



SALADA FOODS JAMAICA LIMITED
UNAUDITED FINANCIAL STATEMENTS TO STOCKHOLDERS
Directors' statement

The Directors are pleased to present the unaudited financial statements of the Group for the third quarter ended June 30, 2010.

	Quarter (\$ Millions)			Year-todate (\$ Millions)		
	Current	Prior	% Chg	Current	Prior	% Chg
Sales	122.3	107.9	13.3%	324.8	289.6	12.2%
Gross Profit	45.9	47.6	-3.6%	128.5	127.4	0.9%
Selling & Promotional Expenses	5.8	4.3	34.9%	15.4	12.7	21.3%
Administrative Expenses	15.2	14.6	4.1%	45.7	48.3	-5.4%
Interest Income	7.8	10.3	-24.3%	27.0	25.1	7.6%
Profit Before Tax	31.0	40.0	-22.5%	94.0	96.0	-2.1%
Profit After Tax	20.6	26.7	-22.8%	62.7	64.0	-2.0%
EPS Unit Cents	0.20	0.26	-23.1%	0.60	0.62	-3.2%

Profit before tax was \$31.0 million versus \$40.0 million for the corresponding quarter of 2009. The year to date (YTD) profit before tax for the nine months ended June 30, 2010 was \$94.0 million compared to \$96.0 million for the corresponding period of 2009, a 2.1% decrease.

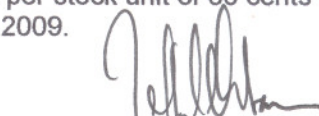
Despite the adverse market conditions the turnover for the quarter moved from \$107.9 million to \$122.3 million, a 13.3% increase over the prior year. The turnover for the nine months was \$324.8 million, a \$35.2 million or 12.2% increase over the prior year's \$289.6 million. This increase in turnover continues to be driven by increased exports. The Cost of Sales ratio for the quarter was 62.5% compared with 55.9% for the quarter ended June 30, 2009, while the YTD ratio was 60.4% compared with 56.0% for the corresponding prior year period, largely as a result of continuing increases in fuel and other raw material inputs. Gross profit for the quarter declined from \$47.6 million to \$45.9 million. YTD gross profit was \$128.5 million, \$1.1 million or a 0.9% increase over the corresponding prior year result of \$127.4 million.

Selling & Promotional Expenses for the quarter of \$5.8 million were \$1.5 million greater than the previous comparative quarter of \$4.3 million, while the YTD of \$15.4 million was \$2.7 million over the prior year's \$12.7 million, the result of more aggressive marketing and promotional activities to drive sales in the current recessionary environment. Administrative Expenses of \$15.2 million were 4.1% above the previous year's quarter of \$14.6 million. The YTD \$45.7 million Administrative Expenses decreased by \$2.6 million compared with the \$48.3 million for the same period last year.

The Group earned interest income of \$7.8 million for the quarter, a 24.3% decrease in comparison to the prior year's figure of \$10.3 million. The YTD interest income of \$27.0 million was \$1.9 million or 7.6% greater than the \$25.1 million for the corresponding prior year period. The reduction in interest income in the quarter is a direct result of the Government's interest rate reduction policy.

Net profit attributable to stockholders was \$20.6 million for the quarter ended June 30, 2010 compared with \$26.7 million for the corresponding prior year period. This equates to earnings per stock unit (EPS) of 20 cents for the quarter versus 26 cents per stock unit for the corresponding prior year period. The YTD net profit was \$62.7 million for the nine month period ended June 30, 2010 compared with \$64.0 million for the corresponding period ended June 30, 2009. This resulted in YTD earnings per stock unit of 60 cents for the period ended June 30, 2010 compared to 62 cents for the period ended June 30, 2009.


John Bell-Chairman


Jeffrey Cobham-Director

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Comprehensive Income
For Nine Months ended 30 June, 2010

	THIS QUARTER		YEAR TO DATE	
	Unaudited \$'000 Jun-10	Unaudited \$'000 Jun-09	Unaudited \$'000 Jun-10	Unaudited \$'000 Jun-09
Continuing operations				
Turnover	122,291	107,933	324,758	289,603
Cost of Sales	(76,416)	(60,323)	(196,299)	(162,185)
Gross Profit	<u>45,875</u>	<u>47,610</u>	<u>128,459</u>	<u>127,418</u>
Other Operating Income (Loss)	(1,716)	1,054	(278)	4,436
Selling and Promotional Expenses	(5,790)	(4,289)	(15,405)	(12,687)
Administrative Expenses	(15,166)	(14,603)	(45,730)	(48,264)
Results from operating activities	<u>23,203</u>	<u>29,772</u>	<u>67,046</u>	<u>70,903</u>
Interest income	7,751	10,252	26,959	25,083
Profit before tax	<u>30,954</u>	<u>40,024</u>	<u>94,005</u>	<u>95,986</u>
Taxation	(10,318)	(13,341)	(31,321)	(31,995)
Total comprehensive income for the period	<u><u>20,636</u></u>	<u><u>26,683</u></u>	<u><u>62,684</u></u>	<u><u>63,991</u></u>
Continuing operations				
Earnings per stock unit	\$0.20	\$0.26	\$0.60	\$0.62
No. of stock units issued	103,883,300	103,883,300	103,883,300	103,883,300

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Financial Position

as at 30 June, 2010

	Unaudited	Unaudited	Audited
	30 JUN 2010	30 JUN 2009	30 September 2009
	\$'000	\$'000	\$'000
Assets			
FIXED ASSETS	31,333	32,615	31,794
RETIREMENT BENEFIT ASSET	31,202	29,397	31,202
Total current assets			
INVENTORIES	108,339	102,616	108,514
RECEIVABLES	68,919	45,032	79,705
CASH AND DEPOSITS	334,459	247,826	275,675
TOTAL CURRENT ASSETS	511,717	395,474	463,894
Total current liabilities			
PAYABLES	62,394	20,759	39,451
TAXATION PAYABLE	6,102	7,682	14,778
CURRENT PORTION LONG TERM LOANS	0	2,465	3,447
TOTAL CURRENT LIABILITIES	68,496	30,906	57,676
NET CURRENT ASSETS	443,221	364,568	406,218
Total assets	505,756	426,580	469,214
EQUITY			
SHARE CAPITAL	73,216	73,216	73,216
CAPITAL RESERVES	16,275	16,275	16,275
RETAINED EARNINGS	399,174	323,443	367,647
	488,665	412,934	457,138
SHORT TERM LOAN	5,015	4,660	0
LONG TERM LOANS	0	696	0
DEFERRED TAX LIABILITY	12,076	8,290	12,076
Total equity attributable to equity holders of the Company	505,756	426,580	469,214

Approved:

Chairman

John Bell

Director

Jeffrey Cobham

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Changes in Equity
 Attributable to Equity Holders of the Company
 For Nine Months ended 30 June, 2009

	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	-	-	-	63,991	63,991
Balance at 30 June 2009.	103,883	73,216	16,275	323,443	412,934

For Nine Months ended 30 June, 2010

	No. of Shares	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				62,684	62,684
		73,216	16,275	430,331	519,822
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 30 June 2010.	103,883	73,216	16,275	399,174	488,665

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Cash Flows
For Nine Months ended 30 June, 2010

	Unaudited	Unaudited
	30-Jun 2010	30-Jun 2009
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive income	62,684	63,991
Adjustment for items not involving cash		
Depreciation	2,866	2,453
Foreign Exchange (gains)/losses on long term loans	0	803
	<u>65,550</u>	<u>67,247</u>
Changes in non-cash working capital components:		
Change in Inventories	175	(2,199)
Change in Receivables	10,786	28,226
Change in Payables	22,943	(14,909)
Change in Income Tax Payable	(8,676)	6,654
NET CASH FROM OPERATING ACTIVITIES	<u>90,778</u>	<u>85,019</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(2,405)	(883)
NET CASH USED IN INVESTING ACTIVITIES	<u>(2,405)</u>	<u>(883)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend Payment	(31,157)	0
Short term loans - net	5,015	4,660
Long term loans - net	(3,447)	(4,797)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	<u>(29,589)</u>	<u>(137)</u>
NET DECREASE/(INCREASE) IN CASH AND CASH EQUIVALENTS	58,784	83,999
Cash and cash equivalents at 1 October	275,675	163,827
CASH AND CASH EQUIVALENTS AT 30 JUNE	<u>334,459</u>	<u>247,826</u>

SALADA FOODS JAMAICA LIMITED

Notes to the Financial Statements
Period ended June 30, 2010

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 June 30, 2010

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 June 30, 2010

(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 30 JUNE 2010**

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 (St. Lucia)	3,049,642
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	2,518,800
Donovan A. Lewis	1,677,400
Tekodoo Investments Limited	1,181,310
Total	91,706,742

**DIRECTORS' HOLDINGS
AS AT 30 JUNE 2010**

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 30 JUNE 2010**

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