



SEPROD LIMITED AND ITS SUBSIDIARIES
UNAUDITED GROUP FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDING SEPTEMBER 30, 2008

GROUP PROFIT AND LOSS ACCOUNT

	<Three months ending Sept 30th>		<Nine months ending Sept 30th>	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Revenue	2,252,296	1,434,637	6,530,491	4,236,094
	<u>(1,741,483)</u>	<u>(1,091,809)</u>	<u>(4,899,145)</u>	<u>(3,194,775)</u>
Direct expenses	510,813	342,828	1,631,346	1,041,319
Gross Profit	84,923	44,132	266,049	148,580
Finance and other operating income	(70,176)	(44,775)	(185,516)	(142,366)
Selling expenses	<u>(220,602)</u>	<u>(180,501)</u>	<u>(654,913)</u>	<u>(540,760)</u>
Administration expenses	304,858	161,684	1,056,966	508,773
Operating Profit	(10,993)	(9,389)	(24,303)	(30,750)
Finance costs	-	173,820	-	173,820
Negative goodwill on acquisition of subsidiaries (Note 2)	-	94,863	-	204,398
Share of results of associates	293,985	420,978	1,032,663	654,241
Profit before taxation	(155,079)	(57,798)	(338,921)	(184,134)
Taxation				
Net Profit attributable to Stockholders	<u>138,888</u>	<u>363,180</u>	<u>693,742</u>	<u>670,107</u>
Number of Shares in issue ('000)	516,398	516,398	516,398	516,398
Earnings per share	\$ 0.27	\$ 0.70	\$ 1.34	\$ 1.30

Note (1) On September 1, 2007 the Group acquired the entire assets of Kraft Jamaica Limited to form International Biscuits Limited for a consideration of US\$4.167 Million.

(2) Negative Goodwill on acquisition was attributable to the recognition of the acquired fixed assets at their fair market value, and was arrived at as follows:

	\$'000
	462,324
Fair value of fixed assets acquired	288,504
Purchase consideration	<u>173,820</u>
Negative goodwill on acquisition	



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GROUP BALANCE SHEET

	Unaudited 30/09/08 \$'000	Audited 31/12/07 \$'000
Non-current Assets		
Fixed assets	2,033,202	1,866,885
Intangible assets	57,455	59,360
Available-for-sale investments	672,421	741,271
Long term receivables	1,068,840	1,211,579
Retirement benefit asset	24,100	24,100
Biological assets	123,341	95,630
Deferred tax assets	2,000	649
	<u>3,981,359</u>	<u>3,999,474</u>
Current Assets		
Inventories	1,441,455	794,994
Receivables	1,226,755	1,059,266
Available-for-sale investments	255,985	172,637
Cash and bank	272,009	489,793
	<u>3,196,204</u>	<u>2,516,690</u>
Current Liabilities		
Payables	450,523	426,754
Current portion of long term liabilities	183,073	91,618
Taxation	186,038	64,816
	<u>819,634</u>	<u>583,188</u>
Net Current Assets	<u>2,376,570</u>	<u>1,933,502</u>
	<u>6,357,929</u>	<u>5,932,976</u>
Equity		
Share capital	516,398	516,398
Share premium	44,889	44,889
Capital reserves	829,259	849,264
Retained earnings	4,306,359	3,844,996
	<u>5,696,905</u>	<u>5,255,547</u>
Non-current liabilities		
Long term liabilities	337,050	410,094
Deferred tax liabilities	269,374	212,735
Retirement benefit obligations	54,600	54,600
	<u>661,024</u>	<u>677,429</u>
	<u>6,357,929</u>	<u>5,932,976</u>

Approved on behalf of the Board:


A. D. Blades
(Chairman)


Dr R. A. Jones
(Vice Chairman)


B. E. Thompson
(Chief Executive Officer)

SEPROD LIMITED AND ITS SUBSIDIARIES
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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2008
INFORMATION ABOUT BUSINESS SEGMENTS

(\$000)

	30/09/2008	30/09/2007	30/09/2008	30/09/2007	30/09/2008	30/09/2007	30/09/2008	30/09/2007
	Manufacturing		Distribution		Eliminations		Consolidated	
REVENUE								
External sales	4,113,419	2,145,144	2,417,072	2,090,950	-	-	6,530,491	4,236,094
Inter-segment sales	1,525,109	1,367,272	-	-	(1,525,109)	(1,367,272)	-	-
Total revenue	<u>5,638,528</u>	<u>3,512,416</u>	<u>2,417,072</u>	<u>2,090,950</u>	<u>(1,525,109)</u>	<u>(1,367,272)</u>	<u>6,530,491</u>	<u>4,236,094</u>
RESULTS								
Segment result	908,629	470,155	187,948	140,566	-	-	1,096,577	610,721
Unallocated corporate expenses	-	-	-	-	-	-	(39,611)	(103,948)
Operating profit	908,629	470,155	187,948	140,566	-	-	1,056,966	506,773
Finance costs	-	-	-	-	-	-	(24,303)	(30,750)
Negative goodwill on acquisition of subsidiaries	-	-	-	-	-	-	-	173,820
Share of net profits of associates	-	-	-	-	-	-	-	204,398
Income taxes	-	-	-	-	-	-	(338,921)	(184,134)
Net Profit	<u>908,629</u>	<u>470,155</u>	<u>187,948</u>	<u>140,566</u>	<u>693,742</u>	<u>670,107</u>	<u>693,742</u>	<u>670,107</u>
OTHER INFORMATION								
Segment assets	3,750,590	3,079,694	547,984	386,043	-	-	4,298,574	3,465,737
Investment in associates	-	-	-	-	-	-	-	1,779,183
Unallocated corporate assets	-	-	-	-	-	-	2,878,988	1,182,258
Total consolidated assets	-	-	-	-	-	-	7,177,562	6,427,178
Segment liabilities	(437,646)	(249,194)	(96,083)	(47,912)	-	-	(533,729)	(297,106)
Unallocated corporate liabilities	-	-	-	-	-	-	(946,927)	(1,218,733)
Total consolidated liabilities	-	-	-	-	-	-	(1,480,656)	(1,515,839)
Capital expenditure	282,660	572,341	1,125	3,894	-	-	283,785	576,235
Unallocated capital expenditure	-	-	-	-	-	-	33,456	8,943
Total capital expenditure	-	-	-	-	-	-	317,241	585,178
Depreciation	-	-	-	-	-	-	107,634	87,569
Unallocated depreciation	106,102	85,957	1,532	1,612	-	-	15,579	14,839
Total depreciation	-	-	-	-	-	-	123,213	102,408

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

Group Statement of Cash Flows

(Nine months ending 30th September)

	2008 \$'000	2007 \$'000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net profit	693,742	670,107
Items not affecting cash resources:		
Amortisation of intangible assets	1,905	(50,841)
Depreciation	123,213	102,408
Negative goodwill on acquisition of subsidiaries	-	(173,820)
Share of results of associated companies	-	(204,398)
Taxation	338,921	184,134
	1,157,781	527,590
Changes in operating assets and liabilities:		
Inventories	(646,461)	(342,310)
Accounts receivable	(167,489)	180,290
Biological assets	(27,711)	(919)
Accounts payable	23,769	13,725
	339,889	378,376
Taxation paid	(162,411)	(152,145)
Cash provided by operating activities	177,478	226,231
Investing Activities		
Purchase of fixed assets	(289,530)	(484,869)
(Purchase)/sale of available-for-sale Investments, net	(34,503)	212,483
Proceeds from other investments, net	-	350,245
Long term receivable	142,739	-
Payment by an associate	-	351,951
Cash paid on acquisition of subsidiary	-	(196,227)
Cash (used in) /provided by investing activities	(181,294)	233,583
Financing Activities		
Short term loan received	100,000	-
Long term loan	-	101,678
Long term loan repaid	(81,589)	(221,727)
Dividends paid	(232,379)	(180,739)
Cash used in financing activities	(213,968)	(300,788)
(Decrease)/increase in cash and cash equivalents	(217,784)	159,026
Cash and cash equivalents at beginning of year	489,793	(10,445)
CASH AND CASH EQUIVALENT AT END OF PERIOD	272,009	148,581

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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 2007	516,398	516,398	44,889	854,409	3,008,030	4,423,726
Net profit	-	-	-	-	670,107	670,107
Fair value loss on available-for-sale securities	-	-	-	(1,766)	-	(1,755)
Dividends paid	-	-	-	-	(180,739)	(180,739)
Balance at 30 September 2007	516,398	516,398	44,889	852,654	3,497,398	4,911,339

	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	-	-	-	-	693,742	693,742
Fair value loss on available-for-sale securities	-	-	-	(20,005)	-	(20,005)
Dividends paid	-	-	-	-	(232,379)	(232,379)
Balance at 30 September 2008	516,398	516,398	44,889	829,259	4,306,359	5,696,905