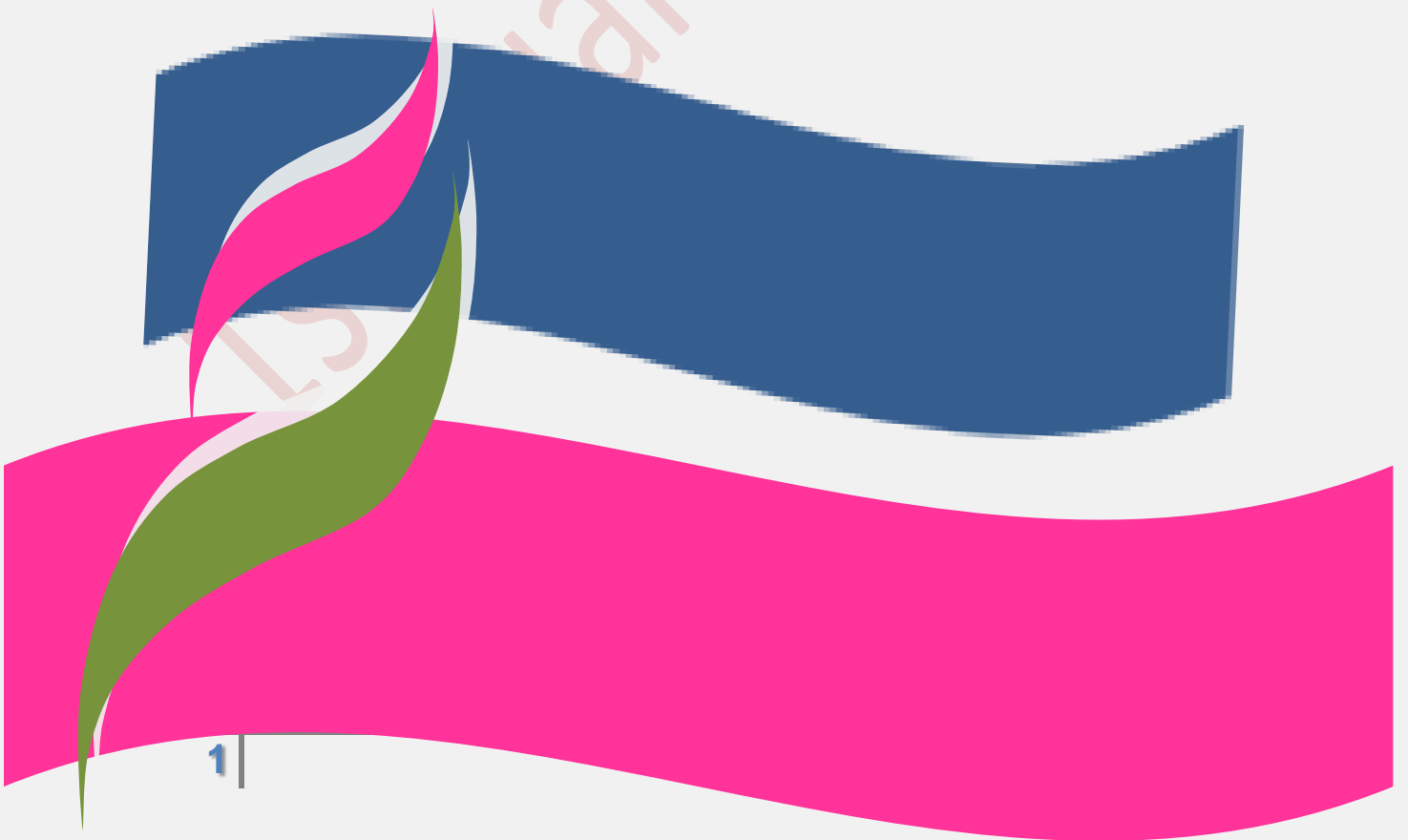




EVERYDAY FAMILY VALUES

LASCO DISTRIBUTORS LIMITED
UNAUDITED 2nd QUARTER FINANCIAL REPORT
FOR PERIOD ENDED SEPTEMBER 30TH 2012



SECOND QUARTER FINANCIAL REPORT FOR LASCO DISTRIBUTORS
LIMITED



CONTENTS

- ✚ *MANAGING DIRECTOR'S REPORT*
- ✚ *STATEMENT OF COMPREHENSIVE INCOME*
- ✚ *STATEMENT OF FINANCIAL POSITION*
- ✚ *STATEMENT OF CASHFLOWS*
- ✚ *STATEMENT OF SHAREHOLDERS EQUITY*
- ✚ *NOTES TO THE FINANCIAL STATEMENT*

SECOND QUARTER FINANCIAL REPORT FOR LASCO DISTRIBUTORS LIMITED

UNAUDITED RESULTS

Following the completion of the second quarter of the financial year the Board of Directors presents second quarter results ending September 30, 2012 for LASCO Distributors Limited. Revenue for the company grew to \$4,116.1B an increase of \$552.5M or 15.5% over the corresponding period last year. Total comprehensive income was \$189.1M down by \$64.5M from \$253.6M, a decrease of 25.4% over the same period last year.

While there was positive growth in revenue, profits were impacted by disruptions in the supply chain which was out of our control. There was also a one off adjustment to the cost of sales and an increase in operational cost. The increase in operational cost was due to the company's drive to strengthen its distribution network and presence in the trade. We continue to deploy strategies to improve overall growth and profitability for the rest of the year.

Non-Current Assets was \$340.6M an increase of 85.3% over the same period last year. This was as a result of our medium-term deposit of \$150M with a financial institution. Current Assets have increased by 34.5% over the same period last year. This was mainly as a result of an increase of \$406.5M in Trade and Other Receivables. The increase was due to delays in settlement and extended terms to key institutions. There was also an increase in our short term deposits which was \$130.6M compared to \$18.3M the previous period this attributable increase cash flows.

There were also increases in Current Liabilities which saw Trade and Other Payables moved by \$410.3M over the same period last year as new operational arrangements with our Suppliers resulted in the comparative increase.

The company continues to demonstrate its commitment to the health care with the staging of the 13th annual LASCO/Ministry of Health (MOH) Nurse of the Year (NOY) program. It was another successful and esteemed event which was held on July 21, 2012 where Ms. Victoria Melhado won the LASCO/MOH Nurse of the year award and Ms. Teisha Vaughn took the title of LASCO/MOH Student Nurse of the year for 2012-2013.

We wish to thank our consumers, customers, suppliers, partners and employees. We are gratified for the confidence and support of our shareholders and we remain committed to increasing shareholder value.



Peter Chin

Managing Director



Lasco Distributors Ltd.
Statement of Comprehensive Income
 Six Months Ended September 30,2012

		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		3 months to	3 months to	6 months to	6 months to
	Note	Sept 30 2012	Sept 30 2011	Sept 30 2012	Sept 30 2011
		\$'000	\$'000	\$'000	\$'000
Revenue		2,109,263	1,856,858	4,116,068	3,563,574
Cost of Sales		(1,747,022)	(1,470,279)	(3,343,662)	(2,799,908)
Gross Profit		362,241	386,579	772,406	763,666
Other Operating Income	6	9,511	3,384	17,222	5,159
Operating Expenses		(316,953)	(266,470)	(598,500)	(511,951)
Profit from Operations		54,799	123,493	191,128	256,874
Finance Cost		(1,162)	(473)	(1,771)	(3,283)
Profit Before Taxation		53,637	123,020	189,357	253,591
Taxation	5	-	-	-	-
Net Profit After Taxation		53,637	123,020	189,357	253,591
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		53,637	123,020	189,357	253,591
Number of Stocks Issued		336,643	336,643	336,643	336,643
Earnings per Stock Unit During the Period	3	\$0.16	\$0.37	\$0.56	\$0.75



Lasco Distributors Ltd.

Statement of Financial Position

September 30, 2012

		(Unaudited)	(Unaudited)	(Audited)
	Note	Period ended Sept 30 2012 \$'000	Period ended Sept 30 2011 \$'000	Year ended March 31 2012 \$'000

NET ASSETS EMPLOYED

Non-Current Assets

Property, Plant & Equipment		190,551	182,785	188,312
Investments	6	150,000	0	150,000
Deferred Tax Asset		0	1,037	0
		<u>340,551</u>	<u>183,822</u>	<u>338,312</u>

Current Assets

Inventories		994,552	890,285	747,040
Trade and Other Receivables		1,243,056	836,575	851,135
Due from Directors		1,710	4,675	2,820
Related Companies		14,267	3,368	3,971
Taxation/GCT Recoverable		29,994	42,203	3,159
Short Term Deposits		130,590	18,301	70,224
Cash and Bank Balances		154,509	138,962	295,977
		<u>2,568,678</u>	<u>1,934,369</u>	<u>1,974,326</u>

Current Liabilities

Trade and Other Payables		1,327,811	913,010	848,210
Related Companies		0	0	0
Short Term Borrowings		11,724	8,333	0
Corporation Tax Payable		0	29,204	0
		<u>1,339,535</u>	<u>950,547</u>	<u>848,210</u>

Net Current Assets

		<u>1,229,143</u>	<u>983,822</u>	<u>1,126,116</u>
		<u>1,569,694</u>	<u>1,167,644</u>	<u>1,464,428</u>

Financed by:

Share Capital		219,191	219,191	219,191
Capital Reserves		75,387	83,068	75,387
Retained Earnings		1,085,759	611,792	1,169,850
Current Earnings		189,357	253,593	0
		<u>1,569,694</u>	<u>1,167,644</u>	<u>1,464,428</u>

Non-Current Liabilities

Long Term Debt		0	0	0
		<u>1,569,694</u>	<u>1,167,644</u>	<u>1,464,428</u>

Approved for issue by the Board of Directors on November 7th ,2012 and signed on its behalf by:

Lascelles Chin

Chairman

Peter Chin

Managing Director



Lasco Distributors Limited

Statement of Cash Flows

Six Months ended September 30, 2012

(Unaudited)

	Sept 30 2012	Sept 30 2011
	\$'000	\$'000
SOURCES/(USES) OF CASH		
Operating Activities		
Profit for the Period	189,357	253,592
Items not affecting cash and changes in non-cash working capital components	(193,334)	(306,849)
Cash used in Operating Activities	(3,977)	(53,257)
Cash used in/ provided by Investing Activities	(71,609)	2,530
Cash provided by Financing Activities	(67,525)	(39,725)
Net Decrease/Increase in Cash and Cash Equivalents	(143,111)	(90,452)
Cash and Cash Equivalents at the beginning of Period	297,620	229,414
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	154,509	138,962
COMPRISED OF:		
Fixed Deposit	60,000	-
Cash At Bank	94,509	138,962



Lasco Distributors Limited

Statement of Changes in Stockholders' Equity

Six Months ended September 30, 2012

(Unaudited)

	2012			
	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at April 1, 2012	219,191	75,387	1,169,850	1,464,428
Dividends Paid			(84,091)	(84,091)
Total Comprehensive Income for the Period	0	0	189,357	189,357
Balance at September 30, 2012	219,191	75,387	1,275,116	1,569,694

	2011			
	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at April 1, 2011	219,191	83,068	658,915	961,174
Dividends Paid			(47,123)	(47,123)
Total Comprehensive Income for the Period	0	0	253,593	253,593
Balance at September 30, 2011	219,191	83,068	865,385	1,167,644

Notes To The Financial Statements

SIX MONTHS ENDED SEPTEMBER 30, 2012

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS), and have been prepared under the historical cost convention, as modified by the revaluation of certain fixed and financial assets. They are also prepared in accordance with the provisions of the Jamaican Companies Act.

The preparation of financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities, contingent assets and contingent liabilities at the end of the reporting period and the revenue and expenses during the reporting period. Actual results could differ from those estimates. The estimates are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 31st March 2012.

These financial statements are presented in Jamaican dollars unless otherwise indicated.

2. IDENTIFICATION AND PRINCIPAL ACTIVITIES:

- (a) LASCO Distributors Limited is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is 27 Red Hills Road, Kingston 10.
- (b) The principal activity of the company is the distribution of pharmaceuticals and consumable items.
- (c) The company's shares were listed on the Junior Stock Exchange on 12 October 2010.

Notes To The Financial Statements

SIX MONTHS ENDED SEPTEMBER 30, 2012

3. OTHER INCOME

Other Income comprises of earned commission from a principal

4. TAXATION

Remission of income tax:

The company's shares were listed on the Junior Market of the Jamaica stock Exchange, effective 12th October 2010. Consequently, the company is entitled to a remission of taxes for ten (10) years in the proportions set out below, provided the shares remain listed for at least fifteen (15) years:

Years 1 to 5 100%

Years 6 to 10 50%

The financial statements have been prepared on the basis that the company will have the full benefit of the tax remission.

5. EARNINGS PER SHARE

The EPS current year calculation is based on total comprehensive income and 336,643,115 ordinary stock units in issue.

6. INVESTMENT

Medium-term deposit investment placed with a financial institution.