



SALADA FOODS JAMAICA LIMITED
UNAUDITED FINANCIAL STATEMENTS TO STOCKHOLDERS
Directors' Statement

The Directors are pleased to present the unaudited financial statements of the Group for the first quarter ended December 31, 2012.

	Quarter (\$ Millions)		
	31/12/2012	31/12/2011	% Chg
Sales	152.9	119.9	27.5%
Gross Profit	61.0	51.0	19.6%
Selling & Promotional Expenses	9.4	5.4	(74.1%)
Administrative Expenses	24.7	20.6	(19.9%)
Interest Income	4.3	3.6	19.4%
Profit Before Tax	35.2	28.8	22.2%
Profit After Tax	25.6	19.2	33.3%
EPS Unit Cents	0.25	0.18	38.9%

Profit before tax was \$35.2 million versus \$28.8 million for the corresponding quarter of 2011. This increase for the quarter resulted from increased sales, with the company's realignment in its advertising and promotional strategy and continued focus on the growth of its export market.

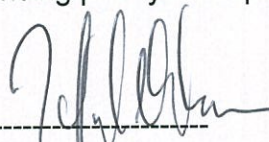
The turnover for the quarter moved from \$119.9 million to \$152.9 million, a 27.5% increase over the corresponding period. The cost of sales ratio for the quarter was 60.4% compared with 57.4% for the quarter ended December 31, 2011. Gross Profit for the quarter moved from \$51.0 million to \$61.0 million an increase of 19.6%.

Selling & promotional expenses for the quarter of \$9.4 million were \$4.0 million more than the previous comparative quarter. A new media campaign in both the domestic and export market was the main driver of this increase. Administrative expenses of \$24.7 million were 19.9% above the \$20.6 million incurred in the previous year's corresponding quarter; this included \$3.7 million of expenses attributable to the addition of the company's new subsidiary Mountain Peak Food Processors Limited which is not yet revenue generating.

The Group earned interest income of \$4.3 million for the quarter, a 19.4% increase in comparison to the prior year's interest income of \$3.6 million. Increased interest income resulted from an increase in short term deposits.

Net profit attributable to stockholders was \$25.6 million for the quarter ended December 31, 2012 compared with \$19.2 million for the corresponding prior year's quarter. This equates to earnings per stock unit (EPS) of 25 cents for the quarter versus 18 cents per stock unit for the corresponding prior year's quarter, an increase of 38.9%.


John Bell - Chairman


Jeffrey Cobham - Director

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Comprehensive Income
For Three Months ended December 31, 2012

	Unaudited \$'000 Dec-12	Unaudited \$'000 Dec-11
Continuing operations		
Turnover	152,878	119,896
Cost of Sales	<u>(91,783)</u>	<u>(68,862)</u>
Gross Profit	61,095	51,034
Other Operating Income	3,874	192
Selling and Promotional Expenses	<u>(9,356)</u>	<u>(5,402)</u>
Administrative Expenses	<u>(24,767)</u>	<u>(20,642)</u>
Results from operating activities	<u>30,846</u>	<u>25,182</u>
Interest income	4,324	3,588
Profit before tax	<u>35,170</u>	<u>28,770</u>
Taxation	<u>(9,548)</u>	<u>(9,590)</u>
Total comprehensive income for the quarter	<u>25,622</u>	<u>19,180</u>
Attributable to:		
Stockholders of the company	25,622	19,180
Non-controlling interest	<u>(755)</u>	<u>-</u>
	<u>24,867</u>	<u>19,180</u>
Continuing operations		
Earnings per stock unit	\$0.25	\$0.18
No. of stock units issued	103,883,300	103,883,300

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Financial Position

	Unaudited	Unaudited	Audited
	31 Dec 2012	31 Dec 2011	30 September 2012
	S'000	S'000	S'000
Assets			
PROPERTY, PLANT & EQUIPMENT	98,357	34,147	87,241
INVESTMENT	15,000	0	15,000
POST RETIREMENT BENEFITS ASSET	53,485	45,222	53,485
Total current assets			
INVENTORIES	224,252	254,079	217,295
RECEIVABLES	110,353	121,690	150,455
CASH AND DEPOSITS	289,221	224,454	267,234
TOTAL CURRENT ASSETS	623,826	600,223	634,984
Total current liabilities			
PAYABLES	30,525	70,588	54,656
TAXATION PAYABLE	40,659	18,877	41,437
TOTAL CURRENT LIABILITIES	71,184	89,465	96,093
NET CURRENT ASSETS	552,642	510,758	538,891
Total assets	719,484	590,127	694,617
EQUITY			
SHARE CAPITAL	73,216	73,216	73,216
CAPITAL RESERVES	16,275	16,275	16,275
RETAINED EARNINGS	591,173	472,653	565,551
NON-CONTROLLING INTEREST	680,664	562,144	655,042
	6,836	0	7,591
	687,500	562,144	662,633
POST RETIREMENT BENEFITS OBLIGATION	20,880	18,563	20,880
DEFERRED TAX LIABILITY	11,104	9,420	11,104
Total equity attributable to equity holders of the Company	719,484	590,127	694,617

Approved:

Chairman

John Bell

Director

Jeffrey Cobham

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Changes in Equity
 Attributable to Equity Holders of the Company
 For Three Months ended 31 December, 2011

	No. of Shares	Share Capital	Capital Reserve	Retained Earnings	Non-controlling Interest	Total
	000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2011	103,883	73,216	16,275	453,473		542,964
Total comprehensive income for the quarter				19,180		19,180
Balance at 31 December 2011	103,883	73,216	16,275	472,653	-	562,144

For Three Months ended 31 December, 2012

	No. of Shares	Unaudited Share Capital	Capital Reserve	Retained Earnings	Non-controlling Interest	Total
	000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2012	103,883	73,216	16,275	565,551	7,591	662,633
Total comprehensive income for the quarter				25,622	(755)	24,867
Balances at 31 December 2012	103,883	73,216	16,275	591,173	6,836	687,500

SALADA FOODS JAMAICA LIMITED
Consolidated Statement of Cash Flows
For Three Months ended 31 December, 2012

	Unaudited	Unaudited
	31-Dec	31-Dec
	2012	2011
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive income for the quarter	24,867	19,180
Adjustment for items not involving cash		
Depreciation	3,136	1,162
	28,003	20,342
Changes in non-cash working capital components:		
Change in Inventories	(6,957)	(46,844)
Change in Receivables	40,102	(19,345)
Change in Payables and accruals	(24,131)	16,524
Income Tax Expense	(778)	8,573
NET CASH FROM OPERATING ACTIVITIES	36,239	(20,750)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(14,252)	(4,303)
NET CASH USED IN INVESTING ACTIVITIES	(14,252)	(4,303)
NET DECREASE/(INCREASE) IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at 1 October	267,234	249,507
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	289,221	224,454

SALADA FOODS JAMAICA LIMITED

Notes to the Financial Statements
Period ended December 31, 2012

1. Identification and Basis of preparation

Salada Foods Jamaica Limited (“the company”) is incorporated and domiciled in Jamaica. Its principal activity is the manufacture and sale of instant coffee and roasted and ground coffee beans. The company and its subsidiaries are collectively referred to as the “group”. The company’s registered office is located at 20 Bell Road, Kingston 11 Jamaica, W.I.

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

The financial statements are presented in Jamaican dollars (\$), which is the functional currency of the company.

The financial statements are prepared on the historical cost basis.

Where necessary, prior period comparatives have been reclassified to conform to current period presentation.

The same accounting policies and methods of computation are followed in the interim financial statements, as were followed in the most recent annual financial statements.

2. Statement of compliance, and significant accounting policies

(a) Property, plant & equipment:

- (i) Property, plant & equipment are stated at historical cost or deemed cost, less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The cost of day-to-day servicing of property, plant and equipment is recognised in the income statement.



SALADA FOODS JAMAICA LIMITED

Notes to the Financial Statements (Continued)
Period ended December 31, 2012

Depreciation:

- (ii) Depreciation is computed on a straight-line basis at annual rates estimated to write down the property, plant & equipment to their estimated residual values at the end of their expected useful lives. No depreciation is charged on freehold land or capital work-in-progress. Annual depreciation rates are as follows:

Buildings	2.5 - 6.5%
Machinery and equipment	2.5 - 20%
Motor vehicles	20%

The depreciation methods, useful lives and residual values are reassessed at the reporting date.

- (b) Inventories:

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis. The cost of finished goods and work-in-progress comprises raw and packaging materials, direct labour, other direct costs and a proportion of related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of other inventories is based on the FIFO principle and includes expenses incurred in acquiring and bringing them to their existing location and condition.

- (c) Accounts receivable:

Trade and other receivables are stated at amortised cost, less impairment losses.

- (d) Cash and cash equivalents:

Cash and cash equivalents comprise cash and bank balances, short-term investments and other monetary instruments with maturities ranging between one and twelve months from the statement of financial position date.

- (e) Accounts payable:

Trade and other payables are stated at amortised cost.



SALADA FOODS JAMAICA LIMITED

Notes to the Financial Statements (Continued)
Period ended December 31, 2012

(f) Revenue:

Revenue from the sale of goods is recognised in the income statement when the Significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or material associated costs on the possible return of goods.

(g) Income tax:

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the statement of financial position date.

The rate of taxation for the year ending 30/9/2013 will be 25% (2012 – 33.33%).

(h) Segment reporting:

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available.

Based on the information presented to and reviewed by the CODM, the entire operations of the company are considered as one operating segment.

**LIST OF SHAREHOLDERS
AS AT 31 DECEMBER 2012**

10 LARGEST SHAREHOLDERS

Shareholders	Shareholding
RESOURCE IN MOTION LIMITED	59,284,630
AIC (JAMAICA) LIMITED	8,988,120
DONWIS LIMITED	7,504,280
IDEAL PORTFOLIO SERVICES COMPANY LIMITED	2,837,634
IDEAL BETTING COMPANY LIMITED	2,755,310
IDEAL GROUP CORPORATION LIMITED	2,726,000
IDEAL FINANCE CORPORATION LIMITED	2,620,000
JCSD TRUSTEE SERVICES LTD. A/C #76579-02	1,957,170
JAMAICAN TEAS LIMITED BUYING ACCOUNT	1,800,000
DONOVAN A. LEWIS	1,677,400

SHAREHOLDINGS OF DIRECTORS' & CONNECTED PARTIES

AS AT 31 DECEMBER 2012

Directors	Total Shareholding	Direct	Connected
Bell, John	0	0	0
Bernard, Michael	0	0	0
Cobham, Jeffrey	0	0	0
Hill, Aubyn	0	0	0
Lewis, Kathryn	80,018,854	1,000	80,017,854
Nelson-Brown, Keshia	0	0	0
Stultz, Eric	0	0	0
Williams, Patrick	0	0	0

SENIOR MANAGEMENT HOLDINGS

AS AT 31 DECEMBER 2012

Senior Managers	Shareholding
Glover, M. Olivia	0
Price, Kevin	10,000
Rodney, Julian	0
Wong, Bernadette	0