

THE BLEANER COMPANY LIMITED

CONSOLIDATED SIX MONTHS INTERIM FINANCIAL REPORT AT JUNE 30, 2009

(Unaudited)

<u>Group Income Statements</u>	Notes	GROUP (Unaudited) Three Months Apr. – Jun. 2009 \$000's	GROUP (Unaudited) Three Months Apr. – Jun. 2008 \$000's	GROUP (Unaudited) Six Months Jan. – Jun. 2009 \$000's	GROUP (Unaudited) Six Months Jan. – Jun. 2008 \$000's	GROUP (Audited) Twelve Months ended Dec 31, 2008 \$000's
Revenue	5(a), 7	964,985	1,041,003	1,887,562	1,964,494	4,048,356
Cost of sales		(496,406)	(527,681)	(967,581)	(1,016,762)	(2,364,970)
Gross profit		468,579	513,322	919,981	947,732	1,683,386
Other operating income	5(b)	<u>7,081</u>	<u>73,667</u>	<u>41,711</u>	<u>167,383</u>	<u>144,411</u>
		<u>475,660</u>	<u>586,989</u>	<u>961,692</u>	<u>1,115,115</u>	<u>1,827,797</u>
Distribution costs		(173,771)	(178,576)	(360,001)	(353,254)	(637,670)
Administrative expenses		(147,665)	(191,969)	(364,797)	(354,549)	(858,903)
Other operating expenses		(118,847)	(117,937)	(210,748)	(266,193)	(453,485)
Pension costs		(77)	(86)	(320)	(168)	(885)
		<u>(440,360)</u>	<u>(488,568)</u>	<u>(935,866)</u>	<u>(974,164)</u>	<u>(1,950,943)</u>
Employee benefit asset		(100)	16,250	(200)	32,500	18,800
Profit/(loss) from operations	5(c)	35,200	114,671	25,626	173,451	(104,346)
Finance income		1,500	12,606	3,955	13,806	31,515
Finance cost		(9,008)	(8,606)	(14,755)	(13,024)	(11,821)
Net finance (cost)/income		<u>(7,508)</u>	<u>4,000</u>	<u>(10,800)</u>	<u>782</u>	<u>19,694</u>
Impairment losses		-	(60,000)	-	(60,000)	(367,835)
Profit/(loss) before taxation	13	27,692	58,671	14,826	114,233	(452,487)
Taxation (charge)/credit		(722)	(23,170)	(2,522)	(34,508)	7,799
Profit/(loss) for the period		<u>26,970</u>	<u>35,501</u>	<u>12,304</u>	<u>79,725</u>	<u>(444,688)</u>
Attributable to:						
Parent company stockholders		25,157	32,327	11,457	77,773	(450,139)
Minority interest		<u>1,813</u>	<u>3,174</u>	<u>847</u>	<u>1,952</u>	<u>5,451</u>
		<u>26,970</u>	<u>35,501</u>	<u>12,304</u>	<u>79,725</u>	<u>(444,688)</u>
Dealt with in the financial statements of:						
Parent company		26,592	113,551	6,847	181,788	(513,002)
Subsidiary companies		(1,435)	(81,224)	4,609	(104,015)	62,863
		<u>25,157</u>	<u>32,327</u>	<u>11,457</u>	<u>77,773</u>	<u>(450,139)</u>
Earnings/losses per stock unit:						
Based on stock units in issue	8	2.08¢	2.67¢	0.95¢	6.40¢	(37.16¢)

The accompanying notes form an integral part of the financial statements.

THE GREENER COMPANY LIMITED

(Unaudited)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended June 30, 2009

	Six Months Jun 2009 \$000's	Six Months Jun 2008 \$000's
Profit for the period	<u>12,304</u>	<u>79,725</u>
Other comprehensive (loss)/ income:		
Currency translation differences on foreign subsidiaries	(72,771)	(32,745)
Fair value gains/(losses) on investment	65	(29,790)
Income tax on other comprehensive income	(22)	<u>9,929</u>
Other comprehensive (loss)/income for the period, net of taxes	<u>(72,728)</u>	<u>(52,606)</u>
Total comprehensive (loss)/income for the period	<u>(60,424)</u>	<u>27,119</u>
Total comprehensive (loss)/income attributable to:		
Owners of the parent	(61,271)	25,167
Minority interest	<u>847</u>	<u>1,952</u>
Total comprehensive (loss)/income for the period	<u>(60,424)</u>	<u>27,119</u>

The Greener Company Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT JUNE 30, 2009

	Notes	GROUP (Unaudited) Six Months Jun. 30, 2009 \$000's	GROUP (Unaudited) Six Months Jun. 30, 2008 \$000's	GROUP (Audited) Twelve Months Dec. 31, 2008 \$000's
Assets				
Property, plant and equipment		962,845	823,486	914,383
Intangible assets	13	-	358,696	-
Employee benefit asset	5(c)	843,668	851,679	843,868
Long-term receivables		150	-	1,278
Investment in associates		150	150	150
Investments		84,622	158,192	134,570
Deferred tax assets		<u>6,550</u>	<u>701</u>	<u>6,010</u>
Total non-current assets		<u>1,897,985</u>	<u>2,192,904</u>	<u>1,900,259</u>
Cash and cash equivalents		67,057	67,113	88,553
Securities purchased under agreement for resale		93,986	66,989	74,447
Trade and other receivables		570,897	747,984	598,609
Prepayments		76,263	74,892	35,742
Taxation recoverable		87,185	38,387	99,524
Inventories and goods in-transit		<u>482,858</u>	<u>609,588</u>	<u>470,190</u>
Total current assets		<u>1,378,246</u>	<u>1,604,953</u>	<u>1,367,065</u>
Total Assets		<u>3,276,231</u>	<u>3,797,857</u>	<u>3,267,324</u>
Stockholders' equity				
Share capital		605,622	605,622	605,622
Reserves		<u>1,307,070</u>	<u>1,721,119</u>	<u>1,407,376</u>
Total equity attributable to equity holders of the parent company		<u>1,912,692</u>	<u>2,326,741</u>	<u>2,012,998</u>
Minority interest		<u>31,966</u>	<u>29,123</u>	<u>31,119</u>
Total equity		<u>1,944,658</u>	<u>2,355,864</u>	<u>2,044,117</u>
Liabilities				
Long-term liabilities		31,053	53,544	44,636
Employee benefit obligation		89,100	75,900	89,100
Deferred tax liabilities		<u>313,750</u>	<u>367,334</u>	<u>337,624</u>
Total non-current liabilities		<u>433,903</u>	<u>496,778</u>	<u>471,360</u>
Bank overdraft		100,532	66,854	28,325
Trade and other payables		771,566	832,387	698,564
Taxation		470	3,395	2,572
Current portion of long-term liabilities		7,078	24,214	8,650
Deferred income		<u>18,024</u>	<u>18,365</u>	<u>13,736</u>
Total current liabilities		<u>897,670</u>	<u>945,215</u>	<u>751,847</u>
Total liabilities		<u>1,331,573</u>	<u>1,441,993</u>	<u>1,223,207</u>
Total equity and liabilities		<u>3,276,231</u>	<u>3,797,857</u>	<u>3,267,324</u>
Stockholders' equity per ordinary stock unit		157.91¢	192.09¢	168.76¢

The accompanying notes form an integral part of the financial statements.

The Gleaner Company Limited

(Unaudited)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended June 30, 2009

	Share capital \$000's	Capital reserves \$000's	Fair value reserves \$000's	Reserve for own shares \$000's	Retained profits \$000's	Total \$000's	Minority interest \$000's	Total equity \$000's
Balances at January 1, 2008	605,622	598,868	107,665	(150,375)	1,235,531	2,397,311	27,171	2,424,482
Total comprehensive income/(loss) for the period	-	(32,745)	(19,861)	-	77,773	25,167	1,952	27,119
Dividends paid (gross)	-	-	-	-	(42,394)	(42,394)	-	(42,394)
Own shares acquired in the Gleaner Company Limited Employee Investment Trust (GCLEIT)	-	-	-	(53,343)	-	(53,343)	-	(53,343)
Balances at June 30, 2008	<u>605,622</u>	<u>566,123</u>	<u>87,804</u>	<u>(203,718)</u>	<u>1,270,910</u>	<u>2,326,741</u>	<u>29,123</u>	<u>2,355,864</u>
Balances at January 1, 2009	605,622	840,880	58,001	(197,226)	705,721	2,012,998	31,119	2,044,117
Dividend	-	-	-	-	(42,394)	(42,394)	-	(42,394)
Total comprehensive (loss)/income for the period	-	(72,771)	43	-	11,457	(61,271)	847	(60,424)
Own shares sold in the Gleaner Company Limited Employee Investment Trust (GCLEIT)	-	-	-	3,359	-	3,359	-	3,359
Balances at June 30, 2009	<u>605,622</u>	<u>768,109</u>	<u>58,044</u>	<u>(193,867)</u>	<u>674,784</u>	<u>1,912,692</u>	<u>31,966</u>	<u>1,944,658</u>

The accompanying notes form an integral part of the financial statements.

The Greener Company Limited

STATEMENT OF CASH FLOWS Six Months ended Jun. 30, 2009 (Unaudited)

	GROUP (Unaudited) Six Months Jun 30, 2009 \$000's	GROUP (Unaudited) Six Months Jun 30, 2008 \$000's	GROUP (Audited) Twelve Months Dec 31, 2008 \$000's
Cash Flow from operating activities			
Profit/(loss) attributable to stockholders	11,457	77,773	(450,139)
Adjustment for non-cash items	<u>56,054</u>	<u>51,800</u>	<u>481,366</u>
	67,511	129,573	31,227
Change in working capital	<u>(96,494)</u>	<u>(67,765)</u>	<u>127,524</u>
Net cash (used)/generated by operating activities	(28,983)	61,808	158,751
Net cash (used)/provided by investing activities	(21,012)	(34,105)	25,131
Net cash used in financing activities	<u>(43,708)</u>	<u>(29,150)</u>	<u>(125,360)</u>
Net (decrease)/increase in cash and cash equivalents	(93,703)	(1,447)	58,522
Cash and cash equivalents at beginning of period	<u>60,228</u>	<u>1,706</u>	<u>1,706</u>
Cash and cash equivalents at end of period	<u>(33,475)</u>	<u>259</u>	<u>60,228</u>
Comprised of:			
Cash and cash equivalents	67,057	67,113	88,553
Bank overdraft	<u>(100,532)</u>	<u>(66,854)</u>	<u>(28,325)</u>
	<u>(33,475)</u>	<u>259</u>	<u>60,228</u>

The accompanying notes form an integral part of the financial statements.

Notes to the Interim Financial Report

We hereby present the Report of the unaudited Group results for the six months ended June 30, 2009.

1. Basis of Preparation

The financial statements are prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and comply with the provisions of the Jamaican Companies Act.

The accounting policies applied in these interim financial statements are consistent with those in the audited financial statement for the year ended December 31, 2008 with the exception of the revision of IAS 1 – Presentation of Financial Statements which came into effect after that date.

The effect of this revision is to present two (2) Statements of Income & Expenses (an income statement and a statement of comprehensive income), separately from owner changes in equity.

Components of other comprehensive income have not been presented in the statement of changes in equity. The Balance Sheet is now referred to as the 'Consolidated Statement of Financial Position', and the cash flow statement referred to as the Statement of Cash Flows.

2. Segment Reporting

The Group's reportable segments are as follows: -

1. The Media segment consist of both print and radio activities.
2. The books and stationery segment consists of selling books and stationery on both a wholesale and retail basis both to local and international markets.
3. The other category consists of Consultancy and Factoring Service provided.

For management purposes, the Group is organized into three business segments, based on their products and services.

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and the assessing of performances. Finance cost, finance income and income taxes are managed on an individual basis.

Notes to the Interim Financial Report (Cont'd)

2. Segment Reporting (cont'd)

Financial information operating by segment:

	<u>Media</u>		<u>Books and Stationery</u>		<u>Other</u>		<u>Total</u>	
	<u>2009</u> \$000's	<u>2008</u> \$000's	<u>2009</u> \$000's	<u>2008</u> \$000's	<u>2009</u> \$000's	<u>2008</u> \$000's	<u>2009</u> \$000's	<u>2008</u> \$000's
Turnover	<u>1,628,664</u>	<u>1,710,258</u>	<u>258,134</u>	<u>229,858</u>	<u>765</u>	<u>24,378</u>	<u>1,887,563</u>	<u>1,964,494</u>
Profit/(loss) from operations	<u>73,927</u>	<u>225,883</u>	<u>(41,424)</u>	<u>(45,555)</u>	<u>(6,877)</u>	<u>(6,877)</u>	25,626	173,451
Net finance (cost)/income	-	-	-	-	-	-	(10,800)	782
Profit from operations	-	-	-	-	-	-	14,826	174,233
Impairment losses	-	-	-	-	-	-	-	(60,000)
Profit before taxation	-	-	-	-	-	-	14,826	114,233
Taxation	-	-	-	-	-	-	(2,522)	(34,508)
Profit after taxation	-	-	-	-	-	-	12,304	79,725
Minority interest	-	-	-	-	-	-	(847)	(1,952)
Profit attributable to Stockholders of parent Company	-	-	-	-	-	-	<u>11,457</u>	<u>77,773</u>
Segment assets	<u>2,500,514</u>	<u>3,049,909</u>	<u>623,773</u>	<u>646,820</u>	<u>149,944</u>	<u>101,128</u>	<u>3,274,231</u>	<u>3,797,857</u>
Segment liabilities	<u>943,599</u>	<u>1,006,615</u>	<u>355,408</u>	<u>415,389</u>	<u>32,566</u>	<u>19,989</u>	<u>1,331,573</u>	<u>1,441,993</u>
Capital expenditure	<u>25,979</u>	<u>16,099</u>	<u>843</u>	<u>6,238</u>	-	-	<u>26,822</u>	<u>22,337</u>
Depreciation and amortisation	<u>36,117</u>	<u>27,131</u>	<u>3,534</u>	<u>5,007</u>	-	2	<u>39,651</u>	<u>32,140</u>

3. Group Financial Accounts for the six months ended June, 2009 show a profit before taxation of approximately \$15M (2008: \$114M).
4. The Group profit, after taxation and minority interest, for the six months of 2009 was approximately \$11M compared with a profit of approximately \$78M for the same period last year.
5. In comparing the financial statements for the six-month period ended June 30, 2009, with those of comparative period, the following should be noted: -
 - (a) Revenue decreased by approximately \$77M or 4% for the period.
 - (b) Other operating income of \$42M (2008: \$167M) included gains on sale of quoted shares (Lascelles) of (\$112M) in the comparative period, interest income and gain on exchange.
 - (c) Employee benefit asset of (\$0.2M) (2008: \$33M), usually represents a portion of the surplus in the parent company's pension scheme, which, in accordance with IAS 19, has been credited to the Group income statements. The surplus is, however, not realised profit as it represents future economic benefits to be derived from the reduction in the company's contribution to the pension scheme [See also Balance Sheet item of approximately \$842M (2008: \$852M)]. The amount provided is calculated as a portion of the loss/gain on actuarial valuation done in prior year.

Notes to the Interim Financial Report (Cont'd)

6. The Group Financial Statements for the six months ended June 30, 2009, include the Company's twelve (2008: twelve) subsidiaries – Associated Enterprise Limited, Popular Printers Limited, Sangster's Book Stores Limited, The Book Shop Limited, The Gleaner Online Limited, Selectco Publications Limited, Independent Radio Company Limited, Creek Investment Limited and overseas subsidiaries, The Gleaner Company (U.S.A.) Limited, The Gleaner Company (Canada) Incorporated, and GV Media Group Limited.
7. Revenue represents sales by the Group before commission payable but excluding returns.
8. The calculations of loss/earnings per stock unit are arrived at by dividing profit after taxation attributable to the parent company's stockholders by 1,211,243,827 stock units, that is, the number of stock units in issue at the end of the period/year.
9. The calculations of stockholders' equity per ordinary stock unit for 2009 and 2008 are arrived at by dividing capital and reserves by 1,211,243,827 stock units.
10. Adjustments to show Trading Profit: -

	<u>June</u> <u>2009</u> \$M	<u>June</u> <u>2008</u> \$M
Profit before tax	14.8	114.2
Employee benefit asset	0.2	(32.5)
Gain on sale of quoted shares (Lascelles)	-	(112.0)
Impairment written off	<u>-</u>	<u>60.0</u>
Trading profit	<u>15.0</u>	<u>30.0</u>

After adjusting for changes in employee benefit asset, the sale of quoted shares and impairment, the trading profit was \$15M to June 2009 versus \$30M for 2008.

11. Dividend and Stock Prices

For 2009, your directors approved the payment of a 1st Interim Ordinary Dividend of 3.5 cents per stock unit payable to stockholders on record at April 9, 2009. Payment was made on April 23, 2009.

The Company's stock unit price on the Jamaica Stock Exchange at June 30, 2009 was \$1.35; the opening price at January 1, 2009 was \$1.70.

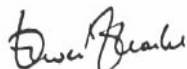
12. Libel Cases

The Company's lawyers advised that they are of the opinion that the provision made in the Company's accounts is a reasonable provision for the purpose of covering all reasonable and probable judgements and costs for existing libel actions against the Company.

13. Impairment

Intangible assets in respect of foreign subsidiaries were fully written off in December 2008. This substantial write off will not reoccur in 2009.

On behalf of the Board



Hon. O. F. Clarke, O.J.

Chairman and Managing Director



C. N. Barnes

Deputy Managing Director

August 15, 2009