

# **SALADA FOODS JAMAICA LIMITED**

## **UNAUDITED ACCOUNTS TO STOCKHOLDERS**

The Directors are pleased to present the Unaudited Accounts of the Group for the quarter ended December 31, 2006.

For the quarter, gross profit at \$32 million was \$8.5 million or 36% more than the prior year's \$23.5 million. When expressed as a percentage of turnover the margin increased from 34% in December 2005 to 42% in December 2006. This improvement resulted largely from operating efficiencies and increased sales.

The turnover for the period was \$76.5 million a \$6.6 million or 9.4% increase over the prior year's \$69.9 million. The cost of sales decreased by 4% or \$1.9 million (from \$46.3 to \$44.4 million) when compared to the quarter ended December 2005.

Selling & Promotional expenses of \$2.5 million was less than the previous comparative period of \$4.4 million. Administrative expenses of \$14.1 million increased by \$3 million or 27% more than the previous year of \$11.1 million. As a percentage of sales these expenses combined remained at approximately 22% for both periods

The group earned interest income of \$2.3 million compared to \$1.4 million previously. This resulted from increased funds on deposit.

The Group made a net profit of approximately \$12.7 million compared to \$6.5 million for the previous period, an increase of \$6.2 million or 95%. This equates to earnings per share (EPS) of 1.22 cents up from 0.63 cents.

**SALADA FOODS JAMAICA LIMITED**  
**Unaudited Group Balance Sheet**

	Unaudited	Unaudited	Audited
	31 Dec 2006	31 Dec 2005	30 September 2006
	\$'000	\$'000	\$'000
<u>NET CAPITAL EMPLOYED</u>			
FIXED ASSETS	42,070	49,455	43,732
INVESTMENT IN SUBSIDIARIES	0	0	
DEFERRED TAX ASSET	503	697	503
RETIREMENT BENEFIT ASSET	20,289	18,895	20,288
CURRENT ASSETS			
INVENTORIES	57,307	58,296	65,600
TAXATION RECOVERABLE	8,277	6,352	
RECEIVABLES	33,171	35,889	29,260
CASH AND DEPOSITS	116,875	66,038	96,405
TOTAL CURRENT ASSETS	<u>215,631</u>	<u>166,575</u>	<u>191,265</u>
CURRENT LIABILITIES:			
PAYABLES	16,985	32,209	19,365
TAXATION PAYABLE	22,782	1,987	8,973
BANK OVERDRAFT	0	0	260
CURRENT PORTION LONG TERM LOANS	5,354	5,354	5,512
TOTAL CURRENT LIABILITIES	<u>45,121</u>	<u>39,550</u>	<u>34,110</u>
NET CURRENT ASSETS	170,509	127,025	157,155
TOTAL NET ASSETS	<u><b>233,370</b></u>	<u><b>196,072</b></u>	<u><b>221,678</b></u>
<u>REPRESENTED BY</u>			
SHARE CAPITAL	5,194	5,194	5,194
SHARE PREMIUM	68,022	68,022	68,022
CAPITAL RESERVES	16,275	16,275	16,275
RETAINED EARNINGS	128,708	90,318	115,958
	<u>218,199</u>	<u>179,809</u>	<u>205,449</u>
LONG TERM LIABILITIES	11,204	16,263	12,262
DEFERRED TAX LIABILITY	3,967	0	3,967
CAPITAL EMPLOYED	<u><b>233,370</b></u>	<u><b>196,072</b></u>	<u><b>221,678</b></u>

Approved:

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Director

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Director

**SALADA FOODS JAMAICA LIMITED**  
**Unaudited Group Profit and Loss Account**  
**For 3 months ended December 31, 2006**

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	\$'000	\$'000
Turnover	76,497	69,875
Cost of Sales	(44,490)	(46,342)
Gross Profit	<u>32,008</u>	<u>23,533</u>
Other Income	2,394	1,445
Selling and Promotional Expenses	(2,548)	(4,434)
Administrative Expenses	(14,128)	(11,073)
Operating Profit	<u>17,725</u>	<u>9,471</u>
Misc income/(charge)	1,399	346
Profit before Taxation	<u><b>19,124</b></u>	<u><b>9,817</b></u>
Taxation	(6,375)	(3,272)
Net Profit Attributable to Stockholders	<u><u><b>12,749</b></u></u>	<u><u><b>6,545</b></u></u>
Earnings per share	Cents 122.73	Cents 63.00
No. of shares Issued	10,388,330	10,388,330

**SALADA FOODS JAMAICA LIMITED**  
**Unaudited Group Statement of Changes in Equity**  
**For 3 months ended 31 December, 2006**

	No. of Shares	Share Capital	Share Premium	Capital Reserve	Retained Earnings	Total
	000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 October 2006</b>	10,388	5,194	68,022	16,275	115,958	205,449
Net profit	-	-	-	-	12,749	12,749
<b>Balance at 30 December 2006</b>	10,388	5,194	68,022	16,275	128,707	218,198

**SALADA FOODS JAMAICA LIMITED**  
**Group statement of cash flows**  
**For 3 months ended 31 December , 2006**

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	<b>Unaudited</b>	<b>Unaudited</b>
	<b>31-Dec</b>	<b>31-Dec</b>
	<b>2006</b>	<b>2005</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) after taxation	12,749	6,545
Adjustment for items not involving cash		
Depreciation	2,312	2,308
Foreign Exchange (gains)/losses on long term loans	168	350
	15,229	9,203
Changes in non-cash working capital components:		
Inventories	8,293	(820)
Receivables	(3,911)	(12,041)
Payables and accruals	(2,380)	1,955
Taxation	5,532	3,781
CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	22,763	2,078
<b>INVESTING ACTIVITIES</b>		
Proceeds from sale of fixed assets		0
Purchase of fixed assets	(649)	(1,087)
CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(649)	(1,087)
<b>FINANCING ACTIVITIES</b>		
Long term loans - net	(1,384)	(1,354)
CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	(1,384)	(1,354)
<b>INCREASE IN NET CASH BALANCES</b>	20,730	(363)
Net cash balances at the beginning of the period	96,145	66,402
<b>INCREASE IN NET CASH BALANCE AT END OF PERIOD</b>	116,875	66,039