



LASCO MANUFACTURING LIMITED

INTERIM REPORT

(SIX MONTHS)

30 SEPTEMBER 2011

UNAUDITED RESULTS

Lasco Manufacturing Limited's second quarter showed continuous growth. Year to date the company's turnover has grown by \$148m or 10% from \$1.43b during the same period in 2010 to \$1.58b in 2011. Gross Profit increased by 9%, from \$427m in 2010 to \$463.6m in 2011. Net Profit, however, increased by 55% over previous year increasing from \$197m as at June 2010 to \$306m in 2011.

Lasco Manufacturing Limited team is mindful of the challenging economic times we face, thus we continue to focus our effort to achieve greater efficiency and performance, through cost reduction, productivity and procurement initiatives. These initiatives should ensure reward for our stakeholders. Our goal is to build a sustainable and profitable business by positioning ourselves to maintain revenue and profit growth.

During this quarter the company sponsored the Nurse of the Year award for a cost of \$2.2m. The management of Lasco Manufacturing Limited wishes to congratulate our Nurse of the Year Sophia Thomas-Daley. We have also commenced a marketing programme "Lasco Food Drink Megamillion\$ Funanza" which is geared to increase market share and build brand recognition and traction as a preamble for the introduction of new products into the market. Lasco Manufacturing Limited paid in August, dividend of \$61m or 10% of the profit for the year ended March 2011.

Lasco Manufacturing Limited continues undergoing the exciting phase of implementation of the expansion plan. The plan entails the relocation, modernization and expansion of the manufacturing facility, which will boost operations, improve efficiencies, productivity and reduce operational costs. It is expected that construction of the 137,000 square feet facility will break ground by mid November. The company has already commenced the purchasing of machinery and other assets, which are being financed out of cash flow.

We at Lasco Manufacturing Limited are committed to our Strategic Plan, competitive products and prices for our customers and strong financial performance for our shareholders.



Dr. Eileen Chin MBA

Managing Director

Lasco Manufacturing Limited

Statement of Comprehensive Income

Six Months Ended 30 September 2011

(Unaudited)

	3 months to 30 Sept 2011 \$'000	3 months to 30 Sept 2010 \$'000	6 months to 30 Sept 2011 \$'000	6 months to 30 Sept 2010 \$'000
Revenue	794,833	795,970	1,579,386	1,430,685
Cost of Sales	578,270	554,357	1,115,908	1,003,507
Gross Profit	216,563	241,613	463,478	427,178
Other Income	6,789	6,710	13,583	13,659
Operating Expenses	(68,597)	(88,662)	(170,975)	(159,620)
Profit from Operations	154,755	159,661	306,086	281,217
Finance Cost	418	(14,936)	74	(20,290)
Profit Before Taxation	155,173	144,725	306,160	260,927
Taxation	-	(26,000)	-	(63,400)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	155,173	118,725	306,160	197,527
Number of stock units issued	4	408,713	326,344	408,713
Earnings per Stock Unit During the Period	0.38	0.36	0.75	0.61

Lasco Manufacturing Limited
Statement of Financial Position
30-Sep-2011
(Unaudited)

	Period ended SEP-11 \$'000	Period ended SEP-10 \$'000	Year ended MAR-11 \$'000
NET ASSETS EMPLOYED			
Non-Current Assets			
Property, Plant & Equipment	173,567	203,522	192,055
Capital Work in Progress	394,215	0	9,195
Current Assets			
Inventories	209,592	225,123	503,649
Trade and other receivables	444,927	683,292	400,660
Related companies	11,483	0	10,493
Cash	177,093	366,939	217,535
	843,095	1,275,354	1,132,337
Current Liabilities			
Trade and Other Payables	274,859	354,645	412,082
Director's current account	0	123,851	0
Corporation Tax Payable	29,319	69,702	59,661
	304,178	548,198	471,743
Net Current Assets	538,917	727,156	660,594
	1,106,699	930,678	861,844
Financed by:			
Share Capital	4	305,298	305,298
Capital Reserves	924	924	924
Retained Earnings	462,719	122,247	122,248
Current Earnings	306,160	197,527	401,776
	1,075,101	624,038	830,246
Non-Current Liabilities			
Deferred Taxation	31,598	15,586	31,598
Long Term Debt	0	291,054	0
	1,106,699	930,678	861,844

Approved for issue by the Board of Directors on 24 October 2011 and signed on its behalf by:



Lascelles Chin Chairman



Eileen Chin Director

Lasco Manufacturing Limited
Statement of Cashflows
Six Months ended 30 September 2011
(Unaudited)

	SEP-11 \$'000	SEP-10 \$'000
SOURCES/(USES) OF CASH		
Operating Activities		
Profit for the period	306,160	197,527
Items not affecting cash	17,798	100,170
Changes in non-cash working capital	(303,786)	(253,139)
Items not affecting cash and changes in non-cash working capital components	(285,988)	(152,969)
Cash provided by Operating Activities	20,172	44,558
Cash used in Investing Activities	(1,147)	(84,079)
Cash used in Financing Activities	(59,467)	188,705
Increase in Cash	(40,442)	149,184
Cash at the beginning of the period	217,535	217,755
Cash at the end of the period	177,093	366,939
Comprised of:		
Fixed Deposit	138,453	248,887
Cash at Bank	38,640	118,052
	<u>177,093</u>	<u>366,939</u>

Lasco Manufacturing Limited
Statement of Changes in Stockholders' Equity
Six Months ended 30 September 2011
(Unaudited)

2011				
	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 April 2011	305,298	924	524,024	830,246
Dividend	0	0	(61,305)	(61,305)
Total Comprehensive Income for the period	0	0	306,160	306,160
Balance at 30 September 2011	305,298	924	768,879	1,075,101

2010				
	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 April 2010	128,990	924	122,247	252,161
Shares Issued	174,350	0	0	174,350
Total Comprehensive Income for the period	0	0	197,527	197,527
Balance at 30 September 2010	303,340	924	319,774	624,038

LASCO MANUFACTURING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
SIX MONTHS ENDED 30 SEPTEMBER 2011

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES:

- (a) Lasco Manufacturing Limited is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is 27 Red Hills Road, Kingston 10, and it currently operates from leased premises at 38½ Red Hills Road, Kingston 10.

- (b) The principal activities of the company are the manufacturing of soy based products and packaging of milk based products. Distribution of these products is done in the local and export markets.

2. SIGNIFICANT ACCOUNTING POLICIES:

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board, and have been prepared under the historical cost convention. They are also prepared in accordance with provisions of the Jamaican Companies Act.

3. AMALGAMATION OF THE BUSINESS OF LASCO FOODS:

Lasco Manufacturing Limited formerly known as Lasco Foods (Successors) amalgamated the business of LASCO Foods Limited (“LASCO Foods”) with that of its own.

LASCO MANUFACTURING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
SIX MONTHS ENDED 30 SEPTEMBER 2011

4. SHARE CAPITAL:

	2011	2010
	<u>\$'000</u>	<u>\$'000</u>
Authorised -		
Number of Ordinary shares		
442,750,000 - 30 September 2011		
442,750,000 - 30 September 2010		
Issued -		
Number of Ordinary shares		
408,713,017 - 30 September 2011		
407,929,926 - 30 September 2010	<u>305,298</u>	<u>303,340</u>

5. EARNINGS PER SHARE:

The weighted average number of shares in issue for 2010 reflects the 2.53 split in the number of shares in issue up to 13 August 2010.