

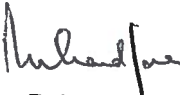


SEPROD LIMITED
UNAUDITED GROUP FINANCIAL STATEMENTS


GROUP BALANCE SHEET

	Unaudited	Audited
	30/06/11	31/12/10
	\$'000	\$'000
NET ASSETS EMPLOYED		
Fixed assets	3,208,340	2,927,718
Intangible assets	36,068	37,338
Available-for-sale investments	1,206,694	1,613,561
Long term receivables	719,181	742,936
Retirement benefit asset	29,700	29,700
Biological asset	223,112	211,712
Deferred tax	3,690	-
	5,426,785	5,562,965
Current Assets		
Inventories	1,887,046	1,548,431
Biological assets	128,609	162,268
Receivables	1,760,964	1,360,021
Available-for-sale investments	578,360	477,005
Current portion of long term receivables	458,018	307,226
Cash and bank balances	290,709	182,198
	5,103,706	4,037,149
Current Liabilities		
Payables	1,253,477	681,643
Demand loan	450,000	450,000
Current portion of long term liabilities	119,250	149,845
Taxation	38,231	92,572
	1,860,958	1,374,060
Net Current Assets	3,242,748	2,663,089
	8,669,533	8,226,054
Equity Attributable to Stockholders of the Company		
Share Capital	561,287	561,287
Capital Reserves	978,189	894,929
Retained Earnings	6,775,431	6,304,869
	8,314,907	7,761,085
Non-controlling Interest	(209,932)	(169,528)
	8,104,975	7,591,557
Non-current Liabilities		
Long Term Liabilities	137,143	233,136
Deferred Tax	345,615	319,561
Retirement Benefit Obligations	81,800	81,800
	564,558	634,497
	8,669,533	8,226,054

Approved on behalf of the Board:


Dr. R.A. Jones
(Vice Chairman)


B.E. Thompson
(Chief Executive Officer)


M.M. Subratie
(Director)



SEPROD LIMITED AND ITS SUBSIDIARIES
UNAUDITED GROUP FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2011

STATEMENT OF COMPREHENSIVE INCOME

	<Three months ending June 30th>		<Six months ending June 30th>	
	2011	2010	2011	2010
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Revenue	3,157,919	2,732,469	6,183,489	5,416,602
Direct expenses	<u>(2,544,705)</u>	<u>(2,274,958)</u>	<u>(4,878,146)</u>	<u>(4,264,408)</u>
Gross Profit	613,214	457,511	1,305,343	1,152,194
Finance and other operating income	128,022	110,954	250,965	227,427
Gains/(losses) on stock investments	2,556	(4,044)	284	16,180
Net foreign exchange gains/(losses)	8,793	(145,531)	37,342	(180,052)
Selling expenses	(95,462)	(63,135)	(166,292)	(131,890)
Administration expenses	<u>(349,771)</u>	<u>(230,978)</u>	<u>(686,606)</u>	<u>(587,950)</u>
Operating Profit	307,352	124,777	741,036	495,909
Finance costs	<u>(17,666)</u>	<u>(13,770)</u>	<u>(32,849)</u>	<u>(24,090)</u>
Profit before taxation	289,686	111,007	708,187	471,819
Taxation	<u>(128,304)</u>	58,343	<u>(277,745)</u>	<u>(34,677)</u>
Net Profit	161,382	169,350	430,442	437,142
Other Comprehensive Income:				
Fair value gains/(losses) on available-for-sale investments	43,133	(7,637)	82,976	127,629
Total Comprehensive Income	<u>204,515</u>	<u>161,713</u>	<u>513,418</u>	<u>564,771</u>
Net Profit is Attributable to:				
Stockholders of the company	186,619	231,374	470,846	517,399
Non-controlling interest	<u>(25,237)</u>	<u>(62,024)</u>	<u>(40,404)</u>	<u>(80,257)</u>
	<u>161,382</u>	<u>169,350</u>	<u>430,442</u>	<u>437,142</u>
Total Comprehensive Income is Attributable to:				
Stockholders of the company	229,752	223,737	553,822	645,028
Non-controlling interest	<u>(25,237)</u>	<u>(62,024)</u>	<u>(40,404)</u>	<u>(80,257)</u>
	<u>204,515</u>	<u>161,713</u>	<u>513,418</u>	<u>564,771</u>
Number of Shares in issue ('000)	516,398	516,398	516,398	516,398
Earnings per share (\$)	\$0.36	\$0.45	\$0.91	\$1.00

Basis of Preparation

These consolidated financial statements have been prepared in accordance with the accounting policies set out in note 2 of the audited financial statements for the year ended 31 December 2010.

Taxation Expense

The tax on the group's profit differs from the theoretical amount that would arise using the applicable tax rate of 33 1/3%, as follows.

	<Three months ending June 30>		<Six months ending June 30>	
	2011	2010	2011	2010
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Profit before taxation	289,686	111,007	708,187	471,819
Tax calculated at a tax rate of 33 1/3 %	96,552	36,999	236,039	157,257
Adjusted for the effect of:				
Investment income not subject to tax	(10,034)	(4,139)	(19,216)	(17,252)
Subsidiaries not subjected to tax	14,487	55,240	25,716	50,854
	101,006	88,099	242,539	190,859
Adjustment to prior year provision	12,842	-	12,842	-
Deferred taxation	14,456	(146,442)	22,364	(156,182)
	<u>128,304</u>	<u>(58,343)</u>	<u>277,745</u>	<u>34,677</u>

SEPROD LIMITED
UNAUDITED GROUP FINANCIAL STATEMENTS

Group Statement of Cash Flows

(Six months ending 30th June)

	2011 \$'000	2010 \$'000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net profit	430,442	437,142
Items not affecting cash resources:		
Amortisation of intangible assets	1,270	1,271
Depreciation	145,389	116,519
Taxation	277,745	34,677
	854,846	589,609
Changes in operating assets and liabilities:		
Inventories	(338,615)	61,151
Accounts receivable	(400,943)	(564,258)
Biological assets	22,259	115,427
Accounts payable	571,834	151,976
	709,381	353,905
Taxation paid	(309,722)	(430,006)
Cash provided by/(used in) operating activities	399,659	(76,101)
Investing Activities		
Purchase of fixed assets	(432,609)	(193,999)
Loss on disposal of fixed assets	6,598	(235)
Investments in securities, net	388,488	299,033
Long term notes issued	(150,000)	-
Long term notes received	22,963	180,738
Cash (used in)/provided by investing activities	(164,560)	285,537
Financing Activities		
Long term loan repaid	(226,588)	(282,010)
Long term loan received	100,000	200,000
Dividends paid	-	(258,199)
Cash used in financing activities	(126,588)	(340,209)
Increase/(decrease) in cash and cash equivalents	108,511	(130,773)
Cash and cash equivalents at beginning of year	182,198	275,402
CASH AND CASH EQUIVALENT AT END OF PERIOD	290,709	144,629

SEPROD LIMITED
UNAUDITED GROUP FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2011
INFORMATION ABOUT BUSINESS SEGMENTS

(\$000)

	Manufacturing		Distribution		Eliminations		Consolidated	
	30/06/2011	30/06/2010	30/06/2011	30/06/2010	30/06/2011	30/06/2010	30/06/2011	30/06/2010
REVENUE								
External sales	4,033,533	3,642,502	2,149,956	1,774,100			6,183,489	5,416,602
Inter-segment sales	1,603,005	1,168,711	-	-	(1,603,005)	(1,168,711)		
Total revenue	<u>5,636,538</u>	<u>4,811,213</u>	<u>2,149,956</u>	<u>1,774,100</u>	<u>(1,603,005)</u>	<u>(1,168,711)</u>	<u>6,183,489</u>	<u>5,416,602</u>
RESULTS								
Segment result	<u>674,780</u>	<u>593,387</u>	<u>108,319</u>	<u>104,981</u>			<u>783,099</u>	<u>698,368</u>
Unallocated corporate expenses							<u>(42,063)</u>	<u>(202,459)</u>
Operating profit							<u>741,036</u>	<u>495,909</u>
Finance costs							<u>(32,849)</u>	<u>(24,090)</u>
Income taxes							<u>(277,745)</u>	<u>(34,677)</u>
Net Profit							<u>430,442</u>	<u>437,142</u>
OTHER INFORMATION								
Segment assets	6,317,082	4,930,236	787,211	644,067	-	-	7,104,293	5,574,303
Unallocated corporate assets							3,426,198	3,420,085
Total consolidated assets							<u>10,530,491</u>	<u>8,994,388</u>
Segment liabilities	(1,083,126)	(774,769)	(105,924)	(68,057)	-	-	(1,189,050)	(842,826)
Unallocated corporate liabilities							(1,026,534)	(858,638)
Total consolidated liabilities							<u>(2,215,584)</u>	<u>(1,701,464)</u>
Capital expenditure	347,875	47,124	4,027	1,414			351,902	48,538
Unallocated capital expenditure							51,849	30,269
Total capital expenditure							<u>403,751</u>	<u>78,807</u>
Depreciation	135,303	108,496	1,260	786			136,563	109,282
Unallocated depreciation							8,826	7,237
Total depreciation							<u>145,389</u>	<u>116,519</u>

SEPROD LIMITED
UNAUDITED GROUP FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2011

Group Statement of Changes in Equity

	Equity Attributable to Stockholders of the Company					Non-	Total
	Number	Share	Capital	Retained	Total	controlling	Equity
	of Shares	Capital	Reserve	Earnings		Interest	
	'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2010	516,398	561,287	720,575	5,696,919	6,978,781	7,571	6,986,352
Total comprehensive income	-	-	127,629	517,399	645,028	(80,257)	564,771
Transfer to capital reserve gain on available-for-sale of investments	-	-	16,180	(16,180)	-	-	-
Dividends paid	-	-	-	(258,199)	(258,199)	-	(258,199)
Balance at 30 June 2010	516,398	561,287	864,384	5,939,939	7,365,610	(72,686)	7,292,924

	Equity Attributable to Stockholders of the Company					Non-	Total
	Number	Share	Capital	Retained	Total	controlling	Equity
	of Shares	Capital	Reserve	Earnings		Interest	
	'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2011	516,398	561,287	894,929	6,304,869	7,761,085	(169,528)	7,591,557
Total comprehensive income	-	-	82,976	470,846	553,822	(40,404)	513,418
Transfer to capital reserve gain on available-for-sale of investments	-	-	284	(284)	-	-	-
Balance at 30 June 2011	516,398	561,287	978,189	6,775,431	8,314,907	(209,932)	8,104,975