

SEPROD LIMITED AND ITS SUBSIDIARIES
UNAUDITED GROUP FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2007

GROUP BALANCE SHEET

	Unaudited 30/06/07 <u>\$'000</u>	Audited 31/12/06 <u>\$'000</u>
NET ASSETS EMPLOYED		
Fixed Assets	1,533,789	1,491,224
Intangible Assets	39,600	39,600
Investments	2,299,093	2,176,840
Retirement Benefit Asset	33,100	33,100
Biological Asset	89,568	90,566
Deferred Tax	17,992	53,915
Current Assets	1,929,856	1,972,887
Current Liabilities	(551,940)	(781,596)
Net Current Assets	1,377,916	1,191,291
	5,391,058	5,076,536
FINANCED BY:		
Share Capital	516,398	516,398
Share Premium	44,889	44,889
Capital Reserves	853,690	854,409
Accumulated Surplus	3,314,957	3,008,030
	4,729,934	4,423,726
Long Term Liabilities	388,860	399,145
Deferred Tax	222,464	203,865
Retirement Benefit Obligations	49,800	49,800
	661,124	652,810
	5,391,058	5,076,536

Approved on behalf of the Board:

A. D. Blades
(Chairman)

Dr R. A. Jones
(Vice Chairman)

B. E. Thompson
(Chief Executive Officer)

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GROUP PROFIT AND LOSS ACCOUNT

	<Three months ending June 30th>		<Six months ending June 30th>	
	2007	2006	2007	2006
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Revenue	1,417,543	1,217,617	2,801,457	2,430,759
Direct expenses	<u>(1,077,935)</u>	<u>(899,753)</u>	<u>(2,102,966)</u>	<u>(1,792,498)</u>
Gross Profit	339,608	317,864	698,491	638,261
Finance and other operating income	48,597	52,752	104,448	95,877
Selling expenses	(51,350)	(40,358)	(97,591)	(82,738)
Administration expenses	<u>(185,254)</u>	<u>(153,238)</u>	<u>(360,259)</u>	<u>(298,912)</u>
Operating Profit	151,601	177,020	345,089	352,488
Finance costs	(10,549)	(10,691)	(21,361)	(16,797)
Share of results of associates	<u>50,029</u>	<u>382,563</u>	<u>109,535</u>	<u>406,676</u>
Profit before taxation	191,081	548,892	433,263	742,367
Taxation	(62,471)	(41,865)	(126,336)	(104,424)
Net Profit attributable to Stockholders	<u>128,610</u>	<u>507,027</u>	<u>306,927</u>	<u>637,943</u>
Number of Shares in issue ('000)	516,398	516,398	516,398	516,398
Earnings per share	0.25	0.98	0.59	1.24

Note (1) The share of results of an associated company for 2006 includes a one off gain on sale of quoted shares amounting to \$252.5 Million.

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Group Statement of Cash Flows

(Six months ending 30th June)

	2007 \$'000	2006 \$'000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net profit	306,927	637,943
Items not affecting cash resources:		
Depreciation	66,883	50,399
Share of results of associated companies	(109,535)	(472,228)
Taxation	126,336	104,424
	390,611	320,538
Changes in operating assets and liabilities:		
Inventories	(85,253)	(26,687)
Accounts receivable	(123,417)	(75,074)
Biological assets	998	-
Retirement benefits	-	36,916
Accounts payable	(32,719)	(91,810)
	150,220	163,883
Taxation paid	(118,133)	(7,199)
Cash provided by operating activities	32,087	156,684
Investing Activities		
Purchase of fixed assets	(108,729)	(106,168)
Proceeds on disposal of fixed assets	(719)	850
Investments in securities, net	121,158	177,113
Advance to associate	-	(475,000)
Repayment by associate	-	75,000
Cash used in investing activities	11,710	(328,205)
Financing Activities		
Short term loan received	-	340,000
Short term loan repaid	-	(85,000)
Long term loan repaid	(16,468)	(54,470)
Cash provided by /(used in) financing activities	(16,468)	200,530
Increase in cash and cash equivalents	27,329	29,009
Cash and cash equivalents at beginning of year	(10,445)	135,112
CASH AND CASH EQUIVALENT AT END OF PERIOD	16,884	164,121

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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 2006	516,398	516,398	44,889	836,631	2,715,685	4,113,603
Net profit	-	-	-	-	637,943	637,943
Fair value loss on available-for-sale securities	-	-	-	(4,910)	-	(4,910)
Balance at 30 June 2006	516,398	516,398	44,889	831,721	3,353,628	4,746,636

	Number of Shares '000	Share Capital \$'000	Share Premium \$'000	Capital Reserve \$'000	Accumulated Surplus \$'000	Total \$'000
Balance as at 1 January 2007	516,398	516,398	44,889	854,409	3,008,030	4,423,726
Net profit	-	-	-	-	306,927	306,927
Fair value loss on available-for-sale securities	-	-	-	(719)	-	(719)
Balance at 30 June 2007	516,398	516,398	44,889	853,690	3,314,957	4,729,934

SEPROD LIMITED AND ITS SUBSIDIARIES
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FOR THE SIX MONTHS ENDED JUNE 30, 2007
INFORMATION ABOUT BUSINESS SEGMENTS

(\$000)

	Manufacturing		Distribution		Eliminations		Consolidated	
	30/06/2007	30/06/2006	30/06/2007	30/06/2006	30/06/2007	30/06/2006	30/06/2007	30/06/2006
REVENUE								
External sales	1,428,076	1,208,322	1,373,381	1,222,437			2,801,457	2,430,759
Inter-segment sales	895,794	731,822	-	665	(895,794)	(732,487)		
Total revenue	<u>2,323,870</u>	<u>1,940,144</u>	<u>1,373,381</u>	<u>1,223,102</u>	<u>(895,794)</u>	<u>(732,487)</u>	<u>2,801,457</u>	<u>2,430,759</u>
RESULTS								
Segment result	<u>323,758</u>	<u>282,995</u>	<u>86,772</u>	<u>108,879</u>			410,530	391,874
Unallocated corporate expenses							(65,441)	(39,386)
Operating profit							345,089	352,488
Finance costs							(21,361)	(16,797)
Share of net profits of associates							109,535	406,676
Income taxes							(126,336)	(104,424)
Net Profit							<u>306,927</u>	<u>637,943</u>
OTHER INFORMATION								
Segment assets	2,432,806	1,960,139	454,739	408,128	-	-	2,887,545	2,368,267
Investment in associates							1,684,320	1,908,734
Unallocated corporate assets							1,371,133	1,887,996
Total consolidated assets							<u>5,942,998</u>	<u>6,164,997</u>
Segment liabilities	(212,308)	(276,630)	(61,225)	(46,119)	-	-	(273,533)	(322,749)
Unallocated corporate liabilities							(939,531)	(1,095,612)
Total consolidated liabilities							<u>(1,213,064)</u>	<u>(1,418,361)</u>
Capital expenditure	106,867	100,314	1,920	539			108,787	100,853
Unallocated capital expenditure							661	4,465
Total capital expenditure							<u>109,448</u>	<u>105,318</u>
Depreciation	55,559	42,232	1,041	757			56,600	42,989
Unallocated depreciation							10,283	7,410
Total depreciation							<u>66,883</u>	<u>50,399</u>