TO: THE STOCKHOLDERS OF

THE GLEANER COMPANY LIMITED

(Unaudited)

CONFIDENTIAL

CONSOLIDATED GROUP INCOME STATEMENT FOR NINE MONTHS ENDED SEPTEMBER 30, 2012

	Notes	GROUP (Unaudited) Nine Months September 2012 $000's	GROUP (Unaudited) Nine Months September 2011 $000's	GROUP (Unaudited) Three Months September 2012 $000's	GROUP (Unaudited) Three Months September 2011 $000's	GROUP (Audited) Twelve Months ended Dec 31, 2011 $000's
Revenue	5(a),6	2,442,473	2,427,796	826,948	795,403	3,178,900
Cost of sales	5(c)	(1,271,162)	(1,191,723)	(464,022)	(419,204)	(1,698,862)
Gross profit		1,171,311	1,236,073	362,926	376,199	1,480,038
Other operating income	5(b)	26,608	25,950	8,738	9,323	145,691
		1,197,919	1,262,023	371,664	385,522	1,625,729
Distribution costs		(415,824)	(430,955)	(142,290)	(142,264)	(502,805)
Administrative expenses		(420,166)	(435,057)	(89,256)	(112,750)	(625,784)
Other operating expenses		(291,315)	(293,678)	(104,698)	(112,698)	(504,592)
Pension costs		(16,513)	(12,887)	(5,398)	(4,704)	(8,820)
		(1,143,818)	(1,172,577)	(341,642)	(372,416)	(1,642,001)
Employee benefit obligation	5(e)	(-)	(8,775)	(-)	(2,925)	(11,500)
Profit/(loss) from operations		**54,101**	**80,671**	**30,022**	**10,181**	**(27,772)**
Finance income	5(f)	71,490	164,187	33,180	39,433	175,056
Finance cost		(14,759)	(10,528)	(5,130)	(3,393)	(15,111)
Net finance income		56,731	153,659	28,050	36,040	159,945
Profit before taxation charge	3, 10	**110,832**	**234,330**	**58,071**	**46,221**	**132,173**
Taxation charge		(27,479)	(58,582)	(16,927)	(13,017)	(13,690)
Profit for the period/year	4	**83,353**	**175,748**	**41,144**	**33,204**	**118,483**
Dealt with in the financial statements of:						
Parent company		99,883	156,267	36,207	5,227	115,275
Subsidiary companies		(16,530)	19,481	4,937	27,977	3,208
		83,353	175,748	41,144	33,204	118,483
Earnings per stock unit:						
Based on stock units in issue	8	6.88¢	14.50 ¢	3.39 ¢	2.74¢	9.78¢

The accompanying notes form an integral part of the financial statements

THE GLEANER COMPANY LIMITED
(Unaudited)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Nine months ended September 30, 2012

	Nine Months September 2012 $000's	Nine Months September 2011 $000's	Three Months September 2012 $000's	Three Months September 2011 $000's
Profit for the period	83,353	175,748	41,144	33,204
Other comprehensive income/(expense):				
Change in fair value of available-for-sale investments	(10,177)	3,563	(2,842)	(14,842)
Currency translation differences on foreign subsidiaries	(2,207)	7,614	(965)	(1)
Taxation on other comprehensive income	-	(1,188)	-	-
Other comprehensive income/(expense) for the period, net of taxation	**(12,384)**	**9,989**	**(3,811)**	**(14,843)**
Total comprehensive income for the period	**70,969**	**185,737**	**37,337**	**18,361**
Dealt with in the financial statement of:				
Parent company	72,413	185,737	37,117	18,361
Subsidiary companies	(1,444)	-	220	-
Total comprehensive income for the period	**70,969**	**185,737**	**37,337**	**18,361**

THE GLEANER COMPANY LIMITED

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT SEPTEMBER 30, 2012

	Notes	GROUP (Unaudited) Nine Months Sept 30, 2012 $000's	GROUP (Unaudited) Nine Months Sept 30, 2011 $000's	GROUP (Audited) Twelve Months Dec 31, 2011 $000's
Assets				
Property, plant and equipment		903,832	907,596	907,668
Intangible assets		5,253	5,810	5,190
Long-term receivables		17,912	42,035	18,788
Interest in associates		150	150	150
Investments		327,486	94,663	230,881
Pension receivable	5(d)	178,480	178,480	178,480
Deferred tax assets		5,244	9,333	5,351
Total non-current assets		**1,438,357**	**1,238,067**	**1,346,508**
Cash and cash equivalents		38,219	57,936	107,189
Securities purchased under agreement for resale		337,406	204,917	35,409
Trade and other receivables		450,798	500,467	569,055
Prepayments		56,246	55,647	34,513
Taxation recoverable		97,935	98,498	98,305
Inventories and goods in-transit		170,502	159,875	123,497
Pension receivable	5(d)	880,933	1,242,838	1,250,399
Total current assets		**2,032,038**	**2,320,178**	**2,218,367**
Total assets		**3,470,395**	**3,558,245**	**3,564,875**
Equity				
Share capital		605,622	605,622	605,622
Reserves		1,643,161	1,756,166	1,671,947
Total equity		**2,248,783**	**2,361,788**	**2,277,569**
Liabilities				
Long-term liabilities		26,741	30,635	26,529
Employee benefit obligation	5(e)	130,600	129,675	130,600
Deferred tax liabilities		512,207	513,920	512,223
Total non-current liabilities		**669,548**	**674,230**	**669,352**
Bank overdraft		17,217	32,206	2,524
Trade and other payables		466,689	420,393*	550,934
Taxation		-	416	966
Current portion of long-term liabilities		4,162	4,731	7,184
Deferred income		63,996	64,481*	56,346
Total current liabilities		**552,064**	**522,227**	**617,954**
Total liabilities		**1,221,612**	**1,196,457**	**1,287,306**
Total equity and liabilities		**3,470,395**	**3,558,245**	**3,564,875**
Stockholders' equity per ordinary stock unit	9	185.4¢	195.0¢	188.03¢

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

THE GLEANER COMPANY LIMITED

(Unaudited)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Nine months ended September 30, 2012

	Share capital	Capital reserves	Fair Value reserves	Reserve for own shares	Retained profits	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000
Balances at January 1, 2011	605,622	804,663	21,635	(183,295)	1,208,330	2,456,955
Total comprehensive income/(expense) for the year	-	7,614	2,375	-	175,748	185,737
Dividends	-	-	-	-	(302,811)	(302,811)
Own shares sold by Gleaner Company Limited Employee Investment Trust (GCLEIT)	-	-	-	21,907	-	21,907
Balances at September 30, 2011	605,622	812,277	24,010	(161,388)	1,081,267	2,361,788
Balances at January 1, 2012	605,622	804,403	27,944	(160,108)	999,708	2,277,569
Total comprehensive income/(expense) for the year	-	(2,207)	(10,177)	-	83,353	70,969
Dividends paid (gross)	-	-	-	-	(96,900)	(96,900)
Own shares sold by Gleaner Company Limited Employee Investment Trust (GCLEIT)	-	-	-	(2,855)	-	(2,855)
Balances at September 30, 2012	605,622	802,196	17,767	(162,963)	986,161	2,248,783

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

THE GLEANER COMPANY LIMITED
STATEMENT OF CASH FLOWS
Nine Months ended September 30, 2012
(Unaudited)

	GROUP (Unaudited) Nine Months Sept 30, 2012 $000's	GROUP (Unaudited) Nine Months Sept 30, 2011 $000's	GROUP (Audited) Twelve Months Dec 31, 2011 $000's
Cash Flow from operating activities			
Profit for the period/year	83,353	175,748	118,483
Adjustment for non-cash items	72,278	70,600	(43,255)
	155,631	246,348	75,228
Change in working capital	(94,342)	(113,124)	274,342
Net cash provided by operating activities	61,289	133,224	349,570
Net cash provided /(used)by investing activities	(42,053)	84,212	(18,742)
Net cash used by financing activities	(102,899)	(308,566)	(343,023)
Net decrease in cash and cash equivalents	(83,663)	(91,130)	(12,195)
Cash and cash equivalents at beginning of period	104,665	116,860	116,860
Cash and cash equivalents at end of period	**21,002**	**25,730**	**104,665**
Comprised of:			
Cash and cash equivalents	38,219	57,936	107,189
Bank overdraft	(17,217)	(32,206)	(2,524)
	21,002	**25,730**	**104,665**

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

Notes to the Interim Financial Report

We hereby present the unaudited financial report of the Group for the nine months ended September 30, 2012.

1. **Statement of compliance**

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations, as issued by the International Accounting Standards Board (IASB), and comply with the provisions of the Jamaican Companies Act.

The accounting policies followed in these interim financial statements are consistent with those in the audited financial statement for the year ended December 31, 2011.

2. **Segment Reporting**

The group has one reportable segment, which is "Media Services." This includes the print and electronic media businesses. The identification of business segments is based on the group's management and internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. "Other" includes management services, publication of books and those other activities that do not meet any of the quantitative thresholds for determining reportable segments in 2012 or 2011.

Performance is measured on segment profit before taxation as included in the internal management reports that are reviewed by the Board of Directors. Segment profit before taxation is used to measure performance, as management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Business segments: YTD September

	Media Services		Other		Total	
	2012 $'000	2011 $'000	2012 $'000	2011 $'000	2012 $'000	2011 $'000
External revenues	2,406,993	2,392,225	35,480	35,571	2,442,473	2,427,796
Segment profit/(loss) before taxation	102,836	235,867	(7,996)	(1,538)	110,832	234,330
Finance income	71,490	164,187			71,490	164,187
Finance costs	(14,749)	(10,509)	(10)	(19)	(14,759)	(10,528)
Depreciation and amortisation	61,266	52,305			61,266	52,305
Reportable segment assets	3,366,629	3,372,039	103,616	186,204	3,470,245	3,558,243
Reportable segment liabilities	1,172,942	1,106,565	48,670	89,892	1,221,612	1,196,457
Capital expenditure	30,406	61,030	-	-	30,406	61,030

3. Group Financial Accounts for the nine months ended September 2012 show a profit before taxation charge of $111M (2011: $234M).

4. The Group profit after taxation for the nine months ended September 2012 was $83M compared with a profit of $176M for the same period last year.

5. In comparing the financial statements for the nine months ended September 30,2012, with those of previous year, the following should be noted: -

   (a) Revenue increased by approximately $15M or 1% for the period.

   (b) Other operating income of $27M (2011: $26M) includes contract printing and gain on exchange.

   (c) Cost of sales increased by $79M or 7% due to increases in news gathering, maintenance and increased costs incurred for online projects undertaken during the year.

(d) Pension receivable represents surplus funds due to the company arising from the discontinuation of the defined-benefit pension fund. Of the total outstanding amount, $178M is expected to be received in more than one year from the reporting date.

	Group and Company	
	2012	**2011**
	$M	**$M**
Surplus brought forward to January (non-current and current Pension Receivable)	1,429	1,277
Amount paid to company during period	(425)	
Income earned during the period	55	144
Balance owing to company	1,059	1,421

(e) Employee benefit obligation of $131M (2011: $127M) –relates to a provision for payment of future health and life insurance benefits to pensioners. The method of accounting and the frequency of valuations are similar to that used for a defined benefit scheme.

(f) Finance income includes an interest provision of $55M on the Pension receivable amounts as at September 30, 2012. The $144M earned in 2011 covers a period of approximately 18 months from discontinuance dated (July 15, 2010). Interest attributed to 2010 was $65M

6. Revenue represents sales by the Group before commission payable but excluding returns.

7. The Group Financial Statements for the nine months ended September 30, 2012, include the Company's ten (2011: ten) subsidiaries – Associated Enterprise Limited, Popular Printers Limited, The Book Shop Limited, The Gleaner Online Limited, Selectco Publications Limited, Independent Radio Company Limited, digjamaica.com Limited (formerly Creek Investments Limited) and overseas subsidiaries, The Gleaner Company (U.S.A.) Limited, The Gleaner Company (Canada) Incorporated, and GV Media Group Limited.

8. The calculations of earnings/loss per stock unit are arrived at by dividing profit/loss after taxation attributable to the parent company's stockholders by 1,211,243,827 stock units, that is, the number of stock units in issue at the end of the period/year.

9. The calculation of stockholders' equity per ordinary stock unit are arrived at by dividing capital and reserves by 1,211,243,827 stock units.

10. Reconciliation of Trading profit: -

	2012	**2011**
	$M	$M
Profit from continuing operations before taxation	110.8	234.0
Interest on Pension Receivable	(55.0)	(121.0)
Employee benefit obligation	-	9.0
Restructuring expense	10.0	-
Trading profit	65.8	122.0

11. Dividend and Stock Prices

Your Directors declared a 1st Interim Ordinary Dividend of 5 cents per stock unit which was paid on March 30, 2012 to stockholders on record at March 23, 2012.

A 2nd Interim dividend was declared by your directors and was paid on September 28, 2012 to shareholders on record as at September 7, 2012.

	YTD SEPTEMBER	
	2012 $000's	2011 $000's
First interim paid in respect of 2012: 5.0¢ (2011: 25.0¢) per stock unit – gross	60,562	302,812
Second interim paid in respect of 2012: 3.0¢ per stock unit – gross	36,337	-

Note: A 2nd interim dividend of 3.5¢ was paid in December 2011.

The Company's stock unit price on the Jamaica Stock Exchange at September 30, 2012 was $1.40; the opening price at January 1, 2012 was $2.05.

12. Libel Cases

The group's lawyers have advised that they are of the opinion that the provision made in the accounts is a reasonable provision for the purpose of covering all probable judgements and costs for existing libel actions.

On behalf of the Board

Hon. O. F. Clarke, O.J, JP, LL.D. (Hon)
Chairman

C.N. Barnes
Managing Director

November 15, 2012