The Directors of
LASCELLES, deMERCADO & CO. LIMITED
are pleased to report the consolidated unaudited results as follows:

Group Balance Sheet
June 30, 2005

	Unaudited 30/6/2005 $'000s	Audited 30/9/2004 $'000s
Current assets:		
Cash and cash equivalents	3,584,692	3,187,597
Accounts receivable	2,660,510	2,436,922
Taxation recoverable	304,010	147,145
Inventories	4,347,922	4,023,973
Biological assets	130,903	147,490
	11,028,037	9,943,127
Current liabilities:		
Bank loans & overdrafts	137,841	370,108
Unsecured loans	586,469	636,617
Current maturities of long term liabilities	98,234	106,613
Accounts payable	2,461,995	2,015,744
Insurance funds	1,443,670	1,408,707
Taxation payable	76,725	86,449
	4,804,934	4,624,238
Net current assets	6,223,103	5,318,889
Non-current assets:		
Employee benefits assets	1,235,900	1,235,900
Investments	5,097,783	4,613,921
Intangible assets	103,008	106,391
Interest in associated companies	10,110	10,110
Property, plant and equipment	3,292,639	3,332,606
Deferred tax assets	145,633	81,006
	16,108,176	14,698,823
Financed by:		
Stockholders' equity	14,798,242	13,436,632
Non-current liabilities:		
Employee benefits obligations	238,400	238,400
Long term liabilities	258,952	262,659
Deferred tax liabilities	812,582	761,132
	16,108,176	14,698,823

Approved for release to the Jamaica Stock Exchange by the Board of Directors on July 28, 2005 and signed on its behalf by:

_____________________Director
William A. McConnell

_______________________Director
Anthony J. Bell

Group Statement of Operations
Nine Months Ended June 30, 2005

	Unaudited Nine Months Ended			Unaudited Three Months Ended		
	30/6/2005	30/6/2004		30/6/2005	30/6/2004	
	$'000s	$'000s		$'000s	$'000s	
Operating revenue	14,536,404	11,995,843	*	4,585,405	3,863,256	*
Cost of operating revenue	10,032,061	8,030,188	*	3,347,918	2,379,432	*
Gross profit	4,504,343	3,965,655		1,237,487	1,483,824	
Administrative, marketing & selling expenses	3,209,261	3,069,181	*	1,111,737	1,087,155	*
Operating profit	1,295,082	896,474		125,750	396,669	
Other income / (expense)	141,506	106,362		(16,145)	19,932	
Profit before net finance income / (costs) & taxation	1,436,588	1,002,836		109,605	416,601	
Net finance income / (costs)	78,905	(141,063)	*	(5,118)	(53,482)	*
Profit before taxation	1,515,493	861,773		104,487	363,119	
Taxation	(151,550)	(172,355)		36,537	(94,465)	
Net profit attributable to members	1,363,943	689,418		141,024	268,654	
Earnings per ordinary stock unit	$14.21	$7.18		$1.47	$2.80	

***** Reclassified to conform to current period's presentation

Statement of Changes in Stockholders' Equity
June 30, 2005

Unaudited

	Share capital $000s	Capital reserve $000s	Unappropriated profits $000s	Total $000s	
Balances at September 30, 2004	20,400	6,508,201	6,908,031	13,436,632	
Net profit attributable to members			1,363,943	1,363,943	(a)
Changes in fair value of investments		456,598		456,598	(a)
Released on sale of investments		(157,875)		(157,875)	(a)
Dividends and distributions paid			(292,881)	(292,881)	
Transfers, net		73,279	(73,279)	-	
Translation adjustment arising on consolidation of foreign subsidiaries		(8,175)		(8,175)	(a)
June 30, 2005	20,400	6,872,028	7,905,814	14,798,242	
Balances at September 30, 2003	20,400	5,491,642	5,844,607	11,356,649	
Net profit attributable to members			689,418	689,418	(a)
Changes in fair value of investments		958,685		958,685	(a)
Released on sale of investments		(87,585)		(87,585)	(a)
Dividends and distributions paid			(98,001)	(98,001)	
Transfers, net		69,111	(69,111)	-	
Translation adjustment arising on consolidation of foreign subsidiaries		78,172		78,172	(a)
June 30, 2004	20,400	6,510,025	6,366,913	12,897,338	

Recognised gains:

Unaudited

	30/6/2005	30/6/2004
(a) Total recognised gains for the period ($'000s)	1,654,491	1,638,690
(b) Recognised gains per ordinary stock unit ($)	17.23	17.07

Group Statement of Cash Flows
Nine Months Ended June 30, 2005

	Unaudited 30/6/2005 $'000s	Unaudited 30/6/2004 $'000s
Cash flows from operating activities:		
Net profit attributable to members	1,363,943	689,418
Items not affecting cash	217,592	284,138
	1,581,535	973,556
(Decrease) / Increase in non-cash working capital	(216,324)	300,939
Cash provided by operating activities	1,365,211	1,274,495
Cash used by investing activities	(380,734)	(573,611)
Cash used by financing activities	(294,501)	(947,390)
	689,976	(246,506)
Dividends & distributions paid	(292,881)	(98,001)
Net increase/(decrease) in cash and cash equivalen	397,095	(344,507)
Cash and cash equivalents at beginning of year	3,187,597	3,539,649
Cash and cash equivalents at end of period	3,584,692	3,195,142

1. General

Lascelles, deMercado & Co. Limited is incorporated under the Laws of Jamaica. The activities of the company and its subsidiaries (collectively "the Group"), some of which are domiciled in jurisdictions other than Jamaica, are organized into the following primary segments:

(i) Liquor, rums, wines and sugar: This includes cane cultivation, sugar manufacturing, distillation, blending, bottling, distribution and export of alcohol, rums, wines and other liquor based products.

(ii) General merchandise: This includes the manufacture, the wholesale and retail merchandising of provisions, household goods and electronic telephone cards, and the manufacture and distribution of pharmaceutical preparations, agricultural chemicals and plastic consumables.

(iii) General insurance: This comprises the underwriting of property, casualty and other general insurance risks.

(iv) Investments: This primarily comprises the holding of investments.

(v) Transportation and other: This includes aircraft handling, distribution of motor vehicles and spares, servicing and repair of motor vehicles.

The segment information is contained in note 4 below.

There were no material changes in the group during the period.

2. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), interpretations issued by the Standards Interpretation Committee of the IASB and recommendations by the Institute of Chartered Accountants of Jamaica, and comply with the Companies Act.

These financial statements are presented in Jamaica dollars ($), which is the currency in which the company conducts the majority of its operations.

The financial statements are prepared under the historical cost convention, modified for the inclusion of available-for-sale investments and certain classes of property, plant and equipment at deemed cost at the IFRS transition date.

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the balance sheet date and the income and expense for the period then ended. Actual amounts could differ from these estimates.

3. Significant accounting policies

(a) Revenue recognition

Operating revenue represents:

§ The price of goods and services sold to external customers, after deducting returns and discounts, and includes consumption taxes.

§ The proceeds from the sale of the sugarcane crop of the group's estates is recognized in accordance with the accounting practices of the Jamaican sugar industry. Revenue relating to the current crop of cane is estimated based on the latest available prices and any differences arising on final settlement are consistently accounted for in subsequent periods;

§ Dividend income recognized in the income statement on the date of declaration;

§ Underwriting results including gross written premiums of the general insurance subsidiaries are accounted for in compliance with the recommendations and practices of the Jamaican insurance industry and comply with the provisions of the Insurance Act 2001;

§ Interest and other investment income recognized by the "General Insurance" segment on the accrual basis, except when collectibility is considered doubtful. In 2003, this income was classified as net finance costs and has been reclassified to conform to 2004 presentation.

(b) Income taxes

Taxation on the profit or loss for the period comprises current and deferred tax. Taxation is recognised in the income statement, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the income for the period, using tax rates enacted at the balance sheet date.

Deferred tax is computed using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the balance sheet date.

3. Significant accounting policies, cont'd

(b) Income taxes

A deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries, branches and associates and interests in joint ventures, except to the extent that the company and its subsidiaries are able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(c) Pension asset and other post-retirement benefits

(i) Pension asset:

The company and its subsidiaries are participating employers in various trusteed pension schemes, the assets of which are held separately from those of the group. The adoption of IAS 19 does not affect the pension schemes, which continue to be governed by the approved trust deeds and rules, and remain under the full control of the appointed trustees.

Obligations for contributions to defined contribution pension schemes are recognised as an expense in the income statement as incurred.

The group's net obligation in respect of defined benefit pension schemes is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that value is discounted to determine the present value, and the fair value of any scheme assets is deducted. To the extent that the obligation is less than the fair value of scheme assets, the asset recognised is restricted to the discounted value of future benefits available to the group. The discount rate applied is the yield at September 30, 2004 on long-term government instruments that have maturity dates approximating the terms of the group's obligation. The calculation is performed using the projected unit credit method.

(ii) Other post-retirement obligations:

The group provides post-retirement health care benefits, which are not entitlements, to certain of its retirees. These benefits are usually conditional upon the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment, using a methodology similar to that for defined benefit pension plans and the present value of future benefits at September 30, 2004 is shown as an obligation on the balance sheet.

3. Significant accounting policies, cont'd

(c) Pension asset and other post-retirement benefits

(ii) Other post-retirement obligations:

In calculating the group's constructive obligation in respect of post-retirement benefits, to the extent that any cumulative unrecognised gain or loss exceeds 10% of the present value of the benefit obligation, that portion is recognised in the income statement over the expected average remaining working lives of the employees affected; otherwise, the actuarial gain or loss is not recognised.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, and include short-term deposits and other monetary investments with maturities ranging between one and twelve months from balance sheet date.

(e) Biological assets

Biological assets materially comprise cultivation expenses, which will be written off against the crop to which they relate. The balance is stated at cost less impairment losses measured by reference to estimated sugarcane proceeds less cultivation, reaping, harvesting and transportation expenses to the point of sale.

(f) Intangible assets

(i) Goodwill:

Goodwill arising on an acquisition represents the excess of the cost of the acquisition over the fair value of the net identifiable assets acquired. Goodwill is stated at cost less accumulated amortisation and impairment losses.

Goodwill is adjusted, when necessary, to the extent that the adjustment does not increase the carrying amount of goodwill above its recoverable amount and such adjustment is made by the end of the first annual accounting period commencing after acquisition. This adjustment arises due to subsequent changes in the carrying amounts of identifiable assets and liabilities acquired.

(ii) Trademarks:

Trademarks, relating to the acquisition of trademarks for liquor products, are stated at cost less accumulated amortisation and impairment losses. Expenses relating to internally developed trademarks, including registration and subsequent renewal expenses, are charged to the income statement as and when these are incurred.

3. Significant accounting policies, cont'd

(f) Intangible assets, cont'd

(iii) Amortisation:

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets. The estimated usual useful lives for goodwill and trademarks are 20 years and 10 years respectively.

(g) Foreign currencies

Foreign currency balances at the balance sheet date are translated at the rates of exchange ruling on that date. Transactions in foreign currencies are converted at the rates of exchange ruling at the dates of those transactions. Gains and losses arising from fluctuations in exchange rates are included in the income statement. For the purpose of the statement of cash flows, all foreign currency gains and losses recognised in the income statement are treated as cash items and included in cash flows from operating or financing activities along with movements in the principal balances.

The reporting currencies of the foreign subsidiaries are also the currencies in which their economic decisions are formulated. For the purpose of these financial statements, revenues, expenses, gains and losses have been translated at the average exchange rates prevailing during the period under review; assets and liabilities have been translated at exchange rates ruling at the balance sheet date and net stockholders' equity has been translated at historical exchange rates.

Unrealised gains and losses arising on translation of net stockholders' equity in foreign subsidiaries are taken to equity on the group balance sheet and added or deducted to reflect the underlying group cash flows from operating activities on the group statement of cash flows.

4. Segment financial information

A segment is a distinguishable component of the group that is engaged either in providing products (business segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Segment information is presented in respect of the group's business segments. This format is based on the Group's management and internal reporting structure. Inter-segment pricing is determined on an arm's length basis.

The results of the insurance segment reflect a substantial increase in the I.B.N.R. and other reserves arising from an actuarial valuation which takes into account the status of the restructuring of the insurance division and the significant growth in business at Globe Insurance of Jamaica Ltd. resulting therefrom.

The results of the Liquors, Rums, Wines and Sugar segment for the third quarter were adversely affected by the agricultural operations of our group. The 2005 Sugar Crop ended on May 4, 2005 with the Appleton Estate Factory producing just over 21,300 tonnes of sugar compared to 29,400 tonnes produced in 2004. The reduction in output is directly attributable to Hurricane Ivan.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

4. Segment financial information, cont'd

Business segments:

	June 30,2005						
	Liquors, Rums Wines and Sugar	General Merchandise	General Insurance	Investments	Transportation & Other	Eliminations	Total
	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s
Revenue							
External	8,502,274	2,598,777	1,338,757	878,964	1,217,632		
Inter segment	-	20,907	371,428	-	17,681		
Total revenue	8,502,274	2,619,684	1,710,185	878,964	1,235,313	(410,016)	14,536,404
Segment results	420,602	5,358	149,278	870,269	(8,919)		1,436,588
Segment assets	10,128,611	1,236,064	4,183,718	4,132,279	772,685		20,453,357
Unallocated assets							459,753
							20,913,110
Segment liabilities	2,598,186	407,730	1,888,510	22,519	308,616		5,225,561
Unallocated liabilities							889,307
							6,114,868
Other segment items:							
Additions to property, plant and equipment	258,812	42,749	18,831	-	8,038		328,430
Depreciation and amortisation	238,289	43,118	12,910	64	17,843		312,224
Other non-cash items	52,102	(2,364)	(128,859)	(15,095)	(416)		(94,632)

4. Segment financial information, cont'd

Business segments, cont'd:

	June 30, 2004						
	Liquors, Rums Wines and Sugar $'000s	General Merchandise $'000s	General Insurance $'000s	Investments $'000s	Transportation & Other $'000s	Eliminations $'000s	Total $'000s
Revenue							
External	7,474,009	2,085,664	970,764	228,355	1,237,051		
Inter segment	-	21,483	243,609	-	16,134		
Total revenue	7,474,009	2,107,147	1,214,373 *	228,355	1,253,185	(281,226)	11,995,843 *
Segment results	460,921 *	(1,448)	229,016 *	276,752 *	37,595		1,002,836 *
Segment assets	9,717,251 *	1,090,556	3,174,108	3,927,860 *	578,283		18,488,058
Unallocated assets							233,553
							18,721,611
Segment liabilities	2,896,731 *	536,432	1,248,509	6,196 *	375,957		5,063,825
Unallocated liabilities							760,448
							5,824,273
Other segment items:							
Additions to property, plant and equipment	252,733	84,553	57,397	-	41,483		436,166
Depreciation and amortisation	232,380	37,576	12,692	64	18,640		301,352
Other non-cash items	67,764 *	5,454	(589)	(91,795) *	1,953		(17,213)

* Reclassified to conform to current period's presentation

5. Dividends and distributions

At a meeting of the Board of Directors of the Company held on October 7, 2004, a special interim dividend of $1.05 per ordinary stock unit was declared. This dividend was paid on October 22, 2004 to ordinary stockholders on record at the close of business on October 13, 2004.

At a meeting of the Board of Directors of the Company held on March 14, 2005, a regular interim dividend of $1.00 per ordinary stock unit as well as a special Interim dividend of $1.00 per ordinary stock unit were declared. These dividends were paid on March 29, 2005 to ordinary stockholders on record at the close of business on March 21, 2005.

Half-yearly dividends were paid to 6% and 15% cumulative preference stockholders on March 31, 2005.