



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

STATEMENT OF COMPREHENSIVE INCOME

	<Three months ending Sept. 30th>		<Nine months ending Sept. 30th>	
	2011	2010	2011	2010
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Revenue	2,628,043	2,439,952	8,811,532	7,856,554
Direct expenses	<u>(2,073,903)</u>	<u>(1,839,397)</u>	<u>(6,952,049)</u>	<u>(6,103,805)</u>
Gross Profit	554,140	600,555	1,859,483	1,752,749
Finance and other operating income	121,838	107,570	372,803	334,997
Gains/(losses) on stock investments	3,464	(4,958)	3,748	11,222
Net foreign exchange (losses)/gains	(14,699)	57,657	22,643	(122,395)
Selling expenses	(90,787)	(77,213)	(257,079)	(209,103)
Administration expenses	<u>(361,005)</u>	<u>(295,400)</u>	<u>(1,047,611)</u>	<u>(883,350)</u>
Operating Profit	212,951	388,211	953,987	884,120
Finance costs	<u>(12,755)</u>	<u>(7,135)</u>	<u>(45,604)</u>	<u>(31,225)</u>
Profit before taxation	200,196	381,076	908,383	852,895
Taxation	<u>(61,902)</u>	<u>(162,589)</u>	<u>(339,647)</u>	<u>(197,266)</u>
Net Profit	138,294	218,487	568,736	655,629
Other Comprehensive Income:				
Fair value gains on available-for-sale investments	<u>(86,630)</u>	18,922	<u>(3,654)</u>	146,551
Total Comprehensive Income	<u>51,664</u>	<u>237,409</u>	<u>565,082</u>	<u>802,180</u>
Net Profit is Attributable to:				
Stockholders of the company	178,467	262,748	649,313	780,147
Non-controlling interest	<u>(40,173)</u>	<u>(44,261)</u>	<u>(80,577)</u>	<u>(124,518)</u>
	138,294	218,487	568,736	655,629
Total Comprehensive Income is Attributable to:				
Stockholders of the company	91,837	281,670	645,659	926,698
Non-controlling interest	<u>(40,173)</u>	<u>(44,261)</u>	<u>(80,577)</u>	<u>(124,518)</u>
	51,664	237,409	565,082	802,180
Number of Shares in issue ('000)	516,398	516,398	516,398	516,398
Earnings per share (\$)	\$0.35	\$0.51	\$1.26	\$1.51

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 Sept. 30th>		<Nine months ending Sept. 30th>	
	2011	2010	2011	2010
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Profit before taxation	200,196	381,076	908,383	852,895
Adjusted for the effect of:				
Investment income not subject to tax	(79,947)	(18,455)	(99,163)	(70,217)
Subsidiaries not subjected to tax	119,267	96,439	157,986	249,016
	239,516	459,060	967,206	1,031,694
Tax calculated at a tax rate of 33 1/3 %	79,831	153,005	322,370	343,864
Adjustment to prior year provision	-	-	12,842	-
Deferred taxation	<u>(17,929)</u>	9,584	4,435	<u>(146,598)</u>
	61,902	162,589	339,647	197,266

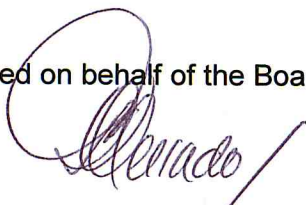


SEPROD LIMITED
UNAUDITED GROUP FINANCIAL STATEMENTS

GROUP BALANCE SHEET

	Unaudited 30/09/11 \$'000	Audited 31/12/10 \$'000
NET ASSETS EMPLOYED		
Fixed assets	3,341,904	2,927,718
Intangible assets	35,432	37,338
Available-for-sale investments	1,054,386	1,613,561
Long term receivables	709,467	742,936
Retirement benefit asset	29,700	29,700
Biological asset	222,575	211,712
Deferred tax	3,740	-
	5,397,204	5,562,965
Current Assets		
Inventories	1,742,994	1,548,431
Biological assets	261,618	162,268
Receivables	1,411,128	1,360,021
Available-for-sale investments	372,833	477,005
Current portion of long term receivables	309,379	307,226
Cash and bank balances	280,796	182,198
	4,378,748	4,037,149
Current Liabilities		
Payables	835,743	681,643
Demand loan	350,000	450,000
Current portion of long term liabilities	115,070	149,845
Taxation	29,724	92,572
	1,330,537	1,374,060
Net Current Assets	3,048,211	2,663,089
	8,445,415	8,226,054
Equity Attributable to Stockholders of the Company		
Share Capital	561,287	561,287
Capital Reserves	895,023	894,929
Retained Earnings	6,692,235	6,304,869
	8,148,545	7,761,085
Non-controlling Interest	(250,105)	(169,528)
	7,898,440	7,591,557
Non-current Liabilities		
Long Term Liabilities	137,439	233,136
Deferred Tax	327,736	319,561
Retirement Benefit Obligations	81,800	81,800
	546,975	634,497
	8,445,415	8,226,054

Approved on behalf of the Board:


G.E. Messado
(Director)


B.E. Thompson
(Chief Executive Officer)

SEPROD LIMITED
UNAUDITED GROUP FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011

Group Statement of Changes in Equity

	Equity Attributable to Stockholders of the Company					Non-controlling Interest \$'000	Total Equity \$'000
	Number of Shares '000	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000		
	Balance as at 1 January 2010	516,398	561,287	720,575	5,696,919		
Total comprehensive income	-	-	146,551	780,148	926,699	(124,518)	802,181
Transfer to capital reserve gain on available-for-sale of investments	-	-	11,222	(11,222)	-	-	-
Dividends paid	-	-	-	(258,199)	(258,199)	-	(258,199)
Balance at 30 September 2010	516,398	561,287	878,348	6,207,646	7,647,281	(116,947)	7,530,334

	Equity Attributable to Stockholders of the Company					Non-controlling Interest \$'000	Total Equity \$'000
	Number of Shares '000	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000		
	Balance as at 1 January 2011	516,398	561,287	894,929	6,304,869		
Total comprehensive income	-	-	(3,654)	649,313	645,659	(80,577)	565,082
Transfer to capital reserve gain on available-for-sale of investments	-	-	3,748	(3,748)	-	-	-
Dividends paid	-	-	-	(258,199)	(258,199)	-	(258,199)
Balance at 30 September 2011	516,398	561,287	895,023	6,692,235	8,148,545	(250,105)	7,898,440

SEPROD LIMITED
UNAUDITED GROUP FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011

Group Statement of Cash Flows

(Nine months ending 30th September)

	2011 \$'000	2010 \$'000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net profit	568,736	655,629
Items not affecting cash resources:		
Amortisation of intangible assets	1,906	1,906
Depreciation	223,934	177,123
Taxation	339,647	197,266
	1,134,223	1,031,924
Changes in operating assets and liabilities:		
Inventories	(194,563)	103,110
Accounts receivable	(51,107)	(464,246)
Biological assets	(110,213)	71,352
Accounts payable	154,101	53,036
	932,441	795,176
Taxation paid	(398,060)	(564,731)
Cash provided by operating activities	534,381	230,445
Investing Activities		
Purchase of fixed assets	(644,619)	(292,134)
Net gain on disposal of fixed assets	6,499	390
Investments in securities, net	659,693	202,281
Long term loan receivable	31,316	431,605
Cash provided by investing activities	52,889	342,142
Financing Activities		
Long term loan received	100,000	-
Long term loan repaid	(330,473)	(328,469)
Dividends paid	(258,199)	(258,199)
Cash used in financing activities	(488,672)	(586,668)
(Decrease)/increase in cash and cash equivalents	98,598	(14,081)
Cash and cash equivalents at beginning of year	182,198	275,402
CASH AND CASH EQUIVALENT AT END OF PERIOD	280,796	261,321

SEPROD LIMITED
UNAUDITED GROUP FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME
INFORMATION ABOUT BUSINESS SEGMENTS

(\$000)

	Manufacturing		Distribution		Eliminations		Consolidated	
	30/09/2011	30/09/2010	30/09/2011	30/09/2010	30/09/2011	30/09/2010	30/09/2011	30/09/2010
REVENUE								
External sales	5,506,583	5,149,087	3,304,949	2,707,467	-	-	8,811,532	7,856,554
Inter-segment sales	2,462,225	1,785,833	-	-	(2,462,225)	(1,785,833)		
Total revenue	<u>7,968,808</u>	<u>6,934,920</u>	<u>3,304,949</u>	<u>2,707,467</u>	<u>(2,462,225)</u>	<u>(1,785,833)</u>	<u>8,811,532</u>	<u>7,856,554</u>
RESULTS								
Segment result	<u>879,267</u>	<u>881,112</u>	<u>155,577</u>	<u>153,055</u>			<u>1,034,844</u>	<u>1,034,167</u>
Unallocated corporate (expenses)/income							<u>(80,857)</u>	<u>(150,047)</u>
Operating profit							<u>953,987</u>	<u>884,120</u>
Finance costs							<u>(45,604)</u>	<u>(31,225)</u>
Income taxes							<u>(339,647)</u>	<u>(197,266)</u>
Net Profit							<u>568,736</u>	<u>655,629</u>
OTHER INFORMATION								
Segment assets	13,634,390	4,871,927	816,588	673,364	-	-	14,450,978	5,545,291
Unallocated corporate assets							<u>(4,675,026)</u>	<u>3,599,927</u>
Total consolidated assets							<u>9,775,952</u>	<u>9,145,218</u>
Segment liabilities	(2,827,920)	(681,170)	(90,757)	(68,183)	-	-	<u>(2,918,677)</u>	<u>(749,353)</u>
Unallocated corporate liabilities							<u>1,291,270</u>	<u>(865,531)</u>
Total consolidated liabilities							<u>(1,627,407)</u>	<u>(1,614,884)</u>
Capital expenditure	680,386	252,803	8,237	1,872			688,623	254,675
Unallocated capital expenditure							<u>59,710</u>	<u>(34,283)</u>
Total capital expenditure							<u>748,333</u>	<u>220,392</u>
Depreciation	208,983	164,299	1,974	1,195			210,957	165,494
Unallocated depreciation							<u>12,977</u>	<u>11,629</u>
Total depreciation							<u>223,934</u>	<u>177,123</u>