

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Financial Statements (Unaudited)

Three months ended March 31, 2013

COMMONWEALTH BREWERY LIMITED

Management comments on Interim Consolidated Financial Statements (Unaudited)

Three months ended March 31, 2013

Revenue declined 2.8% in the first quarter compared to the same period last year, mainly driven by lower sales volume. It should be noted that the first quarter of 2012 was exceptional strong due to a high level of activities in the domestic market and a strong Spring break season.

Operating expenses declined with 2.8% driven by lower raw materials, consumables and services costs. Overall costs remained well under control.

Net income consequently decreased 3.5% compared to the first quarter of 2012. Earnings per share for the 3 months ended March 2013 amounted to \$ 0.14, which is approximately half a dollar cent below the level of the first quarter of 2012.

March 5th the board of directors declared a final dividend of \$0.39 per share related to 2012. This amount is payable April 30th to shareholders of record on April 20th. Including the earlier payment of an interim dividend of \$0.25 per share, this brings total dividend related to 2012 to \$ 0.64 per share.

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Statement of Financial Position (Unaudited)

March 31, 2013 with corresponding figures for December 31, 2012

(Expressed in Bahamian dollars)

	March 2013	December 2012
Assets		
Current Assets:		
Cash and cash equivalents	12,826,058	11,848,434
Trade receivables	2,525,998	2,859,718
Prepaid expenses and other assets	2,192,829	2,013,603
Inventories	15,712,404	16,804,392
Total current assets	33,257,289	33,526,147
Non-current Assets:		
Goodwill	4,487,242	4,487,242
Property, plant and equipment - net	34,772,789	35,002,959
Intangible assets	203,399	263,831
Total non-current assets	39,463,430	39,754,032
Total assets	72,720,719	73,280,179
Liabilities and Equity		
Current Liabilities:		
Accounts payable and accrued expenses	19,997,450	13,202,341
Total current liabilities	19,997,450	13,202,341
Equity:		
Share capital	150,000	150,000
Share premium	12,377,952	12,377,952
Contributed surplus	16,351,369	16,351,369
Revaluation surplus	4,269,587	4,269,587
Retained earnings	19,574,361	26,928,930
Total equity	52,723,269	60,077,838
Total liabilities and equity	72,720,719	73,280,179

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Statement of Comprehensive Income (Unaudited)

For the three months ended March, 31, 2013, with corresponding figures for the three months ended March 31, 2012

(Expressed in Bahamian dollars)

	Note(s)	March 2013	March 2012
Revenue		27,423,498	28,213,329
Other income		145,640	177,995
Total income		27,569,138	28,391,324
Operating expenses:			
Raw materials, consumables and services		18,581,533	19,237,740
Personnel costs		3,828,291	3,894,035
Depreciation		756,481	754,358
Amortisation		60,432	5,067
Total operating expenses		23,226,737	23,891,200
Results from operating activities		4,342,401	4,500,124
Finance income		3,030	4,734
Net finance income		3,030	4,734
Net income and total comprehensive income		4,345,431	4,504,858
Basic and diluted earnings per share		0.14	0.15

(Unaudited)

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Statement of Changes in Equity (Unaudited)

For the three months ended March 31, 2013

(Expressed in Bahamian dollars)

	Share capital	Share premium	Contributed surplus	Revaluation surplus	Retained earnings	Total equity
Balance at December 31, 2012	150,000	12,377,952	16,351,369	4,269,587	26,928,930	60,077,838
Total comprehensive income					4,345,431	4,345,431
Dividends declared					(11,700,000)	(11,700,000)
Balance at March 31, 2013	150,000	12,377,952	16,351,369	4,269,587	19,574,361	52,723,269

(Unaudited)

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Statement of Cash Flows (Unaudited)

For the three months ended March 31, 2013, with corresponding figures for the three months ended March 31, 2012

(Expressed in Bahamian dollars)

	Note(s)	2013	2012
Cash flows from operating activities			
Net income and total comprehensive income		4,345,431	4,504,858
Adjustments for:			
Depreciation		756,481	754,358
Amortisation		60,432	5,067
Interest income		(3,030)	(4,734)
Net cash from operations before changes in working capital		5,159,314	5,259,549
Changes in non-cash working capital		(3,658,408)	(1,805,931)
Net cash from operating activities		1,500,906	3,453,618
Cash flows from financing activities			
Repayments of bank loans		-	-
Proceeds from issue of share capital		-	-
Interest paid		-	-
Dividends paid		-	-
Net cash used in financing activities		-	-
Cash flows from investing activities			
Additions to property, plant and equipment		(526,312)	(344,562)
Additions to intangible assets		-	-
Proceeds from sale of property, plant and equipment		-	-
Interest received		3,030	4,734
Net cash used in investing activities		(523,282)	(339,828)
Net increase in cash and cash equivalents		977,624	3,113,790
Cash and cash equivalents, beginning of year		11,848,434	11,359,313
Cash and cash equivalents, end of period		12,826,058	14,473,103

(Unaudited)

COMMONWEALTH BREWERY LIMITED

Notes to Interim Consolidated Financial Statements (Unaudited)

Three months ended March 31, 2013
(Expressed in Bahamian dollars)

1. Accounting Policies

These interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) for interim financial information. Accordingly, they do not include all of the information and footnotes required by IFRS for consolidated financial statements. In the opinion of management, these unaudited consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company’s financial position and results of operations as at the end of and for the periods presented. All significant intercompany accounts and transactions have been eliminated from these unaudited consolidated financial statements.

2. Dividends Declared

On March 5, 2013 the Board of Directors of the Company declared a final dividend of \$0.39 per share related to 2012 to be paid to the shareholders of record on April 20, 2013. The total declared amounted to \$11,700,000 with a payment date of April 30, 2013.

3. Change in Board of Directors

Mr. Bart van den Huijsen resigned as director of the Company effective March 5, 2013. Subsequently, Mr. Radovan Sikorsky was appointed director of the Company on the same date.