

[Translation]

Nor. 30/2007

July 31, 2007

Subject : Report on the Board of Directors' Meeting No. 7/2007
(1. Agreement of buying and selling share among UBM and UCI
2. Provide financial support to subsidiary company)

To : Director and Manager
The Stock Exchange of Thailand

The Company would like to separate report on the resolution of the Board of Directors' Meeting of Saha-Union Public Company Limited (SUC) No. 7/2007 which was held on July 31, 2007 at 3.00 p.m. to 5.00 p.m. at 8th floor Meeting room of Saha-Union Building, No. 1828 Sukhumvit Road, Bangchak, Prakanong, Bangkok. as follows:-

1. According to the resolution of the Board of Directors' Meeting No. 5/2007 to sell Union Business Management Company Limited's (UBM) shares to Union Capital Company Limited (UCI) and sell UCI's shares to UBM which adjust the share holding structure according to the regulations of Securities and Exchange Commission, Thailand (SEC) concerning the cross holding shares and the connected transaction. The Company would like to disclose additional information that with the Board of Directors' permission both UBM and UCI have duly made the buying/selling share agreement. The details are as follows:

1.1 UCI has made the buying share agreement of UBM from SUC for 1,470,000 shares at Baht 130.46 per share, totally Baht 191,776,200. The partial share payment on the date of the agreement registration is Baht 26,159,200. The remaining Baht 165,617,000 will be paid to SUC at 8 installments within the period of 8 years. The interest will be based on Commercial Bank's rate at MLR-1% annually. In case of UBM's advanced payment, SUC will calculate the interest on the basis of outstanding balance in accordance with the period of debt incurred. The shares will be transferred to UCI upon the completion of agreement signing. UCI will receive the right pertaining to the transferred shares after the completion of the agreement signing and SUC will be the beneficiary for the right prior to the agreement signing.

1.2 UBM has made the buying share agreement of UCI from SUC for 725,000 shares at Baht 248.45 per share, totally Baht 180,126,250. The partial share payment on the date of the agreement registration is Baht 95,126,250. The remaining Baht 85,000,000 will be paid to SUC at 5 installments within the period of 5 years. The interest will be based on Commercial Bank's rate at MLR-1% annually. In case of UCI's advanced payment, SUC will calculate the interest on the basis of outstanding balance in accordance with the period of debt incurred. The shares will be transferred to UBM upon the completion of agreement signing. UBM will receive the right pertaining to the transferred shares after the completion of the agreement signing and SUC will be the beneficiary for the right prior to the agreement signing.

2. Referring to the past, the Board of Director Meeting (BOD) ever approved to provide the financial support to our subsidiary company that we ever disclosed per UF letter No. Nor 9/2007 dated February 23, 2007. In this time, the Board of Director Meeting approved some increasing portion as following detail :

Unit : Million Baht

Subsidiary Companies' name	Amount to lend in this time	Outstanding balance	Total amount of lending	Guarantee trading Obligation		Total Lending amount and Guarantee trading Obligation
				Existing	New	
Union Footwear Plc. (UF)	180	0	180	99	61	340

Which charge the interest rate according to ongoing MLR rate from one large commercial bank, and forecast to receive it back within year 2008.

As SUC is the holding Company and major shareholder which have the influence in subsidiary companies that undertake to finance to subsidiary company who want the source of fund which manage form the excess liquidity of other subsidiary companies in order to have suitable balance in total view.

Nevertheless, above describe matter is connected transaction due to there were some directors of SUC is the directors of the ultimate shareholders of SUC is the minority shareholders of UF which invest only 0.64% of shareholder's portion but they are neither the management nor influence person in UF, so, as the control position in subsidiary companies of SUC should provide the financial support to UF.

Please be informed accordingly.

Yours sincerely,

- Signature -

Miss Sriwarin Jirapakkana
President