



SEPROD LIMITED
UNAUDITED GROUP FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2012

STATEMENT OF COMPREHENSIVE INCOME

	(Three months ending 31st March)	
	2012	2011
	<u>\$'000</u>	<u>\$'000</u>
Revenue	3,690,196	3,025,570
Direct expenses	<u>(2,858,800)</u>	<u>(2,333,441)</u>
Gross Profit	831,396	692,129
Finance and other operating income	99,685	122,943
(Losses)/gains on stock investments	(8,497)	(2,272)
Net foreign exchange gains/(losses)	1,146	28,549
Selling expenses	(87,810)	(70,830)
Administration expenses	<u>(376,362)</u>	<u>(336,835)</u>
Operating Profit	459,558	433,684
Finance costs	(22,777)	(15,183)
Profit before taxation	436,781	418,501
Taxation	<u>(128,245)</u>	<u>(149,441)</u>
Net Profit	308,536	269,060
Other Comprehensive Income:		
Fair value gains on available-for-sale investments	-	39,843
Total Comprehensive Income	<u><u>308,536</u></u>	<u><u>308,903</u></u>
Net Profit is Attributable to:		
Stockholders of the company	297,093	284,227
Non-controlling interest	<u>11,443</u>	<u>(15,167)</u>
	<u><u>308,536</u></u>	<u><u>269,060</u></u>
Total Comprehensive Income is Attributable to:		
Stockholders of the company	297,093	324,070
Non-controlling interest	<u>11,443</u>	<u>(15,167)</u>
	<u><u>308,536</u></u>	<u><u>308,903</u></u>
Number of Shares in issue ('000)	516,398	516,398
Earnings per share (\$)	\$0.58	\$0.55

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 2011.

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

	2012	2011
	<u>\$'000</u>	<u>\$'000</u>
Profit before taxation	<u>436,781</u>	<u>418,501</u>
Tax calculated at a tax rate of 33 1/3 %	145,579	139,486
Adjusted for the effect of:		
Investment income not subject to tax	(6,763)	(9,182)
Share of results of associated company	12	-
Subsidiaries not subjected to tax	<u>(17,397)</u>	<u>11,229</u>
	121,431	141,533
Deferred taxation	6,814	7,908
	<u><u>128,245</u></u>	<u><u>149,441</u></u>



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GROUP BALANCE SHEET

	Unaudited 31/03/12 \$'000	Audited 31/12/11 \$'000
NET ASSETS EMPLOYED		
Fixed assets	3,626,907	3,492,698
Intangible assets	29,362	29,997
Available-for-sale investments	1,046,166	1,054,699
Investment in associates	1,223,470	-
Long term receivables	249,819	698,171
Retirement benefit asset	21,700	21,700
Biological asset	225,798	223,830
Deferred tax	-	-
	<u>6,423,222</u>	<u>5,521,095</u>
Current Assets		
Inventories	1,714,521	1,553,417
Biological assets	205,411	349,917
Receivables	1,834,199	2,456,696
Available-for-sale investments	237,450	265,341
Current portion of long term receivables	314,393	456,047
Cash and bank balances	361,555	249,926
	<u>4,667,529</u>	<u>5,331,344</u>
Current Liabilities		
Payables	970,785	798,753
Demand loan	500,000	800,000
Current portion of long term liabilities	322,671	348,780
Taxation	11,379	27,129
	<u>1,804,835</u>	<u>1,974,662</u>
Net Current Assets	<u>2,862,694</u>	<u>3,356,682</u>
	<u>9,285,916</u>	<u>8,877,777</u>
Equity Attributable to Stockholders of the Company		
Share Capital	561,287	561,287
Capital Reserves	921,943	921,943
Retained Earnings	6,886,003	6,588,910
	<u>8,369,233</u>	<u>8,072,140</u>
Non-controlling Interest	<u>(5,753)</u>	<u>(17,196)</u>
	<u>8,363,480</u>	<u>8,054,944</u>
Non-current Liabilities		
Long Term Liabilities	492,789	400,000
Deferred Tax	337,247	330,433
Retirement Benefit Obligations	92,400	92,400
	<u>922,436</u>	<u>822,833</u>
	<u>9,285,916</u>	<u>8,877,777</u>

Approved on behalf of the Board:

P. B. Scott
(Chairman)

Dr R. A. Jones
(Vice Chairman)

B. E. Thompson
(Chief Executive Officer)

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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 2011	516,398	561,287	894,929	6,304,869		
Total comprehensive income	-	-	39,843	284,227	324,070	(15,167)	308,903
Transfer to capital reserve loss on available-for-sale of investments	-	-	(2,272)	2,272	-	-	-
Balance at 31 March 2011	516,398	561,287	932,500	6,591,368	8,085,155	(184,695)	7,900,460

	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 2012	516,398	561,287	921,943	6,588,910		
Total comprehensive income	-	-	-	297,093	297,093	11,443	308,536
Transfer to capital reserve loss on available-for-sale of investments	-	-	-	-	-	-	-
Balance at 31 March 2012	516,398	561,287	921,943	6,886,003	8,369,233	(5,753)	8,363,480

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Group Statement of Cash Flows

(Three months ending 31st March)

	2012 \$'000	2011 \$'000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Net profit	308,536	269,060
Items not affecting cash resources:		
Amortisation of intangible assets	635	635
Depreciation	87,758	68,071
Taxation	128,245	149,441
	525,174	487,207
Changes in operating assets and liabilities:		
Inventories	(161,104)	217,940
Accounts receivable	622,497	(300,071)
Biological assets	142,538	15,335
Accounts payable	172,032	103,552
	1,301,137	523,963
Taxation paid	(137,181)	(189,385)
Cash provided by/(used in) operating activities	1,163,956	334,578
Investing Activities		
Purchase of fixed assets	(222,225)	(242,875)
Gain/(loss) on disposal of fixed assets	258	6,598
Investments in securities, net	36,424	(16,037)
Investments in associated company	(1,223,470)	-
Long term loan receivable	590,006	12,293
Cash (used in)/provided by investing activities	(819,007)	(240,021)
Financing Activities		
Demand loan repaid	(300,000)	-
Short term loan repaid	(26,109)	(100,000)
Long term loan repaid	92,789	(6,676)
Cash (used in)/provided by financing activities	(233,320)	(106,676)
Decrease in cash and cash equivalents	111,629	(12,119)
Cash and cash equivalents at beginning of year	249,926	182,196
CASH AND CASH EQUIVALENT AT END OF PERIOD	361,555	170,077

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INFORMATION ABOUT BUSINESS SEGMENTS

(\$000)

	Manufacturing		Distribution		Eliminations		Consolidated	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
REVENUE								
External sales	2,596,128	2,003,158	1,094,068	1,022,412	-	-	3,690,196	3,025,570
Inter-segment sales	850,874	759,340	-	-	(850,874)	(759,340)		
Total revenue	<u>3,447,002</u>	<u>2,762,498</u>	<u>1,094,068</u>	<u>1,022,412</u>	<u>(850,874)</u>	<u>(759,340)</u>	<u>3,690,196</u>	<u>3,025,570</u>
RESULTS								
Segment result	491,095	402,955	46,522	55,625			537,617	458,580
Unallocated corporate expenses							(78,059)	(24,896)
Operating profit							459,558	433,684
Finance costs							(22,777)	(15,183)
Income taxes							(128,245)	(149,441)
Net Profit							<u>308,536</u>	<u>269,060</u>
OTHER INFORMATION								
Segment assets	6,692,551	5,581,076	760,597	708,703	-	-	7,453,148	6,289,779
Unallocated corporate assets							3,637,603	3,579,840
Total consolidated assets							<u>11,090,751</u>	<u>9,869,619</u>
Segment liabilities	(432,283)	(692,555)	(97,663)	(37,055)	-	-	(529,946)	(729,610)
Unallocated corporate liabilities							(2,197,324)	(1,054,855)
Total consolidated liabilities							<u>(2,727,270)</u>	<u>(1,784,465)</u>
Capital expenditure	208,842	173,028	3,539	2,288			212,381	175,316
Unallocated capital expenditure							9,844	16,856
Total capital expenditure							<u>222,225</u>	<u>192,172</u>
Depreciation	83,176	62,914	590	588			83,766	63,502
Unallocated depreciation							3,992	4,569
Total depreciation							<u>87,758</u>	<u>68,071</u>