

LASCELLES, deMERCADO & COMPANY LIMITED

INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED 30 JUNE, 2002

Group Balance Sheet

June 30, 2002

	Unaudited Nine Months 30/06/2002 \$000s	Audited Twelve Months 30/9/2001 \$000s
Current assets:		
Cash resources	2,444,535	1,839,399
Accounts receivable	1,624,547	1,592,851
Current portion of long term loan	233,565	194,383
Taxation recoverable	70,898	26,931
Inventories	2,598,805	2,775,309
	<u>6,972,350</u>	<u>6,428,873</u>
Current liabilities:		
Bank loans & overdrafts	754,897	384,355
Unsecured loans	458,258	432,604
Current maturities of long term liabilities	354,206	325,409
Accounts payable	1,386,587	1,396,701
Due to associated companies	184	184
Taxation payable	34,222	20,245

	<u>2,988,354</u>	<u>2,559,498</u>
Net current assets	3,983,996	3,869,375
Investments	873,869	683,389
Interest in associated companies	5,006	5,006
Long-term receivables	19,262	17,190
Trademarks	12,981	12,981
Fixed assets	<u>2,565,249</u>	<u>2,165,046</u>
	<u>7,460,363</u>	<u>6,752,987</u>
	=====	=====
Financed by:		
Stockholders' equity	6,244,974	5,685,533
Minority interests	16,549	13,054
Insurance funds	423,788	360,799
Long term liabilities	<u>775,052</u>	<u>693,601</u>
	<u>7,460,363</u>	<u>6,752,987</u>
	=====	=====

Group Statement of Operations

	Unaudited		Unaudited	
	Nine Months Ended		Three Months Ended	
	<u>30/06/2002</u>	<u>30/06/2001</u>	<u>30/06/2002</u>	<u>30/06/2001</u>
	\$000s	\$000s	\$000s	\$000s
Operating revenue	8,114,852	7,339,989 *	2,863,609	2,738,603
Operating expenses				
Cost of operating revenue	5,420,958	4,744,675	2,071,087	1,915,752
Administrative, marketing & selling expenses	2,488,877	2,316,638	757,568	683,338
Total operating expenses	<u>7,909,835</u>	<u>7,061,313</u>	<u>2,828,655</u>	<u>2,599,090</u>
Operating profit	205,017	278,676	34,954	139,513
Other income	267,105	168,792	239,394	121,531
Profit before net finance costs & taxation	<u>472,122</u>	<u>447,468</u>	<u>274,348</u>	<u>261,044</u>
Net finance costs	(59,459)	(50,703)	(6,883)	(9,324)

Profit before taxation	412,663	396,765	267,465	251,720
Taxation	(40,443)	(55,547)	(23,019)	(35,241)
Profit after taxation but before minority interest	372,220	341,218	244,446	216,479
Minority interests of results of subsidiaries	(3,401)	(3,199)	(1,100)	(1,039)
Net profit attributable to members	368,819	338,019	243,346	215,440
Preference dividends, gross	(81)	(81)	0	0
Profit attributable to ordinary stockholders	368,738	337,938	243,346	215,440
	=====	=====	=====	=====
Earnings per ordinary stock unit:	\$3.84	\$3.52	\$2.53	\$2.24
	=====	=====	=====	=====

* Restated to eliminate the same categories of intercompany sales as in the current year

Statement of Changes in Stockholders' Equity

	Unaudited			
	Share	Capital	Unappropriated	Total
	capital	reserve	profits	
	\$000s	\$000s	\$000s	\$000s
September 30, 2001	20,400	1,746,793	3,918,340	5,685,533
Net profit attributable to members			368,820	368,820
Dividends and distributions paid			(2,001)	(2,001)
Bonus share issues in subsidiaries		38,000	(38,000)	0
Translation adjustment arising on consolidation of foreign subsidiaries		192,622		192,622
June 30, 2002	20,400	1,977,415	4,247,159	6,244,974
	=====	=====	=====	=====
September 30, 2000	20,400	1,710,664	2,936,840	4,667,904
Net profit attributable to members			338,019	338,019
Dividends and distributions paid			(2,001)	(2,001)
Bonus share issues in subsidiaries		34,000	(34,000)	0
Translation adjustment arising on consolidation of foreign Subsidiaries		72,426		72,426
June 30, 2001	20,400	1,817,090	3,238,858	5,076,348
	=====	=====	=====	=====

Group Statement of Cash Flows

	Unaudited 30/06/2002 \$000s	Unaudited 31/03/2001 \$000s
Cash flows from operating activities:		
Profit for the period attributable to the group	368,819	338,019
Items not affecting cash	455,921	289,382
	<u>824,740</u>	<u>627,401</u>
(Decrease) / Increase in non-cash working capital	65,523	326,939
Cash provided by operating activities	890,263	954,340
Cash used by investing activities	(789,569)	(266,284)
Cash provided by financing activities	506,445	451,938
	<u>607,139</u>	<u>1,139,994</u>
Dividends & distributions paid	(2,001)	(2,001)
Net increase in cash	605,138	1,137,993
Cash resources at beginning of year	<u>1,839,399</u>	<u>1,249,103</u>
Cash resources at end of period	<u>2,444,537</u>	<u>2,387,096</u>
	=====	=====

Notes to the Interim Financial Report

- Lascelles deMercado & Company Limited is incorporated under the Laws of Jamaica. The activities of the Group include cane cultivation, sugar manufacturing, distillation, blending, bottling, distribution and export of alcohol, rums, wines and other liquor based products. The Group is also involved in holding of investments, general insurance, distribution of food and consumer supplies, aircraft handling, manufacture and distribution of pharmaceutical preparations, tours in the hospitality industry and distribution of motor vehicles and spares and servicing and repairing of motor vehicles.

- 2 The same accounting policies and methods of computation are followed as those used for the year ended September 30, 2001 Audited Financial Statements.
- 3 The Interim Financial Report is in compliance with the Institute of Chartered Accountants of Jamaica's Proposed Statement Standard Accounting Practice, Interim Financial Reporting and the Jamaica Stock Exchange Regulations, wherever applicable.
- 4 The Financial Statements include a provision for anticipated losses in the Agricultural Division resulting from the impact of the June rains on the current year's sugar crop.