

SEPROD LIMITED AND ITS SUBSIDIARIES
UNAUDITED GROUP FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2008

GROUP PROFIT AND LOSS ACCOUNT

	<Three months ending June 30th>		<Six months ending June 30th>	
	2008	2007	2008	2007
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Revenue	2,267,821	1,417,543	4,278,195	2,801,457
Direct expenses	<u>(1,677,431)</u>	<u>(1,077,935)</u>	<u>(3,157,662)</u>	<u>(2,102,966)</u>
Gross Profit	590,390	339,608	1,120,533	698,491
Finance and other operating income	89,584	48,597	181,126	104,448
Selling expenses	(62,573)	(51,350)	(115,340)	(97,591)
Administration expenses	<u>(224,391)</u>	<u>(185,254)</u>	<u>(434,311)</u>	<u>(360,259)</u>
Operating Profit	393,010	151,601	752,008	345,089
Finance costs	(6,296)	(10,549)	(13,310)	(21,361)
Share of results of associates (Note 1)	<u>-</u>	<u>50,029</u>	<u>-</u>	<u>109,535</u>
Profit before taxation	386,714	191,081	738,698	433,263
Taxation	(72,880)	(62,471)	(183,842)	(126,336)
Net Profit attributable to Stockholders	<u>313,834</u>	<u>128,610</u>	<u>554,856</u>	<u>306,927</u>
Number of Shares in issue ('000)	516,398	516,398	516,398	516,398
Earnings per share	0.61	0.25	1.07	0.59

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GROUP BALANCE SHEET

	Unaudited 30/06/08 \$'000	Audited 31/12/07 \$'000
NET ASSETS EMPLOYED		
Fixed Assets	1,995,947	1,866,885
Intangible Assets	58,090	59,360
Investments	686,639	741,271
Long Term Receivables	1,116,912	1,211,579
Retirement Benefit Asset	24,100	24,100
Biological Asset	116,756	95,630
Deferred Tax	26,000	649
Current Assets	2,893,369	2,533,041
Current Liabilities	(672,137)	(599,539)
Net Current Assets	2,221,232	1,933,502
	6,245,676	5,932,976
FINANCED BY:		
Share Capital	516,398	516,398
Share Premium	44,889	44,889
Capital Reserves	840,426	849,264
Accumulated Surplus	4,167,473	3,844,996
	5,569,186	5,255,547
Long Term Liabilities	395,929	410,094
Deferred Tax	225,961	212,735
Retirement Benefit Obligations	54,600	54,600
	676,490	677,429
	6,245,676	5,932,976

Approved on behalf of the Board:

Dr. R. A. Jones
(Vice Chairman)

B. E. Thompson
(Chief Executive Officer)

SEPROD LIMITED AND ITS SUBSIDIARIES
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FOR THE SIX MONTHS ENDED JUNE 30, 2008

Group Statement of Cash Flows

(Six months ending 30th June)

2008
\$'000

2007
\$'000

CASH RESOURCES WERE PROVIDED BY/(USED IN):

Operating Activities

Net profit	554,856	306,927
Items not affecting cash resources:		
Amortisation of intangible assets	1,270	-
Depreciation	79,135	66,883
Share of results of associated companies	-	(109,535)
Taxation	183,842	126,336
	819,103	390,611
Changes in operating assets and liabilities:		
Inventories	(290,604)	(85,253)
Accounts receivable	(237,008)	(123,417)
Biological assets	(21,126)	998
Accounts payable	(52,922)	(32,719)
	217,443	150,220
Taxation paid	(124,008)	(118,133)
Cash provided by operating activities	93,435	32,087

Investing Activities

Purchase of fixed assets	(207,637)	(108,729)
Proceeds on disposal of fixed assets	(560)	(719)
Investments in securities, net	(99,625)	121,158
Long term receivable	98,467	-
Cash used in investing activities	(209,355)	11,710

Financing Activities

Short term loan received	100,000	-
Long term loan repaid	(44,254)	(16,468)
Dividends paid	(232,379)	-
Cash provided by/(used in) financing activities	(176,633)	(16,468)
Increase in cash and cash equivalents	(292,553)	27,329
Cash and cash equivalents at beginning of year	489,793	(10,445)
CASH AND CASH EQUIVALENT AT END OF PERIOD	197,240	16,884

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FOR THE SIX MONTHS ENDED JUNE 30, 2008

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 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

	Number of Shares '000	Share Capital \$'000	Share Premium \$'000	Capital Reserve \$'000	Accumulated Surplus \$'000	Total \$'000
Balance as at 1 January 2008	516,398	516,398	44,889	849,264	3,844,996	5,255,547
Net profit	-	-	-	-	554,856	554,856
Fair value loss on available-for-sale securities	-	-	-	(8,838)	-	(8,838)
Dividends paid	-	-	-	-	(232,379)	(232,379)
Balance at 30 June 2008	516,398	516,398	44,889	840,426	4,167,473	5,569,186

SEPROD LIMITED AND ITS SUBSIDIARIES
UNAUDITED GROUP FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2008
INFORMATION ABOUT BUSINESS SEGMENTS

(\$000)

	Manufacturing		Distribution		Eliminations		Consolidated	
	30/06/2008	30/06/2007	30/06/2008	30/06/2007	30/06/2008	30/06/2007	30/06/2008	30/06/2007
REVENUE								
External sales	2,747,341	1,428,076	1,530,854	1,373,381			4,278,195	2,801,457
Inter-segment sales	986,844	895,794	-	-	(986,844)	(895,794)		
Total revenue	<u>3,734,185</u>	<u>2,323,870</u>	<u>1,530,854</u>	<u>1,373,381</u>	<u>(986,844)</u>	<u>(895,794)</u>	<u>4,278,195</u>	<u>2,801,457</u>
RESULTS								
Segment result	<u>657,786</u>	<u>323,758</u>	<u>118,663</u>	<u>86,772</u>			776,449	410,530
Unallocated corporate expenses							(24,441)	(65,441)
Operating profit							752,008	345,089
Finance costs							(13,310)	(21,361)
Share of net profits of associates							-	109,535
Income taxes							(183,842)	(126,336)
Net Profit							<u>554,856</u>	<u>306,927</u>
OTHER INFORMATION								
Segment assets	3,530,838	2,432,806	495,935	454,739	-	-	4,026,773	2,887,545
Investment in associates							-	1,684,320
Unallocated corporate assets							2,891,040	1,371,133
Total consolidated assets							<u>6,917,813</u>	<u>5,942,998</u>
Segment liabilities	(345,911)	(212,308)	(73,399)	(61,225)	-	-	(419,310)	(273,533)
Unallocated corporate liabilities							(929,317)	(939,531)
Total consolidated liabilities							<u>(1,348,627)</u>	<u>(1,213,064)</u>
Capital expenditure	206,998	106,867	495	1,920			207,493	108,787
Unallocated capital expenditure							21,831	661
Total capital expenditure							<u>229,324</u>	<u>109,448</u>
Depreciation	67,676	55,559	1,019	1,041			68,695	56,600
Unallocated depreciation							10,440	10,283
Total depreciation							<u>79,135</u>	<u>66,883</u>