

SALADA FOODS JAMAICA LIMITED

UNAUDITED FINANCIAL STATEMENTS TO STOCKHOLDERS

The Directors are pleased to present the Unaudited Financial statements of the Group for the quarter ended December 31, 2007.

Operating profit for this first quarter of 2007/08 was 13.1 million dollars versus 16.7 million for the same period of 2006/07. This decline in operating profit represents the significant impact of the bottle shortage on the business during the reporting period.

The turnover for the period was \$73.1 million, a \$3.4 million or 4% decrease over the prior year's \$76.5 million. This was fuelled largely from a stock-out of bottles for instant coffee, as the company's main supplier experienced unforeseen operational problems which have now been corrected. This led to a corresponding decrease in cost of sales of 6% or \$2.7 million (from \$44.5 to \$41.8 million) when compared to the quarter ended December 31, 2006. As a result the gross profit for the quarter at \$31.3 million was \$700 thousand or 2% less than the prior year's \$32 million. However, when expressed as a percentage of turnover, there was a slight increase in the gross profit margin from 42% in December 2006 to 43% in December 2007.

Selling & Promotional expenses of \$3.4 million were more than the previous comparative period of \$2.5 million. This resulted from expenditure related to marketing contractual agreements that were in place during the first quarter. Administrative expenses of \$15 million increased by \$1.2 million or 8% more than the previous year of \$14.1 million. As a percentage of sales these expenses combined are approximately 26% compared to 22% in the comparative period, an overall increase of 4%.

The group earned interest income of \$4.7 million compared to \$2.4 million in the comparative quarter December 31, 2006. This represented a 100% growth or a change of \$2.3 million, which resulted from increased funds invested in the money market.

As a result of the foregoing, for the quarter the Group made a net profit of \$11.9 million compared to \$12.7 million for the previous corresponding period. This equates to earnings per share (EPS) of \$1.14 for the quarter ended December 31, 2007 versus \$1.23 for the quarter ended December 31, 2006.

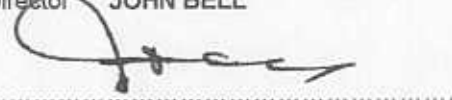
SALADA FOODS JAMAICA LIMITED

Group Balance Sheet

	Unaudited Quarter ended	Unaudited Quarter ended	Audited Year ended
	31 Dec 2007	31 Dec 2006	30 September 2007
	\$'000	\$'000	\$'000
NET CAPITAL EMPLOYED			
FIXED ASSETS	36,486	42,070	35,602
DEFERRED TAX ASSET	-	503	-
RETIREMENT BENEFIT ASSET	25,085	20,289	25,085
CURRENT ASSETS			
INVENTORIES	62,060	57,307	54,153
TAXATION RECOVERABLE	-	8,277	-
RECEIVABLES	36,953	33,172	49,988
CASH AND DEPOSITS	175,341	116,874	162,833
TOTAL CURRENT ASSETS	274,354	215,630	266,974
CURRENT LIABILITIES:			
PAYABLES	24,693	16,986	27,222
TAXATION PAYABLE	9,048	22,782	8,565
BANK OVERDRAFT	-	-	138
CURRENT PORTION LONG TERM LOAN	5,354	5,354	5,534
TOTAL CURRENT LIABILITIES	39,095	45,122	41,459
NET CURRENT ASSETS	235,259	170,508	225,515
TOTAL NET ASSETS	296,830	233,370	286,202
REPRESENTED BY			
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	195,983	128,708	184,123
	285,474	218,199	273,614
LONG TERM LOAN	5,979	11,204	7,211
DEFERRED TAX LIABILITY	5,377	3,967	5,377
CAPITAL EMPLOYED	296,830	233,370	286,202

Approved:


 Director JOHN BELL


 Director OLIVER HOLMES

SALADA FOODS JAMAICA LIMITED

Group Profit and Loss Account

For 3 months ended December 31, 2007

	Unaudited Quarter ended 31-Dec-07	Unaudited Quarter ended 31-Dec-06
	\$'000	\$'000
Turnover	73,118	76,497
Cost of Sales	(41,806)	(44,490)
Gross Profit	<u>31,312</u>	<u>32,007</u>
Other operating income	542	1,399
Selling and Promotional Expenses	(3,369)	(2,548)
Administrative Expenses	(15,387)	(14,128)
Operating Profit	<u>13,098</u>	<u>16,730</u>
Interest Income	4,693	2,394
Profit before Taxation	<u>17,791</u>	<u>19,124</u>
Taxation	(5,931)	(6,375)
Net Profit Attributable to Stockholders	<u><u>11,860</u></u>	<u><u>12,749</u></u>
Earnings per stock unit	\$1.14	\$1.23
No. of stock units issued	10,388,330	10,388,330

SALADA FOODS JAMAICA LIMITED

Group Statement of Changes in Equity For 3 months ended 31 December, 2007

	Unaudited					Total
	No. of Shares 000	Share Capital \$'000	Share Premium \$'000	Capital Reserve \$'000	Retained Earnings \$'000	
Balance at 1 October 2007	10,388	5,194	68,022	16,275	184,123	273,614
Net profit	-	-	-	-	11,860	11,860
Balance at 31 December 2007	10,388	5,194	68,022	16,275	195,983	285,474

Unaudited

For 3 months ended 31 December, 2006

	No. of Shares 000	Share Capital \$'000	Share Premium \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000
	Balance at 1 October 2006	10,388	5,194	68,022	16,275	115,959
Net profit	-	-	-	-	12,749	12,749
Balance at 31 December 2006	10,388	5,194	68,022	16,275	128,708	218,199

SALADA FOODS JAMAICA LIMITED

Group statement of cash flows

For 3 months ended 31 December , 2007

	Unaudited Quarter ended	Unaudited Quarter ended
	31-Dec 2007	31-Dec 2006
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	11,860	12,749
Adjustment for items not involving cash		
Depreciation	2,302	2,312
Foreign Exchange (gains)/losses on long term loans	30	168
	14,192	15,229
Changes in non-cash working capital components:		
Inventories	(7,907)	8,293
Receivables	13,035	(3,910)
Payables and accruals	(2,528)	(2,380)
Taxation	483	5,532
CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	17,275	22,764
INVESTING ACTIVITIES		
Proceeds from sale of fixed assets		
Purchase of fixed assets	(3,186)	(649)
CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(3,186)	(649)
FINANCING ACTIVITIES		
Long term loans - net	(1,443)	(1,384)
CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	(1,443)	(1,384)
INCREASE IN NET CASH BALANCES	12,646	20,729
Net cash balances at the beginning of the period	162,695	96,145
CASH BALANCE AT END OF PERIOD	175,341	116,874