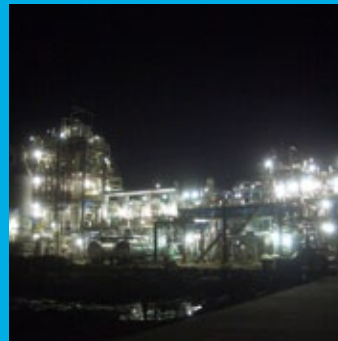
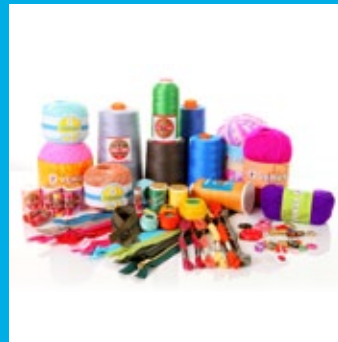




INTEGRITY QUALITY SERVICE



ANNUAL REPORT 2010

The Company has unyieldingly upheld the principles of good corporate governance and **integrity** for its business sustainability and reliability; and has also emphasized its development of **quality** of production and **services** and establishment of its product standards to be recognized at an international level, including its development of business potentials and all areas of investment for the highest benefits of customers, shareholders and all related parties.



Cogeneration Plant at Shangyu, China



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Major Financial Ratio and Information

(Unit : Million Baht)

Saha-Union Public Company Limited (Consolidated)	2010	2009	2008
Total Revenues	11,569.8	9,335.1	13,140.9
Total Sales	10,141.1	8,617.6	12,208.6
Gross Profit	1,494.0	1,481.9	1,472.8
Net Profit (Loss)	1,823.8	982.3	281.5
Total Assets	19,037.4	18,909.9	19,560.3
Total Liabilities	3,157.7	4,120.5	5,014.6
Total Shareholder's Equity	15,879.7	14,789.4	14,545.7
Earning Ratio (%)	15.76%	10.52%	2.14%
Earning per Share (Baht)	6.29	3.39	0.97
Book Value (Baht)	49.69	46.49	45.70
Net Assets Value (Baht)	49.69	46.49	45.70
Return on Assets (%)	9.61%	5.11%	1.42%
Return on Equity (%)	13.08%	7.35%	2.10%
Debt to Equity Ratio (Times)	0.22	0.31	0.38

Saha-Union Public Company Limited	2010	2009	2008
Total Revenues	4,309.6	3,495.7	5,142.3
Total Sales	3,022.4	2,380.9	4,438.0
Export	502.9	529.1	1,176.2
Local	2,519.5	1,851.8	3,261.8
Gross Profit	227.1	207.3	275.7
Net Profit (Loss)	1,312.6	774.7	279.9
Earning per Share (Baht)	4.38	2.58	0.93
Dividend per share (Baht)	1.75	1.50	1.00
Book Value (Baht)	37.45	34.27	32.13

Directors Report



Mr. Damri Darakananda
Chairman

In 2010, the Thai economy expanded at 7.8% due to increasing domestic and overseas demands and the world economic recovery; as a result, the export sector expanded at 28.5%, with main export goods including vehicles and computer parts, electric appliances, para rubber, cassava, corn, etc. Despite the increase of imported goods due to the increasing demands of capital and energy goods, there were still surplus balances of trade in the whole year; meanwhile, the domestic consumption and investment in the private sector was expanding; and there were clear guidelines and solutions for Mab Tapud Industrial Estate problems; as a result, there were more investments in factory construction and machinery purchases than those in 2009; the rates of employment have increased; agriculturists had more incomes; and the interest rates were still low at the beginning of the year. As the Government has continuously issued the measures for economic recovery, the domestic consumption has increased; and the production sector has also expanded. In the agricultural sector, the production volumes have decreased due to climate change and the prices of goods such as para rubber, corn and cassava have increased dramatically. In the industrial sector, the rates of use of production capacity have increased when compared to those in 2009; and the rates of employment have also increased; as a result, there were labour shortages in main industries such as car assembly industry, electric appliances, foods and textile industries.

Other factors affecting the Thai economy included the increase of crude oil prices, with the average price of US\$78.9 per barrel in 2010, which has increased by 27.5% when compared to those in 2009; and tended to increase continuously in 2011

according to the market mechanism and the expanding world economy and China's increasing demands of oils; moreover, the oil supply from the oil producing countries may decrease due to the political unrests in the Middle East countries. One of significant financial factors was the policy interest rate, which remained low in the first half of the year to stimulate the national economic recovery; but in the second half of the year, when the pressure of inflation has increased due to the expansion of demands and supply, as well as the increase of oil prices; as a result, the product prices have increased; and the average inflation rate was at 3.3%; and the policy interest rates have been adjusted for 3 times; and at the end of 2010, the policy interest rate has increased to 2.0%; and the commercial bank interest rates have increased accordingly.

With the expansion of exports and the continuous inflow of foreign capital, though the quantity thereof was less than those in 2009, the currency exchange rates of Thai Baht to US dollars were affected by the Thai Baht appreciation, at the average rate of Baht 31.6 per US dollars in the whole year, which has increased by 7.6% when compared to those in 2009.

Businesses of Saha-Union Group in Thailand expanded in accordance with the economic condition. Though the majority of its products were produced for export and affected by the currency fluctuation, risk prevention measures were provided by executing currency futures trading contracts. Group companies which had the growth of their operating results included the plastic group producing vehicle parts and electric appliances, adhesive tapes; stainless steel products including vacuum bottles and stainless

steel pipes; meanwhile, at the beginning of the year, the business group of textile, clothing and accessories, the prices of main raw materials, i.e., cottons, have increased dramatically partly owing to the shortage of raw materials; as a result, some manufacturing countries had their policy to suspend the export of cottons and there were speculations from the price fluctuation; meanwhile, the prices of synthetic fibers have increased in accordance with the increasing oil prices; however, these group companies have changed to produce value-added and high quality products to meet the market demands; therefore, their operating results were slightly affected. Meanwhile, business groups which had the decrease in their operating results included the rubber business group in which the Company had its businesses covering rubber plantations and production of block rubbers and rubber sheets. In 2010, the domestic rubber prices have increased dramatically due to greater demands from China. However, since the production volumes of rubbers have decreased due to the climate change, the prices of latex have increased and the operators of rubber plantations had their better operating results. Meanwhile, the businesses of rubber sheet production of which main products included rubber threads for the garment industry had the decrease in their operating results due to higher cost of production and the decrease in the volume of purchase orders.

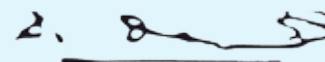
Regarding the business of electronic parts production, the Company has entered into contract manufacturing of electronic components, i.e., hard disk drive (HDD), for Hitachi Global Storage Technology (Thailand) Co., Ltd. ("HGSTT"), which shall expire in late 2011. During the year, HGSTT wished to lease the property, buildings, factories and equipment in connection with the production thereof from the Company in order to operate the production by itself, with the term of lease of 3 years. The Company has approved to change its business type from contract manufacturing to the business of property leasing by taking account of the business impacts after the contract shall expire in the next year; and after having considered the future of HDD business, it has agreed that the business of property leasing will generate proper investment returns.

The business of natural gas power plant in Ratchaburi province which the Company has held 20% of its total shares has been operating commercially for 2 years, with good investment returns as expected; meanwhile, in 2010, the energy business in China has been affected by the increasing oil prices and the larger volumes of coal use in China; as a result, China had to import coals from foreign countries; and the coal prices have increased but the electricity prices were strictly controlled by the Chinese Government in order to solve the inflation problem; however, the prices of steam which power plants have sold to consumers directly could be

increased according to the increasing cost of production; therefore, the power plants which had larger volumes of steam sale could generate their profits; but some power plants which generated a large volume of electricity with few customers of steam could generate less profits. Moreover, the cost of environmental protection has increased dramatically; therefore, the businesses of electricity generation in China had the decrease in their operating results; and in 2010, the Company decided to sell Zhejiang Jiyang-Union Cogeneration Power Plant to the major shareholders of the China's part as the demand for steam use of industries in the area has not expanded and the cost of coal transport was high; meanwhile, the investment returns of the business have decreased; therefore, the Company predicted that it would not receive worthy investment returns in the future.

Regarding the operating results of Saha-Union (Public) Co., Ltd., in 2010, according to the separate financial statements, the Company had the total incomes of Baht 4,309 million including the income from sale and service amounted to Baht 3,022 million and other incomes amounted to Baht 1,287 million, or increased by Baht 808 million when compared to those of 2009; moreover, the Company had its net profits of Baht 1,312 million or increased by Baht 538 million when compared to those of the previous year. When taking account of the consolidated financial statements, the Company had the total incomes of Baht 11,570 million or increased by Baht 2,235 million when compared to those of the previous year; and the net profits of the major shareholders were amounted to Baht 1,824 million, or increased by Baht 842 million when compared to those of the previous year. As of December 31st, 2010, the Company had its total liabilities according to the separate financial statements amounted to Baht 1,436 million; and the shareholder's equity was amounted to Baht 11,235 million, with the ratio of liabilities to shareholder's equity of 0.13:1; meanwhile, in 2009, the Company had the ratio of liabilities to shareholder's equity of 0.28:1, indicating that the Company's financial status has been more secure.

The Board of Directors would like to thank the Management and all employees for their commitments and best efforts in performance of duties for good operating results and continuous growth of the Company; and also would like to thank all shareholders, business partners and all related parties for their continuous and unyielding support to the Company's businesses. The Board of Directors have fully committed to managing the Company's businesses with good corporate governance for sustainable growth, highly secure investments, good investment returns of the Company and for the maximum benefits of all shareholders and the society as a whole.



(Mr. Damri Darakananda)
Chairman

Board of Directors



Mr. Amnuay Viravan
Honorary Chairman



Mr. Damri Darakananda
Chairman



Mr. Panas Simasathien
Vice Chairman
(Administration)



Mr. Sompop Amatayakul
Vice Chairman (Audit and Evaluation
of Domestic Business) and Chairman
of Audit Committee/Independent Director



Miss Sriwarin Jirapakkana
Vice Chairman
(Finance and Investments)



Mr. Chutindhon Darakananda
Vice Chairman
(Investments in China)



Mrs. Araya Arunanondchai
Audit Committee/
Independent Director



Miss Pakinee Prettitumrong
Audit Committee/
Independent Director



Mr. Chakchai Panichapat
Independent Director/Advisor



Mr. Yanyong Tangchitkul
Independent Director



Mr. Thitivat Suebsaeng
President



Miss Dalad Saphavichaikul
Director



Mr. Aksornprasit Darakananda
Director



Mr. Bovornrat Darakananda
Director



Mr. Vacharaphong Darakananda
Director



Mr. Nantiya Darakananda
Director

Mr. Damri Darakananda

Chairman

Age 78 years

Education • Complete Middle School

IOD's Training • Director Accreditation Program (DAP) Class 18/2004

Experiences • 1972 - 1990 : President, Saha-Union Corporation Limited • 1991 - 1993 : Vice Chairman, Saha-Union Corporation Limited • 1994 - 1996 : Executive Chairman, Saha-Union Public Company Limited • 1992 - 2000 : Director, Bangkok Bank Public Company Limited • 1996 - 2009 : Chairman, Union Energy (China) Company Limited • October 2007 - May 2009 : Director, Union Plastic Public Company Limited

Current Positions

Saha-Union Group Companies • 1977 - Present : Chairman, Saha-Union International (U.S.A.) Limited • 1984 - Present : Chairman, Saha-Union International (Taipei) Limited • 1989 - Present : Chairman, Saha-Union Holding Company Limited • 1993 - Present : Chairman, Union Thread Industries Company Limited • 1993 - Present : Chairman, Union Industries Corporation Limited • 1994 - Present : Chairman, Union Spinning Mills Company Limited • 1995 - Present : Chairman, Saha-Union Investment (China) Company Limited • April 2008 - Present : Chairman, Saha-Union Public Company Limited • Director, Other Companies in Saha-Union Group

Years of Directorship 38 years

Mr. Panas Simasathien

Vice Chairman (Administration)

Age 78 years

Education • Ph.D. in Accounting, University of Illinois, U.S.A. • M.S. in Accounting, University of Illinois, U.S.A. • B.A. (Cum Laude) in Business Administration, Claremont Men's College, California, U.S.A. • Certificate of Accountancy, Thammasat University

IOD's Training • Director Certification Program (DCP) Class 2/2000

Experiences • 1972 - 1978 : Director General, Comptroller - General's Department • 1978 - 1982 : Director General, Revenue Department • 1982 - 1992 : Permanent Secretary, Ministry of Finance • 1982 - 1992 : Chairman, Krung Thai Bank Public Company Limited • 1992 : Minister of Finance • 1993 - 1995 : Chairman, the Electricity Generating Authority of Thailand (EGAT)

Current Positions

Saha-Union Group Companies • May 2001 - Present : Chairman, Computer Union Company Limited • January 2007 - Present : Vice Chairman (Administration), Saha-Union Public Company Limited • April 2007 - Present : Vice Chairman, Union Textile Industries Public Company Limited • December 2008 - Present : Chairman, Union Technology (2008) Public Company Limited • December 2009 - Present : Chairman, Union Plastic Public Company Limited

Other Companies • Chairman, BIHC Trading Company Limited • Vice Chairman and Executive Chairman, Siam Piwat Company Limited • Director, Siam Cement Public Company Limited • Director, Ladawan Capital Company Limited

Other Positions • Chairman, The National Economic and Social Development Board (NESDB) • Chairman, Council of State Group 12, the Council of State

Years of Directorship 17 years

Mr. Sompop Amatayakul

Vice Chairman (Audit and Evaluation of Domestic Business) and Chairman of Audit Committee / Independent Director

Age 70 years

Education • Honorary Doctorate's Degree in Accounting, Thammasat University • Honorary Doctorate's Degree in Business Administration, the National Institute of Development Administration (NIDA) • Master's Degree in Business Administration (Management), University of the Thai Chamber of Commerce • Bachelor's Degree in Business Administration, University of the Thai Chamber of Commerce • Faculty of Commerce and Accountancy, Thammasat University, 3rd Year Student

IOD's Training • Director Accreditation Program (DAP) Class 75/2008

Experiences • 1994 - 1996 : President, Saha-Union Public Company Limited • 1996 - 1997 : Deputy Minister, Ministry of Industry • Chairman, Bangkok Metropolitan Bank Public Company Limited • Chairman, State Railway of Thailand • General Manager, IBM (Thailand) Company Limited

Current Positions

Saha-Union Group Companies • 1999 - Present : Independent Director, Union Plastic Public Company Limited • 1999 - Present : Independent Director, Union Textile Industries Public Company Limited • 2000 - Present : Independent Director, Union Pioneer Public Company Limited • 2000 - Present : Chairman, Audit Committee/Independent Director, Union Technology (2008) Public Company Limited • December 2007 - Present : Vice Chairman (Audit and Evaluation of Domestic Business) Chairman, Audit Committee/Independent Director, Saha-Union Public Company Limited

Other Companies • Chairman, Audit Committee, Esso (Thailand) Public Company Limited • Executive Chairman, B.B Business Management Company Limited

Years of Directorship 12 years

Miss Sriwarin Jirapakkana

Vice Chairman (Finance and Investments)

Age 63 years

Education • Master's Degree in Management, SASIN Graduate Institute of Business Administration of Chulalongkorn University • Bachelor's Degree in Accounting, Chulalongkorn University • Management Information System organized by International Labour Organization • Dynamic Management for International Executives Program, International Management Development Department of Syracuse University, U.S.A.

IOD's Training • Director Accreditation Program (DAP) Class 18/2004

Experiences • 1999 - 2004 : Chairman, Union Thai-Nichiban Company Limited • 1999 - 2004 : Chairman, Union Zojirushi Company Limited • 1999 - 2006 : Chairman, Union Plastic Public Company Limited • 1999 - 2007 : President, Saha-Union Public Company Limited • 2002 - 2006 : Managing Director, Union Textile Industries Public Company Limited

Current Positions

Saha-Union Group Companies • 1999 - Present : Chairman, Union Pioneer Public Company Limited • 1999 - Present : Chairman, Union Nifco Company Limited • 2007 - Present : Chairman, Union Textile Industries Public Company Limited • 2007 - Present : Chairman, Thai Rubber Enterprise Company Limited • 2007 - Present : Chairman, Union Rubber Products Corporation Limited • 2007 - Present : Vice Chairman, Union Plastic Public Company Limited • 2007 - Present : Vice Chairman, Union Technology (2008) Public Company Limited • 2008 - Present : Vice Chairman, Finance and Investments, Saha-Union Public Company Limited • Director, Other Companies in Saha-Union Group

Years of Directorship 17 years

Mr. Chutindhon Darakananda

Vice Chairman (Investments in China)

Age 51 years

Education • Master's Degree in Business Administration, SASIN Graduate Institute of Business Administration of Chulalongkorn University • Bachelor's Degree in Industrial Engineering, Stanford University, U.S.A

IOD's Training • Director Accreditation Program (DAP) Class 17/2004

Experiences • 1992 - 2008 : Vice Chairman, Union Spinning Mills Company Limited • 1993 - 2007 : Director, Union Textile Industries Public Company Limited • 1993 - 2007 : Director, Union Pioneer Public Company Limited • 2001 - March 2009 : Director, Union Energy (China) Company Limited

Current Positions

Saha-Union Group Companies • 1992 - Present : Vice Chairman, Venus Thread Company Limited • 1997 - Present : Director, Saha-Union Holding Company Limited • 1997 - Present : Director, Union Business Management Company Limited • 2002 - Present : Vice Chairman/Managing Director, Union Thread Industries Company Limited • 2002 - Present : Vice Chairman/Managing Director, Union Industries Corporation Limited • 2007 - Present : Vice Chairman (Investments in China), Saha-Union Public Company Limited • 2009 - Present : Director, Union Spinning Mills Company Limited • June 2010 - Present : Director, Union Construction (1973) Company Limited • Director, Other Companies in Saha-Union Group

Years of Directorship 20 years

Mrs. Araya Arunandchai

Audit Committee/Independent Director

Age 67 years

Education • Bachelor's Degree in Accounting, Thammasat University • Certificate, The Joint State - Private Sector Regular Course, National Defence College (Class 377) • Certificate of Leadership Program, Capital Market Academy (CMA) Class 11

IOD's Training • Director Accreditation Program (DAP) Class 32/2005 • Chairman 2000 Class 4/2001

Experiences • 1968 - 1979 : Director, Budget Department, Thai Farmers Bank Public Company Limited • 1982 : Vice President, Saha-Union Corporation Limited • 1984 - 2010 : Director, Chiangmai Night Bazaar Company Limited • Chairman, Union Securities Company Limited

Current Positions

Saha-Union Group Companies • 1999 - Present : Audit Committee/Independent Director, Saha-Union Public Company Limited

Other Companies • 1986 - Present : Executive Chairman, Rajburi Sugar Company Limited • Executive Chairman, Tipamas Company Limited • Executive Chairman, Rajburi Etanol Company Limited

Years of Directorship 17 years

Miss Pakinee Prettitumrong

Audit Committee/Independent Director

Age 61 years

Education • Bachelor's Degree in Economics, Thammasat University

IOD's Training • Director Accreditation Program (DAP) Class 2/2003

Experiences • 1983 - April 2008 : Director, Union Industries Corporation Limited • 1994 - April 2008 : Director, Union Thread Industries Company Limited

Current Positions

Saha-Union Group Companies • 1994 - Present : Director, Venus Button Company Limited • 1996 - Present : Director, Union Button Corporation Limited • 1998 - Present : Audit Committee/Independent Director, Saha-Union Public Company Limited • 1999 - Present : Audit Committee/Independent Director, Union Technology (2008) Public Company Limited

Years of Directorship 12 years

Mr. Chakchai Panichapat

Advisor/Independent Director

Age 72 years

Education • Master's Degree in Electrical Engineering, University of Texas, Austin, Texas, U.S.A. • Bachelor's Degree in Electrical Engineering (2nd Honors), Chulalongkorn University

IOD's Training • Director Accreditation Program (DAP) Class 5/2003 • Finance for Non-Finance Director (FND) Class 19/2005 • Director Certification Program (DCP) Class 72/2006 • Role of the Compensation Committee (RCC) Class 3/2007 • Audit Committee Program (ACP) Class 25/2009

Experiences • Deputy Secretary General, The Board of Investment • 2000 - March 2009 : Director, Union Energy Company Limited

Current Positions

Saha-Union Group Companies • October 2000 - Present : Advisor/Independent Director, Saha-Union Public Company Limited

Other Companies in SET • 1998 - Present : Chairman, Nomination and Remuneration Committee, Independent Director and Audit Committee Member, Kang Yong Electric Public Company Limited • 1999 - Present : Chairman, Audit Committee, Independent Director and Nomination and Remuneration Committee, City Recreation and Sports Public Company Limited • 2002 - Present : Chairman, Nomination and Remuneration Committee, Independent Director and Audit Committee Member, Central Pattana Public Company Limited • 2006 - Present : Directors and Executive Director, Amata Corporation Public Company Limited

Other Companies • 2006 - Present : Chairman, Magnecom Precision Technology Public Company Limited • Chairman, Precipar Company Limited • Chairman, Amata Water Company Limited • Chairman, Amata Vietnam Company Limited (Registered in Vietnam) • Director, Amata Hong Kong Company Limited (Registered in Hong Kong) • Director, San Miguel Beer (Thailand) Limited • Director, San Miguel Marketing (Thailand) Limited • Director, Thai San Miguel Liquor Company Limited

Years of Directorship 10 years

Mr. Yanyong Tangchitkul

Independent Director

Age 58 years

Education • Bachelor's Degree in Economics, Thammasat University • Master's Degree in Business Management (Honor), the National Institute of Development Administration (NIDA) • Management Development Program, Indiana University, U.S.A.

IOD's Training • Director Accreditation Program (DAP) Class 79/2009

Current Positions

Saha-Union Group Companies • March 2009 - Present : Audit Committee/Independent Director, Union Pioneer Public Company Limited • September 2009 - Present : Independent Director, Saha-Union Public Company Limited

Other Companies • 1980 - Present : Managing Director, Niyom Service Company Limited

Years of Directorship 1 year

Mr. Thitivat Suebsaeng

President

Age 57 years

Education • Ph.D. in Chemistry, Marquette University, U.S.A. • M.Sc. in Inorganic Chemistry, Chiangmai University • B.Sc. in Chemistry, Chiangmai University

IOD's Training • Director Accreditation Program (DAP) Class 21/2004

Experiences • 1990 - 1991 : Head of Departments, Chemistry, Faculty of Science, Ramkhamhaeng University • 2003 - 2004 : Director, Union Education Management Company Limited (China) • 2003 - 2007 : Director and General Manager, Saha-Union Investment (China) Company Limited • 2004 - 2009 : Director, 7 Power Plants in China • 2008 - December 2009 : Chairman, Union Plastic Public Company Limited

Current Positions

Saha-Union Group Companies • 2002 - Present : Director, Union Energy (China) Company Limited • 2007 - Present : Chairman, Union Zojirushi Company Limited • 2007 - Present : Chairman, Union Stainless Steel Products Company Limited • 2007 - Present : Chairman, Union Thai-Nichiban Company Limited • 2007 - Present : Director, Union Nifco Company Limited • 2008 - Present : President, Saha-Union Public Company Limited • March 2008 - Present : Chairman, Union Garment Company Limited • March 2008 - Present : Chairman, Union Micronclean Company Limited • March 2008 - Present : Director, Union Textile Industries Public Company Limited • April 2008 - Present : Director, Union Pioneer Public Company Limited • April 2008 - Present : Chairman, Union Universe Company Limited • June 2008 - Present : Director, TenCate-Union Protective Fabrics Asia Limited • August 2008 - Present : Director, Union Technology (2008) Public Company Limited • January 2010 - Present : Managing Director, Union Plastic Public Company Limited

Years of Directorship 7 years

Miss Dalad Saphavichaikul

Director

Age 54 years

Education • Master's Degree in Computer Science, University of Illinois at Urbana – Champaign, U.S.A. • Bachelor's Degree (First Class Honor) in Economics, Chulalongkorn University

IOD's Training • Awarded Diploma by passing the Examination of Australian IOD Year 2001 • Director Certification Program (DCP) Class 9/2001 • Finance for Non-Finance Director (FND) Class 1/2003 • Audit Committee Program (ACP) Class 10/2005

Experiences • 1994 - 2006 : Director and Secretary, Union Energy Company Limited • 1994 - 2006 : Director and Secretary, Union Energy (China) Company Limited • 1999 - 2006 : Director, Union Pioneer Public Company Limited • 1999 - 2007 : Executive Director and Assistant Managing Director, Saha-Union Public Company Limited

Current Positions

Saha-Union Group Companies • 1993 - Present : Managing Director, Uni-Fibre Company Limited • 1995 - Present : Director, Union Textile Industries Public Company Limited • 1996 - Present : Director, Thai Rubber Enterprise Company Limited • 1999 - Present : Director, Saha-Union Public Company Limited • 2004 - Present : Managing Director, Computer Union Company Limited • 2007 - Present : Managing Director, Saha-Union Holding Company Limited • 2007 - Present : Director, Union Construction Company Limited • 2008 - Present : Director, Union Thread Industries Company Limited • 2008 - Present : Director, Union Industries Corporation Limited • 2009 - Present : Director, Union Zojirushi Company Limited • 2009 - Present : Director, Union Spinning Mills Company Limited • April 2010 - Present : Director, Union Nifco Company Limited • Director, Other Companies in Saha-Union Group

Other Companies • 1989 - Present : Director, Processing Center Company Limited

Years of Directorship 11 years

Mr. Aksornprasit Darakananda

Director

Age 49 years

Education • Bachelor's Degree in Chemical Engineering, Georgia Institute of Technology, U.S.A.

IOD's Training • Awarded Diploma by passing the Examination of Australian IOD Year 2001 • Director Certification Program (DCP) Class 5/2001

Experiences • 1991 - March 2009 : Director and Executive Director, Union Energy (China) Company Limited • 1993 - February 2009 : Managing Director, Union Industries Corporation Limited • 1999 - January 2010 : Director, Union Textile Industries Public Company Limited • 1999 - January 2010 : Director, Union Plastic Public Company Limited • 2002 - February 2009 : Managing Director, Union Thread Industries Company Limited • December 2003 - March 2009 : Director, Union Kotec Molds Company Limited

Current Positions

Saha-Union Group Companies • 1994 - Present : Director, Saha-Union Public Company Limited • 1994 - Present : Managing Director, Union Energy Company Limited • 1999 - Present : Director, Union Spinning Mills Company Limited • 1999 - Present : Director, Saha-Union Holding Company Limited • 1999 - Present : Director, Union Zojirushi Company Limited • 2000 - Present : Director, Thai Rubber Enterprise Company Limited • 2001 - Present : Director, Union Technology Company Limited • 2005 - Present : Managing Director, Venus Thread Company Limited • March 2008 - Present : Director, Union Thai-Nichiban Company Limited • March 2009 - Present : Director, Union Industries Corporation Limited • March 2009 - Present : Director, Union Thread Industries Company Limited • Managing Director, Union Zip Company Limited • Director, Union Rubber Products Corporation Limited • Director, Other Companies in Saha-Union Group

Other Companies • 2001 - Present Director, Chiangmai Night Bazaar Company Limited

Others • Executive Director and Director, The Federation of Thai Industries

Years of Directorship • 22 years

Mr. Bovornrat Darakananda

Director

Age 47 years

Education • Master's Degree in Electrical and Management Engineering, Massachusetts Institute of Technology, U.S.A. • Bachelor's Degree in Electrical and Management Engineering, Massachusetts Institute of Technology, U.S.A.

IOD's Training • Director Accreditation Program (DAP) Class 18/2004

Experiences • 1993 - December 2006 : Director, Union Textile Industries Public Company Limited • 1993 - December 2006 : Director, Union Pioneer Public Company Limited • 1994 - December 2006 : Director and Executive Director, Union Energy Company Limited • 1996 - 2009 : Director and Manager, Union Energy (China) Company Limited • Vice President, Saha-Union International (Georgia) Inc. • General Manager, Saha-Union Investment (China) Company Limited

Current Positions

Saha-Union Group Companies • 1994 - Present : Director, Saha-Union Public Company Limited • 1997 - Present : Director, Union Thread Industries Company Limited • 1997 - Present : Director, Union Industries Corporation Limited • 2001 - Present : Managing Director, Union Spinning Mills Company Limited • 2001 - Present : Director, Venus Thread Company Limited • 2001 - Present : Director, Union Zip Company Limited • Director, Other Companies in Saha-Union Group

Years of Directorship 19 years

Mr. Vacharaphong Darakananda

Director

Age 45 years

Education • Bachelor's Degree in Physics, Harvey Mudd College, California, U.S.A.

IOD's Training • Director Accreditation Program (DAP) Class 2/2003 • Director Certification Program (DCP) Class 69/2006

Experiences • Assistant Manager, Venus Thread Company Limited • 1999 - 2000 : General Manager, Saha-Union Public Company Limited (Sriracha Operation) • 2001 - December 2006 : Director, Union Textile Industries Public Company Limited • 2007 - 2008 : Director, Union Thai-Nichiban Company Limited

Current Positions

Saha-Union Group Companies • 1988 - Present : Director, Union Industries Corporation Limited • 1990 - Present : Director, Union Thread Industries Company Limited • 1990 - Present : Director, Computer Union Company Limited • 1992 - Present : Managing Director, Union Technology Company Limited • 1994 - Present : Director, Saha-Union Public Company Limited • 1994 - Present : Director, Union Spinning Mills Company Limited • 1994 - Present : Director, Venus Thread Company Limited • 2000 - Present : Director, Computer Union System Company Limited • 2007 - Present : Director, Union Plastic Public Company Limited • 2007 - Present : Director, Union Pioneer Public Company Limited • 2007 - Present : Director, Union Zojirushi Company Limited • 2007 - Present : Managing Director, Union Technology (2008) Public Company Limited • 2007 - Present : Director, Thai Rubber Enterprise Company Limited • 2007 - Present : Director, Union Rubber Products Corporation Limited • 2008 - Present : Director, Union Nifco Company Limited • 2009 - Present : Managing Director, Union Thai-Nichiban Company Limited • Director, Other Companies in Saha-Union Group

Years of Directorship 18 years

Mr. Nantiya Darakananda

Director

Age 42 years

Education • Master's Degree in Business Administration, SASIN Graduate Institute of Business Administration of Chulalongkorn University • Bachelor's Degree in Applied Physics, University of California, Davis, U.S.A.

IOD's Training • Director Accreditation Program (DAP) Class 2/2003

Experiences • 1993 - April 2008 : Director, Union Industries Corporation Limited • 1993 - April 2008 : Director, Union Thread Industries Company Limited

Current Positions

Saha-Union Group Companies • 1993 - Present : Director, Union Pioneer Public Company Limited • 1996 - Present : Director, Saha-Union Public Company Limited • 1996 - Present : Director, Union Button Corporation Limited • 1998 - Present : Director, Union Plastic Public Company Limited

Other Companies • 1994 - Present : President, Venus Technology Company Limited • 1997 - Present : Director, Star Edu Company Limited • 2005 - Present : President, Venus Gas Technology Company Limited • 2009 - Present : President, V2 Logistics Company Limited

Years of Directorship 14 years

Related Person	Relationship
Mr. Damri Darakananda and Mr. Chutindhon Darakananda, Mr. Aksornprasit Darakananda Mr. Bovornrat Darakananda, Mr. Vacharaphong Darakananda	Family
Mr. Damri Darakananda and Mr. Nantiya Darakananda	Cousin

IOD's Accreditation and Certification Training Program of the Board of Directors

About the Responsibility and Skills of being the Director

Name	Awarded Diploma by passing the Examination of Australian IOD Year	Thai Institute of Directors Certification Programs (Thailand Institute of Directors : IOD)				
		Director Accreditation Program (DAP) No./Year	Director Certification Program (DCP) No./Year	Finance for Non-Finance Director (FND) No./Year	Audit Committee Program (ACP) No./Year	Role of the Compensation Committee (RCC) No./Year
Mr. Damri Darakananda	-	18/2004	-	-	-	-
Mr. Panas Simasathien	-	-	2/2000	-	-	-
Mr. Sompop Amatayakul	-	75/2008	-	-	-	-
Miss Sriwarin Jirapakkana	-	18/2004	-	-	-	-
Mr. Chutindhon Darakananda	-	17/2004	-	-	-	-
Mrs. Araya Arunanondchai	-	32/2005	-	-	-	-
Miss Pakinee Prettitumrong	-	2/2003	-	-	-	-
Mr. Chakchai Panichapat	-	5/2003	72/2006	19/2005	25/2009	3/2007
Mr. Yanyong Tangchitkul	-	79/2009	-	-	-	-
Mr. Thitivat Suebsaeng	-	21/2004	-	-	-	-
Miss Dalad Saphavichaikul	2001	-	9/2001	1/2003	10/2005	-
Mr. Aksornprasit Darakananda	2001	-	5/2001	-	-	-
Mr. Bovornrat Darakananda	-	18/2004	-	-	-	-
Mr. Vacharaphong Darakananda	-	2/2003	69/2006	-	-	-
Mr. Nantiya Darakananda	-	2/2003	-	-	-	-

Board Structure and the Company Executives

Board of Directors

• Mr. Amnuay	Viravan	Honorary Chairman
• Mr. Damri	Darakananda	Chairman
• Mr. Panas	Simasathien	Vice Chairman (Administration)
• Mr. Sompop	Amatayakul	Vice Chairman (Audit and Evaluation of Domestic Business) and Chairman of Audit Committee/Independent Director
• Miss Sriwarin	Jirapakkana	Vice Chairman (Finance and Investments)
• Mr. Chutindhon	Darakananda	Vice Chairman (Investments in China)
• Mrs. Araya	Arunanondchai	Audit Committee/Independent Director
• Miss Pakinee	Prettitumrong	Audit Committee/Independent Director
• Mr. Chakchai	Panichapat	Independent Director/Advisor
• Mr. Yanyong	Tangchitkul	Independent Director
• Mr. Thitivat	Suebsaeng	Director and President
• Miss Dalad	Sapthavichaikul	Director
• Mr. Aksornprasit	Darakananda	Director
• Mr. Bovornrat	Darakananda	Director
• Mr. Vacharaphong	Darakananda	Director
• Mr. Nantiya	Darakananda	Director
• Mrs. Sirinun	Sansanakom	Company Secretary

Audit Committee/Independent Director

• Mr. Sompop	Amatayakul	Chairman/Independent Director
• Mrs. Araya	Arunanondchai	Committee/Independent Director
• Miss Pakinee	Prettitumrong	Committee/Independent Director

Nomination and Remuneration Committee

• Mr. Sompop	Amatayakul	Chairman
• Mr. Damri	Darakananda	Committee
• Mrs. Araya	Arunanondchai	Committee

Risk Management Committee

• Mr. Thitivat	Suebsaeng	Chairman
• Miss Dalad	Sapthavichaikul	Committee
• Mr. Vacharaphong	Darakananda	Committee
• Mrs. Srinual	Sombatpraiwan	Committee and Secretary

Executives

• Mr. Thitivat	Suebsaeng	President
• Miss Dalad	Sapthavichaikul	Director
• Mr. Aksornprasit	Darakananda	Vice President
• Mr. Bovornrat	Darakananda	Vice President
• Mr. Vacharaphong	Darakananda	Vice President
• Mrs. Srinual	Sombatpraiwan	Account and Finance Department Manager

Direct Investment of Saha-Union in Group Companies

as at 31 December 2010

Group of Business	Company's Name	Registered Capital (Baht)	Issued Capital (Baht)	Paid-up per share (Baht)	Investment %	Investment per share (Baht)
	Saha-Union Public Company Limited	3,000,000,000	3,000,000,000	10.00		
Manufacturing Textile Group	Union Textile Industries Plc.	600,000,000	600,000,000	10.00	49.882	10.73
	Union Garment Co., Ltd.	50,000,000	50,000,000	100.00	99.987	140.71
	Union Spinning Mills Co., Ltd.	200,000,000	200,000,000	100.00	25.000	93.13
	Union Button Corp., Ltd.	85,000,000	85,000,000	100.00	10.714	143.92
	Union Micronclean Co., Ltd.	5,000,000	5,000,000	10.00	25.001	10.00
	Zhejiang Saha-Union Feilun Thread Industry Co.,Ltd.	US\$ 4,000,000	US\$ 4,000,000		37.000	38.58
	Shanghai Saha-Union Thread Industry Co.,Ltd.	RMB 23,500,000	RMB 23,500,000		45.000	4.72
	Shanghai Saha-Union Spinning Mill No.7 Co.,Ltd.	RMB 128,000,000	RMB 128,000,000		40.000	4.85
	Jiangsu Zhonglian-Union Carpet Co.,Ltd.	RMB 56,915,779	RMB 56,915,779		25.000	4.32
Plastic, Stainless and Metal Group	Union Pioneer Plc.	75,000,000	75,000,000	10.00	48.958	14.46
	Union Plastic Plc.	250,000,000	250,000,000	10.00	49.521	19.02
	Union Thai-Nichiban Co., Ltd.	15,000,000	15,000,000	100.00	40.273	318.92
	Union Zojirushi Co., Ltd.	140,000,000	140,000,000	100.00	51.000	100.92
	Union Stainless Steel Products Co., Ltd.	40,000,000	40,000,000	100.00	98.000	133.70
	Union Nifco Co., Ltd.	100,000,000	100,000,000	100.00	30.002	105.18
	Union Rubber Products Corp., Ltd.	20,000,000	20,000,000	100.00	99.997	80.56
	Thai Rubber Enterprise Co., Ltd.	32,000,000	32,000,000	100.00	50.693	105.90
Computer and Electronic Components Group	Saha-Union Plc. (Sriracha Operation)					
	Union Technology (2008) Plc.	300,000,000	300,000,000	10.00	93.072	10.30
	Computer Union Co., Ltd.	100,000,000	100,000,000	100.00	97.732	103.65
Power Generation Group	Jiashan - Union Cogeneration Co.,Ltd.	US\$ 10,640,000	US\$ 10,640,000		56.928	41.45
	Wuxi - Union Cogeneration Co.,Ltd.	US\$ 44,200,000	US\$ 44,200,000		25.701	41.86
	Yixing - Union Cogeneration Co.,Ltd.	US\$ 60,000,000	US\$ 60,000,000		40.000	45.57
	Shangyu Hangzhou - Union Cogeneration Co.,Ltd.	RMB 200,000,000	RMB 200,000,000		25.000	5.15
	Huanan - Union Spring Cogeneration Co.,Ltd.	RMB 80,000,000	RMB 65,000,000		25.000	4.83
	Yunnan Energy Luliang-Union Power Co., Ltd.	US\$ 24,658,660	US\$ 24,658,660		40.000	42.30
	Yunnan Energy Qujing-Union Power Co., Ltd.	US\$ 28,080,000	US\$ 28,080,000		45.192	37.91
Chemical Group	Taixing Union Zond Chemicals Co.,Ltd.	US\$ 16,200,000	US\$ 16,200,000		30.000	33.38
	Yixing - Union Biochemical Co.,Ltd.	US\$ 8,200,000	US\$ 8,200,000		15.000	45.94
Trading & Investment and Services						
Trading	Uni-Fibre Co., Ltd.	120,000,000	120,000,000	100.00	25.667	100.00
	Union Universe Co., Ltd.	7,500,000	7,500,000	100.00	49.865	100.31
Investment and others	Saha-Union International Ltd.	HK\$ 330,000,000	HK\$ 330,000,000		99.985	476.22
	Saha-Union Investment (China) Co., Ltd.	US\$ 45,000,000	US\$ 45,000,000		100.000	34.95
	Saha-Union International (Taipei) Ltd.	NT\$ 5,000,000	NT\$ 5,000,000		10.000	19.30
	Jiashan-Union Development Co., Ltd.	US\$ 41,000,000	US\$ 41,000,000		39.000	33.69
	Saha-Union Holding Co., Ltd.	1,200,000,000	1,200,000,000	100.00	99.540	100.00
	Union Equity Co., Ltd.	160,000,000	160,000,000	10.00	99.794	10.01
	Texport International Co., Ltd.	12,500,000	12,500,000	100.00	85.200	116.04
	Union Technology Co., Ltd.	100,000,000	100,000,000	10.00	100.000	10.00
	Union Thread Industries Co., Ltd.	200,000,000	200,000,000	10.00	25.068	10.41
	Union Industries Corp., Ltd.	150,000,000	150,000,000	100.00	25.000	116.01
	Union Energy Co., Ltd.	3,200,000	3,200,000	10.00	99.258	10.00
	Union Energy (China) Co., Ltd.	245,000,000	245,000,000	100.00	100.000	100.00
	Uni-Agro Co., Ltd.	65,000,000	65,000,000	100.00	30.000	104.95
Services	Union Sime Darby (Thailand) Co., Ltd.	4,000,000	4,000,000	100.00	18.950	91.58
	Union Printing Co., Ltd.	30,000,000	30,000,000	10.00	94.735	10.37
	Venus Shoes Co., Ltd.	72,000,000	72,000,000	100.00	76.000	80.42
	Union Human Resources Development Co., Ltd.	1,000,000	250,000	2.50	99.998	2.50
Discontinued Operation	Union Shoes Co., Ltd.	24,000,000	24,000,000	24.00	61.697	35.67
	Union Construction Corp., Ltd.	200,000,000	200,000,000	100.00	2.373	111.25

	SU Investment at cost (Baht)	Book Value per share (Baht)	Market Value per share (Baht)	Investment Market Value (Baht)	Registration Date	Nature of Business
		37.45	38.00		10 Aug. 1972	Investment, distribution of raw materials and products manufactured by the group companies, which are electronic components and adhesive tape.
	321,180,863.41	16.71	15.50	463,902,600.00	21 Mar. 1977	Manufacture and distribution of textile products
	70,344,917.52	174.13	174.13	87,053,237.23	26 Apr. 1974	Manufacture and distribution of garments
	46,563,324.78	158.43	158.43	79,212,759.51	4 Jun. 1971	Manufacture and distribution of thread
	13,107,200.00	289.10	289.10	26,328,715.50	28 May 1969	Manufacture and distribution of buttons
	1,250,405.30	79.51	79.51	9,939,149.09	24 Jan. 1996	Manufacture and distribution of clean room clothing
	57,096,200.00	27.13	27.13	40,156,539.57	20 Jun. 2003	Thread Dyeing
	49,950,403.03	3.00	3.00	31,755,345.80	5 Aug. 2003	Manufacture and distribution of textile products
	248,254,963.09	4.33	4.33	221,551,516.43	16 Jan. 2006	Spinning
	152,218,399.07	12.75	12.75	429,722,312.35	21 May 2007	Manufacture of automobile carpets
	53,084,046.25	47.12	72.50	266,206,950.00	8 Oct. 1973	Manufacture of rubber thread, elastic braids and webbing
	235,432,531.30	21.98	21.10	261,220,743.00	3 Jan. 1969	Manufacture of plastic products, manufacture and repair of molds
	19,266,000.00	2,844.48	2,844.48	171,835,109.60	21 Jun. 1973	Manufacture of clear tape, film, PP tape, adhesive paper and kraft paper
	72,058,538.14	427.51	427.51	305,240,421.51	18 Aug. 1986	Manufacture and distribution of vacuum bottles
	52,411,447.56	211.54	211.54	82,921,505.42	16 Dec. 1988	Manufacture and distribution of stainless steel kitchenware
	31,556,005.62	442.55	442.55	132,774,196.73	3 Nov. 1988	Manufacture of plastic products, parts and molds
	16,110,854.50	115.50	115.50	23,099,676.56	24 Mar. 1971	Manufacture of rubber products
	17,179,605.10	168.61	168.61	27,351,775.25	9 Jul. 1970	Rubber estates
	287,586,515.54	9.29	9.29	259,391,134.16	17 Mar. 1982	Manufacturing of hard disk drives and electronic components (the business would be changed to property and real estate rental services in 2011)
	101,298,467.47	142.71	142.71	139,473,020.85	18 Nov. 1982	Manufacture of electronic components (Discontinued operation in 2011) Computer dealer
	251,073,479.62	42.31	42.31	256,282,032.39	15 Aug. 1994	Power generation
	475,479,418.30	41.13	41.13	467,281,712.51	4 Jun. 1994	Power generation
	1,093,794,541.30	72.05	72.05	1,729,288,730.55	25 Dec. 1994	Power generation
	257,480,749.43	6.60	6.60	329,836,891.13	19 Nov. 2002	Power generation
	96,601,733.55	5.83	5.83	116,654,022.00	29 Oct. 2007	Power generation
	417,270,553.54	36.88	36.88	363,809,229.91	2 Jul. 1995	Power generation
	481,017,485.86	31.70	31.70	402,269,009.97	12 Jan. 1995	Power generation
	162,214,020.00	26.33	26.33	127,969,865.54	29 Aug. 2007	Manufacture Phthalic anhydride and Fumaric acid and associated products
	56,506,775.08	82.49	82.49	101,465,103.40	12 Dec. 2000	Manufacture of citric acid
	30,800,193.16	487.22	487.22	150,065,004.11	5 Nov. 1980	Distribution of textiles
	3,751,380.06	1,666.98	1,666.98	62,343,413.69	7 Mar. 1968	Distributor of Grand Slam shirts
	1,571,303,051.88	474.88	474.88	1,566,857,792.01	18 Aug. 1972	Investment and distribution products manufactured by the group companies
	1,572,809,060.01	35.66	35.66	1,604,919,618.33	25 Feb. 1995	Investment
	385,917.66	49.13	49.13	982,664.55	8 Nov. 1984	Investment
	538,703,100.00	29.00	29.00	463,711,486.43	22 Sep. 2009	Real estates
	1,194,478,806.88	48.48	48.48	579,139,739.05	14 Nov. 1989	Investment
	159,770,484.00	14.06	14.06	224,533,875.98	31 May 1989	Investment
	12,357,879.00	175.85	175.85	18,728,219.78	14 Apr. 1978	Investment
	100,000,016.36	12.09	12.09	120,887,614.63	22 Jun. 1992	Investment
	52,215,572.50	134.93	134.93	676,470,599.06	2 Nov. 1973	Investment
	43,502,205.00	1,015.35	1,015.35	380,755,331.37	23 May 1961	Investment
	3,176,270.00	39.24	39.24	12,462,381.84	2 Feb. 1994	Investment
	244,999,400.00	161.36	161.36	395,337,907.20	9 Aug. 1996	Investment
	20,464,690.80	96.52	96.52	18,821,140.61	22 Aug. 1972	Investment and agriculture
	694,141.16	520.51	520.51	3,945,497.94	4 Aug. 1981	Insurance Broker
	29,465,812.50	4.15	4.15	11,803,172.02	10 Jul. 1970	Rental services
	44,006,626.43	39.53	39.53	21,629,963.49	29 Sep. 1988	Dormitory rental and services
	250,021.30	8.91	8.91	890,554.82	26 Sep. 2004	Train and development skills
	22,007,784.00	25.69	25.69	15,850,050.99	5 Aug. 1986	Discontinued operation
	5,281,100.00	56.48	56.48	2,680,958.19	7 Sep. 1973	Discontinued operation
Group Companies	10,787,812,957.06			13,286,810,292.03		
Other Companies	1,454,768,560.43			1,778,029,045.39		
Total	12,242,581,517.49			15,064,839,337.42		

Business Results and Five Years Financial Status

(Unit : Million Baht)

	2010	2009	2008	2007	2006
	Cost	Cost	Cost	Cost	Cost
	Method	Method	Method	Method	Method
Revenues					
Sales	3,022.4	2,380.9	4,438.0	6,038.8	15,360.4
Export	502.9	529.1	1,176.2	1,941.4	7,581.2
Local	2,519.5	1,851.8	3,261.8	4,097.4	7,779.2
Dividend Received	973.2	852.1	304.2	342.7	241.3
Other Income	314.0	268.1	387.2	792.5	660.5
Total Revenues	4,309.6	3,501.1	5,129.4	7,174.0	16,262.2
Expenses					
Cost of Sales	2,795.2	2,173.6	4,162.3	5,665.9	14,598.6
Selling and Administration Expenses	100.5	436.8	585.1	1,023.6	1,081.0
Interest Expenses	47.8	74.1	97.8	82.8	106.2
Total Expenses	2,943.5	2,684.5	4,845.2	6,772.3	15,785.8
Operating Profit (Loss)	1,366.1	816.6	284.2	401.7	476.4
Gain (Loss) from Exchange Rate	(25.3)	(13.3)	12.9	13.7	161.6
Profit (Loss) before Corporate Income Tax	1,340.8	803.3	297.1	415.4	638.0
Corporate Income Tax	(28.2)	(28.6)	(17.2)	(138.1)	(151.7)
Net Profit (Loss)	1,312.6	774.7	279.9	277.3	486.3
Net Profit (Loss) per share (Baht)	4.38	2.58	0.93	0.92	1.62
Dividends per share (Baht)	1.75	1.50	1.00	1.25	1.25
Dividends per Net Profit (%)	39.99%	58.08%	107.18%	135.23%	77.11%

(Unit : Million Baht)

	2010	2009	2008	2007	2006
	Cost	Cost	Cost	Cost	Cost
	Method	Method	Method	Method	Method
Assets					
Short-term loans to related parties	318.7	501.7	343.2	602.6	574.5
Current assets	672.7	619.7	639.1	1,082.8	3,050.3
Investments in subsidiaries, associates and other companies	10,893.7	11,220.2	13,424.2	10,821.3	10,680.0
Property, plant and equipment - net	483.6	403.5	346.3	889.7	862.9
Other non-current assets	303.0	414.6	492.6	541.0	296.2
Total assets	12,671.7	13,159.7	15,245.4	13,937.4	15,463.9
Liabilities and shareholders' equity					
Deposits from related parties	807.1	1,018.2	1,049.9	1,500.5	1,686.6
Current liabilities	313.4	892.3	3,753.0	1,879.1	2,875.2
Long-term loans	288.7	931.5	760.7	595.0	839.8
Other non-current liabilities	27.3	37.8	42.5	47.8	45.9
Shareholders' equity					
Issued and fully paid-up	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0
Share premium	2,599.0	2,599.0	2,599.0	2,599.0	2,599.0
Appropriated and unappropriated retained earnings	5,312.9	4,450.3	3,975.6	4,070.7	4,168.4
Auditing Standard Revision	323.3	230.6	64.7	245.3	249.0
Total shareholders' equity	11,235.2	10,279.9	9,639.3	9,915.0	10,016.4
Total liabilities and shareholders' equity	12,671.7	13,159.7	15,245.4	13,937.4	15,463.9
Book Value (Baht)	37.45	34.27	32.13	33.05	33.39

Revenue Structure of the Company and Its Subsidiaries

(Unit : Baht)

Group of Business	Total					
	Export	%	Local	%	Total	%
Manufacturing	3,776,135,112.26	32.64	8,307,938,440.49	71.81	12,084,073,552.75	104.44
Power generation	420,119,873.60	3.63	-	-	420,119,873.60	3.63
Investment and others	87,458,994.74	0.76	12,634,851.12	0.11	100,093,845.86	0.87
Total	4,283,713,980.60	37.02	8,320,573,291.61	71.92	12,604,287,272.21	108.94
Related transaction	(36,248,929.15)	(0.31)	(2,426,939,412.65)	(20.98)	(2,463,188,341.80)	(21.29)
Net sales	4,247,465,051.45	36.71	5,893,633,878.96	50.94	10,141,098,930.41	87.65
Interest income					22,338,712.95	0.19
Other income					1,406,408,486.19	12.16
Total revenues					11,569,846,129.55	100.00

The details are shown in Note 25 to the financial statements "Segment information".

Investment Structure of the Company and Its Subsidiaries

Group of Business / Company's Name	% Investment Equity Method	Group of Business / Company's Name	% Investment Equity Method
Manufacturing		Trading Investment and Services	
Textile		Trading	
Union Textile Industries Plc.	51.43	Uni-Fibre Co., Ltd.	53.08
Union Garment Co., Ltd.	99.99	Union Universe Co., Ltd.	49.87
Union Spinning Mills Co., Ltd.	52.15		
Union Button Corp., Ltd.	10.71	Investment	
Union Micronclean Co., Ltd.	44.48	Saha-Union Holding Co., Ltd.	99.54
Zhejiang Saha-Union Feilun Thread Industry Co.,Ltd.	64.05	Union Equity Co., Ltd.	99.79
Shanghai Saha-Union Thread Industry Co.,Ltd.	82	Texport International Co., Ltd.	85.20
Shanghai Saha-Union Spinning Mill No.7 Co.,Ltd.	50	Union Technology Co., Ltd.	99.99
Jiangsu Zhonglian-Union Carpet Co.,Ltd.	35	Union Thread Industries Co., Ltd.	36.20
		Union Industries Corp., Ltd.	29.60
Plastic Stainless and Metal		Union Energy Co., Ltd.	99.40
Union Pioneer Plc.	52.71	Union Energy (China) Co., Ltd.	99.99
Union Plastic Plc.	49.69	Uni-Agro Co., Ltd.	45.02
Union Thai-Nichiban Co., Ltd.	40.27	Saha - Union International Ltd.	99.98
Union Zojirushi Co., Ltd.	51	Saha - Union International (Taipei) Ltd.	42.49
Union Stainless Steel Products Co., Ltd.	98	Saha - Union Investment (China) Co.,Ltd.	100
Union Nifco Co., Ltd.	39.91	Jiashan-Union Development Co., Ltd.	49
Union Rubber Products Corp., Ltd.	99.99		
Thai Rubber Enterprise Co., Ltd.	50.69	Services	
		Union Printing Co., Ltd.	94.74
Computer and Electronic Components		Union Human Resources Development Co., Ltd.	99.99
Saha-Union Plc. (Sriracha Operation)		Venus Shoes Co., Ltd.	96.86
Union Technology (2008) Plc.	99.66	Union Sime Darby (Thailand) Co., Ltd.	18.95
Computer Union Co., Ltd.	97.73		
Power Generation		Others (Discontinued operation)	
Jiashan - Union Cogeneration Co.,Ltd.	75.96	Union Shoes Co., Ltd.	97.85
Wuxi - Union Cogeneration Co.,Ltd.	45.70	Union Construction Corp., Ltd.	99.68
Yixing - Union Cogeneration Co.,Ltd.	50		
Shangyu Hangzhou - Union Cogeneration Co.,Ltd.	50		
Huanan - Union Spring Cogeneration Co.,Ltd.	50		
Yunnan Energy Luliang-Union Power Co., Ltd.	50		
Yunnan Energy Qujing-Union Power Co., Ltd.	50		
Ping Bian Xian Yunnan Energy Union Power Co.,Ltd.	50		
Ratchaburi Power Co., Ltd.	10		
Chemical			
Taixing Union Zond Chemicals Co.,Ltd.	40		
Yixing - Union Biochemical Co.,Ltd.	50		

Textile Business



Types of Products and Services

Companies in the textile group are engaged in the production of 3 categories of products:

1. Garment accessories such as zippers, threads, and buttons.
2. Yarn spinning, fabric weaving, acrylic yarn.
3. Ready-made or ready-to-wear apparel.

These products are for both domestic consumption and export under the trade name of "VENUS". Certain products are manufactured according to customers' orders, while some of the products are accessories for customers to add to their ready-to-wear products and some are purchased for direct retail distribution.

Supplies of Products and Services

Most of the raw materials for textile operations, including cotton and synthetic fiber, are imported domestically and internationally. Most of pieces of cloth that may be 100% cotton, cotton, polyester and other synthetic fiber were manufactured as customers' requirements. They will use them to manufacturer various types of cloth like Basic Workware, Technical Workware, cloths for industrial usage, and etc. For ready-to-wear clothes, most raw materials can be procured domestically.

Performances in 2010

In 2010, textile business improved in both prices and market, and domestically and internationally. However, there were still factors affecting business from economic crisis starting since 2008. It affected especially ready-to-wear clothes business, e.g. labor shortage in industrial manufacturing sector which resulting into inability to manufacture products as required by customers. Bath volatility led to less value of export prices. This together with continuous price surge of major raw material, cotton while the selling price can be increased for certain level are factors impacting business performance. However, products of the Company are still credible in terms of quality, service and deliver in customers perspectives.

In 2010, the textile business has well adjusted itself in terms of sale prices and local and overseas marketing; however, there were significant factors affecting the business operation such as the labour shortage, fluctuation of Thai Baht, and the continuously increasing cost of main raw materials.



Trends of the Industry and Competition in the Future

In 2011, it is expected that textile industry has continuously recovered from global economic crisis which has been started since 2010. This was noticeable from higher orders in 2010 and demand still continued increasing. Whereas risk factors such as volatility of higher raw material prices, baht appreciation and expectation of severe domestic competition of textile industry in terms of price, quality and delivery and major competitors like China, India, Pakistan, Indonesia. Trend of ready-to-wear business is still aligned with economic condition and will still be affected by other relevant factors like cloth and other raw material prices, exchange rate of baht and other currencies, numbers of new labor entering into ready-to-wear industry, higher labor cost, global economic condition in 2011 and other trading terms like memorandum of business agreement and guidelines of code of conduct of EU countries requiring all textile manufacturers to comply with. In addition, there are still competition affecting factors like selling prices, quality, shorter delivery time, fast communication and relationship with business partner.

However, textile business group focused to improve and enhance efficiency of internal management which targeted to manage costs of raw materials, manufacturing and selling and administrative expenses, personnel development to be ready and capable of flexibility to changing situation, communication management of both internal and external, improvement and maintenance of good relationship with business partners. However, the companies group is determined to decrease impact on environment by following rules and regulations as stipulated by the government and partner countries. For the past period, there has been no dispute about environment.

Plastic, Rubber and Metal Business



Types of Products and Services

The affiliated company has manufactured the products categorized into 4 groups:

1. Plastics products include parts and equipment used in industry, by thermal injection. The important products are parts, equipment used in automobile and motorcycle industries, parts for electrical appliances, electronics and parts, equipment used in household.

2. Rubber products are in integrated industry from rubber estates to produce block rubber and use block rubber to produce elastic braids, weaving and elastic braids to use in ready-to-wear industry such as lingerie, napkin and elastic bands

3. Adhesive products such as cellulose tapes, transparent tapes, adhesive papers and printing tapes to use in packaging and office supplies industries.

4. Stainless steel includes vacuum bottles, Lunch Jar and Food Jar, pipes and household utensils.

Supply of Products and Services

Plastics business:

Raw material in process is plastic pellet, procured from both domestic and import.

Rubber Business

Raw materials are acquired mainly domestically, produced from rubber estates and rubber plants of the companies group. If insufficient, the orders would be placed with other businesses.

Adhesive Tapes

Glue solvent used to coat tape surface contains latex and chemical substances from petrochemical process. Transparent tapes consists of Cellophane tapes and OPP. All of these could be procured from both domestic and overseas.

Stainless Steel

Main raw material is stainless metal sheet. Could be procured from both domestic and overseas.

Due to the economic recovery in 2010, the textile business was growing more rapidly when compared to those in 2009; however, the increasing cost of raw materials affected the Company's competitiveness in certain business segments;



Performance in 2010

The economy recovery in 2010 caused this business to grow more than in 2009, especially plastic from higher sales turnover in the country and export of automobile and motorcycle industries. For vacuum bottles, Lunch Jar and Food Jar, it was found that the overseas market, apart from Japan, especially China, Taiwan and Hong Kong, has grown. This led to business expansion that the capacity shall be increased continuously. When export grew, demand of package expanded in reciprocal so adhesive business earned higher sales turnover.

However, higher cost of production, especially from raw material costs, affected competitiveness of some businesses, especially rubber industry. The domestic flood caused low produce while higher demand from overseas led to noticeably higher rubber price than ever. Consequently, it affected costs of end products of rubber

and adhesive tapes. Although the selling prices periodically increased, they could not cover high surge of costs. This triggered more usage of substitute such as synthetic rubber to replace natural ones so profit of this business decreased from previous year.

Trends of the Industry and Competition

It was expected that the economy would continue to expand in 2011 at the slower rate to adjust into real growth. Although the market would expand, the competition would be more tensed from both domestic and international and costs of raw materials, labor and energy related expenses would increase. All of these factors shall affect performance of this companies group and Company's customers. Therefore, improvement of internal efficiency to control costs, develop products and new market shall still be a way to adapt to changing situation in the future.

Computer and Electronic Parts Business



Computer

Nature of Business

Computer Union Co., Ltd., has started the computers and IT business since 1982 and was one of the leading computer companies in Thailand. At present, the Company has provided a variety of computers and IT products and services and has also developed its products and services continuously to fully meet the customers' demands. The Company is an authorized dealer and distributor of a variety of products and services, including:

- IBM Official Dealer (hardware and software)
 - + Hardware such as IBM Power Systems, IBM System Storage, IBM System x, passbook printers, ATM (CD) and CDM (Cash Deposit Machine), etc.
 - + Software such as Tivoli, Lotus, Websphere, Information Management and Rational, etc.
- Official Dealer of InfoPrint Solutions;
- IBM Authorized Training Provider (ATP) solely in Thailand;
- Acronis Dealer (software backup from USA);
- Lenovo Dealer (PC, ThinkPad, Server);
- HP Dealer (PC, Notebook, Laser Printer, Laser Jet - all models);
- HP Dealer (Co-Put Auto Update Passbook Printer);
- Official Dealer of Ronsyncs products such as Magnetic Stipe, Pin Pad;
- Dealer of Talaris products such as Teller Cash Recycler (TCR);
- Dealer of Epson products such as Dot Matrix Printer (all models);
- Dealer of Samsung products such as LCD monitors, Laser Printer and Toner (all models); and authorized dealer of Samsung E-Board;
- Dealer of Canon products such as Printer and Scanner (all models);
- Dealer of Fujitsu products such as PC, Notebook, Printer, Scanner, etc.;
- Dealer of PC, Notebook of Dell, Acer and other brands;
- Service provider for installation, repairs and maintenance of computer hardware and software and networking systems, including peripheral devices, as well as system designer and developer of almost all leading brands;
- Dealer and service provider of CCTV and other security systems;
- Data recovery service provider (Hard Disk, Flash Drive, Memory Card) under the name of I-CU Data Recovery with clean room class 100 since 2004; data recovery from RAID and all operating systems such as DOS, Windows, Linux, Unix, Novell, Macintosh; and providing 24-hour-service advice and ensuring the customer's confidentiality;

In 2010, the Company had its incomes from sales as targeted and increased by 20% and as all units of the Company have increased their competitiveness and abilities to respond to demands of its business partners and customers; as a result, the Company was trusted by its customers and given with purchase orders of products and services continuously.



Performances in 2010

In 2010, the Company had its incomes from sales as targeted and increased by 20% when compared to those of 2009, despite political instability in Thailand; however, with the global economic recovery, Thailand could export products more than those targeted; and Thailand's economy was expanding beyond the expectation; and as all units of the Company have increased their competitiveness and abilities to respond to demands of its business partners and customers; as a result, the Company was trusted by its customers and given with purchase orders of products and services continuously. The Company was awarded "The Top Dealer" from IBM, HP, Lenovo, etc.

Trends of the Industry and Competition

In 2011, IT business tended to grow continuously. Due to the necessity of business potential development and much more complicate competition, the technology has played an important role in fundamental investments and fast-growing businesses with reliable and accredited controlling system.

In 2011, the Company has prescribed its effective spending policy and has emphasized the personnel development to obtain more expertise and work capacities to meet the increasing demands of its customers; moreover, the Company has invested continuously in equipment, machinery and modern technologies such as Power 7 from IBM Power Systems and additional investment in IBM System Storage, including XIV and IBM Storewise V7000, which is IBM's latest technology and the only one demo machine in Thailand, installed at its Business Partner Innovation Center for convenience and sales support to its business partners and customers.

Electronics

Types of Products and Services

Manufactures hard disk drives for export under the name of Union Technology (2008) Public Co., Ltd.

Performances in 2010

The global economy has been well adjusted continuously in 2010. In the same direction, hard disk drive business has improved consistently. With the lesson from economic crisis in 2009, the Company had run the business carefully and was concerned about continuous control and development of efficiency. This affected the business performance of 2010 in overall to be in good level.

The Company has retained its excellence by receiving outstanding workplace winner in labor relation and welfare in 2010 for 4 consecutive years and outstanding award for plant with energy conservation for 2010.

Situation of Competitions and Marketing

The business of hard disk is very competitive in terms of price and technology. It contains risk from change of technology which has significant impact as a contractor to assemble HDD. Technology change was from invention of tablet computer and acceptance of using solid state disk drive (SSD) to replace HDD with various types of portable computers in wide market. In 2010, it was the contract renewal period of HDD assembly subcontract from the customer as the agreement will end in 2011. This customer showed its intention to rent the plant in Sriracha. Considering above mentioned risks, the Company agreed to changed contract form from subcontracting the manufacturing to let the location to the customer within appropriate duration and with suitable returns.

Energy Business



Types of Products and Services

The Company has invested in the energy business, which can be divided into 2 parts, as follows:

1. Energy projects in China. Currently, the Company has joint venture with 8 enterprises of China, comprising of 2 cogeneration power plants in Jiangsu, 2 in Zhejiang and 1 in Heilongjiang. For Yunnan, there is a hydro power plant and 2 coal power plants.

2. Energy projects in Thailand. The Company has invested in power plants under the “Independent Power Producer (IPP)” project and has entered into an agreement to produce and supply the electricity to EGAT;

Supplies of Products and Services

Thermal cogeneration power plant in China uses coal as main raw material which is mainly from the northern and north western part of the country. This plant has buying and selling agreements with coal mine. For hydro power plant in Yunnan province, it uses water source from river on hill, down into a tunnel and power generator. For power plants in Thailand, they use natural gas as source of energy.

Performances in 2010

Energy Projects in China

In 2010, coal prices as the main cost were higher from increase of oil prices and high demand which required coal to be imported, but the electricity price still had been controlled by the government because inflation. The joint venture power plant was thermal cogeneration power plant which not only produced, but also sold thermal power in forms of steam. Steam price the plant sold directly to consumers who were mostly industrial plants, could be adjusted to meet higher costs. This year, the plant can sell a lot of steam so it still makes profit. For the plants with high proportion of selling power, but little steam, their performance was lower. In 2010, the company decided to sell a power plant, Zhejiang Jiyang-Union Cogeneration to the major Chinese shareholders. Such decision was made as demand for steam of local industries did not expand, plant location caused high expense of coal transportation, return in the past was lower. All of these led to expectation of unworthy return of investment in the future

The Company invested in small sized hydro power plant through associated company in China at Pingbian, Hongho town, located in south western part of Yunnan province. Production procedures of it is flowing water from the river on the hill down to tunnel and generator. Currently, its construction was completed and opened for operation in the early of 2010.

In 2010, the coal prices which were main cost of production have increased in accordance with the fuel oil prices, despite importation of coals; however, the authorities have not yet approved the increase of electricity fees as it would have an impact on the inflation rates;



Energy Projects in Thailand

The Company has invested in Ratchaburi Power Co., Ltd. (RPCL), regarded as Natural Gas Fired Combined-Cycle Power Plant, located at Tambon Baanrai, Amphu Damnernsaduak, Ratchaburi province, with Baht 7,325 million paid-up registered capital. The Company held 10% of the shares. This year, the plant shall be operated with full capacity, which will result in performance as targeted.

Trends of the Industry and Competition

Energy business is infrastructure of the country. Production and sales volume depend on economic growth of the country. Trends of its performance in China may be affected from governmental policies to make an effort to slow down heat of economy. Moreover, policies to reduce tension from inflation and imbalance of power and coal prices were still risk factors. However, trends of increasing demand of steam by industrial customers were positive factor that reduced the impact. In 2010, Yunnan Energy Luliang-Union Power Co., Ltd. in Yunnan province has changed its machines to thermal cogeneration as those of Zhejiang and Jiangsu plants. This was because there were some industries moved nearby requiring steam in

their production. Local government also supported power generating from steam of plants as it did not want each to own its boiler, and cause air pollution. If the project would succeed, this plant would be the first thermal cogeneration power plant in China that participates in local economy development and pollution decrease.

Chemical Industry Business in China

Types of Products and Services

The Company invested in 2 companies running business in chemical industry as follows:

1. Yixing-Union Biochemical Co., Ltd., was located in Yixing, Jiangsu province, established in 2000 to produce citric acid used in chemical industry, cosmetic, drug and food industry. Its current capacity is 50,000 tons per year.

2. Taixing Union Zond Chemical Co., Ltd., was located in Taixing, Jiangsu Province, established in 2007 to produce Phthalic Anhydride (PA) which is additive chemical in plasticizer and paint industry. Its current capacity is 55,000 tons per year.

Supplies of Products and Services

Production of citric acid belongs to chemical industry, agrochemical industry type which uses raw material from agricultural products like corns, cereal with cultivating area in the upper part of China and its produces vary in different seasons and climates.

Production of Phthalic Anhydride belongs to chemical industry, Petrochemical Industry type which uses Ortho-Xylene as raw material, deriving from refining procedures of crude oil. It is mostly procured domestically.



Performances in 2010 and Trends of Industry and Competitions

The result of volatile climate of China, drought and flood in many areas, caused corn produces to significantly decrease. On the other side, demand for corns to produce and refine alcohol increased, resulting to higher price of corn and pushing costs to surge. However, the selling prices can't be much higher. This led to decrease of profit in 2010, when compared to previous year. The plant has been researching and developing to improve and adapt machinery to be compatible with substituted raw materials such as tapiocas and konjac.

Taixing plant that ran the machines since the end of 2009 still had high costs of raw materials, adjusted along with oil price, and operating costs. The expansion of capacity by 55,000 tons would start in 2011. It is expected that this would help decrease average costs and better performance.

Real Estate Business in China



The Company have invested in the real estate business in Jiashan City of China, amounted to Baht 677 million or equal to 49% of the investments; at present, the construction of the Project, Phase 1, was about to complete and expected to be sold within 2011.

Corporate Social Responsibility Activities

Saha-Union Group is an organization giving importance to and demonstrating social and environment responsibility as well as inheriting custom and tradition to be with Thai society. The company also continuously supports activities of public, private and relevant units under the management policy based on the principle of “Integrity, Quality and Service”.

During year 2010, Saha-Union Public Company Limited and its subsidiaries participated and supported various social activities to develop and benefit the society as following details:

Environmental Activities

- Participate “Planting Mangrove Forest at Krasae Estuary” at the beach of Krasae Estuary, Rayong province to preserve sustainable ecology and environment of coastal area.
- Participate “Natural Resources and Environment Conservation” at the beach of Captain Yuth, Chonburi province in collaboration with governmental unit to clean coastal area and maintain its beautiful scenery.
- Release sea offsprings with Bangpra Municipality at Bangpra beach, Chonburi province.
- Donate to sponsor problem solving of polluted water and develop landscape in Bueng Kratium ditch at Bangchan Industrial Estate, Minburi District, Bangkok Metropolis.



Participate “Planting Mangrove Forest at Krasae Estuary” at the beach of Krasae Estuary, Rayong province.



Participate “Natural Resources and Environment Conservation” at the beach of Captain Yuth, Chonburi province.



Release sea offsprings with Bangpra Municipality at Bangpra beach, Chonburi province.

Educational Activities

- Donate to sponsor The Unicef (Thailand) to run activities to continuously help and develop life quality of underprivileged children in terms of education and others. This is to enable them to live on their own, not social dependency as earn protection accordingly to help plan of the organization.
- Provide scholarship, learning materials and sports equipment to Subprik School, Amphur Muaklek, Saraburi province.
- Procure new computers and provide them to Wat Bampen Nua School, Minburi District, Bangkok Metropolis, to use as instructional media for teachers and students.
- Donate money and stuff to Boon Sa-ard Wattana School, Nakhon Ratchasima province to promote and develop life quality of rural students.



Provide scholarship, learning materials and sports equipment to Subprik School, Amphur Muaklek, Saraburi province.



Procure new computers and provide them to Wat Bampen Nua School, Minburi District, Bangkok Metropolis



Donate money and stuff to Boon Sa-ard Wattana School, Nakhon Ratchasima province

Society Activities

- Donate money to sponsor the building of historical tower of Kukrit to be a warehouse and exhibition venue to display works including the biography of Professor Major General M.R. Kukrit Pramoj. In addition to, using as the performance venue to promote dancing art, music and other performance of Thai culture.
- Donate stuff, consumable things, rice, dried food, water and other living requisites to help victims of flood at Amphur Pimai, Nakhon Ratchasima province.
- Donate money to help victims of earthquake in Haiti through the Thai Red Cross Society.

Donate stuff, consumable things, rice, dried food, water and other living requisites to help victims of flood at Amphur Pimai, Nakhon Ratchasima province.



Religious Activities

- Make merit to offer royal Kathin at Jongkam Temple, the royal temple, Amphur Muang, Maehongson province. Make merit of public Kathin and eight necessities of Buddhist Monks at Tamru Temple, Samutprakan province and Bangklua Temple, Chachoengsao province. Make merit to offer the pha-pa with its relevant items for Songkran ceremony at Bampen Nua Temple, Minburi District, Bangkok Metropolis.

- Make merit to offer candle and its relevant items in the Buddhist Lent at Pa Lelai Temple, Prathat Temple, Kae Temple, Pranon Temple, Suphan Buri province, Muang Temple, Angthong province and Tamru Temple, Samutprakan province. And make merit to offer candle for the Buddhist Lent with flowers and relevant items at Bampen Nua Temple, Minburi District, Bangkok Metropolis.



Make merit of public Kathin and eight necessities of Buddhist Monks at Tamru Temple, Samutprakan province and Bangklua Temple, Chachoengsao province.



Make merit to offer candle for the Buddhist Lent with flowers and relevant items at Bampen Nua Temple, Minburi District, Bangkok Metropolis.

Shareholding Structure

Corporate Securities

- The Company had a fully paid-up registered capital of Baht 3,000 million, divided into 300,000,000 ordinary shares of Baht 10 each;
- The Company had no other types of shares which rights or conditions are differ from those of ordinary shares;
- The Company had no plan to issue and offer convertible shares or stocks to the Thai Trust Fund or to issue non-voting depository receipts (NVDR), which its shares as the underlying securities;
- The Company had no other types of stocks than the common stocks;
- Groups of major shareholders had not entered into any shareholders agreement on a matter that could affect either the Company's securities issuance or its administration.

Shareholders

Top 10 major shareholders of Saha-Union Public Co., Ltd. As of April 2nd , 2010

No.	SHAREHOLDERS	Ultimate Shareholders	Business	No. of Shares	% of Shares
1.	Group of Companies				
	1.1 Union Thread Industries Co., Ltd.	Darakananda Group	Investment	28,938,500	9.65
	1.2 Union Business Management Co., Ltd.	Darakananda Group	Investment	22,574,000	7.53
	1.3 Union Capital Co., Ltd.	Darakananda Group	Investment	19,797,800	6.60
	1.4 Union Industries Corp., Ltd.	Darakananda Group	Investment	17,968,300	5.99
	1.5 Uni-Fibre Co., Ltd.	Darakananda Group	Investment	12,973,640	4.33
	1.6 Saha-Union Holding Co., Ltd.	Saha-Union PLC.	Investment	6,239,994	2.08
	1.7 Union Multi-Capital Co., Ltd.	Darakananda Group	Investment	6,082,000	2.03
	1.8 Darakananda Co., Ltd.	Darakananda Group	Investment	3,000,000	1.00
	1.9 Union Equity Co., Ltd.	Saha-Union PLC.	Investment	2,782,700	0.93
	1.10 Union Wealth Management Co., Ltd.	Darakananda Group	Investment	2,420,000	0.81
2.	Bangkok Bank Public Co., Ltd.			12,325,000	4.11
3.	Solid Gains Development Limited			10,745,000	3.58
4.	Mr. Kumtorn Poonsakudomsin			8,049,644	2.68
5.	The Southeast Life Insurance Co., Ltd.			6,703,800	2.24
6.	Mrs. Jarunee Chinwongworakul			4,726,100	1.58
7.	UBS AG Singapore, Branch-PB Securities Client Custody			3,969,500	1.32
8.	Mr. Chutindhon Darakananda			3,427,700	1.14
9.	Mr. Vichit Chinwongworakul			3,199,400	1.07
10.	Gerlach & Co-Dimensional Emerging Markets Value Fund			2,976,400	0.99

Dividend Payment Policy

The Company has its policy of dividend payment that shareholders will receive proper investment returns, thus, subject to the operating result, at the rate of at least one-third of the annual earnings, calculated according to the cost method.

Meanwhile, the subsidiary's policy of dividend payment to the Company shall be subject to the operating result of such subsidiary.

Directors' Shareholding and Remuneration

Remunerations for directors consist of the fixed amount of meeting fee and/or allowance in the position of director only. The said amount is under the financial amount which has already been approved by the shareholders' meeting in April 2010. The amount of remunerations for each director in 2010 is as follows:

No.	NAME	Shareholding			Remuneration	
		No. of Shares in 2010	No. of Shares in 2009	% of Change	Paid by the Company (Baht)	Paid by Subsidiaries (Baht)
1.	Mr. Damri Darakananda	-	-	-	4,190,000.00	-
2.	Mr. Panas Simasathien	-	-	-	3,300,000.00	108,000.00
3.	Ms. Sriwarin Jirapakkana	157,284	187,284	(16.02)	3,300,000.00	204,000.00
4.	Mr. Sompop Amatayakul	10,000	10,000	-	3,448,000.00	312,000.00
5.	Mrs. Araya Arunanondchai	2,251,694	2,251,694	-	260,000.00	-
6.	Mr. Chakchai Panichapat	-	-	-	720,000.00	-
7.	Mr. Thitivat Suebsaeng	-	-	-	120,000.00	180,000.00
8.	Ms. Pakinee Prettitumrong	1,950,624	1,950,624	-	240,000.00	72,000.00
9.	Ms. Dalad Saphavichaikul	13,052	13,052	-	120,000.00	36,000.00
10.	Mr. Chutindhon Darakananda	3,427,700	3,427,700	-	3,300,000.00	-
11.	Mr. Aksomprasit Darakananda	1,851,900	1,851,900	-	120,000.00	-
12.	Mr. Bovornrat Darakananda	-	-	-	120,000.00	-
13.	Mr. Vacharaphong Darakananda	1,582,600	1,582,600	-	120,000.00	144,000.00
14.	Mr. Nantiya Darakananda	-	-	-	120,000.00	144,000.00
15.	Mr. Yanyong Tangchitkul	419,000	419,000	-	120,000.00	192,000.00
					19,598,000.00	1,392,000.00

Total Remunerations for the Management

In 2010, the total remunerations for 5 directors who are also the management of the Company, including salaries and bonuses are amounted to Baht 11,697,865.86 Other executive directors, excluding the four directors as mentioned above, do not receive these remunerations (except the meeting allowance from the Company) because they all have positions and responsibilities and receive remunerations in terms of salaries and bonuses from those group companies.

In 2010, there were totally 50 executive directors in main businesses of subsidiaries for 10 companies, having received remunerations in terms of salaries and bonuses, totally Baht 71.15 million.

Other Remunerations

In addition to salaries and bonuses above, the Company has also paid other remunerations to 5 executive directors in terms of provident fund at the rate of 3% of the salary, amounted to Baht 296,688.- in 2010; whereas, the fund was managed by the BBL Asset Management Co., Ltd.

Structure of Management

Structure of corporate management comprises 4 committees including the Board of Directors consisting of 5 independent directors or one-third of the total 15 directors, the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management Committee.

Lists of committees and scope of authorities of each committee are as follows:

1. The Board of Directors totally consists of 15 members as follows:

	Name	Position
1.	Mr. Damri Darakananda	Chairman
2.	Mr. Panas Simasathien	Vice Chairman (Administration)
3.	Mr. Sompop Amatayakul	Vice Chairman (Audit and Evaluation of Domestic Business)/ Chairman of Audit Committee/Independent Director
4.	Miss Sriwarin Jirapakkana	Vice Chairman (Finance and Investments)
5.	Mr. Chutindhon Darakananda	Vice Chairman (Investments in China)
6.	Mrs. Araya Arunanondchai	Audit Committee/Independent Director
7.	Miss Pakinee Prettitumrong	Audit Committee/Independent Director
8.	Mr. Chakchai Panichapat	Independent Director
9.	Mr. Yanyong Tangchitkul	Independent Director
10.	Mr. Thitivat Suebsaeng	Director/President
11.	Miss Dalad Saphavichaikul	Director
12.	Mr. Aksornprasit Darakananda	Director
13.	Mr. Bovornrat Darakananda	Director
14.	Mr. Vacharaphong Darakananda	Director
15.	Mr. Nantiya Darakananda	Director

The Board of Directors has its authorities under the policy and the business administrative structure as follows:

1. Determine the directions, goals, and policy of the company's business operation;
2. Direct the business administration for proper risks management, gaining profit and appropriate payment of dividends to shareholders as investment returns;
3. Direct the Company to have accurate accounting system and to transparently prepare financial reports with complete and accurate information;
4. Keep good reputation and image of the Company;
5. Appoint and remove the Managing Director of the Company and of affiliate that the Company is the major shareholder;
6. Determine the authority scope of the Company's Managing Director;
7. Consider the work plans and annual budgets proposed by the Company's Managing Director; and
8. Evaluate the work performance of the Company's Managing Director and determine the annual service remunerations for the Affiliate' Managing Directors.

Regarding the performance under its authorities, the Board of Directors may appoint any one or more director(s) or other person to act on its behalf.

The Board of Directors shall appoint a director as the President with the authorities as the Board of Directors consider appropriate.

The Board of Directors shall consist of at least 5 members, whereas, at least one half of its total directors shall be domiciled in the kingdom and at least three-fourth of its total directors shall be Thai nationality.

Election of the Company's Directors shall be made by the shareholders meeting in accordance with the criteria and procedures based on the information on page 42.

The Company's Board of Directors consists of 5 independent directors or 1/3 of them as follows:

- | | |
|-----------------|---------------|
| 1. Mr. Sompop | Amatayakul |
| 2. Mr. Chakchai | Panichapat |
| 3. Mrs. Araya | Arunanondchai |
| 4. Miss Pakinee | Prettitumrong |
| 5. Mr. Yanyong | Tangchitkul |

Criteria for Election of Independent Directors

The Company has its criteria for election of the independent directors by recruiting persons who; being not the regular company's executives; have the recognized abilities, experiences, and good understanding of the nature of the company's business and have vision and devotion of times for performing the duties as well. Such persons must also be qualified according to the related announcements, regulations and requirements of the government authorities. Such elected persons, who the Company has considered that they are suitably useful for operating businesses of the Company and its affiliates, will be invited to assume the positions of independent directors of the Company.

Board of Directors' Meeting

Generally, the Company holds the Board of Directors' meeting at least once a month in order to consider issues proposed by the management team and pass the resolution of each issue for further action as appropriate. The meeting also follows up the business operations to acknowledge that whether or not they conform to the specified objectives or plans, and there are any problems that need solution and a person assigned to further monitor and implement. In 2010, there were 12 Board of Directors' meetings, directors who had no businesses abroad or force majeure, attended every meeting. Since the Company has a lot of investments in abroad, therefore, some directors would be necessary to direct and monitor the businesses that the Company mainly invested in abroad, so they were unable to attend the Board of Directors' monthly meetings. In 2010, directors who were in the subsidiary offices at Shanghai or Hong Kong in the day of the Board of Directors' meeting would attend the said meeting via VDO conference. The Company secretary, however, has regularly and continuously forwarded the minutes of meetings to all directors, either absent or present in the meetings, for acknowledgement and receiving suggestions (if any).

Record of Meeting Attendances of Each Director in 2010

Name			No. of Meeting Attendances	
1.	Mr. Damri	Darakananda	9/12	(including via 4 times of VDO Conferences)
2.	Mr. Panas	Simasathien	12/12	
3.	Miss Sriwarin	Jirapakkana	12/12	
4.	Mr. Chakchai	Panichapat	11/12	
5.	Mr. Sompop	Amatayakul	11/12	
6.	Mrs. Araya	Arunanondchai	10/12	
7.	Miss Pakinee	Prettitumrong	11/12	
8.	Mr. Thitivat	Suebsaeng	11/12	
9.	Miss Dalad	Sapthavichaikul	12/12	
10.	Mr. Chutindhon	Darakananda	5/12	(including via 1 time of VDO Conference)
11.	Mr. Aksornprasit	Darakananda	8/12	
12.	Mr. Bovornrat	Darakananda	6/12	(including via 4 times of VDO Conferences)
13.	Mr. Vacharaphong	Darakananda	12/12	
14.	Mr. Nantiya	Darakananda	11/12	
15.	Mr. Yanyong	Tangchitkul	9/12	

2. The Audit Committee

The Company's Audit Committee has all the necessary qualifications according to the criteria of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). The Board of Directors' meeting has passed its resolution on November 19th, 2009, to appoint the existing Audit Committee to assume its position for another term of 3 years. In this regards, all members of the Audit Committee are independent director.

Names of the Audit Committee are as follow:

Name			Position
1.	Mr. Sompop	Amatayakul	Chairman of the Audit Committee
2.	Mrs. Araya	Arunanondchai	The Audit Committee Member
3.	Miss Pakinee	Prettitumrong	The Audit Committee Member

The Audit Committee who has the knowledge and experience in reviewing company financial statements is Mrs. Araya Arunanondchai, having experienced through the Price Waterhouse Audit Office and being former senior executives of the Thai Farmers Bank and Securities Companies.

The Company's Audit Committee has scopes, duties and responsibilities as follows:

1. Review to ensure that the Company has appropriately and effectively internal control system;
2. Consider to approve the selection, review and proposal on the appointment of the external auditors; co-ordinate with them on preparation of related financial reports; and review the Company's financial reports to ensure their accuracy and credibility;

3. Review the Company's compliance with related laws and government requirements and supervise to prevent any conflicts of interests;
4. Prepare Audit Committee's corporate governance summary report which is to be signed by the Chairman of the Audit Committee and published in the Company's annual report for sending to the related parties;
5. Make sure that the management has corrected the errors found and follow up the correction of the said errors;
6. Monitor and evaluate the work performances as the Audit Committee may deem significant;
7. Evaluate the work performances according to the Charter of the Audit Committee; and
8. Carry out other missions as assigned by the Board of Directors.

3. The Nomination and Remuneration Committee

The Company has appointed directors with appropriate experiences and qualifications as members of the Nomination and Remuneration Committee, as follows:

Name		Position
1.	Mr. Sompop Amatayakul	Chairman of the Nomination and Remuneration Committee
2.	Mr. Damri Darakananda	The Nomination and Remuneration Committee Member
3.	Mrs. Araya Arunanondchai	The Nomination and Remuneration Committee Member

Its scopes of duty and responsibility are as follows:

1. Select and nominate the qualified individuals to be new Directors;
2. Establish the procedures for nomination of directors;
3. Consider the procedures of remuneration determination for directors; and
4. Determine the amount of remunerations for directors by proposing for the consideration of the Board of Directors' meeting.

4. The Risk Management Committee comprises:

Name		Position
1.	Mr. Thitivat Suebsaeng	Chairman of the Risk Management Committee
2.	Miss Dalad Saphavichaikul	The Risk Management Committee Member
3.	Mrs. Vacharaphong Darakananda	The Risk Management Committee Member
4.	Mrs. Srinual Sombatpraiwan	The Risk Management Committee Member and Secretary

The Committee has the scopes of authority to determine the policies and to monitor the company's risk management. The Committee has power to appoint sub-committees for any specific risk management in order to perform the risk management as appropriate.

Furthermore, the Company Secretary is Mrs. Sirinan Sansanakom, who is responsible for and comply with the provisions specified in the Securities and Exchange Act, No. 4 (B.E. 2551) Articles 89/15, 89/16, 89/17 and 89/23.

The Company has attached the information concerning education, background and experience shown in the document on pages 8-12, as well as training backgrounds concerning responsibility and skills of the Board of Directors' member shown in the document on pages 14, together with Executives information shown in the document on pages 15, respectively.

Nomination of Directors and the Executives

The election of the Company's Directors has been considered by the Nomination Committee which performed the duty of recruiting personnel with proper qualifications, knowledge, abilities and experience in business administration as well as devotion of time to perform their duties for the Company; such qualifications shall not be contrary to regulations of related government authorities; to propose to the Board of Directors for presenting to the shareholders' Annual Ordinary General Meeting under the agenda of Directors Election in accordance with Regulations of the Company, as follows:

1. One shareholder shall have one vote per one share.
2. In the election of directors, either one or several directors may be elected at one time, according to the number of directors to be elected in that occasion, as the shareholders' meeting may deem expedient which uses the election methods in line with the public laws.
3. Directors shall be elected by the majority votes. In case of equal votes, the chairman of the meeting shall have a casting vote. The rights of minor shareholders shall be in accordance with the Company's Regulations, which are not specified as a special case.

In each Annual Ordinary General Meeting, one-third of directors must be released from the office. In case, the number of directors cannot be divided into three portions, the most approximate number to one-third of the directors shall be released from the office.

Directors to be released from office in the first year and in the second year after the Company's registration shall be selected by drawing lots; meanwhile, in the following years, directors who have longest been in office will be released from office.

Retiring directors may be reelected.

Apart from the retirement by rotation, a director may be released from the office in cases of:

- (A) Death;
- (B) Resignation;
- (C) Disqualification;
- (D) The shareholders' meeting has passed its resolution to release from the office with at least three-fourth of the total shareholders attending the meeting and having the voting rights, and holding at least one half of the total shares held by shareholders attending the meeting and having the voting rights;
- (E) The court has given an order relating to the release from the office of such director.

Corporate Governance

Over the past 30 years, the Board of Directors has given importance to its good corporate governance and has adhered to the principles of morality and ethics for sustainable growth of the business under the right and transparent principles, and fairness to all stakeholders. These corporate governance principles of the Company are aligned with the principles and good practices for directors of the listed companies in the Stock Exchange of Thailand, as following details:

1. Rights of Shareholders

Apart from basic rights such as rights to elect directors and auditors and rights to consider the directors' remunerations and the auditor's remunerations, etc., the Company's shareholders shall also retain the rights to receive investments returns in terms of dividend according to the proportions of shareholding equally, rights to trade and transfer shares and to receive information of the business.

1.1 In each AGM, the Company provides opportunities for its shareholders to propose meeting agendas or to send questions relating to the Company in advance before the date of AGM that shall be publicized through 2 channels, i.e., Electronic Company Information Disclosure System (ELCID) of the Stock Exchange of Thailand, and through the Company's website at www.sahaunion.co.th in advance before sending documentation to shareholders;

1.2 Shareholders may study the information in advance before making their decisions to cast their votes relating to the AGM agendas appearing in the letters of invitation to AGM, the annual reports and financial statements of the Company. The mentioned invitation letters shall include details of each agenda, namely objectives, rationale and opinions of the Board of Directors;

- Information relating to the operating result as per financial statements included in the annual report;
- Information and personal records of each nominated directors for replacement;
- Information relating to the auditors' names, office, audit experience, remunerations, and independency;
- Information relating to the proposal for dividend payment approval, including information on the dividend payment policy, dividend rates and reasons;
- Letter of invitation to AGM and related documents and information being sent by the Company to shareholders for at least 14 days before the date of AGM;

1.3 In each AGM:

The Company allows its shareholders to exercise their rights such as rights to attend and cast their votes. In case of absence, a shareholder can do this by proxies (the Company has enclosed the Form of Proxy with the letter of invitation to AGM); whereas, a shareholder may select any independent director or audit director as his/her proxy.

- The Company shall neither limit nor violate the shareholders' rights;
- Moreover, the Company shall facilitate its shareholders by providing staff to help with attendance registration of meeting, which shall be opened at least an hour before the meeting and available after the meeting starts;
- The Company shall organize meetings at its head office near the main road with convenient routes and easy access for its shareholders to attend the meetings in time; the Company shall prepare refreshments and beverages, as well as souvenirs for shareholders attending the meeting each year;
- In each AGM, when it is at the meeting time, the Chairman shall announce the quorum to shareholders and address the meeting by introducing the Board of Directors and the management to shareholders. In 2010, there were 13 out of 15 members of the Board of Directors attending the meeting, including Vice Chairman acting as Chairman of the meeting, because the Chairman conducted some business overseas, President, the Chairman of the Audit Committee, independent directors, directors, the Company's Secretary, the Accounting and Finance Manager, and the Company's Auditor;

- The Chairman has announced the voting method to the shareholders before proceeding with the meeting;
- Upon discussion in each session, the Chairman has given opportunities for shareholders to ask questions, which shall be answered to their satisfaction; and has also received comments and recommendations from shareholders for consideration;
- The Company has used the computerized system for registration and vote counting in each session; when the shareholders have already cast their votes in each session and after data processing, the Chairman has announced the resolution and the numbers of votes in each category, including “For”, “Against” or “Abstain” in each session to all shareholders and has recorded the result thereof in the minutes;

- The Session of the Directors’ Remunerations:

Shareholders shall be entitled to voting rights relating to determination of the directors’ remunerations as proposed by the Company; whereas, the remuneration determination policy has been proposed to and approved by the Nomination and Remuneration Committee; provided that the Company has notified the shareholders of the criteria for determination of remuneration according to scope of work, responsibilities and job titles; and considered and approved the remunerations on individual basis.

- The Session of Directors Election:

The nominated directors screened by the Nomination Committee have been proposed to the meeting, with their profiles; provided that all shareholders have been notified thereof in advance in the letter of invitation to AGM. In 2010, several shareholders attending the meeting have proposed to elect the whole board members; therefore, the Company has used the voting method to elect the whole board members and has recorded the resolution and the numbers of votes thereof.

- The Session of Dividend Payment Consideration:

The Chairman has announced the dividend payment policy of the Company, including the criteria and rationale of the amount of dividend proposed for approval this year; it was evident that the amount of dividend has been a lot more than those prescribed in the policy; and the Board of Directors has considered that the amount thereof was appropriate; and shareholders have received the high rate of investment returns, comparing to those of interest rates of fixed deposits of financial institutions; and all shareholders retained the equal rights to cast their votes for consideration of such matter.

- The Session of Auditor Appointment:

The Chairman has proposed the nomination of more than one auditor working for the same audit office and informed audit records of the Company to shareholders. The nominated auditors shall have qualifications as prescribed by the Office of the Securities and Exchange Commission; and have their independency without relationship with the Company or the Board of Directors, or the management; and the Chairman has also submitted the audit fee to all shareholders for consideration and voting in the said Session.

- The Company had no other sessions to be proposed for shareholders’ consideration than those described in the letter of invitation to AGM. At the end of the meeting, shareholders have expressed their opinions and asked some additional questions; and the related committees have answered all; then, the Chairman has addressed to conclude the meeting.

- The Company’s secretary has recorded complete content of the meeting in the minutes and has submitted it to the Stock Exchange of Thailand within 14 days after the meeting date; and has provided the effective storage system for inspection and reference purposes. The shareholders are entitled to access the said information through the Company’s website at www.sahaunion.co.th.

1.4 The Company has more than 25% free-float shares. As a result, shareholders shall be entitled to trade their shares flexibly; and the Company’s stocks have the liquidity in the secondary market.

2. Equal Treatment to Shareholders

2.1 The Company has the majority shareholders, the minority shareholders and foreign shareholders; and all shareholders have equal rights, i.e., 1 vote per 1 share. The Company shall not violate the rights of the minority shareholders or foreign shareholders. For example, either the minority shareholders and the foreign shareholders shall have voting rights equal to the majority shareholders. Moreover, the related committees have answered all the questions of the minority shareholders and the foreign shareholders in AGM meeting; and before the date of the meeting, the Company has provided all the shareholders with the communication channel through the Company's website so that the shareholders shall be able to propose the meeting sessions to be included as agendas in the letters of invitation to AGM;

- The Company has facilitated the shareholders who are unable to attend the meeting by sending the form of proxy together with the letter of invitation to AGM;
- In the letter of invitation to AGM, the procedures for attending the meeting by proxies are recommended; and all necessary documents and evidences for the proxy have been specified. The procedures of appointing proxy are general and uncomplicated;
- The Company has sent the letter of invitation to AGM to all shareholders for at least 14 days in advance so that all shareholders have enough time to study the information and the meeting agenda and to make their decisions whether to attend the AGM;
- The Company has disclosed the information and announced the meeting date and time and the agendas of the AGM on the Company's website at www.sahaunion.co.th for 21 days before the date of the AGM;
- According to the Company's Regulations, the voting method is prescribed that one shareholder shall have one vote per one share for consideration of all meeting sessions;

2.2 Use of Internal Data

The Company has determined its policy on the use of internal data and has issued the rules and regulations covering the matter, i.e., it is forbidden for employees, the management and directors to exercise one's powers and duties or to make use of power and duties of other person for one's own benefits or to help other person in an illegal manner; and all personnel of the Company must perform their work honestly. Moreover, the Company has determined the degrees of punishments according to the Internal Regulations of the Company, in case, the above-mentioned disciplines are violated; and, therefore, all employees, the management and directors have acknowledged and complied with its Regulations.

The Company imposed prevention measures to the use of internal data for stock trading and has prescribed that the Company's directors or the management shall avoid trading the Company's stocks within 14 days before the date of a periodic or quarterly disclosure of financial reports and within 24 hours after the disclosure of such data. The Company's secretary shall give the time table to all directors and the management for acknowledgement in principle.

2.3 Related Transactions

According to the Company's structure of shareholding as investment businesses, the Company, as a parent company, has held shares in its subsidiaries and associated companies since the beginning. Thus, for the benefits of the business group, business reputations, as well as commercial bargaining power, it is necessary to have related transactions among them. Over the past years, the majority of the related transactions have always been normal commercial transactions with general commercial conditions.

In case, there are other types of related transactions such as the acquisition or disposal of assets, letting the property for rental, or giving of financial assistance, the Company has considered performing the transactions for the optimal benefits of the Company. Related personnel shall not have any personal interests in such transactions and shall not exercise their voting rights for consideration of such matter in the Board of Directors' meeting or in AGM. The Company has strictly complied with the Regulations of the Stock Exchange of Thailand or of the Office of Securities and Exchange Commission.

The Company has disclosed the data on the related transactions to its shareholders and investors before performing the transactions through the Electronic Company Information Disclosure System (ELCID) of the Stock Exchange of Thailand, providing details/types of transactions/names and relationship with the related personnel, reasons and necessities to perform the transactions, pricing policy, value of the transactions, comments of the Audit Committee as well as comments of the Board of Directors.

Details of such transactions in 2010 are disclosed on pages 67-69.

Related transactions in terms of giving of financial assistance: the Company needed to have such transactions for the optimal benefits of the organization since the Company had the financial management of the Company and its group companies to create the liquidity and maximum economic returns; and sometimes, the Company needed to lend money to subsidiaries, which it was the majority shareholders, as part of the working capital; or sometimes, the group companies had surplus money and deposited it to the Company, as the parent company; and such companies shall receive the investment returns at the rates of not less than those receiving from outside financial institutions (on an arm's length basis); or in case, the Company guaranteed the loans according to the proportion of shareholding in accordance with those joint venture agreements.

3. Consideration of the Stakeholders' Roles

The Company has given the importance on rights of the Company's stakeholders since they are the main components, which help promote the business operations of the Company in accordance with the prescribed objectives, as well as its sustainable growth. Provided that the Board of Directors, the management and all employees have adhered to the fair treatment to the stakeholders under the principle of "Integrity, Quality and Service", on the following matters:

3.1 For the matter of personnel, the Company has its clear and concrete policy on the maintenance of the occupational health, safety, welfare and benefits of employees; and has prepared the employee's manual and prescribed the work regulations in writing. All employees have acknowledged the said matter;

- The Company has established the provident fund of the Saha-Union Group; and has formed the Provident Fund Committee to supervise, follow up and coordinate with the Provident Fund Manager. This is a channel for employees to save their money in long term. Moreover, the Company's contribution to the provident fund was at the rate of 3% of the employee's salary;

- The Company has also established the Savings Cooperative of employees of the Saha-Union Group so that the employees would be able to save some money on the pay day and to receive the annual dividend. Moreover, in case, an employee has any financial emergency, he/she may loan from the Savings Cooperative, offering various loan types with prescribed rules and regulations. The Company's employees shall receive the cumulative savings upon their resignation or retirement. This savings program guarantees the employees' security and living after their retirement.

- Personnel Development Policy: the Company has emphasized the competency system and organized training program to provide skills and work-related knowledge for employees. This helps talent to advance their careers and earn more responsibilities. The Company required its employees to accept training and to comply with the guidelines of job improvement to reach performance excellence system of the Thailand Productivity Institute. The employees have acknowledged and understood accordingly.

3.2 Regarding customers, the Company has its policy of fair treatment, maintenance of positive relationship, responsibility to customers by strictly following through its commitments;

3.3 Treatment to the business partners of the Company. The group companies treats others fairly, never take advantage of the business partners and always comply with the agreements. For example, when the sale prices have been agreed, though, the cost of production of the Company is, later, higher than due to subsequent increases of raw materials, the Company shall still hand over the products under the agreed prices and quality;

3.4 Policy on treatment to creditors: the Company has emphasized the responsibility and compliance with the agreements. For example, the group companies shall strictly settle the debt payments of products or loan repayments according to the due dates;

3.5 The Company has its policy and guidelines of equal treatment to shareholders and shall be responsible for the shareholders' investments by providing them with proper investment returns in terms of dividend according to the disclosed policy on dividend payment. Moreover, the Company has given opportunities for shareholders to contact and ask questions through the channel of investor relations;

3.6 The Company has its policy on environmental protection by strictly complying with the legal requirements. For example, the group companies have provided the wastewater treatment wells and controlled the release of pollutions, and have complied with the environmental management standard. Moreover, the group companies have been accredited with ISO 14000 and ISO 14001 and have audited the said performance of work;

3.7 The Company has its policy and guidelines on responsibilities to communities and the society by not causing nearby communities any troubles and generating public interests such as employment opportunities and welfare. The Company has its policy on noise and pollution control and has organized social contribution activities such as donating teaching and learning equipment to schools in Bangkok and in other provinces or organizing other activities as disclosed in the Section: Corporate Social Responsibility Activities

3.8 The Company has its channels of communication with stakeholders such as shareholders through the channel of investor relations. Stakeholders may contact or give complaints to Mrs. Chanida Devahastin Na Ayudhaya; Tel. No.02-3115111; Ext. 7674; or Fax No. 02-7414823. The co-ordination will be preceded to operate related processes;

4. Disclosure of Data and Transparency

The Company has its policy on complete, transparent and prompt disclosure of essential information so that shareholders and investors may understand and use the said data for decision making, including the data contingently disclosed during the year and the annual disclosure of data relating to the Company, as well as the quarterly and annual financial reports. In the Form of Annual Data Disclosure (Form 56-1) and the annual reports (Form 56-2), the Company has disclosed the following data in brief:

4.1 The structure of shareholding, with the list of 10 major shareholders, list of the majority shareholder group, list of actual shareholders, including the proportion of shareholding;

4.2 Data of the Board of Directors, with names and job titles, including independent directors, audit directors, the number of shares held by directors and the management of the Company;

4.3 Profiles of directors, including directors training and work experience;

4.4 Types of remunerations and amounts paid to individual directors;

4.5 Directors' performance of duties, with the number of meeting attendances;

4.6 Financial reports showing status and performance, including balance sheets, profit and loss accounts, cash flow statements, statements of changes in shareholders' equities, and notes to the financial statements;

4.7 Explanation and analysis of the management on the financial status and performance;

4.8 The Auditor's report showing unconditional opinions; provided that the Company's auditor shall have independence and have no relationship with the Company or the management and employees; and the Company's auditor shall be approved by the Office of the Securities and Exchange Commission;

4.9 Disclosure of data relating to business operation and trends of the industry and competition in each of main businesses;

4.10 Risk factors;

4.11 Related transactions;

4.12 Relationship with investors;

As the Board of Directors has its policy on accurate and transparent disclosure of the essential information in accordance with the related rules and regulations, the stakeholders shall have accesses to the Company's information. The Company has displayed its information on the Company's website at www.sahaunion.co.th and the data affecting the stock prices and the decision-making of investors; and has disclosed the data through the Electronic Company Information Disclosure System (ELCID) of the Stock Exchange of Thailand. The Company has a specific unit responsible for investor relations; whereas, institutional and non-institutional investors, analysts, and related parties have contacted and attended the meeting with representatives of the Company to get the information and news on the Company's activities. The contact person is Mrs. Chanida Devahastin Na Ayudhaya; Tel. No. 02-3115111, Ext.7674; Fax No. 02-7414823. The Company is pleased to receive comments and recommendations and to give the related data to the analysts, institutional investors and minor shareholders.

Details of the above topics are shown on page 8-12, 22-30, 34-35, 37-38, 43-45, 54-69, 72-142.

5. Responsibilities of the Board of Directors

The Board of Directors has its responsibilities to the Company and shareholders and all stakeholders, with duties to supervise business as follows:

5.1 The Company has its policy and the corporate governance manual approved and signed by the Board of Directors and has communicated with all related parties in the business group to sign for acknowledgment and compliance;

5.2 Regarding the business ethics, the company group has its policy of business operations in the same directions, equal treatment to all stakeholders, and adherence to business ethics of "Integrity, Quality and Service", which have been acknowledged and complied by all related parties. This policy of business ethics has been openly and clearly announced and practically passed on to employees at all levels to demonstrate. The Company has regularly followed up the implementation of the above mentioned policy of business ethics and related matters;

5.3 Leadership and visions of the Board of Directors:

- The Board of Directors has determined the objectives, visions, missions, strategies, goals and the policy of business operations of the Company and the group companies so that all related parties including the management and all employees shall be acknowledged and comply with them accordingly;

- In the past, the Board of Directors and the Audit Committee supervised the business operations of the Company for proper compliance with the rules and regulations and made sure that there was no action against the government rules and regulations. The Board of Directors has carefully performed its duties with due care and skills. The Board members have already received the training on the roles, duties and skills of directors from IOD.

5.4 The Board of Directors' meetings:

- In the previous year, there have been 12 meetings of the Board of Directors whose individually perform duties as appearing in the information of the Board of Directors' meeting in the Section "Structure of Management". Normally, all members of the Board shall convene on a regular basis, except those who were assigned to supervise the Company's businesses abroad may attend the meeting via video conference (if available) for their active participation in good governance;
- Normally, non-executive directors such as the Audit Committee who are also the independent directors would have opportunities to convene among themselves with no management in order to evaluate any interesting matters or to convene with the Company's auditor;
- The Company has clearly separated the roles, duties and responsibilities between the Board of Directors and the management. In case, the management deems expedient to propose any matter for the Board of Directors' consideration according to the scope of powers and duties, the management will regularly manage to do so;
- The Board of Directors shall regularly evaluate its performance of work on a yearly basis; and the Company's secretary shall gather and report the result thereof to the whole Board of Directors for acknowledgment and consideration of improvements;

5.5 Regarding the performance of work of the President, the Nomination and Remuneration Committee will consider it for the purpose of remunerations determination;

5.6 According to the Company's policy, visions and missions relating to employees and the management, the Company has its succession plan of high ranking executives and the management. Moreover, there are training and development plan and successor's identification for continuous operation of work and achievement of prescribed objectives;

5.7 The Company has already appointed the Company's secretary, with responsibilities and requirement to comply with regulations described in Securities and Exchange Act No. 4 (B.E. 2551), article 89/15, 89/16, 89/17 and 89/23. For the Company's secretary, he/she shall be capable of giving advice on applicable laws, rules and regulations to the Board of Director. Moreover, the Company's secretary shall handle activities of the Board of Directors, gather the result of self-evaluation of the Board of Directors, conclude the results for acknowledgement of the Board of Directors and coordinate with all related parties for successful compliance with the resolutions of the Board of Directors;

5.8 Aggregation and Segregation of Positions:

The Chairman shall not be the same person as the President and shall have no relationship. There must be clear separation of duties according to different scope of powers and duties of each of them, which must be specified in the manual of administration policy. Moreover, the Chairman shall have the independence relating to the presentation of ideas, which must not be dominated by the management; and the Chairman shall not be one of the permanent management of the Company.

5.9 The Audit Committee:

The Board of Directors has passed its resolution to appoint the Audit Committee, who are fully qualified according to the criteria of the Stock Exchange of Thailand as from October 22nd, 1999. Thus, correctly in accordance with the Announcement of the Securities and Exchange Commission (SEC) in 2009 as well. The Audit Committee shall have the term in office of 3 years and shall totally consist of independent directors and non-executive directors. In 2010, the Audit Committee consisted of:

Name	Position	No. of Meeting Attendances
1. Mr. Sompop Amatayakul	Chairman of Audit Committee/Independent Director	9/9
2. Mrs. Araya Arunanondchai	Audit Committee/Independent Director	7/9
3. Miss Pakinee Prettitumrong	Audit Committee/Independent Director	9/9

All of the 3 members of the Audit Committee have performed their duties with independence continuously. In 2010, there were 9 meetings of the Audit Committee; and the results of their work performances have been reported to the Board of Directors on a quarterly basis.

The Audit Committee has prescribed its Charter in writing, approved by the Board of Directors, with the clear scope of duties and responsibilities, as follows:

1. Review the Company's internal control system to ensure its appropriateness and effectiveness;
2. Participate with the management in the selection, review and nomination of the external auditors, co-ordinate with the external auditors on preparation of related financial reports and review the Company's financial reports to ensure their accuracy and credibility;
3. Review the Company's compliance with applicable laws and regulations and prevent any conflicts of interests;
4. Prepare Audit Committee's report to be signed by the Chairman of the Audit Committee, published in the Company's annual report, and sent to the related parties;
5. Make sure that the management has corrected the errors found and follow up the correction of the said errors;
6. Follow up and evaluate the performances of work as the Audit Committee may deem significant;
7. Carry out other missions as assigned by the Board of Directors;

Profiles of the Audit Committee are disclosed on the Document, pages 8-10.

For the performances of work of the Audit Committee for 2010, the Company has attached the report of supervision of the Audit Committee in the report of the Audit Committee pages 70.

5.10 Internal Audit and Control System:

The Company has its policy to give importance to the effective internal control system, both at the management and the operational levels; and has therefore prescribed proper, clear and concise, but not redundant criteria and operational procedures thereof, including the operational powers authorized at each level as from the management to the operational staff. There is the separation of duties between the operational staff, the controllers, and the evaluators to create the balance of powers and cross checking. Moreover, the financial reports were proposed to the management to follow up the effectiveness of the operation and to maintain the property for the benefits of the Company. Details of the Board of Directors' opinions on the internal control system are disclosed on pages 52-53.

The Company has established the Internal Audit Unit to audit the work system and main operations and financial activities of the Company whether they are effectively carried out in compliance with the prescribed guidelines. This Unit has been directly assigned by the Audit Committee, according to the annual audit plan, and also has special ad-hoc assignments, as may be necessary; the Unit must report the audit result to the Audit Committee. Moreover, in case of urgency, the Unit must also report to the management directly in order to consider and correct the situation in time. For this purpose, the Internal Audit Unit of the Company shall also have its independence in reporting the audit result to the Audit Committee.

5.11 Risk Management:

The Company has established the Risk Management Committee, presided by Mr. Thitivat Suebsaeng as Chairman of the Risk Management Committee. The executives has determined the risk management policy and has assigned the Risk Management Committee to provide the effective risk management system and procedures covering the whole organization and the follow-up system for proper implementation with the changing situations. Details of risk factors and the risk management are disclosed under the heading "Internal Control".

5.12 The Nomination and Remuneration Committee:

The Board of Directors has established the Nomination Committee and Remuneration Committee to share the same members. The Committee mainly consists of independent directors (66%), including the Chairman, an independent director. The Committee comprises of directors with relevant experiences and qualifications, as follows:

Name	Position
1. Mr. Sompop Amatayakul	Chairman of Nomination and Remuneration Committee / Independent Director
2. Mr. Damri Darakananda	Nomination and Remuneration Committee
3. Mrs. Araya Arunanondchai	Nomination and Remuneration Committee / Independent Director

Scope of duties and responsibilities:

1. Establish the procedures for nomination of directors;
2. Select and nominate the qualified individuals as new directors;
3. Consider the procedures of determination of remuneration for directors;
4. Determine the amount of remunerations for directors to be proposed to the meeting of the Board of Directors for approval;

In 2010, there were 2 meetings of the Nomination and Remuneration Committee to select and nominate the qualified individuals as new directors and to consider and determine the amount of remunerations for the top management of the Company.

5.13 Independent Directors:

At the end of 2010, the Company had 5 independent directors from the total of 15 directors of the Company. Qualifications of independent directors are as requirements of the Securities and Exchange Commission.

During 2010, there was a meeting to recruit new director, consider relevant information to select new director to assume director role from January, 2011 and replace the resigned ones. The information has been disclosed through the channel Stock Exchange of Thailand.

5.14 Responsibilities to report financial status of Directors are disclosed on pages 71.

5.15 The Company had no plan to entitle the management to trade the Company's stocks;

5.16 In the previous year, the Board of Directors has followed up and supervised the operating results of business activities in accordance with the Company's objectives and policies, which have been determined with transparency and correctness in conformity with the rules and regulations of the Company. Therefore, there have been no actions or offences against the related rules and regulations.

Control on the Use of Internal Data:

The Company has its policy on ethical practices, which must be complied by the management and the Company's personnel; and the Company's business ethics of "Integrity, Quality and Service" must be adhered to. Moreover, the Company has its regulations relating to this matter, as follows:

- It is forbidden to exercise one's powers and duties or to make use of power and duties of other person for one's own benefits or to help other person in an illegal manner
- All personnel of the Company must devote their time and efforts to their work and for the benefits of the Company;
- All personnel of the Company must perform their duties with full knowledge and abilities;
- All personnel of the Company must carry out their work with honesty and integrity;

Regarding the disciplinary actions, in case, the above-mentioned disciplines are violated, the Company has determined the degrees of punishments according to the Internal Regulations of the Company.

Moreover, the Company has prevented the use of its internal data for trading of the Company's stocks, thus, for fair treatment to the outsiders. The Board of Directors has passed its resolutions in the Board of Directors' meeting, prescribing that the Board of Directors and the management of the Company shall avoid trading the Company's stocks within 14 days before the date of a periodic or quarterly disclosure of financial reports and within 24 hours after the disclosure of such data. The Company's secretary shall give the time table to all directors and the management for acknowledgment, thus, to refrain from trading the Company's stocks.

Personnel:

As of December 31st, 2010, the Company had 120 employees in total, divided into 2 Operations, including Sriracha Operation (43 peoples), Phrakanong Operation (77 peoples). Meanwhile, there were 11,198 employees in the group companies nationwide; and there has been no significant labor dispute during the past 3 years. Since the year 2007, the Company has restructured its management and has determined the policy that the subsidiaries or associated companies shall sell their products or services to customers directly. Then, some employees have been transferred to new companies in the group to render services to the customers continuously. Therefore, the numbers of employees has changed significantly from the past.

The total remunerations of the Company's employees in 2010, including salaries, bonuses, contributions to the Provident Fund and contributions to the Social Security Fund were amounted to Baht 67.4 million.

Moreover, the Company has its policy on human resources development. Its intention is to make its employees to be able to evaluate themselves, to have job creativity and improve work efficiency by having knowledge, abilities and skills required for the nature of work done, and to obtain development for further level. Therefore, the Company has periodically and occasionally provided related knowledge to employees in terms of periodical internal training and external training and seminars. The Company has organized training sessions for the middle management according to its Succession Plan of the Management's Knowledge Development Program. These were organized by Chulalongkorn University. In addition, there was training for preparation to perform accounting work in adaptation to international accounting standard that shall be in effective from January 1st, 2011.

Internal Control

The Company has emphasized its internal control system as the key element of the operational system, financial report presentation system, and operational system duly in compliance with rules and regulations of relevant government agencies. The object of this is to enable Executives and Employees of the organization to perform accurately, transparently and fairly to all stakeholders in order to reduce potential risks to the Company and enable the Company to operate its businesses under the changing situations in the long term as a result. In 2010, the Board of Directors and the Audit Committee has evaluated the adequacy of the Company's internal control system, which can be summarized, as follows:

1. The Organization and its Environment

This is an important basis for effective internal control system. The Board of Directors has supervised and set appropriate goals of business operation and clear and measurable investment plan as guidelines for Employees' performance. For operation targets, they are set by evaluating possible foreseen situations and carefully considering to be set goals considered by the Directors. Moreover, they were also analyzed the appropriateness, not too high or too low, of incentive provision and remunerations of Employees. The organization structure was developed to support efficient operation of the Management by setting guidelines and appointing the Board of Directors to supervise subsidiaries, authorizing the Executives and showing the organization chart, passed consideration of the Board of Directors to allow the Executives to communicate, co-ordinate and control organizational operation to meet its targets, follow up the Company's performance of domestic and overseas investments by classifying them by businesses, geographical areas, set targets in advance and measure the results against these on monthly basis with participation of the Audit Committee and review the plan at least 1 time every year. At the employee level, apart from evaluation against the plan, the Company has also prescribed the regulations on business ethics, prohibited behaviors, in writing, that may be conflicts of interests between its management or employees and its business operation, including punishments for any violation thereof, which are included in the Executives and Employees' Manual in Section "Disciplines and Disciplinary Actions", and regulations on confidentiality. The Company is strictly committed to the value of business ethics and its philosophy of "Integrity, Quality, and Service" to all related stakeholders in terms of financial transactions, purchasing and general administration. The Company has provided flexible guidelines and thorough operation regulations with step by step requirements in writing to anti-corruption. Under the determination of policies and operating plan, the Company demonstrates its concern about fairness to its business partners, customers and all stakeholders for the benefits of the Company and its investors in the long term.

2. Risk Management

The Risk Management Committee is obliged to evaluate situations that cause risks, may be from internal and external risks. The evaluation shall be based on the market condition, the change of economy, society, technology and political condition, and impact from foreign exchange. The Company has classified risks into business risk, operational risk, financial risk, and external risk. For each type, it shall be analyzed the possibilities and impacts on the Company, priorities or significant implications on the company, stipulation of measures to reduce risks to appropriate level. The said risks evaluation shall be monitored and reviewed and updated periodically to stipulate policies and ensure coverage of the entire organization so that the working Committee involved would comply with the following procedures. The Employees involved are notified through existing internal communication systems and are requested to comply with the risk management measures in order to reduce the risks. In addition, the Managing Director of each business unit shall report the results of the important and impactful issues of the organization periodically to ensure that each business unit has complied with the prescribed measures or plans. The Board of Directors specified that the Vice President should follow up evaluation of the Company's transactions in every area.

3. Executive Operation Control

The Company has clearly determined different scopes of responsibilities and approval limit of the Management at each level in writing. The responsibilities groupings are three separate areas for cross checking; i.e. responsibilities for approval, responsibilities for transaction and information recording and responsibilities for asset management and storage. In case of making any business transactions with majority shareholders, Directors, Executives, or any other related persons to these people, the transactions shall be interrelated items with transaction accounts as of normal nature of business and general commercial conditions shall be treated similar to those of the third parties, by being concerned mainly about the Company's optimal interests. Moreover, determination of transaction approval shall be done by non-stakeholders. The Company has duly complied with the criteria of the Stock Exchange of Thailand and the Securities and Exchange Commission relating to the interrelated transactions and has disclosed the data through the Stock Exchange of Thailand and/or in Notes to the Financial Statement. In case of transactions with related parties such as majority shareholders or the Management, the Company's measures shall cover the case that the said related parties have exploited the opportunities or interests of the Company for his or her personal benefit. It is prescribed in the Executives' Manual that, in case, the Company has approved the transactions with the related parties in the manner of binding the Company in long term such as buying and selling of products or guarantee, the Company shall monitor the following through of agreed conditions throughout such binding period. In case, the Company has its investments in subsidiaries or associated companies, the Company shall follow up their operating results regularly and shall determine the directions for compliance of the person who appointed by the Company as Director or Executive of such subsidiaries or associated companies. Moreover, the Company shall impose measures and policies to follow up the stringent compliance of its business operation with legal requirements in order to reduce the risks of business operation and to establish good corporate governance of the Company.

4. Information System and Communication

The Company gives high importance to the information system and communication since important decisions are based on sufficient and accurate information. Therefore, critical information shall be adequately submitted to the Board of Directors for consideration and decision making. The directors shall receive letter of meeting appointment and the minutes at least 7 days in advance. The minutes of the Board of Directors' meeting shall include appropriate details of proposals, inquiries, opinions or remarks in agreement or opposition of the board members, including reasons (if any). For the filing related to accounting records, the Company has completely kept in appropriate categories. There has been no complaint from the Auditors in this respect so far. Regarding the accounting policy, the Board of Directors has considered that the Management has implemented its accounting policy in accordance with the generally accepted standard of accounting, which is suitable to the nature of the Company's business, to reflect the actual picture of its operating performance, with complete and accurate contents. The said practice shall be in accordance with the Accounting Act 2000. In addition, the audit office selected shall be the standard and reliable one.

5. Follow-up Systems

For efficient and effective business operation, the Company has set its targets and objectives for business operations. The Board of Directors has closely monitored the performance of the Management to see whether they are achievable as targeted. In case of operational failure from set targets, the Company has taken remedial actions within appropriate duration on case by case basis. For those uncorrectable due to environment or limitation, the Board of Directors shall be kept informed about adjusted actions. The Company also monitors its internal audit operation consistently and to present the audit report directly to the Audit Committee. This is to allow the internal auditors to work independently and report the results openly. In case, any material irregularity is found, it shall be promptly reported to the internal auditor for consideration of correction within a reasonable time. In case of fraud, suspected acts, or violation of the laws, which may significantly impair the reputation or financial status of the Company, the Management is required to immediately notify them to the Audit Committee and the Board of Directors. The Company has imposed that for the case of different opinions between the Audit Committee and the Board of Directors, the writing evidence shall be made in the minutes of the meeting. However, it has never been happened before. The Company has disclosed the report of corporate governance to the Audit Committee as page 70.

Risk Factor

Board of Directors and the Executives has considered environmental, economic, political and social change has strategic and operational plans for the organization to achieve objective on the return in their investment in a reasonable rate and can pay dividends, or has added value to the shareholders. Under which it has many risk factors. Therefore, the Company has Risk Management Committee with a risk assessment based on internal factors and external factors to have nature of risk in terms of business view. Operational and financial aspects arising from external events that may affect the company significantly. Risk assessment for each category based on the severity and the likelihood to occur for its impact on the management measure, to reduce the risk to be accepted by the organization or eliminate the risk. The measures and policies on the risk management has been transmitted to the Executive and implemented levels of the company. The companies in the Group's core business identify the clear objectives and carried out in the same direction to achieve policy's goals.

Events that cause the risk to affect the company significantly. Major subjects consist of:

1. Business Risk is the risk on the return on investment does not meet the target.

Nature of major businesses of the Company are the investments including domestic investment and foreign investment to have risk on the return on investment, or may be the dividend received does not meet the target, which will affect the profit may be reduced. The company estimates that likelihood and impact on this case had a moderate level. The Company's management measures by the company's performance very closely and their return on investment. Events that occurred in 2010, the Company has considered business contract manufacturing of electronic components, which are contracts remaining for one year of the employer to produce in the name of Hitachi Global Storage Technology (Thailand) Co., Ltd. (HGSTT) want to rent a property, plant and equipment to be related with the production from the company to produce themselves with the 3 years of rental period. The company has considered the risks and potential business. Board of Directors has resolved to change the business of contract manufacturing to be the real estate rental service instead.

In addition, the business may be at risk on the return on investment does not meet the target in the future. Caused by changes in accounting standards generally accepted accounting principles of Thailand to use the International Financial Reporting Standards (IFRS). If the standard interpretation of financial report No. 12 (IFRIC 12) (on service concession agreement) was adopted, it might result in the energy business to change the model of accounting record. The company has invested in Ratchaburi Power Company Limited, the business of producing electricity may be connected within the scope of IFRIC 12 and may affect to the decrease of net profit in the early years which may cause the Company to receive less dividends.

2. Operational Risk: There are significant operational risks including:

2.1 Risk of damage and failure of management on investment business

As described earlier that, the core of the investment if the organization that invested by the Company had a failure of management, it may cause damage to the value of the business. The company estimates that the opportunity and impact in the medium level as the company has business diversification. The Company's measures are supported using anti-damages by the business of the Company to invest on the risk assessment system and internal control systems of their own and focus on a system Physical check with the addition of the company itself must have system monitoring and evaluation of internal control on the business investment.

2.2 Risk of reliance on orders from a few major customers

Portfolio of products the company is relying solely on orders from major customers as a main component of electronic products that have received orders from Hitachi Global Storage Technology (Thailand) Co., Ltd. only, from those reason, if the Company loss these customers, the company will have much impacts. Events that occurred in 2010, the Company has considered the risks of business as described in Article 1 section Business Risk and change type of business with this partners to be real estate rental services by the lease term for 3 years effective from 1 January 2011.

3. Financial Risk is significant.

3.1 Risk of foreign exchange loss in the group

The company analyzes the opportunities and the impacts are high because the situation during the past year the exchange rate and the Baht value are appreciate trends but fluctuate. Business transactions with companies in the export ratio are more reasonable and the Company is supported by measures to arrange to be responsible to keep track of the situation and the exchange rate management and reporting and consultation with senior management to make decisions. Typically, the Company will hedge the exchange rate by using Natural Hedge and consider buying or hedging agreements with banks such as the Forward Contract to be suitable for each situation. In addition, the invited experts from financial institutions have educated on the Executives involved in the group from time to time in order to realize the importance of knowledge and information management to engage with them.

3.2 Risk of impairment of investments

The Company has investments in many businesses. Sometimes, changes in economic and political situation, energy price in raw material prices may affect demand or cost factors, the production of certain products to affect the performance of the business. If the negative impact to the Company that the Company may also invest in the share value of shareholders' equity decreased. The Company estimates that likelihood and the impacts were moderate. The measures set up a system to evaluate business investments by quarterly and report to the Executives. The Company has assessed on impairment of investments which already accounted for in the notes to financial statements for the years 2010 No. 11 and No. 12.1 No. 13.

4. External Factors which is not in the nature of the Company to control.

Types of risks that are significant to the Company are as follows.

4.1 The increase in oil prices and energy in the world market.

To cause risk, on the raw material price increases. While the price of products on the market can not raise prices to rise on proportion to the increase in raw material prices have affected the gross margin decline. The company analyzed whether the company has more likelihood of a policy to reduce the risks in this requires that the managers with knowledge and experience to oversee the strategy pursued by purchasing and modify operations to fit changing circumstances and continue to comply with the appropriate amount and duration. In addition, the increase in energy prices may cause the Company's management costs to be higher. The company has measures to save energy and / or improve the related equipment to reduce energy.

The past year since the late 2008 to mid 2009, the oil company which the Company invested in Canada have been affected by fluctuating in oil prices. This price decrease from the previous. The process of investment and financial plan in the Company's business is not as planned. In late 2009 there is no certainty in the situation. This case, the Company recorded provisions for impairment of investment in full amount in fiscal year 2009 and then, however, the company has changed the situation by finding a new strategic investor. However, on March 12, 2010 the Company's Board of Directors already approved the agreement on a new joint venture which already proceeds the new joint venture has already payment to creditors. Nevertheless, these companies need to find a strategic investor as a source of new capital in the normal course. So the opportunity is in the next operation to be depended on the ability to find sources of funding from new venture capital. Therefore, the Company will evaluate the feasibility of the project will continue to operate or not to be taken into account adjustment for impairment of investment next time.

4.2 Higher Interest Rate Risk

As the company's sources of funds and a portion of the loan have financial costs with the interest rate which are factors beyond the control of the company. If interest rates rise, it will affect the cost of financial year 2010 increase in the higher interest rates slightly. So the likelihood to occur of this risk is moderate and there is little impact on the Company's current circumstances. However, the company has a policy to prevent this risk by maintaining a portion of the structure between debt and fund accordingly to achieve a high return on investment than the financial costs of the company.

4.3 The risk of Global Economic Change

In 2010 the world economy has changed in many ways to improve the company's sales volume increase. But the price was very competitive. Most partners veer into contact with more competitors in Thailand to affect the operations of the company to invest in the business (Real Sector) or the cost of investments in the secondary market. The Company evaluated the likelihood to occur is high, but it is the moderate impact. The management measures are careful about investment as well as to monitor the country's economic and investment fundamentals of the invested company. The Company's type of investment is long term yields.

The risk factors are reviewed and considered the impact and potential opportunities for improvement measures to meet the changing circumstances for each period. In order to manage the overall business to be competitive in the long term.

Management Discussion and Analysis

1. Performance on the Business Plan

According to the business plan, the Company has invested (as continuously disclosed) in energy business in Thailand, namely Ratchaburi Power Company Limited (RPCL), with the power generation capacity of 1,400 Megawatts and the total investments of Baht 732.5 million, or equal to 10% of its registered capital. In 2009, RPCL has fully operated its commercial business and was able to pay dividends to the Company for the first time in 2010 (details are specified in the heading "Other Incomes: dividend income"), thus, in accordance with the plan; however, in case, the accounting standard governing the interpretation of concession business or services shall be applicable in the future, the accounting profits may decrease and resulting in the decreasing dividend to be paid to the Company.

Regarding the overseas businesses, the Company has invested in a project in Vietnam, i.e., the Ban Yan Tree Indochina Hospitality Fund L.P.; as of December 31st, 2010, the Company has not fully paid its investments therein; however, the paid investments were equivalent to Baht 65.055 million; meanwhile, the outstanding investments shall be paid in installments as notified by the project management; and at present, real estate project is under construction, which expected to be complete according to the plan; and the construction of the first real estate project will be complete in approximately 2012; moreover, the Company and its subsidiaries have also invested in the real estate business in Jiashan City of China, amounted to Baht 677 million or equal to 49% of the investments; at present, the construction of the Project, Phase 1, was about to complete and expected to be sold within 2011.

2. Operating Result

Overview of Operating Results

Regarding the operating result under its separate financial statements calculated according to the cost method, in 2010, the Company had its net profits of Baht 1,312.58 million, increased by Baht 537.91 million or equal to 69.44% when compared to its net profits of Baht 774.67 million in 2009; the main reason was that the Company has received the additional dividends of Baht 121 million and has recorded the reverse transfer of losses from impairment of property, plant and equipment and the reverse transfer of losses from impairment of investments, totally Baht 258 million, because the Company shall change the business type of Sriracha Operations, therefore, the indicators of accounting impairment in the past were terminated; moreover, the interest expense has decreased by Baht 28 million because the Company had the surplus liquidity and therefore repaid the long-term debts prior to the due date of payment; provided that the Company's earnings under its separate financial statements shall not be equal to the earnings under the consolidated financial statements because of changes in the accounting standard, requiring that the separate financial statements shall be calculated according to the cost method; but the consolidated financial statements shall be calculated according to the equity method. Regarding the operating result of the Company and its subsidiaries as per the consolidated financial statements in 2010, the Company and its subsidiaries had the net profits, according to the proportion of shareholding of the Company, amounted to Baht 1,823.83 million, increased by Baht 841.57 million or 85.68% when compared to its net profit of Baht 982.26 million in 2009, mainly because of changes in the operating result under the consolidated financial statements and significant factors, including:

2.1 Policy of Foreign Government Agencies

As the Company has its investments in energy businesses in China, in the category of generating and selling of electricity and steam; and since the business was involved with public utilities, though, the formula of electricity sales price shall be calculated based on the cost of coals which are main raw materials, the adjustment of electricity sales price shall be notified to and approved by the authorities; therefore, in 2010, the coal price has increased when compared to those in 2009; and the electricity sales price shall be increased; however, the period for approval from the authorities cannot keep up with the increasing prices of raw materials; as a result, the profits during such period have decreased; and the Company has recognized the profit shares from investments in associated company under the equity method in the separate financial statements have decreased; but the sales prices of steam can be calculated and adjusted with customers directly.

2.2 Fluctuation of Security Prices in Overseas Trading Markets

As the Company has invested in securities according to demands of overseas markets; and according to the accounting standard, the market prices of remaining securities as of the end of the accounting period shall be estimated equal to the market prices of securities in such day; and the Company shall recognize the allowance of profits or losses from the estimation of such market prices in the statement of earnings; therefore, though, the Company has its unsold securities and the actual profits or losses do not exist, the Company needs to recognize the difference between the cost prices and the market prices of securities as of the end of the accounting period; and it can be seen that, in case, the security prices in overseas trading markets are more fluctuated, the recognition of such difference has also increased accordingly; however, the Company has its policy of investment in businesses with good basic factors; and proper returns are expected.

2.3 Foreign Currency Exchange Rates

As the Company has its business of product export, in case, Thai Baht keeps appreciating when compared to foreign currencies, the actual amount of payments of products and services in Thai Baht shall decrease. In 2010, Thai Baht has been considerably appreciating when compared to US dollars and when compared to the end of 2009; as a result, the actual amount of payments received in Thai Baht from the export of products has decreased, despite the same sales prices in US dollars; and though the volume of sales in 2010 was more than those of the end of 2009, the actual amount of sales has not much increased.

2.4 Fluctuation of Raw Material Prices

The Company has its investments in the business of elastic band, elastic webbing and elastic braid in its subsidiaries, which are products of natural rubbers of which prices are fluctuated. In 2010, rubber prices have increased continuously when compared to those in 2009; but the sales prices were fixed in advance according to circumstances. When the rubbers prices have increased, the cost of production has also increased; and the profits have decreased considerably; therefore, the fluctuation of rubber prices has resulted in the increase or decrease of profits in subsidiaries and the dividend payments to the Company.

2.5 Marketing and Competition

Under the current economic condition, the marketing patterns have changed and the competitions have been severe. In case of over-supply of products, the sales prices may not be increased, despite the increases of sale cost; therefore, the Company has to adjust its strategies for its business survival by emphasizing the production of specific products and generating profits in certain businesses such as textiles, etc.; as a result, its textile business has generated the increasing profits.

Other factors involving the increase of profits are not the impacts from outside events.

3. Previous Operating Results of the Business Group

3.1 Sales and Services Income:

In 2010, the Company had its sales and services income amounted to Baht 10,141.09 million, increased by Baht 1,523.53 million when compared to Baht 8,617.56 million in 2009 due to the increase of sales volume of the main businesses including textile, plastics, rubber, metals, computers and electronic parts and the increases of purchase orders resulting from overall improving economic condition.

3.2 Other Income:

In addition to the above-mentioned of sales and services income, the Company had other incomes from investment businesses. In 2010, the Company had other incomes amounted to Baht 1,428.75 million, increased by Baht 711.18 million when compared to those in 2009 (Baht 717.57 million); such increase of incomes was equal to 4.66% of the total incomes due to the main reasons, as follows:

3.2.1 The Company had its gain on disposal of property, plant and equipment, which have increased by Baht 535.03 million; whereas, the majority of the profits were from the disposal of some portions of property of a subsidiary, namely Union Textile Industries Public Co., Ltd., which were other incomes generated only once;

3.2.2 The dividend income of the Company has increased by Baht 238.75 million because the Company has received the dividends from investments in Ratchaburi Power Company Limited, which is an energy business in Thailand for the first year, divided into annual dividend amounted to Baht 180 million and interim dividend of 2010 amounted to Baht 110 million;

3.2.3 The Company had its gain on disposals of investments according to the equity method in 2010 amounted to Baht 91.75 million due to its sale of investments in Jiyang-Union Cogeneration Co., Ltd., in China and its recognition of profits according to the equity method;

3.2.4 The Company has obtained more rental income of Baht 13.4 million; whereas, the majority of its rental incomes were from its subsidiaries in China and Hong Kong, which generated incomes for the first time in 2010;

3.2.5 The Company had other incomes, which have increased by Baht 82.94 million, which were profits from the currency exchange rates, increased by Baht 75.63 million, from businesses of textile, rubber and metals of which part of the business transactions was from the sales and export of products; moreover, the Company has executed the contract of future currency trading to prevent the risks and has generated the increasing profit margins;

3.2.6 In this year, the Company had no unrealized gain from revaluation of securities according to the market prices as of December 31st, 2010, except for the unrealized losses from revaluation of trading securities of foreign securities, amounted to Baht 3.12 million; meanwhile, in the previous year, the Company has realized the profits thereof amounted to Baht 250.18 million, resulting in the difference of such amount of money;

3.3 Cost and Selling and Administrative Expenses:

In 2010, the Company and its subsidiaries had the selling and service cost amounted to Baht 8,647.08 million, increased by Baht 1,511.39 million when compared to those in 2009 (Baht 7,135.69 million) due to the increase of gross sales and services; however, the proportion of the selling cost has increased because in 2010, the cost of raw materials has increased; but the sale prices have increased in smaller proportions when compared to the increasing cost.

In 2010, the Company and its subsidiaries had the selling and administrative expense amounted to Baht 1,057.37 million, decreased by Baht 71.83 million when compared to those in 2009 (Baht 1,129.20 million); the net amount thereof has decreased from the selling expenses, which have increased by Baht 39.31 million; but the administrative expenses have decreased by Baht 109.49 million; and the management benefit expenses have decreased by Baht 1.64 million. The selling expense has increased in proportion to the gross sales of each subsidiary which have increased in the businesses of textile, plastic and computers; and the administrative expense has decreased by Baht 109.49 million due to the main reasons of the decrease of depreciations due to complete amortization of assets; and the personnel expense has decreased because some employees have reached their retirement age.

3.4 Profits:

In 2010, the Company and its subsidiaries had the gross profits of Baht 1,494.02 million, increased by Baht 12.14 million when compared to those in 2009 (Baht 1,481.87 million). The gross profit margin in 2010 was equal to 14.73%, which was less than those in 2009 (17.20%). The reason why the gross profits were more than those in 2009 but the gross profit margin has decreased because the sales volume has increased but the amount of money obtained from sale has not increased in proportion to the increase of the sales volume because the unit sale prices of some products have decreased; and another factor was that the amount of money in Thai Baht obtained from export sale has decreased, resulting from Thai Baht appreciation throughout the year 2010 and the business of elastic band had the increasing cost of sale because the rubber prices have increased more than 100% when compared to those in 2009.

Regarding the operating profits, the Company and its subsidiaries had the operating profit margin to the total revenue calculated under the equity method, equal to 22.09%, or increased by 6.71% when compared to 15.38% in 2009, thus, resulting from its normal business operations and the special profits were generated only once, consisting of the receivable dividends, which have increased by Baht 238.75 million or 1.83% of the total revenues (details are specified in the heading “Other Incomes”) and the administrative expense, which has decreased by Baht 109.49 million or 2.58% of the total revenues; moreover, there was a reverse transfer of losses from impairment of property, plant and equipment, amounted to Baht 180.99 million or 1.48% of the total revenues because the Sriracha branch of the Company shall change the business type from contract manufacturing to the property rental business, therefore, the indicators of impairment in the past were terminated and the transactions of such losses shall be reversed as the increase of incomes of the year 2010. Regarding the recognition of profit shares from investments in associated company in 2010, the proportion thereof has decreased by Baht 159.54 million or equal to 2.81% of the total revenues, mostly resulting from the decrease in the operating profits of the energy business (electricity generation) in China because of the higher cost of coals, which are main raw materials; and almost all of the special profits which were generated only once, were from the distribution of some portions of land of a subsidiary, namely Union Textile Industries Public Co., Ltd., amounted to Baht 548 million; as a result, gain on disposals of property, plant and equipment of 2010 have increased by Baht 535.04 million or equal to 4.50% of the total revenues.

In 2010, the proportion of net profits to the total revenues was equal to 18.82%, increased by 6.59% when compared to those in 2009 (12.23%), resulting from such increase in the above-said operating profits, deducted by the proportion of financial expense (0.55%) and the proportion of corporate income tax (2.72%); in 2010, the proportion of financial expense has decreased because the Company had its surplus liquidity and therefore repaid the long-term debts prior to the due date of payment; as a result, the interest expense has decreased; meanwhile, the proportion of corporate income tax has slightly increased because the net profits to be calculated for corporate income tax payment have increased as above-mentioned. When calculating the net profit shares, there were the minor shareholders’ equities in the subsidiaries and the proportion of net profits to the total revenues was equal to 3.05%; therefore, in 2010, the proportion of the Company’s net profits to the total revenues was equal to 15.76%.

In 2010, the shareholders’ rate of returns was equal to 13.08%, increased by 5.73% when compared to those in 2009 (7.35%), mainly due to the increase in the operating profits in 2010 as above-mentioned governing the operating profits and the net profits.

According to the consolidated financial statements of the Company, in 2010, the Company had its net profits from the shareholders’ equities amounted to Baht 1,823.83 million when compared to the net cash flow from its operating activities amounted to Baht 1,269.99 million; the net cash flow from operation was Baht 553.83 million less than the net profits of the Company resulting from the net profits plus gain on disposals of property, plant and equipment of the Company and subsidiaries amounted to 597.08 million, including the transaction of reversal transfer of losses from impairment of property, plant and equipment amounted to Baht 225.17 million, which was not included in the cash inflow from operations; therefore, when comparing the cash flow from its operating activities with the net profits after deduction of the above-said 2 transactions which were not included in the operating activities, it can be seen that the cash flow from its operating activities was not less than the net profits from operation though the proportion of cash flow from its operation has increased by Baht 1,269.99 million or 0.70 time of the net profits. According to the above-said reason, it indicated that the Company was still having its healthy operational liquidity.

3.5 Rates of Returns to Shareholders:

As per the consolidated financial statement of 2010, under which the accounting standard requires the calculation according to the equity method, the Company shall record the recognition of profit shares (losses) from its subsidiaries and other associated companies. The Company had its net profits from the shareholders’ equities amounted to Baht 1,823.83 million and the profits per share of Baht 6.29 (calculated by using the number of weighted average common shares deducted by the number of the Company’s shares held by its subsidiaries); and the average rates of returns to the shareholders’ equities were equal to 13.08%, which were higher than the rates of returns when compared to the interest rates for the fixed savings accounts of financial institutions.

In 2010, the Company had its net profits, under the cost method, amounted to Baht 1,312.58 million or the earning per share of Baht 4.38, which were more than those in 2009 (net profits amounted to Baht 774.67 million or the earning per share of Baht 2.8. The main reason why its net profits under the cost method in 2010 were Baht 537.91 million more than those in 2009 because the company has received additional dividend payment amounted to Baht 121.12 million; and there was a reverse transfer of losses from impairment of property, plant and equipment, amounted to Baht 151.67 million; and the reverse transactions of losses from impairment of investments, amounted to Baht 106.72 million, which were part of the explanation in the heading "Profits as per the Consolidated Financial Statements", as above-mentioned. Moreover, the Company had its policy of dividend payment at the rate of at least one-third of the net profits under the cost method after deduction of cumulative losses (if any) when taking account of the liquidity and the spending needs of the Company. However, the proper rates of dividend payment to shareholders were regularly considered. On March 24th, 2010, the Board of Directors has proposed to the AGM that the dividends would be paid to shareholders at the rate of Baht 1.75 per share or equivalent to 39.99% of the net profits under the cost method.

Records of dividend payments of the Company compared to the earning per share, under the cost method, are as follows:

Year	Rates of Dividend Payment Per Share	Earning Per Share (Under the Cost Method)
2009	1.50	2.58
2008	1.00	0.93
2007	1.25	0.92
2006	1.25	1.62
2005	1.25	1.85

4. Financial Status

Changes in the financial status of the Company and its subsidiaries as per the consolidated financial statements are summarized, as follows:

4.1 Assets:

As of December 31st, 2010, the Company and its subsidiaries had the total assets of Baht 19,037.39 million, increased by Baht 127.46 million or equal to 0.67% when compared to those at the end of 2009 (Baht 18,909.93 million). Significant changes can be summarized, as follows:

4.1.1 Components of Assets:

As of December 31st, 2010, when making significant comparison in proportion with the total assets of each year, the current assets were equal to 29.49%; investments were equal to 48.64%; property, plant and equipment (net) were equal to 18.27%; and other assets were equal to 3.60%. When making comparison in proportion with components of assets in 2009, the significant changes were as follows: the current assets have increased by Baht 196.66 million or increased by 0.84% mainly due to the increase of cash and cash-equivalent amounted to Baht 214.67 million, as the Company had the surplus liquidity and it was specified as the balance of bank deposits; while making the transactions, the net temporary investments have decreased by Baht 127.85 million; and the accounts receivable and inventories have slightly increased as per the increase of gross sales from its normal business operations.

Meanwhile, the proportion of total investments has decreased by Baht 123.87 million or equal to 0.99% because the Company has sold its investments in its associated company, namely Jiyang-Union Cogeneration Co., Ltd., because it was predicted that the rates of investment returns in the future would not be worth investing. The cost price in the consolidated financial statements was amounted to Baht 222.64 million; and the profits from distribution of investments as per the equity method were amounted to Baht 93.2 million; moreover, the subsidiary has purchased additional investments equivalent to Baht 68.13 million in one of its associated companies, namely Ping Bian Yunnan Energy Union Co., Ltd., operating a business of electricity cogeneration. Regarding other investments, the Company has additionally invested in securities according to the demands of domestic and overseas markets by selecting securities with good basic factors. (Details are as specified in Notes to Financial Statements No.13 Investments in Other Companies and Investments in the Available-for-Sale Securities).

Moreover, the transactions of property, plant and equipment (net) have increased by Baht 186.22 million due to the main reason of reverse transactions of allowance for impairment of property, plant and equipment amounted to Baht 225.17 million because Sriracha Branch of the Company has changed its business type from contract manufacturing of electronic components to the business of property leasing; therefore, the assets which were evaluated for impairment thereof in the past, will no longer be impaired and, therefore, the transactions of allowance for such impairment thereof shall be reversed.

There were insignificant changes of assets other than those mentioned above.

4.1.2 Quality of Assets:

As of December 31st, 2010, the balance of accounts receivable (net) was amounted to Baht 1,538.44 million, increased by Baht 62.71 million when compared to those in the previous year (Baht 1,475.73 million) because the Company had additional gross sales of products and services in 2010; therefore, the number of accounts receivable has increased; but most of outstanding accounts receivable were not yet overdue; and the average period of debt collection in 2010 was 55 days, equivalent to the period of loan provision of the Company. However, the Company has evaluated the net value expected to receive from the accounts receivable still unpaid for over 1 year, amounted to Baht 55.3 million. The Company has also recorded the allowance for doubtful accounts for the said accounts expected to be uncollectible, amounted to approximately Baht 32.9 million, or equal to 2.14% of the total accounts receivable. The Company and its subsidiaries believed that such allowance for doubtful accounts was sufficient according to the current situations.

As of December 31st, 2010, the Company had its net inventory amounted to Baht 1,226.7 million, or equal to 6.44% of the total assets, increased by Baht 58 million when compared to those at the end of 2009 (Baht 1,168.7 million). The number of inventory has increased because the majority of products were "goods in transit" prepared for the hand-over in early January 2011. The Company and its subsidiaries had the policy to establish the internal control system relating to the regular counting of inventories; and to provide the analytical report on the inventory days and related operations. During the year 2010, the Company has recorded the allowance for the value decrease of the defective or obsolete inventories, amounted to Baht 8.07 million; as a result, the cumulative balance of allowance for devaluation of the inventories was amounted to Baht 89.26 million, or equal to 6.78% of the total inventories; provided that, the Company and its subsidiaries have evaluated that the allowance for devaluation of the said inventories was moderately suitable.

As of December 31st, 2010, the Company and its subsidiaries had the net investments of Baht 9,260.13 million, or equal to 48.64% of the total assets, or decreased by Baht 123.87 million when compared to those in 2009 because there were transactions of investments trading in the associated companies and transactions of purchase of other long-term investments and investments in available-for-sale securities as mentioned in the Heading "Components of Assets", which were divided into domestic and overseas investments. These investments were fully detailed in the Notes to Financial Statements, Clauses 11, 12 and 13 where the transactions of changes in investments in 2010 and 2009 have occurred. The Company has regularly evaluated the quality of investments and has recorded the allowance for impairment of its investments, where there were signals of uncertainty of the quality of investments. The Company believed that the amounts appeared in the financial statements were of moderately suitable quality.

4.2 Liquidity:

4.2.1 Cash Flow Statements:

As of December 31st, 2010, the Company and its subsidiaries had the cash flow from operating activities, amounted to Baht 1,270 million; and have obtained cash from investing activities amounted to Baht 884 million; and have spent Baht 1,874.95 million in the financing activities, deducted by the decrease from translation adjustment of foreign currencies in financial statements, amounted to Baht 64.41 million; therefore, in 2010, the Company's cash flow has increased by Baht 214.66 million; when summing up with the beginning cash and cash equivalent brought forwards, amounted to Baht 1,373.41 million, the year-end balance of cash and cash equivalent of the Company and its subsidiaries, in 2010, was equal to Baht 1,588.07 million.

In 2010, the Company and its subsidiaries had the cash flow from operating activities, amounted to Baht 1,270 million, which was Baht 180.51 million less than the operating profits prior to the changes in the operating assets and liabilities (Baht 1,450.51 million) because the number of accounts receivable has increased by Baht 75.59 million; and the Company has settled the interest payment amounted to Baht 58.92 million; meanwhile, the payment for purchase of raw materials has increased by Baht 58.51 million. The Company and its subsidiaries have obtained cash from the operating activities equal to 87.56% of the operating profits prior to the changes in the operating assets and liabilities; and it was obvious that the Company and its subsidiaries had a lot of operational liquidity and had sufficient cash flow for its business operations.

In 2010, the Company has obtained the net amount of money from its investing activities amounted to Baht 884 million because the Company had the cash proceeds from disposals of property, plant and equipment amounted to Baht 443 million, and the cash receipts from disposals of investments; and has received from return of investments resulting from reduction of investment and the cessation of its subsidiaries, totally Baht 1,193.37 million; and has received the early payment of cash receivable from sales of investment from related party amounted to Baht 84 million; and has received the dividend received amounted to Baht 712 million, as well as the interest income amounted to Baht 28 million; but the Company has settled the acquisition of property, plant and equipment amounted to Baht 608 million, mostly from the businesses of plastics, rubber, metals and power plants in China; moreover, the Company has put its additional investments in machinery and equipment and investment groups in foreign countries; and has increased in current investments, amounted to Baht 770 million, and for its additional acquisition of investments, amounted to Baht 198 million; according to these activities as above-mentioned, after the set-offs, the Company had its net cash flow from investing activities amounted to Baht 884 million.

Regarding the financing activities, the Company and its subsidiaries have settled the dividend payment to shareholders amounted to Baht 625 million; and have repaid the long-term loans amounted to Baht 1,015 million; and have paid the liabilities under the Finance Lease Agreements, amounted to Baht 61 million; meanwhile, the transactions of money deposits from the related parties have decreased by Baht 179 million. Moreover, the Company and its subsidiaries had the increasing trust receipt accounts payable amounted to Baht 4 million, and the additional bank overdrafts of subsidiaries, amounted to Baht 1 million. In total, the Company and its subsidiaries have spent the net cash flow of Baht 1,875 million in the financing activities.

After the summation of the above 3 activities, the Company had the additional cash flow of Baht 279 million; and when summing up with the adjusted differences from translation of financial statements, the Company's cash flow has decreased by Baht 64.41 million (differences of foreign currencies conversion rates); and when summing up with the beginning cash and cash equivalent brought forwards, amounted to Baht 1,373.41 million, the year-end balance of cash and cash equivalent of the Company and its subsidiaries, in 2010, was equal to Baht 1,588.07 million, which was considered that the Company and its subsidiaries had the sufficient liquidity.

4.2.2 Significant Liquidity Ratios:

As of December 31st, 2010, the Company had the ratio of the current assets to the current liabilities of 2.48:1; and the ratio of quick liquidity to the current liabilities of 1.94:1, indicating that the Company was able to convert the liquid assets to cash money in order to fully repay the current liabilities; and still had the surplus liquidity of 0.94 time, indicating that the Company and its subsidiaries still had sufficient and healthy financial liquidity.

Regarding the management of its accounts receivable and accounts payable, in 2010, the Company had the average period of debt collection of 55 days, which was faster than those in the previous year (68 days) and was approximately equivalent to the credit term that the Company has given to its accounts receivable; moreover, the Company had the cash cycle of 39 days as from the date of payment of raw materials, including the date of selling the products, until the date of receiving the product payments, which was faster than those in the previous year (43 days), as though the Company and its subsidiaries had approximately 9.36 cash cycles in 1 year.

In 2010, the Company and its subsidiaries had the rate of operating profits to the total incomes equal to 22.09%, which was higher than those in 2009 (15.38%) because the Company and its subsidiaries have received the increasing dividends; and have spent the decreasing administrative expense; moreover, the Company and its subsidiaries have reversed the transfer of losses from impairment of property, plant and equipment, etc. Details thereof have already been included in the Heading "The Operating Profits".

Regarding the policy of financial structure, in 2010, the Company had the debt-to-equity ratio of 0.22:1, which was better than those in 2009 (0.31:1), indicating that the financial structure with the sources of money from the creditor's equity was very limited when compared to the sources of money from the shareholder's equity; therefore, the Company still had good opportunities to spend the sources of capital from the creditors in new projects (if any) because the ratio of liabilities was still low.

Moreover, the Company and its subsidiaries had the interest coverage ratio of 27.54 times, indicating that the Company and its subsidiaries had abundant current cash flow to fully repay the interest to creditors.

The Company had the rates of returns to the shareholder's equity, equal to 13.08%, which were higher than the rates of returns when compared to the interest rates for the fixed savings accounts of financial institutions if considering the dividends expected to be paid to shareholders at the rate of Baht 1.75 per share, or equal to 39.99% of the net profits under the cost method, which was in accordance with the Company's policy of rates of dividend payment, i.e., at least one-third of the net profits under the cost method.

4.2.3 Short-Term Liabilities Repayment Period which affects the Company's Liquidity:

The Company and its subsidiaries had the short-term loans amounted to Baht 157.62 million and some portions of long-term loans, which shall be payable within 1 year, amounted to Baht 86.02 million; and some portions of liabilities under the Finance Lease Agreements, which shall be payable within 1 year, amounted to Baht 60.81 million; and had accounts payable from purchase of investments of related parties amounted to Baht 68.13 million; moreover, the Company and its subsidiaries have estimated the provision for short-term liabilities, provision for employee compensation and pension expenses which payable shortly, amounted to Baht 198.16 million and had the accrued expenses amounted to Baht 434.57 million and the corporate income tax payable amounted to Baht 79.46 million and other current liabilities amounted to Baht 206.96 million, totally Baht 1,291.73 million which may be payable within 1 year; however, when comparing the liquid assets, cash and cash equivalent, and the instant temporary investments, amounted to Baht 2,498.34 million, or equal to 193.41% of the said short-term liabilities, it indicated that the Company had its sufficient liquidity to fully repay the short-term liabilities, which shall be payable within 1 year and still had its surplus liquidity of 93.41%; therefore, the Company had an appropriate proportion of short-term liabilities.

Moreover, regarding commercial creditors such as trust receipt creditors and accounts payable, totally Baht 896.76 million, the Company had its L/C and T/T debtors, totally Baht 1,538.44 million, which shall enable the Company to fully repay the liabilities as scheduled to the trust receipt creditors and the commercial creditors.

Therefore, when considering the value and period of acquisition sources and spending of short-term investments, they have been appropriate and in conformity.

4.3 Capital Expenditure:

In 2010, the Company and its subsidiaries had the capital expenditure, dividing into domestic and overseas businesses, totally Baht 608 million.

For domestic businesses, the Company and its subsidiaries have put additional investments in machinery and equipment of the business groups of textile, plastics, rubber and metals, approximately amounted to Baht 340 million to replace the existing machinery and to support its expansion of production capacity according to its plan of increasing production such as protective fabrics, vacuum bottles and rubber businesses, etc.; and the equipment for rent, approximately amounted to Baht 102 million.

For overseas businesses, the Company has invested in building, machinery and equipment for construction of new factories in its textile business, amounted to Baht 32 million; and for expansion of the production capacity of Jiashan-Union Cogeneration Plant, approximately amounted to Baht 109 million; and has also increased the office equipment, amounted to Baht 25 million.

4.4 Sources of Capital:

4.4.1 Capital Structure of the Company

As of December 31st, 2010, according to the consolidated financial statements, the Company and its subsidiaries had the total liabilities of Baht 3,157.73 million; and the shareholder's equity amounted to Baht 14,409.55 million, with the debt-to-equity ratio of 0.22:1; therefore, there were very few portions of the source of capital were obtained from liabilities

when compared to those of the capital. If comparing with other businesses in the industry, the debt-to-equity ratio was mostly between 1.5 or 2:1, indicating that the Company still had its low level of liabilities; therefore, the Company's creditors shall have low risks relating to the Company's repayments of debts. In the future, if the Company wishes to restructure its capital for additional loans for business expansion, the debt-to-equity ratio may still be extended within the appropriate and low-risk capital structure.

4.4.2 Liabilities:

The liabilities of the Company and its subsidiaries are divided into the current liabilities, amounted to Baht 2,265.99 million; and the non-current liabilities, amounted to Baht 891.74 million; and the total liabilities are amounted to Baht 3,157.73 million.

Current liabilities are divided into short-term bank loans, amounted to Baht 157.62 million, related accounts payable, amounted to Baht 896.76 million, which have been paid according to the scheduled time, thus, in conformity with the acceptance of payment from accounts receivable, which are in normal business operations; moreover, the Company had the long-term loans which shall be payable within 1 year, amounted to Baht 86.02 million and the short-term liabilities which shall be payable within 1 year, amounted to Baht 60.81 million; and provision for compensation and pension liabilities payable to employees in early 2011, amounted to Baht 198.16 million and accounts payable in the category of other current liabilities, amounted to Baht 866.63 million. Though, the ratio of short-term liabilities to the total liabilities was equal to 71.76%, the Company had the ratio of quick liquidity to the current liabilities of 1.94:1, indicating that the Company and its subsidiaries had sufficient liquidity to fully repay the liabilities as scheduled.

As of December 31st, 2010, the Company had the portions of long-term loans, which shall be payable within 1 year, amounted to Baht 494.09 million, with the reference interest rate of MLR; and the period of loan repayment was between 2009-2015. The Company had no guarantee of the said burden of debts; but according to the Loan Agreement, it specified certain requirements and financial conditions such as the maintenance of the total debt-to-equity ratio and the restrictions on disposal and transfer of assets which are significant to the business operations of the Company.

Regarding the interest coverage ratio for liabilities in 2010, which shall be payable within 1 year, was equal to 1.78:1, the Company was thus confident in its liquidity management for repayment of loans and other liabilities which shall be payable within 1 year and the interest within each period of time when such liabilities shall be payable.

4.4.3 Shareholder's Equity:

According to the consolidated financial statements as of December 31st, 2010, the Company had the shareholder's equity amounted to Baht 14,409.55 million, increased by Baht 927.49 million when compared to those at the end of 2009 (Baht 13,482.06 million). The main causes of changes included:

- Regarding the operating result, the Company had the net profit increase of Baht 1,823.83 million; and during the year, as per the resolution of AGM, the profits were allocated as accrued dividends, amounted to Baht 450 million, which caused the shareholder's equity increase of Baht 1,823.83 million; and a decrease of Baht 450 million, respectively;

- Regarding the non-actual operating result, i.e., the Company has recognized the net profits (losses) in the shareholder's equity of minus Baht 476.88 million, including:

1. Recognition of the net unrealized annual surplus profits from the revaluation of investments in the available-for-sale securities to the market prices, which have increased by Baht 107.21 million;

2. Differences from the conversion of financial statements in foreign currencies due to the differences of currency exchange rates, resulting in the decrease of the shareholder's equity amounted to Baht 599.12 million;

3. Reverse adjustment of the accrued dividends for the Company's shares held by its subsidiaries under the accounting standard, amounted to Baht 15.03 million;

- Moreover, in the financial statements of subsidiaries in foreign countries, other additional reserves were recognized in the shareholder's equity, amounted to Baht 30.54 million.

As above-mentioned, in total, the shareholder's equity has increased by Baht 927.49 million.

4.5 Main factors and influences which may affect the operations or financial status in the future:

As the main business of the Company was investment, therefore, its main incomes were incomes from dividends received from the enterprises, in which the Company has put its investments; provided that there were domestic and overseas investment; and the main factors or influences which may affect the Company's operating results in the future, included:

1. Investments in domestic energy business, i.e., Ratchaburi Power Co., Ltd., which the Company had its proportion of investment at 10% of the registered capital, or equal to Baht 732.50 million, generating electricity with the production capacity of 1,400 Megawatt, to be sold to the Electricity Generating Authority of Thailand (EGAT); whereas, the Company has received the dividends for the first time in 2010, including the annual dividends and interim dividends amounted to Baht 290 million. Initially, the Company expected to receive more dividends in early years than in later years; but at present, there is no conclusions of matters relating to the standard of interpretation of international financial reports No.12 (IFRIC 12) governing the interpretation of concession businesses and services. In case, afterwards, there is recognition of incomes under the international standard of accounting governing the lease agreements and the said IFRIC 12, it may have certain impacts; and Ratchaburi Power Co., Ltd., may have to change its recognition of incomes and recording of accounts, which may result in the decrease of net profits and may have impacts on the net profits to be allocated as dividends to shareholders. The Company, in the status of a shareholder, shall follow up the data and consider the potential impacts thereof;

2. Projects in the People's Republic of China: the Company has put most of its investments in the energy business. During the past few years, it was obvious that the coal prices have been the main influential factor affecting the Company's operating results. Coal prices have been fluctuated according to the crude oil prices. Therefore, in case, the coal prices have increased, such company shall have very few or none of its profits; as a result, the Company may receive very few or none of the dividends; and it is generally known that the coal prices were based on the market prices; therefore, the changes of prices are external factors which may not be controlled; and the Company shall consider the impacts thereof on a case-by-case basis and shall take actions as may be suitable to circumstances;

Regarding the real estate business in China, which is under the early stage, the initial construction project was about to complete and expected to be sold in 2011. If it is implemented according to the plan, the Company may have its increasing returns in the future.

5. The Auditor's Remunerations:

In 2010, the Company and its subsidiaries have paid remunerations to the Auditor. Details thereof are appeared in page 143.

Related Transactions and People with Common Interests

(1) Characteristics of Related Transactions

Related transactions have occurred in the normal course of business of the Company with general trading conditions and without any abnormal transactions or improper pricing. Most of the transactions are trading of goods, related creditors and debtors, loans and borrowings among companies for maximum benefits of financial management of group companies at the referenced interest rates of a large domestic commercial bank according to categories of businesses.

Regarding the policy on related transactions between people who may have conflicts in the future, the Company has determined its policy based on the necessity and reasonableness of such transactions, which are in the normal course of business and in connection with the normal course of business operation, including related trading of goods or borrowings among companies, mutual pricing and benefits according to the market prices; for example, in case of calculation of interest, the interest rates shall be equal to the interest rates in the financial market at a specific period of time when such transactions have occurred; whereas, the rates of returns shall be equal to the market rates.

The Company had no related transactions in special cases which were not in its normal course of business; therefore, it was not necessary to provide opinions of the third party directors or independent experts on the related transaction. In the previous year, the Company had no written form of stock offer or draft of prospectus; therefore, there were no opinions of the third party directors relating to the compliance with these obligations. In 2010, the Company has disclosed its related transactions for the benefits of the Company through an electronic channel of information disclosure of the Stock Exchange of Thailand.

(2) Necessity and Reasonableness of the Above Transactions

As the Company has its policy to separate manufacturing companies from the parent company (formerly, the parent company was marketing and distributing products for all of its manufacturing companies), therefore, there have been transactions of trading of goods, related creditors and debtors, related interest earned and interest expense. Since 2007, related transactions of goods have considerably decreased due to changing situation of competitions in the market; therefore, the Company has to adjust itself for more flexibilities; meanwhile, the transactions of interest earned and expenses have still existed because the Company will receive highest benefits and effectiveness from the financial management of its group companies; therefore, the existence of these related transactions was necessary and reasonable.

(3) Approval Procedures of the Related Transactions

The approval procedures of the related transactions were in accordance with the normal course of business as if they were the third parties who had the approval procedures of transactions in accordance with its normal course of business; provided that the Board of Directors used to approve, in principle, the related transactions which were in the normal course of business. Regarding the follow-up of payments, the due date of each transaction was specified and controlled; however, the approval of each type of transaction was in compliance with rules and regulations of the Stock Exchange of Thailand (SET) and with the Office of the Securities and Exchange Commission (SEC).

(4) Policy and Trends of the Related Transactions

In case of related transactions, the Company has its policy on fair treatment of transactions to all related parties, thus, for the maximum benefits of the organization; moreover, the Company has its policy on the compliance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission (SEC) and the adequate disclosure of material information.

Regarding the trends of business transactions, as from 2007 onwards, transactions between the group companies will decrease because most of the previous transactions were transactions in the normal course of business; for examples, trading of goods, transactions to be accounted for under the cost or equity method, as detailed above; however, the Company has its policy to restructure the channel of distribution of goods and related management of the group companies for flexibility and adjustable decision making regarding the priorities of manufacturing or pricing to keep up with the rapidly changing situation and to generate its competitiveness in the industry as well as its long-term growth (formerly, Saha-Union Public Company Limited was marketing and distributing goods of the whole group companies). Therefore, normal transactions tend to decrease (except some items of goods under futures contracts). However, regarding the business of contract manufacturing of electronic components, as the Company has disclosed the information through the Stock Exchange of Thailand (SET) in December 2010, the Company shall cease the said business operation and shall change to the business of property leasing to the existing business partners for 3 years; therefore, the related transactions of its subsidiary, namely "Union Technology (2008) (Public) Co., Ltd.", the business of contract manufacturing of electronic components shall no longer exist; meanwhile, transactions of deposit and borrowing between the group companies remain unchanged because the financial management of the group companies is effective-oriented.

Related transactions in 2010 are given in the Annual Report on pages 68-69.

Related Transactions of Saha-Union Public Company Limited and Parties Possibly in Conflict

	Company Name	Types of Relationship	Related Information			
			Type of Transaction	Amount (Million Baht)	Price Conditions	Necessity
1	Saha-Union Holding Co., Ltd.	Major shareholder with holding more than 90%	1. Deposit - Deposit from group and other companies 2. Interest Receivables - Payables 3. Dividend Income - Expenses 4. Interest Income - Expenses	227.90 0.47 9.36 1.43	Balance of payment as of the end of 2010 From resolution of the Shareholders' Meeting Referred to types and rates of a major commercial bank	The group companies had their surplus liquidity and deposited the money with the Company for effective financial management within the group.
2	Union Thread Industries Co., Ltd.	10 Major related shareholders	1. Dividend Income - Expenses	52.43	From resolution of the Shareholders' Meeting	In normal business transactions should have the return on investment.
3	Venus Thread Co., Ltd.	Related persons, with holding more than 10%	1. Goods Purchase - Sale 2. Rental Income 3. Debtor - Creditor	96.46 0.05 6.44	Compare with market price Contract price Balance of payment as of the end of 2010	The purchasing of raw materials should be made in a large quantity to generate more bargaining power.
4	Union Spinning Mills Co., Ltd.	Related persons, withholding more than 10%	1. Goods Purchase - Sale 2. Dividend Income - Expenses 3. Rental Income 4. Debtor - Creditor	253.00 5.00 0.16 65.85	Compare with market price From resolution of the Shareholders' Meeting Contract price Balance of payment as of the end of 2010	The purchasing of raw materials should be made in a large quantity to generate more bargaining power.
5	Union Capital Co., Ltd.	10 Major related shareholders	1. Dividend Income - Expenses 2. Interest Income - Expenses	29.70 0.26	From resolution of the Shareholders' Meeting Referred to types and rates of a major commercial bank	In normal business transactions should have the return on investment.
6	Union Business Management Co., Ltd.	10 Major related shareholders	1. Dividend Income - Expenses	33.86	From resolution of the Shareholders' Meeting	In normal business transactions should have the return on investment.
7	Union Textile Industries Public Co., Ltd.	Major shareholder	1. Goods Purchase - Sale 2. Dividend Income - Expenses 3. Debtor - Creditor	537.41 172.05 204.10	Compare with market price From resolution of the Shareholders' Meeting Balance of payment as of the end of 2010	The purchasing of raw materials should be made in a large quantity to generate more bargaining power.
8	Union Industries Corp., Ltd.	10 Major related shareholders	1. Dividend Income - Expenses	33.70	From resolution of the Shareholders' Meeting	Returns on investment.
9	Venus Button Co., Ltd.	Related persons, with holding more than 10%	1. Dividend Income - Expenses	1.06	From resolution of the Shareholders' Meeting	Returns on investment.
10	Union Zip Co., Ltd.	Related persons, with holding more than 10%	1. Goods Purchase - Sale 2. Interest Income - Expenses 3. Deposit - Deposit from group and other companies 4. Interest Income - Expenses	3.41 0.27 50.00 0.09	Compare with market price Referred to types and rates of a major commercial bank Balance of payment as of the end of 2010	The purchasing of raw materials should be made in a large quantity to generate more bargaining power; and the group companies had their surplus liquidity and deposited the money with the Company for effective financial management within the group.

	Company Name	Types of Relationship	Related Information			
			Type of Transaction	Amount (Million Baht)	Price Conditions	Necessity
11	Uni-Fibre Co., Ltd.	10 Major related shareholders	1. Deposit - Deposit from group and other companies 2. Interest Receivables - Payables 3. Dividend Income - Expenses 4. Service Income 5. Interest Income - Expenses	27.51 0.07 19.46 0.02 0.12	Balance of payment as of the end of 2010 From resolution of the Shareholders' Meeting Contract price Referred to types and rates of a major commercial bank	The purchasing of raw materials should be made in a large quantity to generate more bargaining power; and the group companies had their surplus liquidity and deposited the money with the Company for effective financial management within the group; and in normal business transactions should have the return on investment.
12	Union Multi-Capital Co., Ltd.	10 Major related shareholders	1. Dividend Income - Expenses	9.12	From resolution of the Shareholders' Meeting	In normal business transactions should have the return on investment.
13	Thai Rubber Enterprise Co., Ltd.	Related persons, with holding more than 10%	1. Dividend Income - Expenses 2. Rental Income 3. Service Income 4. Interest Income - Expenses 5. Interest Receivables - Payables 6. Deposit - Deposit from group and other companies	1.70 3.17 0.15 0.29 0.03 5.00	From resolution of the Shareholders' Meeting Contract price Contract price Referred to types and rates of a major commercial bank Balance of payment as of the end of 2010	To develop and make use of its vacant plots of land with rubber plantation; therefore, loans must be provided as the working capital.
14	Union Pioneer Public Co., Ltd.	Major shareholder	1. Good Purchase - Sale 2. Dividend Income - Expenses 3. Rental Income 4. Debtor - Creditor	14.73 55.08 3.31 1.86	Compare with market price From resolution of the Shareholders' Meeting Contract price Balance of payment as of the end of 2010	The purchasing of raw materials should be made in a large quantity to generate more bargaining power; and in normal business transactions should have the return on investment
15	Union Button Corp., Ltd.	Director and related person with holding more than 10%	1. Rental Income 2. Dividend Income - Expenses 3. Debtor - Creditor	0.01 2.04 0.58	Contract price From resolution of the Shareholders' Meeting Balance of payment as of the end of 2010	In normal business transactions should have the return on investment.
16	Union Shoes Co., Ltd.	Major shareholder	1. Deposit - Deposit from group and other companies 2. Interest Receivables - Payables 3. Interest Income - Expenses	20.00 0.02 0.12	Balance of payment as of the end of 2010 Referred to types and rates of a major commercial bank	The group companies had their surplus liquidity and deposited the money with the Company for effective financial management within the group.
17	Venus Shoes Co., Ltd.	Major shareholder	1. Deposit - Deposit from group and other companies 2. Interest Income - Expenses 3. Rental Income 4. Interest Receivables - Payables	3.00 0.01 0.42 0.01	Compare with market price Contract price Balance of payment as of the end of 2010	The group companies had their surplus liquidity and deposited the money with the Company for effective financial management within the group.

Report from the Audit Committee

To Shareholders:

The Audit Committee comprised of three independent directors namely Mr. Sompop Amatayakul as Chairman of the Audit Committee, Mrs. Araya Arunanondchai and Ms. Pakinee Prettitumrong. The Committee performed the duties in accordance with the Committee's Charter and requirements of the Stock Exchange of Thailand.

In 2010, the Audit Committee convened meetings with the Company management, internal auditors and external auditors to review financial statements, related parties transactions, disclosure of information and the adequacy of internal controls and risk management. The Committee reported the findings and recommendations to the Board of Directors on a quarterly basis. The summary of the Committee's review are as follows:

1. The Audit Committee convened 9 meetings and the record of directors' attendance is as follows:

Name	No. of Attendance
- Mr. Sompop Amatayakul	9
- Mrs. Araya Arunanondchai	7
- Ms. Pakinee Prettitumrong	9

2. The Audit Committee reviewed quarterly-financial statements, 2010 annual-financial statements, reviewed with external auditors about the accounting policies deployed during the year and the integrity of financial statements. The Company disclosed important accounting adjustments which reflected in the financial statements. The Committee concluded that financial statements were prepared in accordance with generally accepted accounting principles. In addition, the Committee reviewed the Company's readiness to prepare financial statements in accordance with new accounting standard based on the International Financial Reporting Standards (IFRS) and believed that the Company is in the position to comply with the IFRS.

3. The Committee reviewed the related transactions and potential conflict of interest including the adequacy disclosure of the transactions according to the requirements of the Stock Exchange of Thailand and concluded that the transactions were conducted with reasonable business judgment, in line with the Company's interest and adequately disclosed information in compliance with accounting standards and requirements of the Stock Exchange of Thailand.

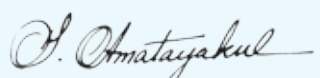
4. The Committee reviewed the risk management and found that the Risk Management Committee established risk management process to identify the risks, level of risks and undertook the risk management.

5. The Committee reviewed and assessed the adequacy of internal control system and concurred with the annual audit plan, reviewed the key findings, advised the management for corrective actions and quality improvement of internal audit process to comply with standard practices of internal control and audit procedures.

6. The Committee reviewed the Company's conformity with the best practices applicable for registered companies according to the guidelines of Stock Exchange of Thailand as well as the Company's compliance with rules and regulations of regulators involved.

7. The Committee conducted self-assessment on the ability to perform the duties according to the best practices guidelines for internal control. The result of the assessment was 95.9 percent of satisfaction.

8. The Audit Committee participated in reviewing the qualifications and remunerations of candidates for external auditors and gave consent to the Board of Directors to propose the candidates for approval at the Annual Shareholders General Meeting.



(Sompop Amatayakul)

Chairman of the Audit Committee
Saha-Union Public Company Limited

(23rd February 2011)

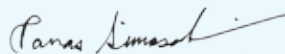
Board of Director's Report

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries and other financial information as appeared in the Annual Report. Such financial statements are prepared in accordance with generally accepted accounting standards and consistently using appropriate accounting policies. Careful consideration and best estimation are applied in the preparation and important information are fully disclosed in the notes to such financial statements which are adjusted in accordance with the new accounting standards effective on January 1st, 2007. In the separated financial statements, investment accounts are recorded on cost method as if this method were used at the beginning. In the consolidated financial statements, gains and losses from investments are recognized on equity method. In addition, the Company is prepared to accommodate new accounting standards applicable to companies in the group which will be effective from January 1st, 2011. The financial statements of the Company are audited and given an unqualified audit opinion by the Auditors.

The Board of Directors has maintained proper and effective internal control system to ensure reasonably that accounting records are correct, complete, and sufficient to safeguard Company's assets and to ascertain any weaknesses so as to prevent fraud or material irregularities.

Hence, the Board of Directors has appointed the Audit Committee comprising independent directors who are not executive directors to be responsible for the quality of the financial reports and the internal control system. Opinions of the Audit Committee on these matters are disclosed in the Report from the Audit Committee as appeared in the Annual Report on page 70 The Board of Directors is of the opinion that the Company's overall internal control system is satisfactory to ensure reasonably the credibility of the financial statements of the Company and its subsidiaries as of December 31st, 2010.

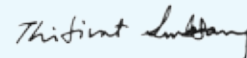
On behalf of the Board of Directors



(Panas Simasathien)

Chairman

February 23rd, 2011



(Thitivat Suebsaeng)

President

February 23rd, 2011

Report of Independent Auditor and Consolidated Financial Statements

Report of Independent Auditor

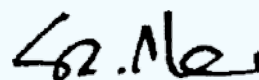
To the Shareholders of Saha-Union Public Company Limited

I have audited the accompanying consolidated balance sheets of Saha-Union Public Company Limited and its subsidiaries as at 31 December 2010 and 2009, the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended, and the separate financial statements of Saha-Union Public Company Limited for the same periods. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits. I did not audit the financial statements as of 31 December 2010 of overseas subsidiary companies of which statements reflect total assets of Baht 4,273 million and total revenues and net loss for the year then ended of approximately Baht 904 million and Baht 94 million, respectively (2009: total assets of Baht 4,557 million, total revenues and net profit of Baht 1,060 million and Baht 168 million, respectively). The financial statements of these overseas subsidiaries as at 31 December 2010 and for the year then ended were audited by other auditors, whose reports have been furnished to me and my opinion on the consolidated financial statements, insofar as it relate to the data included for these subsidiaries, is based solely on the reports of the other auditors. In addition, the consolidated financial statements of 2010 include the investments in associated companies accounted for under the equity method amounting to Baht 5,701 million (2009: Baht 6,207 million) and of which share of profit of these associates of Baht 321 million (2009: Share of profit Baht 577 million). The financial statements were audited by other auditors. My opinion on the consolidated financial statements, insofar as it relates to the amounts included for these associated companies, is based solely on the reports of the other auditors.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audits to obtain reasonable assurance

about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits and the reports of the other auditors referred to in the first paragraph provide a reasonable basis for my opinion.

In my opinion, based on my audits and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Saha-Union Public Company Limited and its subsidiaries and of Saha-Union Public Company Limited as at 31 December 2010 and 2009, and the results of their operations, and cash flows for the years then ended, in accordance with generally accepted accounting principles.



Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

Ernst & Young Office Limited

Bangkok: 24 February 2011

Balance Sheets

Saha-Union Public Company Limited and its subsidiaries

As at 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Assets					
Current assets					
Cash and cash equivalents	6	1,588,076,207	1,373,408,128	240,994,232	183,837,880
Current investments - net	7	910,259,438	1,038,113,937	-	-
Trade accounts receivable	9				
Related parties	8	157,543,282	96,455,556	284,470,093	159,066,668
Unrelated parties		1,413,816,451	1,413,097,487	66,686,270	211,724,627
Less: Allowance for doubtful accounts		(32,920,782)	(33,827,801)	(4,835,461)	(8,083,284)
Trade accounts receivable - net		1,538,438,951	1,475,725,242	346,320,902	362,708,011
Inventories - net	10	1,226,705,659	1,168,700,949	24,247,587	736,492
Short-term loans to related parties	8	-	-	318,711,000	501,740,000
Unused land and improvement classified as held for sale	14	-	4,935,459	-	-
Other current assets					
Advances		157,983,323	161,817,806	6,023	316,020
Prepaid corporate income tax		45,346,814	16,895,779	28,417,816	14,612,754
Prepaid expenses		42,096,581	18,036,126	1,447,633	1,315,909
Accrued income		27,820,360	36,548,195	6,195,621	11,684,562
Input tax refundable		26,595,342	22,240,588	11,340,513	5,181,310
Import duty refundable		10,830,666	18,317,707	-	-
Others		39,879,641	82,630,159	13,680,017	39,255,829
Total current assets		5,614,032,982	5,417,370,075	991,361,344	1,121,388,767
Non-current assets					
Receivable from sales of investments - related party	8	-	84,000,000	-	84,000,000
Investments in subsidiaries - net	11	-	-	5,648,572,799	5,706,656,892
Investments in associates - net	12	7,697,345,082	8,085,565,923	3,787,966,899	4,255,506,803
Investments in other companies - net	13	1,562,786,703	1,298,436,443	1,457,210,387	1,258,058,695
Property, plant and equipment - net	15	3,477,369,625	3,291,148,720	483,619,189	403,544,650
Intangible assets - Computer Software, net	16	3,471,557	2,821,577	-	-
Other non-current assets					
Land awaiting development		403,686,133	403,686,133	275,091,133	275,091,133
Withholding tax deducted at source		163,825,153	218,512,690	14,612,754	41,093,982
Leasehold		70,938,252	69,043,823	-	-
Others		43,937,202	39,342,750	13,260,663	14,350,105
Total non-current assets		13,423,359,707	13,492,558,059	11,680,333,824	12,038,302,260
Total assets		19,037,392,689	18,909,928,134	12,671,695,168	13,159,691,027

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

Balance Sheets (continued)

Saha-Union Public Company Limited and its subsidiaries

As at 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	17	157,621,386	156,613,482	-	56,735,693
Trust receipts		43,063,252	38,283,530	43,063,252	38,283,530
Trade accounts payable					
Related parties	8	67,825,103	50,254,565	61,685,754	105,622,858
Unrelated parties		785,869,332	595,497,805	69,678,195	31,554,926
Total trade accounts payable		853,694,435	645,752,370	131,363,949	137,177,784
Current portion of long-term loans	18	86,020,000	454,429,917	82,000,000	450,009,917
Current portion of liabilities under finance					
lease agreements	19	60,810,466	45,189,814	-	-
Payable from purchase of investments -					
related parties	8	68,131,500	-	-	173,288,039
Deposits from related parties	8	77,514,163	256,154,621	807,077,925	1,018,177,621
Provision for short-term liabilities					
Provision for employee compensation					
and pension expenses	1.2	198,158,808	-	3,147,379	-
Other current liabilities					
Accrued expenses		434,566,762	354,988,780	52,103,130	31,568,669
Corporate income tax payable		79,456,696	84,439,464	-	-
Deposits received from sales of land					
and improvement	14	-	174,799,375	-	-
Others		206,959,225	192,778,582	1,735,144	5,275,406
Total current liabilities		2,265,996,693	2,403,429,935	1,120,490,779	1,910,516,659
Non-current liabilities					
Long-term loans, net of current portion	18	494,088,500	1,158,422,666	288,749,000	931,468,166
Liabilities under finance lease agreements -					
net of current portion	19	55,092,511	47,468,104	-	-
Provision for long-term liabilities					
Provision for employee compensation					
and pension expenses		278,854,946	448,743,452	27,329,829	36,283,889
Other non-current liabilities		63,701,786	62,427,158	-	1,565,604
Total non-current liabilities		891,737,743	1,717,061,380	316,078,829	969,317,659
Total liabilities		3,157,734,436	4,120,491,315	1,436,569,608	2,879,834,318

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

Balance Sheets (continued)

Saha-Union Public Company Limited and its subsidiaries

As at 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Shareholders' equity					
Share capital					
Registered					
300,000,000 ordinary shares of Baht 10 each		3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Issued and fully paid-up					
300,000,000 ordinary shares of Baht 10 each		3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Share premium		2,599,000,000	2,599,000,000	2,599,000,000	2,599,000,000
The Company's shares held by subsidiaries	20	(234,404,410)	(234,404,410)	-	-
Unrealised gain					
Revaluation surplus on changes in value of investments in available- for-sale securities		352,374,637	245,160,581	323,260,485	230,577,975
Deficit on investment in subsidiary arising as a result of acquisition of additional shares at a price over than the net book value at the acquisition date	1.2	(28,022,567)	(28,022,567)	-	-
Translation adjustments		(791,355,070)	(192,230,009)	-	-
Retained earnings					
Appropriated					
Statutory reserve	21	1,018,734,063	932,396,487	750,000,000	687,112,369
Other reserve		272,853,209	209,615,078	-	-
Unappropriated		8,220,371,448	6,950,539,862	4,562,865,075	3,763,166,365
Equity attributable to the Company's shareholders		14,409,551,310	13,482,055,022	11,235,125,560	10,279,856,709
Minority interest - equity attributable to minority shareholders of subsidiaries		1,470,106,943	1,307,381,797	-	-
Total shareholders' equity		15,879,658,253	14,789,436,819	11,235,125,560	10,279,856,709
Total liabilities and shareholders' equity		19,037,392,689	18,909,928,134	12,671,695,168	13,159,691,027

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

Income Statements

Saha-Union Public Company Limited and its subsidiaries

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Revenues					
Sales and service income	23, 25	10,141,098,930	8,617,565,705	3,022,422,844	2,380,862,980
Other income					
Gain on disposals of property, plant and equipment	14	597,078,973	62,040,251	1,712,303	16,827,264
Dividend income		352,619,016	113,872,645	973,222,529	852,099,206
Gain on disposals of investments	11, 12	91,748,208	-	-	5,308,000
Rental income		27,475,945	14,047,660	180,725,672	177,677,904
Interest income		22,338,713	22,872,214	28,621,700	29,083,894
Unrealised gain from revaluation of trading securities	7	-	250,185,835	-	-
Others		337,486,345	254,548,486	102,920,970	39,187,450
Total other income		1,428,747,200	717,567,091	1,287,203,174	1,120,183,718
Total revenues		11,569,846,130	9,335,132,796	4,309,626,018	3,501,046,698
Expenses					
Cost of sales and services		8,647,080,955	7,135,690,348	2,795,255,116	2,173,601,959
Selling expenses		281,027,746	241,718,535	11,738,774	13,659,959
Administrative expenses		678,262,398	787,759,154	300,205,278	260,608,598
Management benefit expenses	8	98,081,435	99,719,014	31,592,554	30,448,559
Loss on diminution in value of inventory (reversal)	10	16,121,888	5,587,963	-	(342,036)
Reversal of impairment of property, plant and equipment	15	(225,171,580)	(44,180,541)	(151,674,986)	-
Unrealised loss from revaluation of trading securities	7	3,128,323	-	-	-
Loss on impairment of investments (reversal)	11, 12, 13	612,855	328,784,780	(106,718,066)	114,991,079
Doubtful accounts (reversal)		12,028,384	8,505,080	(216,392)	17,366,991
Loss on reduction of investments in share capital of subsidiary companies, cessation of subsidiaries' business and investments write-off		34,634,236	8,268,464	7,422,415	11,461,636
Loss on disposal of investments		-	18,683,722	32,866,869	-
Total expenses		9,545,806,640	8,590,536,519	2,920,471,562	2,621,796,745
Income before share of income from investments					
in associates, finance cost and corporate income tax		2,024,039,490	744,596,277	1,389,154,456	879,249,953
Share of income from investments in associates	12	531,237,205	690,784,344	-	-
Income before finance cost and corporate income tax		2,555,276,695	1,435,380,621	1,389,154,456	879,249,953
Finance cost		(63,535,605)	(92,117,347)	(48,406,959)	(75,940,517)
Income before corporate income tax		2,491,741,090	1,343,263,274	1,340,747,497	803,309,436
Corporate income tax		(314,659,501)	(201,998,833)	(28,161,156)	(28,634,255)
Net income for the year		2,177,081,589	1,141,264,441	1,312,586,341	774,675,181
Net income attributable to:					
Equity holders of the parent		1,823,832,925	982,260,156	1,312,586,341	774,675,181
Minority interests of the subsidiaries		353,248,664	159,004,285	-	-
		<u>2,177,081,589</u>	<u>1,141,264,441</u>		
Basic earnings per share					
Net income attributable to equity holders of the parent	24	6.29	3.39	4.38	2.58
Weighted average number of shares (shares)		289,977,306	289,977,306	300,000,000	300,000,000

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

Statements of Changes in Shareholders' Equity

Saha-Union Public Company Limited and its subsidiaries

For the years ended 31 December 2010 and 2009

(Unit: Baht)

Consolidated financial statements

	Equity attributable to the parent's shareholders										Total	
	Issued and fully paid-up share capital	Share premium	The Company's shares held by subsidiaries	Revaluation surplus (deficit) on changes in value of investments in available-for-sale securities	Deficit on investment in subsidiary arising as a result of acquisition of additional shares at a price over than the net book value at the acquisition date	Translation adjustments	Retained earnings		Total equity attributable to the parent's shareholders	Minority interest - equity attributable to minority shareholders of subsidiaries		
							Appropriated - Statutory reserve	Appropriated - Other reserve				
Balance as at 31 December 2008	3,000,000,000	2,599,000,000	(234,404,410)	(17,616,711)	-	505,401,576	883,118,697	207,063,083	6,310,086,797	13,252,649,032	1,293,045,026	14,545,694,058
Income (expenses) recognised directly in equity												
Investments in available-for-sale securities												
Gain recognised in shareholders' equity				267,824,605						267,824,605		267,824,605
Transferred to income statements due to disposals				(5,047,313)						(5,047,313)		(5,047,313)
Deficit on investment in subsidiary arising as a result of acquisition of additional shares at a price over than the net book value at the acquisition date					(28,022,567)					(28,022,567)		(28,022,567)
Translation adjustments						(697,631,585)				(697,631,585)		(697,631,585)
Net income (expenses) recognised directly in equity				262,777,292	(28,022,567)	(697,631,585)				(462,876,860)		(462,876,860)
Net income for the year									982,260,156	982,260,156		982,260,156
Total income (expenses) for the year				262,777,292	(28,022,567)	(697,631,585)			982,260,156	982,260,156		982,260,156
Dividend paid (Note 27)									(300,000,000)	(300,000,000)		(300,000,000)
Less: Dividend paid in respect of the Company's shares held by subsidiaries (Note 20)									10,022,694	10,022,694		10,022,694
Dividend paid - net									(289,977,306)	(289,977,306)		(289,977,306)
Unappropriated retained earnings transferred to statutory reserve							49,277,790		(49,277,790)			
Unappropriated retained earnings transferred to other reserve								2,551,995	(2,551,995)			
Increase in minority interest - equity attributable to minority shareholders of subsidiaries											14,336,771	14,336,771
Balance as at 31 December 2009	3,000,000,000	2,599,000,000	(234,404,410)	245,160,581	(28,022,567)	(192,230,009)	932,396,487	209,615,078	6,950,539,862	13,482,055,022	1,307,381,797	14,789,436,819

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

Statements of Changes in Shareholders' Equity (continued)

Saha-Union Public Company Limited and its subsidiaries

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Consolidated financial statements											
	Equity attributable to the parent's shareholders											
	Issued and fully paid-up share capital	Share premium	The Company's shares held by subsidiaries	Revaluation surplus on changes in value of investments in available-for-sale securities	Deficit on investment in subsidiary arising as a result of acquisition of additional shares at a price over than the net book value at the acquisition date	Translation adjustments	Appropriated - Statutory reserve	Retained earnings Appropriated - Other reserve	Unappropriated	Total equity attributable to the parent's shareholders	Minority interest - equity attributable to minority shareholders of subsidiaries	Total
Balance as at 31 December 2009	3,000,000,000	2,599,000,000	(234,404,410)	245,160,581	(28,022,567)	(192,230,009)	932,996,487	209,615,078	6,950,539,862	13,482,055,022	1,307,381,797	14,789,436,819
Income (expenses) recognised directly in equity												
Investments in available-for-sale securities												
Gain recognised in shareholders' equity				103,876,490	-	-	-	-	-	103,876,490	-	103,876,490
Transferred to income statements due to disposals				3,337,566	-	-	-	-	-	3,337,566	-	3,337,566
Translation adjustments				-	-	(699,125,061)	-	-	-	(699,125,061)	-	(699,125,061)
Increase in other reserve				-	-	-	-	30,540,327	-	30,540,327	-	30,540,327
Net income (expenses) recognised directly in equity				107,214,056	-	(699,125,061)	-	30,540,327	-	(461,370,678)	-	(461,370,678)
Net income for the year									1,823,832,925	1,823,832,925	-	1,823,832,925
Total income (expenses) for the year				107,214,056	-	(699,125,061)	-	30,540,327	1,823,832,925	1,362,462,247	-	1,362,462,247
Dividend paid (Note 27)				-	-	-	-	-	(450,000,000)	(450,000,000)	-	(450,000,000)
Less: Dividend paid in respect of the Company's shares held by subsidiaries (Note 20)				-	-	-	-	-	15,034,041	15,034,041	-	15,034,041
Dividend paid - net				-	-	-	-	-	(434,965,959)	(434,965,959)	-	(434,965,959)
Unappropriated retained earnings transferred to statutory reserve				-	-	-	86,337,576	-	(86,337,576)	-	-	-
Unappropriated retained earnings transferred to other reserve				-	-	-	-	32,697,804	(32,697,804)	-	-	-
Increase in minority interest - equity attributable to minority shareholders of subsidiaries				-	-	-	-	-	-	-	162,725,146	162,725,146
Balance as at 31 December 2010	3,000,000,000	2,599,000,000	(234,404,410)	352,374,637	(28,022,567)	(791,355,070)	1,018,734,063	272,853,209	8,220,371,448	14,409,551,310	1,470,106,943	15,879,658,253

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

Statements of Changes in Shareholders' Equity (continued)

Saha-Union Public Company Limited and its subsidiaries

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Separate financial statements					Total
	Issued and fully paid-up share capital	Share premium	Revaluation surplus on changes in value of investments in available-for-sale securities	Retained earnings		
				Appropriated - Statutory reserve	Unappropriated	
Balance as at 31 December 2008	3,000,000,000	2,599,000,000	64,655,364	659,123,540	3,316,480,013	9,639,258,917
Income (expenses) recognised directly in equity						
Investments in available-for-sale securities	-	-	166,643,111	-	-	166,643,111
Gain recognised in shareholders' equity	-	-	(720,500)	-	-	(720,500)
Transferred to income statements due to disposals	-	-	165,922,611	-	-	165,922,611
Net income recognised directly in equity						
Net income for the year	-	-	-	-	774,675,181	774,675,181
Total income for the year						
Dividend paid (Note Z7)	-	-	-	-	(300,000,000)	(300,000,000)
Unappropriated retained earnings transferred to statutory reserve	-	-	-	27,988,829	(27,988,829)	-
Balance as at 31 December 2009	3,000,000,000	2,599,000,000	230,577,975	687,112,369	3,763,166,365	10,279,856,709
Balance as at 31 December 2009	3,000,000,000	2,599,000,000	230,577,975	687,112,369	3,763,166,365	10,279,856,709
Income recognised directly in equity						
Investments in available-for-sale securities	-	-	89,344,945	-	-	89,344,945
Gain recognised in shareholders' equity	-	-	3,337,565	-	-	3,337,565
Transferred to income statements due to disposals	-	-	92,682,510	-	-	92,682,510
Net income recognised directly in equity						
Net income for the year	-	-	-	-	1,312,586,341	1,312,586,341
Total income for the year						
Dividend paid (Note Z7)	-	-	92,682,510	-	1,312,586,341	1,405,268,851
Unappropriated retained earnings transferred to statutory reserve	-	-	-	-	(450,000,000)	(450,000,000)
Balance as at 31 December 2010	3,000,000,000	2,599,000,000	323,260,485	62,887,631	4,562,865,075	11,235,125,560

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

Cash Flow Statements

Saha-Union Public Company Limited and its subsidiaries

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash flows from operating activities				
Net income before tax	2,491,741,090	1,343,263,274	1,340,747,497	803,309,436
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	568,923,953	610,013,129	100,569,573	128,204,794
Allowance for doubtful accounts (reversal)	12,028,384	8,505,080	(216,392)	17,366,991
Loss on diminution in value of inventory (reversal)	16,121,888	5,587,963	-	(342,036)
Loss on property, plant and equipment write-off	59,909,764	9,984,088	12,938,220	92
Gain on disposals of property, plant and equipment	(597,078,973)	(62,040,251)	(1,712,303)	(16,827,264)
Reversal of impairment of property, plant and equipment	(225,171,580)	(44,180,541)	(151,674,986)	-
Loss on impairment of investments (reversal)	612,855	328,784,780	(106,718,066)	114,991,079
Unrealised (gain) loss from revaluation of trading securities	3,128,323	(250,185,835)	-	-
Share of income from investments in associates	(531,237,205)	(690,784,344)	-	-
Loss (gain) on disposals of investments	(91,748,208)	18,683,722	32,866,869	(5,308,000)
Loss on reduction of investments in share capital of subsidiary companies and cessation of subsidiaries's business and investments write-off	34,634,236	8,268,464	7,422,415	11,461,636
Unrealised loss (gain) on exchange	(772,719)	(3,855,298)	(150,574)	978,593
Dividend received from investments	(352,619,016)	(113,872,645)	(973,222,529)	(852,099,206)
Provision for employee compensation and pension expenses (reversal)	28,270,302	19,009,486	(5,806,681)	(4,625,139)
Interest income	(22,338,713)	(22,872,214)	(28,621,700)	(29,083,894)
Interest expenses	56,107,510	82,905,885	47,818,748	74,066,407
Income from operating activities before changes in operating assets and liabilities	1,450,511,891	1,247,214,743	274,240,091	242,093,489
Operating assets (increase) decrease				
Trade accounts receivable	(75,587,434)	208,464,216	15,932,662	97,305,045
Inventories	(74,126,598)	65,185,991	(23,511,095)	2,537,671
Other current assets	30,191,352	(65,993,981)	20,995,639	9,383,579
Other non-current assets	(14,631,430)	(16,300,871)	(2,040)	2,502,280
Operating liabilities increase (decrease)				
Trade accounts payable	208,354,187	(454,886,518)	(5,813,836)	(206,046,165)
Other current liabilities	295,136,298	(30,020,588)	21,842,492	(25,111,933)
Other non-current liabilities	(196,884,178)	(4,466,667)	(4,712,983)	-
Cash flows from operating activities	1,622,964,088	949,196,325	298,970,930	122,663,966
Cash paid for interest expenses	(58,925,090)	(86,108,329)	(49,505,965)	(81,717,556)
Cash paid for corporate income tax	(364,989,083)	(174,814,909)	(56,578,972)	(43,247,010)
Cash refund from corporate income tax	70,947,494	12,387,309	41,093,982	-
Net cash flows from (used in) operating activities	1,269,997,409	700,660,396	233,979,975	(2,300,600)

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

Cash Flow Statements (continued)

Saha-Union Public Company Limited and its subsidiaries

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash flows from investing activities				
Decrease (increase) in short-term loans to related parties	-	-	183,029,000	(171,580,000)
Increase in current investments	(770,326,885)	(96,485,971)	-	-
Cash paid for acquisition of investments	(197,622,290)	(958,057,673)	(149,295,590)	(2,396,677,145)
Proceeds from disposals of property, plant and equipment	442,985,183	101,598,574	3,330,939	24,949,966
Deposits received from disposals of land and improvement	-	174,799,375	-	-
Cash receipt from disposals of investments	1,178,219,611	441,907,091	338,030,555	84,861,000
Cash receipt from the cessation of subsidiaries' business and return of investments	15,152,996	11,812,545	8,401,081	6,346,269
Cash receipt from reduction of investment in share capital of subsidiary companies	-	-	288,447,550	4,528,673,896
Repayment of payable from purchases of investments - related parties	-	-	(173,288,039)	(2,254,712,600)
Cash receipt from receivable from sales of investment - related party	84,000,000	116,600,000	84,000,000	116,600,000
Dividend received from investments	711,533,132	446,115,220	973,222,529	852,099,206
Interest income	27,934,458	29,491,477	34,115,378	35,988,962
Acquisition of property, plant and equipment (Note 15)	(607,838,008)	(358,052,412)	(42,434,500)	(31,476,369)
Net cash flows from (used in) investing activities	884,038,197	(90,271,774)	1,547,558,903	795,073,185
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	1,007,904	(673,712,694)	(56,735,693)	(363,796,931)
Increase in trust receipts	4,181,946	2,813,687	4,181,946	38,848,302
Increase (decrease) in deposits from related parties	(178,640,458)	155,639,854	(211,099,696)	(31,689,499)
Cash payment of capital refund to minority shareholders	(917,500)	(5,982,809)	-	-
Dividend paid (Note 27)	(624,445,257)	(396,282,773)	(450,000,000)	(300,000,000)
Cash receipt from long-term loans	-	278,453,430	-	250,000,000
Repayment of long-term loans	(1,015,149,083)	(309,923,017)	(1,010,729,083)	(294,248,017)
Repayment of liabilities under finance lease agreements	(60,988,766)	(45,202,613)	-	-
Net cash flows used in financing activities	(1,874,951,214)	(994,196,935)	(1,724,382,526)	(700,886,145)
Decrease in translation adjustments	(64,416,313)	(183,213,393)	-	-
Net increase (decrease) in cash and cash equivalents	214,668,079	(567,021,706)	57,156,352	91,886,440
Cash and cash equivalents at beginning of year	1,373,408,128	1,940,429,834	183,837,880	91,951,440
Cash and cash equivalents at end of year	1,588,076,207	1,373,408,128	240,994,232	183,837,880
	-	-	-	-
Supplemental cash flows information:				
Non-cash item:				
Purchases of equipment for which no cash has been paid	83,848,186	66,604,339	-	-

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

Notes to consolidated financial statements

Saha-Union Public Company Limited and its subsidiaries

For the years ended 31 December 2010 and 2009

1. General information

1.1 Corporate information

Saha-Union Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in investment, distribution of raw materials and products manufactured by the group companies, which are electronic components and adhesive tape. The registered office of the Company is at 1828 Sukhumvit Road, Bangchak, Phrakonong, Bangkok.

However, on 23 December 2010, Meeting No. 12/2010 of the Board of Directors of the Company passed a resolution to change the business of the Sriracha branch from contract manufacturing of electronic components to property and real estate rental services, effective from 1 January 2011.

1.2 Corporate information of subsidiary - Union Technology (2008) Public Company Limited

On 19 February 2009, Meeting No. 2/2009 of the Board of Directors of Union Technology (2008) Plc. (“Union Technology (2008)”) passed a resolution to proceed with the voluntary delisting of Union Technology (2008)’s shares from the Stock Exchange of Thailand and proposed such resolution for consideration and approval by the Annual General Meeting of Shareholders held on 27 April 2009.

On 27 April 2009, the 2009 Annual General Meeting of Shareholders of Union Technology (2008) passed a resolution to proceed with the voluntary delisting of Union Technology (2008)’s shares from the Stock Exchange of Thailand. The Company, the major shareholder of Union Technology (2008), has expressed its intention to make a tender offer for all shares held by the minority shareholders.

On 21 May 2009, the Board of Directors Meeting of the Company passed a resolution to make a tender offer of common shares of Union Technology (2008) from individual shareholders at a price of Baht 10.03 per share since, on 11 May 2009, the Stock Exchange of Thailand approved Union Technology (2008) withdrawing the securities from a registered securities in accordance with general guidelines set by the Securities and Exchange Commission. The purchase duration of the securities is from 9 June 2009 to 14 August 2009. The Company has followed the steps of the relevant regulations. From the latest summary prepared on 19 August 2009, the Company has reported a result to the Securities and Exchange Commission concerning the share purchase that the shareholders has intention to sell and the Company would purchase a total of 6,532,067 shares, combining existing shares that held by the Company total 55,843,313 shares. As a result of the acquisition, the Company’s shareholding in Union Technology (2008) increased from 82.19 percent to 93.07 percent. Goodwill recognised from the acquisition of these investments amounting to Baht 28 million is presented under the caption of “Deficit on investment in subsidiary arising as a result of acquisition of additional shares at a price over than the net book value at the acquisition date” in shareholders’ equity.

Subsequently, on 24 August 2009, the Board of the Securities and Exchange Commission considered the delisting request of Union Technology (2008) with 60 million shares with a par value of Baht 10 each, amounting to Baht 600 million and had an opinion that Union Technology (2008) could complete all related processes in compliance with the regulation of the Stock Exchange of Thailand concerning the delisting requirement B.E. 2542. By virtue of Section 171 (4) of the Securities and Exchange B.E. 2535, the Board of the Securities and Exchange Commission passed a resolution to delist the shares of Union Technology (2008) since 1 September 2009.

The Extraordinary General Meeting of Shareholders No. 1/2009 of Union Technology (2008), held on 16 October 2009, approved to authorise Union Technology (2008) to decrease its registered and paid-up share capital from 60 million

shares with a par value of Baht 10 each, amounting to Baht 600 million, to 30 million shares with a par value of Baht 10 each, amounting to Baht 300 million. Union Technology (2008) registered the reduction in share capital with the Department of Business Development of the Ministry of Commerce on 22 January 2010 and returned the capital to its shareholders on 28 January 2010. The Company received a return of capital of Baht 279 million.

In addition, The Extraordinary General Meeting No. 2/2007 of Union Technology (2008), held on 11 December 2007, passed a resolution to approve the purchase of assets and lease of properties and other assets from the Company, to operate a business contract manufacturing of electronic components for the Company. A key clause of the purchase contract was that, if the Company terminated the hire contract, it would purchase all assets used for this production back from Union Technology (2008), at their net book value at that time. Because of the change in the business of Sriracha branch, as mentioned in Note 1.1 to the financial statements, on 14 December 2010, the Company issued a letter to terminate the hire contract to manufacture electronic components, effective from 1 January 2011. As a result, Meeting No. 12/2010 of Board of Directors of Union Technology (2008), held on 17 December 2010, passed a resolution to cease its contract manufacturing of electronic components operations, with the related assets to be sold back to the Company in accordance with the terms of the contract, the property lease terminated, and Union Technology (2008) had the obligations to compensate its employees in accordance with the law fulfilled.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 30 January 2009, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of the Company ("the Company") and the following subsidiary companies ("the subsidiaries") (Nature of business and percentage of shareholding in subsidiary companies presented in Note 11 to the financial statements):

Company's name	Country of incorporation	Assets as a percentage to the consolidated total assets as at 31 December		Revenues as a percentage to the consolidated total revenues for the years ended 31 December	
		2010	2009	2010	2009
		Percent	Percent	Percent	Percent
Textile group					
Shanghai Saha-Union Thread Industry Co., Ltd.	China	0.48	0.64	0.82	1.07
Zhejiang Saha-Union Feilun Thread Industries Co., Ltd.	China	2.62	2.66	0.84	0.91
Union Textile Industries Plc.	Thailand	7.26	5.81	14.40	7.40
Union Garment Co., Ltd.	Thailand	0.91	0.75	3.39	4.13
Plastic, stainless and metal group					
Union Pioneer Plc.	Thailand	2.79	3.05	7.60	10.17
Union Plastic Plc.	Thailand	3.84	3.84	7.67	7.54
Union Zojirushi Co., Ltd.	Thailand	4.73	3.47	14.35	15.42
Union Stainless Steel Products Co., Ltd.	Thailand	0.55	0.51	0.52	0.62
Union Rubber Products Corp., Ltd.	Thailand	0.36	0.24	1.49	0.76
Thai Rubber Enterprise Co., Ltd.	Thailand	0.27	0.26	0.06	0.08
Computer and electronic components group					
Union Technology (2008) Plc.	Thailand	2.95	3.28	0.47	0.45
Computer Union Co., Ltd.	Thailand	5.44	5.84	19.48	19.63
Computer Union Systems Co., Ltd. (99.99 percent owned by Computer Union Co., Ltd.)	Thailand	0.03	0.02	0.22	-
Power generation group					
Jiashan-Union Cogeneration Co., Ltd.	China	3.16	3.10	3.76	4.12
Investment and others group					
Saha-Union International Ltd.	Hong Kong	2.55	3.34	0.83	2.99
Saha-Union Investment (China) Co., Ltd.	China	8.35	8.48	0.64	0.64
Union Energy (Hong Kong) Co., Ltd. (100.00 percent owned by Saha-Union International Ltd.)	Hong Kong	5.28	5.72	0.58	1.28
Saha-Union Holding Co., Ltd.	Thailand	1.26	0.95	0.12	0.13
Venus Shoes Co., Ltd.	Thailand	0.15	0.17	0.11	0.10
Union Printing Corp., Ltd.	Thailand	0.01	0.02	0.02	0.02
Union Equity Co., Ltd.	Thailand	0.24	0.24	0.04	0.03

Company's name	Country of incorporation	Assets as a percentage to the consolidated total assets as at 31 December		Revenues as a percentage to the consolidated total revenues for the years ended 31 December	
		2010	2009	2010	2009
		Percent	Percent	Percent	Percent
Investment and others group (continued)					
Union Technology Co., Ltd.	Thailand	0.44	0.44	0.01	0.01
Union Energy Co., Ltd.	Thailand	0.04	0.03	-	-
Union Energy (China) Co., Ltd.	Thailand	-	-	-	0.17
Texport International Corp., Ltd.	Thailand	0.02	0.02	0.05	0.01
Union Human Resources Development Co., Ltd.	Thailand	-	-	-	-
Discontinued operation group					
Union Shoes Co., Ltd.	Thailand	0.03	0.04	-	-
Union Construction Corp., Ltd.	Thailand	0.69	0.70	-	-
Union Kotec Molds Co., Ltd. (65.00 percent owned by Union Plastic Plc.)	Thailand	-	-	-	-
Liquidated group					
Uni-Sole Co., Ltd.	Thailand	-	0.03	-	0.03
Phon Union Footwear Co., Ltd. (50.00 percent owned by Union Technology (2008) Plc. and 49.99 percent by Union Shoes Co., Ltd.)	Thailand	-	0.01	-	0.01
Dissolute group					
Union Yagi Lao Co., Ltd. (50.00 percent owned by Union Garment Co., Ltd.)	Lao	0.01	0.15	0.34	0.35

b) Subsidiaries are fully consolidated from the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the balance sheet date, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Translation adjustments" in shareholders' equity.

e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.

f) Minority interests represent the portion of net income or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statements and within equity in the consolidated balance sheets.

2.3 The separate financial statements, which present investments in subsidiaries and associates under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards

During the current year, the Federation of Accounting Professions issued a number of revised and new accounting standards as listed below.

a) Accounting standards that are effective for fiscal years beginning on or after 1 January 2011 (except Framework for the Preparation and Presentation of Financial Statements, which is immediately effective):

Framework for the Preparation and Presentation of Financial Statements (revised 2009)

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
TFRIC 15	Agreements for the Construction of Real Estate

b) Accounting standards that are effective for fiscal years beginning on or after 1 January 2013:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

The Company and its subsidiaries's management believe that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except TAS 12 Income Taxes, which requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognise deferred tax assets and liabilities under the stipulated guidelines. At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of service

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Interest income

Interest income is recognised on an accrual basis on the effective interest rate.

Rental income

Rental income is recognised on an accrual basis base on the contract rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Finished goods and work in process are valued at the lower of standard cost (which approximates actual cost) and net realisable value. Standard cost includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.5 Unused assets classified as held for sale

Unused assets classified as held for sale are assets whose carrying amounts will be recovered through a sales transaction rather than through continuing use. Such sales transaction should be expected to qualify for recognition as a completed sale within one year from the date of classification. The assets are measured at the lower of carrying amount and fair value less costs to sell, and they are not depreciated.

4.6 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded as gains or losses in the income statement.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded as a separate item in shareholders' equity, and will be recorded as gains or losses in the income statement when the securities are sold.
- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- d) Investments in non-marketable equity securities, which the Company and its subsidiaries classify as other investments, are stated at cost net of allowance for loss on diminution in value.
- e) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method and net of allowance for loss on diminution in value.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised as income or expenses in the income statement.

4.7 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets.

Depreciation of plant and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings	-	20	years
Land improvement and leasehold	-	5, 20	years
Machinery and equipment	-	3, 5, 10, 20	years
Molds	-	5	years
Facilities	-	5	years
Furniture and fixtures	-	3, 5, 10	years
Motor vehicles	-	5, 10	years
Computers	-	3, 5	years

Depreciate of plant and equipment of a company's branch and a subsidiary acquired in the year 2001, is calculated by reference to its net book value on a double-declining basis, over the useful lives of 3-20 years.

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in the income statement when the asset is derecognised.

4.8 Intangible assets - Computer Software

Computer Software are recognised at cost. Following the initial recognition, Computer Software are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives, which estimated useful life five years, are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the asset may be impaired. The amortisation period and the amortisation method of such assets are reviewed at least at each financial year end. The amortisation expense is charged to the income statement.

4.9 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company and its subsidiaries that gives them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the Company and its subsidiaries's operations.

4.10 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to the income statements over the lease period. The property, plant or equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Operating lease payments are recognised as an expense in the income statement on a straight line basis over the lease term.

4.11 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the balance sheet date.

Gains and losses on exchange are included in determining income.

4.12 Impairment of assets

At each reporting date, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment, other investments and include intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in the income statement.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased. The Company and its subsidiaries will recognise the reversal in the income statement.

4.13 Employee benefits

Salaries, wages, bonuses and contributions to the social security fund and provident fund are recognised as expenses when incurred.

In addition, employee's compensation and pension expenses are provided in the accounts by reference to the provisions of labor laws and the Company and its subsidiaries's personnel regulations, and are determined based upon the probability that employees in each age group will work until reaching their retirement age.

4.14 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Overseas subsidiary companies calculate corporate income tax in accordance with tax rates mandated under the tax law of those countries.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for diminution in value of inventory

In determining an allowance for diminution in value of inventory, the management makes judgments and estimates net realisable value of inventory. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period. Also, the management makes judgments and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

Impairment of equity investments

The Company and its subsidiaries treat available-for-sale investments and other investments as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the Company and its subsidiaries's plant and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and to record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Pension and post-retirement benefits

Employee compensation and pension expenses are provided in the accounts by reference to the provisions of labor laws and the Company and its subsidiaries personnel regulations, and are determined based upon the probability that employees in each age group will work until reaching their retirement age. Actual employee compensation and pension expenses may ultimately differ.

6. Cash and cash equivalents

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash	1,084,529	1,387,828	102,498	125,862
Bank deposits	926,268,491	789,260,222	240,891,734	183,712,018
Government bonds	465,865,669	501,844,651	-	-
Treasury bill	194,857,518	80,915,427	-	-
Total	1,588,076,207	1,373,408,128	240,994,232	183,837,880

As at 31 December 2010, bank deposits in saving accounts, fixed deposits, Government bonds and treasury bill carried interests between 0.25 and 1.86 percent per annum (2009: between 0.25 and 1.12 percent per annum).

7. Current investments

As at 31 December 2010 and 2009, the balances of subsidiaries's current investments are as follow:

	(Unit: Baht)			
	Consolidated financial statements			
	2010		2009	
	Cost/ Book value	Fair value	Cost/ Book value	Fair value
Trading securities				
Overseas marketable equity securities	863,370,426	791,440,812	1,060,982,259	983,182,328
Less: Allowance for change in value of investment	(80,205,347)		(77,077,024)	
Translation adjustments	8,275,733		(722,907)	
Total trading securities - net	791,440,812		983,182,328	

(Unit: Baht)

Consolidated financial statements				
	2010		2009	
	Cost/ Book value	Fair value	Cost/ Book value	Fair value
Debt securities held to maturity - current portion				
Debt instruments of private sector	43,818,626		44,931,609	
Bonds	75,000,000		10,000,000	
Total debt securities held to maturity - current portion	118,818,626		54,931,609	
Current investments - net	910,259,438		1,038,113,937	

8. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

Consolidated financial statements

(Unit: Million Baht)

	For the years ended 31 December		Transfer pricing policy
	2010	2009	
Transactions with associated companies			
Sales of merchandise	727	462	Cost plus margin
Service income	6	5	Contract price
Rental income	16	13	Contract price
Receivable from sales of investments (weighted average from outstanding balances at month end)	10	84	Interest rate with reference to the loan interest rate of local commercial bank
Lendings (weighted average from outstanding balances at month end)	69	-	Interest rate with reference to the loan interest rate of local commercial bank
Interest income	-	7	Interest rate with reference to the loan interest rate of local commercial bank
Purchases of merchandise	621	597	Resale price reduced by a margin
Deposits (weighted average from outstanding balances at month end)	152	157	Interest rate with reference to the deposit rate of local commercial bank
Interest expenses	1	2	Interest rate with reference to the deposit rate of local commercial bank

(Unit: Million Baht)

	For the years ended 31 December		
	2010	2009	Transfer pricing policy
Transactions with related companies			
Sales of merchandise	25	22	Cost plus margin
Service income	5	4	Contract price
Rental income	1	1	Contract price
Lendings (weighted average from outstanding balances at month end)	-	2	Interest rate with reference to the loan interest rate of local commercial bank
Purchases of merchandise	6	4	Resale price reduced by a margin

Separate financial statements

(Unit: Million Baht)

	For the years ended 31 December		
	2010	2009	Transfer pricing policy
Transactions with subsidiaries			
Sales of merchandise	714	336	Cost plus margin
Service income	91	16	Contract price
Rental income	178	175	Contract price
Lendings (weighted average from outstanding balances at month end)	443	373	Interest rate with reference to the loan interest rate of local commercial bank
Interest income	25	21	Interest rate with reference to the loan interest rate of local commercial bank
Purchases of merchandise	1,229	1,055	Resale price reduced by a margin
Deposits (weighted average from outstanding balances at month end)	792	950	Interest rate with reference to the deposit rate of local commercial bank
Interest expenses	4	7	Interest rate with reference to the deposit rate of local commercial bank
Transactions with associated companies			
Sales of merchandise	353	261	Cost plus margin
Service income	-	2	Contract price
Rental income	2	2	Contract price

Separate financial statements

(Unit: Million Baht)

	For the years ended 31 December		Transfer pricing policy
	2010	2009	
Receivable from sales of investments (weighted average from outstanding balances at month end)	10	84	Interest rate with reference to the loan interest rate of local commercial bank
Lendings (weighted average from outstanding balances at month end)	69	-	Interest rate with reference to the loan interest rate of local commercial bank
Interest income	-	7	Interest rate with reference to the loan interest rate of local commercial bank
Purchases of merchandise	486	509	Resale price reduced by a margin
Deposits (weighted average from outstanding balances at month end)	152	157	Interest rate with reference to the deposit rate of local commercial bank
Interest expenses	1	2	Interest rate with reference to the deposit rate of local commercial bank
Transactions with related companies			
Sales of merchandise	20	16	Cost plus margin
Service income	3	4	Contract price
Rental income	1	1	Contract price

The balances of the accounts as at 31 December 2010 and 2009 between the Company and those related companies are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Trade accounts receivable - related parties				
Subsidiaries				
Union Textile Industries Plc.	-	-	204,100,897	66,545,490
Union Pioneer Plc.	-	-	1,862,448	2,420,395
Union Stainless Steel Products Co., Ltd.	-	-	4,001,533	3,473,874
Union Zojirushi Co., Ltd.	-	-	2,217,134	35,904,792
Total trade accounts receivable - subsidiaries	-	-	212,182,012	108,344,551
Associated companies				
Ten Cate-Union Protective Fabric Asia Co., Ltd.	68,638,840	31,835,812	-	-
Union Spinning Mills Co., Ltd.	66,970,289	53,473,314	65,846,864	50,722,117
Union Zip Co., Ltd.	2,839,191	2,649,072	-	-
Venus Thread Co., Ltd.	6,591,884	142,043	6,441,217	-
Union Nifco Co., Ltd.	3,841,435	3,967,446	-	-
Union Thai-Nichiban Co., Ltd.	8,336,900	1,353,000	-	-
Union Micronclean Co., Ltd.	87,510	429,045	-	-
Others	9,413	8,269	-	-
Total trade accounts receivable - associated companies	157,315,462	93,858,001	72,288,081	50,722,117

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<i>Related companies</i>				
Union Tex-East Co., Ltd. (related by share holding)	70,748	2,491,632	-	-
Others	157,072	105,923	-	-
Total trade accounts receivable - related companies	227,820	2,597,555	-	-
Total trade accounts receivable - related parties	157,543,282	96,455,556	284,470,093	159,066,668
<u>Short-term loans to related parties</u>				
<i>Subsidiaries</i>				
Computer Union Co., Ltd.	-	-	313,611,000	496,740,000
Union Construction Corp., Ltd.	-	-	13,100,000	13,000,000
Thai Rubber Enterprise Co., Ltd.	-	-	5,000,000	5,000,000
Total short-term loans to subsidiaries	-	-	331,711,000	514,740,000
Less: Allowance for doubtful account	-	-	(13,000,000)	(13,000,000)
Total short-term loans to related parties	-	-	318,711,000	501,740,000
<u>Receivable from sales of investments - related party</u>				
<i>Associated company</i>				
Union Capital Co., Ltd.	-	84,000,000	-	84,000,000
Total receivable from sales of investments -related party	-	84,000,000	-	84,000,000
<u>Trade accounts payable - related parties</u>				
<i>Subsidiary</i>				
Union Technology (2008) Plc.	-	-	26,463,620	72,876,363
Total trade accounts payable - subsidiary	-	-	26,463,620	72,876,363
<i>Associated companies</i>				
Ten Cate-Union Protective Fabric Asia Co., Ltd.	19,779,004	4,992,088	-	-
Union Thai-Nichiban Co., Ltd.	35,412,575	27,146,805	34,637,418	26,506,956
Uni-Fibre Co., Ltd.	3,205,051	2,774,056	-	-
Union Nifco Co., Ltd.	5,285,227	5,510,389	-	-
Union Zip Co., Ltd.	565,397	1,503,488	-	888,438
Venus Thread Co., Ltd.	1,283,629	5,807,739	-	4,662,141
Others	84,938	35,835	-	-
Total trade accounts payable - associated companies	65,615,821	47,770,400	34,637,418	32,057,535
<i>Related companies</i>				
Union Button Corp., Ltd. (related by share holding)	1,948,521	2,037,482	584,716	688,960
Others	260,761	446,683	-	-
Total trade accounts payable - related companies	2,209,282	2,484,165	584,716	688,960
Total trade accounts payable - related parties	67,825,103	50,254,565	61,685,754	105,622,858

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<u>Payable from purchase of investments - related parties</u>				
<i>Subsidiary</i>				
Union Energy (China) Co., Ltd.	-	-	-	173,288,039
Total payable from purchase of investments - subsidiary	-	-	-	173,288,039
<i>Associated companies</i>				
Yunnan Energy Luliang-Union Power Co., Ltd.	34,065,750	-	-	-
Yunnan Energy Qujing-Union Power Co., Ltd.	34,065,750	-	-	-
Total payable from purchase of investments - associated companies	68,131,500	-	-	-
Total payable from purchase of investments - related parties	68,131,500	-	-	173,288,039
<u>Deposits from related parties</u>				
<i>Subsidiaries</i>				
Union Energy Co., Ltd.	-	-	5,629,991	14,379,991
Union Technology Co., Ltd.	-	-	38,000,000	50,000,000
Union Equity Co., Ltd.	-	-	9,277,975	5,517,506
Texport International Corp., Ltd.	-	-	21,241,228	14,305,730
Union Energy (China) Co., Ltd.	-	-	393,979,475	220,223,184
Saha-Union Holding Co., Ltd.	-	-	227,899,230	249,037,886
Union Shoes Co., Ltd.	-	-	20,000,000	20,000,000
Union Zojirushi Co., Ltd.	-	-	-	180,000,000
Union Printing Corp., Ltd.	-	-	9,824,788	7,852,228
Union Human Resources Development Co., Ltd.	-	-	711,075	706,475
Venus Shoes Co., Ltd.	-	-	3,000,000	-
Total deposits from subsidiaries	-	-	729,563,762	762,023,000
<i>Associated companies</i>				
Uni-Fibre Co., Ltd.	27,514,163	6,154,621	27,514,163	6,154,621
Union Zip Co., Ltd.	50,000,000	40,000,000	50,000,000	40,000,000
Union Thai-Nichiban Co., Ltd.	-	210,000,000	-	210,000,000
Total deposits from associated companies	77,514,163	256,154,621	77,514,163	256,154,621
Total deposits from related parties	77,514,163	256,154,621	807,077,925	1,018,177,621

During 2010, movements of loans to related parties were as follow:

(Unit: Baht)

	Balance as at 1 January 2010	During the year		Balance as at 31 December 2010
		Increase	Decrease	
Short-term loans to related parties				
<i>Subsidiaries</i>				
Computer Union Co., Ltd.	496,740,000	1,628,200,000	(1,811,329,000)	313,611,000
Union Construction Corp., Ltd.	13,000,000	100,000	-	13,100,000
Thai Rubber Enterprise Co., Ltd.	5,000,000	-	-	5,000,000
Total short-term loans to related parties	514,740,000	1,628,300,000	(1,811,329,000)	331,711,000

Directors and management's benefits

In 2010, the Company and its subsidiaries had meeting allowances and gratuities of their directors and had salaries and bonuses of their managements totaling Baht 98.1 million (Separate financial statements: Baht 31.6 million) (2009: Baht 99.7 million, Separate financial statements: Baht 30.4 million).

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 28.3 to the financial statements.

9. Trade accounts receivable

As at 31 December 2010 and 2009, most of the trade accounts receivable were within their credit terms. The Company and its subsidiaries have assessed the recoverable value of the receivables that were past due for one year and more. The outstanding balance of such receivables amounted to approximately Baht 55.3 million (2009: Baht 28.7 million) and Baht 5.0 million for the separate financial statements (2009: Baht 8.3 million) and recorded the allowance for doubtful accounts of Baht 32.9 million (2009: Baht 33.8 million) and Baht 4.8 million for the separate financial statements (2009: Baht 8.1 million).

10. Inventories

Consolidated financial statements							(Unit: Baht)
	Cost		Allowance for diminution in value of inventories		Inventories - net		
	2010	2009	2010	2009	2010	2009	
Finished goods	372,301,575	536,111,670	(41,983,028)	(31,036,689)	330,318,547	505,074,981	
Semi products	21,487,680	16,428,989	(2,433,861)	(4,220,076)	19,053,819	12,208,913	
Work in process	128,872,024	127,928,975	(791,259)	(1,164,853)	128,080,765	126,764,122	
Raw materials	499,810,441	441,852,213	(5,908,585)	(7,176,928)	493,901,856	434,675,285	
Packing materials	31,256,658	26,494,683	(1,372,043)	(1,996,592)	29,884,615	24,498,091	
Spare parts and factory supplies	98,801,751	85,633,290	(36,770,655)	(35,595,491)	62,031,096	50,037,799	
Goods in transit	163,434,961	15,441,758	-	-	163,434,961	15,441,758	
Total	1,315,965,090	1,249,891,578	(89,259,431)	(81,190,629)	1,226,705,659	1,168,700,949	

Separate financial statements							(Unit: Baht)
	Cost		Allowance for diminution in value of inventories		Inventories - net		
	2010	2009	2010	2009	2010	2009	
Raw materials	234,916	388,853	-	-	234,916	388,853	
Spare parts and factory supplies	297,745	302,400	-	-	297,745	302,400	
Goods in transit	23,714,926	45,239	-	-	23,714,926	45,239	
Total	24,247,587	736,492	-	-	24,247,587	736,492	

11. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Nature of business	Paid-up capital				Shareholding percentage				Cost		Dividend received during the year		
		2010		2009		2010		2009		2010	2009	2010	2009	
		Million Baht	Million Baht	Million Baht	Million Baht	Percent	Percent	Percent	Percent					
Textile group														
Shanghai Saha-Union Thread Industry Co., Ltd.	Manufacture and distribution of textile products	23.5	23.5	23.5	23.5	64.05	64.05	64.05	64.05	49,950	49,950	-	-	
Zhejiang Saha-Union Feilun Thread Industries Co., Ltd.	Manufacture of threads	4	4	4	4	82.00	82.00	82.00	82.00	57,096	57,096	-	-	
Union Textile Industries Plc.	Manufacture and distribution of textiles	600	600	600	600	51.43	51.43	51.43	51.43	321,181	321,181	170,546	-	
Union Garment Co., Ltd.	Manufacture of garments	50	50	50	50	99.99	99.99	99.99	99.99	70,345	70,345	3,000	14,647	
Plastic, stainless and metal group														
Union Pioneer Plc.	Manufacture of rubber thread, elastic braids and webbing	75	75	75	75	52.71	52.71	52.71	52.71	53,084	53,084	55,077	9,179	
Union Plastic Plc.	Manufacture of plastic products, manufacture and repair of molds	250	250	250	250	49.69	49.69	49.69	49.69	235,433	235,433	14,237	30,950	
Union Zojirushi Co., Ltd.	Manufacture of vacuum bottles	140	140	140	140	51.00	51.00	51.00	51.00	72,059	72,059	76,612	58,362	
Union Stainless Steel Products Co., Ltd.	Manufacture of stainless steel kitchenware	40	40	40	40	98.00	98.00	98.00	98.00	52,411	52,411	14,112	14,014	
Union Rubber Products Corp., Ltd.	Manufacture of rubber products	20	20	20	20	99.99	99.99	99.99	99.99	16,111	16,111	600	1,950	
Thai Rubber Enterprise Co., Ltd.	Rubber estates	32	32	32	32	50.69	50.69	50.69	50.69	17,179	17,179	1,703	3,488	

Company's name	Nature of business	Paid-up capital				Shareholding percentage				Cost		Dividend received during the year		
		2010		2009		2010		2009		2010	2009	2010	2009	
		Million Baht	Million Baht	Million Baht	Million Baht	Percent	Percent	Percent	Percent					
Computer and electronic components group														
Union Technology (2008) Plc.	Manufacture of electronic components	300	600	99.66	99.66	287,587	575,173	-	-					
Computer Union Co., Ltd.	Computer dealer	100	100	97.73	97.53	101,298	101,014	37,138	19,450					
Computer Union Systems Co., Ltd. (99.99 percent owned by Computer Union Co., Ltd.)	Computer dealer	5.03	5.03	97.73	97.53	-	-	-	-					
Power generation group														
Jiashan-Union Cogeneration Co., Ltd.	Power generation	10.6	10.6	75.96	75.96	251,073	251,073	21,176	12,715					
Investment and others group														
Saha-Union International Ltd.	Investment and other	330	330	99.98	99.98	1,571,303	1,571,303	-	-					
Saha-Union Investment (China) Co., Ltd.	Investment	45	45	100.00	100.00	1,572,809	1,572,809	-	-					
Union Energy (Hong Kong) Co., Ltd. (100.00 percent owned by Saha-Union International Ltd.)	Investment	223.2	223.2	99.98	99.98	-	-	-	-					
Saha-Union Holding Co., Ltd.	Investment	1,200	1,200	99.54	99.54	1,194,479	1,194,479	-	-					
Venus Shoes Co., Ltd.	Dormitory rental and services	72	72	96.86	96.86	44,007	44,007	-	-					
Union Printing Corp., Ltd.	Rental services	30	30	94.74	94.74	29,466	29,466	-	-					
Union Equity Co., Ltd.	Investment	160	160	99.79	99.79	159,771	159,771	-	23,407					
Union Technology Co., Ltd.	Investment	100	100	99.99	99.99	100,000	100,000	17,300	89,700					

(Unit: Thousand Baht)

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up capital				Shareholding percentage				Cost				Dividend received during the year	
		2010		2009		2010		2009		2010		2009		2010	2009
		Million Baht	Million Baht	Million Baht	Million Baht	Percent	Percent	Percent	Percent	2010	2010	2009	2009	2010	2009
Investment and others group (continued)															
Union Energy Co., Ltd.	Investment	3.2	12.5	99.40	99.40	3.176	12,407	-	-	-	-	-	-	-	1,309
Union Energy (China) Co., Ltd.	Investment	245	245	99.99	99.99	244,999	244,999	-	-	-	-	-	-	-	246,785
Texport International Corp., Ltd.	Investment	12.5	12.5	85.20	85.20	12,358	12,358	-	-	-	-	-	-	-	14,694
Union Human Resources Development Co., Ltd.	Train and development skills	0.25	0.25	99.99	99.99	250	250	-	-	-	-	-	-	-	-
Discontinued operation group															
Union Shoes Co., Ltd.	-	24	24	97.85	97.85	22,008	22,008	-	-	-	-	-	-	-	-
Union Construction Corp., Ltd.	-	200	200	99.68	99.68	5,281	5,281	-	-	-	-	-	-	-	-
Union Kotec Molds Co., Ltd. (65.00 percent owned by Union Plastic Plc.)	-	54	60	32.30	32.30	-	-	-	-	-	-	-	-	-	-
Liquidated group															
Uni-Sole Co., Ltd.	-	-	3.5	-	80.22	-	658	-	-	-	-	-	-	-	-
Phon Union Footwear Co., Ltd. (50.00 percent owned by Union Technology (2008) Plc. and 49.99 percent by Union Shoes Co., Ltd.)	-	-	49.5	-	77.38	-	-	-	-	-	-	-	-	-	-
Dissolute group															
Union Yagi Lao Co., Ltd. (50.00 percent owned by Union Garment Co., Ltd.)	-	0.75	0.75	49.99	49.99	-	-	-	-	-	-	-	-	-	-
Total			(Million USD)			6,544,714	6,841,905	411,501	540,650						
Less: Allowance for impairment of investments in subsidiaries						(896,141)	(1,135,248)								
Total investments in subsidiaries - net						5,648,573	5,706,657								

During the year 2010 and 2009, there were significant change of subsidiaries as the following:

Dissolutions

Company's name	Approved by	Approved date	Registration date	Net cash return from dissolution (Unit: Thousand Baht)	
				Consolidated financial statements	Separate financial statements
2010					
Uni-Sole Co., Ltd.	The 2010 Annual General Meeting of Shareholders	9 April 2010	23 April 2010	5,016	1,605
Phon Union Footwear Co., Ltd.	The 2010 Annual General Meeting of Shareholders	9 April 2010	20 April 2010	1,879	-
Total				6,895	1,605
2009					
Fashion Apparel Co., Ltd.	The Extraordinary Meeting of Shareholders No. 1/2008	17 November 2008	20 November 2008	3,212	963
Saha Trading (Shanghai) Co., Ltd.	The 2009 Annual General Meeting of Shareholders	8 July 2009	28 July 2009	886	-
Jakkarat Union Footwear Co., Ltd.	The Extraordinary Meeting of Shareholders No. 2/2009	12 October 2009	22 October 2009	2,044	-
Banphi Union Footwear Co., Ltd.	The Extraordinary Meeting of Shareholders No. 1/2009	15 May 2009	29 May 2009	34	-
Buirum Union Shoes Co., Ltd.	The Extraordinary Meeting of Shareholders No. 2/2008	18 June 2008	1 July 2008	101	-
Total				6,277	963

Disposals and change in status of investments

		(Unit: Thousand Baht)			
Company's name	Description	Effects in consolidated financial statements	Effects in separate financial statements	Net cash received (paid)	
				Consolidated financial statements	Separate financial statements
2009					
Union Garment Co., Ltd.	Disposed of ordinary shares of investment in Union Tex-East Co., Ltd. to a non-related party.	- The status of Union Tex-East Co., Ltd. was therefore changed from a subsidiary to a related party.	- The status of Union Tex-East Co., Ltd. was therefore changed from a subsidiary to a related party.	1,400	-
Union Kotec Molds Co., Ltd.	On 24 April 2009, a Meeting of the Board of Directors passed resolutions to cease the operations. The reason for the cessation was that Union Kotec Molds Co., Ltd. had been operating consistently at a loss and it is currently in the process of registering the dissolution with the Ministry of Commerce.	- None	- None	-	-
Union Energy (China) Co., Ltd. and Saha-Union Investment (China) Co., Ltd.	Transferred their remaining investment in the ordinary shares of Danyang-Union Cogeneration Co., Ltd. from the previous disposals in 2008 to a non-related party.	- The status of Danyang-Union Cogeneration Co., Ltd. was therefore changed from a subsidiary to a non-related party since 2008.	- The status of Danyang-Union Cogeneration Co., Ltd. was therefore changed from a subsidiary to a non-related party since 2008.	128,895	-
Saha-Union Plc.	The Company made a full payment to Union Energy (China) Co., Ltd. for purchasing the investments in Jiashan-Union Cogeneration Co., Ltd.	- None	- The balance of "Payable from purchases of investments - related party" decreased.	-	(203,385)
Total				130,295	(203,385)

Reductions of registered share capital

Company's name	Reducing No.	Approved by	Approved date	Registration date	Registered and paid-up share capital before decrease		Registered and paid-up share capital after decrease		Net cash received from capital reduction	
					No. of shares (Shares)	Par value (Baht)	No. of shares (Shares)	Par value (Baht)	Consolidated financial statements	Separate financial statements
					(Unit: Thousand Baht)					
2010										
Union Energy Co., Ltd.	1	The Extraordinary Meeting of Shareholders No. 1/2010	7 September 2010	11 October 2010	1,250,000	10	320,000	10	9,231	9,231
Union Technology (2008) Plc.	1	The Extraordinary Meeting of Shareholders No. 1/2009	16 October 2009	22 January 2010	60,000,000	10	30,000,000	10	299,082	279,216
Total									308,313	288,447
2009										
Venus Shoes Co., Ltd.	1	The Extraordinary Meeting of Shareholders No. 1/2009	15 September 2009	22 October 2009	1,000,000	100	720,000	100	28,000	21,280
Union Equity Co., Ltd.	1	The Extraordinary Meeting of Shareholders No. 1/2009	15 September 2009	22 October 2009	23,000,000	10	16,000,000	10	69,856	69,856
Union Energy Co., Ltd.	1	The Extraordinary Meeting of Shareholders No. 1/2009	18 March 2009	22 May 2009	80,000,000	10	20,000,000	10	595,556	595,556
	2	The Extraordinary Meeting of Shareholders No. 2/2009	30 June 2009	17 August 2009	20,000,000	10	5,000,000	10	148,889	148,889
	3	The Extraordinary Meeting of Shareholders No. 3/2009	14 September 2009	22 October 2009	5,000,000	10	1,250,000	10	37,222	37,222

(Unit: Thousand Baht)

Company's name	Reducing No.	Approved by	Approved date	Registration date	Registered and paid-up share capital before decrease		Registered and paid-up share capital after decrease		Net cash received from capital reduction	
					No. of shares (Shares)	Par value (Baht)	No. of shares (Shares)	Par value (Baht)	Consolidated financial statements	Separate financial statements
2009 (Continued)										
Union Energy (China) Co., Ltd.	1	The Extraordinary Meeting of Shareholders No. 2/2009	18 March 2009	22 May 2009	38,500,000	100	9,700,000	100	2,880,000	2,880,000
	2	The Extraordinary Meeting of Shareholders No. 3/2009	30 June 2009	17 August 2009	9,700,000	100	2,450,000	100	725,000	725,000
Texport International Corp., Ltd.	1	The Extraordinary Meeting of Shareholders No. 1/2009	26 October 2009	9 December 2009	500,000	100	125,000	100	31,950	31,950
Union Shoes Co., Ltd.	1	The Extraordinary Meeting of Shareholders No. 1/2009	15 June 2009	21 July 2009	1,000,000	50	1,000,000	24	25,484	16,041
Uni-Sole Co., Ltd.	1	The 2009 Annual General Meeting of Shareholders	24 April 2009	18 June 2009	125,000	100	35,000	100	9,000	2,880
Jakkarat Union Footwear Co., Ltd.	1	The Extraordinary Meeting of Shareholders No. 1/2009	15 June 2009	17 August 2009	2,000,000	10	1,300,000	10	7,000	-
Phon Union Footwear Co., Ltd.	1	The Extraordinary Meeting of Shareholders No. 1/2009	15 June 2009	18 August 2009	700,000	100	495,000	100	20,500	-
Total									4,578,457	4,528,674

Additional of registered share capital

(Unit: Thousand Baht)

Company's name	Registered and paid-up share capital before increase (USD)	Registered and paid-up share capital after increase (USD)	Net cash paid for additional registered and paid-up share capital	
			Consolidated financial statements	Separate financial statements
2009				
Saha-Union Investment (China) Co., Ltd.	40,000,000	45,000,000	-	170,442
Jiashan-Union Cogeneration Co., Ltd.	8,300,000	10,640,000	54,403	38,463
Total			54,403	208,905

During the year 2010, the Company reversed the net allowance for impairment of investments in subsidiaries by Baht 239.1 million. Consequently, as at 31 December 2010, the Company recorded allowance for impairment of investments in subsidiaries totaling Baht 896.1 million in order to reflect the actual expected return on investment in the future.

12. Investments in associates

12.1 Details of associates:

Consolidated financial statements

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2010	2009	2010	2009	2010	2009
			Percent	Percent				
Textile group								
Shanghai Saha-Union Spinning Mill No.7 Co., Ltd.	Spinning	China	50.00	50.00	310,918	310,918	282,067	302,451
Jiangsu Zhongjian-Union Carpet Co., Ltd.	Manufacture of automobile carpets	China	35.00	35.00	218,108	225,404	254,594	253,669
Uni-Fibre Co., Ltd.	Distribution of textiles	Thailand	53.08	53.08	55,800	55,800	143,199	130,626
Union Universe Co., Ltd.	Distributor of Grand Slam shirts	Thailand	49.87	49.87	3,751	3,751	62,688	63,491
Union Micronean Co., Ltd.	Manufacture of clean room clothing	Thailand	44.48	44.48	2,550	2,550	18,010	18,911
Union Spinning Mills Co., Ltd.	Manufacture of thread	Thailand	52.15	52.15	46,563	46,563	110,983	103,944
Union Zip Co., Ltd.	Manufacture and export of zippers	Thailand	24.95	24.95	-	-	9,746	5,904
(99.79 percent owned by Union Industries Corp., Ltd.)								
Venus Thread Co., Ltd.	Manufacture and distribution of thread	Thailand	25.07	25.07	-	-	26,374	18,266
(98.96 percent owned by Union Thread Industries Co., Ltd. and 1.04 by Union Spinning Mills Co., Ltd.)								
Ten Cate-Union Protective Fabric Asia Co., Ltd.	Production of work and safety wear fabric	Thailand	24.62	24.62	190,000	190,000	132,956	138,571
(49.35 percent owned by Union Textile Industries Plc.)								
Plastic, stainless and metal group								
Union Thai-Nichiban Co., Ltd.	Manufacture of clear tape, film, PP tape, adhesive paper and kraft paper	Thailand	40.27	40.27	19,266	19,266	171,835	178,482
Union Nifco Co., Ltd.	Manufacture of plastic products, parts and molds	Thailand	39.91	39.91	51,553	51,553	186,693	153,457
Power generation group								
Jiyang-Union Cogeneration Co., Ltd.	Power generation	China	-	50.00	-	222,641	-	352,670
(2010: status changed to non-related party)								
Wuxi-Union Cogeneration Co., Ltd.	Power generation	China	45.70	45.70	746,296	746,296	803,589	806,037
Yixing-Union Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	1,113,296	1,113,296	1,843,885	1,896,673
Shangyu Hangzhou-Union Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	514,653	514,653	661,129	613,042
Huanan-Union Spring Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	127,789	127,789	148,260	120,707
Yunnan Energy Luliang-Union Power Co., Ltd.	Power generation	China	50.00	50.00	445,914	445,914	339,371	389,965
Yunnan Energy Quling-Union Power Co., Ltd.	Power generation	China	50.00	50.00	509,690	509,690	297,018	341,397

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2010	2009	2010	2009	2010	2009
			Percent	Percent				
Power generation group (Continued)								
Ping-Bian Xian Yunnan Energy Union Power Co., Ltd. (50.00 percent owned by Saha-Union Investment (China) Co., Ltd.)	Power generation	China	50.00	-	68,132	-	68,440	-
Chemical group								
Taixing Union Zond Chemicals Co., Ltd.	Manufacture of Phthalic anhydride and Fumaric acid and associated products	China	40.00	40.00	216,285	216,285	170,826	201,603
Yixing-Union Biochemical Co., Ltd.	Manufacture of citric acid	China	50.00	50.00	83,470	83,470	246,967	248,274
Investment and others group								
Saha-Union International (Taipei) Ltd.	Investment	Taiwan	42.49	42.49	386	386	2,889	2,739
Jiashan-Union Development Co., Ltd.	Real estate	China	49.00	49.00	676,832	676,832	582,612	662,961
Uni-Agro Co., Ltd.	Investment and agriculture	Thailand	45.02	45.02	20,465	20,465	14,969	14,212
Union Thread Industries Co., Ltd.	Investment	Thailand	36.20	36.20	52,216	52,216	685,270	662,612
Union Industries Corp., Ltd.	Investment and real estate rental	Thailand	29.60	29.60	43,502	43,502	309,222	299,347
Venus Product Co., Ltd.	Investment	Thailand	25.03	25.03	-	-	1,767	1,759
(99.86 percent owned by Union Thread Industries Co., Ltd.)								
Union Capital Co., Ltd.	Investment	Thailand	26.55	26.55	-	-	31,615	25,065
(29.00 percent owned by Union Industries Corp., Ltd., 29.00 percent by Union Thread Industries Co., Ltd., 29.00 percent by Union Business Management Co., Ltd. and 2.00 percent by Uni-Fibre Co., Ltd.)								
Union Business Management Co., Ltd.	Investment	Thailand	32.84	32.84	94,999	94,999	72,242	60,085
(51.10 percent owned by Union Thread Industries Co., Ltd., 29.40 percent by Union Capital Co., Ltd., 18.99 percent by Union Textile Industries Plc. and 0.50 percent by Union Industries Corp., Ltd.)								
Union Distributor Co., Ltd.	Investment	Thailand	24.83	24.83	-	-	962	901
(99.90 percent owned by Union Industries Corp., Ltd.)								
Union Management and Service Co., Ltd. (formerly known as "Union Limousine Co., Ltd.") (99.83 percent owned by Union Industries Corp., Ltd.)	Fuel retailer and employee transportation services	Thailand	24.96	24.96	-	-	982	752

(Unit: Thousand Baht)

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2010	2009	2010	2009	2010	2009
			Percent	Percent				
Investment and others group (continued)								
Union Assets Management Co., Ltd. (99.99 percent owned by Union Industries Corp., Ltd.)	Asset management service	Thailand	25.00	25.00	-	-	1,739	1,160
Liquidated group								
Ban Phai Union Garment Co., Ltd. (49.99 percent owned by Union Garment Co., Ltd.)	-	Thailand	-	49.99	-	1,000	-	975
Dissolute group								
Shanghai Fuji Shima Dyeing & Garments Corporation (44.00 percent owned by Shanghai Saha-Union Thread Industry Co., Ltd.)	-	China	26.96	26.96	17,236	17,236	14,696	14,868
Total					5,629,670	5,792,475	7,697,345	8,085,566

Separate financial statements

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
			2010	2009	2010	2009	2010	2009	2010	2009
			Percent	Percent						
Textile group										
Shanghai Saha-Union Spinning Mill No.7 Co., Ltd.	Spinning	China	50.00	50.00	248,255	248,255	(16,831)	(16,831)	231,424	231,424
Jiangsu Zhonglian-Union Carpet Co., Ltd.	Manufacture of automobile carpets	China	35.00	35.00	152,218	159,014	-	-	152,218	159,014
Uni-Fibre Co., Ltd.	Distribution of textiles	Thailand	53.08	53.08	30,800	30,800	-	-	30,800	30,800
Union Universe Co., Ltd.	Distributor of Grand Slam shirts	Thailand	49.87	49.87	3,751	3,751	-	-	3,751	3,751
Union Micronclean Co., Ltd.	Manufacture of clean room clothing	Thailand	44.48	44.48	1,251	1,251	-	-	1,251	1,251
Union Spinning Mills Co., Ltd.	Manufacture of thread	Thailand	52.15	52.15	46,563	46,563	-	-	46,563	46,563
Union Zip Co., Ltd. (99.79 percent owned by Union Industries Corp., Ltd.)	Manufacture and export of zippers	Thailand	24.95	24.95	-	-	-	-	-	-
Venus Thread Co., Ltd. (98.96 percent owned by Union Thread Industries Co., Ltd. and 1.04 percent by Union Spinning Mills Co., Ltd.)	Manufacture and distribution of thread	Thailand	25.07	25.07	-	-	-	-	-	-
Ten Gate-Union Protective Fabric Asia Co., Ltd. (49.35 percent owned by Union Textile Industries Plc.)	Production of work and safety wear fabric	Thailand	24.62	24.62	-	-	-	-	-	-
Plastic, stainless and metal group										
Union Thai-Nichiban Co., Ltd.	Manufacture of clear tape, film, PP tape, adhesive paper and kraft paper	Thailand	40.27	40.27	19,266	19,266	-	-	19,266	19,266
Union Nifco Co., Ltd.	Manufacture of plastic products, parts and molds	Thailand	39.91	39.91	31,556	31,556	-	-	31,556	31,556
Power generation group										
Jiyang-Union Cogeneration Co., Ltd. (2010: status changed to non-related party)	Power generation	China	-	50.00	-	328,945	-	-	-	328,945
Wuxi-Union Cogeneration Co., Ltd.	Power generation	China	45.70	45.70	475,479	475,479	(3,818)	(3,818)	471,661	471,661
Yixing-Union Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	1,093,795	1,093,795	-	-	1,093,795	1,093,795
Shangyu Hangzhou-Union Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	257,481	257,481	-	-	257,481	257,481
Huainan-Union Spring Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	96,602	96,602	-	-	96,602	96,602
Yunnan Energy Luliang-Union Power Co., Ltd.	Power generation	China	50.00	50.00	417,271	417,271	(161,289)	(110,695)	255,982	306,576
Yunnan Energy Qujing-Union Power Co., Ltd.	Power generation	China	50.00	50.00	481,017	481,017	(218,671)	(174,292)	262,346	306,725

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
			2010	2009	2010	2009	2010	2009	2010	2009
			Percent	Percent						
Power generation group (continued)										
Ping Bian Xian Yunnan Energy Union Power Co., Ltd. (50.00 percent owned by Saha-Union Investment (China) Co., Ltd.)	Power generation	China	50.00	-	-	-	-	-	-	-
Chemical group										
Taixing Union Zond Chemicals Co., Ltd.	Manufacture of Phthalic anhydride and Fumaric acid and associated products	China	40.00	40.00	162,214	162,214	(36,828)	-	125,388	162,214
Yixing-Union Biochemical Co., Ltd.	Manufacture of citric acid	China	50.00	50.00	56,507	56,507	-	-	56,507	56,507
Investment and others group										
Saha-Union International (Taipei) Ltd.	Investment	Taiwan	42.49	42.49	386	386	-	-	386	386
Jiashan-Union Development Co., Ltd.	Real estate	China	49.00	49.00	538,703	538,703	-	-	538,703	538,703
Uni-Agro Co., Ltd.	Investment and agriculture	Thailand	45.02	45.02	20,465	20,465	(3,898)	(3,896)	16,569	16,569
Union Thread Industries Co., Ltd.	Investment	Thailand	36.20	36.20	52,216	52,216	-	-	52,216	52,216
Union Industries Corp., Ltd.	Investment and real estate rental	Thailand	29.60	29.60	43,502	43,502	-	-	43,502	43,502
Venus Product Co., Ltd. (99.86 percent owned by Union Thread Industries Co., Ltd.)	Investment	Thailand	25.03	25.03	-	-	-	-	-	-
Union Capital Co., Ltd. (29.00 percent owned by Union Industries Corp., Ltd., 29.00 percent by Union Thread Industries Co., Ltd., 29.00 percent by Union Business Management Co., Ltd. and 2.00 percent by Uni-Fibre Co., Ltd.)	Investment	Thailand	26.55	26.55	-	-	-	-	-	-
Union Business Management Co., Ltd. (51.10 percent owned by Union Thread Industries Co., Ltd., 29.40 percent by Union Capital Co., Ltd., 18.99 percent by Union Textile Industries Pte. and 0.50 percent by Union Industries Corp., Ltd.)	Investment	Thailand	32.84	32.84	-	-	-	-	-	-
Union Distributor Co., Ltd. (99.30 percent owned by Union Industries Corp., Ltd.)	Investment	Thailand	24.83	24.83	-	-	-	-	-	-
Union Management and Service Co., Ltd. (formerly known as "Union Limousine Co., Ltd.") (99.83 percent owned by Union Industries Corp., Ltd.)	Fuel retailer and employee transportation services	Thailand	24.96	24.96	-	-	-	-	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
			2010	2009	2010	2009	2010	2009	2010	2009
			Percent	Percent						
Investment and others group (continued)										
Union Assets Management Co., Ltd. (99.99 percent owned by Union Industries Corp., Ltd.)	Assets management service	Thailand	25.00	25.00	-	-	-	-	-	-
Liquidated group										
Ban Phai Union Garment Co., Ltd. (49.99 percent owned by Union Garment Co., Ltd.)	-	Thailand	-	49.99	-	-	-	-	-	-
Dissolute group										
Shanghai Fuji Shima Dyeing & Garments Corporation (44.00 percent owned by Shanghai Saha-Union Thread Industry Co., Ltd.)	-	China	26.96	26.96	-	-	-	-	-	-
Total					4,229,298	4,565,039	(441,331)	(309,532)	3,787,967	4,255,507

12.2 Share of income/loss and dividend received

During the year, the Company has recognised its share of net income/loss from investments in associated companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company's name	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of income/loss from investments in associates during the year		Dividend received during the year	
	2010	2009	2010	2009
Textile group				
Shanghai Saha-Union Spinning Mill No.7 Co., Ltd.	(195)	(22,843)	-	-
Jiangsu Zhonglian-Union Carpet Co., Ltd.	23,808	2,610	-	-
Uni-Fibre Co., Ltd.	12,331	7,641	-	-
Union Universe Co., Ltd.	(95)	2,295	935	1,496
Union Micronclean Co., Ltd.	13,333	7,477	8,001	2,500
Union Spinning Mills Co., Ltd.	17,317	4,294	5,000	750
Union Zip Co., Ltd. (99.79 percent owned by Union Industries Corp., Ltd.)	8,782	5,858	-	-
Venus Thread Co., Ltd. (98.96 percent owned by Union Thread Industries Co., Ltd. and 1.04 percent by Union Spinning Mills Co., Ltd.)	17,884	11,206	-	-
Ten Cate-Union Protective Fabric Asia Co., Ltd. (49.35 percent owned by Union Textile Industries Plc.)	(5,615)	(25,265)	-	-
Venus Button Co., Ltd. (2009: status changed to related party)	-	(178)	-	150
Plastic, stainless and metal group				
Union Thai-Nichiban Co., Ltd.	33,223	39,879	39,871	27,487
Union Nifco Co., Ltd.	63,364	29,182	22,652	39,901
Power generation group				
Jiyang-Union Cogeneration Co., Ltd. (2010: status changed to non-related party)	-	40,996	-	-
Wuxi-Union Cogeneration Co., Ltd.	33,656	71,016	18,320	17,548

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of income/loss from investments in associates during the year		Dividend received during the year	
	2010	2009	2010	2009
Power generation group (continued)				
Yixing-Union Cogeneration Co., Ltd.	158,493	386,753	91,817	124,057
Shangyu Hangzhou-Union Cogeneration Co., Ltd.	186,391	102,846	47,810	18,700
Huanan-Union Spring Cogeneration Co., Ltd.	12,325	6,344	-	-
Yunnan Energy Luliang-Union Power Co., Ltd.	(20,491)	2,739	-	-
Yunnan Energy Qujing-Union Power Co., Ltd.	(15,550)	(24,467)	-	-
Ping Bian Xian Yunnan Energy Union Power Co., Ltd. (50.00 percent owned by Saha-Union Investment (China) Co., Ltd.)	211	-	-	-
Chemical group				
Taixing Union Zond Chemicals Co., Ltd.	(23,693)	(18,786)	-	-
Yixing-Union Biochemical Co., Ltd.	6,426	28,249	-	-
Investment and others group				
Saha-Union International (Taipei) Ltd.	134	1,209	-	-
Jiashan-Union Development Co., Ltd.	(40,822)	-	-	-
Uni-Agro Co., Ltd.	757	645	-	-
Union Thread Industries Co., Ltd.	18,426	10,913	9,024	9,024
Union Industries Corp., Ltd.	8,891	7,678	6,750	6,750
Union Rubber Plas Co., Ltd.	-	358	-	400
Venus Product Co., Ltd. (99.86 percent owned by Union Thread Industries Co., Ltd.)	9	2	-	-
Union Capital Co., Ltd. (29.00 percent owned by Union Industries Corp., Ltd., 29.00 percent by Union Thread Industries Co., Ltd., 29.00 percent by Union Business Management Co., Ltd. and 2.00 percent by Uni-Fibre Co., Ltd.)	8,911	5,721	-	-

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of income/loss from investments in associates during the year		Dividend received during the year	
	2010	2009	2010	2009
Investment and others group (continued)				
Union Business Management Co., Ltd. (51.10 percent owned by Union Thread Industries Co., Ltd., 29.40 percent by Union Capital Co., Ltd., 18.99 percent by Union Textile Industries Plc. and 0.50 percent by Union Industries Corp., Ltd.)	12,157	5,725	-	-
Union Distributor Co., Ltd. (99.30 percent owned by Union Industries Corp., Ltd.)	59	58	-	-
Union Management and Service Co., Ltd. (formerly known as "Union Limousine Co., Ltd.") (99.83 percent owned by Union Industries Corp., Ltd.)	231	297	-	-
Union Asset Management Co., Ltd. (99.99 percent owned by Union Industries Corp., Ltd.)	579	403	-	-
Liquidated group				
Ban Phai Union Garment Co., Ltd. (49.99 percent owned by Union Garment Co., Ltd.)	-	(71)	-	-
Dissolute group				
Shanghai Fuji Shima Dyeing & Garments Corporation (44.00 percent owned by Shanghai Saha-Union Thread Industry Co., Ltd.)	-	-	-	-
Total	531,237	690,784	250,180	248,763

12.3 Summarised financial information of associates

Financial information of the associated companies is summarised below:

Company's name	(Unit: Million Baht)											
	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenue for the year ended 31 December		Net income (loss) for the year ended 31 December			
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Textile group												
Shanghai Saha-Union Spinning Mill No.7 Co., Ltd.	128	128	577	629	23	24	575	468	-	(46)		
	(Million RMB)											
Jiangsu Zhonglian-Union Carpet Co., Ltd.	56.9	56.9	905	900	179	167	878	641	62	25		
	(Million RMB)											
Uni-Fibre Co., Ltd.	120	120	594	335	9	10	50	44	23	14		
Union Universe Co., Ltd.	7.5	7.5	135	140	10	14	40	53	1	5		
Union Micronclean Co., Ltd.	5	5	77	75	37	33	182	130	29	17		
Union Spinning Mills Co., Ltd.	200	200	461	410	144	106	667	493	34	7		
Union Zip Co., Ltd.	100	99	199	186	60	63	206	196	35	23		
(99.79 percent owned by Union Industries Corp., Ltd.)												
Venus Thread Co., Ltd.	300	300	675	685	270	312	948	899	72	45		
(98.96 percent owned by Union Thread Industries Co., Ltd and 1.04 percent by Union Spinning Mills Co., Ltd.)												
Ten Cate-Union Protective Fabric Asia Co., Ltd.	385	385	585	345	390	116	726	321	(34)	(114)		
(49.35 percent owned by Union Textile Industries Plc.)												
Venus Button Co., Ltd.	-	40	-	50	-	-	-	4	-	2		
(2009: status changed to related party)												
Plastic, stainless and metal group												
Union Thai-Nichiban Co., Ltd.	15	15	547	555	120	112	896	757	82	99		
Union Nifco Co., Ltd.	100	100	698	564	255	205	970	643	157	74		

(Unit: Million Baht)

Company's name	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenue for the year ended 31 December		Net income (loss) for the year ended 31 December	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	(Million USD)									
Power generation group										
Jiyang-Union Cogeneration Co., Ltd. (2010: status changed to non-related party)	-	17	-	849	-	128	-	581	-	79
Wuxi-Union Cogeneration Co., Ltd.	44.2	44.2	5,215	5,651	3,396	3,828	2,878	2,789	77	155
Yixing-Union Cogeneration Co., Ltd.	60	60	8,103	8,571	3,955	4,316	6,374	6,164	315	773
Shangyu Hangzhou-Union Cogeneration Co., Ltd.	200	200	2,132	2,232	813	1,009	1,817	1,424	373	255
Huanan-Union Spring Cogeneration Co., Ltd.	65	65	1,290	1,251	911	927	540	555	25	13
Yunnan Energy Luliang-Union Power Co., Ltd.	24.7	24.7	1,009	1,029	99	19	311	422	(41)	5
Yunnan Energy Qujing-Union Power Co., Ltd.	28.1	28.1	959	1,017	68	38	395	345	(31)	(49)
Ping Bian Xian Yunnan Energy Union Power Co., Ltd. (50.00 percent owned by Saha-Union Investment (China) Co., Ltd.)	30	-	597	-	460	-	37	-	-	-
Chemical group										
Taixing Union Zond Chemicals Co., Ltd.	16.2	16.2	1,114	993	688	489	1,656	485	(59)	(47)
Yixing-Union Biochemical Co., Ltd.	8.2	8.2	2,144	1,930	1,473	1,256	2,428	2,049	13	56

(Unit: Million Baht)

Company's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenue for the year ended		Net income (loss) for the year ended	
	31 December	2009	31 December	2009	31 December	2009	31 December	2009	31 December	2009
	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010
Investment and others group (continued)										
Union Distributor Co., Ltd. (99.30 percent owned by Union Industries Corp., Ltd.)	1	1	5	5	-	-	-	-	-	-
Union Management and Service Co., Ltd. (formerly known as "Union Limousine Co., Ltd.") (99.83 percent owned by Union Industries Corp., Ltd.)	4	4	19	18	11	11	31	29	1	1
Union Asset Management Co., Ltd. (99.99 percent owned by Union Industries Corp., Ltd.)	60	60	69	66	2	2	11	12	2	2
Liquidated group										
Ban Phai Union Garment Co., Ltd. (49.99 percent owned by Union Garment Co., Ltd.)	-	2	-	2	-	-	-	2	-	-
Dissolute group										
Shanghai Fuji Shima Dyeing & Garments Corporation (44.00 percent owned by Shanghai Saha-Union Thread Industry Co., Ltd.)	1.2	1.2	-	34	-	1	-	5	-	(9)
Total			37,084	34,662	14,716	13,462	22,955	19,832	1,322	1,645

During the year 2010 and 2009, there were significant change of associated companies as the following:

Dissolutions

Company's name	Approved by	Approved date	Registration date	Net cash return from dissolution (Unit: Thousand Baht)	
				Consolidated financial statements	Separate financial statements
2010					
Ban Phai Union Garment Co., Ltd.	The 2010 Annual General Meeting of Shareholders	19 April 2010	28 April 2010	962	-
Total				962	-
2009					
Sports Ace Co., Ltd.	The Extraordinary Meeting of Shareholders No. 1/2009	20 February 2009	6 March 2009	5,536	5,536
Total				5,536	5,536

Disposals and change in status of investments

		(Unit: Thousand Baht)			
		Net cash received			
Company's name	Description	Effects in consolidated financial statements	Effects in separate financial statements	Consolidated financial statements	Separate financial statements
2010					
Saha-Union Plc.	Disposed of ordinary shares of its investment in Jiyang-Union Cogeneration Co., Ltd. to a non-related party.	<ul style="list-style-type: none"> - The status of Jiyang-Union Cogeneration Co., Ltd. was therefore changed from an associated company to a non-related party. - The Company recorded a gain amounting to Baht 93.2 million on the sale of investment under the equity method. 	<ul style="list-style-type: none"> - The status of Jiyang-Union Cogeneration Co., Ltd. was therefore changed from an associated company to a non-related party. - The Company recorded a loss amounting to Baht 31.9 million on the sale of investment under cost method. 	330,645	297,033
Total				330,645	297,033
2009					
Saha-Union Plc.	Disposed of ordinary shares of its investment in Venus Button Co., Ltd. to Union Button Corp., Ltd. (related party).	<ul style="list-style-type: none"> - The status of Venus Button Co., Ltd. was therefore changed from an associated company to a related party. - The Company recorded a loss amounting to Baht 2.2 million on the sale of investment under the equity method. 	<ul style="list-style-type: none"> - The status of Venus Button Co., Ltd. was therefore changed from an associated company to a related party. - The Company recorded a gain amounting to Baht 1.1 million on the sale of investment under the cost method. 	11,106	11,106
Saha-Union Plc. and Union Pioneer Plc.	Disposed of ordinary shares of its investment in Union Rubber Plas Co., Ltd. to Union Button Corp., Ltd. (related party).	<ul style="list-style-type: none"> - The status of Union Rubber Plas Co., Ltd. was therefore changed from an associated company to a related party. - The Company recorded a loss amounting to Baht 2.0 million on the sale of investment under the equity method. 	<ul style="list-style-type: none"> - The status of Union Rubber Plas Co., Ltd. was therefore changed from an associated company to a related party. - The Company recorded a gain amounting to Baht 0.5 million on the sale of investment under the cost method. 	15,719	8,020
Total				26,825	19,126

Additional of investments

		(Unit: Thousand Baht)			
Company's name	Description	Effects in consolidated financial statements	Effects in separate financial statements	Net cash paid	
				Consolidated financial statements	Separate financial statements
2010					
Saha-Union Investment (China) Co., Ltd.	Purchased of investments in Ping Bian Xian Yunnan Energy Union Power Co., Ltd. from Yunnan Energy Luliang-Union Power Co., Ltd. and Yunnan Energy Qujing-Union Power Co., Ltd.	- Increased in an associated company. - The balance of "Payable from purchases of investments - related party" increased.	- Increased in an associated company.	(68,132)	-
Total				(68,132)	-
2009					
Saha-Union Plc. and Union Investment (China) Co., Ltd.	Purchased of investments in Jiashan-Union Development Co., Ltd.	- Increased in an associated company.	- Increased in an associated company.	(676,832)	(538,703)
Saha-Union Plc.	Purchased investments in the following two associated companies from Union Energy (China) Co., Ltd. to hold the shares directly - Yunnan Energy Luliang-Union Power Co., Ltd. - Yunnan Energy Qujing-Union Power Co., Ltd.	- None	- The balance of "Payable from purchase of investments - related party" decreased.	-	(2,776,328)
	In addition, the Company had repayment the "payable" from the purchase of investments in five associated companies from Union Energy (China) Co., Ltd. since 2008. - Wuxi-Union Cogeneration Co., Ltd. - Yixing-Union Cogeneration Co., Ltd. - Yixing-Union Biochemical Co., Ltd. - Jiyang-Union Cogeneration Co., Ltd. - Huanan-Union Spring Cogeneration				
Total				(676,832)	(3,315,031)

Additional of registered share capital

(Unit: Thousand Baht)

Company's name	Registered and paid-up share capital before increase (RMB)	Registered and paid-up share capital after increase (RMB)	Net cash paid for additional registered and paid-up share capital	
			Consolidated financial statements	Separate financial statements
2009				
Shangyu Hangzhou-Union Cogeneration Co., Ltd.	100,000,000	200,000,000	264,324	132,036
Total			264,324	132,036

During the year 2010, the Company additional settled up the allowance for impairment of investment in associates amounting to Baht 131.2 million. As a result, as at 31 December 2010, the Company recorded allowance for impairment of investments in associates totaling Baht 441.3 million in order to reflect the actual expected return on investments in the future.

Share of income from investments in 14 associated companies accounted for under the equity method amounting to approximately Baht 333 million, as included in the income statements for the year ended 31 December 2010 (2009: 12 companies the share of income Baht 597 million), was determined based on financial statements which were audited by the auditors of those associates.

Share of income from investments in 17 associated companies accounted for under the equity method amounting to approximately Baht 198 million, as included in the income statements for the year ended 31 December 2010 (2009: 23 companies of Baht 94 million) was calculated from financial statements prepared by the management of those companies, and not audited by their auditors. However, the management believes that there would be no material difference if those financial statements had been audited by the associated companies' auditors.

13. Investments in other companies

Investments in other companies consist of investments in ordinary shares and available-for-sale securities as follows:

Consolidated financial statements

Investments in ordinary shares:

Company's name	Shareholding percentage		Cost method	
	2010 Percent	2009 Percent	2010 Thousand Baht	2009 Thousand Baht
Union Button Corp., Ltd.	10.71	10.71	13,107	13,107
Imperial Technology Management Service Plc.	0.67	0.67	10,000	10,000
Ratchaburi Power Co., Ltd.	10.00	10.00	732,500	732,500
P.S.V. Molds Co., Ltd.	25.00	25.00	2,500	2,500
Value Creation Inc.	0.18	0.18	328,280	328,280
Processing Center Co., Ltd.	20.00	20.00	10,000	10,000
Others			9,369	9,369
Total investments in ordinary shares			1,105,756	1,105,756
Less: Allowance for impairment of investments			(330,964)	(330,489)
Investments in ordinary shares - net			774,792	775,267

Investments in available-for-sale securities:

(Unit: Thousand Baht)

Company's name	Cost		Unrealised gain (loss) on changes in value of investments		Fair value	
	2010	2009	2010	2009	2010	2009
Saha Pathana Inter-Holding Plc.	27,508	27,508	142,225	127,931	169,733	155,439
Bangkok Bank Plc.	223,884	209,124	195,922	105,709	419,806	314,833
New Plus Knitting Plc.	2,010	2,010	(2,010)	(2,010)	-	-
Electricity Generating Plc.	19,320	2,324	6,122	2,969	25,442	5,293
Ratchaburi Electricity Engineering Holding Plc.	14,500	-	800	-	15,300	-
The Siam Cement Plc.	8,414	8,414	12,700	6,180	21,114	14,594
Banyan Tree Indochina Hospitality Fund, L.P.	65,055	33,010	-	-	65,055	33,010

(Unit: Thousand Baht)

Company's name	Cost		Unrealised gain (loss) on changes in value of investments		Fair value	
	2010	2009	2010	2009	2010	2009
	China Mobile Ltd.	19,880	-	(965)	-	18,915
HSBC Holdings Plc.	39,134	-	(5,571)	-	33,563	-
Petrochina Co., Ltd.	7,966	-	202	-	8,168	-
Industrial & Commercial Bank of China Ltd.	247	-	(16)	-	231	-
China Shenhua Energy Co., Ltd.	7,786	-	451	-	8,237	-
Bangchak Petroleum Plc.	1,780	-	60	-	1,840	-
Bangkok Expressway Plc.	576	-	15	-	591	-
Total investments in available-for-sale securities	438,060	282,390	349,935	240,779	787,995	523,169
Total investments in other companies - net					1,562,787	1,298,436

Separate financial statements

Investments in ordinary shares:

Company's name	Shareholding percentage		Cost method	
	2010 Percent	2009 Percent	2010 Thousand Baht	2009 Thousand Baht
Union Button Corp., Ltd.	10.71	10.71	13,107	13,107
Imperial Technology Management Service Plc.	0.67	0.67	10,000	10,000
Ratchaburi Power Co., Ltd.	10.00	10.00	732,500	732,500
Value Creation Inc.	0.18	0.18	328,280	328,280
Processing Center Co., Ltd.	20.00	20.00	10,000	10,000
Others			694	694
Total investment in ordinary shares			1,094,581	1,094,581
Less: Allowance for impairment of investments			(334,620)	(334,030)
Investments in ordinary shares - net			759,961	760,551

Investments in available-for-sale securities:

(Unit: Thousand Baht)

Company's name	Cost		Unrealised gain (loss) on changes in value of investments		Fair value	
	2010	2009	2010	2009	2010	2009
	Saha Pathana Inter-Holding Plc.	27,508	27,508	142,225	127,931	169,733
Bangkok Bank Plc.	204,402	204,402	188,945	104,657	393,347	309,059
New Plus Knitting Plc.	2,010	2,010	(2,010)	(2,010)	-	-
Banyan Tree Indochina Hospitality Fund, L.P.	65,055	33,010	-	-	65,055	33,010
China Mobile Ltd.	19,880	-	(965)	-	18,915	-
HSBC Holdings Plc.	39,134	-	(5,571)	-	33,563	-
Petrochina Co., Ltd.	7,966	-	202	-	8,168	-
Industrial & Commercial Bank of China Ltd.	247	-	(16)	-	231	-
China Shenhua Energy Co., Ltd.	7,786	-	451	-	8,237	-
Total investment in available-for-sale securities	373,988	266,930	323,261	230,578	697,249	497,508
Total investments in other companies - net					1,457,210	1,258,059

During the year 2009, the Company decided to set up allowance for impairment for the full Baht 328 million investment in Value Creation Inc., which is principally engaged in the energy business. This is because of a subsidiary company of Value Creation Inc. is in the process of filing a petition for business rehabilitation with the Court of Queen's Bench of Alberta in Canada and so Value Creation Inc. has to realise the resulting contingent losses in its financial statements.

In early 2010, Value Creation Inc. found a new investor, British Petroleum Company Limited, providing it with additional funds to pay off debt. However, that company still needs to find another investor to provide funds to implement the project. The continuation of the project thus depends on obtaining sources of funds in the future and so the Company assessed the probability of the project continuing in order to take this into account in adjusting the impairment of the investment in the Value Creation Inc.

14. Unused land and improvement classified as held for sale

As at 31 December 2009, unused land and improvement classified as held for sale represents the book value of certain land and improvement that the following two subsidiaries, Union Textile Industries Public Company Limited and Union Technology (2008) Public Company Limited does not use in their operations:

(Unit: Baht)

	Consolidated financial statements			
	Unused land and improvement classified as held for sale		Deposits received from sales of land and improvement	
	2010	2009	2010	2009
Union Textile Industries Public Company Limited	-	4,293,509	-	160,299,375
Union Technology (2008) Public Company Limited	-	641,950	-	14,500,000
Total	-	4,935,459	-	174,799,375

Union Textile Industries Public Company Limited

On 26 October 2009, an Extraordinary General Meeting of the Shareholders of Union Textile Industries Public Company Limited ("Union Textile Industries") passed a resolution approving the sale of the land to a non-related company ("the buyer") for approximately Baht 534 million. Subsequently, Union Textile Industries entered into a land sale and purchase contract with the buyer in December 2009.

Union Textile Industries received a deposit of approximately Baht 160 million (30 percent of the selling price) from the buyer upon execution of the agreement, and the first installment payment of Baht 107 million (20 percent) was received in January 2010. The balance of Baht 267 million (50 percent) will be paid when registration of the transfer of ownership of the land is completed, and the deposit is presented as "Deposits received from sales of land and improvement" in the consolidated financial statements as at 31 December 2009.

Subsequently, In March 2010, Union Textile Industries has already transferred the right of land to the buyer. As a result, "Unused land and improvement classified as held for sale" and "Deposits received from sales of land and improvement" in the consolidated financial statements as at 31 December 2010 decreased. Union Textile Industries has the gain on disposal of the land amounting to Baht 530 million. The Company presents this transaction as "Gain on disposals of property, plant and equipment" in the consolidated income statements for the year ended 31 December 2010.

Union Technology (2008) Public Company Limited

In December 2009, Union Technology (2008) Plc. (“Union Technology (2008)”) entered into a land and improvement sale and purchase contract with a non-related company (“the buyer”) for approximately Baht 48 million.

Union Technology (2008) received a deposit of approximately Baht 15 million (30 percent of the selling price) from the buyer upon execution of the agreement. The balance of Baht 33 million (70 percent) will be paid when registration of the transfer of ownership of the land and improvement is completed, and the deposit is presented as “Deposits received from sales of land and improvement” in the consolidated financial statements as at 31 December 2009.

Subsequently, In March 2010, Union Technology (2008) has already transferred the right of land and improvement to the buyer. As a result, “Unused land and improvement classified as held for sale” and “Deposits received from sales of land and improvement” in the consolidated financial statements as at 31 December 2010 decreased. Union Technology (2008) has the gain on disposal of the land and improvement amounting to Baht 48 million. The Company presents this transaction as “Gain on disposals of property, plant and equipment” in the consolidated income statements for the year ended 31 December 2010.

15. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements							
	Land	Land improvement and leasehold	Buildings and facilities	Machinery and equipment	Power plants	Others	Total
Cost:							
31 December 2009	407,085	145,383	3,387,006	4,620,993	533,810	2,330,798	11,425,075
Additions	136	19,616	5,711	40,097	108,585	517,541	691,686
Disposals/write-off	(106)	(2,215)	(166,384)	(219,706)	(60,246)	(160,234)	(608,891)
Transfers	-	56	23,455	118,270	-	(141,781)	-
Translation adjustment	-	-	-	(1,048)	(32,119)	(83,418)	(116,585)
31 December 2010	407,115	162,840	3,249,788	4,558,606	550,030	2,462,906	11,391,285
Accumulated depreciation:							
31 December 2009	-	122,014	2,678,844	3,753,687	170,691	1,049,526	7,774,762
Depreciation for the year	-	7,718	136,715	237,751	33,117	145,940	561,241
Depreciation on disposals/write-off	-	(2,215)	(162,533)	(211,795)	(19,608)	(136,712)	(532,863)
Translation adjustment	-	-	(1)	(857)	(11,241)	(10,771)	(22,870)
31 December 2010	-	127,517	2,653,025	3,778,786	172,959	1,047,983	7,780,270
Allowance for impairment loss:							
31 December 2009	-	11,339	306,848	15,828	-	25,149	359,164
Increase during the year	-	-	-	2,863	-	29,957	32,820
Decrease from disposal	-	-	(7)	-	-	(340)	(347)
Decrease during the year	-	(11,339)	(220,734)	(1,191)	-	(24,728)	(257,992)
31 December 2010	-	-	86,107	17,500	-	30,038	133,645
Net book value:							
31 December 2009	407,085	12,030	401,314	851,478	363,119	1,256,123	3,291,149
31 December 2010	407,115	35,323	510,656	762,320	377,071	1,384,885	3,477,370
Depreciation for the year							
2009 (Baht 404 million included in manufacturing cost, and the balance in selling and administrative expenses)							608,749
2010 (Baht 394 million included in manufacturing cost, and the balance in selling and administrative expenses)							561,241

(Unit: Thousand Baht)

Separate financial statements					
	Land	Land improvement and leasehold	Buildings and facilities	Others	Total
Cost:					
31 December 2009	211,844	119,088	1,903,131	558,073	2,792,136
Additions	-	19,037	912	22,485	42,434
Disposals/write-off	-	(2,208)	(33,572)	(40,757)	(76,537)
Transfers	-	-	4,588	(4,588)	-
31 December 2010	211,844	135,917	1,875,059	535,213	2,758,033
Accumulated depreciation:					
31 December 2009	-	101,795	1,544,094	500,020	2,145,909
Depreciation for the year	-	7,352	74,818	17,308	99,478
Depreciation on disposals/write-off	-	(2,208)	(32,057)	(27,708)	(61,973)
31 December 2010	-	106,939	1,586,855	489,620	2,183,414
Allowance for impairment loss:					
31 December 2009	-	11,339	231,343	-	242,682
Increase during the year	-	-	-	29,957	29,957
Decrease from disposal	-	-	(7)	-	(7)
Decrease during the year	-	(11,339)	(170,293)	-	(181,632)
31 December 2010	-	-	61,043	29,957	91,000
Net book value:					
31 December 2009	211,844	5,954	127,694	58,053	403,545
31 December 2010	211,844	28,978	227,161	15,636	483,619
Depreciation for the year					
2009 (included in selling and administrative expenses)					128,205
2010 (included in selling and administrative expenses)					99,478

On 1 January 2011, Sriracha branch will change its business from contract manufacturing of electronic components to property and real estate rental services, as mentioned in Note 1.1 and 1.2 to financial statements. As a result, certain indicators of asset impairment are mitigated. In order to reflect the value in use of the assets to the Company and its subsidiaries in the future, allowance for impairment of property, plant and equipment amounting to Baht 225.2 million and Baht 151.7 million was reversed in the consolidated and the separate financial statements, respectively.

As at 31 December 2010, a subsidiary had equipment under finance lease agreements with net book values amounting to Baht 114.8 million (2009: Baht 91.7 million).

As at 31 December 2010, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation of those assets amounted to approximately Baht 4,392 million (2009: Baht 4,456 million) (Separate financial statements: Baht 1,351 million, 2009: Baht 1,357 million).

16. Intangible assets - computer software

(Unit: Baht)

	Consolidated financial statements	
	2010	2009
Cost	12,652,295	10,731,735
Accumulated amortisation	(8,929,437)	(7,658,857)
Allowance for impairment	(251,301)	(251,301)
Net book value	3,471,557	2,821,577
Amortisation expenses included in the income statements for the year	1,270,580	1,353,122

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

(Unit: Baht)

	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Bank overdrafts	Based on MOR	14,824,253	8,029,060	-	235,693
Short-term loans from financial institutions	1.00 - 5.35	142,797,133	148,584,422	-	56,500,000
Total		157,621,386	156,613,482	-	56,735,693

18. Long-term loans

Loans	Interest rate (percent per annum)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			2010	2009	2010	2009
1. Loan from local bank (changed from USD 25.0 million on 17 May 2007 under an agreement dated 26 January 2007)	Based on MLR	Annual installments from 2007 to 2010	-	152,230,750	-	152,230,750
2. Loan from local bank (changed from USD 3.0 million on 29 January 2007 under an agreement dated 26 January 2007)	Based on MLR	Annual installments from 2007 to 2011	-	30,458,333	-	30,458,333
3. Loan from local bank (changed from USD 2.5 million on 29 January 2007 under an agreement dated 26 January 2007)	Based on MLR	Annual installments from 2007 to 2011	-	36,550,000	-	36,550,000
4. Loan from local bank (changed from USD 10.0 million on 30 March 2007 under an agreement dated 22 March 2007)	Based on MLR	Annual installments from 2007 to 2011	-	131,490,000	-	131,490,000
5. Loan from local bank	Based on MLR	Annual installments from 2010 to 2015	-	260,000,000	-	260,000,000
6. Loan from local bank	Based on MLR	3 installments from 2009 to 2010	-	150,000,000	-	150,000,000
7. Loan from local bank	Based on MLR	Annual installments from 2011 to 2014	328,280,000	328,280,000	328,280,000	328,280,000
8. Loan from local bank	Based on MLR	Annual installments from 2013 to 2015	42,469,000	42,469,000	42,469,000	42,469,000
9. Loan from local bank	Based on MLR	Quarterly installments from 2010 to 2014	-	250,000,000	-	250,000,000
10. Loan from local bank	Based on MLR	Monthly installments from 2007 to 2010	-	400,000	-	-

(Unit: Baht)

Loans	Interest rate (percent per annum)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			2010	2009	2010	2009
11. Loan from local bank	Based on MLR	Monthly installments from 2009 to 2012	4,965,000	8,985,000	-	-
12. Loan from oversea bank	Based on interest rate of Bank in China	Installments within 2012	204,394,500	221,989,500	-	-
Total			580,108,500	1,612,852,583	370,749,000	1,381,478,083
Less: current portion of long-term loans			(86,020,000)	(454,429,917)	(82,000,000)	(450,009,917)
Long-term loans - net of current portion			494,088,500	1,158,422,666	288,749,000	931,468,166

Under the loan agreements, there are covenants and restrictions, including in relation to the maintenance of a debt to equity ratio, and negative pledges on certain of the Company's assets that are essential for the Company's operations.

19. Liabilities under finance lease agreements

(Unit: Baht)

	Consolidated financial statements	
	2010	2009
Liabilities under finance lease agreements	117,499,594	96,283,561
Less: Deferred interest expenses	(1,596,617)	(3,625,643)
Total	115,902,977	92,657,918
Less: Portion due within one year	(60,810,466)	(45,189,814)
Liabilities under finance lease agreements - net of current portion	55,092,511	47,468,104

The subsidiary companies have entered into the finance lease agreements with leasing companies for rental of motor vehicles and equipment for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 4 years.

As at 31 December 2010, Future minimum lease payments required under the finance lease agreements were as follows:

	(Unit: Million Baht)	
	Less than 1 year	1 - 4 years
Future minimum lease payments	62	55
Deferred interest expenses	(1)	-
Present value of future minimum lease payments	61	55

20. The Company's shares held by the subsidiaries

This represents the acquisition cost of the 10,022,694 ordinary shares (3.34 percent of the total number of shares in issue) of the Company acquired and held by Saha-Union Holding Co., Ltd., Union Equity Co., Ltd. and Union Textile Industries Plc., subsidiaries.

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of its registered capital. The statutory reserve is not available for dividend distribution.

However, the Company's regulations require the Company to set aside to the statutory reserve at least 10 percent of its net income after deducting accumulated deficit brought forward (if any), until such reserve reaches at least 25 percent of its registered share capital.

22. Expenses by nature

Significant expenses by nature are as follow:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Salary and wages and other employee benefits	1,697	1,564	67	76
Depreciation and amortisation expenses	569	610	101	128
Rental expenses from operating lease agreements	54	48	14	14
Raw materials and consumables used	3,413	2,573	16	13
Changes in inventories of finished goods and work in process	158	(88)	-	3
Loss on exchange	-	-	25	13
Loss on impairment of investments	1	329	-	115
Bad debt expense	12	9	-	17
Loss on disposals of investments	-	19	33	-

23. Promotional privileges

During the year 2010, certain one subsidiaries has been granted the following promotional investment privileges:

Company	Privileges	Expiry Date
Union Garment Co., Ltd.	- Exemption from import duty on imported raw materials and essential materials which used in the production for export	8 May 2011

The Company and its subsidiary's operating revenues for the years are below shown divided according to promoted and non-promoted operations.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Sales						
Domestic sales	-	-	4,523,045	3,352,778	4,523,045	3,352,778
Export sales	-	-	4,247,465	3,932,585	4,247,465	3,932,585
Service income	-	14,484	1,370,589	1,317,719	1,370,589	1,332,203
Total revenues	-	14,484	10,141,099	8,603,082	10,141,099	8,617,566

(Unit: Thousand Baht)

	Separate financial statements			
	Non-promoted operations		Total	
	2010	2009	2010	2009
Revenues				
Sales				
Domestic sales	1,381,798	853,780	1,381,798	853,780
Export sales	502,941	529,055	502,941	529,055
Service income	1,137,684	998,028	1,137,684	998,028
Total revenues	3,022,423	2,380,863	3,022,423	2,380,863

24. Earnings per share

Basic earnings per share is calculated by dividing net income for the year by the weighted average number of ordinary shares held by outside shareholders in issue during the year.

25. Segment information

The Company and its subsidiaries' business operations involve four principal segments: (1) textile, computer and electronic components (2) plastics, rubber and metal (3) power generation and (4) investment and others. The business operations are carried on both in Thailand and overseas.

Below is the consolidated financial information of the Company and its subsidiaries for the years ended 31 December 2010 and 2009 by segment.

	For the year ended 31 December											
	Textile, computer and electronic components segment		Plastics, rubber and metal segment		Power generation segment		Investment and others segment		Elimination of inter-segment revenues		Consolidated financial statements	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Revenue from external customers	5,628	4,619	3,996	3,532	420	380	97	87	-	-	10,141	8,618
Intersegment revenues	22	16	30	21	-	-	2	2	(54)	(39)	-	-
Total revenues	5,650	4,635	4,026	3,553	420	380	99	89	(54)	(39)	10,141	8,618
Segment income	878	747	541	658	71	77	4	-	-	-	1,494	1,482
Unallocated income and expenses:												
Interest income											22	23
Other income											1,406	694
Selling expenses											(281)	(242)
Administrative expenses											(617)	(1,213)
Share of income of associated companies											531	691
Finance cost											(63)	(92)
Corporate income tax											(315)	(202)
Minority interest											(853)	(159)
Net income											1,824	982
Property, plant and equipment - net	1,466	1,360	915	852	377	363	719	716	-	-	3,477	3,291
Unallocated assets											15,560	15,619
Total assets											19,037	18,910

Transfer prices between business segments are set out in Note 8 to the financial statements.

26. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The company, its subsidiaries and their employees contributed to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by BBL Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2010, the Company and its subsidiaries contributed Baht 18.6 million (2009: Baht 17.9 million) to the fund.

27. Dividends

(Unit: Baht)			
Dividends	Approved by	Total dividends	Dividend per share
Final dividends for 2008	Annual General Meeting of the Shareholders on 23 April 2009	300,000,000	1.00
Total for 2009		300,000,000	1.00
Final dividends for 2009	Annual General Meeting of the Shareholders on 22 April 2010	450,000,000	1.50
Total for 2010		450,000,000	1.50

28. Commitments and contingent liabilities

28.1 Capital commitments

As at 31 December 2010, the subsidiaries had capital commitments of approximately Baht 22.0 million, relating to the purchases of machinery and the office renovation.

28.2 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, office building space, motor vehicles, machinery and equipment. The terms of the agreements are generally between 1 and 20 years.

As at 31 December 2010, future minimum lease payments required under these non-cancellable operating contracts were as follows:

(Unit: Million Baht)		
	Consolidated financial statements	Separate financial statements
Payable within:		
Less than 1 year	40.7	14.4
1 to 5 years	45.4	26.4
More than 5 years	21.8	-

28.3 Guarantees

- 28.3.1 As at 31 December 2010, there were outstanding bank guarantees of Baht 207.3 million issued by banks on behalf of the Company and its subsidiaries (Separate financial statements: Baht 27.7 million) in respect of certain performance bonds as required in the ordinary normal of business.
- 28.3.2 The Company has provided guarantees in the ordinary course of business to trade account payable against certain obligations of Computer Union Co., Ltd., charging such company 1 percent of the guarantee amount as a fee. The outstanding guarantees as at 31 December 2010 are Baht 115 million.
- 28.3.3 Saha-Union Investment (China) Co., Ltd. (a subsidiary) has provided a guarantee, proportionate to its shareholder, to secure a short-term loan of RMB 50 million provided by a bank in China to Shangyu Hangzhou-Union Cogeneration Co., Ltd. (an associated company).
- 28.3.4 Saha-Union Investment (China) Co., Ltd. (a subsidiary) has provided a guarantee, proportionate to its shareholder, to secure a loan of RMB 5 million provided by a bank in China to Yunnan Energy Luliang-Union Power Co., Ltd. (an associated company).
- 28.3.5 The Company has pledged all of its share certificates of Ratchaburi Power Co., Ltd. with a project loan lender as collateral for the aforementioned loan to Ratchaburi Power Co., Ltd., proportionate to its shareholders.

29. Financial instruments

29.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable, loans and other receivable. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans and other receivables as stated in the balance sheet.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, loans to related parties, bank overdrafts, trust receipts, deposits from related parties, liabilities under financial lease agreements and long-term borrowings. However, since most of the Company's and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2010 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements				
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total
	Within 1 year	1-5 years			
Financial Assets					
Cash and cash equivalent	92	-	1,495	1	1,588
Current investments	-	-	910	-	910
Trade accounts receivable	-	-	-	1,571	1,571
	92	-	2,405	1,572	4,069
Financial liabilities					
Bank overdrafts and short-term loans from financial institutions	-	-	158	-	158
Trade accounts payable	-	-	-	854	854
Deposits from related parties	-	-	78	-	78
Liabilities under finance lease agreements	61	55	-	-	116
Long-term loans	-	-	580	-	580
	61	55	816	854	1,786

(Unit: Million Baht)

	Separate financial statements		
	Floating interest rate	Non-interest bearing	Total
Financial Assets			
Cash and cash equivalent	241	-	241
Trade accounts receivable	-	351	351
Short-term loans to related parties	319	-	319
	560	351	911
Financial liabilities			
Trade accounts payable	-	131	131
Deposits from related parties	807	-	807
Long-term loans	371	-	371
	1,178	131	1,309

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from trading transactions and borrowings that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2010 are summarised below.

Foreign currency	Financial assets (Million)	Financial liabilities (Million)	Average exchange rate as at 31 December 2010 (Baht per 1 foreign currency unit)
US dollar	14	3	30.1513
Euro	1	-	39.9394
Japanese yen	32	10	0.3705
HK dollar	15	-	3.8742

Foreign exchange contracts outstanding at 31 December 2010 are summarised below.

Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate	
			Bought (Baht per 1 foreign currency unit)	Sold
US dollar	2	57	29.60 - 30.28	29.58 - 33.88
Euro	-	3	-	39.19 - 48.82
Japanese yen	-	155	-	0.35 - 0.37

29.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the balance sheets.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

30. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the balance sheet as at 31 December 2010, the Group's debt-to-equity ratio was 0.20 : 1 (2009: 0.28 : 1) and the Company's was 0.13 : 1 (2009: 0.28 : 1).

31. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2011.

Auditor's Remuneration

Audit fee

In 2010, the auditor of the Company and its subsidiaries was Mr. Suphachai Panyawattano and Mr. Termphong Opanaphan of Ernst & Young Office Ltd. The Company has nominated at least 3 persons from those who had their independence and had no relationship and/or interests with the Company or its subsidiaries, the management, or the major shareholders, or related parties to such personnel, to be appointed in the Annual General Meeting as its auditor, with the complete qualifications as approved by the Office of the Securities and Exchange Commission.

In 2010, the Company and its subsidiaries have paid the audit fee to Ernst & Young Office Ltd., where the Company's auditor was working for, totally 8,157,500 Baht; whereas, the Company and its subsidiaries have not paid the audit fee to the auditor directly or to any person/business in connection with the auditor and the audit office where the auditor was working for.

Non-audit fee

In 2010, the Company and its subsidiaries have not paid any non-audit fee; and there were no remaining service works to be paid in the following year to the auditor or to the Ernst & Young Office Ltd., or to any person/business in connection with the auditor and the audit office where the auditor was working for.

Principles of Corporate Governance

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5.8 Internal audit and control system;	
5.9 Risk management;	
5.10 Nomination and Remuneration Committee;	
5.11 Independent directors;	

General Information

Saha-Union Public Company Limited and Its Subsidiaries

Saha-Union Public Co., Ltd.

Company Registration No. 0107537000971

(Formerly Public Limited Company No. 344)

Head Office : 1828 Sukhumvit Road, Bangchak, Phrakanong, Bangkok 10260, Thailand

Tel : (66-2) 311-5111-9, 332-5600

Fax : (66-2) 332-5616

www.sahaunion.co.th

The company is principally engaged in investment holding and distribution some products manufactured by the group companies. The company had the Registered Capital of Baht 3,000 million which issued and fully paid-up 300 million ordinary shares of Baht 10 each.

Other References

Securities Registrar

Thailand Securities Depository Co., Ltd.

62 The Stock Exchange of Thailand Building

Rajadapisek Road, Klongtoey, Bangkok 10110

Tel : (66-2) 229-2800, 654-5599

Fax : (66-2) 359-1259

Auditors

Mr. Supachai Phanyawattano or Mr. Termphong Opanaphan or Miss Thipawan Nananuwat or

Mr. Krisada Lertwana, who was a Certified Public Accountant approved from the Securities and Exchange Commission.

Ernst & Young Office Limited

33rd Floor, Lake Rajada Office Complex

193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110

Tel : (66-2) 264-0777

Fax : (66-2) 264-0789, 661-9192

Juristic Persons of which the company's Shareholding exceed 10%

(For each juristic person's quantity and type of issued shares, please see "Direct Investment Information of the Company", page 16-17)

Manufacturing

Textiles

- **Union Textile Industries Public Co., Ltd.**
205 Moo 4 Sukhumvit Road Km. 39.5,
Bangpoo Mai, Samutprakarn 10280
Tel : (66-2) 323-1085-91
Fax : (66-2) 710-8808
- **Union Garment Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakanong,
Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-5616

Branch : 205 Moo 4 Sukhumvit Road Km. 39.5,
Bangpoo Mai, Samutprakarn 10280
Tel : (66-2) 323-9285-6
Fax : (66-2) 323-9181
- **Union Spinning Mills Co., Ltd**
142 Soi Ladphrao 80 (Chantima), Ladphrao Road,
Wangthonglang, Bangkok 10310
Tel : (66-2) 530-0511-30
Fax : (66-2) 538-4247
- **Union Button Corporation Co., Ltd.**
142 Soi Ladphrao 80 (Chantima), Ladphrao
Road, Wangthonglang, Bangkok 10310
Tel : (66-2) 530-7040-54
Fax : (66-2) 539-6124
- **Union Micronclean Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakanong,
Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-5616

Branch 1: 205 Moo 4 Sukhumvit Road,
Bangpoo Mai, Samutprakarn 10280

Branch 2: 589/48 Bangna-Trad Road, Bangna,
Bangkok
Tel : (66-2) 745-6871, 745-6873
Fax : (66-2) 745-6874
- **Shanghai Saha-Union Thread Industries Co., Ltd.**
Pudong New Area, Shanghai City, China
- **Zhejiang Saha-Union Feilun Thread Industries Co., Ltd.**
Jiashan County Economic Development Area,
Zhejiang Province, China
- **Shanghai Saha-Union Spinning Mill No. 7 Co., Ltd.**
Nan Hui District, Shanghai City, China
- **Jiangsu Zhonglian-Union Carpet Co., Ltd.**
Luoyang Road, Taicang City, Jiangsu Province,
China

Plastics Stainless and Metal

- **Union Pioneer Public Co., Ltd.**
Ng. 1 Moo 13 Bangchan Industrial Estates,
Serithai Road, Minburi, Bangkok 10510
Tel : (66-2) 517-0105-8, 517-9052-5,
517-8217-21
Fax : (66-2) 517-9056, 517-0345, 517-1016

Branch: 99 Moo 5 Bangna-Trad Road, Km. 38
Bangsamak, Bangpakong, Chachoengsao 24180
- **Union Plastic Public Co., Ltd.**
11/1 Moo 14 Bangchan Industrial Estates,
Serithai Road, Minburi, Bangkok 10510
Tel : (66-2) 517-0109-14
Fax : (66-2) 517-0529
- **Union Thai-Nichiban Co., Ltd.**
Ng. 12 Moo 13 Bangchan Industrial Estates,
Serithai Road, Minburi, Bangkok 10510
Tel : (66-2) 517-0100-3
Fax : (66-2) 517-0104
- **Union Zojirushi Co., Ltd.**
11/3 Moo 14 Bangchan Industrial Estates,
Serithai Road, Minburi, Bangkok 10510
Tel : (66-2) 919-8893-5
Fax : (66-2) 517-1863
- **Union Stainless Steel Products Co., Ltd.**
11/2 Moo 14 Bangchan Industrial Estates,
Serithai Road, Minburi, Bangkok 10510
Tel : (66-2) 919-8996-8
Fax : (66-2) 517-8167
- **Union Nifco Co., Ltd.**
99 Moo 5 Bangna-Trad Road, Bangsamak,
Bangpakong, Chachoengsao 24180
Tel : (66-38) 842-130-5
Fax : (66-38) 842-129
- **Union Rubber Products Corp., Ltd.**
11/1 Moo 14 Bangchan Industrial Estates,
Serithai Road, Minburi, Bangkok 10510
Tel : (66-2) 919-9930
Fax : (66-2) 919-9931

Branch: 70/1 Moo 1, Santeung, Khao Saming,
Trad Province
Tel : (66-39) 696-421
- **Thai Rubber Enterprise Co., Ltd.**
11/1 Moo 14 Bangchan Industrial Estates,
Serithai Road, Minburi, Bangkok 10510
Tel : (66-2) 919-9930
Fax : (66-2) 919-9931

Branch 1: 12 Moo 2, Thabsai, Pong Nam Ron,
Chantaburi Province
Tel : (66-39) 447-300

Branch 2: 70/1 Moo 1, Santeung, Khao Saming,
Trad Province
Tel : (66-39) 696-423

Computer and Electronics Parts

- **Union Technology (2008) Public Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakonong, Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-5616

Branch 1 : 99 Moo 5 Bangna - Trad (Km. 38), Bangsamak, Bangpakong, Chachoengsao 24180
Tel : (66-38) 842-108-9
Fax : (66-38) 842-109

Branch 2 : 336 Moo 10 Sukhumvit Road, Bangphra, Sriracha, Chonburi 20110
Tel : (66-38) 341-370-8
Fax : (66-38) 341-380-2
- **Computer Union Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakonong, Bangkok 10260
Tel : (66-2) 311-5111-9, 311-6881-2
Fax : (66-2) 311-6889 (Server), 311-6869 (Purchasing)

Branch : 142/1-2 Soi Ladphrao 80 (Chantima), Ladphrao Road, Wangthonglang, Bangkok 10310
Tel : (66-2) 530-0505
Fax : (66-2) 530-2940 (Customer Service)
(66-2) 530-1955 (Warehouse)
(66-2) 530-2388 (Installation Department)
- **Yixing-Union Cogeneration Co., Ltd.**
Yicheng Town, Yixing City, Jiangsu Province, China
- **Shangyu Hangzhou-Union Cogeneration Co., Ltd.**
Wei Jiu Road, Shangyu Industrial Area, Hangzhou Bay, Zhejiang Province, China
- **Huanan-Union Spring Cogeneration Co., Ltd.**
Sheng Li Street, Huanan County, Heilongjiang Province, China
- **Yunnan Energy Luliang-Union Power Co., Ltd.**
Cheng Xi Hua Si, Luliang County, Yunnan Province, China
- **Yunnan Energy Qujing-Union Power Co., Ltd.**
Zhenshui Town Village, Yuezhou, Qi Lin District, Qujing City, Yunnan Province, China
- **Ratchaburi Power Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakonong, Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-3882

Site : 245 Moo 6 Baan Rai Sub-district, Damnoen Saduak District, Ratchaburi 70130
Tel : (66-32) 719-300 # 1000
Fax : (66-32) 719-300 #1090

Power Generation

- **Zhejiang Jiashan-Union Cogeneration Co., Ltd.**
Jiashan County Economic Development Area, Zhejiang Province, China
- **Wuxi-Union Cogeneration Co., Ltd.**
Cheng Nan Road, Wuxi City, Jiangsu Province, China

Chemical

- **Taixing Union Zond Chemicals Co., Ltd.**
Taixing Economic Development Area, Jiangsu Province, China
- **Yixing-Union Biochemical Co., Ltd.**
Yicheng Town, Yixing City, Jiangsu Province, China

Trading Investment and Services

Trading

- **Uni-Fibre Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakanong,
Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 331-5668
- **Union Universe Co., Ltd.**
52/16-17 Soi Chareonkroong 41, Chareonkroong
Road, Seephraya, Bangrak, Bangkok 10500
Tel : (66-2) 266-2976-80
Fax : (66-2) 237-6468
- **Union Techonology Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakanong,
Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-5616

Branch : 336 Moo 10 Sukhumvit Road,
Bangphra, Sriracha, Chonburi 20110
- **Union Thread Industries Co., Ltd.**
142 Soi Ladphrao 80 (Chantima), Ladphrao Road,
Wangthonglang, Bangkok 10310
Tel : (66-2) 530-0511-30
Fax : (66-2) 539-6153
- **Saha-Union Holding Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakanong,
Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-5616
- **Union Industries Corp., Ltd.**
142 Soi Ladphrao 80 (Chantima), Ladphrao Road,
Wangthonglang, Bangkok 10310
Tel : (66-2) 530-0511-30
Fax : (66-2) 538-3292
- **Union Equity Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakanong,
Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-5616
- **Union Energy Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakanong,
Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-5616
- **Texport International Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakanong,
Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-5616
- **Union Energy (China) Co., Ltd.**
1828 Sukhumvit Road, Bangchak, Phrakanong,
Bangkok 10260
Tel : (66-2) 311-5111-9
Fax : (66-2) 332-5616

Investment and others

- **Uni-Agro Co., Ltd.**

142 Soi Ladphrao 80 (Chantima), Ladphrao Road,
Wangthonglang, Bangkok 10310
Tel : (66-2) 530-0511-30
Fax : (66-2) 538-3292

- **Saha-Union International Ltd.**

1A Yuk Yat Street, 6/F, Fook Shing Building,
Tokwawan, Kowloon, Hong Kong
Tel : (852) 2365-0211-2
Fax : (852) 2363-2641

12th Floor, Bangkok Bank Building,
No. 28 Des Voeux Road, Central, Hong Kong
Tel : (852) 2521-2260
Fax : (852) 2521-0021

- **Saha-Union International (Taipei) Ltd.**

15th Floor, Bangkok Bank Building,
No. 121 Sung Chiang Road, Taipei 10429,
Taiwan
Tel : (88-62) 2506-7264-5
Fax : (88-62) 2506-9712

- **Saha-Union Investment (China) Co., Ltd.**

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