



The Directors of
LASCELLES, deMERCADO & CO. LIMITED
are pleased to report the unaudited consolidated
results for the nine months ended June 30, 2011 as
follows:

LASCELLES, deMERCADO & CO. LIMITED

Consolidated Statement of Financial Position

June 30, 2011

	Unaudited 30/6/2011 \$000s	Unaudited 30/6/2010 \$000s	Audited 30/9/2010 \$000s
Assets			
Property, plant & equipment	3,803,698	3,718,912	3,624,003
Intangible assets	104,481	105,481	104,481
Investments	9,427,360	9,161,439	9,374,412
Interest in associated companies	17,095	16,033	17,095
Deferred tax assets	98,711	30,984	101,827
Employee benefits assets	2,414,700	1,620,500	2,414,700
Total non-current assets	<u>15,866,045</u>	<u>14,653,349</u>	<u>15,636,518</u>
Inventories	8,815,840	8,411,165	8,885,351
Biological assets	261,813	228,556	165,456
Reinsurance assets	914,049	1,103,063	1,103,660
Taxation recoverable	414,453	396,198	349,236
Accounts receivable	5,060,448	3,492,258	5,150,727
Short-term investments	535,746	949,809	773,338
Cash and cash equivalents	7,152,676	5,122,273	5,895,994
Total current assets	<u>23,155,025</u>	<u>19,703,322</u>	<u>22,323,762</u>
Total assets	<u><u>39,021,070</u></u>	<u><u>34,356,671</u></u>	<u><u>37,960,280</u></u>
Equity			
Share capital	20,400	20,400	20,400
Reserves	11,077,323	9,108,633	9,969,563
Retained earnings	19,607,123	17,454,702	18,549,566
Total equity attributable to equity holders of the company	<u>30,704,846</u>	<u>26,583,735</u>	<u>28,539,529</u>
Liabilities			
Long-term liabilities	85,187	83,843	65,956
Deferred tax liabilities	814,200	702,197	807,367
Employee benefits obligations	564,500	457,200	564,500
Total non-current liabilities	<u>1,463,887</u>	<u>1,243,240</u>	<u>1,437,823</u>
Bank loans and overdrafts	284,666	170,349	346,542
Other unsecured loans	-	390,437	495,773
Current maturities of long-term liabilities	31,314	17,708	31,314
Accounts payable	3,380,388	2,417,929	3,676,497
Insurance contracts provisions	2,885,062	3,200,792	3,159,322
Taxation payable	270,907	332,481	273,480
Total current liabilities	<u>6,852,337</u>	<u>6,529,696</u>	<u>7,982,928</u>
Total liabilities	<u>8,316,224</u>	<u>7,772,936</u>	<u>9,420,751</u>
Total equity and liabilities	<u><u>39,021,070</u></u>	<u><u>34,356,671</u></u>	<u><u>37,960,280</u></u>

Approved for release to the Jamaica Stock Exchange by the Board of Directors on August 4, 2011 and signed on its behalf by



 Chairman
 Gerald Yetming



 Managing Director
 Fraser Thornton

LASCELLES, deMERCADO & CO. LIMITED

Consolidated Statement of Changes in Equity

June 30, 2011

	Share capital	Capital reserve	Unappropriated profits	Total
	\$000s	\$000s	\$000s	\$000s
Unaudited:				
Balance at September 30, 2010 (audited)	20,400	9,969,563	18,549,566	28,539,529
Total comprehensive income for the period				
Profit for the period	-	-	2,079,483	2,079,483
Other comprehensive income	-	1,107,760	34,155	1,141,915
Total comprehensive income for the period	-	1,107,760	2,113,638	3,221,398
Transactions with owners, recorded directly in equity				
Distributions to owners being dividends to equity holders	-	-	(1,056,081)	(1,056,081)
Total transactions with owners	-	-	(1,056,081)	(1,056,081)
At June 30, 2011 (unaudited)	20,400	11,077,323	19,607,123	30,704,846
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
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 (unaudited)	20,400	9,108,633	17,454,702	26,583,735
Audited:				
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	-	-	3,114,189	3,114,189
Other comprehensive income	-	(3,376,316)	4,144,789	768,473
Total comprehensive income for the period	-	(3,376,316)	7,258,978	3,882,662
Transactions with owners, recorded directly in equity				
Distributions to owners being dividends to equity holders	-	-	(528,162)	(528,162)
Total transactions with owners	-	-	(528,162)	(528,162)
At September 30, 2010 (audited)	20,400	9,969,563	18,549,566	28,539,529

LASCELLES, deMERCADO & CO. LIMITED
Consolidated Statement of Comprehensive Income
Nine Months Ended June 30, 2011

	Unaudited		Unaudited		Audited
	Nine Months Ended		Three Months Ended		Year Ended
	30/6/2011	30/6/2010	30/6/2011	30/6/2010	30/09/2010
	\$000s	\$000s	\$000s	\$000s	\$000s
Operating revenue	20,713,476	19,568,297	7,120,832	6,011,130	25,974,722
Cost of operating revenue	11,874,771	11,750,499 *	4,234,868	3,513,856 *	15,580,195
Gross profit	8,838,705	7,817,798	2,885,964	2,497,274	10,394,527
Administrative, marketing and selling expenses	6,791,311	6,186,576 *	2,445,930	2,124,359 *	7,644,942
Operating profit	2,047,394	1,631,222	440,034	372,915	2,749,585
Other income	195,059	265,725	78,184	161,697	659,610
Profit before net finance income and taxation	2,242,453	1,896,947	518,218	534,612	3,409,195
Finance cost	(61,398)	(179,921)	(16,805)	(131,715)	(134,367)
Finance income	359,858	249,710	154,392	40,777	314,137
Net finance income	298,460	69,789	137,587	(90,938)	179,770
Profit before taxation	2,540,913	1,966,736	655,805	443,674	3,588,965
Taxation	(461,430)	(357,159)	(119,094)	(80,570)	(474,776)
Net profit for the period attributable to members	2,079,483	1,609,577	536,711	363,104	3,114,189
Other comprehensive income					
Translation adjustment arising on consolidation of foreign subsidiaries	(2,124)	(119,094)	12,340	(145,868)	(91,342)
Appreciation in fair value of investments	1,145,840	461,991	266,285	(205,656)	873,593
Impairment loss transferred to profit or loss	-	5,034	-	-	7,329
Fair value profit released on sale of investments	(1,801)	(30,721)	-	319	(21,107)
Other comprehensive income for the period, net of income tax	1,141,915	317,210	278,625	(351,205)	768,473
Total comprehensive income for the period attributable to owners of the company	3,221,398	1,926,787	815,336	11,899	3,882,662
Earnings per ordinary stock unit	\$21.66	\$16.77	\$5.59	\$3.79	\$32.44
Total comprehensive income per ordinary stock unit	\$33.56	\$20.07	\$8.49	\$0.12	\$40.44

* Reclassified to conform to current period's presentation

LASCELLES, deMERCADO & CO. LIMITED

Consolidated Statement of Cash Flows

Nine Months Ended June 30, 2011

	Unaudited 30/6/2011 \$000s	Unaudited 30/6/2010 \$000s	Audited 30/9/2010 \$000s
Cash flows from operating activities:			
Net profit for the period attributable to members	2,079,483	1,609,577	3,114,189
Items not affecting cash	592,189	366,684	(520,257)
	<u>2,671,672</u>	<u>1,976,261</u>	<u>2,593,932</u>
Decrease in non-cash working capital	(865,420)	(615,390)	(1,721,617)
Net cash provided by operating activities	<u>1,806,252</u>	<u>1,360,871</u>	<u>872,315</u>
Net cash provided by investing activities	1,044,929	353,611	1,338,723
Net cash (used)/provided by financing activities	(378,689)	57,220	153,883
Net cash provided before dividend and distribution payments	<u>2,472,492</u>	<u>1,771,702</u>	<u>2,364,921</u>
Dividends and distributions paid	(1,056,081)	(528,081)	(528,162)
Net increase in cash and cash equivalents	<u>1,416,411</u>	<u>1,243,621</u>	<u>1,836,759</u>
Net cash and cash equivalents at beginning of year	<u>5,699,452</u>	<u>3,862,693</u>	<u>3,862,693</u>
Net cash and cash equivalents at end of period	<u><u>7,115,863</u></u>	<u><u>5,106,314</u></u>	<u><u>5,699,452</u></u>
 Comprised of:			
Cash and bank balances	2,575,683	3,091,943	2,718,082
Short-term deposits and monetary instruments	4,576,993	2,030,330	3,177,912
	<u>7,152,676</u>	<u>5,122,273</u>	<u>5,895,994</u>
Less: Bank overdrafts	(36,813)	(15,959)	(196,542)
	<u><u>7,115,863</u></u>	<u><u>5,106,314</u></u>	<u><u>5,699,452</u></u>

LASCELLES, deMERCADO & CO. LIMITED

Notes to the Financial Statements
June 30, 2011

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.

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, 2010.

LASCELLES, deMERCADO & CO. LIMITED

Notes to the Financial Statements (Continued)

June 30, 2011

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, 2011 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, 2011

6. Segment financial information

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Reportable segments:

	June 30, 2011						Total \$'000
	Liquors, Rums Wines and Sugar \$'000	General Merchandise \$'000	General Insurance \$'000	Investments \$'000	Transportation Services \$'000	Eliminations \$'000	
Revenue							
External	13,464,375	3,717,063	1,786,259	410,245	1,335,534		
Inter segment	-	34,400	188,819	-	41,448		
Total revenue	<u>13,464,375</u>	<u>3,751,463</u>	<u>1,975,078</u>	<u>410,245</u>	<u>1,376,982</u>	(264,667)	<u>20,713,476</u>
Segment results	<u>1,427,169</u>	<u>299,885</u>	<u>357,545</u>	<u>397,753</u>	<u>58,561</u>		<u>2,540,913</u>
Segment assets	<u>16,262,444</u>	<u>2,449,545</u>	<u>6,177,038</u>	<u>12,758,812</u>	<u>842,972</u>		<u>38,490,811</u>
Unallocated assets							<u>530,259</u>
							<u>39,021,070</u>
Segment liabilities	<u>3,141,877</u>	<u>403,821</u>	<u>3,173,495</u>	<u>42,367</u>	<u>468,745</u>		<u>7,230,305</u>
Unallocated liabilities							<u>1,085,919</u>
							<u>8,316,224</u>
Other segment items:							
Additions to property, plant and equipment	<u>445,205</u>	<u>37,726</u>	<u>39,859</u>	<u>72</u>	<u>46,651</u>		<u>569,513</u>
Depreciation, amortisation and impairment	<u>292,303</u>	<u>32,384</u>	<u>11,134</u>	<u>32</u>	<u>32,939</u>		<u>368,792</u>
Other non-cash items	<u>264,481</u>	<u>53,527</u>	<u>106,914</u>	<u>(197,108)</u>	<u>(4,417)</u>		<u>223,397</u>

LASCELLES, deMERCADO & CO. LIMITED

Notes to the Financial Statements (Continued)
June 30, 2011

6. Segment financial information, cont'd.

Reportable segments:

	June 30, 2010						<u>Total</u> \$'000
	<u>Liquors, Rums</u> <u>Wines and Sugar</u> \$'000	<u>General</u> <u>Merchandise</u> \$'000	<u>General</u> <u>Insurance</u> \$'000	<u>Investments</u> \$'000	<u>Transportation</u> <u>Services</u> \$'000	<u>Eliminations</u> \$'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 and amortisation	<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, 2011

7. Subsequent event

Subsequent to the period end, Lascelles, deMercado & Co. Limited paid dividends totalling \$2,995,200,000.00 to ordinary stockholders on record as at July 21, 2011. Payment was made on July 27, 2011 and was comprised of an interim dividend of \$5.50 per ordinary stock unit and a special dividend of \$25.70 per ordinary stock unit.

For several years, the Company has been carrying substantial cash reserves. After in-depth analysis of its cash needs and future plans, your directors concluded that the cash reserves held by the Company was in excess of its operating needs and accordingly has returned such excess cash to stockholders.

Lascelles, deMercado & Co. Limited remains financially sound and will not be adversely affected by the dividend although in the future investment revenues will be reduced.

**STOCKHOLDINGS OF DIRECTORS AND OFFICERS AND THEIR CONNECTED PERSONS
OF LASCELLES, deMERCADO & CO. LIMITED AT JUNE 30, 2011**

Directors (together with their connected persons, where applicable)	Number of Ordinary Stock Units held
Mr. G. Yetming	Nil
Mr. W. Yip Choy	Nil
Mr. F. Thornton	Nil
Mr. S. Castagne	Nil
Mr. M. Holder	Nil
Mr. A. R. Mitchell	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	1,355,824
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