BERGER PAINTS JAMAICA LIMITED

SIX MONTH PERIOD ENDED JUNE 30, 2004

PROFIT AND LOSS ACCOUNT

	QUARTER ENDED JUNE,2004 $'000	QUARTER ENDED JUNE 2003 $'000	SIX MONTHS ENDED JUNE 2004 $'000	SIX MONTHS ENDED JUNE 2003 $'000
Sales (net of discount and rebates)	223,752	202,252	445,677	391,940
Profit from operations	15,274	16,816	33,435	25,631
Income from investments	162	2,675	1,086	4,539
Finance costs	(6)		(8)	
PROFIT BEFORE TAXATION	15,430	19,491	34,513	30,170
Taxation	(5,143)	(6,496)	(11,502)	(10,041)
NET PROFIT	10,287	12,995	23,011	20,129
Earnings per stock unit of 50 cents	4.8c	6.1c	10.8c	9.4c

BALANCE SHEET AS AT JUNE 30,2004

	(Unaudited) JUNE 30,2004 $'000	(Unaudited) JUNE 30,2000 $'000	(Audited) DECEMBER 31,2003 $'000
ASSETS			
Non-current assets			
Fixed assets	101,335	104,605	102,529
Long-term receivables	239	175	273
Post employment benefits	3,441		3,441
	105,015	104,780	106,243
Current assets	457,916	453,735	554,610
Total assets	562,931	558,515	660,853
	========	========	========
EQUITY AND LIABILITIES			
Shareholders Equity			
Share capital	107,161	107,161	107,161
Share premium	34,632	34,632	34,632
Revaluation reserve	41,066	41,066	41,066
Proposed dividend			43,162
Revenue reserve			
Profit and loss account	237,324	221,251	214,313
	420,183	404,110	440,334
Non-current liabilities			
Post employment benefits	-	1,538	-
Deferred tax liabilities	7,663	5,449	7,663
Provision	8,380	2,597	4,100

	16,043	9,584	11,763
Current Liabilities	126,705	144,821	208,756
Total equity and liabilities	562,931	558,515	660,853
	========	========	========

STATEMENT OF CHANGES IN EQUITY

SIX MONTHS ENDED JUNE 30,2004

	Share Capital $'000	Share Premium $'000	Revaluation Reserve $'000	Proposed Dividends $'000	Revenue Reserve Profit and Loss Account $'000	Total $'000
Balance at January 1, 2004	107,161	34,632	41,066	43,162	214,313	440,334
Net Profit for the year					23,011	23,011
Dividend approved at Annual General Meeting				(43,162)		(43,162)
Balance at JUNE 30, 2004	107,161	34,632	41,066	-	237,324	420,183
	========	========	========	=======	========	========

STATEMENT OF CASH FLOWS

	JUNE 2004 $'000	JUNE 2003 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	23,011	20,129
Non- cash items included in net profit	6,862	6,215
	29,873	26,344
Decrease in operating assets	43,197	32,386
(Decrease) increase in operating liabilities	(97,750)	(39,153)
Cash provided (used) in operating activities	(24,680)	19,577
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash (used) provided by investing activities	(5,659)	(3,274)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash used in financing activities	(22,919)	(52,230)
NET (DECREASE) INCREASE IN CASH AND BANK BALANCES	(53,258)	(35,927)
OPENING CASH AND BANK BALANCES	122,846	120,951
CLOSING CASH AND BANK BALANCES	69,588	85,024
	========	========

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS). They have been prepared under the historical cost convention as modified by the revaluation of the available-for-sale investment.

2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost. As allowed under IFRS 1 freehold land and buildings are shown at deemed cost based on an independent valuation carried out prior to the transition to IFRS.

3. INVESTMENTS

Investments are recognised on a trade-date basis and are initially measured at cost, including transaction costs.

Investments classified as available for sale are measured at subsequent reporting dates at fair value. Gains and losses arising from changes in fair values are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the net profit or loss for the period.

4. CASH AND BANK BALANCES

For the purposes of the statement of cash flows, cash and bank balances comprises cash at bank and in hand, net of bank overdraft.

5. PROVISIONS

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be determined.

6. EMPLOYEE BENEFITS

An accrual is made for the cost of vacation leave earned but not taken in respect of services rendered by employees up to the reporting date.

7. POST EMPLOYMENT BENEFITS

The company operates a defined benefits pension plan. The cost of providing benefits is determined using the Projected Unit Credit Method with actuarial valuations being carried out each balance sheet date. Actuarial gains and losses that exceed 10% of the greater of the present value of the company's defined benefit obligation and the fair value of plan assets are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

The post employment benefits recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognized past service costs, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

8. DEFERRED TAXATION

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

9. DEFERRED TAXATION (Cont'd)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

10. COMPARATIVE INFORMATION

Where necessary, comparative figures have been reclassified and/or restated to conform with changes in presentation in the current year.