

FOCOL HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF OCTOBER 31, 2011**

	31-Oct-11	31-Oct-10	31-Jul-11
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	23,771,404	19,737,261	20,722,753
Accounts receivable, net	22,493,082	19,313,151	27,532,240
Inventories	34,067,587	23,546,830	33,002,537
Current portion of note receivable	162,607	52,565	162,607
Investments	365,000	279,500	365,000
Prepaid expenses and sundry assets	2,092,752	1,705,706	2,697,324
Total current assets	82,952,432	64,635,013	84,482,461
NON-CURRENT ASSETS:			
Note receivable	184,791	251,908	199,565
Property, plant and equipment, net	68,753,951	62,983,520	67,863,760
Intangible assets	12,655,020	12,655,020	12,655,020
Total non-current assets	81,593,762	75,890,448	80,718,345
TOTAL ASSETS	164,546,194	140,525,461	165,200,806
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable and accrued liabilities	41,296,174	25,435,115	41,571,122
Bank overdraft	3,303,795	-	5,022,041
NON-CURRENT LIABILITIES:			
Long term debt	-	-	-
Total liabilities	44,599,969	25,435,115	46,593,163
SHAREHOLDERS' EQUITY:			
Share capital	85,362	85,978	85,471
Preference shares	500,000	500,000	500,000
Contributed capital	55,319,142	56,580,996	55,570,123
Revaluation surplus	1,273,739	1,300,089	1,273,739
Retained earnings	58,069,123	52,574,880	56,653,821
Equity attributable to shareholders of the company	115,247,366	111,041,943	114,083,154
NON-CONTROLLING INTEREST			
Total equity	4,698,859	4,048,403	4,524,489
TOTAL LIABILITIES AND EQUITY	119,946,225	115,090,346	118,607,643
	164,546,194	140,525,461	165,200,806

FOCOL HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDED OCTOBER 31, 2011

	31-Oct-11	31-Oct-10	31-Jul-11
REVENUES	90,972,529	68,482,933	335,140,866
COST OF SALES	(77,901,060)	(56,304,243)	(285,504,703)
Gross profit	13,071,469	12,178,690	49,636,163
Other income	5,494	13,789	332,944
Marketing, administrative and general expenses	(7,842,975)	(6,652,183)	(29,500,616)
Depreciation and amortization	(748,585)	(689,854)	(3,015,038)
Finance costs	(58,120)	(1,138)	(68,112)
Unrealized gain (loss) on investments	-	-	85,500
NET AND COMPREHENSIVE INCOME	<u>4,427,283</u>	<u>4,849,304</u>	<u>17,470,841</u>
NET INCOME ATTRIBUTABLE TO:			
Shareholders of the company	4,252,915	4,709,164	16,854,615
Non-controlling interest	174,368	140,140	616,226
	<u>4,427,283</u>	<u>4,849,304</u>	<u>17,470,841</u>
EARNINGS PER SHARE	<u>0.12</u>	<u>0.13</u>	<u>0.39</u>

FOCOL HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
THREE MONTHS ENDED OCTOBER 31, 2011

	31-Oct-11	31-Oct-10	31-Jul-11
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	4,427,283	4,849,304	17,470,841
Adjustments for:			
Depreciation	748,585	689,854	3,015,038
Unrealized (gain) loss on investments	-	-	(85,500)
Loss (gain) on disposals of property, plant and equipment	-	-	215,990
Income from operations before working capital changes	5,175,868	5,539,158	20,616,369
(Increase) Decrease in accounts receivable, net	5,079,176	(2,385,099)	(10,645,611)
Decrease (Increase) in prepaid expenses and deposits	604,572	1,013,703	3,683
(Increase) Decrease in inventories	(1,065,050)	(3,556,431)	(13,012,138)
Increase (Decrease) in accounts payable and accrued expenses	(274,948)	1,737,102	17,873,109
Net cash from operating activities	<u>9,519,618</u>	<u>2,348,433</u>	<u>14,835,412</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Increase) Decrease in notes receivable	14,774	8,843	(48,856)
Proceeds from disposal of property, plant and equipment	-	-	1,750
Purchase of property, plant and equipment	(1,638,776)	(312,539)	(7,717,301)
Net cash used in investing activities	<u>(1,624,002)</u>	<u>(303,696)</u>	<u>(7,764,407)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of long-term debt	-	-	-
Repurchase of ordinary shares	(251,091)	-	(1,016,380)
Common share dividends paid	(2,390,128)	(2,407,394)	(7,535,646)
Preference dividends	(487,500)	(543,750)	(3,466,935)
Increase in contributed capital	-	-	5,000
Net cash used in financing activities	<u>(3,128,719)</u>	<u>(2,951,144)</u>	<u>(12,013,961)</u>
NET DECREASE IN CASH	4,766,897	(906,407)	(4,942,956)
CASH, BEGINNING OF YEAR	15,700,712	20,643,668	20,643,668
CASH, END OF YEAR	<u>20,467,609</u>	<u>19,737,261</u>	<u>15,700,712</u>
CASH AND CASH EQUIVALENTS IS COMPRISED OF			
THE FOLLOWING:			
Cash and bank balances	23,771,404	19,737,261	20,722,753
Bank overdraft	(3,303,795)	-	(5,022,041)
	<u>20,467,609</u>	<u>19,737,261</u>	<u>15,700,712</u>
SUPPLEMENTAL INFORMATION :			
Interest paid on bank overdraft and loans	58,120	1,138	68,112
Interest received	5,494	13,789	332,944
Dividends received	-	-	-
	<u>58,120</u>	<u>1,138</u>	<u>68,112</u>
	<u>5,494</u>	<u>13,789</u>	<u>332,944</u>
	<u>-</u>	<u>-</u>	<u>-</u>