



SALADA FOODS JAMAICA LIMITED
UNAUDITED FINANCIAL STATEMENTS TO STOCKHOLDERS

The Directors are pleased to present the unaudited financial statements of the Group for the first quarter ended December 31, 2009.

	Quarter (\$ Millions)		
	Current	Prior	% Chg
Sales	103.6	98.9	4.8%
Gross Profit	41.1	42.7	-3.7%
Administrative Expenses	15.3	19.2	-20.3%
Selling & Promotional Expenses	5.4	4.9	10.2%
Interest Income	10.9	6.1	78.7%
Profit Before Tax	32.3	26.0	24.2%
Profit After Tax	21.5	17.3	24.3%
EPS Unit Cents	0.21	0.17	23.5%

Profit before tax was \$32.3 million versus \$26.0 million for the same period of 2008/09, a 24.2% increase.

The turnover for the quarter was \$103.6 million, a \$4.7 million or 4.8% increase over the prior year's \$98.9 million. This increase was driven by improved export sales during the quarter. The Cost of Sales ratio was 60.3% compared with 56.8% in the prior year's corresponding quarter, moving from \$56.2 million to \$62.5 million. Over the last year, currency depreciation negatively impacted the cost of fuel and certain other raw material inputs. This resulted in the gross profit for the quarter being \$41.1 million, \$1.6 million or 3.7% below the prior year's quarter of \$42.7 million.

Selling & Promotional Expenses for the quarter of \$5.4 million were 10.2% above the prior year's corresponding quarter's expenses of \$4.9 million. These increases resulted mainly from island wide in-store promotions. Administrative Expenses of \$15.3 million for the quarter decreased by \$3.9 million over the prior year's corresponding quarter's figure of \$19.2 million. This change was due mainly to a decrease in the bad debt provision over the previous year.

The Group earned interest income of \$10.9 million compared to \$6.1 million in the comparative quarter of 2008. Increased sales and timely collection of receivables resulted in an increased amount of funds invested in money market instruments. The Government's Debt Exchange programme will result in reduced interest income in the ensuing periods; however, the increased duration will not affect the company's liquidity as all its repurchase agreements are short term.

Net profit attributable to stockholders was \$21.5 million for the quarter ended December 31, 2009 compared with \$17.3 million for the corresponding prior year's quarter, resulting in earnings per stock unit (EPS) of \$0.21, a 23.5% increase over the previous comparative quarter's \$0.17.

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Comprehensive Income
For Three Months ended December 31, 2009

	Unaudited \$'000 Dec-09	Unaudited \$'000 Dec-08
Continuing operations		
Turnover	103,633	98,900
Cost of Sales	(62,508)	(56,249)
Gross Profit	41,125	42,651
Other Operating Income	919	1,260
Selling and Promotional Expenses	(5,392)	(4,864)
Administrative Expenses	(15,320)	(19,174)
Results from operating activities	21,332	19,873
Interest income	10,940	6,111
Profit before tax	32,272	25,984
Taxation	(10,757)	(8,662)
Total comprehensive income for the period	21,515	17,322
Continuing operations		
Earnings per stock unit	\$0.21	\$0.17
No. of stock units issued	103,883,300	103,883,300

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Financial Position

	Unaudited	Unaudited	Audited
	31 DEC 2009	31 Dec 2008	30 September 2009
	\$'000	\$'000	\$'000
Assets			
FIXED ASSETS	32,338	33,486	31,794
RETIREMENT BENEFIT ASSET	31,202	29,397	31,202
Total current assets			
INVENTORIES	108,513	124,781	108,514
RECEIVABLES	77,929	52,878	79,705
CASH AND DEPOSITS	273,117	175,721	275,675
TOTAL CURRENT ASSETS	<u>459,559</u>	<u>353,380</u>	<u>463,894</u>
Total current liabilities			
PAYABLES	48,474	35,183	39,451
TAXATION PAYABLE	15,053	456	14,778
CURRENT PORTION LONG TERM LOANS	0	5,842	3,447
TOTAL CURRENT LIABILITIES	<u>63,527</u>	<u>41,481</u>	<u>57,676</u>
NET CURRENT ASSETS	396,032	311,899	406,218
Total assets	<u><u>459,572</u></u>	<u><u>374,782</u></u>	<u><u>469,214</u></u>
EQUITY			
SHARE CAPITAL	73,216	73,216	73,216
SHARE PREMIUM	0	0	0
CAPITAL RESERVES	16,275	16,275	16,275
RETAINED EARNINGS	358,005	276,774	367,647
	<u>447,496</u>	<u>366,265</u>	<u>457,138</u>
LOANS AND BORROWING	0	227	0
DEFERRED TAX LIABILITY	12,076	8,290	12,076
Total equity attributable to equity holders of the Company	<u><u>459,572</u></u>	<u><u>374,782</u></u>	<u><u>469,214</u></u>

Approved:

Director

Jeffrey Cobham

Director

Oliver Holmes

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Changes in Equity
 Attributable to Equity Holders of the Company
 For Three Months ended 31 December, 2008

	No. of Shares	Share Capital	Capital Reserve	Retained Earnings	Total
	000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2008	103,883	73,216	16,275	259,452	348,943
Net profit	-	-	-	17,322	17,322
Balance at 31 December 2008	103,883	73,216	16,275	276,774	366,265

For Three Months ended 31 December, 2009

	No. of Shares	Unaudited Share Capital	Capital Reserve	Retained Earnings	Total
	000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2009	103,883	73,216	16,275	367,647	457,138
Total comprehensive income for the period					
Net profit				21,515	21,515
Total comprehensive income for the period		73,216	16,275	389,162	478,653
Contributions by and distributions to owners					
Dividends to equity holders				(31,157)	(31,157)
Total contributions by and distributions to owners				(31,157)	(31,157)
Balance at 31 December 2009	103,883	73,216	16,275	358,005	447,496

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Cash Flows
For Three Months ended 31 December, 2009

	Unaudited	Unaudited
	30-Dec 2009	30-Dec 2008
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive income	21,515	17,322
Adjustment for items not involving cash		
Depreciation	869	817
Foreign Exchange (gains)/losses on long term loans	0	426
	22,384	18,565
Changes in non-cash working capital components:		
Change in Inventories	1	(24,364)
Change in Receivables	1,776	20,380
Change in Payables and accruals	9,023	(485)
Income Tax Expense	275	(572)
NET CASH FROM OPERATING ACTIVITIES	33,459	13,524
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(1,413)	(120)
NET CASH USED IN INVESTING ACTIVITIES	(1,413)	(120)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend Payment	(31,157)	0
Long term loans - net	(3,447)	(1,510)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(34,604)	(1,510)
NET DECREASE/(INCREASE) IN CASH AND CASH EQUIVALENTS	(2,558)	11,894
Cash and cash equivalents at 1 October	275,675	163,827
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	273,117	175,721

SALADA FOODS JAMAICA LIMITED

Notes to the Financial Statements

Period ended December 31, 2009

1. Identification and Basis of preparation

Salada Foods Jamaica Limited (“the company”) is incorporated and domiciled in Jamaica. Its principal activity is the manufacture and sale of instant coffee and roasted and ground coffee beans. The company has two wholly-owned subsidiaries, Coffee Company of Jamaica Limited and Shirriff’s (Jamaica) Limited. The company’s registered office is located at 20 Bell Road, Kingston 11 Jamaica, W.I.

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board (IASB), and comply with the provisions of the Companies Act.

The financial statements are presented in Jamaica dollars (\$), which is the company’s functional currency.

The financial statements are prepared on the historical cost basis.

Where necessary, prior period comparatives have been reclassified to conform to current period presentation.

2. Significant accounting policies and compliance

(a) Property, plant & equipment:

- (i) Property, plant & equipment are stated at historical cost or deemed cost, less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The cost of day-to-day servicing of property, plant and equipment is recognised in the income statement.

Depreciation:

- (ii) Depreciation is computed on a straight-line basis at annual rates estimated to write down the property, plant & equipment to their estimated residual values at the end of their expected useful lives. No depreciation is charged on freehold land or capital work-in-progress. Annual depreciation rates are as follows:

Buildings	2.5 - 6.5%
Machinery and equipment	2.5 – 20%
Motor vehicles	20%



SALADA FOODS JAMAICA LIMITED

Notes to the Financial Statements (Continued)
Period ended December 31, 2009

The depreciation methods, useful lives and residual values are reassessed periodically.

(b) Inventories:

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis. The cost of finished goods and work-in-progress comprises raw and packaging materials, direct labour, other direct costs and a proportion of related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of other inventories is based on the FIFO principle and includes expenses incurred in acquiring and bringing them to their existing location and condition.

(c) Accounts receivable:

Trade and other receivables are stated at amortised cost, less impairment losses.

(d) Cash and cash equivalents:

Cash and cash equivalents comprise cash and bank balances, short-term investments and other monetary instruments with maturities ranging between one and three months from balance sheet date.

(e) Accounts payable:

Trade and other payables are stated at amortised cost.

(f) Revenue:

Revenue from the sale of goods is recognised in the income statement when the Significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery Of the consideration due or material associated costs on the possible return of goods.



SALADA FOODS JAMAICA LIMITED

Notes to the Financial Statements (Continued)
Period ended December 31, 2009

(g) Income tax:

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the balance sheet date.

(h) Segment reporting:

A segment is a distinguishable component of the group that is engaged either in providing products (business segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

More than 90% of the group's sales represent coffee products, almost all of which are sold locally. As such, the group has no separable segments for reporting.



SALADA FOODS JAMAICA LIMITED

**LIST OF SHAREHOLDERS
AS AT 31 DECEMBER 2009**

10 LARGEST SHAREHOLDERS

Shareholders	Shareholding
Resource in Motion Limited	58,690,760
Advantage General Insurance Limited	8,988,120
Donwis Limited	7,499,400
Stocks and Securities Limited (ALPHA)	4,461,626
Ideal Betting Company Limited	2,755,310
Ideal Group Corporation Limited	2,726,000
Ideal Financial Corporation Limited	2,620,000
Ideal Portfolio Services Company Limited	2,512,800
Donovan A. Lewis	1,677,400
Tekodoo Investments Limited	1,181,310
Total	93,112,726

**DIRECTORS' HOLDINGS
AS AT 31 DECEMBER 2009**

Directors	Shareholding
Bell, John	0
Bernard, Michael	0
Cobham, Jeffrey	0
Holmes, Oliver	0
Nelson-Brown, Keshia	0
Rosen, John	0
Stultz, Eric	0

**SENIOR MANAGEMENT
AS AT 31 DECEMBER 2009**

Senior Managers	Shareholding
Bulter, Winston	0
Glover, M. Olivia	0
Price, Kevin	0
Rosen, John	0
Wong, Bernadette	0