



The Directors of
LASCELLES, deMERCADO & CO. LIMITED
are pleased to report the consolidated unaudited
results as follows:

LASCELLES, deMERCADO & CO. LIMITED

Consolidated Statement of Financial Position

June 30, 2010

	Unaudited 30/6/2010 \$000s	Unaudited 30/6/2009 \$000s	Audited 30/9/2009 \$000s
Assets			
Property, plant & equipment	3,718,912	3,822,848	3,810,066
Intangible assets	105,481	105,481	105,481
Investments	9,161,439	8,087,874	8,078,039
Interest in associated companies	16,033	16,033	16,033
Deferred tax assets	30,984	24,734	30,940
Employee benefits assets	1,620,500	2,802,900	1,620,500
Total non- current assets	<u>14,653,349</u>	<u>14,859,870</u>	<u>13,661,059</u>
Inventories	8,411,165	8,229,616	8,690,505
Biological assets	228,556	206,074	243,374
Reinsurance assets	1,103,063	1,166,430	1,045,247
Taxation recoverable	396,198	359,887	344,967
Accounts receivable	3,492,258	3,325,755	4,170,311
Short-term investments	949,809	1,013,919	1,949,809
Cash and cash equivalents	5,122,273	4,558,567	3,997,852
Total current assets	<u>19,703,322</u>	<u>18,860,248</u>	<u>20,442,065</u>
Total assets	<u><u>34,356,671</u></u>	<u><u>33,720,118</u></u>	<u><u>34,103,124</u></u>
Equity			
Share capital	20,400	20,400	20,400
Reserves	9,108,633	13,080,743	13,345,879
Retained earnings	17,454,702	11,856,336	11,818,750
Total equity attributable to equity holders of the company	<u>26,583,735</u>	<u>24,957,479</u>	<u>25,185,029</u>
Liabilities			
Long-term liabilities	83,843	29,291	24,833
Deferred tax liabilities	702,197	1,111,446	704,675
Employee benefits obligations	457,200	412,226	457,200
Total non-current liabilities	<u>1,243,240</u>	<u>1,552,963</u>	<u>1,186,708</u>
Bank loans and overdrafts	170,349	405,757	341,737
Other unsecured loans	390,437	301,249	331,661
Current maturities of long-term liabilities	17,708	36,418	26,088
Accounts payable	2,417,929	2,771,735	3,456,099
Insurance contracts provisions	3,200,792	3,134,977	3,043,451
Taxation payable	332,481	559,540	532,351
Total current liabilities	<u>6,529,696</u>	<u>7,209,676</u>	<u>7,731,387</u>
Total liabilities	<u>7,772,936</u>	<u>8,762,639</u>	<u>8,918,095</u>
Total equity and liabilities	<u><u>34,356,671</u></u>	<u><u>33,720,118</u></u>	<u><u>34,103,124</u></u>

Approved for release to the Jamaica Stock Exchange by the Board of Directors on July 28, 2010 and signed on its behalf by:


 _____ Director
 William A. McConnell


 _____ Director
 Anthony J. Bell

LASCELLES, deMERCADO & CO. LIMITED

Consolidated Statement of Changes in Equity

June 30, 2010

	Share capital	Capital reserve	Unappropriated profits	Total
	\$000s	\$000s	\$000s	\$000s
Unaudited:				
Balances at September 30, 2009 (audited)	20,400	13,345,879	11,818,750	25,185,029
Total comprehensive income for the period				
Profit for the period	-	-	1,609,577	1,609,577
Other comprehensive income	-	(4,237,246)	4,554,456	317,210
Total comprehensive income for the period	-	(4,237,246)	6,164,033	1,926,787 (a)
Transactions with owners, recorded directly in equity				
Distributions to owners being dividends to equity holders	-	-	(528,081)	(528,081)
Total transactions with owners	-	-	(528,081)	(528,081)
At June 30, 2010	<u>20,400</u>	<u>9,108,633</u>	<u>17,454,702</u>	<u>26,583,735</u>
Unaudited:				
Balances at September 30, 2008 (audited)	20,400	15,996,757	9,678,649	25,695,806
Total comprehensive income for the period				
Profit for the period	-	-	2,752,158	2,752,158
Other comprehensive income	-	(2,916,014)	769,610	(2,146,404)
Total comprehensive income for the period	-	(2,916,014)	3,521,768	605,754 (a)
Transactions with owners, recorded directly in equity				
Distributions to owners being dividends to equity holders	-	-	(1,344,081)	(1,344,081)
Total transactions with owners	-	-	(1,344,081)	(1,344,081)
At June 30, 2009	<u>20,400</u>	<u>13,080,743</u>	<u>11,856,336</u>	<u>24,957,479</u>
Recognised gains:				
	Unaudited	Unaudited		
	30/6/2010	30/6/2009		
(a) Total recognised gains for the period (\$' 000)	<u>1,926,787</u>	<u>605,754</u>		
(b) Recognised gains per ordinary stock unit (\$)	<u>20.07</u>	<u>6.31</u>		

LASCELLES, deMERCADO & CO. LIMITED
Consolidated Statement of Comprehensive Income
Nine Months Ended June 30, 2010

	Unaudited		Unaudited		Audited
	Nine Months Ended		Three Months Ended		Year Ended
	30/6/2010	30/6/2009	30/6/2010	30/6/2009	30/09/2009
	\$000s	\$000s	\$000s	\$000s	\$000s
Operating revenue	19,568,297	18,872,169	6,011,130	6,699,579	24,912,339
Cost of operating revenue	12,045,537	11,304,174 *	3,808,894	3,807,686 *	14,174,380
Gross profit	7,522,760	7,567,995	2,202,236	2,891,893	10,737,959
Administrative, marketing and selling expenses	5,891,538	5,362,055 *	1,829,321	1,625,060 *	7,701,379
Operating profit	1,631,222	2,205,940	372,915	1,266,833	3,036,580
Other income	265,725	177,850	161,697	77,565	229,172
Pension assets derecognized	-	-	-	-	(1,385,800)
Profit before net finance income and taxation	1,896,947	2,383,790	534,612	1,344,398	1,879,952
Finance cost	(179,921)	(77,522)	(131,715)	(26,736)	(136,745)
Finance income	249,710	1,056,584	40,777	382,275	1,122,937
Net finance income/(cost)	69,789	979,062	(90,938)	355,539	986,192
Profit before taxation	1,966,736	3,362,852	443,674	1,699,937	2,866,144
Taxation	(357,159)	(610,694)	(80,570)	(308,709)	(307,120)
Net profit for the period attributable to members	1,609,577	2,752,158	363,104	1,391,228	2,559,024
Other comprehensive income					
Foreign currency translation differences for foreign subsidiaries	(119,094)	619,841	(145,868)	(15,106)	631,035
Net change in fair value of available for sale financial assets	461,991	(2,803,715)	(205,656)	733,665	(2,401,866)
Impairment loss transferred to income statement	5,034	35,000	-	-	42,638
Fair value (profit)/loss released on sale of investments	(30,721)	2,470	319	2,472	2,554
Other comprehensive income for the period, net of income tax	317,210	(2,146,404)	(351,205)	721,031	(1,725,639)
Total comprehensive income for the period attributable to owners of the company	1,926,787	605,754	11,899	2,112,259	833,385
Earnings per ordinary stock unit	\$16.77	\$28.67	\$3.79	\$14.49	\$26.65

* Reclassified to conform to current period's presentation

LASCELLES, deMERCADO & CO. LIMITED

Consolidated Statement of Cash Flows
 Nine Months Ended June 30, 2010

	Unaudited 30/6/2010	Unaudited 30/6/2009	Audited 30/9/2009
	\$000s	\$000s	\$000s
Cash flows from operating activities:			
Net profit for the period attributable to members	1,609,577	2,752,158	2,559,024
Items not affecting cash	366,684	1,330,875	2,280,455
	<u>1,976,261</u>	<u>4,083,033</u>	<u>4,839,479</u>
Decrease in non-cash working capital	(615,390)	(1,475,742)	(2,268,075)
Net cash provided by operating activities	<u>1,360,871</u>	<u>2,607,291</u>	<u>2,571,404</u>
Net cash provided/(used) by investing activities	353,611	(380,835)	(857,190)
Net cash provided/(used) by financing activities	<u>57,220</u>	<u>157,946</u>	<u>40,860</u>
Net cash provided before dividend and distribution payments	<u>1,771,702</u>	<u>2,384,402</u>	<u>1,755,074</u>
Dividends and distributions paid	<u>(528,081)</u>	<u>(1,344,081)</u>	<u>(1,344,162)</u>
Net increase in cash and cash equivalents	<u>1,243,621</u>	<u>1,040,321</u>	<u>410,912</u>
Net cash and cash equivalents at beginning of year	<u>3,862,693</u>	<u>3,451,781</u>	<u>3,451,781</u>
Net cash and cash equivalents at end of period	<u><u>5,106,314</u></u>	<u><u>4,492,102</u></u>	<u><u>3,862,693</u></u>
Comprised of:			
Cash and bank balances	3,091,943	2,324,039	2,225,179
Short term deposits and monetary instruments	<u>2,030,330</u>	<u>2,234,528</u>	<u>1,772,673</u>
	<u>5,122,273</u>	<u>4,558,567</u>	<u>3,997,852</u>
Less: Bank overdrafts	(15,959)	(66,465)	(135,159)
	<u><u>5,106,314</u></u>	<u><u>4,492,102</u></u>	<u><u>3,862,693</u></u>

LASCELLES, deMERCADO & CO. LIMITED

Notes to the Financial Statements
June 30, 2010

1. General

The company is incorporated in Jamaica under the Companies Act and is domiciled in Jamaica. Its ordinary and preference stock units are listed on the Jamaica Stock Exchange. The registered office of the company is situated at 23 Dominica Drive, Kingston 5, Jamaica, West Indies. Effective July 28, 2008, pursuant to a public offer initiated in December 2007 by its fellow subsidiary, CL Spirits Limited (immediate holding company), a company incorporated in St. Lucia and a wholly owned subsidiary of CL Financial Limited (ultimate holding company), a company incorporated in Trinidad and Tobago, together with other subsidiaries of the ultimate holding company acquired, 86.89% of the ordinary stock units and 97.15% of the preference stock units aggregating 92.01% of the voting rights of the company. In July 2009, the Government of Trinidad and Tobago effectively assumed control and direction of the ultimate holding company.

The principal activities of the company are the provision of management services to its subsidiaries and the holding of investments. The company and its subsidiaries are collectively referred to as "group".

The activities of the group are organised into the following operating segments:

- (i) Liquor, rums, wines and sugar: This includes cane cultivation, sugar manufacturing, distillation, ageing, blending, bottling, distribution and export of alcohol, rums, wines and other liquor based products.
- (ii) General merchandise: This includes the manufacture, the wholesale and retail merchandising of provisions, household goods and the manufacture and distribution of pharmaceutical preparations and agricultural chemicals.
- (iii) General insurance: This comprises the underwriting of property, casualty and other general insurance risks and the holding of investments.
- (iv) Investments: This primarily comprises the holding of investments.
- (v) Transportation services: This includes aircraft handling, distribution of motor vehicles and spares, servicing and repair of motor vehicles.

Segment information is set out in note 6.

2. Statement of compliance and basis of preparation

- (a) Statement of compliance

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

During the period, certain new IFRS and interpretations of and amendments to existing standards which were in issue, came into effect. Management has assessed the impact of the relevant pronouncements and appropriate additional disclosures which together with comparatives are incorporated in these financial statements.

Except for the effect of adopting the new relevant standards, these financial statements have been prepared using the same accounting policies and methods of computation as compared with the audited financial statements for the year ended September 30, 2009.

LASCELLES, deMERCADO & CO. LIMITED

Notes to the Financial Statements (Continued)
June 30, 2010

2. Statement of compliance and basis of preparation, cont'd.

(b) Basis of preparation

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

The financial statements are prepared using the historical cost basis, modified for the inclusion of available-for-sale investments at fair value.

The accounting policies have been applied consistently by group entities. Where necessary, prior year comparatives have been restated and reclassified to conform to current presentation.

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the balance sheet date, and the income and expense for the period then ended. Actual amounts could differ from these estimates.

The consolidated financial statements comprise the financial results of the company and its subsidiaries prepared to June 30, 2010 and include the group's share in associates, of the total recognised gains and losses on an equity accumulated basis.

3. Revenue recognition

Revenue from the sale of goods is recognised in the group 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.

The proceeds from the sale of the sugar cane crop of the group's estates are recognised in accordance with the accounting practices of the Jamaican sugar industry. Revenue relating to the current crop of cane is estimated based on the latest available prices and any differences arising on final settlement are consistently accounted for in subsequent periods.

Premium and commission income is recognised over the period of insurance policies written. Unearned premiums and commissions are calculated on the twenty-fourths method in accordance with industry practice.

Interest and other investment income are recognized on the accrual basis on the effective interest rate basis, except when collectibility is considered doubtful.

Dividend income is recognized in the income statement on the date of declaration.

4. Other Income

Other Income is comprised mainly of gains and losses on disposal of investments and fixed assets. It also includes rental and other miscellaneous income.

5. Net Finance Income

This is comprised of interest income, interest expense, bank charges and net gains on foreign exchange.

LASCELLES, deMERCADO & CO. LIMITED

Notes to the Financial Statements (Continued)
June 30, 2010

6. Segment financial information

An operating segment is a distinguishable component of the group that is engaged in business activities from which it may earn revenues and incur expenses and whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

Segment information is presented in respect of the group's operating segments. This format is based on the Group's management and internal reporting structure. Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Operating segments:

	June 30, 2010						Total \$'000
	Liquors, Rums Wines and Sugar \$'000	General Merchandise \$'000	General Insurance \$'000	Investments \$'000	Transportation Services \$'000	Eliminations \$'000	
Revenue							
External	12,361,709	3,687,130	1,872,652	320,191	1,326,615		
Inter segment	-	50,599	433,160	-	62,353		
Total revenue	<u>12,361,709</u>	<u>3,737,729</u>	<u>2,305,812</u>	<u>320,191</u>	<u>1,388,968</u>	(546,112)	<u>19,568,297</u>
Segment results	<u>1,273,481</u>	<u>144,972</u>	<u>240,673</u>	<u>232,302</u>	<u>75,308</u>		<u>1,966,736</u>
Segment assets	<u>14,668,342</u>	<u>2,089,394</u>	<u>6,339,779</u>	<u>9,946,676</u>	<u>869,265</u>		<u>33,913,456</u>
Unallocated assets							<u>443,215</u>
							<u>34,356,671</u>
Segment liabilities	<u>2,426,960</u>	<u>121,473</u>	<u>3,702,123</u>	<u>129,736</u>	<u>357,155</u>		<u>6,737,447</u>
Unallocated liabilities							<u>1,035,489</u>
							<u>7,772,936</u>
Other segment items:							
Additions to property, plant and equipment	<u>208,643</u>	<u>26,510</u>	<u>7,246</u>	<u>-</u>	<u>36,468</u>		<u>278,867</u>
Depreciation, amortisation and impairment	<u>270,705</u>	<u>39,648</u>	<u>12,603</u>	<u>9,062</u>	<u>23,398</u>		<u>355,416</u>
Other non-cash items	<u>230,917</u>	<u>(25,790)</u>	<u>77,441</u>	<u>(268,130)</u>	<u>(3,170)</u>		<u>11,268</u>

LASCELLES, deMERCADO & CO. LIMITED

Notes to the Financial Statements (Continued)
June 30, 2010

6. Segment financial information, cont'd.

Operating segments:

	June 30, 2009						Total \$'000
	Liquors, Rums Wines and Sugar \$'000	General Merchandise \$'000	General Insurance \$'000	Investments \$'000	Transportation Services \$'000	Eliminations \$'000	
Revenue							
External	11,705,943	3,731,969	1,789,798	610,655	1,033,804		
Inter segment	-	50,904	348,705	-	29,331		
Total revenue	<u>11,705,943</u>	<u>3,782,873</u>	<u>2,138,503</u>	<u>610,655</u>	<u>1,063,135</u>	(428,940)	<u>18,872,169</u>
Segment results	<u>1,139,228</u>	<u>223,371</u>	<u>608,096</u>	<u>1,345,087</u>	<u>47,070</u>		<u>3,362,852</u>
Segment assets	<u>13,822,618</u>	<u>2,204,611</u>	<u>5,829,684</u>	<u>10,639,284</u>	<u>823,267</u>		<u>33,319,464</u>
Unallocated assets							<u>400,654</u>
							<u>33,720,118</u>
Segment liabilities	<u>2,951,474</u>	<u>316,175</u>	<u>3,394,171</u>	<u>62,980</u>	<u>366,042</u>		<u>7,090,842</u>
Unallocated liabilities							<u>1,671,797</u>
							<u>8,762,639</u>
Other segment items:							
Additions to property, plant and equipment	<u>420,638</u>	<u>19,372</u>	<u>11,061</u>	<u>6,057</u>	<u>33,097</u>		<u>490,225</u>
Depreciation and amortisation	<u>233,495</u>	<u>31,692</u>	<u>39,875</u>	<u>9,156</u>	<u>21,555</u>		<u>335,773</u>
Other non-cash items	<u>546,104</u>	<u>253,015</u>	<u>47,773</u>	<u>150,585</u>	<u>(2,375)</u>		<u>995,102</u>

**STOCKHOLDINGS OF DIRECTORS AND OFFICERS AND THEIR CONNECTED PERSONS
OF LASCELLES, deMERCADO & CO. LIMITED AT JUNE 30, 2010**

Directors (together with their connected persons, where applicable)	Number of Ordinary Stock Units held
Hon. W. A. McConnell	Nil
Mr. D. K. C. Henriques	Nil
Mr. A. J. Bell	Nil
Mr. M. A. G. Fraser	Nil
Mr. R. K. Powell	Nil
Mr. E. J. Abrahams	Nil
Ms. A. Lewis	Nil
Mr. W. Yip Choy	Nil
Mr. F. Thornton	Nil
Mr. S. Castagne	Nil
Mr. M. Holder	Nil
 Officers (together with their connected persons, where applicable)	
Mr. M. A. Braham	Nil
Mrs. J. E. Shaw	Nil
Mrs. J. George	Nil
Miss M. J. Williams	Nil

STOCKHOLDERS HOLDING THE TEN LARGEST BLOCKS OF ORDINARY STOCK UNITS

STOCKHOLDERS	Number of Ordinary Stock Units Held
CL Spirits Limited	68,620,190
Calla Lilly Holdings Limited	9,515,980
Angostura Limited	2,845,074
Colonial Life Insurance (Trinidad) Limited	2,494,310
NCB Insurance Co. Ltd. A/c WT109	1,457,287
FCIB (Barbados) Limited A/c C1191	1,273,154
NCB Insurance Co. Ltd. A/c WT013	1,140,574
National Insurance Fund	1,099,429
NCB Insurance Co. Limited A/c WT089	640,165
NCB Insurance Co. Ltd. A/c WT157	332,205