

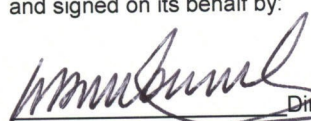



The Directors of
LASCELLES, deMERCADO & CO. LIMITED
are pleased to report the consolidated unaudited results for
the Nine Months Ended June 30, 2007 as follows:

Group Balance Sheet
June 30, 2007

	Unaudited 30/6/2007 \$000s	Audited 30/9/2006 \$000s
Current assets:		
Cash and cash equivalents	3,053,613	2,196,750
Short-term investments	1,608,624	2,194,949
Accounts receivable	2,795,866	2,757,364
Reinsurance assets	1,006,374	700,374
Taxation recoverable	245,672	155,334
Inventories	5,404,860	5,248,578
Biological assets	115,999	164,073
	<u>14,231,008</u>	<u>13,417,422</u>
Current liabilities:		
Bank loans & overdrafts	132,681	181,877
Unsecured loans	488,020	420,634
Current maturities of long term liabilities	50,558	72,694
Accounts payable	2,342,122	2,622,180
Insurance contract provisions	2,575,812	2,303,298
Taxation payable	224,573	100,123
	<u>5,813,766</u>	<u>5,700,806</u>
Net current assets	8,417,242	7,716,616
Non-current assets:		
Employee benefits assets	2,150,700	2,150,700
Investments	7,879,020	6,673,618
Interest in associated companies	9,866	9,866
Intangible assets	105,481	105,481
Property, plant & equipment	3,302,653	3,198,350
Deferred tax assets	99,375	63,875
	<u>21,964,337</u>	<u>19,918,506</u>
Financed by:		
Stockholders' equity	20,549,049	18,512,997
Non-current liabilities:		
Employee benefits liabilities	307,900	307,900
Deferred tax liabilities	1,032,420	981,203
Long term liabilities	74,968	116,406
	<u>21,964,337</u>	<u>19,918,506</u>

Approved for release to the Jamaica Stock Exchange by the Board of Directors on August 7, 2007
and signed on its behalf by:


Director
William A. McConnell


Director
Anthony J. Bell

Statement of Changes in Stockholders' Equity
June 30, 2007

	Unaudited			Total \$000s
	Share capital \$000s	Capital reserve \$000s	Unappropriated profits \$000s	
Balances at September 30, 2006 (audited)	20,400	12,910,698	5,581,899	18,512,997
Net profit attributable to members			1,793,813	1,793,813 (a)
Changes in fair value of investments		432,347		432,347 (a)
Released on sale of investments		(7,446)		(7,446) (a)
Dividends and distributions paid			(192,081)	(192,081)
Transfers, net		40,931	(40,931)	-
Translation adjustment arising on consolidation of foreign subsidiaries		9,419		9,419 (a)
June 30, 2007	<u>20,400</u>	<u>13,385,949</u>	<u>7,142,700</u>	<u>20,549,049</u>
Balances at September 30, 2005 (audited)	20,400	7,452,307	7,592,218	15,064,925
Net profit attributable to members			1,649,098	1,649,098 (a)
Changes in fair value of investments		209,638		209,638 (a)
Released on sale of investments		(24,599)		(24,599) (a)
Dividends and distributions paid			(96,081)	(96,081)
Transfers, net		2,672,295	(2,672,295)	-
Translation adjustment arising on consolidation of foreign subsidiaries		24,928		24,928 (a)
June 30, 2006	<u>20,400</u>	<u>10,334,569</u>	<u>6,472,940</u>	<u>16,827,909</u>

Recognised gains:

	Unaudited	
	30/6/2007	30/6/2006
(a) Total recognised gains for the period (\$' 000)	<u>2,228,133</u>	<u>1,859,065</u>
(b) Recognised gains per ordinary stock unit (\$)	<u>23.21</u>	<u>19.37</u>

Group Statement of Operations
 Nine Months Ended June 30, 2007

	Unaudited		Unaudited	
	Nine Months Ended		Three Months Ended	
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
	\$000s	\$000s	\$000s	\$000s
Operating revenue	15,563,658	14,403,648 *	5,386,945	5,222,480 *
Cost of operating revenue	9,757,937	9,017,125 *	3,293,375	3,289,736 *
Gross profit	5,805,721	5,386,523	2,093,570	1,932,744
Administrative, marketing and selling expenses	4,044,643	3,826,549	1,512,755	1,408,992
Operating profit	1,761,078	1,559,974	580,815	523,752
Other income	104,884	49,752	33,691	(5,809)
Profit before net finance income and taxation	1,865,962	1,609,726	614,506	517,943
Net finance income	318,950	222,605	109,625	36,655
Profit before taxation	2,184,912	1,832,331	724,131	554,598
Taxation	(391,099)	(183,233)	(129,619)	(55,459)
Net profit attributable to members	1,793,813	1,649,098	594,512	499,139
Earnings per ordinary stock unit	\$18.68	\$17.18	\$6.19	\$5.20

* Reclassified to conform to current period's presentation

Group Statement of Cash Flows
 Nine Months Ended June 30, 2007

	Unaudited 30/6/2007 \$000s	Unaudited 30/6/2006 \$000s
Cash flows from operating activities:		
Profit for the period attributable to the group	1,793,813	1,649,098
Items not affecting cash	448,631	323,100
	<u>2,242,444</u>	<u>1,972,198</u>
Decrease in non-cash working capital	(610,695)	(231,323)
Cash provided by operating activities	1,631,749	1,740,875
Cash used by investing activities	(537,423)	(670,168)
Cash provided / (used) by financing activities	7,294	(223,808)
	1,101,620	846,899
Dividends & distributions paid	(192,081)	(96,081)
Net increase in cash and cash equivalents	909,539	750,818
Cash and cash equivalents at beginning of year	2,140,296	1,982,799
Cash and cash equivalents at end of period	<u><u>3,049,835</u></u>	<u><u>2,733,617</u></u>
Comprised of:		
Cash and bank balances	1,196,611	674,266
Short term deposits and monetary instruments	1,857,002	2,103,838
	<u>3,053,613</u>	<u>2,778,104</u>
Less: Bank overdrafts	(3,778)	(44,487)
	<u><u>3,049,835</u></u>	<u><u>2,733,617</u></u>

Notes to the Abridged Financial Statements (unaudited)
June 30, 2007

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, ageing, 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 and agricultural chemicals.
- (iii) General insurance: This comprises the underwriting of property, casualty and other general insurance risks and the holding of investments.
- (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.

Segment information is set out in note 7 below.

2. Statement of compliance and basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board (IASB), and comply with the provisions of the Companies Act.

These financial statements have been prepared using the same accounting policies and methods of computation as compared with the audited financial statements for the year ended September 30, 2006.

These financial statements are presented in Jamaica dollars (\$), which is the functional currency of the company i.e. the currency in which it conducts the majority of its operations and formulates economic decisions.

The financial statements are prepared using the historical cost basis, modified for the inclusion of available-for-sale investments at fair value.

The accounting policies have been applied consistently by the company and its subsidiaries. Where necessary, prior period comparatives have been reclassified to conform to current period presentation.

Notes to the Abridged Financial Statements (unaudited), cont'd
June 30, 2007

3. Revenue recognition

- Revenue from the sale of goods is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or material associated costs on the possible return of goods.
- The proceeds from the sale of the sugarcane crop of the group's estates are recognised 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 is recognised 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 the provisions of the Insurance Act.
- Interest and other investment income are recognised by the "General Insurance" segment on the accrual basis on the effective interest rate basis, except when collectibility is considered doubtful.

4. Other income

Other Income is comprised mainly of gains and losses on disposal of investments and fixed assets. It also includes rental and other miscellaneous income.

5. Net finance income

This is comprised of interest income, interest expense, bank charges and net gains on foreign exchange.

6. Dividends and distributions

At a meeting of the Board of Directors held on January 5, 2007, an interim dividend of \$1.00 per ordinary stock unit was declared. This dividend was paid on January 26, 2007 to ordinary stockholders on record as at the close of business on January 12, 2007.

At a meeting of the Board of Directors held on May 18, 2007, an interim dividend of \$1.00 per ordinary stock unit was declared. This dividend was paid on June 15, 2007 to ordinary stockholders on record as at the close of business on May 28, 2007.

Half-yearly dividends were paid to the 6% and 15% Non-redeemable cumulative preference stockholders on March 31, 2007.

Notes to the Abridged Financial Statements (unaudited), cont'd
June 30, 2007

7. 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.

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.

Business segments:

	Unaudited June 30, 2007						
	Liquors, Rums <u>Wines and Sugar</u>	General <u>Merchandise</u>	General <u>Insurance</u>	<u>Investments</u>	Transportation <u>& Other</u>	<u>Eliminations</u>	<u>Total</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue							
External	9,169,808	3,218,737	1,801,350	421,836	951,927		
Inter segment	-	14,922	316,727	-	29,195		
Total revenue	<u>9,169,808</u>	<u>3,233,659</u>	<u>2,118,077</u>	<u>421,836</u>	<u>981,122</u>	<u>(360,844)</u>	<u>15,563,658</u>
Segment results	<u>891,505</u>	<u>145,914</u>	<u>393,207</u>	<u>424,861</u>	<u>10,475</u>		<u>1,865,962</u>
Segment assets	<u>13,517,983</u>	<u>1,267,295</u>	<u>4,550,116</u>	<u>7,316,374</u>	<u>771,422</u>		<u>27,423,190</u>
Unallocated assets							<u>354,913</u>
							<u>27,778,103</u>
Segment liabilities	<u>2,324,512</u>	<u>294,323</u>	<u>3,005,551</u>	<u>68,686</u>	<u>278,178</u>		<u>5,971,250</u>
Unallocated liabilities							<u>1,257,804</u>
							<u>7,229,054</u>
Other segment items:							
Additions to property, plant and equipment	<u>192,802</u>	<u>26,041</u>	<u>1,050</u>	<u>118,780</u>	<u>43,260</u>		<u>381,933</u>
Depreciation and amortisation	<u>230,091</u>	<u>22,583</u>	<u>657</u>	<u>9,668</u>	<u>16,877</u>		<u>279,876</u>
Other non-cash items	<u>(144,582)</u>	<u>41,940</u>	<u>75,821</u>	<u>172,386</u>	<u>23,191</u>		<u>168,756</u>

Notes to the Abridged Financial Statements (unaudited), cont'd
June 30, 2007

7. Segment financial information, cont'd

Business segments, cont'd:

	Unaudited June 30, 2006						Total
	Liquors, Rums Wines and Sugar	General Merchandise	General Insurance	Investments	Transportation & Other	Eliminations	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue							
External	8,115,694	2,882,664	1,554,457	569,086	1,281,747		
Inter segment	-	23,830	429,492	-	22,982		
Total revenue	<u>8,115,694</u>	<u>2,906,494</u>	<u>1,983,949</u>	<u>569,086</u>	<u>1,304,729</u>	(476,304)	<u>14,403,648 *</u>
Segment results	<u>799,628</u>	<u>26,907</u>	<u>228,489</u>	<u>560,956</u>	<u>(6,254)</u>		<u>1,609,726</u>
Segment assets	<u>11,978,396</u>	<u>1,251,684</u>	<u>3,819,721</u>	<u>5,611,257</u>	<u>800,653</u>		<u>23,461,711</u>
Unallocated assets							<u>267,948</u>
							<u>23,729,659</u>
Segment liabilities	<u>2,550,494</u>	<u>380,130</u>	<u>2,779,501</u>	<u>40,938</u>	<u>338,554</u>		<u>6,089,617</u>
Unallocated liabilities							<u>812,133</u>
							<u>6,901,750</u>
Other segment items:							
Additions to property, plant and equipment	<u>299,439</u>	<u>53,385</u>	<u>-</u>	<u>3,599</u>	<u>19,835</u>		<u>376,258</u>
Depreciation and amortisation	<u>211,159</u>	<u>34,450</u>	<u>1,227</u>	<u>12,530</u>	<u>16,666</u>		<u>276,032</u>
Other non-cash items	<u>(76,626)</u>	<u>84,146</u>	<u>11,210</u>	<u>43,796</u>	<u>(35,820)</u>		<u>26,706 *</u>

* Reclassified to conform to current year's presentation

STOCKHOLDINGS OF DIRECTORS AND OFFICERS AND THEIR CONNECTED PERSONS OF LASCELLES, deMERCADO & CO. LIMITED AT JUNE 30, 2007

Directors (together with their connected persons, where applicable)	Number of Ordinary Stocks Units held
Mr. G. N. Ashenheim	18,400
Mr. W. A. McConnell	Nil
Mr. D. K. C. Henriques	383
Mr. R. G. Ashenheim	1,618,400
Mr. A. J. Bell	3,500
Mr. M. A. G. Fraser	13,243
Mr. R. K. Powell	6,300
Mrs. T. M .P. Sutherland	Nil
Officers (together with their connected persons, where applicable)	
Mr. R. B. Chambers	6,500
Mr. M. A. Braham	1,770
Miss R. M. Lee	Nil
Mrs. J. E. Shaw	Nil
Mrs. J. George	Nil
Miss M. J. Williams	Nil

No class of preference shares was held by a director or officer of the company.

STOCKHOLDERS HOLDING THE TEN LARGEST BLOCKS OF ORDINARY STOCK UNITS

STOCKHOLDERS	Number of Ordinary Stocks Units Held
Snowdon Limited	9,515,980
Medsalco Limited	6,000,000
Eagle Holdings Limited	5,931,315
Life of Jamaica Pooled Equity Fund No. 1	5,456,604
Sundev Limited	5,157,520
Jamaica National Building Society	3,885,897
JN Fund Managers Limited	3,665,406
Wadham Limited	3,395,285
West Indies Trust Co. Ltd. A/C Wt 109	2,914,574
Silver Oaks Limited	2,549,060