

# The Gleaner Company Ltd. 1999

---

## Consolidated Three Months Interim Financial Report

To March 31, 1999 (Unaudited)

|  | (UNAUDITED)   |  |
|--|---|--|
|  | GROUP<br>Three Months<br>31 st March, 1999<br>\$000's | GROUP<br>Three Months<br>31st March, 1998<br>\$000's |
| Group Profit & Loss                    |   |  |
| Turnover                               | 368,889   | 337,626  |
| Other Revenue                          | <u>28,910</u>   | <u>21,686</u>  |
| Total Revenue                          | 397,799   | 359,312  |
| Expenditure                            | <u>(375,777)</u>                                      | <u>(352,305)</u>                                     |
| Trading Profit before Company Taxation | 22,022  | 7,007  |
| Reserve for Company Taxation           | <u>(7,340)</u>  | <u>(1,856)</u>                                       |
| Profit after Company Taxation          | 14,682  | 5,151  |

### Consolidated Balance Sheet as at March 31, 1999

|                              | \$000's        | \$000's        |
|------------------------------|----------------|----------------|
| Ordinary Stockholders' Funds |                |                |
| Share Capital                | 174,699        | 131,024        |
| Reserves                     | <u>660,871</u> | <u>545,644</u> |
| Total Stockholders' Funds    | 835,570        | 676,668        |
| Deferred Taxation            | 13,741         | 14,828         |

|                       |                |                |
|-----------------------|----------------|----------------|
| Long-term liabilities | <u>386</u>     | <u>17,635</u>  |
| Total Funds employed  | <u>849,697</u> | <u>709,131</u> |

Represented by:

|                                  |                |                |
|----------------------------------|----------------|----------------|
| Working Capital (see note below) | 451,157        | 340,197        |
| Fixed assets and investments     | 397,609        | 367,654        |
| Long-term receivables            | <u>931</u>     | <u>1,280</u>   |
| Total Net Assets                 | <u>849,697</u> | <u>709,131</u> |

Note: Further Analysis of Working Capital

Current Assets:

|  |                |                |
|--|----------------|----------------|
| Inventories & Goods in transit         | 158,694        | 128,614        |
| Accounts receivable & Prepaid expenses | 266,614        | 229,079        |
| Cash at bank & short-term deposits     | <u>363,711</u> | <u>300,847</u> |
|  | 789,019        | 658,540        |

Current Liabilities:

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| Accounts payable and accrued charges | 315,595       | 279,676       |
| Unclaimed dividends                  | 1,833         | 1,432         |
| Current taxation                     | <u>20,434</u> | <u>37,235</u> |

|  |                |                |
|--|----------------|----------------|
|  | <u>337,862</u> | <u>318,343</u> |
|--|----------------|----------------|

|                 |                |                |
|-----------------|----------------|----------------|
| Working Capital | <u>451,157</u> | <u>340,197</u> |
|-----------------|----------------|----------------|

|                            |         |         |
|----------------------------|---------|---------|
| Stock units in issue (000) | 349,397 | 262,048 |
|----------------------------|---------|---------|

Earnings per stock unit on profit after  
taxation attributable to stockholders  
of parent company

|    |    |
|----|----|
| 4c | 2c |
|----|----|

Interim dividend per ordinary stock  
unit

|      |    |
|------|----|
| 3.5c | 5c |
|------|----|

Stockholders' funds per ordinary  
stock unit

|      |      |
|------|------|
| 239c | 258c |
|------|------|

---

We hereby present the Report of the Group for the first quarter as at March 31, 1999.

1. The Group Financial Accounts for the first quarter as at March 31, 1999, include the Company's nine wholly-owned subsidiaries - Associated Enterprise Limited, Popular Printers Limited, Sangster's Book Stores Limited, The Book Shop Limited, The Gleaner On-line Limited, Selectco Publications Limited, and overseas subsidiaries, The Gleaner Company (NA) Limited, The Gleaner Company (NA) Incorporated and The Gleaner Company (UK) Limited.
2. The Group Financial Accounts for three months ended March 31, 1999, show, before tax, a trading profit of \$22M compared with a trading profit of \$7M for the same period 1998.
3. The Group Profit, after tax, for the first three months of 1999 was \$14.7M compared with a profit of \$5.2M for the same period 1998.

#### Dividends

A capital distribution of 3.5 cents per stock unit (less transfer tax of 7 1/2%) was paid on March 9, 1999, to stockholders on the record at the close of business on March 1, 1999.

O.F. Clarke  
Chairman and Managing Director

C.S. Roberts  
Financial Director

---