered at the meeting include resolutions to receive and consider the Accounts for the year ended 31 December 2007; to re-elect Directors who are retiring by rotation and to approve the dividend.

For shareholders unable to attend the Annual General Meeting, an informal meeting will be held at Børssalen, Børsbygningen, Copenhagen on Friday, 30 May 2008 commencing at 10.00 a.m. The printed Annual Report will be despatched to the shareholders in the middle of May 2008.

In closing, and on behalf of the Board, I should like to place on record my sincere thanks to all of the employees within the Group for their continued dedication and commitment to the growth and development of the Company and its interests globally.

On behalf of the Board

Carl Bek-Nielsen
Chairman

16 March 2008

Consolidated Balance Sheets for the twelve months ended 31 December 2007,
The figures have not been audited

(Expressed in USD)	**31 December 2007 $'000**	31 December 2006 $'000
Assets		
Current assets:		
Cash at bank	**2,053**	2,959
Fixed deposits	**16,936**	20,037
Amounts due from associated companies	**98**	85
Accounts receivable and other assets	**1,038**	342
Withholding tax recoverable	**5,142**	2,676
Dividends receivable from associated company	**4,188**	2,890
Investments	**7**	237
Total current assets	**29,462**	29,226
Investments	**283,336**	239,229
Loans to affiliated companies	**1,526**	1,450
Property, plant and equipment	**119**	44
Total assets	**314,443**	269,949
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable and accrued charges	**1,798**	1,093
Total current liabilities	**1,798**	1,093
Shareholders' equity	**312,645**	268,856
Total liabilities and shareholders' equity	**314,443**	269,949

Consolidated Statements of Operations for the twelve months ended 31 December 2007,
The figures have not been audited

(Expressed in USD)		4th quarter 2007 $'000	4th quarter 2006 $'000	Full year 2007 $'000	Full year 2006 $'000
Income					
Equity in net income of Group companies		**13,335**	6,839	**30,708**	21,284
Interest income	- Group companies	**-**	1	**-**	52
	- affiliates	**19**	19	**76**	456
	- other	**229**	146	**858**	495
Foreign exchange gains		**45**	87	**-**	766
Gain on investments		**145**	-	**88**	-
Other income		**7**	6	**47**	129
Total income		**13,780**	7,098	**31,777**	23,182
Expenses					
Depreciation		**(13)**	4	**2**	16
Interest expense		**-**	-	**12**	-
General and administrative		**687**	604	**2,147**	1,812
Directors' fees and remuneration		**348**	260	**860**	898
Foreign exchange loss		**-**	-	**94**	-
Loss on investments		**-**	389	**-**	106
Total expenses		**1,022**	1,257	**3,115**	2,832
Net earnings before taxation		**12,758**	5,841	**28,662**	20,350
Tax recovered		**1,672**	943	**2,297**	1,554
Net earnings for the period		**14,430**	6,784	**30,959**	21,904

Statement of Shareholders' Equity for the twelve months ended 31 December 2007,

The figures have not been audited

(Expressed in USD)	Total Shareholders' Equity at 1 January 2006 $'000	Transactions during the 12 months ended 31 December 2006 $'000	Total Shareholders' Equity at 31 December 2006 $'000	**Transactions during the 12 months ended 31 December 2007** **$'000**	**Total Shareholders' Equity at 31 December 2007** **$'000**
Share capital	51,433	-	51,433	**-**	**51,433**
Share premium	13,248	-	13,248	**-**	**13,248**
Retained earnings	179,217	18,780	197,997	**27,835**	**225,832**
Interest in own shares	(10,099)	489	(9,610)	**-**	**(9,610)**
Equity adjustment on foreign currency translation	(1,331)	17,119	15,788	**15,954**	**31,742**
	232,468	36,388	268,856	**43,789**	**312,645**

Consolidated Statement of Cash Flows for the twelve months ended 31 December 2007

The figures have not been audited

(Expressed in USD)	**2007 $'000**	2006 $'000
Cash flows from Operations		
Net earnings before taxation	**28,662**	20,350
Adjustments for:		
Equity in net income of associated companies	**(30,708)**	(21,284)
Interest income	**(934)**	(1,003)
Depreciation	**23**	16
(Gain)/loss on investments	**(88)**	106
Cash used in operations before working capital changes	**(3,045)**	(1,815)
Decrease/(increase) in working capital	**(3)**	361
Taxes paid (net)	**-**	(187)
Exchange loss	**707**	723
Net cash used in operations	**(2,341)**	(918)
Cash flows from Financing		
Dividend paid	**(3,124)**	(3,124)
Net cash used in financing	**(3,124)**	(3,124)
Cash flows from Investing		
Interest received	**858**	567
Dividends received from associated companies	**5,969**	6,621
Purchase of investments	**(5,599)**	(7,038)
Proceeds from sale of investments	**320**	688
Proceeds from sale of own shares	**-**	489
Repayment of promissory note due from associated company	**-**	9,556
Decrease in advances to associated companies	**-**	152
Decrease in loans to affiliated companies	**-**	6,843
Additions to fixed assets	**(90)**	(35)
Cash from investing	**1,458**	17,843
(Decrease)/increase in cash position	**(4,007)**	13,801
Cash position, beginning of year	**22,996**	9,195
Cash position, end of year	**18,989**	22,996

Cash position comprises cash at bank and fixed deposits.

Corporate Information

Country of Incorporation	The Commonwealth of The Bahamas
Board of Directors	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 Graham, Thompson & Co. 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.aarhuskarlshamn.com