

#### BARBADOS DAIRY INDUSTRIES LIMITED SUMMARY FINANCIAL STATEMENTS 9 MONTHS ENDED 31 MAY 2014

#### **Directors' Statement**

Revenue for the year to date is marginally lower than for the corresponding period last year, however an operating profit of \$524 thousand was generated with a much reduced net loss as compared to the larger loss for the period in 2013.

This improved operational performance was as a result of our ongoing efforts at improving efficiencies and yields. However, the future growth and financial strengthening of the company and dairy sector as a whole is dependent upon a positive response to an industry supported proposal submitted to Government some time ago. We understand that this is now under active review.

The improved results facilitated positive cash flows which were utilised to reduce our current liabilities and this in turn has reduced our working capital deficit.

# Summary Statement of Comprehensive Loss 9 Months ended 31 May 2014

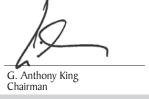
	Unaudited 9 Months to 31/05/2014 \$'000	Unaudited 9 Months to 31/05/2013 \$'000	Audited Year 31/08/2013 \$'000
Sales	45,617	46,066	60,531
Profit (loss) from operations before undernoted items Impairment of decommissioned equipment Interest expense Loss before taxation Taxation	524 - (673) (149) (478)	(502) - (745) (1,247) (250)	(1,560) (431) (1,083) (3,074) (1,648)
Total comprehensive loss for the period	(627)	(1,497)	(4,722)
Loss per share - basic and diluted	(\$0.13)	(\$0.32)	(\$1.01)

## Summary Statement of Financial Position As of 31 May 2014

	Unaudited 31/05/2014 \$'000	Unaudited 31/05/2013 \$'000	Audited 31/08/2013 \$'000
Current assets	16,770	21,380	21,414
Asset classified as held for sale	-	-	400
	16,770	21,380	21,814
Current liabilities	18,397	25,653	26,187
Working capital deficiency	(1,627)	(4,273)	(4,373)
Property, plant and equipment	26,313	32,018	29,142
Pension plan asset	4,664	4,641	4,664
Deferred tax asset	3,476	5,352	3,954
Long-term liabilities	(7,685)	(7,301)	(7,619)
Post-employment medical liability	(610)	(602)	(610)
	24,531	29,835	25,158
Shareholders' equity			
Share capital	998	998	998
Retained earnings	23,533	28,837	24,160
	24,531	29,835	25,158

The tax charge represents the partial utilisation of tax credits earned in prior years and therefore required no cash outflow; tax charges of this nature will continue in the foreseeable future until we fully utilise the deferred tax asset.

Barring any major unforeseen issues, we expect the next quarter to generate similar results to the previous three with an improved performance for the financial year over 2013.



C.R.A. Cozier F.C.G.A. Director

## Summary Statement of Cash Flows 9 Months ended 31 May 2014

	Unaudited 9 Months to 31/05/2014 \$'000	Unaudited 9 Months to 31/05/2013 \$'000	Audited Year 31/08/2013 \$'000
Cash flows from operating activities			
Loss before taxation	(149)	(1,248)	(3,074)
Adjustments for non-cash items	3,357	3,677	4,998
Operating profit before working			
capital changes	3,208	2,429	1,924
Net working capital changes	552	(184)	2,057
Net cash from operating activities	3,760	2,245	3,981
Net cash used in investing activities	(528)	(817)	(1,100)
Net cash used in financing activities	(3,035)	(3,331)	(4,335)
Increase (decrease) in cash	197	(1,903)	(1,454)
Cash - beginning of year	(4,713)	(3,259)	(3,259)
Cash - end of year	(4,516)	(5,162)	(4,713)

# Summary Statement of Changes in Equity 9 Months ended 31 May 2014

	Unaudited 9 Months to 31/05/2014 \$'000	Unaudited 9 Months to 31/05/2013 \$'000	Audited Year 31/08/2013 \$'000
Balance at the beginning of the period	25,158	31,332	29,880
Net comprehensive loss for the period	(627)	(1,497)	(4,722)
	24,531	29,835	25,158