

**General Trading and Food Processing
Company B.S.C.**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 MARCH 2012 (UNAUDITED)

REPORT ON THE REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF GENERAL TRADING AND FOOD PROCESSING COMPANY B.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of General Trading and Food Processing Company B.S.C. ('the Company') and its subsidiaries ('the Group') as at 31 March 2012, comprising of the interim consolidated statement of financial position as at 31 March 2012 and the related interim consolidated statements of income, comprehensive income, cash flows and changes in equity for the three-month period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting" ('IAS 34'). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

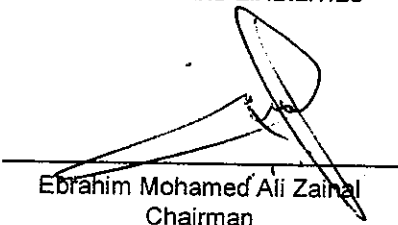
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



5 May 2012
Manama, Kingdom of Bahrain

General Trading and Food Processing Company B.S.C.
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 At 31 March 2012 (Unaudited)

	Note	<i>Unaudited</i> 31 March 2012 BD	<i>Audited</i> 31 December 2011 BD
ASSETS			
Non-current assets			
Property, plant and equipment		9,846,489	9,883,034
Intangible assets		1,022	293
Investments in associates		1,959,214	1,985,642
Available-for-sale investments		8,882,948	8,984,476
		<u>20,689,673</u>	<u>20,853,445</u>
Current assets			
Inventories		8,839,160	10,310,526
Trade and other receivables		8,911,117	8,507,388
Bank balances and cash		1,226,078	666,351
		<u>18,976,355</u>	<u>19,484,265</u>
TOTAL ASSETS		<u><u>39,666,028</u></u>	<u><u>40,337,710</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital	5	8,067,505	8,067,505
Treasury shares	6	(560,224)	(560,224)
Reserves		12,418,106	13,482,502
Equity attributable to equity holders of the parent		<u>19,925,387</u>	<u>20,989,783</u>
Non-controlling interests		1,141,108	1,304,557
Total equity		<u>21,066,495</u>	<u>22,294,340</u>
Non-current liabilities			
Term loans		1,295,936	1,541,997
Loans from non-controlling interests		627,000	627,000
Employees' end of service benefits		984,280	950,242
		<u>2,907,216</u>	<u>3,119,239</u>
Current liabilities			
Trade and other payables		6,899,328	5,564,275
Bank overdrafts		4,584,929	3,643,053
Term loans		1,334,590	1,389,266
Import loans		2,873,470	4,327,537
		<u>15,692,317</u>	<u>14,924,131</u>
Total liabilities		<u>18,599,533</u>	<u>18,043,370</u>
TOTAL EQUITY AND LIABILITIES		<u><u>39,666,028</u></u>	<u><u>40,337,710</u></u>


 Ebrahim Mohamed Ali Zainal
 Chairman


 Yousef Saleh Al Saleh
 Vice Chairman

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements.

General Trading and Food Processing Company B.S.C.

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the period ended 31 March 2012 (Unaudited)

	Note	Three-months period ended	
		31 March	
		2012	2011
		BD	BD
Sales		9,130,204	9,716,709
Cost of sales		(7,756,856)	(7,843,397)
GROSS PROFIT		1,373,348	1,873,312
Storage income		54,484	75,301
Other operating income		41,458	74,074
Selling and distribution expenses		(386,481)	(367,706)
General and administrative expenses		(266,229)	(264,267)
Personnel costs		(788,718)	(804,594)
Depreciation and amortisation		(107,282)	(110,851)
Direct operating costs - warehouse		(78,755)	(74,743)
(LOSS) PROFIT FROM OPERATIONS		(158,175)	400,526
Investment income (net)		505,138	485,475
Finance costs		(109,988)	(111,098)
Share of results of associates		(21,137)	151,440
Exchange (losses) gains - net		(393)	11,195
PROFIT OF THE GROUP FOR THE PERIOD BEFORE IMPAIRMENT OF AVAILABLE-FOR-SALE INVESTMENTS		215,445	937,538
Impairment of available-for-sale investments		(13,814)	-
PROFIT OF THE GROUP FOR THE PERIOD		201,631	937,538
of which loss (profit) attributable to non-controlling interests		166,836	(16,967)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO TRAFCO EQUITY SHAREHOLDERS		368,467	920,571
BASIC AND DILUTED EARNINGS PER SHARE (fils)	8	5	12

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements.

General Trading and Food Processing Company B.S.C.
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 31 March 2012 (Unaudited)

	<i>Three-months period ended</i>	
	<i>31 March</i>	
	2012	2011
	BD	BD
PROFIT OF THE GROUP FOR THE PERIOD	201,631	937,538
Other comprehensive income (loss)		
<i>Cumulative changes in fair value:</i>		
Realised (gain) loss included in the interim consolidated statement of income upon disposal of available-for-sale investments (net)	(155,108)	1,475
Changes in fair value of available-for-sale investments	104,637	(592,529)
Changes in fair value of associates' available-for-sale investments	20,944	(1,328)
Foreign currency translation adjustment	6,912	(7,197)
Other comprehensive loss for the period	(22,615)	(599,579)
TOTAL COMPREHENSIVE INCOME OF THE GROUP FOR THE PERIOD	179,016	337,959
of which loss (profit) attributable to non-controlling interests	163,449	(13,440)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		
ATTRIBUTABLE TO TRAFCO EQUITY SHAREHOLDERS	342,465	324,519

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements.

General Trading and Food Processing Company B.S.C.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2012 (Unaudited)

	<i>Three-months period ended</i>	
	<i>31 March</i>	
	2012	2011
	BD	BD
OPERATING ACTIVITIES		
Profit of the Group for the period	201,631	937,538
Adjustments for:		
Depreciation	276,328	264,066
Amortisation and write off of intangible assets	246	-
Provision for employees' end of service benefits	56,956	37,802
Finance costs	109,988	111,098
Gain on disposal of property, plant and equipment	(8,368)	(100)
Investment income (net)	(505,138)	(485,475)
Share of results of associates	21,137	(151,440)
Impairment of available-for-sale investments	13,814	-
Foreign currency translation adjustment (net)	6,912	(7,197)
Operating profit before working capital changes	173,506	706,292
Working capital changes:		
Inventories	1,471,366	(1,751,418)
Trade and other receivables	(108,400)	(925,410)
Trade and other payables	(42,214)	1,814,165
Cash generated from (used in) operations	1,494,258	(156,371)
Finance costs paid	(110,653)	(108,209)
Employees' end of service benefits paid	(22,918)	(35,723)
Net cash from (used in) operating activities	1,360,687	(300,303)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(240,258)	(108,621)
Intangible assets acquired	(975)	-
Proceeds from disposal of available-for-sale investments	185,040	68,192
Proceeds from disposal of property, plant and equipment	8,843	5,257
Dividends received	62,002	72,802
Net cash from investing activities	14,652	37,630
FINANCING ACTIVITIES		
Dividends paid	(2,684)	(10,538)
Movement in term loans	(300,737)	(285,829)
Movement in import loans (net)	(1,454,067)	592,521
Net cash (used in) from financing activities	(1,757,488)	296,154
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(382,149)	33,481
Cash and cash equivalents at 1 January	(2,976,702)	(2,857,931)
CASH AND CASH EQUIVALENTS AT 31 MARCH	(3,358,851)	(2,824,450)
Non-cash items:		
(i) Unclaimed dividends pertaining to prior years amounting to BD 1,724,716 (31 March 2011 (Unaudited): BD 1,240,005) have been excluded from the movement of trade and other payables above.		
(ii) Dividend receivable amounting to BD 295,938 (31 March 2011 (Unaudited): BD 413,346) has been excluded from the movement of trade and other receivables above.		

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements.

General Trading and Food Processing Company B.S.C.
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 31 March 2012 (Unaudited)

	Attributable to equity holders of the parent												
	Reserves												
	Share capital BD	Treasury shares BD	Share premium BD	Statutory reserve BD	General reserve BD	Cumulative changes in fair value BD	Retained earnings - distributable BD	Retained earnings not-distributable BD	Proposed appropriations BD	Total reserves BD	Total shareholders' equity BD	Non-controlling interests BD	Total equity BD
Balance at 1 January 2012	8,067,505	(560,224)	3,386,502	2,624,772	1,050,000	4,025,444	836,233	102,690	1,456,861	13,482,502	20,989,783	1,304,557	22,294,340
Profit for the period	-	-	-	-	-	-	368,467	-	-	368,467	368,467	(166,836)	201,631
Other comprehensive loss	-	-	-	-	-	(26,002)	-	-	-	(26,002)	(26,002)	3,387	(22,615)
Total comprehensive (loss) income for the period	-	-	-	-	-	(26,002)	368,467	-	-	342,465	342,465	(163,449)	179,016
Dividends paid	-	-	-	-	-	-	-	-	(1,406,861)	(1,406,861)	(1,406,861)	-	(1,406,861)
Transfer to general reserve	-	-	-	-	50,000	-	-	-	(50,000)	-	-	-	-
Balance at 31 March 2012	8,067,505	(560,224)	3,386,502	2,624,772	1,100,000	3,999,442	1,204,700	102,690	-	12,418,106	19,925,387	1,141,108	21,066,495
Balance at 1 January 2011	8,067,505	(560,224)	3,386,502	2,459,538	1,000,000	3,835,333	833,663	91,528	1,300,543	12,907,107	20,414,388	1,397,304	21,811,692
Profit for the period	-	-	-	-	-	-	920,571	-	-	920,571	920,571	16,967	937,538
Other comprehensive loss	-	-	-	-	-	(596,052)	-	-	-	(596,052)	(596,052)	(3,527)	(599,579)
Total comprehensive (loss) income for the period	-	-	-	-	-	(596,052)	920,571	-	-	324,519	324,519	13,440	337,959
Dividends paid	-	-	-	-	-	-	-	-	(1,250,543)	(1,250,543)	(1,250,543)	-	(1,250,543)
Transfer to general reserve	-	-	-	-	50,000	-	-	-	(50,000)	-	-	-	-
Balance at 31 March 2011	8,067,505	(560,224)	3,386,502	2,459,538	1,050,000	3,239,281	1,754,234	91,528	-	11,981,083	19,488,364	1,410,744	20,899,108

The attached notes 1 to 10 form part of these interim condensed consolidated financial statements.