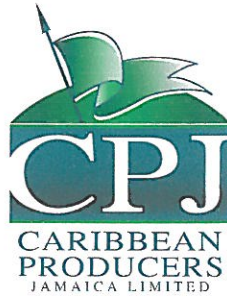




**9 Month Interim Report Ending
March 31st, 2012**



Caribbean Producers (Jamaica) Limited Report to the Stockholders Nine months ended March 31, 2012

The Board of Directors is pleased to present the unaudited results of the company for the nine months ended March 31, 2012. Revenues for the nine month period were **US\$49.8 million** versus **US\$48.6 million** over the corresponding period last year, an increase of **US\$1.2 million** or **2.4%**. The company's sales in the third quarter (2012: US\$19.2 M; 2011: US\$18.4 M) were higher by **US\$769 thousand** or **4.1%**. The company experienced brisk sales in the third quarter based on strong occupancies experienced during the traditional Winter season by the hospitality sector.

Notably, third quarter net profit (2012: US\$1,729K; 2011: US\$673K) attributable to stockholders increased by **US\$1.05 million** or **157%** for the quarter ending March 31, 2012. This result was primarily achieved by increasing gross profit by 12.6%, reducing selling and administrative expenses by 3.1% and reducing finance costs by 13%. Selling and Administrative expenses for the quarter reduced slightly compared to last year in spite of increases in fuel and electricity of 36% during the period. Finance costs for the quarter reduced by 8% from last year as after the company became public on the Junior Stock Exchange it paid down its short term debt. The net profit attributable to shareholders compared to the corresponding nine month period of 2011, improved by **US\$1.38 million** dollars moving from **US\$1.18 million** to **US\$2.56 million** an increase of **116.4%**. The improvements in profits were also derived from the tax waiver relating to the company's entry into the Junior Stock market.

The current assets have reduced by 8% over the same period last year. In an effort to minimize our credit risk, management focused on keeping trade receivables credit terms tighter to lessen our exposure in the current challenging business environment. There was a corresponding decrease in current liabilities by 30%, which was attributable to a 52% reduction in short term loans.

The company opened its highly anticipated meat processing plant ahead of schedule in early February. Over the next three months, the plant plans on producing meat and pork cuts, bacon and hamburger patties primarily for the hospitality market. The company intends to enter the local retail market in the following quarter with a selection of beef, pork and smoked meats for local consumption. The opening of CPJ Market facility located at Lady Musgrave Road in Kingston is slated to open in October 2012. The new distribution center in St. Lucia is still on stream with a planned opening set for later on in the year.

In support of the processing plant and the overall expansion of the business the construction of another 10,000 sq ft warehouse in Montego Freeport is almost completed. This facility will house operating supplies for all of our processing plants and offices for our Technical Services division, and most importantly, our staff welfare center.



Although the Jamaican economy was fairly flat in the quarter, the uncertainty of the times contributed to the slippage of the exchange rate. The management and staff focused on improving overall efficiencies, updated service delivery levels and the introduction of new products in the Meat, Dairy and Grocery categories.

In line with Caribbean Producers (Jamaica) Limited's continued commitment to education and development, through the Rotary Club of Montego Bay East we sponsored for the second year, a scholarship for Montego Bay's most needy tertiary students. We also responded to many requests for product support during the quarter. The CPJ Sports and Social Club visited with the Townhead primary school in Westmoreland, where they provided well needed items for their breakfast program.

CPJ has once again been elevated by the confidence in our service pledge and commitment to the success of our customers. We are most honored to be receiving the JHTA's Purveyor of the Year award for 2012; having our customers recognize us in this way for the eighth time in the last ten years is our most satisfying achievement.

A handwritten signature in black ink, appearing to read 'Mark Hart', is written over a horizontal line.

Mark Hart

Chairman of the Board

CARIBBEAN PRODUCERS (JAMAICA) LIMITED
Period ended March 31, 2012
Interim Balance Sheet

	Unaudited March 31, 2012	Audited June 30, 2011*	Unaudited March 31, 2011*
CURRENT ASSETS			
Cash and cash equivalents	797,168	871,251	1,213,137
Accounts receivable	12,058,867	9,267,837	15,027,241
Inventories	15,122,173	15,791,277	14,061,238
	<u>27,978,208</u>	<u>25,930,365</u>	<u>30,301,616</u>
CURRENT LIABILITIES			
Bank overdraft	-	-	865,645
Short-term loan	3,200,000	6,205,000	6,705,000
Accounts payable	5,944,871	4,555,094	7,263,131
Due to related parties	3,646,667	3,646,667	3,646,667
Current portion long-term loan	406,261	790,723	131,814
Taxable payable	164,925	818,071	731,038
	<u>13,362,724</u>	<u>16,015,555</u>	<u>19,343,295</u>
NET CURRENT ASSETS	<u>14,615,484</u>	<u>9,914,810</u>	<u>10,958,321</u>
NON-CURRENT ASSETS			
Interest in joint venture	246,585	283,623	310,057
Investment	49,452	49,452	49,452
Deferred tax asset	2,940	2,940	182,286
Property, plant and equipment	7,410,056	5,074,884	3,870,487
	<u>7,709,033</u>	<u>5,410,899</u>	<u>4,412,282</u>
US\$	<u>22,324,517</u>	<u>15,325,709</u>	<u>15,370,603</u>
SHAREHOLDERS' EQUITY			
Share capital	4,851,327	5,874	30
Accumulated surplus	5,606,380	3,044,500	3,137,858
	<u>10,457,707</u>	<u>3,050,374</u>	<u>3,137,888</u>
NON-CURRENT LIABILITIES			
Related party loans	8,984,580	9,143,338	11,310,091
Long term loans	2,882,230	3,131,997	922,624
	<u>11,866,810</u>	<u>12,275,335</u>	<u>12,232,715</u>
US\$	<u>22,324,517</u>	<u>15,325,709</u>	<u>15,370,603</u>

These interim financial statements were approved by the Board of Directors on May 8, 2012 and signed on its behalf by:


 Mark Hart Director


 Jan Polack Director

* Restated (See note 5)

The accompanying notes form an integral part of the interim financial statements.

CARIBBEAN PRODUCERS (JAMAICA) LIMITED
Period ended March 31, 2012

Interim Statement of Comprehensive Income - Unaudited

	<u>Three months ended March 31, 2012</u>	<u>Three months ended March 31, 2011*</u>	<u>Nine months ended March 31, 2012</u>	<u>Nine months ended March 31, 2011 *</u>
Gross operating revenue	19,183,752	18,414,054	49,789,784	48,615,830
Cost of operating revenue	<u>(13,929,747)</u>	<u>(13,750,549)</u>	<u>(37,068,006)</u>	<u>(36,630,396)</u>
Gross profit	5,254,005	4,663,505	12,721,778	11,985,434
Selling and administrative expenses	(2,887,452)	(2,981,872)	(8,133,672)	(8,231,606)
Depreciation	(253,709)	(212,319)	(746,444)	(619,622)
Other operating income/(expenses), net	<u>(10,458)</u>	<u>4,795</u>	<u>(92,887)</u>	<u>18</u>
Profit before finance income, finance costs and taxation	2,102,386	1,474,109	3,748,775	3,134,224
Finance income	439	98	1,461	661
Finance costs	(368,355)	(425,263)	(1,170,719)	(1,275,309)
Share of (loss)/profit of equity accounted investee	<u>(4,557)</u>	<u>426</u>	<u>(17,637)</u>	<u>(25,126)</u>
Profit before taxation	1,729,913	1,049,370	2,561,880	1,834,450
Taxation	<u>-</u>	<u>(376,023)</u>	<u>-</u>	<u>(650,801)</u>
Profit for the period, being total comprehensive income	US\$ <u>1,729,913</u>	<u>673,347</u>	<u>2,561,880</u>	<u>1,183,649</u>
Earnings per stock unit	<u>0.164¢</u>	<u>0.077¢</u>	<u>0.236¢</u>	<u>0.135¢</u>

* Restated (See note 5)

CARIBBEAN PRODUCERS (JAMAICA) LIMITED

Period ended March 31, 2012

Interim Statement of Changes in Equity - Unaudited

	<u>Share capital</u>	<u>Accumulated surplus*</u>	<u>Total</u>
Balances at June 30, 2010			
As previously reported	30	2,103,081	2,103,111
Prior year adjustment (note 5)	<u>-</u>	<u>(148,872)</u>	<u>(148,872)</u>
As restated	30	1,954,209	1,954,239 *
Profit for the period, being total comprehensive income	<u>-</u>	<u>1,183,649</u>	<u>1,183,649 *</u>
Unaudited balances at March 31, 2011	US\$ <u>30</u>	<u>3,137,858</u>	<u>3,137,888</u>
Balances at June 30, 2011			
As previously reported	5,874	3,221,902	3,227,776
Prior year adjustment (note 5)	<u>-</u>	<u>(177,402)</u>	<u>(177,402)</u>
As restated	5,874	3,044,500	3,050,374 *
Profit for the period, being total comprehensive income	-	2,561,880	2,561,880
Transaction recorded directly in equity:			
Issue of shares (note 2)	<u>4,845,453</u>	<u>-</u>	<u>4,845,453</u>
Unaudited balances at March 31, 2012	US\$ <u>4,851,327</u>	<u>5,606,380</u>	<u>10,457,707</u>

* Restated (See note 5)

CARIBBEAN PRODUCERS (JAMAICA) LIMITED

Period Ended March 31, 2012

Interim Statement of Cash Flows - Unaudited

	Nine months ended March 31, 2012	Nine months ended March 31, 2011*
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	2,561,880	1,183,649
Adjustments for:		
Interest expense	1,170,719	1,275,309
Interest income	(1,461)	(661)
Taxation	-	650,801
Depreciation	746,444	619,622
Gain on disposal of property, plant and equipment	(10,284)	(16,904)
	<u>4,467,298</u>	<u>3,711,816</u>
(Increase)/decrease in current assets:		
Accounts receivable	(2,791,030)	(2,746,280)
Inventories	669,104	(1,502,213)
Increase in current liability:		
Accounts payable	<u>1,416,264</u>	<u>187,068</u>
Cash generated/(used) by operations	3,761,636	(349,609)
Interest paid	(1,197,206)	(952,626)
Tax paid	<u>(653,146)</u>	<u>(283,669)</u>
Net cash provided/(used) by operating activities	<u>1,911,284</u>	<u>(1,585,904)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1,461	661
Investment	-	28,798
Interest in joint venture	37,038	123,169
Additions to property, plant and equipment	(3,138,641)	(501,578)
Proceeds from disposal of property, plant and equipment	<u>67,309</u>	<u>95,200</u>
Net cash used by investing activities	<u>(3,032,833)</u>	<u>(253,750)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	4,845,453	-
Loans received from third parties	-	3,085,003
Loans repaid to related parties	(158,758)	(1,353,794)
Loans repaid to third parties	<u>(3,639,229)</u>	<u>(347,917)</u>
Net cash provided by financing activities	<u>1,047,466</u>	<u>1,383,292</u>
Net decrease in cash and cash equivalents for the period	(74,083)	(456,362)
Cash and cash equivalents at beginning of the period	<u>871,251</u>	<u>803,854</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	US\$ <u>797,168</u>	<u>347,492</u>
Comprised of:		
Cash and cash equivalents	797,168	1,213,137
Bank overdraft	<u>-</u>	<u>(865,645)</u>
	US\$ <u>797,168</u>	<u>347,492</u>

* Restated (See note 5)

CARIBBEAN PRODUCERS (JAMAICA) LIMITED
Period ended March 31, 2012

Selected explanatory notes

1 Basis of preparation

Except for restatement mentioned in note 5 below, these condensed interim financial statements have been prepared in accordance with accounting policies set out in note 2 to the audited financial statements for the year ended June 30, 2011, and have been consistently applied from period to period.

2 Issue of shares

In July 2011, the company issued 220,000,000 new shares to the public. The company's shares were listed on the Junior Market of the Jamaica Stock Exchange on July 20, 2011.

3 Operating segments

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components and for which discrete financial information is available. An operating segment's operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance.

Based on the nature of the company's products, processes, customers and distribution systems, management has determined that disclosure of segment information is not applicable to the company.

4 Taxation

The company's shares were listed on the Junior Market of the Jamaica Stock Exchange on July 20, 2011. Consequently, the company is entitled to a remission of taxes for 10 years in the proportions set out below, provided the shares remain listed for at least 15 years:

Years 1 to 5 100%

Years 6 to 10 50%

5 Restatement

Using the equity method of accounting, the company has restated its financial statements to recognise its interest in Caribbean Egg Processors Limited. The restatement had the following effect on the financial statements for the prior periods:

	As previously reported	Adjustment	As restated
Interest in joint venture as at June 30, 2010	582,098	(148,872)	433,226
Interest in joint venture as at March 31, 2011	484,055	(173,998)	310,057
Interest in joint venture as at June 30, 2011	461,025	(177,402)	283,623

The company's income statement for the period ended March 31, 2011 has also been restated to reflect its share of the results of Caribbean Egg Processors Limited.

6 Earnings per stock unit

Earnings per stock unit is calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue for the period. The weighted average number of shares for the period was calculated as follows:

	Three months ended March 31, 2012	Three months ended March 31, 2011	Nine months ended March 31, 2012	Nine months ended March 31, 2011
Issued ordinary shares at beginning of period	880,000,000	880,000,000	880,000,000	880,000,000
Effect of shares issued during the period	174,065,934	-	204,800,000	-
Weighted average number of ordinary shares held during the period	<u>1,054,065,934</u>	<u>880,000,000</u>	<u>1,084,800,000</u>	<u>880,000,000</u>



TOP TEN (10) STOCKHOLDERS

As at 31 March 2012

<u>NAME</u>	<u>SHARES</u>
1. Wave Trading Limited	440,000,000
2. Sportswear Producers Limited	440,000,000
3. JCSD Trustee Services Ltd. A/C#76579-02	13,679,900
4. ATL Group Pension Fund Trustees Nom. Ltd.	12,982,044
5. SJIML A/C 3119	10,231,789
6. Huixiong, Liao	9,971,710
7. Mayberry Managed Clients Account	6,279,593
8. MF&G Trust & Finance Ltd. Sigma Venture	6,270,084
9. SJLIC for Scotiabank Retirement Scheme	5,898,933
10. SJIML A/C 831	5,675,229

DIRECTORS' AND SENIOR OFFICERS' INTERESTS

The interests of the Directors and Senior Officers, holding office at the end of the quarter, along with their connected persons*, in the ordinary stock units of the Company were as follows:

- Mark Hart ^	
Antony Hart ^	
Ronald Schrager ^	
Theresa Chin	760,900
Jan Polack	2,790,185
Hugh Logan	545,743
Radcliffe Murray	595,290
Petra-Ann Williamson	285,467
^ <i>Interests in Sportswear Producers Limited</i>	440,000,000
^ <i>Interests in Wave Trading Limited</i>	440,000,000
^ <i>Interests in Alpine Endeavors Limited</i>	1,881,100

*Persons deemed to be connected with a director/senior manager are:

- i. The director's/senior manager's husband or wife
- ii. The director's/senior manager's minor children (these include step-children) and dependants and their spouses.
- iii. The director's/senior manager's partners.
- iv. Bodies corporate of which the director/senior manager and or persons connected with him together