

LASCELLES, deMERCADO & COMPANY LTD.

INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED 31 MARCH, 2003

Group Statement of Operations

	Unaudited Six Months Ended		Unaudited Three Months Ended	
	31/3/2003 \$000s	31/3/2002 \$000s	31/3/2003 \$000s	31/3/2002 \$000s
Operating revenue	5,481,330	5,251,243	2,788,178	2,687,833
Operating expenses				
Cost of operating revenue	3,702,260	3,641,201*	2,064,022	1,917,423
Administrative, marketing & selling expenses	1,606,303	1,439,979*	709,172	765,351
Total operating expenses	<u>5,308,563</u>	<u>5,081,180</u>	<u>2,773,194</u>	<u>2,682,774</u>
Operating profit	172,767	170,063	14,984	5,059
Other income	50,215	27,711	72,757	19,283
Profit before net finance costs & taxation	222,982	197,774	87,741	24,342
Net finance costs	(75,924)	(52,576)	(59,579)	5,956
Profit before taxation	147,058	145,198	28,162	30,298
Taxation	<u>(17,647)</u>	<u>(17,424)</u>	<u>(11,631)</u>	<u>(3,636)</u>

Profit after taxation and before minority interests	129,411	127,774	16,531	26,662
Minority interests of results of subsidiaries	(2,239)	(2,301)	(2,002)	(1,572)
Net profit attributable to members	<u>127,172</u>	<u>125,473</u>	<u>14,529</u>	<u>25,090</u>
Preference dividends, gross	(81)	(81)	(81)	(81)
Profit attributable to ordinary stockholders	<u>127,091</u>	<u>125,392</u>	<u>14,448</u>	<u>25,009</u>
Earnings per ordinary stock unit	<u>\$1.32</u>	<u>\$1.31</u>	<u>\$0.15</u>	<u>\$0.26</u>

* Restated for comparative purposes

Group Balance Sheet

	Unaudited Six Months	Audited Twelve Months
	<u>31/3/2003</u>	<u>30/9/2002</u>
	\$000s	\$000s
Current assets:		
Cash resources	2,859,179	2,903,802
Accounts receivable	1,953,806	1,644,014
Current portion of long term loan	0	142,250
Taxation recoverable	90,620	57,737
Inventories	<u>2,971,170</u>	<u>2,867,136</u>
	<u>7,874,775</u>	<u>7,614,939</u>
Current liabilities:		
Bank loans & overdrafts	505,078	609,881
Unsecured loans	618,999	610,007
Current maturities of long term liabilities	345,360	593,597
Accounts payable	1,731,844	1,320,851
Taxation payable	20,748	6,008
	<u>3,222,029</u>	<u>3,140,344</u>

Net current assets	4,652,746	4,474,595
Investments	846,754	697,478
Interest in associated companies	6,853	6,853
Long-term receivables	20,243	19,497
Trademarks	11,239	11,239
Fixed assets	<u>2,794,106</u>	<u>2,695,492</u>
	<u>8,331,941</u>	<u>7,905,154</u>
Financed by:	=====	=====
Stockholders' equity	7,545,515	7,044,278
Minority interests	14,401	12,162
Insurance funds	467,748	437,828
Long term liabilities	<u>304,277</u>	<u>410,886</u>
	<u>8,331,941</u>	<u>7,905,154</u>
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Statement of Changes in Stockholders' Equity

	<u>Share capital</u> \$000s	<u>Unaudited Capital reserve</u> \$000s	<u>Unappropriated profits</u> \$000s	<u>Total</u> \$000s
September 30, 2002	20,400	2,191,274	4,832,604	7,044,278
Net profit attributable to members			127,172	127,172
Dividends and distributions paid			(81)	(81)
Bonus share issues in subsidiaries		45,000	(45,000)	0
Translation adjustment arising on consolidation of foreign subsidiaries		<u>374,146</u>		<u>374,146</u>
March 31, 2003	<u>20,400</u>	<u>2,610,420</u>	<u>4,914,695</u>	<u>7,545,515</u>
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September 30, 2001	20,400	1,746,793	3,918,340	5,685,533
Net profit attributable to members			125,473	125,473
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		85,169		85,169
March 31, 2002	<u>20,400</u>	<u>1,869,962</u>	<u>4,003,812</u>	<u>5,894,174</u>
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Group Statement of Cash Flows

	Unaudited 31/3/2003 \$000s	Unaudited 31/3/2002 \$000s
Cash flows from operating activities:		
Profit for the period attributable to the group	127,172	125,473
Items not affecting cash	<u>549,943</u>	<u>276,313</u>
	677,115	401,786
Increase / (Decrease) in non-cash working capital	<u>121,274</u>	<u>(11,559)</u>
Cash provided by operating activities	798,389	390,227
Cash used by investing activities	(392,276)	(620,368)
Cash (used) / provided by financing activities	<u>(44,655)</u>	<u>285,636</u>
	(44,542)	55,495
Dividends & distributions paid	<u>(81)</u>	<u>(2,001)</u>
Net (decrease) / increase in cash	(44,623)	53,494
Cash resources at beginning of year	<u>2,903,802</u>	<u>1,839,399</u>
Cash resources at end of period	<u>2,859,179</u>	<u>1,892,893</u>
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