

SEPROD LIMITED

GROUP PROFIT AND LOSS ACCOUNT

For the Three Months Ended March 31, 2005

	2005	2004
	\$'000	\$'000
Revenue	772,719	833,421
Cost of Sales	(583,046)	(650,913)
Gross Profit	<u>189,673</u>	<u>182,508</u>
Other operating income	6,455	6,081
Distribution costs	(28,876)	(28,770)
Administrative expenses	(92,420)	(80,893)
Other operating expenses	<u>-</u>	<u>(220)</u>
Operating Profit	74,832	78,706
Finance income	23,564	38,517
Share of results of associated companies	83,746	40,000
Profit before Taxation	<u>182,142</u>	<u>157,223</u>
Taxation	<u>(63,988)</u>	<u>(28,313)</u>
Net Profit attributable to Stockholders	<u>118,154</u>	<u>128,910</u>
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Number of Shares in issue ('000)	516,398	516,398
Earnings per share	0.23	0.25

BALANCE SHEET

	Unaudited 31/3/05 \$'000	Audited 31/12/04 \$'000
NET ASSETS EMPLOYED		
Fixed Assets	630,925	617,899
Investments	2,715,000	2,267,322
Retirement Benefit Asset	92,540	92,540
Deferred Tax	17,020	21,263
Current Assets	1,127,958	1,325,266
Current Liabilities	<u>(532,174)</u>	<u>(424,079)</u>
Net Current Assets	<u>595,784</u>	<u>901,187</u>
	<u>4,051,269</u>	<u>3,900,211</u>
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Financed By:		
Share Capital	516,398	516,398
Share Premium	44,889	44,889
Capital Reserves	838,276	823,736
Accumulated Surplus	<u>2,232,904</u>	<u>2,114,750</u>
	<u>3,632,467</u>	<u>3,499,773</u>
Long Term Liabilities	58,525	62,844
Loans from Associated Companies	143,497	143,514
Deferred Tax	178,880	156,180
Retirement Benefit Obligations	<u>37,900</u>	<u>37,900</u>
	<u>4,051,269</u>	<u>3,900,211</u>
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Approved on behalf of the Board:

A. D. Blades
(Chairman)Dr. R. A. Jones
(Vice Chairman)B. E. Thompson
(Chief Executive Officer)

Group Statement of Changes in Equity

	Number of Shares '000	Share Capital \$'000	Share Premium \$'000	Capital Reserve \$'000	Accumulated Surplus \$'000	Total \$'000
Balance as at 1 January 2004	516,398	516,398	44,889	798,481	1,674,033	3,033,801
Net profit	-	-	-	-	547,717	547,717
Transfer to capital reserve - gain on sale of investments	-	-	-	3,720	(3,720)	-
Fair value gains on available-for-sale securities	-	-	-	26,334	-	26,334
Realised fair value gain on sale of investments	-	-	-	(4,799)	-	(4,799)
Dividends paid	-	-	-	-	(103,280)	(103,280)
Balance at 31 December 2004	516,398	516,398	44,889	823,736	2,114,750	3,499,773
Net profit	-	-	-	-	118,154	118,154
Realised fair value gain on sale of investments	-	-	-	14,538	-	14,538
Balance at 31 March 2005	516,398	516,398	44,889	838,274	2,232,904	3,632,465

INFORMATION ABOUT BUSINESS SEGMENTS

(\$'000)

	Manufacturing		Distribution		Eliminations		Consolidated	
	31/3/2005	31/3/2004	31/3/2005	31/3/2004	31/3/2005	31/3/2004	31/3/2005	31/3/2004
REVENUE								
External sales	548,931	622,437	223,788	210,984				
Inter-segment sales	117,759	158,699	108,127	108,687	(225,886)	(267,386)		
Total revenue	666,690	781,136	331,915	319,671	(225,886)	(267,386)	772,719	833,421
RESULTS								
Segment result	112,685	107,348	11,716	10,953			124,401	118,301

Unallocated corporate expenses							(49,569)	(39,595)
Operating profit							74,832	78,706
Finance income, net							23,564	38,517
Share of net profits of associates							83,746	40,000
Income taxes							(63,988)	(28,313)
Net Profit							118,154	128,910
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OTHER INFORMATION								
Segment assets	1,036,427	975,577	322,945	280,720	(11)	(29,601)	1,359,361	1,226,696
Investment in associates							1,501,959	882,402
Unallocated corporate assets							1,722,123	1,622,789
Total consolidated assets							4,583,443	3,731,887
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Segment liabilities	(124,085)	(89,137)	(45,471)	(61,071)	11	29,601	(169,545)	(120,607)
Unallocated corporate liabilities							(362,630)	(35,239)
Total consolidated liabilities							(532,175)	(155,846)
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Capital expenditure	26,057	32,362	(106)	147			25,951	32,509
Unallocated capital expenditure							580	838
Total capital expenditure							26,531	33,347
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Depreciation	11,684	15,130	359	427			12,043	15,557
Unallocated capital expenditure							1,461	1,413
Total capital expenditure							13,504	16,970
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Group Statement of Cash Flows

(Three months Ending 31st March)

	2005	2004
	\$'000	\$'000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net profit	118,154	128,910
Items not affecting cash resources:		
Depreciation	13,504	16,970
Share of results of associated companies	(83,746)	(40,000)
Taxation	56,861	20,559
	<u>104,773</u>	<u>126,439</u>

Changes in operating assets and liabilities:		
Inventories	(24,143)	(30,920)
Accounts receivable	(129,809)	6,113
Accounts payables	<u>(23,346)</u>	<u>11,371</u>
	(72,525)	113,003
Taxation paid	<u>(28,915)</u>	<u>(9,204)</u>
Cash provided by operating activities	<u>(101,440)</u>	<u>103,799</u>
Investing Activities		
Purchase of fixed assets	(26,531)	(33,347)
Investments in securities, net	(65,440)	(168,040)
Short term investment	92,838	(36,584)
Change in fair value of investments in securities	<u>14,538</u>	<u>-</u>
Cash (used in)/ provided by investing activities	<u>15,405</u>	<u>(237,971)</u>
Financing Activities		
Short term loan received	155,000	-
Short term loan paid	(20,000)	-
Long term loan received	-	76,386
Long term loan repaid	<u>(4,336)</u>	<u>(2,500)</u>
Cash used in financing activities	<u>130,664</u>	<u>73,886</u>
Increase/ (decrease) in cash and cash equivalents	44,629	(60,286)
Cash and cash equivalents at beginning of year	<u>89,943</u>	<u>140,234</u>
CASH AND CASH EQUIVALENT AT END OF PERIOD	<u>134,572</u>	<u>79,948</u>
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