

STATEMENT OF CASH FLOWS (\$'000's) UNAUDITED

	June 30 2009 \$	June 30 2008 \$
OPERATING ACTIVITIES		
Cash receipts:		
Sales - spirits, wine, coolers/ciders, beer	150,395	141,558
Annual and supplementary license fees and other	1,865	2,651
Goods and Services Tax	7,960	7,583
Manitoba Retail Sales Tax	5,194	4,773
Manitoba Waste Reduction and Prevention Levy	132	130
Environmental Protection Tax	525	512
	<u>166,071</u>	<u>157,207</u>
Cash disbursements:		
Purchases - merchandise, federal duty, excise and sales taxes, etc.	74,774	69,388
General and administrative expenses	17,203	16,607
Goods and Services Tax	7,479	7,192
Manitoba Retail Sales Tax	4,705	4,452
Manitoba Waste Reduction and Prevention Levy	113	114
Environmental Protection Tax	462	461
	<u>104,736</u>	<u>98,214</u>
Net cash available from operating activities	<u>61,335</u>	<u>58,993</u>
INVESTING ACTIVITIES		
Acquisition of property and equipment	(846)	(1,142)
Net cash available for transfer	<u>60,489</u>	<u>57,851</u>
TRANSFERS TO PROVINCE OF MANITOBA		
Current year's net profit	12,100	14,000
Prior year's net profit	42,564	41,111
	<u>54,664</u>	<u>55,111</u>
Excess (deficiency) of cash receipts over disbursements and transfers	5,825	2,740
Cash and cash equivalents, beginning of the year	9,273	10,024
Cash and cash equivalents, end of the year	<u>15,098</u>	<u>12,764</u>

See accompanying notes to the financial statements



For further information contact:
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Manitoba Liquor Control Commission

QUARTERLY FINANCIAL REPORT

For the three months ended
June 30, 2009



OPERATIONAL HIGHLIGHTS

Sales increased by \$8 million or 5.4% for this three-month period over the same period for F09. This increase is the result of a 1.4% volume increase for spirits, a 6.0% volume increase for wine, and a 0.6% volume increase for beer. Consumers continued to shift to premium-priced products. Net profit increased by \$2.9 million or 4.9%.

Regulation 117/89 was repealed to eliminate the MLCC's photo identification program. This card is no longer required as a result of the government-issued Manitoba Identification Card provided through Manitoba Public Insurance agencies.

A minimum price was implemented on large-sized, single-serve beer products to address problems of consumption in public areas and public intoxication in Winnipeg's downtown core area.

A new social responsibility program called Be the Change-Let's Stop Impaired Driving was launched to motivate Manitobans toward stopping impaired driving. Various print advertising mediums continued to address ongoing awareness programs on FASD, binge drinking and minors and alcohol.

The 8th annual Winnipeg Wine Festival was held May 3 to 9, 2009 and raised \$289,500 for Special Olympics Manitoba. Wine tastings in support of charitable community organizations were held in Pine Falls, The Pas and Thompson.



Ken Hildahl
President & Chief Executive Officer

BALANCE SHEET (\$000's) UNAUDITED

	June 30 2009	March 31 2009
ASSETS		
<i>Current</i>		
Cash and cash equivalents	15,098	9,273
Accounts receivable	28,381	22,066
Inventory	35,977	35,779
Prepaid expenses and supplies	1,151	944
Total current assets	80,607	68,062
Cash (restricted)	46,409	46,284
Property and equipment	27,041	27,151
	154,057	141,497
LIABILITIES		
<i>Current</i>		
Accounts payable - trade and other	46,157	41,394
Current liability for capital lease	46	61
Goods and Services Tax payable	1,475	994
Manitoba Retail Sales Tax payable	1,870	1,381
Net profit payable to the Province of Manitoba	49,166	42,563
Environmental Protection Tax payable	196	133
Deferred licence fees	12	292
Total current liabilities	98,922	86,818
Provision for employee pension benefits	51,823	51,213
Long term obligation under capital lease	150	146
Provision for retirement allowances	3,162	3,320
See accompanying notes to the financial statements	154,057	141,497

STATEMENT OF INCOME (\$000's) UNAUDITED

	June 30 2009	June 30 2008
Sales (see Schedule of Sales, Cost of Sales and Gross Profit)	157,291	149,284
Cost of sales (see Schedule of Sales, Cost of Sales and Gross Profit)	<u>81,085</u>	<u>77,402</u>
Gross profit	76,206	71,882
Other income	<u>1,879</u>	<u>2,183</u>
	78,085	74,065
General and administrative expenses	16,004	14,961
Depreciation	<u>814</u>	<u>720</u>
Net profit paid or payable to the Province of Manitoba	<u>61,267</u>	<u>58,384</u>

See accompanying notes to the financial statements

SCHEDULE OF SALES, COST OF SALES AND GROSS PROFIT (\$000's) UNAUDITED

Three Months Ended June 30, 2009

	Spirits	Wine	Coolers/ Ciders	Beer	Total
SALES					
Stores	35,574	21,932	4,148	12,116	73,770
Liquor vendors	8,864	2,262	1,357	1,863	14,346
Licensees	4,998	1,321	560	58,634	65,513
Specialty wine stores	<u>2</u>	<u>3,635</u>	<u>25</u>	<u>-</u>	<u>3,662</u>
YTD Sales for F10	<u>49,438</u>	<u>29,150</u>	<u>6,090</u>	<u>72,613</u>	<u>157,291</u>
YTD Sales for F09	<u>47,300</u>	<u>27,020</u>	<u>5,778</u>	<u>69,186</u>	<u>149,284</u>
COST OF SALES					
YTD Cost of Sales for F10	<u>19,434</u>	<u>13,724</u>	<u>2,774</u>	<u>45,153</u>	<u>81,085</u>
YTD Cost of Sales for F09	<u>18,840</u>	<u>12,823</u>	<u>2,740</u>	<u>42,999</u>	<u>77,402</u>
GROSS PROFIT					
YTD Gross Profit for F10	<u>30,004</u>	<u>15,426</u>	<u>3,316</u>	<u>27,460</u>	<u>76,206</u>
YTD Gross Profit for F09	<u>28,460</u>	<u>14,197</u>	<u>3,038</u>	<u>26,187</u>	<u>71,882</u>

Notes to Financial Statements

- These financial statements should be read in conjunction with the MLCC's 2008 Annual Report.
- These interim financial statements have been prepared following the same accounting policies that are disclosed in the MLCC's Annual Report.