



**SEPROD LIMITED AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**  
(expressed in Jamaican dollars unless otherwise indicated)

	<Three months ending September 28th>		<Nine months ending September 28th>	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Revenue</b>	3,196,502	2,628,043	9,988,245	8,811,532
Direct expenses	(2,504,960)	(2,073,903)	(7,794,788)	(6,952,049)
<b>Gross Profit</b>	691,542	554,140	2,193,457	1,859,483
Finance and other operating income	96,769	121,838	288,434	372,803
Gains/(losses) on stock investments	(4,018)	3,464	(15,910)	3,748
Net foreign exchange gains	34,832	(14,699)	48,110	22,643
Selling expenses	(92,829)	(90,787)	(286,912)	(257,079)
Administration expenses	(360,996)	(361,005)	(1,110,995)	(1,047,611)
<b>Operating Profit</b>	365,300	212,951	1,116,184	953,987
Finance costs	(32,551)	(12,755)	(80,467)	(45,604)
<b>Profit before taxation</b>	332,749	200,196	1,035,717	908,383
Taxation	(120,373)	(61,902)	(362,413)	(339,647)
<b>Net Profit</b>	212,376	138,294	673,304	568,736
<b>Other Comprehensive Income:</b>				
Fair value gains on available-for-sale investments	8,697	(86,630)	5,995	(3,654)
<b>Total Comprehensive Income</b>	221,073	51,664	679,299	565,082
<b>Net Profit is Attributable to:</b>				
Stockholders of the company	223,661	178,467	694,422	649,313
Non-controlling interest	(11,285)	(40,173)	(21,118)	(80,577)
	212,376	138,294	673,304	568,736
<b>Total Comprehensive Income is Attributable to:</b>				
Stockholders of the company	232,358	91,837	700,417	645,659
Non-controlling interest	(11,285)	(40,173)	(21,118)	(80,577)
	221,073	51,664	679,299	565,082
<b>Number of Shares in issue ('000)</b>	516,398	516,398	516,398	516,398
<b>Earnings per share (\$)</b>	\$0.43	\$0.35	\$1.34	\$1.26

**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.

	<Three months ending September 30>		<Nine months ending September 30>	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Profit before taxation	332,749	200,196	1,035,717	908,383
Tax calculated at a tax rate of 33 1/3 %	110,905	66,725	345,204	302,764
Adjusted for the effect of:				
Investment income not subject to tax	(14,513)	(26,649)	(26,033)	(33,056)
Subsidiaries not subjected to tax	11,234	39,755	19,481	52,662
	107,626	79,831	338,652	322,370
Adjustment to prior year provision	-	-	-	12,842
Deferred taxation	12,747	(17,929)	23,761	4,435
	120,373	61,902	362,413	339,647



**SEPROD LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION UNAUDITED**  
 30 SEPTEMBER 2012  
 (expressed in Jamaican dollars unless otherwise indicated)

	<b>Unaudited</b> <b>30/09/12</b> <b>\$'000</b>	<b>Audited</b> <b>31/12/11</b> <b>\$'000</b>
<b>NET ASSETS EMPLOYED</b>		
Fixed assets	3,818,572	3,492,698
Intangible assets	28,092	29,997
Available-for-sale investments	1,004,789	1,054,699
Investment in associates	1,289,945	-
Long term receivables	233,819	698,171
Retirement benefit asset	21,700	21,700
Biological asset	241,937	223,830
Deferred tax	-	-
	<b>6,638,854</b>	<b>5,521,095</b>
<b>Current Assets</b>		
Inventories	1,798,178	1,553,417
Biological assets	369,447	349,917
Receivables	2,439,477	2,456,696
Available-for-sale investments	152,024	265,341
Current portion of long term receivables	-	456,047
Cash and bank balances	160,443	249,926
	<b>4,919,569</b>	<b>5,331,344</b>
<b>Current Liabilities</b>		
Payables	1,239,738	798,753
Demand loan	760,383	800,000
Current portion of long term liabilities	91,627	348,780
Taxation	61,872	27,129
	<b>2,153,620</b>	<b>1,974,662</b>
<b>Net Current Assets</b>	<b>2,765,949</b>	<b>3,356,682</b>
	<b>9,404,803</b>	<b>8,877,777</b>
<b>Equity Attributable to Stockholders of the Company</b>		
Share Capital	561,287	561,287
Capital Reserves	927,937	921,943
Retained Earnings	7,022,514	6,588,910
	<b>8,511,738</b>	<b>8,072,140</b>
<b>Non-controlling Interest</b>	<b>(38,314)</b>	<b>(17,196)</b>
	<b>8,473,424</b>	<b>8,054,944</b>
<b>Non-current Liabilities</b>		
Long Term Liabilities	484,812	400,000
Deferred Tax	354,167	330,433
Retirement Benefit Obligations	92,400	92,400
	<b>931,379</b>	<b>822,833</b>
	<b>9,404,803</b>	<b>8,877,777</b>

Approved on behalf of the Board:

P. B. Scott  
(Chairman)

Dr R. A. Jones  
(Vice Chairman)

B. E. Thompson  
(Chief Executive Officer)

**SEPROD LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED )**  
**For the nine months ended September 30, 2012**  
(expresses in Jamaican dollars unless otherwise indicated)

(Nine months ending 30th September)

	2012 \$'000	2011 \$'000
<b>CASH RESOURCES WERE PROVIDED BY/(USED IN):</b>		
<b>Operating Activities</b>		
Net profit	673,304	568,736
Items not affecting cash resources:		
Amortisation of intangible assets	1,905	1,906
Depreciation	271,829	223,934
Taxation	(362,413)	339,647
	584,625	1,134,223
Changes in operating assets and liabilities:		
Inventories	(244,761)	(194,563)
Accounts receivable	17,219	(51,107)
Biological assets	(37,637)	(110,213)
Accounts payable	442,968	154,101
	762,414	932,441
Taxation paid	420,890	(398,060)
Cash provided by/(used in) operating activities	1,183,304	534,381
<b>Investing Activities</b>		
Purchase of fixed assets	(597,473)	(644,619)
(Loss)/Net Gain on disposal of fixed assets	(201)	6,499
Investments in securities, net	167,005	659,693
Investment in associates	(1,289,945)	
Long term notes received	920,399	31,316
Cash (used in)/provided by investing activities	(800,215)	52,889
<b>Financing Activities</b>		
Short term loan received/repaid	(257,153)	-
Long term loan received	84,812	100,000
Long Term Loan Repaid	-	(330,473)
Dividends paid	(260,617)	(258,199)
Demand loan repaid	(39,617)	-
Cash used in financing activities	(472,575)	(488,672)
Increase/(decrease) in cash and cash equivalents	(89,486)	98,598
Cash and cash equivalents at beginning of year	249,929	182,198
<b>CASH AND CASH EQUIVALENT AT END OF PERIOD</b>	<b>160,443</b>	<b>280,796</b>



**SEPROD LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**  
(expressed in Jamaican dollars unless otherwise indicated)

	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

	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	-	-	5,994	694,422	700,416	(21,118)	679,298
Dividend Payment				(260,818)	(260,818)		(260,818)
Balance at 30 September 2012	516,398	561,287	927,937	7,022,514	8,511,738	(38,314)	8,473,424

**SEPROD LIMITED**  
**UNAUDITED GROUP FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**  
**INFORMATION ABOUT BUSINESS SEGMENTS**

(expressed in Jamaican dollars unless otherwise indicated)  
(\$000)

	Manufacturing		Distribution		Eliminations		Consolidated	
	9/30/2012	9/30/2011	9/30/2012	9/30/2011	9/30/2012	9/30/2011	9/30/2012	9/30/2011
<b>REVENUE</b>								
External sales	6,547,270	5,506,583	3,440,975	3,304,949			9,988,245	8,811,532
Inter-segment sales	2,405,424	2,462,225	-	-	(2,405,424)	(2,462,225)		
Total revenue	<u>8,952,694</u>	<u>7,968,808</u>	<u>3,440,975</u>	<u>3,304,949</u>	<u>(2,405,424)</u>	<u>(2,462,225)</u>	<u>9,988,245</u>	<u>8,811,532</u>
<b>RESULTS</b>								
Segment result	<u>1,124,772</u>	<u>879,267</u>	<u>157,456</u>	<u>155,577</u>			<u>1,282,228</u>	<u>1,034,844</u>
Unallocated corporate expenses							<u>(166,043)</u>	<u>(80,857)</u>
Operating profit	<u>1,124,772</u>	<u>879,267</u>	<u>157,456</u>	<u>155,577</u>	-	-	<u>1,116,184</u>	<u>953,987</u>
Finance costs	<u>(80,467)</u>						<u>(80,467)</u>	<u>(45,604)</u>
Income taxes							<u>(362,413)</u>	<u>(339,647)</u>
Net Profit	<u>1,044,305</u>	<u>879,267</u>	<u>157,456</u>	<u>155,577</u>	-	-	<u>673,304</u>	<u>568,736</u>
<b>OTHER INFORMATION</b>								
Segment assets	6,963,145	13,634,390	189,545	816,588	-	-	7,152,690	14,450,978
Unallocated corporate assets							4,405,733	(4,675,026)
Total consolidated assets							<u>11,558,423</u>	<u>9,775,952</u>
Segment liabilities	(1,065,657)	(2,827,920)	(130,942)	(90,757)	-	-	(1,196,599)	(2,918,677)
Unallocated corporate liabilities							(1,888,380)	1,291,270
Total consolidated liabilities							<u>(3,084,979)</u>	<u>(1,627,407)</u>
Capital expenditure	572,805	680,386	6,395	8,237			579,200	688,623
Unallocated capital expenditure							18,273	59,710
Total capital expenditure							<u>597,473</u>	<u>748,333</u>
Depreciation	257,440	208,983	1,887	1,974			259,327	210,957
Unallocated depreciation							12,502	12,977
Total depreciation							<u>271,829</u>	<u>223,934</u>