

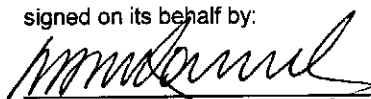
The Directors of
LASCELLES, deMERCADO & CO. LIMITED
are pleased to report the consolidated unaudited results
for the Nine Months Ended June 30, 2008 as follows:

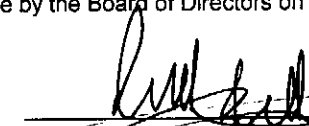
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Group Balance Sheet
June 30, 2008

	Unaudited 30/6/2008	Unaudited 30/6/2007	Audited 30/9/2007
	\$000s	\$000s	\$000s
Current assets:			
Cash and cash equivalents	3,318,847	3,053,613	3,212,110
Short-term investments	1,658,720	1,608,624	1,080,982
Accounts receivable	3,936,132	2,795,866	3,278,301
Reinsurance assets	1,115,461	1,006,374	1,041,430
Taxation recoverable	315,761	245,672	309,171
Inventories	6,700,124	5,404,860	5,906,158
Biological assets	272,824	115,999	155,325
	<u>17,317,869</u>	<u>14,231,008</u>	<u>14,983,477</u>
Current liabilities:			
Bank loans & overdrafts	377,412	132,681	187,399
Unsecured loans	480,317	488,020	493,850
Current maturities of long term liabilities	72,672	50,558	50,995
Accounts payable	2,966,053	2,342,122	3,397,159
Insurance contract provisions	2,893,650	2,575,812	2,654,406
Taxation payable	443,010	224,573	166,356
	<u>7,233,114</u>	<u>5,813,766</u>	<u>6,950,165</u>
Net current assets	10,084,755	8,417,242	8,033,312
Non-current assets:			
Employee benefits assets	2,405,900	2,150,700	2,405,900
Investments	10,829,590	7,879,020	10,028,218
Interest in associated companies	10,752	9,866	10,752
Intangible assets	105,481	105,481	105,481
Property, plant & equipment	3,585,058	3,302,653	3,378,215
Deferred tax assets	9,967	99,375	10,443
	<u>16,946,748</u>	<u>13,547,095</u>	<u>15,939,009</u>
	<u>27,031,503</u>	<u>21,964,337</u>	<u>23,972,321</u>
Financed by:			
Stockholders' equity	25,630,049	20,549,049	22,532,031
Non-current liabilities:			
Employee benefits liabilities	366,016	307,900	354,900
Long term liabilities	18,223	74,968	61,168
Deferred tax liabilities	1,017,215	1,032,420	1,024,222
	<u>27,031,503</u>	<u>21,964,337</u>	<u>23,972,321</u>

Approved for release to the Jamaica Stock Exchange by the Board of Directors on July 25, 2008 and signed on its behalf by:


Director
William A. McConnell


Director
Anthony J. Bell

Statement of Changes in Stockholders' Equity
June 30, 2008

	Share capital \$000s	Capital reserve \$000s	Unappropriated profits \$000s	Total \$000s
Unaudited				
Balances at September 30, 2007 (audited)	20,400	14,849,636	7,661,995	22,532,031
Net profit attributable to members			2,436,687	2,436,687 (a)
Changes in fair value of investments		1,099,802		1,099,802 (a)
Released on sale of investments		(500,635)		(500,635) (a)
Dividends and distributions paid			(81)	(81)
Transfers, net		44,398	(44,398)	- (a)
Translation adjustment arising on consolidation of foreign subsidiaries		62,245		62,245 (a)
June 30, 2008	<u>20,400</u>	<u>15,555,446</u>	<u>10,054,203</u>	<u>25,630,049</u>
Unaudited				
Balances at September 30, 2006 (audited)	20,400	12,910,698	5,581,899	18,512,997
Net profit attributable to members			1,793,813	1,793,813 (a)
Changes in fair value of investments		432,347		432,347 (a)
Released on sale of investments		(7,446)		(7,446) (a)
Dividends and distributions paid			(192,081)	(192,081)
Transfers, net		40,931	(40,931)	- (a)
Translation adjustment arising on consolidation of foreign subsidiaries		9,419		9,419 (a)
June 30, 2007	<u>20,400</u>	<u>13,385,949</u>	<u>7,142,700</u>	<u>20,549,049</u>
Recognised gains:				
	Unaudited	Unaudited		
	<u>30/6/2008</u>	<u>30/6/2007</u>		
(a) Total recognised gains for the period (\$' 000)	<u>3,098,100</u>	<u>2,228,133</u>		
(b) Recognised gains per ordinary stock unit (\$)	<u>32.27</u>	<u>23.21</u>		

Group Income Statement
 Nine Months Ended June 30, 2008

	Unaudited		Unaudited	
	Nine Months Ended		Three Months Ended	
	30/6/2008	30/6/2007	30/6/2008	30/6/2007
	\$000s	\$000s	\$000s	\$000s
Operating revenue	17,935,242	15,563,658	5,905,070	5,386,945
Cost of operating revenue	<u>10,978,532</u>	<u>9,757,937</u>	<u>3,300,695</u>	<u>3,293,375</u>
Gross profit	6,956,710	5,805,721	2,604,375	2,093,570
Administrative, marketing and selling expenses	<u>4,480,053</u>	<u>4,044,643</u>	<u>1,287,775</u>	<u>1,512,755</u>
Operating profit	2,476,657	1,761,078	1,316,600	580,815
Other income	<u>146,211</u>	<u>104,884</u>	<u>59,955</u>	<u>33,691</u>
Profit before net finance income and taxation	2,622,868	1,865,962	1,376,555	614,506
Net finance income	<u>306,194</u>	<u>318,950</u>	<u>136,346</u>	<u>109,625</u>
Profit before taxation	2,929,062	2,184,912	1,512,901	724,131
Taxation	<u>(492,375)</u>	<u>(391,099)</u>	<u>(254,318)</u>	<u>(129,619)</u>
Net profit attributable to members	<u>2,436,687</u>	<u>1,793,813</u>	<u>1,258,583</u>	<u>594,512</u>
Earnings per ordinary stock unit	<u>\$25.38</u>	<u>\$18.68</u>	<u>\$13.11</u>	<u>\$6.19</u>

Group Statement of Cash Flows
 Nine Months Ended June 30, 2008

	Unaudited	
	30/6/2008	30/6/2007
	\$000s	\$000s
Cash flows from operating activities:		
Profit for the period attributable to the group	2,436,687	1,793,813
Items not affecting cash	594,132	448,631
	<u>3,030,819</u>	<u>2,242,444</u>
Decrease in non-cash working capital	(2,085,539)	(853,472) *
Cash provided by operating activities	945,280	1,388,972 *
Cash used by investing activities	(993,673)	(294,646) *
Cash provided by financing activities	19,567	7,294
Cash (used) / provided before dividend and distribution	<u>(28,826)</u>	<u>1,101,620</u>
Dividends and distributions paid	<u>(81)</u>	<u>(192,081)</u>
Net (decrease) / increase in cash and cash equivalents	(28,907)	909,539
Net cash and cash equivalents at beginning of year	3,120,936	2,140,296
Net cash and cash equivalents at end of period	<u><u>3,092,029</u></u>	<u><u>3,049,835</u></u>
Comprised of:		
Cash and bank balances	1,574,850	1,196,611
Short term deposits and monetary instruments	1,743,997	1,857,002
	<u>3,318,847</u>	<u>3,053,613</u>
Less: Bank overdrafts	<u>(226,818)</u>	<u>(3,778)</u>
	<u><u>3,092,029</u></u>	<u><u>3,049,835</u></u>

* Reclassified to conform to current period's presentation

1. General

Lascelles, deMercado & Co. Limited is incorporated in Jamaica under the Companies Act and is domiciled in Jamaica. Its ordinary and preference stock units are listed on the Jamaica Stock Exchange. Certain members of Board of Directors control 50.76% of the voting rights in the company. The registered office of the company is situated at 23 Dominica Drive, Kingston 5.

The principal activities of the company are the provision of management services to its subsidiaries and the holding of investments. The company and its subsidiaries are collectively referred to as "group".

The activities of the company are organised into the following primary segments:

- (i) Liquor, rums, wines and sugar: This includes cane cultivation, sugar manufacturing, distillation, ageing, blending, bottling, distribution and export of alcohol, rums, wines and other liquor based products.
- (ii) General merchandise: This includes the manufacture, the wholesale and retail merchandising of provisions, household goods and electronic telephone cards, and the manufacture and distribution of pharmaceutical preparations and agricultural chemicals.
- (iii) General insurance: This comprises the underwriting of property, casualty and other general insurance risks and the holding of investments.
- (iv) Investments: This primarily comprises the holding of investments.
- (v) Transportation services: This includes aircraft handling, distribution of motor vehicles and spares, servicing and repair of motor vehicles.

Segment information is set out in note 6 below.

2. Statement of compliance and basis of preparation

The 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 Companies Act.

These financial statements have been prepared using the same accounting policies and methods of computation as compared with the audited financial statements for the year ended September 30, 2007.

These financial statements are presented in Jamaica dollars (\$), which is the functional currency of the company i.e. the currency in which it conducts the majority of its operations and formulates economic decisions.

2. Statement of compliance and basis of preparation, cont'd

The financial statements are prepared using the historical cost basis, modified for the inclusion of available-for-sale investments at fair value.

The accounting policies have been applied consistently by the company and its subsidiaries. Where necessary, prior period comparatives have been reclassified to conform to current period presentation.

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the balance sheet date, and the income and expense for the year. Actual amounts could differ from these estimates.

The consolidated financial statements comprise the financial results of the company and its subsidiaries prepared to June 30, 2008 and include the group's share in associates, of the total recognised gains and losses on an equity accumulated basis.

3. Revenue recognition

- 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.
- The proceeds from the sale of the sugarcane crop of the group's estates are recognised in accordance with the accounting practices of the Jamaican sugar industry. Revenue relating to the current crop of cane is estimated based on the latest available prices and any differences arising on final settlement are consistently accounted for in subsequent periods.
- Premium and commission income is recognized over the period of insurance policies written. Unearned premiums and commissions are calculated on the twenty-fourths method in accordance with industry practice.
- Interest and other investment income are recognised on the accrual basis on the effective interest rate basis, except when collectibility is considered doubtful.
- Dividend income is recognised in the income statement on the date of declaration.

4. Other income

Other Income is comprised mainly of gains and losses on disposal of investments and fixed assets. It also includes rental and other miscellaneous income.

5. Net finance income

This is comprised of interest income, interest expense, bank charges and net gains on foreign exchange.

6. Segment financial information

A segment is a distinguishable component of the group that is engaged either in providing products (business segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Segment information is presented in respect of the group's business segments. This format is based on the Group's management and internal reporting structure. Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Notes to the Abridged Financial Statements (unaudited), cont'd
June 30, 2008

6. Segment financial information, cont'd

Business segments:

	June 30, 2008						<u>Total</u> \$'000
	<u>Liquors, Rums</u> <u>Wines and Sugar</u> \$'000	<u>General</u> <u>Merchandise</u> \$'000	<u>General</u> <u>Insurance</u> \$'000	<u>Investments</u> \$'000	<u>Transportation</u> <u>Services</u> \$'000	<u>Eliminations</u> \$'000	
Revenue							
External	10,131,534	4,003,121	1,701,074	934,108	1,165,405		
Inter segment	-	32,510	312,568	-	29,583		
Total revenue	<u>10,131,534</u>	<u>4,035,631</u>	<u>2,013,642</u>	<u>934,108</u>	<u>1,194,988</u>	(374,661)	<u>17,935,242</u>
Segment results	<u>1,075,493</u>	<u>162,008</u>	<u>466,305</u>	<u>1,155,778</u>	<u>69,478</u>		<u>2,929,062</u>
Segment assets	<u>12,256,473</u>	<u>1,923,709</u>	<u>5,118,573</u>	<u>13,979,317</u>	<u>650,065</u>		<u>33,928,137</u>
Unallocated assets							<u>336,480</u>
							<u>34,264,617</u>
Segment liabilities	<u>2,749,273</u>	<u>415,925</u>	<u>3,208,289</u>	<u>524,850</u>	<u>275,195</u>		<u>7,173,532</u>
Unallocated liabilities							<u>1,461,036</u>
							<u>8,634,568</u>
Other segment items:							
Additions to property, plant and equipment	<u>439,725</u>	<u>36,243</u>	<u>11,452</u>	<u>3,524</u>	<u>24,008</u>		<u>514,952</u>
Depreciation, amortisation and impairment	<u>238,028</u>	<u>28,929</u>	<u>853</u>	<u>14,451</u>	<u>19,538</u>		<u>301,799</u>
Other non-cash items	<u>237,480</u>	<u>(21,878)</u>	<u>123,098</u>	<u>(58,397)</u>	<u>12,030</u>		<u>292,333</u>

Notes to the Abridged Financial Statements (unaudited), cont'd
June 30, 2008

6. Segment financial information, cont'd

Business segments:

	June 30, 2007						Total \$'000
	Liquors, Rums Wines and Sugar \$'000	General Merchandise \$'000	General Insurance \$'000	Investments \$'000	Transportation Services \$'000	Eliminations \$'000	
Revenue							
External	9,169,808	3,218,737	1,801,350	421,836	951,927		
Inter segment	-	14,922	316,727	-	29,195		
Total revenue	<u>9,169,808</u>	<u>3,233,659</u>	<u>2,118,077</u>	<u>421,836</u>	<u>981,122</u>	(360,844)	<u>15,563,658</u>
Segment results	<u>982,820</u>	* <u>146,670</u>	* <u>415,352</u>	* <u>623,153</u>	* <u>16,917</u>		<u>2,184,912</u> *
Segment assets	<u>9,819,256</u>	* <u>1,267,295</u>	<u>4,550,116</u>	<u>11,015,101</u>	* <u>771,422</u>		<u>27,423,190</u>
Unallocated assets							<u>354,913</u>
							<u>27,778,103</u>
Segment liabilities	<u>2,128,568</u>	* <u>294,323</u>	<u>3,005,551</u>	<u>264,630</u>	* <u>278,178</u>		<u>5,971,250</u>
Unallocated liabilities							<u>1,257,804</u>
							<u>7,229,054</u>
Other segment items:							
Additions to property, plant and equipment	<u>192,802</u>	<u>26,041</u>	<u>1,050</u>	<u>118,780</u>	<u>43,260</u>		<u>381,933</u>
Depreciation and amortisation	<u>230,091</u>	<u>22,583</u>	<u>657</u>	<u>9,668</u>	<u>16,877</u>		<u>279,876</u>
Other non-cash items	<u>75,320</u>	* <u>41,940</u>	<u>75,821</u>	<u>(47,516)</u>	* <u>23,191</u>		<u>168,756</u>

* Reclassified to conform to current year's presentation

Notes to the Abridged Financial Statements (unaudited), cont'd
June 30, 2008

7. Other information

On November 23, 2007, the Board of Directors received notice from Angostura Limited, a subsidiary of Angostura Holdings Limited, a company incorporated in Trinidad and Tobago and listed on the Trinidad and Tobago Stock Exchange, that it proposed to make a bid to acquire shares, which in aggregate, constitute 49.24% of the voting rights in the company. The offer commenced on December 18, 2007 and was closed on January 28, 2008.

A partial cash payment was made on February 12, 2008 to shareholders who accepted the offer. The balance of the offer price is due on or before January 28, 2011.

On June 27, 2008, Angostura Limited announced its intention to prepay the deferred portion of the offer price on July 28, 2008.