



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 first quarter ended December 31, 2010.

	Quarter (\$ Millions)		
	31/12/10	31/12/09	% Chg
Sales	110.8	103.6	6.9%
Gross Profit	41.6	41.1	1.2%
Selling & Promotional Expenses	6.7	5.4	24.1%
Administrative Expenses	17.2	15.3	12.4%
Interest Income	6.2	10.9	-43.1%
Profit Before Tax	24.1	32.3	-25.4%
Profit After Tax	16.1	21.5	-25.1%
EPS Unit Cents	0.15	0.21	-28.6%

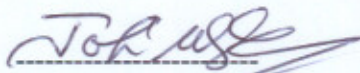
Profit before tax was \$24.1 million versus \$32.3 million for the corresponding quarter of 2009. This decrease in profit before tax for the quarter resulted from continuing increases in certain production costs as well as increased Selling and Promotional expenses.

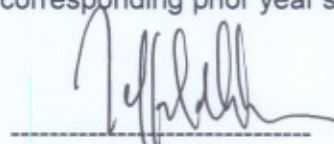
The turnover for the quarter moved from \$103.6 million to \$110.8 million, a 6.9% increase over the corresponding period. This increase in turnover resulted from an increase in volumes of total coffee produced for the domestic market. The Cost of Sales ratio for the quarter was 62.5% compared with 60.3% for the quarter ended December 31, 2009, largely as a result of increased cess charges by the Coffee Industry Board and the continuing increases in fuel and other raw material inputs. Gross profit for the quarter marginally increased from \$41.1 million to \$41.6 million.

Selling & Promotional Expenses for the quarter of \$6.7 million were \$1.3 million greater than the previous comparative quarter of \$5.4 million and resulted from more aggressive marketing and promotional activities. Administrative Expenses of \$17.2 million were 12.4% above the \$15.3 million incurred in the previous year's corresponding quarter.

The Group earned interest income of \$6.2 million for the quarter, a 43.1% decrease in comparison to the prior year's interest income of \$10.9 million. The reduction in interest income in the quarter is a direct result of the current low interest rate environment.

Net profit attributable to stockholders was \$16.1 million for the quarter ended December 31, 2010 compared with \$21.5 million for the corresponding prior year's period. This equates to earnings per stock unit (EPS) of 15 cents for the quarter versus 21 cents per stock unit for the corresponding prior year's period.


John Bell-Chairman


Jeffrey Cobham-Director


SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Comprehensive Income
For Three Months ended December 31, 2010

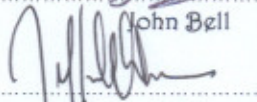
	Unaudited \$'000 Dec-10	Unaudited \$'000 Dec-09
Continuing operations		
Turnover	110,799	103,633
Cost of Sales	(69,161)	(62,508)
Gross Profit	<u>41,638</u>	<u>41,125</u>
Other Operating Income	103	919
Selling and Promotional Expenses	(6,694)	(5,392)
Administrative Expenses	(17,161)	(15,320)
Results from operating activities	<u>17,886</u>	<u>21,332</u>
Interest income	6,199	10,940
Profit before tax	<u>24,085</u>	<u>32,272</u>
Taxation	(8,028)	(10,757)
Total comprehensive income for the period	<u><u>16,057</u></u>	<u><u>21,515</u></u>
Continuing operations		
Earnings per stock unit	\$0.15	\$0.21
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 2010	31 Dec 2009	30 September 2010
	S'000	S'000	S'000
Assets			
PROPERTY, PLANT & EQUIPMENT	30,985	32,338	30,578
POST RETIREMENT BENEFITS ASSET	52,478	31,202	52,478
Total current assets			
INVENTORIES	160,176	108,513	158,682
RECEIVABLES	60,568	77,929	59,804
CASH AND DEPOSITS	291,207	273,117	303,411
TOTAL CURRENT ASSETS	<u>511,951</u>	<u>459,559</u>	<u>521,897</u>
Total current liabilities			
PAYABLES	30,862	48,474	62,454
TAXATION PAYABLE	11,699	15,053	6,065
TOTAL CURRENT LIABILITIES	<u>42,561</u>	<u>63,527</u>	<u>68,519</u>
NET CURRENT ASSETS	469,390	396,032	453,378
Total assets	<u><u>552,853</u></u>	<u><u>459,572</u></u>	<u><u>536,434</u></u>
EQUITY			
SHARE CAPITAL	73,216	73,216	73,216
CAPITAL RESERVES	16,275	16,275	16,275
RETAINED EARNINGS	433,968	358,005	417,911
	<u>523,459</u>	<u>447,496</u>	<u>507,402</u>
POST RETIREMENT BENEFITS OBLIGATION	15,707	0	15,707
DEFERRED TAX LIABILITY	13,687	12,076	13,325
Total equity attributable to equity holders of the Company	<u><u>552,853</u></u>	<u><u>459,572</u></u>	<u><u>536,434</u></u>

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 Three Months ended 31 December, 2009

	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	-	-	-	21,515	21,515
Balance at 31 December 2009	103,883	73,216	16,275	389,162	478,653
Dividends to equity holders				(31,157)	(31,157)
Balance at 31 December 2009	103,883	73,216	16,275	358,005	447,496

For Three Months ended 31 December, 2010

	No. of Shares	Unaudited Share Capital	Capital Reserve	Retained Earnings	Total
	000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2010	103,883	73,216	16,275	417,911	507,402
Total comprehensive income for the period				16,057	16,057
Balances at 31 December 2010		73,216	16,275	433,968	523,459

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Cash Flows
For Three Months ended 31 December, 2010

	Unaudited	Unaudited
	30-Dec 2010	30-Dec 2009
	S'000	S'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive income for the period	16,057	21,515
Adjustment for items not involving cash		
Depreciation	896	869
	16,953	22,384
Changes in non-cash working capital components:		
Change in Inventories	(1,494)	1
Change in Receivables	(764)	1,776
Change in Payables and accruals	(31,592)	9,023
Income Tax Expense	5,634	275
NET CASH FROM OPERATING ACTIVITIES	<u>(11,263)</u>	<u>33,459</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(941)	(1,413)
NET CASH USED IN INVESTING ACTIVITIES	<u>(941)</u>	<u>(1,413)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend Payment	0	(31,157)
Long term loans - net	0	(3,447)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	<u>0</u>	<u>(34,604)</u>
NET DECREASE/(INCREASE) IN CASH AND CASH EQUIVALENTS	(12,204)	(2,558)
Cash and cash equivalents at 1 October	303,411	275,675
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	<u>291,207</u>	<u>273,117</u>

SALADA FOODS JAMAICA LIMITED

Notes to the Financial Statements
Period ended December 31, 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 Jamaican dollars (\$), which is the functional currency of the company.

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. Statement of compliance, and significant accounting policies

(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 of property, plant and equipment is recognised in the carrying amount of the 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, 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 December 31, 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 statement of financial position 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 statement of financial position date.

(h) Segment reporting:

An operating segment is a distinguishable component of the group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available.

Based on the information presented to and reviewed by the CODM, the entire operations of the company are considered as one operating segment.



SALADA FOODS JAMAICA LIMITED

**LIST OF SHAREHOLDERS
AS AT 31 DECEMBER 2010**

10 LARGEST SHAREHOLDERS

Shareholders	Shareholding
Resource in Motion Limited	59,284,630
Advantage General Insurance Limited	8,988,120
Donwis Limited	7,480,000
Stocks and Securities Limited (St. Lucia)	3,063,692
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	2,664,794
Donovan A. Lewis	1,677,400
Tekodoo Investments Limited	1,181,310
Total	92,441,256

**DIRECTORS' HOLDINGS
AS AT 31 DECEMBER 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 31 DECEMBER 2010**

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