ص.ب: ٥٨٣٦، دبي، إ.ع.م.، هاتف: ٣٣٨٢٦٨٨، فاكس: ٣٣٨١٩٨٧
P.O. Box 5836, Dubai, U.A.E., Tel: 3382688, Fax: 3381987
E-mail: aseel@emirates.net.ae, Visit: www.aseelandsafi.com

شركة الاغذية المتحدة ش.م.ع
United Foods Company psc

30 June 2010

Ms. Fahima Al Bastaki
Senior Vice President
Market Development Division
Dubai Financial Market
Dubai, UAE

Dear Ms. Al Bastaki

Subject: **<u>Fire Incident on 28 June 2010</u>**

We refer to your letter no. 49347/2010 of 30 June 2010. We would like to update you that there was an unfortunate fire incident at 0230 hrs on Monday 28 June 2010 at two warehouses of our Al-Quoz factory. The fire resulted in losses of finished goods, packing material and additives in addition to some equipment also. The structure of two warehouses has also been destroyed. All our production facilities including filling lines and refineries are intact and the unfortunate incident has no effect on the continuity of our production. It is pertinent to mention here that we have another factory at Jebel Ali where all our oil products are manufactured. The total loss is insured and we have started our proceedings with the insurance company. We have estimated the loss against inventory at AED 4.1 million and the estimation against the loss of equipments and building is under process.

According to Article 34 of the Federal Law no. 4 of 2000 concerning the Emirates Securities and Commodities Authority, companies are under the obligation to furnish the stock market any information that could affect the prices of its securities. We deem that the incident will have no consequential impact on the market price of our shares as in the long run it has no significant adverse effect on our financial position and performance because of comprehensive insurance coverage and in the short run continuity of production is also ensured.

We hope that we have addressed your concerns. Please feel free to contact me if you need further information.

Thanks and regard,

S.M

Syed Irfan Ali
Finance Manager / Company Secretary