

SALADA FOODS JAMAICA LIMITED

UNAUDITED ACCOUNTS TO STOCKHOLDERS

The Directors are pleased to present the unaudited accounts of the Group for the nine months ended June 30, 2006.

For the quarter, gross profit at \$32 million was \$16 million or 102% more than the prior year of \$15.7 million. When expressed as a percentage of turnover the margin increased from 27% in June 2005 to 42% in June 2006. This improvement resulted largely from savings in staff related costs from the reorganisation exercise carried out in July to September of the last financial year, as well as improved operating efficiencies and increased sales.

The turnover for the third quarter amounted to \$76.5 million with a total year to date of \$229 million. The increase of \$17 million (29%) over the corresponding quarter last year resulted from increases in both price and volume of sales.

The Cost of Sales for the quarter increased by approximately 3% or \$1.2 million when compared to June 2005, while YTD cost of sales of \$141 million increased by 1% when compared to the same period last year. However as a percentage of sales, Cost of Sales decreased by 15 percentage points from 73% for the quarter ended June 2005 to 58% for the quarter ended June 2006.

For the quarter Selling & Promotional expenses of \$3 million was less than the previous comparative period expenses of \$5.5m. Administrative expenses of \$12 million were in line with the prior period in dollar value. As a percentage of sales these expenses combined decreased from 29% to 19% when compared to the previous period.

The Company earned interest income of \$1.9 million compared to \$2.5 million the previous quarter - a decrease of 26% or \$676,000 resulting from falling interest rates.

The Group made a quarterly net profit of approximately \$13 million compared to \$831,000 for the prior year, an increase of \$11.8 million. This equates to earnings per share (EPS) for the quarter of 122.17 cents up from 8 cents.

SALADA FOODS JAMAICA LIMITED
Unaudited Group Balance Sheet

	Unaudited	Unaudited	Audited
	30 June 2006	30 June 2005	30 September 2005
	\$'000	\$'000	\$'000
<u>NET CAPITAL EMPLOYED</u>			
FIXED ASSETS	44,007	53,415	50,675
INVESTMENT IN SUBSIDIARIES	0	0	
DEFERRED TAX ASSET	695	974	697
RETIREMENT BENEFIT ASSET	18,895	22,521	18,895
CURRENT ASSETS			
INVENTORIES	66,002	47,548	57,476
TAXATION RECOVERABLE	7,217	1,720	8,146
RECEIVABLES	33,507	31,700	23,848
CASH AND DEPOSITS	95,420	90,427	68,279
TOTAL CURRENT ASSETS	<u>202,146</u>	<u>171,396</u>	<u>157,749</u>
CURRENT LIABILITIES:			
PAYABLES	26,260	38,416	30,255
TAXATION PAYABLE	14,572	860	0
CURRENT PORTION LONG TERM LOANS	5,354	5,304	5,354
TOTAL CURRENT LIABILITIES	<u>46,186</u>	<u>44,580</u>	<u>37,486</u>
NET CURRENT ASSETS	155,960	126,815	120,263
TOTAL NET ASSETS	<u><u>219,556</u></u>	<u><u>203,725</u></u>	<u><u>190,530</u></u>
<u>REPRESENTED BY</u>			
SHARE CAPITAL	5,194	5,194	5,194
SHARE PREMIUM	68,022	68,022	68,022
CAPITAL RESERVES	16,275	16,275	16,275
RETAINED EARNINGS	116,270	95,812	83,773
	<u>205,762</u>	<u>185,303</u>	<u>173,264</u>
LONG TERM LIABILITIES	13,795	18,422	17,266
CAPITAL EMPLOYED	<u><u>219,556</u></u>	<u><u>203,725</u></u>	<u><u>190,530</u></u>

Approved:

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Director

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Director

SALADA FOODS JAMAICA LIMITED
Unaudited Group Profit and Loss Account
For 9 months ended June 30, 2006

	THIS QUARTER		YEAR-TO-DATE	
	June 30 2006	June 30 2005	June 30 2006	June 30 2005
	\$'000	\$'000	\$'000	\$'000
Turnover	76,594	59,255	229,002	202,201
Cost of Sales	(44,693)	(43,468)	(140,727)	(139,135)
Gross Profit	31,901	15,787	88,275	63,066
Other Income	1,901	2,577	4,907	6,690
Selling and Promotional Expenses	(2,967)	(5,557)	(11,035)	(13,194)
Administrative Expenses	(11,922)	(11,420)	(34,270)	(33,821)
Operating Profit	18,913	1,387	47,877	22,741
Finance income/(charge), net	122	(142)	866	(566)
Profit before Taxation	19,035	1,245	48,743	22,175
Taxation	(6,343)	(414)	(16,246)	(7,391)
Net Profit Attributable to Stockholders	12,692	831	32,497	14,784
	Cents	Cents	Cents	Cents
Earnings per share	122.17	8.00	312.82	142.31
No. of shares Issued	10,388,330	10,388,330	10,388,330	10,388,330

SALADA FOODS JAMAICA LIMITED
Unaudited Group Statement of Changes in Equity
For 9 months ended 30 June 2006

	No. of Shares	Share Capital	Share Premium	Capital Reserve	Retained Earnings	Total
	000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2005	10,388	5,194	68,022	16,275	83,773	173,264
Net profit	-	-	-	-	32,497	32,497
Balance at 30 June 2006	10,388	5,194	68,022	16,275	116,270	205,761

SALADA FOODS JAMAICA LIMITED
Group statement of cash flows
For 9 months ended 30 June , 2006

	Unaudited	Unaudited
	30-Jun	30 June
	2006	2005
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(loss) after taxation	32,497	14,784
Adjustment for items not involving cash		
Depreciation	6,965	6,166
Gain on disposal of assets	191	
Interest capitalised on long term loans		
Transaction gains on long term loans	623	14
	<u>40,276</u>	<u>20,964</u>
Changes in non-cash working capital components:		
Inventories	(8,526)	(9,728)
Receivables	(9,659)	8,125
Payables and accruals	(3,995)	(3,088)
Taxation	15,501	(374)
CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	<u>33,597</u>	<u>15,899</u>
INVESTING ACTIVITIES		
Proceeds from sale of fixed assets	581	0
Purchase of fixed assets	(1,067)	(2,889)
CASH PROVIDED BY INVESTING ACTIVITIES	<u>(486)</u>	<u>(2,889)</u>
FINANCING ACTIVITIES		
Long term loans - net	(4,094)	(4,004)
CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	<u>(4,094)</u>	<u>(4,004)</u>
INCREASE IN NET CASH BALANCES	29,017	9,006
Net cash balances at the beginning of the period	66,402	81,421
INCREASE IN NET CASH BALANCE AT END OF PERIOD	<u>95,419</u>	<u>90,427</u>