

# The Gleaner Company Limited

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## CONSOLIDATED SIX MONTHS INTERIM FINANCIAL REPORT

TO JUNE 30, 2000

(UNAUDITED)

### Group Profit & Loss

	GROUP Six Months June 30, 2000 \$000's	GROUP Six Months June 30, 1999 \$000's
<b>Revenue</b>	<b>790,575</b>	<b>706,878</b>
Cost of sales	<u>431,002</u>	<u>416,479</u>
Gross Profit	359,573	290,399
Other operating income	<u>49,940</u>	<u>60,279</u>
	<u>409,513</u>	<u>350,678</u>
Distribution costs	128,978	114,406
Administrative expenses	119,940	87,125
Other operating expenses	<u>91,998</u>	<u>85,250</u>
	<u>340,916</u>	<u>286,781</u>
Profit from operations	68,597	63,897
Finance cost	(2,037)	(4,025)
Exceptional item	1,233	1,870

<b>Profit before taxation</b>	<b>67,793</b>	<b>61,742</b>
Taxation	(20,338)	(20,581)
<b>Profit after tax attributable to stockholders of parent company</b>	<b>47,455</b>	<b>41,161</b>
Earnings per stock unit	9.05¢	7.85¢

**Consolidated Balance Sheet as at June 30, 2000**

**Non-Current assets**

Property, plant and equipment	362,436	380,169
Long-term receivable	512	748
Investments	26,010	25,028
	<u>388,958</u>	<u>405,945</u>

**Current assets**

Inventories	169,194	166,183
Trade and other receivables	260,642	242,050
Prepayments	27,122	13,820
Government securities	199,400	163,900
Cash and cash equivalents	371,731	181,751
	<u>1,028,089</u>	<u>767,704</u>

**Current liabilities**

Trade and other payables	258,150	280,570
Current portion of long-term liabilities	10,014	8,104
Taxation	35,478	20,434
	<u>303,642</u>	<u>309,108</u>

**Working Capital**

<b>Total Assets</b>	<b><u>1,113,405</u></b>	<b><u>864,541</u></b>
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**EQUITY AND LIABILITIES**

Capital and reserves	262,048	174,699
Share capital	210,275	210,275
Capital reserves	621,293	461,717
Unappropriated profits	<u>1,093,616</u>	<u>846,691</u>

**Non-current liabilities**

Long-term liabilities	7,239	4,109
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Deferred tax	<u>12,550</u>	<u>13,741</u>
	<u>19,789</u>	<u>17,850</u>
	<u>1,113,405</u>	<u>864,541</u>
Stockholders' funds per ordinary stock unit	<u>\$2.09</u>	<u>\$1.62</u>

We hereby present the Report of the Group for the second quarter as at June 30, 2000.

1. There were no significant changes to the Group's operations for the period under review.
2. Revenue represents sales by the Group before commission payable but excluding returns.
3. The calculation of earnings per stock unit is based on profit after taxation of \$47.455M (1999: \$41.161M) and the issued and fully paid ordinary share capital of 524,095,887 stock units of 50 cents each. The 1999 figure has been restated to give effect to the bonus issue made in December 1999.
4. The Group Financial Accounts for the six months ended June 30, 2000, 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.
5. The Group Financial Accounts for six months ended June 30, 2000, show, before tax, a trading profit of \$67.8M compared with a trading profit of \$61.7M for the same period 1999.
6. The Group Profit, after tax, for the first six months of 2000 was \$47.5M compared with a profit of \$41.2M for the same period 1999.

#### **Dividends**

An interim ordinary dividend of 3.5 cents per stock unit, less income tax, was paid on March 17, 2000, to stockholders on the record tit the close of business on February 25, 2000.

A second interim capital distributions of 4 cents per stock unit, (less transfer tax of 7 1/2%), will be paid on

August 18, 2000, to stockholders on record at the close of business on July 28, 2000.

**Libel Cases**

The Company's lawyers have advised that they are of the opinion that the provision made in the Company's half-yearly accounts is a reasonable provision for the purpose of covering all reasonable and probable judgements and costs for existing libel actions against the Company.

O. F. Clarke  
Chairman and Managing Director

C.S. Roberts  
Financial

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