BERGER PAINTS JAMAICA LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE NINE

MONTH PERIOD ENDED SEPTEMBER 30, 2004

BALANCE SHEET

BALANCE SHEET AS AT SEPTEMBER 30, 2004

	(Unaudited) September 30, 2004 $'000	(Unaudited) SEPTEMBER 30, 2003 $'000	(Audited) DECEMBER 31, 2003 $'000
ASSETS			
Non-current assets			
Fixed assets	102,770	102,235	102,529
Long-term receivables	310		273
Post employment benefits	15,236		3,441
	118,316	102,235	106,243
Current assets	497,535	405,133	554,610
Total assets	615,851	507,368	660,853
	========	========	========
EQUITY AND LIABILITIES			
Shareholders Equity			
Share capital	107,161	107,161	107,161
Share premium	34,632	34,632	34,632

Revaluation reserve	41,066	40,926	41,066
Proposed dividend			43,162
Revenue reserve			
Profit and loss account	250,041	205,536	214,313
	432,900	388,255	440,334
Non-current liabilities			
Post employment benefits		1,632	
Deferred tax liabilities	10,454	8,653	7,663
Provision	9,200		4,100
	19,654	10,285	11,763
Current Liabilities	163,297	108,828	208,766
Total equity and liabilities	615,851	507,368	660,853
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PROFIT AND LOSS ACCOUNT

ENDED SEPTEMBER 30, 2004

(UNAUDITED)

	QUARTER ENDED SEPTEMBER 2004 $'000	QUARTER ENDED SEPTEMBER 2003 $'000	NINE MONTHS ENDED SEPTEMBER 2004 $'000	NINE MONTHS ENDED SEPTEMBER 2003 $'000
Sales (net of discount and rebates)	234,070	246,108	679,747	638,048
Profit from operations	19,361	20,752	52,796	46,383
Income from investments	227	850	1,313	5,389
Finance costs	(13)	-	(21)	-
PROFIT BEFORE TAXATION	19,575	21,602	54,088	51,772
Taxation	(6,858)	(8,126)	(18,360)	(18,167)
NET PROFIT	12,717	13,476	36,728	33,605
	========	========	========	========

Earnings per stock unit of 50 cents	5.9c	6.3c	16.7c	15.7c

STATEMENT OF CASH FLOWS

NINE MONTHS ENDED SEPTEMBER 30,2004

(UNAUDITED)

	SEPTEMBER 2004 $'000	**SEPTEMBER 2003 $'000**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	35,728	33,605
Non-cash items included in net profit	10,256	9,264
	46,984	42,869
Decrease in operating assets	21,740	74,586
(Decrease) increase in operating liabilities	(45,002)	(73,502)
Cash provided (used) in operating activities	22,722	43,953
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash (used) provided by investing activities	(12,968)	(6,150)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash used in financing activities	(33,016)	(72,383)
NET (DECREASE) INCREASE IN CASH AND BANK BALANCES	(23,262)	(34,580)
OPENING CASH AND BANK BALANCES	122,846	120,951
CLOSING CASH AND BANK BALANCES	99,584	86,371
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STATEMENT OF CHANGES IN EQUITY

NINE MONTHS ENDED SEPTEMBER 30, 2004

(UNAUDITED)

	Share Capital $'000	Share Premium $'000	Revaluation Reserve $'000	Proposed Dividends $'000	Revenue Reserve Profit and Loss Account $'000	Total $'000
Balance at January 1, 2004	107,161	34,632	41,066	43,162	214,313	440,334
Net Profit for the year					35,728	35,728
Dividend approved at Annual General Meeting				(43,162)		(43,162)
Balance at SEPTEMBER 30, 2004	107,161	34,632	41,066	0	250,041	432,900

NOTES TO THE FINANCIAL STATEMENTS

NINE MONTHS ENDED SEPTEMBER 30, 2004

1 BASIS OF PRESENTATION

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS). They have been prepared under the historical cost convention as modified by the revaluation of the available-for-sale investment.

2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost. As allowed under IFRS 1 freehold land and buildings are shown at deemed cost based on an independent valuation carried out prior to the transition to IFRS.

3 INVESTMENTS

Investments are recognised on a trade-date basis and are initially measured at cost, including transaction costs.

Investments classified as available for sale are measured at subsequent reporting dates at fair value. Gains and losses arising from changes in fair values are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the net profit or loss for the period.

4 CASH AND BANK BALANCES

For the purposes of the statement of cash flows, cash and bank balances comprises cash at bank and in hand, net of bank overdraft.

5 PROVISIONS

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be determined.

6 EMPLOYEE BENEFITS

An accrual is made for the cost of vacation leave earned but not taken in respect of services rendered by employees up to the reporting date.

7 POST EMPLOYMENT BENEFITS

The company operates a defined benefits pension plan. The cost of providing benefits is determined using the Projected Unit Credit Method with actuarial valuations being carried out each balance sheet date. Actuarial gains and losses that exceed 10% of the greater of the present value of the company's defined benefit obligation and the fair value of plan assets are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

The post employment benefits recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognized past service costs, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

8 DEFERRED TAXATION

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

9 COMPARATIVE INFORMATION

Where necessary, comparative figures have been reclassified and/or restated to conform with changes in presentation in the current year.