

TO: THE STOCKHOLDERS OF

# THE GREENER COMPANY LIMITED

(Unaudited)

## CONSOLIDATED THREE MONTHS INTERIM FINANCIAL REPORT AT MARCH 31, 2009

<u>Group Income Statements</u>	Notes	GROUP (Unaudited) Three Month Jan - Mar. 2009 \$000's	GROUP (Unaudited) Three Months Jan - Mar. 2008 \$000's	GROUP (Audited) Twelve Months ended Dec 31, 2008 \$000's
Revenue	5(a), 7	922,578	923,491	4,048,356
Cost of sales		<u>(471,175)</u>	<u>(489,081)</u>	<u>(2,364,970)</u>
Gross profit		451,403	434,410	1,683,386
Other operating income	5(b)	<u>34,630</u>	<u>93,716</u>	<u>144,411</u>
		<u>486,033</u>	<u>528,126</u>	<u>1,827,797</u>
Distribution costs		(186,230)	(174,678)	( 637,670)
Administrative expenses		(217,132)	(219,003)	( 858,903)
Other operating expenses		( 91,901)	( 91,833)	( 453,485)
Pension costs		<u>( 243)</u>	<u>( 81)</u>	<u>( 885)</u>
		<u>(495,506)</u>	<u>(485,595)</u>	<u>(1,950,943)</u>
Employee benefit asset	5(c)	<u>( 100)</u>	<u>16,250</u>	<u>18,800</u>
<b>(Loss)/profit from operations</b>		<b>( 9,573)</b>	<b>58,781</b>	<b>( 104,346)</b>
Finance income		2,455	1,200	31,515
Finance cost		<u>( 5,747)</u>	<u>( 4,418)</u>	<u>( 11,821)</u>
Net finance (cost)/income		<u>( 3,292)</u>	<u>( 3,218)</u>	<u>19,694</u>
Impairment losses		-	-	( 367,835)
<b>(Loss)/profit before taxation</b>	3	<b>( 12,865)</b>	<b>55,563</b>	<b>( 452,487)</b>
Taxation (charge)/credit		<u>( 1,800)</u>	<u>(11,338)</u>	<u>7,799</u>
<b>(Loss)/profit for the period</b>	4	<b><u>( 14,665)</u></b>	<b><u>44,225</u></b>	<b><u>( 444,688)</u></b>
Attributable to:				
Parent company stockholders		( 13,699)	45,446	( 450,139)
Minority interest		<u>( 966)</u>	<u>( 1,221)</u>	<u>5,451</u>
		<u>( 14,665)</u>	<u>44,225</u>	<u>( 444,688)</u>
Dealt with in the financial statements of:				
Parent company		( 19,743)	68,237	( 513,002)
Subsidiary companies		<u>6044</u>	<u>(22,791)</u>	<u>62,863</u>
		<u>( 13,699)</u>	<u>45,446</u>	<u>( 450,139)</u>
(Losses)/earnings per stock unit:				
Based on stock units in issue	8	( 1.13¢)	3.75¢	( 37.16¢)

The accompanying notes form an integral part of the financial statements.

# THE GREATER COMPANY LIMITED

(Unaudited)

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Three months ended March 31, 2009

	Three Months March 2009 \$000's	Three Months March 2008 \$000's
(Loss)/profit for the period	<u>(14,665)</u>	<u>44,225</u>
Other comprehensive (loss)/ income:		
Currency translation differences on foreign subsidiaries	(39,770)	52,093
Fair value losses on investment	(11,978)	(24,906)
Income tax on other comprehensive income	<u>3,992</u>	<u>8,301</u>
Other comprehensive (loss)/income for the period, net of taxes	<u>(47,756)</u>	<u>35,488</u>
<b>Total comprehensive (loss)/income for the period</b>	<b><u>(62,421)</u></b>	<b><u>79,713</u></b>
Total comprehensive (loss)/income attributable to:		
Owners of the parent	(61,455)	80,934
Minority interest	<u>(966)</u>	<u>(1,221)</u>
<b>Total comprehensive (loss)/income for the period</b>	<b><u>(62,421)</u></b>	<b><u>79,713</u></b>

# The Greener Company Limited

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT MARCH 31, 2009

	Notes	GROUP (Unaudited) Three Months March 31, 2009 \$000's	GROUP (Unaudited) Three Months March 31, 2008 \$000's	GROUP (Audited) Twelve Months Dec 31, 2008 \$000's
<b>Assets</b>				
Property, plant and equipment		958,338	821,434	914,383
Intangible assets		-	359,917	-
Employee benefit asset	5(c)	843,968	835,429	843,868
Long-term receivables		1,098	688	1,278
Investment in associates		150	150	150
Investments		132,511	223,837	134,570
Deferred tax assets		<u>6,269</u>	<u>7,468</u>	<u>6,010</u>
<b>Total non-current assets</b>		<b><u>1,942,334</u></b>	<b><u>2,248,923</u></b>	<b><u>1,900,259</u></b>
Cash and cash equivalents		79,026	96,824	88,553
Securities purchased under agreement for resale		68,470	73,252	74,447
Trade and other receivables		492,908	723,942	598,609
Prepayments		27,719	28,237	35,742
Taxation recoverable		85,264	40,724	99,524
Inventories and goods in-transit		<u>441,616</u>	<u>444,144</u>	<u>470,190</u>
<b>Total current assets</b>		<b><u>1,195,003</u></b>	<b><u>1,407,123</u></b>	<b><u>1,367,065</u></b>
<b>Total Assets</b>		<b><u>3,137,337</u></b>	<b><u>3,656,046</u></b>	<b><u>3,267,324</u></b>
<b>Stockholders' equity</b>				
Share capital		605,622	605,622	605,622
Reserves		<u>1,347,949</u>	<u>1,773,733</u>	<u>1,407,376</u>
<b>Total equity attributable to equity holders of the parent company</b>		<b><u>1,953,571</u></b>	<b><u>2,379,355</u></b>	<b><u>2,012,998</u></b>
<b>Minority interest</b>		<b><u>30,153</u></b>	<b><u>25,950</u></b>	<b><u>31,119</u></b>
<b>Total equity</b>		<b><u>1,983,724</u></b>	<b><u>2,405,305</u></b>	<b><u>2,044,117</u></b>
<b>Liabilities</b>				
Long-term liabilities		43,599	68,845	44,636
Employee benefit obligation	5(c)	89,200	73,975	89,100
Deferred tax liabilities		<u>313,750</u>	<u>367,334</u>	<u>337,624</u>
<b>Total non-current liabilities</b>		<b><u>446,549</u></b>	<b><u>510,154</u></b>	<b><u>471,360</u></b>
Bank overdraft		35,674	88,343	28,325
Trade and other payables		644,834	581,304	698,564
Taxation		470	5,598	2,572
Current portion of long-term liabilities		6,096	18,941	8,650
Deferred income		<u>19,990</u>	<u>46,401</u>	<u>13,736</u>
<b>Total current liabilities</b>		<b><u>707,064</u></b>	<b><u>740,587</u></b>	<b><u>751,847</u></b>
<b>Total liabilities</b>		<b><u>1,153,613</u></b>	<b><u>1,250,741</u></b>	<b><u>1,223,207</u></b>
<b>Total equity and liabilities</b>		<b><u>3,137,337</u></b>	<b><u>3,656,046</u></b>	<b><u>3,267,324</u></b>
Stockholders' equity per ordinary stock unit	9	161.28¢	196.43¢	168.76¢

The accompanying notes form an integral part of the financial statements.

# The Gleaner Company Limited

(Unaudited)

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Three months ended March 31, 2009

	Share capital \$000's	Capital reserves \$000's	Fair value reserves \$000's	Reserve for own shares \$000's	Retained profits \$000's	Total \$000's	Minority interest \$000's	Total equity \$000's
Balances at January 1, 2008	605,622	598,868	107,665	(150,375)	1,235,531	2,397,311	27,171	2,424,482
Total comprehensive income/(loss) of the period	-	52,093	( 16,605)	-	45,446	80,934	( 1,221)	79,713
Dividends paid (gross)	-	-	-	-	( 42,394)	( 42,394)	-	( 42,394)
Own shares sold in the Gleaner Company Limited Employee Investment Trust (GCLEIT)	-	-	-	( 56,496)	-	( 56,496)	-	( 56,496)
Balances at March 31, 2008	<u>605,622</u>	<u>650,961</u>	<u>91,060</u>	<u>(206,871)</u>	<u>1,238,583</u>	<u>2,379,355</u>	<u>25,950</u>	<u>2,405,305</u>
Balances at January 1, 2009	605,622	840,880	58,001	(197,226)	705,721	2,012,998	31,119	2,044,117
Total comprehensive loss for the period	-	( 39,770)	( 7,986)	-	( 13,699)	( 61,455)	( 966)	( 62,421)
Own shares sold in the Gleaner Company Limited Employee Investment Trust (GCLEIT)	-	-	-	2,028	-	2,028	-	2,028
Balances at March 31, 2009	<u>605,622</u>	<u>801,110</u>	<u>50,015</u>	<u>(195,198)</u>	<u>692,022</u>	<u>1,953,571</u>	<u>30,153</u>	<u>1,983,724</u>

The accompanying notes form an integral part of the financial statements.

# The Greener Company Limited

## STATEMENT OF CASH FLOWS Three months ended March 31, 2009 (Unaudited)

	GROUP (Unaudited) Three Months Mar. 31, 2009 \$000's	GROUP (Unaudited) Three Months Mar. 31, 2008 \$000's	GROUP (Audited) Twelve Months Dec 31, 2008 \$000's
<b>Cash Flow from operating activities</b>			
(Loss)/profit/attribution to stockholders	( 13,699)	45,446	(450,139)
Adjustment for non-cash items	<u>54,049</u>	<u>41,640</u>	<u>481,366</u>
	40,350	87,086	31,227
	<u>(20,577)</u>	<u>(55,402)</u>	<u>127,524</u>
<b>Change in working capital</b>			
Net cash generated by operating activities	19,773	31,684	158,751
Net cash provided/(used) by investing activities	( 24,456)	(17,408)	25,131
Net cash used in financing activities	<u>( 12,193)</u>	<u>( 7,501)</u>	<u>(125,360)</u>
Net increase/(decrease) in cash and cash equivalents	( 16,876)	6,775	58,522
Cash and cash equivalents at beginning of period	<u>60,228</u>	<u>1,706</u>	<u>1,706</u>
Cash and cash equivalents at end of period	<u><u>43,352</u></u>	<u><u>8,481</u></u>	<u><u>60,228</u></u>
<b>Comprised of:</b>			
Cash and cash equivalents	79,026	96,824	88,553
Bank overdraft	<u>( 35,674)</u>	<u>(88,343)</u>	<u>( 28,325)</u>
	<u><u>43,352</u></u>	<u><u>8,481</u></u>	<u><u>60,228</u></u>

The accompanying notes form an integral part of the financial statements.

## Notes to the Interim Financial Report

We hereby present the Report of the unaudited Group for the three months ended March 31, 2009.

### 1. Basis of Preparation

The financial statements are prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and comply with the provisions of the Jamaican Companies Act.

The accounting policies applied in these interim financial statements are consistent with those in the audited financial statement for the year ended December 31, 2008 with the exception of the revision of IAS 1 – Presentation of Financial Statements which came into effect after that date.

The effect of this revision is to present two (2) Statements of Income & Expenses (an income statement and a statement of comprehensive income), separately from owner changes in equity.

Components of other comprehensive income are not to be presented in the statement of changes in equity. The Balance Sheet is now referred to as the 'Statement of Financial Position', and the cash flow statement referred to as the Statement of Cash Flow.

### 2. Segment Reporting

The Group's reportable segments are as follows: -

1. The Media segments consist of both print and radio activities.
2. The books and stationery consist of selling books and stationery on both a wholesale and retail basis both to local and international markets
3. The other category consist of:
  - Consultancy
  - Factoring service provided

For management purposes, the Group is organized into three business segments, based on their products and services.

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and the assessing of performances. Finance cost, finance income and income taxes are managed on an individual basis.

Notes to the Interim Financial Report (Cont'd)

2. Segment Reporting (cont'd)

Financial information operating by segment:

	Media		Books and Stationery		Other		Total	
	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's	2009 \$000's	2008 \$000's
Turnover	<u>772,340</u>	<u>787,888</u>	<u>149,300</u>	<u>125,175</u>	<u>938</u>	<u>10,428</u>	<u>922,578</u>	<u>923,491</u>
Profit/(loss) from operations	<u>13,644</u>	<u>99,043</u>	<u>(17,016)</u>	<u>(20,882)</u>	<u>(3,475)</u>	<u>(16,152)</u>	( 9,573)	58,781
Net finance cost	-	-	-	-	-	-	( 3,292)	( 3,218)
(Loss)/profit before taxation	-	-	-	-	-	-	( 12,865)	55,563
Taxation	-	-	-	-	-	-	( 1,800)	( 11,338)
(Loss)/profit after taxation	-	-	-	-	-	-	( 14,665)	44,225
Minority interest	-	-	-	-	-	-	966	( 1,221)
(Loss)/profit attributable to Stockholders of parent Company	-	-	-	-	-	-	( 13,699)	45,446
Segment assets	<u>2,434,570</u>	<u>3,003,926</u>	<u>554,579</u>	<u>516,703</u>	<u>148,188</u>	<u>135,417</u>	<u>3,137,337</u>	<u>3,656,046</u>
Segment liabilities	<u>1,129,781</u>	<u>969,200</u>	<u>249,803</u>	<u>254,427</u>	<u>35,452</u>	<u>27,114</u>	<u>1,147,036</u>	<u>1,250,741</u>
Capital expenditure	<u>24,254</u>	<u>12,703</u>	<u>291</u>	<u>6,238</u>	-	-	<u>24,545</u>	<u>18,941</u>
Depreciation and amortisation	<u>21,712</u>	<u>12,698</u>	<u>1,766</u>	<u>3,344</u>	-	2	<u>23,478</u>	<u>16,044</u>

3. Group Financial Accounts for the three months ended March, 2009 show a loss before taxation of approximately (\$12.9M) (2008: \$55.6M profit).
4. The Group loss, after taxation and minority interest, for the three months of 2009 was approximately (\$14.7M) compared with a profit of approximately \$44.2M for the same period last year.
5. In comparing the financial statements for the three-month period ended March 31, 2009, with those of previous year, the following should be noted: -
  - (a) Revenue decreased by approximately \$913,000 or 0.09% for the period.
  - (b) Other operating income of \$35M (2008: \$94M) includes profit on sale of quoted shares, interest income and gain on exchange.
  - (c) Employee benefit asset of (\$0.1M) (2008: \$16M), usually represents a portion of the surplus in the parent company's pension scheme, which, in accordance with IAS 19, has been credited to the Group income statements. The surplus is, however, not realised profit as it represents future economic benefits to be derived from the reduction in the company's contribution to the pension scheme (See also Balance Sheet item of approximately \$844M (2008: \$835M). The amount provided is calculated as a portion of the loss/gain on actuarial valuation done in prior year.
6. The Group Financial Statements for the three months ended March 31, 2009, include the Company's twelve (2008: twelve) subsidiaries – Associated Enterprise Limited, Popular Printers Limited, Sangster's Book Stores Limited, The Book Shop Limited, The Gleaner Online Limited, Selectco Publications Limited, Independent Radio Company Limited, Creek Investment Limited and overseas subsidiaries, The Gleaner Company (U.S.A.) Limited, The Gleaner Company (Canada) Incorporated, and GV Media Group Limited.

## Notes to the Interim Financial Report (Cont'd)

7. Revenue represents sales by the Group before commission payable but excluding returns.
8. The calculations of loss earnings per stock unit are arrived at by dividing profit after taxation attributable to the parent company's stockholders by 1,211,243,827 stock units, that is, the number of stock units in issue at the end of the period/year.
9. The calculations of stockholders' equity per ordinary stock unit for 2009 and 2008 are arrived at by dividing capital and reserves by 1,211,243,827 stock units.
10. Reconciliation of Trading Profit: -

	<u>2009</u>	<u>2008</u>
	\$M	\$M
	(12.9)	55.6
(Loss)/profit before tax	0.1	(16.3)
Employee benefit asset	—	(41.7)
Profit on sale of quoted shares	(12.8)	(2.4)
Trading loss		

After adjusting for changes in employee benefit asset and sale of quoted shares, the loss was \$12.8M to March 2009 versus \$2.4M for 2008.

### Dividend and Stock Prices

For 2009, your directors approved the payment of a 1st Interim Ordinary Dividend of 3.5 cents per stock unit payable to stockholders on record at April 9, 2009. Payment was made on April 23, 2009.

The Company's stock unit price on the Jamaica Stock Exchange at March 31, 2009 was \$1.53; the opening price at January 1, 2009 was \$1.70.

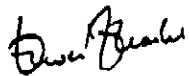
### Libel Cases

The Company's lawyers advised that they are of the opinion that the provision made in the Company's accounts is a reasonable provision for the purpose of covering all reasonable and probable judgements and costs for existing libel actions against the Company.

### Impairment

A full write off of intangible assets as at December 31, 2008 in respect of foreign subsidiaries was done, hence no further provision will be necessary going forward.

On behalf of the Board



Hon. O. F. Clarke, O.J.  
Chairman and Managing Director



C. Barnes  
Deputy Managing Director

May 29, 2009