Half Year Report 2007

Company announcement No. 8/2007

28 August 2007

UNITED INTERNATIONAL ENTERPRISES LIMITED

Announcement to the OMX Nordic Exchange Copenhagen

Here follows the announcement of the results of United International Enterprises Limited ("UIE" or "the Company") for the first half year ended 30 June 2007, expressed in United States Dollars ("USD" or "$").

Highlights

- First half year 2007, unaudited consolidated profits amounted to $7.015 million, 3% lower than the $7.250 million profit reported in the first half year 2006.

- The Company's share of associated company earnings decreased from $7.526 million in the first half year 2006 to $7.366 million in the first half year 2007, primarily as a result of the write-off of SEK 150 million ($21.7 million) non-recurring costs arising in connection with a rationalization programme announced in 2007 by associate company, AarhusKarlshamn AB ("AAK").

- Associate company, United Plantation Berhad's ("United Plantations") profit after taxation amounted to MYR 51.294 million ($14.8 million), relative to MYR 57.675 million ($15.6 million) in the first half year 2006. The inferior result was the result of significantly lower production, higher raw material prices at the refinery and higher labour costs, coupled with a special tax (cess) on profitability imposed by the Malaysian government to stabilize domestic edible oil prices. Also, under United Plantations' forward sales policy, substantial quantities of production were sold forward entering 2007 but with the very rapid change in market fundamentals since, triggered by unprecedented demand for feedstock from the biofuels sector, the company did not fully benefit from the higher prices that ensued.

- AAK generated operating profits before non-recurring items, in the first half year 2007 of SEK 314 million ($45.4 million), which were 43% above the SEK 220 million ($28.9 million) reported in the first half year 2006. The improvement was mainly due to synergy benefits and continued growth in the cocoa butter equivalents ("CBE") range of products. As a result of the write-off of SEK 150 million ($21.7 million) non-recurring costs in the second quarter, post tax profits for the first half year 2007 fell to SEK 35 million ($5.1 million) and were significantly beneath the first half year 2006 post tax profit of SEK 60 million ($7.9 million) (after non-recurring costs of SEK 107 million ($14.1 million)).

- High investment activity within the Group during the year to date involved AAK in the acquisition of food service company (Croda Food Service), coupled with a significant commitment to expand crushing capacity in Karlshamn. United Plantations continued to develop its Indonesian plantation operations, with a total of 2,361 hectares out of the total area of 40,000 hectares having been planted to date. In June the Company committed £1.800 million ($3.6 million) to an investment to acquire a 41% equity interest in Intelligent Building System Limited ("IBS"), a United Kingdom ("UK") registered company. IBS has acquired the exclusive license to manufacture and distribute an environmentally sustainable modular building system based upon Durisol building blocks in the UK and Eire.

- Shareholders' equity increased from $268.856 million at the end of 2006 to $277.224 million at 30 June 2007.

Outlook for 2007

On the basis of these current trends, the Board is confident that, prior to taking into account the impact of rationalization costs written off by AAK in the first half year of 2007, the Company's result in 2007 should be in line with the result in 2006.

Consolidated Key Figures

(Expressed in USD)	First Six Months 2007 $'000	First Six Months 2006 $'000	Full Year 2006 $'000
Income (including equity in net income of Group companies)	**7,815**	7,979	23,182
Net earnings before taxation	**6,137**	6,641	20,350
Net earnings for the period	**7,015**	7,250	21,904
Total assets, end of period	**277,836**	244,218	269,949
Total equity, end of period	**277,224**	243,773	268,856

	2007 DKK	First Six Months 2007 $	First Six Months 2006 $	Full Year 2006 $
Result per share	**8.65**	**1.57**	1.63	4.91
Intrinsic value per share	**342.27**	**62.11**	54.70	60.23
Market price, end of period	**614.36**	**111.48**	69.88	83.01

(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 2007 %	First Six Months 2006 %	Full Year 2006 %
Return on equity capital (annualized)	**5.14**	6.09	8.74
Solvency ratio	**99.78**	99.82	99.60

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

Result

The unaudited consolidated profit after taxation for the half year ended 30 June 2007 amounted to $7.015 million and was marginally (3%) lower than the profit of $7.250 million achieved in the equivalent period in 2006. Lower contributions from associates accounted for the downturn.

Income for the half year amounted to $7.816 million (2006: $7.979 million) of which $7.366 million (2006: $7.526 million) represented the Company's share of the net equity of its associated company interests.

The contribution from associate companies in the first half year of 2007, at $7.366 million, was 2% below the first half year of 2006. A substantially lower contribution from AAK in the second quarter of 2007, which incurred a post tax loss during this quarter of SEK 53 million ($7.7 million) arising from a SEK 150 million ($21.7 million) charge incurred in connection with the new rationalization programme, served to depress the aggregate contribution for first half year of 2007.

The analysis of contributions from associates for the period is set out below:

($ Millions)	**1st quarter 2007**	**2nd quarter 2007**	**First half 2007**	First half 2006
United Plantations	**3.000**	**3.639**	**6.639**	6.735
AAK	**1.962**	**(1.235)**	**0.727**	0.791
Total	**4.962**	**2.404**	**7.366**	7.526

- Associate company, United Plantations' net profit for the first half year of MYR 51.3 million ($14.8 million) was 11% lower than the net profit of MYR 57.7 million ($15.6 million) achieved in the first half year of 2006. The lower result was the result of a 12% decline in production of Crude Palm Oil ("CPO") and Palm Kernel oil, a 25% increase in refinery raw material costs, the application of a special tax (cess) imposed by the Malaysian Government to stabilize the oil price in the country (which amounted to MYR 1.4 million ($0.4 million) in the first half year) and higher labour costs. As a general rule, CPO production increases gradually from March, peaking around July to September and then declines from October to February. This pattern can be affected by severe global weather conditions such as El-Niño. After a high yielding year in 2006, the company's palm estates entered a pronounced resting period during the first half year of 2007, which accounted for the 12% production decline. Also, under United Plantations' forward sales policy, substantial quantities of production were sold forward entering 2007 but with the very rapid change in market fundamentals since, triggered by unprecedented demand for feedstock from the biofuels sector, the company did not fully benefit from the higher prices that ensued.

- AAK generated a post tax profit of SEK 35 million ($5.1 million) in the first half year of 2007 compared with SEK 60 million ($7.9 million) in the first half year of 2006. In the second quarter of 2007, SEK 150 million ($21.7 million) costs scheduled to be incurred in connection with the rationalization programme announced earlier in 2007 (which is expected to generate annual savings of SEK 100 million ($14.5 million) from 2009) were written off, thereby serving to depress the half year result. (In the second half of 2006, synergy costs amounted to SEK 107 million ($14.1 million)). The underlying operational profit, however, continues to reflect improvement, rising 43% from the SEK 220 million ($28.9 million) in the first half year of 2006 to SEK 314 million ($45.4 million) in the first half year of 2007. Synergy benefits and growth in the Confectionery Division, and especially the CBE, were the main contributory factors. CBE capacity utilization remains at a very high level and the expansion of facilities in Aarhus is expected to come on stream toward the end of 2007 and should assist the company in satisfying market demand. The Food Ingredients Division also demonstrated stability in the face of a combination of fierce competition and rising raw material prices.

Interest received by UIE remained constant between the two six month periods under review but investment losses of $0.065 million (2006: gain $0.198 million) and foreign exchange losses of $0.222 million (2006: gain $0.078 million) served to reduce the level of income from other sources.

Despite a fall of $0.236 million in general and administrative expenses and director's costs in the first half year 2007, relative to the first half year 2006, total expenses for the half year, at $1.679 million, were higher than the 2006 first half year figure of $1.338 million on account of a net negative movement in investment and foreign exchange gains and losses of $0.563 million.

Recovered corporation taxes in the Company's Malaysian subsidiary in the first half year of 2007 amounted to $0.878 million compared with $0.609 million recovered in the equivalent period in 2006.

Shareholders' equity increased from $268.9 million at the end of 2006 to $277.2 million at 30 June 2007. Retained earnings and positive adjustments arising on foreign currency translation accounted for the increase. There was no bank indebtedness outstanding at 30 June 2007 and the solvency ratio remains close to 100%.

Accounting policies have been applied consistently with those of the preceding year.

Investments

New Investments

In February the Company acquired additional shares in United Plantations, equivalent to 0.18% of its paid up capital, at a cost of $1.180 million, which increased its overall interest to 44.95%.

In April 2007, United Plantations entered into a new conditional master agreement, involving a further increase of its interest in plantation land in East Kalimantan, Indonesia. Under the new agreement, United Plantations, through its 93% interest in a newly merged company will increase its access from 29,600 hectares to approximately 40,000 hectares of plantation land. Of this area, 2,361 hectares have been planted and are expected to generate revenues in 2009.

AAK undertook two material investments in the first half year of 2007. The Food service division acquired Croda Food Service, a business operating from a base in Oldham in the UK supplying the bakery sector with a range of products and services as well as a specially designed delivery system. In Sweden, AAK has signed a letter of intent with Lantmännen Energi to establish a joint venture company to be owned 51% by AAK, with the aim of investing SEK 400 million ($58 million) in a new crushing plant for rapeseed. It is intended that oil from the crushing plant would be used by AAK to meet increasing demands for food applications and by Lantmännen Energi for biodiesel application. This investment will involve a substantial increase in the capacity at the Karlshamn plant, which will become by far the largest in the Nordic region.

In June 2007, UIE entered into an agreement with IBS, a UK registered company, whereby it undertook to invest £1.740 million ($3.5 million) in a 39% interest in IBS. Subsequently the Company acquired a further 2% of the capital from an existing shareholder for £0.060 million ($0.1 million), which served to increase its investment to £1.800 million and its equity interest to 41%. Management has been granted options to subscribe for shares in the company, provided certain targets are met, and if all are exercised, UIE's equity interest would be diluted to 38%. The balance of the share capital in the company is owned by the management and private investors. IBS 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. Of the total initially committed, £0.846 million ($1.7 million) was invested upon execution of the agreement and the balance will be invested during the remainder of 2007, provided construction targets are met.

Although the business is a start-up in the UK, Durisol has more than a 50 year history of development and building success in residential and commercial building in parts of Europe, North America, Canada and Africa. The Durisol material was invented in Switzerland and the sustainable and environmentally sensitive manufacturing process is both unique and energy efficient and involves recycled wood fibre, which comprises 80% of the product, being bonded with Portland cement to produce lightweight and relatively inexpensive building blocks. The project will be located in Crumlin in south Wales and will initially aim to access the construction market in the UK. The plant is due to be commissioned at the end of 2007.

The Durisol investment will exert a limited impact on the UIE results in the near term.

Associated Companies

The main operating associate companies, which make up the Company's investment portfolio, are commented upon below.

United Plantations Berhad

The following extracts have been taken from United Plantations' Half year announcement released on 27 August 2007:

"Condensed Consolidated Income Statements
for the Quarter Ended 30 June 2007
(The figures have not been audited)

	Individual Quarter 3 months ended 30 June		Cumulative Quarter 6 months ended 30 June	
(MYR '000)	**2007**	2006	**2007**	2006
Revenue	**156,156**	156,004	**282,263**	271,216
Operating expenses	**(121,155)**	(111,179)	**(217,749)**	(193,814)
Other operating income	**837**	(299)	**2,675**	1,289
Finance costs	**(55)**	(39)	**(85)**	(358)
Interest income	**1,250**	756	**2,339**	1,716
Investment income/(loss)	**84**	-	**423**	402
Profit before taxation	**37,117**	45,243	**69,866**	80,451
Income tax expense	**(9,262)**	(12,824)	**(18,572)**	(22,776)
Profit after taxation	**27,855**	32,419	**51,294**	57,675
Extraordinary items	**-**	-	**-**	-
Profit for the period	**27,855**	32,419	**51,294**	57,675
Net profit attributable to:				
Equity holders of the parent	**27,855**	32,419	**51,294**	57,675
Minority interest	**-**	-	**-**	-
Net Profit	**27,855**	32,419	**51,294**	57,675
Earnings per share				
(i) Basic - based on an average 208,134,266 (2006:208,134,266) ordinary shares (sen)	**13.38**	15.58	**24.64**	27.71

Condensed Consolidated Balance Sheet
as at 30 June 2007
(The figures have not been audited)

(MYR '000)	30 June 2007	31 December 2006
Assets		
Non-current assets		
Biological assets	**190,262**	184,723
Property, plant and equipment	**345,151**	346,767
Prepaid lease payments	**402,450**	381,434
Associated company	**-**	-
Amount due from associated company	**12**	11
Available for sale financial assets	**3,247**	3,247
Current assets		
Inventories	**80,870**	84,011
Trade & other receivables	**66,621**	59,511
Tax recoverable	**613**	482
Financial assets at fair value	**6,344**	5,921
Cash, bank balances & fixed deposits	**149,755**	156,873
Total current assets	**304,203**	306,798
Total assets	**1,245,325**	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	**20,927**	21,264
Retained profits	**689,286**	660,783
	1,100,267	1,072,101
Minority interest	**742**	304
Total equity	**1,101,009**	1,072,405
Non-current liabilities		
Retirement benefit obligations	**3,285**	3,323
Provision for deferred taxation	**65,526**	64,626
Total non-current liabilities	**68,811**	67,949
Current liabilities		
Trade & other payables	**48,143**	46,628
Overdraft & short term borrowings	**596**	16
Retirement benefit obligations	**381**	381
Interim/final dividend declared	**22,791**	22,791
Provision for taxation	**3,594**	12,810
Total current liabilities	**75,505**	82,626
Total liabilities	**144,316**	150,575
Total equity and liabilities	**1,245,325**	1,222,980
Net assets per share (MYR)	**5.29**	5.15

Directors' Review of the Group's Performance

The Group's profit before tax for the current period under review was 13% lower than that of the corresponding period resulting from:

(i) 12% reduction in the production of both CPO and PK;

(ii) a 25% increase in raw material costs at the refinery;

(iii) an increase in cess payment of MYR 1.4 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; and

(iv) an increase of MYR 2.0 million in labour costs due to wage adjustments as a result of the renewal of the collective agreement for field and general workers.

Prospects and Outlook

CPO prices declined appreciably from a high of MYR 2,883/MT on 6 June 2007 to MYR 2,430/MT on 17 August 2007, owing to the seasonal increase in Malaysian palm oil production, following an unusually poor crop production up to July 2007. Malaysian CPO production in July was down approximately 0.6 million tons from a year ago.

Malaysian export performance has throughout 2007 been boosted by the growing demand for palm oil globally. The main reason being that CPO prices have been competitive in the world vegetable oil market due to the increased demand from the biofuel sector. This is likely to continue for the rest of the year. Stocks of palm kernel oils were reduced to the lowest level in 2 years due to the strong export demand and is likely to support the current price of palm kernels.

Under the Group's forward sales policy substantial quantities of CPO were sold forward entering 2007, as reported in the last quarter. Market fundamentals, however, changed very rapidly triggered by unprecedented demand for feedstock from biofuels from the consuming countries which pushed prices even higher.

The Malaysian Palm Oil Board ("MPOB") in May 2007 announced an additional monthly cess for a period up to 31 May 2008, based on MPOB's monthly average CPO prices. This new Cess Order which took effect on 1 June 2007 will impact the Group's profitability for the year of approximately MYR 11 million.

An agreement was finally reached with the National Union of Plantation Workers for a new Wage Agreement for Field and General Workers commencing 1 June 2007 to replace the old wage agreement which expired on 31 December 2005. In addition, due to the large increase in selling prices of CPO, the Price Bonus component in the wage had also increased substantially. The combined effect of the two wage adjustments on the Group's profitability for the year will be significant.

Nearly all these factors combined will have a material impact on the Group's profitability this year. Nevertheless, we expect 2007 to be another satisfactory year.

Status of Corporate Proposals

Proposed Merger of Indonesian Investments, PT. Surya Sawit Sejati ("PTSSS1") and PT Sawit Seberang Seberang ("PT SSS2")

As at the date of this report, the conditions in respect of the Proposed Merger have not been met.

As the 2,361 hectares of oil palms planted todate on land owned by PT SSS1 are still immature, there is no revenue contribution from PT SSS1."

AarhusKarlshamn AB

The following extracts have been taken from AAK's Half year announcement released by the company on 15 August 2007.

"Interim report, second quarter 2007
Half-year report as at 30 june 2007

- *Net sales +14 %, SEK 2,965 million (SEK 2,599 million).*
- *Operating profit excluding non-recurring items +50 %, SEK 152 million (SEK 101 million).*
- *Non-recurring items SEK (150) million (SEK (102) million).*
- *Result after tax SEK (53) million (SEK (6) million).*
- *Earnings per share SEK (1.32) (SEK (0.16) million)*

The CEO's comments

Synergies and CBE growth have been the main contributory factors in the improvement in results, while strategic acquisitions and alliances are strengthening the speciality fat strategy.

Second quarter 2007

As expected, the second quarter showed a continuing clear improvement in results over the preceding year, with synergies and CBE growth being the main contributory factors. Food Ingredients demonstrated stability in the face of fierce competition during a period of sharply rising raw materials prices. Technical Products & Feed is now benefiting from the result of the rationalisation and a higher proportion of speciality fatty acids.

The speciality strategy

Market growth in CBE remains strong. Capacity utilisation for chocolate fats is very high, and our new, significant expansion of capacity will come on stream towards the end of the year.

AAK is the world leader in CBE, which is why the key ingredient, shea, is a particularly crucial factor. To increase the amount of shea, a number of projects are being run to strengthen the logistics chain from West Africa to our factory in Aarhus. Over the next few years, the raw materials supply of shea kernels could constitute a restriction on AAK's expansion in the CBE segment.

Important events

Lantmännen

The consumption of vegetable oils in the energy sector has increased considerably in the recent past. 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. For this reason, AAK and Lantmännen Energi have signed a letter of intent on a jointly owned company (51/49) with the aim of investing in a new crushing plant for rapeseed to meet the increasing demand and to strengthen our competitiveness.

AAK will use its part of oil from the crushing plant as edible oils for food application while Lantmännen will use its part for Biodiesel application.

The planned investment in the order of SEK 400 million involves a substantial increase in capacity at the Karlshamn plant, which will become by far the largest in the Nordic region. The adoption of the latest technology will make it one of the most efficient in the world.

Acquisition

With the aim of increasing forward integration and strengthening its market position in the bakery sector, AAK has acquired Croda Food Service from Croda plc. The newly-acquired operation has sales in excess of SEK 230 million and is based in Oldham in Great Britain. It supplies the bakery sector with a range of products and services, as well as a specially designed delivery system. The acquisition will generate profits in 2007.

Baby food

Within the area of speciality fats for baby foods, AAK has entered into a joint venture (50/50) with Enzymotec, an Israeli development company specialising in advanced lipids (speciality fats) with specific health-promoting effects. The newly established joint company, "Advanced Lipids", will be responsible for AAK's development of special lipids for baby foods.

As described in the annual report for 2006, it has been decided to expand capacity in Karlshamn for the production of speciality fats for baby foods. The investment will be finished in the beginning of 2008. This will strengthen AAK's world-leading position in this area.

Rationalisation programme

The new rationalisation programme which was announced in the Q1 report involves primarily the Swedish and Danish production units, and will generate an additional SEK 100 million savings on a full year basis by late 2009. In the second quarter, results have been charged with SEK 150 million relating to this programme, of which SEK 50 million will have no impact on cash flow.

The production facility in Aarhus will specialise in the production of speciality fats, with the focus on Cocoa Butter Alternatives. The production plant in Karlshamn will continue to develop as a multi-production unit concentrating on Food Ingredients, Lipids for Care and Technical Products & Feed.

Some production will gradually be switched between Aarhus and Karlshamn. This is a complex process and will not be fully implemented before the end of 2009.

Future prospects for the full year 2007

The Company is expecting a clear improvement in operating profit, primarily due to cost synergies and CBE growth.

The Group's consolidated income statement

(SEK million)	**Q2 2007**	Q2 2006	**Q 1-2 2007**	Q 1-2 2006
Net sales	**2,965**	2,599	**5,936**	5,396
Other income	**10**	13	**16**	18
Total operating income	**2,975**	2,612	**5,952**	5,414
Raw materials, consumables and goods for resale	**(2,240)**	(1,933)	**(4,438)**	(4,004)
Other external costs	**(274)**	(332)	**(556)**	(619)
Cost of remuneration to employees	**(364)**	(273)	**(612)**	(515)
Depreciation/amortisation and impairment	**(129)**	(77)	**(210)**	(151)
Other expenses	**(4)**	1	**(8)**	(1)
Total operating expenses	**(3,011)**	(2,614)	**(5,824)**	(5,290)
Operating profit/loss	**(36)**	(2)	**128**	124
Interest income	**9**	3	**12**	8
Interest expense	**(46)**	(21)	**(84)**	(41)
Other financial items	**(4)**	2	**(5)**	(3)
Profit before tax	**(77)**	(18)	**51**	88
Tax	**24**	12	**(16)**	(28)
Net profit for the period	**(53)**	(6)	**35**	60
Attributable to minority share	**1**	-	**3**	3
Attributable to the Parent Company's shareholders	**(54)**	(6)	**32**	57
Earnings per share, SEK*	**(1.32)**	(0.16)	**0.78**	1.40

** 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.*

Summary consolidated balance sheet

(SEK million)	30 June **2007**	30 June 2006	31 December 2006
Assets			
Goodwill	**616**	577	579
Other intangible assets	**54**	83	59
Tangible assets	**2,881**	2,705	2,751
Financial assets	**161**	122	165
Total non-current assets	**3,712**	3,487	3,554
Inventories	**1,798**	1,406	1,512
Current receivables	**1,920**	1,708	1,738
Cash and cash equivalents	**116**	211	129
Total current assets	**3,834**	3,325	3,379
Total assets	**7,546**	6,812	6,933
Equity and liabilities			
Equity	**2,187**	3,407	2,287
Minority shareholding	**35**	30	32
Total equity including minority share	**2,222**	3,437	2,319
Non-current liabilities	**3,417**	1,601	2,716
Accounts payable	**563**	472	502
Other current liabilities	**1,344**	1,302	1,396
Total current liabilities	**1,907**	1,774	1,898
Total equity and liabilities	**7,546**	6,812	6,933”

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 in Malaysia. A $10 per tonne change in the price of crude palm oil 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, price movements will not impact upon the proportion of output subject to such arrangements. As a routine, AAK seeks to hedge as much of its forward sale and commodity positions as possible.

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 United States Dollars. 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% in interest rates would reduce the Company's share of AAK's result by approximately $0.8 million (SEK 5.8 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 the past years have impacted upon productivity.

Outlook

The profitability of the Company is substantially determined by the performance of its two investee companies, AAK and United Plantations. Although neither of these companies issues a formal profit estimate, there is reason for the Company to anticipate good returns from both of these investments in 2007.

- In the case of AAK, in its first half release, it announced the expectation that……"the Company is expecting a clear improvement in operating profit, primarily due to cost synergies and CBE growth".

- The Half year announcement from United Plantations contains the expectation that 2007 will be "…. another satisfactory year".

On the basis of these current trends, the Board is confident that, prior to taking into account the impact of rationalization costs written off by AAK in the first half year of 2007, the Company's result in 2007 should be in line with the result in 2006.

On behalf of the Board

Carl Bek-Nielsen
Chairman

27 August, 2007

Consolidated Balance Sheets six months ended 30 June 2007
with corresponding figures for year ended 31 December 2006
The figures have not been audited

(Expressed in USD)	**30 June 2007 $'000**	31 December 2006 $'000
Assets		
Current assets:		
Cash at bank	**2,783**	2,959
Fixed deposits	**16,138**	20,037
Amounts due from associated companies	**85**	85
Accounts receivable and other assets	**207**	342
Withholding tax recoverable	**2,645**	2,676
Dividends receivable from associated company	**3,921**	2,890
Investments	**229**	237
Total current assets	**26,008**	29,226
Investments	**250,294**	239,229
Loans to affiliated companies	**1,488**	1,450
Property, plant and equipment	**46**	44
Total assets	**277,836**	269,949
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable and accrued charges	**613**	1,093
Total current liabilities	**613**	1,093
Shareholders' equity	**277,223**	268,856
Total liabilities and shareholders' equity	**277,836**	269,949

Consolidated Statements of Operations six months ended 30 June 2007
with corresponding figures for 30 June 2006
The figures have not been audited

		First six months	
		2007	2006
(Expressed in USD)		**$'000**	$'000
Income			
Equity in net income of Group companies		**7,366**	7,526
Interest income	- Group companies	**-**	51
	- affiliates	**38**	174
	- other	**392**	209
Dividend income		**5**	5
Other income		**15**	14
Total income		**7,816**	7,979
Expenses			
Depreciation		**10**	8
Interest expense		**12**	-
General and administrative		**1,024**	1,118
Directors' fees and remuneration		**346**	488
Loss on investments		**65**	(198)
Net foreign exchange loss		**222**	(78)
Total expenses		**1,679**	1,338
Net earnings before taxation		**6,137**	6,641
Taxation expense		**878**	609
Net earnings for the period		**7,015**	7,250

Statements of Shareholders' Equity six months ended 30 June 2007, with corresponding figures for year ended 31 December 2006
The figures have not been audited

	Total Shareholders' Equity at 1 January 2006	Transactions during the year ended 31 December 2006	Total Shareholders' Equity at 31 December 2006	**Transactions during the 6 months ended 30 June 2007**	**Total Shareholders' Equity at 30 June 2007**
(Expressed in USD)	$'000	$'000	$'000	**$'000**	**$'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	**3,893**	**201,890**
Interest in own shares	(10,099)	489	(9,610)	**-**	**(9,610)**
Equity adjustment on foreign currency translation	(1,331)	17,119	15,788	**4,474**	**20,262**
	232,468	36,388	268,856	**8,367**	**277,223**

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