



Jamaica Producers Group Limited
Annual Report
2005



Our Mission

To maintain the highest standards of quality, integrity and efficiency in the production, processing and marketing of fresh foods



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Notice of Meeting

NOTICE IS HEREBY GIVEN that the sixty-ninth ANNUAL GENERAL MEETING OF JAMAICA PRODUCERS GROUP LIMITED will be held at the Registered Office of the Company, 6A Oxford Road, Kingston 5, at 11:00 o'clock in the forenoon of Thursday 25th May 2006 for the following purposes:-

AGENDA

1. To receive and consider the Directors' and Auditors' Reports and Audited Statement of Accounts for the year ended December 31, 2005 and, if thought fit, pass the following resolution:-
"That the Directors' and Auditors' Reports and Audited Statement of Accounts for the year ended December 31, 2005 be and are hereby adopted."

2. To fix the remuneration of the Auditors for 2005.

3. To pass the following resolution:-
"That the Auditors, KPMG, having indicated their willingness to continue in office, be and are hereby re-appointed for the year 2007."

4. To elect Directors.

To consider and, if thought fit, pass the following resolutions:-

- (a) "That Mr. Jeffrey Hall who retires by rotation, be and is hereby re-elected a director of the Company."

- (b) "That Mr. David McConnell who retires by rotation, be and is hereby re-elected a director of the Company."

5. To fix the remuneration of Directors.

6. Item of Special Business


The Company is asked to consider, and if thought fit, pass the following resolution:

Resolution No. 6

"That the form of Articles of Incorporation accompanying this notice, be adopted by the Company in replacement and substitution for the existing Memorandum of Association and Articles of Association of the Company and that the Secretary be directed immediately to register same with the Companies Office of Jamaica."

7. To transact any other competent business.

BY ORDER OF THE BOARD



Kermit McGann
Company Secretary

A member of the Company who is entitled to attend and vote is entitled to appoint one or more proxies to attend and on a poll, to vote in his stead. A proxy need not be a member of the Company. Form of Proxy must be lodged at the Registered Office of the Company not later than forty-eight hours before the meeting. An appropriate Form of Proxy is attached, to which should be affixed adhesive stamps to the value of \$100.00.

Kingston, Jamaica
March 16, 2006

Financial Highlights

Five-year Summary

	2005 \$'000	2004 \$'000 (Restated)	2003 \$'000	2002 \$'000	2001 \$'000
GROUP					
PROFIT AND LOSS ACCOUNTS					
Gross operating revenue	<u>26,311,118</u>	<u>21,979,915</u>	<u>18,412,626</u>	<u>14,097,166</u>	<u>12,846,012</u>
Profit before taxation and minority interests	621,209	710,740	1,071,029	903,567	277,606
Taxation	(159,642)	(233,255)	(194,669)	(71,212)	(199,050)
Profit after taxation and before minority interests	461,567	477,485	876,360	832,355	78,556
Minority interests	(81,247)	(51,167)	15,454	(130,492)	(38,102)
Profit attributable to the group before extraordinary items	380,320	426,318	891,814	701,863	40,454
Extraordinary items	-	-	-	-	(421,610)
Net profit/(loss) for the year attributable to the group	<u>380,320</u>	<u>426,318</u>	<u>891,814</u>	<u>701,863</u>	<u>(381,156)</u>
Weighted average stock units in year:					
based on stock units in issue	<u>187,024,006</u>	<u>187,024,006</u>	<u>187,024,006</u>	<u>187,024,006</u>	<u>187,024,006</u>
after exclusion of stock held by ESOP	<u>171,030,574</u>	<u>171,230,498</u>	<u>170,996,101</u>	<u>170,932,399</u>	<u>170,932,399</u>
Earnings per ordinary stock unit before extraordinary items:					
based on stock units in issue	<u>203.35 ¢</u>	<u>227.95 ¢</u>	<u>476.84 ¢</u>	<u>375.28 ¢</u>	<u>21.63 ¢</u>
after exclusion of stock held by ESOP	<u>222.37 ¢</u>	<u>248.97 ¢</u>	<u>521.54 ¢</u>	<u>410.61 ¢</u>	<u>23.67 ¢</u>
Distributions to stockholders	<u>45,226</u>	<u>188,965</u>	<u>152,652</u>	<u>61,956</u>	<u>63,816</u>
Average exchange rates :					
US\$1 to J\$	62.22	61.01	58.13	48.40	45.91
UK£1 to J\$	111.28	109.38	92.21	71.32	65.67
GROUP BALANCE SHEETS					
Property, plant and equipment, investments, etc.	6,707,089	7,597,486*	5,002,178*	4,034,594*	2,173,009*
Working capital	3,317,307	2,916,743*	2,510,143*	1,571,481*	644,228*
Long-term loans	(557,497)	(207,338)	(234,726)	(206,258)	(151,614)
Deferred income, taxation, etc.	(571,786)	(647,067)	(477,752)	(310,011)	(97,347)
Minority interests	(586,069)	(544,583)	(429,685)	(255,351)	(219,400)
Net assets	<u>8,309,044</u>	<u>9,115,241</u>	<u>6,370,158</u>	<u>4,834,455</u>	<u>2,348,876</u>
Capital	18,702	18,702	18,702	18,702	18,702
Reserves	<u>8,290,342</u>	<u>9,096,539*</u>	<u>6,351,456*</u>	<u>4,815,753*</u>	<u>2,330,174*</u>
Stockholders' equity	<u>8,309,044</u>	<u>9,115,241</u>	<u>6,370,158</u>	<u>4,834,455</u>	<u>2,348,876</u>
Stock units held at year-end:					
based on stock units in issue	<u>187,024,006</u>	<u>187,024,006</u>	<u>187,024,006</u>	<u>187,024,006</u>	<u>187,024,006</u>
after exclusion of stock held by ESOP	<u>170,878,089</u>	<u>171,230,498</u>	<u>170,477,630</u>	<u>170,932,399</u>	<u>170,932,399</u>
Stockholders' funds per stock unit:					
based on stock units in issue	<u>\$ 44.43</u>	<u>\$ 48.74*</u>	<u>34.06*</u>	<u>25.85*</u>	<u>12.56*</u>
after exclusion of stock held by ESOP	<u>\$ 48.63</u>	<u>\$ 53.23*</u>	<u>37.37*</u>	<u>28.28*</u>	<u>13.74*</u>
Buying exchange rates at December 31:					
US\$1 to J\$	64.18	61.27	60.42	50.55	47.17
UK£1 to J\$	108.84	115.68	105.89	79.89	66.76

2002 to 2005 are prepared under International Financial Reporting Standards (IFRS). 2001 is prepared under Jamaica Generally Accepted Accounting Principles. Adjustments that would be required to make 2001 information IFRS compliant are in respect of:

IAS 12 - Income Taxes

IAS 19 - Employee benefits

IAS 22 - Business combinations

IAS 37 - Provisions, contingent liabilities and contingent assets

IAS 38 - Intangible assets

IAS 39 - Financial Instruments - Recognition and measurement

*Restated for consolidation of the ESOP as a special purpose entity

Statement



Charles H. Johnston
Chairman

Our continued strong growth reflects sustained development in the market for fresh, healthy foods.

Chairman's

In 2005, Jamaica Producers Group achieved a 19.7% increase in revenue to \$26.31 billion. Our continued strong growth reflects sustained development in the market for fresh, healthy foods. The Group continues to be a leading player in this business in the United Kingdom with significant market share in the fresh fruit and juice sectors. Our strength in these sectors is bolstered by the fact that we are:

- vertically integrated, having businesses ranging from agricultural production to food processing and chilled distribution; and
- diversified, with a range of major fresh food products and a global sourcing base for fresh fruit.

We continue to build on all aspects of this platform with significant investments in banana production, fresh food distribution and food processing.



We remain optimistic about our prospects in the growing fresh food market

The Group recorded profit attributable to stockholders of \$380.3 million in 2005, a decrease of 10.8% from the prior year's result. The 2005 outturn was achieved against a backdrop of impending changes in the EU banana import regime, increasing energy costs and extreme price competitiveness in our core business – the supply of food to supermarkets in the United Kingdom.

Two specific events adversely affected our performance. First, the 2005 Atlantic hurricane season was the busiest on record. In Jamaica, our agricultural and agro-processing operations were affected by Hurricanes Dennis and Emily. The production levels on our farms were reduced by over 45%. Both storms struck in July, less than two months after our farms resumed export operations that had been suspended since September 2004 as a result of Hurricane Ivan. Second, the operation of one of our juice factories in Wales was affected by a product tampering incident that resulted in a product recall.

We remain optimistic about our prospects in the growing fresh food market. It is our view that the best opportunities will go to efficient companies that are committed to the production of foods for healthy eating and that practise ethical trading. Our strategy in 2006 and beyond will continue to position the Group to satisfy these conditions wherever we operate.





Marshall Hall, C. D., Ph.D.
Group Managing Director

Fresh and Processed Foods Division

The Fresh and Processed Foods Division continued to post significant revenue gains in 2005 although the profit position of the division was disappointing. Revenues were \$15.67 billion, up 21.8% relative to 2004. Pre-tax profits were \$328.4 million in 2005, down from \$640.4 million in 2004.





Food Processing

The Serious Food Company

The Serious Food Company experienced mixed fortunes in 2005. Substantial sales growth was achieved, however, profits declined sharply.

Sunjuice is the largest business unit in The Serious Food Company. It maintained its position as a strong innovative manufacturer in the market for premium quality chilled juices, smoothies and crushes.

Tremendous sales growth was achieved in 2005. Unfortunately, we experienced a product tampering incident affecting a single carton of product from one of our juice factories. As a precautionary measure, we instituted a limited product recall early in the second quarter. The incident reduced pre-tax profits by \$157.0 million, including \$123.1 million of direct costs and an estimated \$33.9 million of reduced margin from lost sales. We are satisfied that our prompt response to the incident protected our longstanding reputation for quality and product safety.



Profitability was also adversely affected by significant margin erosion due to cost increases that could not be passed on to customers. The majority of Sunjuice's output is sold under the private labels of major UK supermarkets, which continue to pursue aggressive pricing and competitive strategies. In this environment, our core products are becoming commoditized.

Our proven ability to develop and introduce new products has been a key reason for our success. In this regard, we are pleased to have won the World Juice Innovation Award again in 2005. We are the only company ever to win this prestigious award twice.

In 2005, Serious Food Distribution expanded beyond its original base in London to offer a full national distribution service. We opened a new depot in Birmingham and established an alliance with an independent distribution company in Scotland. This enabled us to serve large national customers wanting consistency of delivery and product across the UK. New software is currently being introduced to more effectively manage the distribution network. This business recorded a loss in 2005. We do, however, expect an improved result in 2006.



Serious Soup experienced good growth in 2005, its second full year of operation. The business remains in its development phase, and further growth is required to achieve profitability.

In 2005, we implemented our corporate re-branding programme to more effectively integrate the business units that comprise The Serious Food Company. Passionate innovation is an integral aspect of The Serious Food Company culture. In 2006, our expansion into new value-added sectors continues with the launch of Serious Desserts which will produce and market chilled premium desserts. A key element of our strategy is to establish The Serious Food Company brand within the retail and foodservice sector, in addition to producing private label desserts for major supermarkets.

Tropical Snacks

The supply of raw material for our banana chip line was severely restricted throughout the year as a result of Hurricanes Ivan, Dennis and Emily. During 2005, the Group upgraded the plant in Jamaica by adding the capability to produce a broader range of fried and baked snacks. This will mitigate the impact on our

manufacturing operations of periodic disruptions in the supply of bananas. Several new product launches are scheduled in 2006. We recognize the need to maintain a supply of snacks to our customers in Jamaica and elsewhere, regardless of the impact of acts of God, such as hurricanes. Plans are, therefore, far advanced to ensure a supply from the Dominican Republic and Costa Rica.

Fresh Fruit Trading

Our fresh fruit trading operation continued to show growth and improved performance in 2005. The business imports a full range of produce into the UK including citrus, apples and pears, grapes, melons, pineapples and exotics (tropical ground provisions). In 2005, our growth opportunities came from packing and distributing fruit under contract to major UK supermarkets, foodservice companies and food processors. In order to ensure the year-round availability of these seasonal products to our customers, we have developed structured relationships with growers in over 18 different countries. We are also engaged in ongoing projects to bring innovations in merchandising, packaging and quality control to the market.





Banana Division

Our Banana Division experienced solid sales growth in 2005 which drove a return to profitability. Revenue was \$10.47 billion in 2005, up 17.0% from \$8.94 billion in 2004. Pre-tax profit improved to \$215.5 million in 2005, compared with a loss of \$0.6 million the previous year.

Banana Ripening

Our banana ripening business in the United Kingdom experienced particularly strong revenue growth in 2005 and produced satisfactory operating results. This performance reflects the strength and diversity of our sourcing base and our continuing emphasis on quality and service competitiveness.

In 2005, we imported bananas into the UK from a range of farms in Central America, South America, West Africa and the Caribbean, including our own farms in Jamaica. We distinguish ourselves in the UK market by ensuring consistently high quality and by requiring strong environmental standards and social accountability from the farms with which we trade.

In 2005, we also improved our market position by further developing our category management capabilities, merchandising and service levels to differentiate our offering to UK retailers. We were pleased to have won "Supporter of the Year" from the UK Department of Health for our "JP...lovefruit" marketing campaign. "JP...lovefruit"

highlights our passion for the produce business and our commitment to developing healthy eating habits among children.

Our Jamaica-based banana ripening business relies solely on bananas produced on our own estates in Jamaica which were severely affected by three hurricanes in ten months. Despite these adverse supply conditions, our Jamaican banana ripening and distribution operation achieved profitability. We expect the business to produce stronger results as supply conditions stabilize in 2006.



Banana Production

2005 was a challenging year for JP Farms in Jamaica. We suspended banana exports as a result of Hurricane Ivan in September 2004. Banana exports resumed in the second quarter of 2005 and we achieved our targets both as to production volumes and timing. Unfortunately, the farms lost approximately 45% of their production in the third quarter and for the remainder of the year, as a result of Hurricanes Dennis and Emily. The farms were, however, able to achieve modest profitability as certain hurricane-related costs were partially offset by insurance and other recoveries included in Other Income.

We took the decision to re-establish banana production that was destroyed as a result of the hurricanes. Jamaica Producers Group continues to derive competitive advantage by meeting some of our banana supply requirements from farms controlled and operated by the Group.



Transport and Logistics

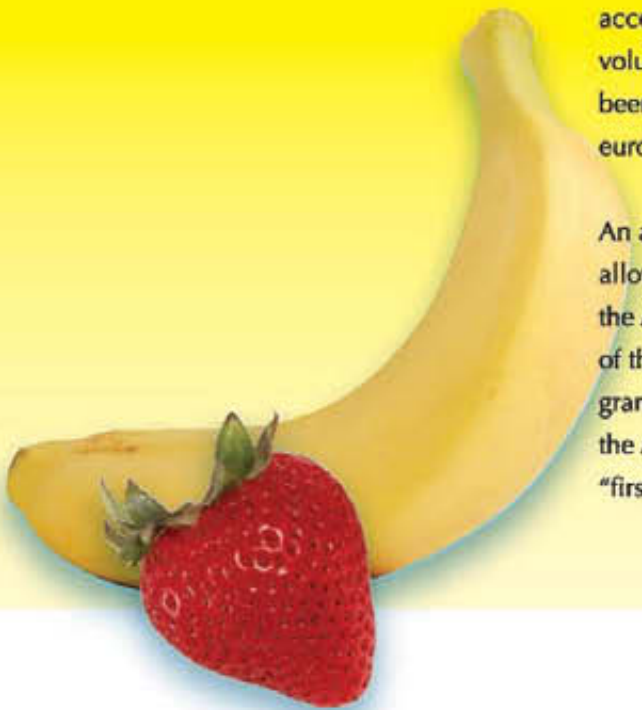
Our transport and logistics operation continues to be anchored by weekly shipments of banana cargo from Jamaica to the United Kingdom. The movement of refrigerated cargo from Costa Rica to Europe and general cargo between Jamaica and Europe (as well as agency, groupage and customs clearance operations) also contribute to the business. As a result of Hurricane Ivan, the supply of Jamaican banana cargo was interrupted during the first quarter and part of the second quarter of 2005. In the third and fourth quarters, as a result of Hurricanes Dennis and Emily, the volume of Jamaican banana cargo did not meet expectations. The inconsistent supply of Jamaican banana cargo adversely affected the performance of our shipping operation in 2005. Nevertheless, our overall business traded profitably and achieved a result that was generally in accordance with expectations.

New shipping arrangements have been made for 2006. We are now using larger ships which necessitate loading of bananas in Kingston instead of Port Antonio.

General

A new trade regime governs the importation of bananas into the European Union in 2006. Throughout 2005, licences were required for the importation of all bananas into the EU, and a tariff-quota restriction determined the overall volume of bananas that were imported into that market. As of 2006, licences will no longer be required for bananas from "dollar" sources (banana exporting countries – principally in Latin America – that are outside of the African, Caribbean and the Pacific (ACP) group of countries that have been granted favourable market access by the EU). In addition, as of 2006 all quota restrictions on the volume of bananas allowed into the EU from "dollar" sources have been removed. "Dollar" bananas will, however, attract duty of 176 euros per tonne under the new "tariff-only" regime.

An annual volume of 775,000 tonnes of bananas from the ACP will be allowed to enter duty-free into the EU. Imports above this volume from the ACP will attract duty of 176 euros per tonne. Approximately 40% of the duty-free quota will require import licences (which were granted to importers on the basis of historical import quantities from the ACP). The remainder of the quota will be allowed to enter on a "first come first served" basis.



We are satisfied that the Banana Division will be able to trade competitively under the new regime. We are, however, mindful that the regime is subject to change.

Corporate

The Corporate segment generated a pre-tax profit of \$77.3 million in 2005, up 9.0% from \$70.9 million in 2004. This segment comprises interest and investment income, net of the cost of corporate functions not directly charged to the business units.

Our investment portfolio includes both Jamaican and international investments. The value of the portfolio declined significantly in 2005 due to weakness in the Jamaica stock market. At year-end, the Group's balance sheet included available-for-sale investments with a fair value of \$3.63 billion. The fair value reserve was \$2.89 billion, representing the total unrealized gain on available-for-sale investments. It should be noted that available-for-sale investments are marked to market on the balance sheet in accordance with IFRS. This inevitably has an impact on our balance sheet, but has no short-term impact on profits. The Group's balance sheet is strong and our investment portfolio remains a significant source of shareholder value.



Corporate Governance

Jamaica Producers Group has a long-standing commitment to the highest standards of corporate governance. The Board retains direct responsibility for policy and compliance in this area. The Board is regularly briefed on matters of governance including any concerns raised by the Jamaica Stock Exchange. We have policies in place to maintain ethical and legal conduct in relation to matters such as insider trading, conflict of interest and the sale of company assets.

The Audit Committee meets at least four times per year, conducting a thorough review of quarterly and annual financial statements and reports thereon. It also reviews internal audit matters throughout the Group as part of its oversight function.

Social Responsibility

As we have in the past, the Group continues to make significant investments to promote and sustain healthy communities in the areas in which we operate. In 2005, we added a new project—we were donors to the Nature Preservation Foundation, formed to revive Hope Gardens and the Zoo. Hope Gardens, now in need of refurbishing,

We are in a strong position to exploit the full range of opportunities that exist in the business of processing and distributing high quality, fresh and healthy food sourced from across the world for our customers.

had long been an oasis in our capital city and we are pleased to contribute to the restoration of this facility.

We continue our charitable involvement in health, environmental projects and our youth. We are steadfast in our support for education at primary, secondary and tertiary levels, particularly in the rural areas of Jamaica, where our banana farms are located. We have an unshakeable commitment to maintain strong, positive relationships with our communities and our employees.

Outlook

Since its inception, Jamaica Producers has maintained a strong outward orientation and has developed markets and other trading opportunities outside of Jamaica as well as within our country of incorporation. This will continue. We are in a strong position to exploit the full range of opportunities that exist in the business of processing and distributing high quality, fresh and healthy food sourced from across the world for our customers. We are confident that by successfully meeting the demands of our principal markets, we will continue to enjoy excellent growth prospects.

*We cater to a consumer that
is among the world's most sophisticated
and demanding*

We recognise the risks associated with competing in the fresh food sector in the UK and Ireland, which is dominated by some of the world's strongest retailers. We cater to a consumer that is among the world's most sophisticated and demanding. In all of our major businesses we compete with recognized global leaders.

The EU banana regime has changed, but we have long prepared for this. First, we diversified our sourcing base to include bananas from other sources as well as Jamaican bananas. Second, we made significant efficiency improvements on our farms. Finally, we diversified our business. Our portfolio of operations now includes two additional businesses (processing of fresh prepared foods and fresh fruit trading) that are each comparable in scale to our banana business.

We acknowledge the considerable effort of all involved in transforming Jamaica Producers into a diversified fresh food group. We are, however, mindful of the fact that the true test of our work will be in the years to come. We will be required to make substantial investments to retain our leadership position in product quality, packaging innovation and logistics and to remain competitive. This challenge will require significant commitments of the Group's resources over the next three to five years.



Acknowledgements

We continue to be deeply appreciative of the dedication and hard work demonstrated by our management and staff in Jamaica, Central America and the United Kingdom. We value highly this commitment and loyalty.

My fellow directors have again been unfailing in their support, their unselfish contributions of their time and their willingness to continually give of their considerable wisdom. For this, the Group and I are most grateful.



C.H. Johnston

March 3, 2006

Directors' Report

The Directors present this report, the Chairman's statement and the audited Financial Statements for the year 2005 to the 69th Annual General Meeting.

FINANCIAL STATEMENTS

The year's financial statements are shown on pages 25 to 55 of this publication.

Highlights are:

	<u>2005</u>	<u>2004</u>
	J\$M	J\$M
Gross Operating Revenue	26,311	21,980*
Group Attributable Profit	380	426
Retained earnings 1st January	2,500	2,266*
Retained earnings 31st December	2,783	2,500*
Earnings per stock unit:-		
before extraordinary items based on stock units in issue	203.35 cents	227.95 cents
after excluding stocks held by the ESOP	222.37 cents	248.97 cents
Stockholders Funds per stock unit at 31st December- net of ESOP shares issued, amounted to	<u>\$48.63</u>	<u>\$53.23</u>

* Reclassified to conform with 2005 presentation

DIVIDENDS

Interim of 25 cents per share - paid 24th July

Ordinary

J\$M
46.756

Interim of 25 cents per share - paid 29th Dec

46.756

No final dividend is recommended in respect of 2005.

AUDITORS

The Auditors, KPMG, have expressed their willingness to continue in office.

DIRECTORS

Your Directors who served diligently during the year are:-

Mr. Aubrey Ffrench

The Hon. Emil C. George, O.J., Q.C., B.C.L., M.A. (Oxon.)

Marshall McG. Hall, C.D., Ph.D. – Group Managing Director

Mr. Jeffrey McG. Hall, B.A. M.P.P., J.D.

Mr. Charles Johnston, B.Sc. (Econ.) – Chairman

Mrs. Dahlia Kelly, B.Sc.

Mr. Michael R. Lord, O.B.E

Mr. David McConnell

Mr. John O. Minott, C.D., B.Com., JP

Mr. Peter K. Morris, B.Sc. (Hons.), M.B.A.

Mrs. Kathleen A. J. Moss, B.Sc., M.B.A., C.B.V.

Mr. David H. Read, O.B.E.

Prof. Alvin G. Wint, B.Sc., M.B.A., D.B.A.

Messrs. Jeffrey Hall and David McConnell retire by rotation and being eligible, offer themselves for re-election in accordance with the Articles of Association.



C. H. Johnston
Chairman

March 16, 2006

Board of Directors



C.H. Johnston
B.Sc. (Econ.)
Chairman



Marshall McG. Hall
C.D., Ph.D.
Group Managing Director



A.E. Ffrench



E.C. George
O.J., Q.C., B.C.L., M.A. (Oxon)



Jeffrey McG. Hall
B.A., M.P.P., J.D.



D. Kelly
B.Sc.



M.R. Lord
O.B.E.



D. McConnell



J.O. Minott
C.D., B.Com., J.P.



P. K. Morris
B.Sc. (Hons.), MBA



K.A.J. Moss
B.Sc., MBA, CBV



D.H. Read
O.B.E.



A.G. Wint
B.Sc., MBA, DBA

Board Committees

AUDIT COMMITTEE

Mrs. Kathleen A. J. Moss - Chair

Mr. Aubrey Ffrench

Mr. J.O. Minott

Prof. Alvin G. Wint

Mr. Charles Johnston

Dr. Marshall Hall

Mr. Peter K. Morris

COMPENSATION COMMITTEE

Mr. Charles Johnston - Chair

Mrs. Kathleen A. J. Moss

Mr. Aubrey Ffrench

Dr. Marshall Hall

EXECUTIVE COMMITTEE

Mr. Charles Johnston - Chair

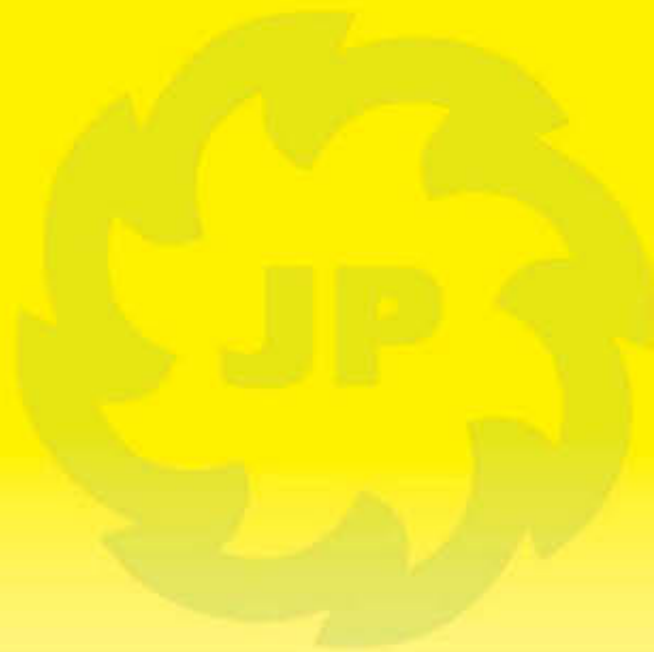
Dr. Marshall Hall

Mr. Peter K. Morris

Mr. Aubrey Ffrench

Mrs. Dahlia Kelly

Mr. J.O. Minott





KPMG
Chartered Accountants

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email:firmmail@kpmg.com.jm

To the Members of
JAMAICA PRODUCERS GROUP LIMITED

Auditors' Report

We have audited the financial statements of Jamaica Producers Group Limited ("company") and the consolidated financial statements of the company and its subsidiaries ("group") as of and for the year ended December 31, 2005, set out on pages 25 to 55, and have obtained all the information and explanations which we required. The financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, proper accounting records have been kept and the financial statements, which are in agreement therewith and have been prepared in accordance with International Financial Reporting Standards, give a true and fair view of the state of affairs of the company and the group as at December 31, 2005, and of the results of operations, changes in equity and cash flows of the group for the year then ended, and comply with the provisions of the Companies Act, so far as concerns members of the company.



March 3, 2006

KPMG, a Jamaican Partnership,
is the Jamaican member firm of KPMG
International, a Swiss cooperative.

Raphael E. Gordon
Patrick A. Chin
R. Tarun Handa

Caryl A. Ferron
Patricia o. Dailey-Smith
Cynthia L. Lawrence


Elizabeth A. Jones
Linroy J. Marshall
Rajan Trehan

Jamaica Producers Group Limited

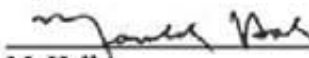
Company Balance Sheet
December 31, 2005

	<u>Notes</u>	<u>2005</u> \$'000	<u>2004</u> \$'000
CURRENT ASSETS			
Cash and cash equivalents		57,142	92,910
Short-term investments		273,360	100,000
Securities purchased under resale agreements	2(i)	635,580	694,069
Accounts receivable	3	93,079	195,036
Taxation recoverable		88,339	99,770
Inventories	4	<u>655</u>	<u>612</u>
Total current assets		<u>1,148,155</u>	<u>1,182,397</u>
CURRENT LIABILITIES			
Bank overdraft and short-term loan	5	27,068	25,459
Accounts payable	6	84,100	129,787
Unclaimed dividends		18,972	44,448
Current portion of long-term loan	16	<u>-</u>	<u>2,624</u>
Total current liabilities		<u>130,140</u>	<u>202,318</u>
WORKING CAPITAL		<u>1,018,015</u>	<u>980,079</u>
NON-CURRENT ASSETS			
Interests in subsidiary and associated companies	8	218,386	148,202
Investments	9	3,241,897	4,380,244
Property, plant and equipment	13	<u>83,789</u>	<u>69,457</u>
Total non-current assets		<u>3,544,072</u>	<u>4,597,903</u>
Total assets less current liabilities		<u>4,562,087</u>	<u>5,577,982</u>
STOCKHOLDERS' EQUITY			
Share capital	14	18,702	18,702
Reserves	15	<u>4,524,030</u>	<u>5,520,853</u>
Total stockholders' equity		<u>4,542,732</u>	<u>5,539,555</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities	12	19,355	38,427
Long-term loan	16	<u>-</u>	<u>-</u>
Total non-current liabilities		<u>19,355</u>	<u>38,427</u>
		<u>4,562,087</u>	<u>5,577,982</u>

The financial statements on pages 25 to 55 were approved for issue by the Board of Directors on March 3, 2006 and signed on its behalf by:



C. H. Johnston Chairman



M. Hall Managing Director

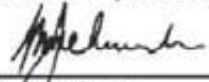
The accompanying notes form an integral part of the financial statements.

Jamaica Producers Group Limited

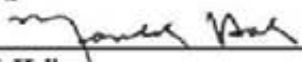
Group Balance Sheet
December 31, 2005

	<u>Notes</u>	<u>2005</u> \$'000	<u>2004</u> \$'000
CURRENT ASSETS			
Cash and cash equivalents		1,470,487	1,941,335
Short-term investments		357,890	173,510
Securities purchased under resale agreements	2(i)	680,152	810,462
Accounts receivable	3	3,290,817	2,638,371
Taxation recoverable		94,407	103,244
Inventories	4	<u>737,462</u>	<u>662,379</u>
Total current assets		<u>6,631,215</u>	<u>6,329,301</u>
CURRENT LIABILITIES			
Bank overdrafts and short-term loans	5	34,346	73,666
Accounts payable	6	3,106,254	3,116,793*
Taxation		61,685	89,711
Unclaimed dividends		18,972	44,448
Current portion of long-term loans	16	<u>92,651</u>	<u>87,940</u>
Total current liabilities		<u>3,313,908</u>	<u>3,412,558</u>
WORKING CAPITAL		<u>3,317,307</u>	<u>2,916,743</u>
NON-CURRENT ASSETS			
Biological assets - banana plants	7	1,876	24,456
Interests in associated companies	8	25,577	34,519
Investments	9	3,733,350	4,722,700*
Goodwill	10	331,004	341,814
Deferred tax assets	12	143,571	143,628
Property, plant and equipment	13	<u>2,471,711</u>	<u>2,330,369</u>
Total non-current assets		<u>6,707,089</u>	<u>7,597,486</u>
Total assets less current liabilities		<u>10,024,396</u>	<u>10,514,229</u>
STOCKHOLDERS' EQUITY			
Share capital	14	18,702	18,702
Reserves	15	<u>8,290,342</u>	<u>9,096,539*</u>
Total equity attributable to equity holders of the parent		8,309,044	9,115,241
MINORITY INTERESTS		<u>586,069</u>	<u>544,583</u>
Total equity		<u>8,895,113</u>	<u>9,659,824</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities	12	168,021	164,047
Deferred income		25,998	130,186
Employee benefit obligation	11	377,767	352,834
Long-term loans	16	<u>557,497</u>	<u>207,338</u>
Total non-current liabilities		<u>1,129,283</u>	<u>854,405</u>
Total equity and non-current liabilities		<u>10,024,396</u>	<u>10,514,229</u>

The financial statements on pages 25 to 55 were approved for issue by the Board of Directors on March 3, 2006 and signed on its behalf by:



C. H. Johnston Chairman



M. Hall Managing Director

* Reclassified to conform with 2005 presentation.
The accompanying notes form an integral part of the financial statements.

Jamaica Producers Group Limited

Group Profit and Loss Account
Year ended December 31, 2005

	<u>Notes</u>	<u>2005</u> \$'000	<u>2004</u> \$'000
Gross operating revenue	17	26,311,118	21,979,915*
Cost of operating revenue		<u>(22,416,812)</u>	<u>(18,336,932)</u>
Gross profit		3,894,306	3,642,983
Selling and distribution costs		<u>(1,889,806)</u>	<u>(1,531,168)</u>
Administration and other operating expenses		<u>(1,858,993)</u>	<u>(1,551,026)*</u>
Profit from operations		145,507	560,789
Share of profit in associated companies		-	1,007
Net gains from fluctuations in exchange rates		10,172	37,020
Gains on disposal of property, plant and equipment and investments		109,569	19,916
Other income		390,018	202,830
Finance cost - interest		<u>(34,057)</u>	<u>(25,694)</u>
Redundancy and lay-off costs	18	<u>(-)</u>	<u>(85,128)</u>
Profit before taxation	19	621,209	710,740
Taxation	20	<u>(159,642)</u>	<u>(233,255)</u>
Net profit for the year		<u>461,567</u>	<u>477,485</u>
Attributable to:			
Parent company stockholders*		380,320	426,318
Minority interest		<u>81,247</u>	<u>51,167</u>
		<u>461,567</u>	<u>477,485</u>
*Dealt with in the financial statements of:			
The company		82,417	38,897
Subsidiary companies		297,903	387,189
Associated companies		<u>-</u>	<u>232</u>
		<u>380,320</u>	<u>426,318</u>
Earnings per ordinary stock unit:			
Based on stock units in issue	21	<u>203.35¢</u>	<u>227.95¢</u>
After exclusion of stock units held by ESOP	21	<u>222.37¢</u>	<u>248.97¢</u>

* Reclassified to conform with 2005 presentation.

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

Group Statement of Changes in Stockholders' Equity
Year ended December 31, 2005

	Share capital (note 14) \$'000	Share premium \$'000	Capital reserves \$'000	Fair value reserve \$'000	Reserve for own shares (note 15) \$'000	Retained profits \$'000	Parent company stockholders' equity \$'000	Minority interest \$'000	Total equity \$'000
Balances at December 31, 2003	18,702	135,087	2,430,372	1,624,127	-	2,242,818	6,451,106	429,685	6,880,791
As previously reported	-	-	39,730	-	(144,296)	23,618	(80,948)	-	(80,948)
Effect of consolidation of ESOP	18,702	135,087	2,470,102	1,624,127	(144,296)	2,266,436	6,370,158	429,685	6,799,843
Restated balances at December 31, 2003	-	-	-	-	-	426,318	426,318	51,167	477,485*
Restated net profit for the year	-	-	-	-	-	-	223,868	63,731	287,599*
Exchange gains not recognised in the group profit and loss account	-	-	223,868	-	-	(1,448)	-	-	-
Unrealised exchange gains transferred	-	-	1,448	-	-	22,460	-	-	-
Transfer of reserves of former subsidiary	-	-	(22,460)	2,269,460	-	-	2,269,460	-	2,269,460*
Change in fair value of investments	-	-	-	-	14,402	-	14,402	-	14,402*
Own shares sold by ESOP	-	-	-	-	-	-	24,911	-	24,911*
Unclaimed distributions to stockholders	-	-	24,911	-	-	(213,876)	(213,876)**	-	(213,876)
Distributions to stockholders (note 22)	-	-	-	-	-	-	-	-	-
Restated balances at December 31, 2004	18,702	135,087	2,697,869	3,893,587	(129,894)	2,499,890	9,115,241	544,583	9,659,824
Net profit for the year	-	-	-	-	-	380,320	380,320	81,247	461,567*
Exchange losses not recognised in the group profit and loss account	-	-	(126,763)	-	-	-	(126,763)	(39,761)	(166,524)*
Unrealised exchange gains transferred	-	-	11,402	-	-	(11,402)	-	-	-
Change in fair value of investments	-	-	-	(1,000,957)	-	-	(1,000,957)	-	(1,000,957)*
Own shares acquired by ESOP	-	-	-	-	(24,011)	-	(24,011)	-	(24,011)*
Own shares sold by ESOP	-	-	-	-	10,440	-	10,440	-	10,440*
Unclaimed distributions to stockholders	-	-	-	-	-	-	40,213	-	40,213*
Distributions to stockholders (note 22)	-	-	-	-	-	(85,439)	(85,439)	-	(85,439)
Balances at December 31, 2005	18,702	135,087	2,622,721	2,892,630	(143,465)	2,783,369	8,309,044	586,069	8,895,113
Retained in the financial statements of:									
The company	18,702	135,087	1,444,552	2,855,434	-	88,957	4,542,732	-	4,542,732
Subsidiary companies	-	-	1,178,169	37,196	(143,465)	2,694,412	3,766,312	-	3,766,312
Associated companies	-	-	-	-	-	-	-	-	-
Balances at December 31, 2005	18,702	135,087	2,622,721	2,892,630	(143,465)	2,783,369	8,309,044	-	8,309,044
The company	18,702	135,087	1,404,340	3,881,374	-	100,052	5,539,555	-	5,539,555
Subsidiary companies	-	-	1,293,529	12,213	(129,894)	2,399,838	3,575,686	-	3,575,686
Associated companies	-	-	-	-	-	-	-	-	-
Restated balances at December 31, 2004	18,702	135,087	2,697,869	3,893,587	(129,894)	2,499,890	9,115,241	-	9,115,241

* Total recognised losses attributable to stockholders (\$679,272,000) [2004: Total gains - \$3,073,857,000- restated (see note 15)]

** Restated (notes 15 and 22)

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

Group Statement of Cash Flows
Year ended December 31, 2005

	<u>2005</u>	<u>2004</u>
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the year attributable to parent company stockholders	380,320	426,318
Adjustments to reconcile net profit for the year to net cash (used)/provided by operating activities:		
Items not involving cash:		
Depreciation and impairment losses	377,189	319,107
Goodwill amortised [note 2(g)]	-	3,926
Biological assets amortised	24,456	24,456
Net unrealised exchange gains	125,572	129,579
Deferred tax, net	4,031	33,027
Employee benefits, net	24,933	53,815
Gain on disposal of property, plant and equipment and investments	(109,569)	(19,916)
Share of profit in associated companies	-	(1,007)
Minority interests in profit for the year	81,247	51,167
Deferred income amortised	(129,143)	(4,685)
	<u>779,036</u>	<u>1,015,787</u>
(Increase)/decrease in current assets:		
Accounts receivable	(652,446)	(133,535)
Taxation recoverable	8,837	(28,445)
Inventories	(75,083)	(164,186)
Increase/(decrease) in current liabilities:		
Accounts payable	(10,539)	253,152
Taxation	(28,026)	62,733
Unclaimed distributions to stockholders	(25,476)	<u>16,875</u>
Net cash (used)/provided by operating activities	<u>(3,697)</u>	<u>1,022,381</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Biological assets - banana plants	(1,876)	(18,504)
Short-term investments	(184,380)	8,492
Securities purchased under resale agreements	130,310	68,182
Additions to property, plant and equipment	(680,658)	(414,109)
Proceeds from disposal of property, plant and equipment and investments	124,730	228,486
Interests in associated companies	8,942	42,683
Goodwill released/(acquired)	369	(77,422)
Additions to investments	(159,867)	(357,301)*
Net cash used by investment activities	<u>(762,430)</u>	<u>(519,493)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank overdrafts and short-term loans	(39,320)	11,515
Long-term loans	354,870	(9,560)
Deferred income received	24,955	86,816
Distributions to stockholders	(45,226)	(188,965)*
Net cash provided/(used) by financing activities	<u>295,279</u>	<u>(100,194)</u>
Net (decrease)/increase in cash and cash equivalents	(470,848)	402,694
Cash and cash equivalents at beginning of the year	<u>1,941,335</u>	<u>1,538,641</u>
Cash and cash equivalents at end of the year	<u>1,470,487</u>	<u>1,941,335</u>

*Reclassified to conform with 2005 presentation

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

Notes to the Financial Statements
December 31, 2005

1. The company

Jamaica Producers Group Limited ("company") is incorporated and domiciled in Jamaica. The company's registered office is located at 6A Oxford Road, Kingston 5, Jamaica, W.I.

The main activities of the company and its subsidiaries (note 28) are the cultivation, marketing and distribution of bananas and other fresh produce locally and overseas, juice manufacturing and distribution, shipping and the holding of investments.

The average number of employees during the year was 56 (2004: 59) for the company and 1,612 (2004: 2,025) for the group.

2. Basis of preparation, compliance and significant accounting policies

(a) Basis of preparation and compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations, adopted by the International Accounting Standards Board (IASB), and comply with the provisions of the Companies Act.

The significant accounting policies stated in paragraphs (b) to (s) below conform in all material respects to IFRS.

The financial statements are presented in Jamaican dollars and are prepared on the historical cost basis, except for available-for-sale investments which are stated at fair value.

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, contingent assets and contingent liabilities at the balance sheet date and the income and expenses for the year then ended. Actual amounts could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(b) Basis of consolidation:

Subsidiaries are those entities controlled by the company. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies so as to obtain benefits from its activities. The consolidated financial statements include the financial statements of all subsidiaries, including an employee benefit trust classified as a special purpose entity, made up to December 31, 2005.

Associated companies are those entities in which the group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the group's share of the total recognised gains and losses of associated companies on the equity accounting basis (note 8). When the group's share of losses exceeds its interest in an associate, the group's carrying amount is reduced to \$Nil and recognition of further losses is discontinued, except to the extent that the group has incurred legal or constructive obligations or made payments on behalf of an associate. If the associate subsequently reports gains, the group resumes recognising its share of those gains only after its share of gains equals the share of losses not recognised.

Notes to the Financial Statements (Continued)
December 31, 2005

2. Basis of preparation, compliance and significant accounting policies (cont'd)

(b) Basis of consolidation (cont'd):

Inter-company balances and transactions, and any unrealised gains arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

The company and its subsidiaries are collectively referred to as the "group"

(c) Foreign currencies:

The group's foreign assets and liabilities are translated at the buying rates of exchange ruling at the balance sheet date [note 27(b)(iii)]. Items in the foreign subsidiaries' profit and loss account are translated at rates of £1 to J\$111.28 (2004: J\$109.38) and US\$1 to J\$62.22 (2004: J\$61.01), being the average rates of exchange ruling for the year.

Other transactions in foreign currencies are converted at the rates of exchange ruling at the dates of those transactions.

Gains and losses arising from translating income statement items are included in the profit and loss account. Unrealised portions of such gains are, ultimately, transferred to capital reserve. Exchange differences arising on other changes to stockholders' interests are reflected in other capital reserves (note 15).

(d) Property, plant and equipment:

(i) Owned assets

Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses [see note 2(k)].

(ii) Leased assets

Leases under which the group assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired under finance leasing arrangements in the United Kingdom are stated at an amount equal to the lower of the fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation, calculated in accordance with the policy in (iv) below, and impairment losses. After deducting interest attributable to future periods, the net amount payable is included in accounts payable.

(iii) Subsequent costs

The group recognises in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when that cost is incurred, if it is probable that the future economic benefits embodied with the item will flow to the group and the cost of the item can be measured reliably.

(iv) Depreciation

Property, plant and equipment, including leased assets, with the exception of freehold land on which no depreciation is provided, are depreciated on the straight-line basis at annual rates, varying between 2% and 50%, estimated to write off the assets over their expected useful lives. Computer software and equipment are depreciated on the straight-line basis at 33 $\frac{1}{3}$ % and 100% per annum.

Notes to the Financial Statements (Continued)
December 31, 2005

2. Basis of preparation, compliance and significant accounting policies (cont'd)

(e) Inventories:

Inventories are valued at the lower of cost, determined principally on the first-in first-out basis, and net realisable value.

(f) Trade and other receivables:

Trade and other receivables are stated at cost, less impairment losses.

(g) Goodwill:

Goodwill represents amounts arising on acquisition of subsidiaries after 1995. It comprises the excess of the cost of acquisition over the fair value of the net identifiable assets acquired less contingent liabilities, and deemed cost at March 31, 2004.

Goodwill is stated at cost, less any accumulated impairment losses. Goodwill is allocated to cash-generating units (note 10) and is no longer amortised but tested annually for impairment.

(h) Investments:

Investments with fixed or determinable payments and which are not quoted in an active market are classified as loans and receivables and are stated at amortised cost, less impairment losses. Where the group has the positive intent and ability to hold securities to maturity, they are classified as held-to-maturity and recognised initially at cost and subsequently measured at amortised cost, less impairment losses. Other investments held by the group are classified as being available-for-sale and are stated at fair value with changes in fair value taken to fair value reserve except for impairment losses, and in the case of monetary items, such as debt securities, foreign exchange gains and losses. Where these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where fair value cannot be reliably measured, these investments are stated at cost. Available-for-sale investments include certain debt and equity securities.

The fair value of quoted available-for-sale investments is their bid price.

Investments originated by the group and held-to-maturity investments are recognised/derecognised on the day they are transferred to/by the group. Available-for-sale investments are recognised/derecognised by the group on the date it commits to purchase or sell the investments.

(i) Securities purchased under resale agreements:

Securities purchased under resale agreements ('reverse repos') are short-term transactions in which the company makes funds available to other parties and in turn receives securities which it agrees to resell on a specified date at a specified price. Reverse repos are accounted for as short-term collateralised lending.

The difference between the sale and repurchase consideration is recognised on the accrual basis over the period of the transaction and is included in interest income.

Notes to the Financial Statements (Continued)
December 31, 2005

2. Basis of preparation, compliance and significant accounting policies (cont'd)

(j) Biological assets:

Biological assets represent the cost of the banana plants which are capitalised up to maturity. These are stated at cost, less accumulated amortisation and impairment losses, as fair value cannot be reliably determined. The costs are normally amortised over a period of seven years. Certain subsidiaries have taken those costs to the profit and loss account in the year incurred due to the uncertainty of future profits from which those costs would normally be recovered.

(k) Impairment:

The carrying amounts of the company's and the group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of other assets in the unit on a pro rata basis. Impairment losses are recognised in the group profit and loss account.

When a decline in the fair value of an available-for-sale investment has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in group profit or loss even though the investment has not been derecognised.

The amount of the cumulative loss that is recognised in group profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss previously recognised in group profit or loss.

(i) Calculation of recoverable amount

The recoverable amount of the group's investments in held-to-maturity securities, loans and receivables is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

An impairment loss in respect of a held-to-maturity security, loan or receivable is reversed, if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of an investment in an equity instrument classified as available-for-sale is not reversed through group profit or loss.

Notes to the Financial Statements (Continued)
December 31, 2005

2. Basis of preparation, compliance and significant accounting policies (cont'd)

(k) Impairment (cont'd):

(ii) Reversals of impairment

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

(l) Trade and other payables:

Trade and other payables, including provisions, are stated at their cost. A provision is recognised in the balance sheet when the company and group have a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(m) Employee benefits:

Employee benefits are all forms of consideration given by the group in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, NIS contributions, annual leave and non-monetary benefits such as medical care and housing, post-employment benefits such as pensions and other long-term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognised in the following manner: Short-term employee benefits are recognised as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave. Post-employment benefits are accounted for as described below.

Post-employment benefits, comprising pensions and other post-employment assets and obligations included in the financial statements, are actuarially determined by a qualified independent actuary, appointed by management. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuations are conducted in accordance with IAS 19, and the financial statements reflect the company's/group's post-employment benefit asset and obligation as computed by the actuary. In carrying out their audit, the auditors rely on the actuary's report.

Defined-benefit pension plans

The group's net obligation in respect of its defined-benefit pension plans is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods; that value is discounted to determine the present value, and the fair value of any plan assets is deducted. The discount rate is determined by reference to the yield at the balance sheet date on long-term government bonds of maturities approximating the terms of the company's obligation. The calculation is performed by a qualified actuary using the projected unit credit method.

Notes to the Financial Statements (Continued)
December 31, 2005

2. Basis of preparation, compliance and significant accounting policies (cont'd)

(m) Employee benefits (cont'd):

Defined-benefit pension plans (cont'd)

When the benefits of the plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the group profit and loss account on the straight-line basis over the average period until the benefits become vested. To the extent that the benefits are vested immediately, the expense is recognised immediately in the group profit and loss account.

To the extent that any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the defined-benefit obligation and the fair value of plan assets, that portion is recognised in the group profit and loss account over a period representing 50% of the average remaining working lives of staff members in the plan.

Where the calculation results in a pension surplus to the group, the recognised asset is limited to the present value of any future refunds from the plan, or reductions in future contributions to the plan, less any unrecognised actuarial losses and past service costs.

(n) Revenue:

Revenue from the sale of goods is recognised in the group profit and loss account when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from services rendered is recognised in the group profit and loss account in proportion to the stage of completion of the transaction at the balance sheet date.

(o) Finance costs:

Finance costs represent interest payable on borrowings calculated using the effective interest rate method.

(p) Interest income:

Interest income is recognised in the group profit and loss account as it accrues, taking into account the effective yield on the asset.

(q) Taxation:

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the group profit and loss account except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Notes to the Financial Statements (Continued)
December 31, 2005

2. Basis of preparation, compliance and significant accounting policies (cont'd)

(r) Segment reporting:

A segment is a distinguishable component of the group that is engaged either in providing products (business segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

(s) Cash and cash equivalents:

Cash comprises cash in hand and demand and call deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3. Accounts receivable

	<u>Company</u>		<u>Group</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	\$'000	\$'000	\$'000	\$'000
Trade receivables	-	8,659	2,556,036	2,174,926
Staff receivables	20,517	23,062	27,238	27,585
Other receivables and prepayments	<u>101,187</u>	<u>191,401</u>	<u>877,146</u>	<u>587,052</u>
	121,704	223,122	3,460,420	2,789,563
Less: Provision for doubtful debts	<u>(28,625)</u>	<u>(28,086)</u>	<u>(169,603)</u>	<u>(151,192)</u>
	<u>93,079</u>	<u>195,036</u>	<u>3,290,817</u>	<u>2,638,371</u>

Other receivables and prepayments for the company and the group include \$39,850 (2004: \$92,672) receivable from directors of the company in the ordinary course of business and a receivable of \$40,030,000 (2004: \$136,477,000) from the company's defined-benefit pension scheme that is in the process of being wound up (see note 11).

4. Inventories

	<u>Company</u>		<u>Group</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	\$'000	\$'000	\$'000	\$'000
Processed goods	-	-	1,482	3,835
Raw materials and consumables	-	-	724,587	643,839
Spare parts and other	<u>655</u>	<u>612</u>	<u>11,393</u>	<u>14,705</u>
	<u>655</u>	<u>612</u>	<u>737,462</u>	<u>662,379</u>

5. Bank overdrafts and short-term loans

The overdraft facility of the company is unsecured (see note 13). The overdraft facility of a UK subsidiary is secured on that subsidiary's freehold property and by a fixed and floating charge over its assets. Interest is charged at 1% (2004: between 1½ % and 2%) above base rate.

6. Accounts payable

	<u>Company</u>		<u>Group</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	\$'000	\$'000	\$'000	\$'000
Trade payables	66,241	85,952	2,455,956	2,504,539
Provisions	-	-	-	13,072
Other	<u>17,859</u>	<u>43,835</u>	<u>650,298</u>	<u>599,182</u>
	<u>84,100</u>	<u>129,787</u>	<u>3,106,254</u>	<u>3,116,793</u>

Notes to the Financial Statements (Continued)
December 31, 2005

6. Accounts payable (cont'd)

Accounts payable includes \$16,432,000 (2004: \$24,787,000) due to directors, for the company and the group.

Provisions represent the estimated cost of restoration of vacated leasehold properties and certain employee benefits for the company and the group and are broken down as follows.

	Company		Group	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Balance at beginning of the year	-	59,018	13,072	60,666
Provisions made during the year	-	-	-	13,281
Provisions used during the year	-	(59,018)	(13,072)	(60,875)
Balance at end of the year	-	-	-	13,072

7. Biological assets - banana plants

	Company		Group	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Balance at beginning of the year	-	-	24,456	30,408
Increase due to new plantings	-	-	1,876	18,504
Amortisation for the year	-	-	(24,456)	(24,456)
Balance at end of the year	-	-	1,876	24,456

8. Interests in subsidiary and associated companies

	Company		Group	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Subsidiary companies:				
Shares, at cost, less amounts written off	53,153	21,455	-	-
Loan accounts receivable	563,428	550,977	-	-
Loan accounts payable	(753,786)	(613,560)	-	-
Current accounts receivable	660,595	710,549	-	-
Current accounts payable	(330,581)	(545,929)	-	-
	<u>192,809</u>	<u>123,492</u>	-	-
Associated companies:				
Shares, at cost, less amounts written off	1	1	1	1
Group's share of reserves	-	-	-	-
Loan accounts receivable	32,455	32,456	32,455	33,709
Current accounts (payable)/receivable	(6,879)	(7,747)	(6,879)	809
	<u>25,577</u>	<u>24,710</u>	<u>25,577</u>	<u>34,519</u>
	<u>218,386</u>	<u>148,202</u>	<u>25,577</u>	<u>34,519</u>

During the year, the company established Agroindustrial La Mesa, a company registered in Honduras, with a share capital of \$85,000 (25,000 Honduran lempiras) as a wholly-owned subsidiary.

An associated company, Belvedere Limited has its year-end at June 30. The consolidated financial statements include the group's share of profits/losses of the associated company, as well as the financial statements of the employee benefit trust (note 15) and three subsidiaries, Agroindustrial La Mesa, Jamaica Producers Marketing (USA) Inc. and Cia Bananera del Tropico JP, S.A., based on management accounts for the year ended December 31, 2005.

Notes to the Financial Statements (Continued)
December 31, 2005

8. Interests in subsidiary and associated companies (cont'd)

The results of these entities are insignificant in relation to the group. Subsequent to the balance sheet date, the group accepted an offer to purchase its interest in Belvedere Limited for US\$500,000.

9. Investments

	<u>Company</u>		<u>Group</u>	
	<u>2005</u> \$'000	<u>2004</u> \$'000	<u>2005</u> \$'000	<u>2004</u> \$'000
Available-for-sale securities:				
Quoted	3,108,447	4,097,022	3,608,994	4,486,194*
Unquoted	<u>26</u>	<u>72,329</u>	<u>20,032</u>	<u>72,336*</u>
	<u>3,108,473</u>	<u>4,169,351</u>	<u>3,629,026</u>	<u>4,558,530</u>
Loans and receivables:				
Government of Jamaica bonds	65,000	122,548	73,000	122,548
Promissory notes	16,076	41,622	16,076	41,622
Loan to Employee Share Ownership Plan (ESOP)	52,348	46,723	-	-
Other debt securities	-	-	<u>15,248</u>	-
	<u>133,424</u>	<u>210,893</u>	<u>104,324</u>	<u>164,170</u>
	<u>3,241,897</u>	<u>4,380,244</u>	<u>3,733,350</u>	<u>4,722,700</u>

Market values of quoted investments are computed based on quotations received from stockbrokers.

It is the opinion of the directors that the value of unquoted investments approximates at least to their carrying value.

* Reclassified to conform with 2005 presentation

10. Goodwill

Goodwill comprises the following significant carrying amounts:

	<u>2005</u>		<u>2004</u>	
	<u>Discount rate(s)</u>	<u>\$'000</u>	<u>Discount rate(s)</u>	<u>\$'000</u>
<u>Group of cash-generating units</u>				
Juice manufacturing and food distribution business	10%	284,205	10%	292,207
Other units	10 - 20%	<u>46,799</u>	10 - 20%	<u>49,607</u>
		<u>331,004</u>		<u>341,814</u>

In testing goodwill for impairment, recoverable amounts of cash-generating units are estimated based on value in use. Where the recoverable amounts exceed the carrying amounts, no impairment provision is made. The recoverable amounts of cash-generating units are arrived at by estimating their future cashflows and discounting those cashflows using long-term discount rates applicable to the countries in which the businesses operate. Future sustainable cashflows are estimated based on the most recent forecasts, after taking account of past experience. Each unit is regarded as saleable to a third party at any future date at a price sufficient to recover its carrying amount of goodwill.

Notes to the Financial Statements (Continued)
December 31, 2005

11. Employee benefit asset/obligation

At the end of the year, the group had two benefit-based and four contributory pension schemes in operation. The two benefit-based schemes are closed to new entrants. These are managed by trustees and cover a number of salaried employees of certain subsidiary companies, who have satisfied minimum service requirements. The group terminated one of its benefit-based pension schemes during the previous year and, immediately thereafter, established a defined contribution scheme for those employees who were members of that scheme. As a result of that termination, the scheme is in the process of being wound up and the related asset is included in accounts receivable (see note 3).

- (a) Contributions under the four contributory pension schemes during the year amounted to \$41,992,000 (2004: \$26,246,000).
- (b) The amounts recognised in the financial statements in respect of the defined-benefit schemes are as follows:
- (i) Employee benefit asset/(obligation):

	<u>Company and Group</u>		<u>Group</u>	
	<u>Asset</u>		<u>Obligation</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	\$'000	\$'000	\$'000	\$'000
Present value of funded obligations	-	(215,234)*	(3,723,578)	(3,145,426)*
Fair value of plan assets	-	<u>370,000</u>	<u>2,280,751</u>	<u>1,991,370</u>
Sub-total	-	154,766	(1,442,827)	(1,154,056)
Unrecognised actuarial (gains)/losses included in the sub-total above	-	-	1,065,060	801,222
Unrecognised asset due to limitation in economic benefit	-	<u>(16,289)</u>	-	-
Recognised asset/(obligation)	-	138,477	(377,767)	(352,834)
Less provision for winding-up expenses	-	<u>(2,000)</u>	-	-
	-	136,477	(377,767)	(352,834)
Less current portion transferred to accounts receivable (note 3)	-	<u>(136,477)</u>	-	-
	-	-	<u>(377,767)</u>	<u>(352,834)</u>

* The previous year balance includes the amount of \$145,402,000 representing an obligation to transfer members' accrued pension entitlements to the new defined contribution scheme.

- (ii) Movements in net asset/obligation recognised in the balance sheets:

	<u>Company and Group</u>		<u>Group</u>	
	<u>Asset</u>		<u>Obligation</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	\$'000	\$'000	\$'000	\$'000
Net asset/(obligation) at January 1	-	116,619	(352,834)	(270,863)
Contributions paid	-	4,138	154,788	134,977
(Income)/expense recognised in the group profit and loss account	-	<u>15,720</u>	<u>(201,635)</u>	<u>(188,792)</u>
	-	136,477	(399,681)	(324,678)
Less current portion transferred to accounts receivable (note 3)	-	<u>(136,477)</u>	-	-
Exchange gain/(loss) on retranslation	-	-	<u>21,914</u>	<u>(28,156)</u>
Net obligation at December 31	-	-	<u>(377,767)</u>	<u>(352,834)</u>

Notes to the Financial Statements (Continued)
December 31, 2005

11. Employee benefit asset/obligation (cont'd)

(b) The amounts recognised in the financial statements in respect of the defined-benefit schemes are as follows (cont'd):

(iii) Income/(expense) recognised in the group profit and loss account:

	<u>Asset</u>		<u>Obligation</u>	
	<u>2005</u> \$'000	<u>2004</u> \$'000	<u>2005</u> \$'000	<u>2004</u> \$'000
Current service cost	-	-	(109,943)	(106,647)
Interest on obligation	-	(7,271)	(163,133)	(150,728)
Actuarial gains/(losses) recognised	-	1,810	(61,648)	(54,909)
Expected return on plan assets	<u>-</u>	<u>21,181</u>	<u>133,089</u>	<u>123,492</u>
Income/(expense) recognised in the group profit and loss account	<u>-</u>	<u>15,720</u>	<u>(201,635)</u>	<u>(188,792)</u>
Actual return on plan assets	<u>-</u>	<u>27.2%</u>	<u>14.2%</u>	<u>5.5%</u>

(iv) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages based on the plan assets of each scheme):

	<u>2005</u> %	<u>2004</u> %
Discount rate at December 31	4.75	5.28
Expected return on plan assets at December 31	6.50	6.67
Future salary increases	5.00	4.92
Future pension increases	<u>2.10</u>	<u>2.25</u>

12. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Company

	<u>Assets</u>		<u>Liabilities</u>		<u>Net</u>	
	<u>2005</u> \$'000	<u>2004</u> \$'000	<u>2005</u> \$'000	<u>2004</u> \$'000	<u>2005</u> \$'000	<u>2004</u> \$'000
Property, plant and equipment	6,641	8,705	-	-	6,641	8,705
Other liabilities	3,274	2,996	-	-	3,274	2,996
Other assets	<u>-</u>	<u>-</u>	<u>29,270</u>	<u>50,128</u>	<u>(29,270)</u>	<u>(50,128)</u>
	<u>9,915</u>	<u>11,701</u>	<u>29,270</u>	<u>50,128</u>	<u>(19,355)</u>	<u>(38,427)</u>

Notes to the Financial Statements (Continued)
December 31, 2005

12. Deferred tax assets and liabilities (cont' d)

Deferred tax assets and liabilities are attributable to the following (cont' d):

Group

	Assets		Liabilities		Net	
	2005	2004	2005	2004	2005	2004
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	-	-	145,511	114,729	(145,511)	(114,729)
Employee benefits	113,297	105,850	-	-	113,297	105,850
Other liabilities	19,708	22,778	-	-	19,708	22,778
Other assets	-	-	22,510	49,318	(22,510)	(49,318)
Tax losses carried forward	<u>10,566</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>10,566</u>	<u>15,000</u>
	<u>143,571</u>	<u>143,628</u>	<u>168,021</u>	<u>164,047</u>	<u>(24,450)</u>	<u>(20,419)</u>

Movement on net deferred tax during the year is as follows:

	2005	2004
	\$'000	\$'000
Net deferred tax (liabilities)/assets at beginning of year	(20,419)	12,608
Recognised in group profit and loss account [note 20 (a) (ii)]	<u>(4,031)</u>	<u>(33,027)</u>
Net deferred tax liabilities at end of year	<u>(24,450)</u>	<u>(20,419)</u>

13. Property, plant and equipment

Company

	Freehold	Leasehold	Furniture,	Total
	land and	land and	machinery	
	<u>buildings</u>	<u>buildings</u>	<u>and motor</u>	
	\$'000	\$'000	<u>vehicles</u>	\$'000
			\$'000	
At cost:				
December 31, 2004	49,973	22,236	94,124	166,333
Additions	-	-	25,523	25,523
Disposals	<u>-</u>	<u>-</u>	<u>(14,573)</u>	<u>(14,573)</u>
December 31, 2005	<u>49,973</u>	<u>22,236</u>	<u>105,074</u>	<u>177,283</u>
Depreciation:				
December 31, 2004	12,027	13,400	71,449	96,876
Charge for the year	1,186	1,112	7,739	10,037
Impairment losses	-	-	811	811
Eliminated on disposals	<u>-</u>	<u>-</u>	<u>(14,230)</u>	<u>(14,230)</u>
December 31, 2005	<u>13,213</u>	<u>14,512</u>	<u>65,769</u>	<u>93,494</u>
Net book values:				
December 31, 2005	<u>36,760</u>	<u>7,724</u>	<u>39,305</u>	<u>83,789</u>
December 31, 2004	<u>37,946</u>	<u>8,836</u>	<u>22,675</u>	<u>69,457</u>

Notes to the Financial Statements (Continued)
December 31, 2005

13. Property, plant and equipment (cont'd)

Group

	<u>Freehold land and buildings</u> \$'000	<u>Leasehold land, buildings and farm develop- ment costs</u> \$'000	<u>Furniture, equipment and vehicles</u> \$'000	<u>Work- in- progress</u> \$'000	<u>Total</u> \$'000
At cost:					
December 31, 2004	761,966	949,090	3,593,884	63,891	5,368,831
Additions	31,437	2,637	562,341	84,243	680,658
Transfers	21,477	(9,697)	37,829	(49,609)	-
Disposals	-	(26,451)	(84,645)	-	(111,096)
Exchange adjustments	(41,316)	(37,122)	(187,131)	-	(265,569)
December 31, 2005	<u>773,564</u>	<u>878,457</u>	<u>3,922,278</u>	<u>98,525</u>	<u>5,672,824</u>
Depreciation:					
December 31, 2004	228,754	388,476	2,421,232	-	3,038,462
Charge for the year	23,935	34,701	248,378	-	307,014
Impairment losses	-	-	811	69,364	70,175
Transfers	668	(11,467)	(5,827)	16,626	-
Eliminated on disposals	-	(10,238)	(66,188)	-	(76,426)
Exchange adjustments	(13,073)	(6,970)	(118,069)	-	(138,112)
December 31, 2005	<u>240,284</u>	<u>394,502</u>	<u>2,480,337</u>	<u>85,990</u>	<u>3,201,113</u>
Net book values:					
December 31, 2005	<u>533,280</u>	<u>483,955</u>	<u>1,441,941</u>	<u>12,535</u>	<u>2,471,711</u>
December 31, 2004	<u>533,212</u>	<u>560,614</u>	<u>1,172,652</u>	<u>63,891</u>	<u>2,330,369</u>

Freehold land and buildings include land as follows:

	<u>Company</u>		<u>Group</u>	
	<u>2005</u> \$'000	<u>2004</u> \$'000	<u>2005</u> \$'000	<u>2004</u> \$'000
Cost	21,659	21,659	265,728	275,837
Directors' allocation of cost	<u>4,507</u>	<u>4,507</u>	<u>4,857</u>	<u>4,857</u>
Total land	<u>26,166</u>	<u>26,166</u>	<u>270,585</u>	<u>280,694</u>

The company has given an undertaking to one of its bankers not to encumber real estate held at 6A Oxford Road while the company has credit arrangements (note 5).

Notes to the Financial Statements (Continued)
December 31, 2005

14. Share capital

	<u>2005</u>	<u>2004</u>
	\$'000	\$'000
Authorised:		
500,000,000 ordinary shares of 10¢ each	<u>50,000</u>	<u>50,000</u>
Issued and fully paid:		
187,024,006 ordinary stock units of 10¢ each (note 15)	<u>18,702</u>	<u>18,702</u>

In accordance with Section 37(1) of the Companies Act 2004 the parent company elected to retain its existing shares and continue to issue shares with a nominal or par value of 10¢ each.

15. Reserves

	Company		Group	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	\$'000	\$'000	\$'000	\$'000
Capital:				
Share premium	135,087	135,087	135,087	135,087
Fair value reserve	2,855,434	3,881,374	2,892,630	3,893,587
Other (see below)	<u>1,444,552</u>	<u>1,404,340</u>	<u>2,622,721</u>	<u>2,658,139</u>
As previously reported	4,435,073	5,420,801	5,650,438	6,686,813
Effect of consolidation of ESOP				
Capital distributions eliminated	-	-	-	39,730
Reserve for own shares	-	-	(143,465)	(129,894)
Restated total capital	<u>4,435,073</u>	<u>5,420,801</u>	<u>5,506,973</u>	<u>6,596,649</u>
Revenue:				
As previously reported				
Retained profits	88,957	100,052	2,783,369	2,456,368
Effect of consolidation of ESOP	-	-	-	43,522
Restated	<u>88,957</u>	<u>100,052</u>	<u>2,783,369</u>	<u>2,499,890</u>
	<u>4,524,030</u>	<u>5,520,853</u>	<u>8,290,342</u>	<u>9,096,539</u>

Reserve for own shares was included in these financial statements by consolidation of the company's Employees' Share Option Plan (ESOP) as it is regarded as a Special Purpose Entity and is required to be consolidated under IAS 27, as interpreted by SIC 12. The previous year comparatives have been restated accordingly. The reserve comprises the cost of the company's shares held by the group through the ESOP, less net gains on shares sold.

The number of stock units (note 14) held by the ESOP at December 31, 2005 was 16,145,917 (2004: 15,793,508). Based on the bid price, less a 15% discount normally allowed to staff, the value of those stock units at December 31, 2005 was \$473,479,000 (2004: \$590,677,000). The value of these stock units is not recognised in the group's reserve for own shares until sold.

Other capital reserves comprise gains on disposal of property, plant and equipment and investments, unrealised exchange gains and unclaimed distributions to stockholders (note 22).

Notes to the Financial Statements (Continued)
December 31, 2005

16. Long-term loans

	<u>Company</u>		<u>Group</u>	
	<u>2005</u> S'000	<u>2004</u> S'000	<u>2005</u> S'000	<u>2004</u> S'000
(a) Bank loans	-	-	544,219	242,969
(b) Jamaica Exporters Association (JEA)	-	-	-	7,056
(c) Rehabilitation loans	-	-	8,850	8,850
(d) Banana Export Company Limited (BECO)	-	2,624	-	2,624
(e) Finance lease obligations	-	-	<u>78,586</u>	<u>33,779</u>
	-	2,624	631,655	295,278
Less: Current portion	-	<u>(2,624)</u>	<u>(74,158)</u>	<u>(87,940)</u>
	-	-	<u>557,497</u>	<u>207,338</u>

(a) These are loans, denominated in Pounds Sterling (£), which are secured over a subsidiary company's freehold land and buildings and by a fixed and floating charge over its operating assets. The loans are repayable as follows:

- i) by quarterly instalments of £150,000 over a five-year period that commenced June 10, 2004;
- ii) £3,500,000 is not due until March, 2008.

(b) The JEA loan was repaid in the year.

(c) The rehabilitation loans received during 1998 were repayable over a three to five-year period by quarterly instalments after a moratorium of one year. 75% of the loans were converted to grants and made interest-free, retroactive to their commencement and the balance was re-negotiated with the consent of the lender. The loans are secured on the assets that were purchased from the proceeds.

(d) This loan was repaid in the year.

(e) The obligations under finance leases are denominated in Pound Sterling (£) and payable by quarterly instalments over a five-year period.

17. Gross operating revenue

Gross operating revenue comprises investment income, the gross sales of goods and services of the group and commission earned by the group on consignment sales. This is shown after deducting returns, rebates and discounts, U.K. value-added tax and Jamaican General Consumption Tax and eliminating sales within the group.

18. Redundancy and lay-off costs

These costs represent the group's restructuring and rationalisation in certain subsidiaries, including the consequences of damage occasioned by Hurricane Ivan during the previous year.

Notes to the Financial Statements (Continued)
December 31, 2005

19. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	<u>2005</u> \$'000	<u>2004</u> \$'000
Directors' emoluments:		
Fees	1,262	1,590
Remuneration	92,440	113,972
Auditors' remuneration	23,303	19,176
Depreciation and impairment losses	377,189	319,107
Goodwill amortised	-	3,926
Staff costs	2,685,935	2,364,592
Interest income	(198,431)	(177,961)
Dividends received (gross)	<u>(36,889)</u>	<u>(34,918)</u>

20. Taxation

(a) Recognised in the group profit and loss account.

The taxation charge is based on the group's results for the year, as adjusted for tax purposes, and comprises:

	<u>2005</u> \$'000	<u>2004</u> \$'000
(i) Current tax charge:		
Taxation on share of profits of associated companies	-	875
Jamaican company profits tax @ 33 ¹ / ₃ %	10,864	-
United Kingdom corporation tax @ 30% (2004: 30%)	142,674	198,082
Under-provision in previous year	<u>2,073</u>	<u>1,271</u>
	<u>155,611</u>	<u>200,228</u>
(ii) Deferred taxation (note 12):		
Origination and reversal of temporary differences	(403)	22,455
Tax losses	<u>4,434</u>	<u>10,572</u>
	<u>4,031</u>	<u>33,027</u>
Total taxation in group profit and loss account	<u>159,642</u>	<u>233,255</u>

Notes to the Financial Statements (Continued)
December 31, 2005

20. Taxation (cont'd)

- (b) The effective tax rate for 2005 was 25.70% (2004: 32.82% - restated) of \$621,209,000 (2004: \$710,740,000 - restated) pre-tax profits, compared to the statutory tax rate of 33 $\frac{1}{3}$ % (2004: 33 $\frac{1}{3}$ %). The actual charge differs from the "expected" tax charge for the year as follows:

	<u>2005</u> \$'000	<u>2004</u> \$'000
Profit before taxation	<u>621,209</u>	<u>710,740</u>
Computed "expected" tax charge @ 33 $\frac{1}{3}$ %	207,070	236,913
Taxation difference between profit for financial statements and tax reporting purposes on -		
Overseas taxation	(15,831)	(19,495)
Tax losses and tax relief utilised	(22,925)	(19,817)
Gain on disposal of property, plant and equipment and investments	(10,889)	(24,222)
Disallowed expenses, depreciation and other related capital adjustments	<u>2,217</u>	<u>59,876</u>
Actual tax charge	<u>159,642</u>	<u>233,255</u>

- (c) Four subsidiary companies operated, and two continue to operate, under relief from taxation on agricultural income as follows:

<u>Company</u>	<u>Income Tax Order</u>	<u>Effective dates</u>	
		<u>From</u>	<u>To</u>
Eastern Banana Estates Limited	Income Tax	1992	2001
	(Approved Farmer) (No. 3) Order 1993 and 2004	2003	2008
Victoria Banana Company Limited	Income Tax (Approved Farmer) (No. 4) Order 1994	1995	2002
St. Mary Banana Estates Limited	Income Tax	1992	2001
	(Approved Farmer) (No. 3) Order 1993 and 2004	2003	2008
Agualta Vale Limited	Income Tax (Approved Farmer) Order of 1984 and 1990.	1985 1990	1989 2000

- (d) As at December 31, 2005, taxation losses, subject to agreement by the Commissioner of Taxpayer Audit and Assessment, available for relief against future taxable profits amounted to approximately \$Nil (2004: \$13,162,000) for the company and \$385,143,000 (2004: \$579,320,000) for the group. In his April 2005 budget presentation, the Minister of Finance and Planning announced that instead of indefinitely, the carry forward of tax losses would be restricted to five years, with effect from January 1, 2006. Up to March 3, 2006, enabling legislation has not been passed into law. The taxation losses disclosed in the financial statements, therefore, reflect those available under existing legislation. A deferred tax asset of \$128,381,000 (2004: \$178,012,000) in respect of taxation losses of certain subsidiaries has not been recognised by the group as management considers its realisation within the foreseeable future to be too uncertain.

Notes to the Financial Statements (Continued)
December 31, 2005

21. Earnings per ordinary stock unit

The earnings per ordinary stock unit is calculated by dividing the net profit for the year of \$380,320,000 (2004: \$426,318,000) attributable to the group by a weighted average number of ordinary stock units of 10¢ each (excluding those held by the ESOP) held during the year.

Weighted average number of ordinary stock units:

	<u>2005</u>	<u>2004</u>
Issued ordinary stock units at January 1	187,024,006	187,024,006
Effect of own shares held by ESOP during the year	(15,993,432)	(15,793,508)
Weighted average number of ordinary stock units held during the year	<u>171,030,574</u>	<u>171,230,498</u>

22. Distributions to stockholders

	<u>2005</u> \$'000	<u>2004</u> \$'000
Ordinary dividends:		
First interim paid in respect of 2005 - 25¢ (2004: 25¢) per stock unit - gross	46,756	46,756
Special interim paid in respect of 2005 - Nil (2004: 75¢) per stock unit - gross	-	140,268
Second interim paid in respect of 2005 - 25¢ (2004: 25¢) per stock unit - gross	<u>46,756</u>	<u>46,756</u>
	93,512	233,780
Distributions to ESOP (note 15)	(8,073)	(19,904)
	85,439	213,876
Unclaimed distributions written back to capital reserve (note 15)	(40,213)	(24,911)
	<u>45,226</u>	<u>188,965</u>

23. Contingent liabilities

- (a) One of the group's bankers, The Bank of Nova Scotia Jamaica Limited, has issued a guarantee on behalf of a subsidiary in favour of a utility company for \$521,000.
- (b) During the year, the European Commission (EC) announced an investigation into the possibility of anti-competitive trading practices in the banana and pineapple industries within the European Union (EU). EC investigators visited the offices of several participants in these industries with a presence in the EU, including the corporate office of one of our subsidiaries in the UK. The subsidiary has cooperated in providing the information required by the investigators. The EC has not indicated whether or not it intends to take any legal action against the subsidiary.

Should the subsidiary be adjudged to be in breach of the EU's competition laws, it may be exposed to a fine. At the date that these financial statements were approved by the Board of Directors, the group was not in a position to assess the likelihood, financial impact nor timing of such a possibility as it would be highly speculative to do so. Accordingly, no provision or expense has been recorded in the financial statements.

Notes to the Financial Statements (Continued)
December 31, 2005

24. Commitments

- (a) Unexpired lease commitments at December 31, 2005 expire as follows:

	Company		Group	
	2005	2004	2005	2004
	\$'000	\$'000	\$'000	\$'000
Within one year	-	-	2,936	9,686
Subsequent years	-	-	84,856	89,746
	-	-	87,792	99,432

- (b) As at December 31, 2005, capital expenditure authorised but not committed amounted to approximately \$30,166,000 (2004: \$41,616,000) for the company and \$1,465,341,000 (2004: \$779,235,000) for the group.
- (c) At December 31, 2005, a subsidiary had purchase commitments of \$Nil [2004: \$367,620,000 (US\$6,000,000)], in the ordinary course of business in respect of forward exchange contracts.

25. Related parties

- (a) Identity of related parties:

The company has a related party relationship with its subsidiaries and associated companies (see notes 8 and 28), with its directors and officers and with senior executives of subsidiaries. Executive directors, officers and the senior executives of subsidiaries are collectively referred to as key management personnel.

- (b) Transactions with directors and key management personnel:

Directors and officers of the company, their immediate relatives and entities over which they have significant influence control 23.61% (2004:22.90%) of the voting shares of the company. Receivables from directors at December 31, 2005 amounted to \$39,850 (2004: \$92,672) and are included in "Other receivables" (see note 3). No interest is payable by directors on these balances. In addition to their salaries, the group contributes to various post-employment benefit plans on behalf of key management personnel.

The compensation for the group of key management personnel based in Jamaica and overseas is as follows:

	2005	2004
	\$'000	\$'000
Short-term employment and other benefits	243,298	241,484
Compensation for loss of office	-	20,776
Post-employment benefits	18,649	18,857
Total remuneration, included in Staff costs (see note 19)	261,947	281,117

Notes to the Financial Statements (Continued)
December 31, 2005

25. Related parties (cont'd)

(c) Transactions with other related parties, directors and key management personnel in other capacities:

Category, nature of relationship and nature of transactions	Bad and doubtful debts:							
	Transactions in year		(Payable)/receivable at end of year	Terms and conditions	provision at end of year		(expense)/recovery during the year	
	2005	2004			2005	2004		2005
	\$'000	\$'000	\$'000	*	\$'000	\$'000	\$'000	\$'000
Transactions with associates (25% holding):								
Secondment fees charged by group	868	0	10,349	9,482	2, 3, 4	(3,445)	(3,445)	0
Finance provided by group	0	0	33,914	33,914	2, 3, 4	(15,248)	(15,248)	0
Transactions with directors and key management personnel or entities under their control and/or significant influence:								
i) Company under their significant influence -								
Consultancy services charged to group	6,958	7,056	0	0	1, 3, 4	N/A	N/A	N/A
ii) Company under their control - Insurance premiums charged to group	41,194	45,349	289	13	1, 3, 4	N/A	N/A	N/A
iii) Company under their control - Management services charged to group	1,628	1,940	(309)	(434)	3, 4, 5	N/A	N/A	N/A
iv) Company under their control - Shipping agency services charged to group	14,661	14,863	0	0	1, 3, 4	N/A	N/A	N/A
v) Company under their control - Loan provided by group	0	0	2,000	2,000	2, 3, 4	(2,000)	(2,000)	0
Other related party transactions (company with significant overlapping directorship with group):								
i) Sales by/other income to group	715,469	1,090,053	145,379	15,887	1, 3, 4, 5	0	0	0
ii) Purchases by group	798,306	1,123,839	(93,106)	0	1, 3, 4, 5	N/A	N/A	N/A

* The numbers in this column represent the terms and conditions that are applicable to the stated transactions and their meanings are as follows:

1. Credit of up to 30 days
2. Interest-free
3. Unsecured
4. Settlement in cash
5. Credit over 30 days

Notes to the Financial Statements (Continued)
December 31, 2005

26. **Segment Reporting**

Segment information is presented in respect of the group's business segments. The primary format, business segmentation, is based on the group's management and internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one period.

Business segments:

The group is organised into three business segments. These are:

- (a) **Banana segment** - this comprises the growing, sourcing, ripening, marketing and distribution of bananas and the operation of a shipping line that, *inter alia*, transports bananas to the United Kingdom.
- (b) **Fresh and processed foods segment** - this comprises the sourcing, marketing and distribution of fresh produce (other than bananas), and the production and marketing of fresh juices, drinks and other freshly prepared foods and tropical snacks.
- (c) **Corporate segment** - this comprises interest and investment income net of the cost of corporate functions not directly charged to business units.

	Banana		Fresh and Processed Foods		Corporate		Total	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Gross revenue	10,486,445	8,962,406	15,665,367	12,863,959*	300,948	283,071	26,452,760	22,109,436*
Inter-segment revenue	(18,152)	(17,660)	-	-	(123,490)	(111,861)	(141,642)	(129,521)
Revenue from external customers	10,468,293	8,944,746	15,665,367	12,863,959	177,458	171,210	26,311,118	21,979,915*
Segment result	215,542	(555)	328,351	637,348	77,316	72,940	621,209	709,733
Share of profit/(loss) in associated companies	-	-	-	3,007	-	(2,000)	-	1,007
Profit/(loss) before taxation and minority interests	215,542	(555)	328,351	640,355	77,316	70,940	621,209	710,740
Taxation							(159,642)	(233,255)
Minority interests							(81,247)	(51,167)
Net profit for the year							380,320	426,318
Segment assets	2,703,436	3,440,957	5,293,143	4,033,036	5,341,725	6,499,517	13,338,304	13,973,510
Segment liabilities	1,222,603	1,522,151	3,045,916	2,462,560	760,741	826,916	5,029,260	4,811,627
Capital expenditure	119,970	78,431	534,916	317,841	25,772	17,837	680,658	414,109
Depreciation and amortisation	194,015	159,595	196,593	164,279	11,037	23,615	401,645	347,489

* Reclassified to conform with 2005 presentation

Notes to the Financial Statements (Continued)
December 31, 2005

27. Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of an enterprise and a financial liability or equity instrument of another enterprise. For the purpose of the financial statements, financial assets have been determined to include cash and cash equivalents, short-term investments, securities purchased under resale agreements, accounts receivable and investments. Financial liabilities include bank overdrafts and demand loans, accounts payable, due to related companies and long-term loans.

(a) Fair value of financial instruments:

Fair value amounts represent estimates of the arm's length consideration for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties who are under no compulsion to act. Fair value is best evidenced by a quoted market price, if one exists.

The fair value of cash and cash equivalents, short-term investments, securities purchased under resale agreements, accounts receivable, bank overdrafts and demand loans, accounts payable and due to related companies are assumed to approximate their carrying values due to their relatively short-term nature. The fair value of quoted investments is at market value. The fair value of other investments, except for certain unquoted shares (note 9), are assumed to be cost, less provision for impairment.

The fair value for long-term loans is assumed to approximate carrying value as no discount on settlement is anticipated.

(b) Financial instrument risks:

Exposure to credit, interest rate, foreign currency, market, liquidity and cash flow risks arises in the ordinary course of the company's and the group's business. No derivative financial instruments are presently used to manage, mitigate or eliminate exposure to financial instrument risk, except as shown in note 24 (c).

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation resulting in loss to the other party.

The company and the group manage this risk by:

- having a credit policy in place to minimize exposure to credit risk;
- performing credit evaluations on all customers requiring credit; and
- maintaining cash resources with reputable financial institutions.

Except for cash resources, accounts receivable and investment in certain quoted equities, there were no other significant concentrations of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The company and the group materially contract financial liabilities at fixed interest rates for the duration of the term. Bank overdrafts are subject to interest rates which may be varied by appropriate notice by the lender. Financial liabilities subject to fixed interest rates are shown at note 16.

Notes to the Financial Statements (Continued)
December 31, 2005

27. Financial instruments (cont'd)

(b) Financial instrument risks (cont'd):

(iii) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company and the group are exposed to foreign currency risk on transactions that are denominated in currencies other than the Jamaican dollar. The main currencies giving rise to this risk are the Pound Sterling (£), United States dollar (US\$) and Euros (€).

The company and group manage this risk by matching foreign currency assets with liabilities as far as possible.

The net foreign currency assets/(liabilities) at year-end were as follows:

	Company		Group	
	2005 (‘000)	2004 (‘000)	2005 (‘000)	2004 (‘000)
US dollar	US\$ <u>6,074</u>	<u>2,844</u>	<u>16,421</u>	<u>13,308</u>
Pound Sterling	£ <u>214</u>	<u>303</u>	<u>29,332</u>	<u>27,694</u>
Euros	€ <u>-</u>	<u>-</u>	<u>896</u>	<u>(1,165)</u>

Buying exchange rates at:

	March 3, 2006	December 31	
		2005	2004
US\$1 to J\$	J\$65.13	64.18	61.27
UK£1 to J\$	J\$111.70	108.84	115.68
€1 to J\$	J\$77.67	<u>76.01</u>	<u>81.73</u>

(iv) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer, or factors affecting all securities traded in the market.

The company and the group manage this risk by conducting research and monitoring the price movement of securities on the local and international markets.

(v) Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed facilities.

Due to the dynamic nature of the underlying businesses, the management of the company and the group aim at maintaining flexibility in funding by ensuring that sufficient cash resources are held or placed in short-term marketable instruments to meet financial obligations when they fall due.

Notes to the Financial Statements (Continued)
December 31, 2005

27. Financial instruments (cont'd)

(b) Financial instrument risks (cont'd):

(vi) Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. The company manages this risk by contracting, as far as possible, at fixed interest rates.

28. Subsidiary and associated companies

	<u>2005</u>	<u>2004</u>	<u>Place of</u>
	<u>% equity held</u>		<u>incorporation</u>
<u>SUBSIDIARY COMPANIES*</u>			
Jamaica Banana Producers Steamship Company Limited	100	100	Jamaica
Agualta Vale Limited	100	100	"
St. Mary Banana Estates Limited	100	100	"
The Jamaica Producers Marketing Company Limited	100	100	"
Cariban Limited	100	100	Guernsey
JP Fruit Distributors Limited	65	65	England and Wales
Producers Fruit Distributors Limited	100	100	Jamaica
Jamaica Producers Ripening Company Limited	100	100	"
JBFS Investments Limited	100	100	"
Crescent Developments Limited	100	100	"
P.S.C. Limited	100	100	"
Jamaica Producers Shipping Company Limited	60	60	"
Jamaica Producers Marketing (U.S.A.) Inc.	100	100	U.S.A
Central American Banana (2005) Limited (formerly Caribbean Chartering Limited)	100	100	Cayman Islands
Agroindustrial La Mesa, S.A.	100	-	Honduras
SFG Holdings Limited (formerly Central American Banana Limited)	100	100	Cayman Islands
Serious Food Limited	100	100	England and Wales
Sunjuice Limited	100	100	"
Serious Food (Distribution) Limited	100	100	"
Serious Soup Limited	100	100	"
Astrol Properties Limited	100	100	"
Frobishers Juices Limited	65	65	"
Cia. Bananera del Tropic JP, S.A.	100	100	Costa Rica
Cia. Comercializadora Productos de Limon, S.A.	100	100	"
Eastern Banana Estates Limited	100	100	Jamaica
Victoria Banana Company Limited	100	100	"
Agri Services Limited	100	100	"
Trinjam Food Processors Limited	100	100	"
<u>ASSOCIATED COMPANIES</u>			
Belvedere Limited	25	25	Jamaica

* The names of inactive subsidiary companies are omitted.

Notes to the Financial Statements (Continued)
December 31, 2005

29. Accounting estimates and judgements

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

(a) Pension and other post-retirement benefits

The amounts recognised in the balance sheet and income statement for pension and other post-retirement benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised include expected long-term return on plan assets, the discount rate used to determine the present value of estimated future cash flows required to settle the pension and other post-retirement obligations.

The expected return on plan assets is assumed considering the long-term historical returns, asset allocation and future estimates of long-term investment returns. The discount rate is determined based on the estimate of yield on long-term government securities that have maturity dates approximating the terms of the company's obligation. Any changes in these assumptions will impact the amounts recorded in the financial statements for these obligations.

(b) Impairment of goodwill

Impairment of goodwill is dependent upon management's internal assessment of future cashflows from cash-generating units that gave rise to the goodwill. That internal assessment determines the amount recoverable from future use of those units. In addition, the estimate of the amount recoverable from future use of those units is sensitive to the discount rates used. See note 10 for additional information on goodwill.

It is possible, based on existing knowledge, that outcomes that are different from these assumptions could require a material adjustment to the carrying amount reflected in future financial statements.

Notes to the Financial Statements (Continued)
December 31, 2005

30. Adoption of new and revised IFRS

At the date of approval of the financial statements, there were certain standards and interpretations which were in issue but were not yet effective. Those which are considered relevant to the group and their effective dates are as follows:

IFRS 7	Financial Instruments: Disclosure	January 1, 2007
IFRIC 4	Determining whether an Arrangement Contains a Lease	January 1, 2006
IAS 19		
Amendment	Actuarial Gains and Losses, Group Plans and Disclosures	January 1, 2006
IAS 39		
Amendment	The Fair Value Option	January 1, 2006
IAS 39	Financial Instrument Cash Flow Hedge Accounting for	
Amendment	Forecast Intra-group Transactions	January 1, 2006
IAS 39		
Amendment	Financial Guarantee Contracts	January 1, 2006
IFRIC 8	Scope of IFRS 2	January 1, 2006
IFRIC 9	Reassessment of Embedded Derivatives	June 1, 2006

The adoption of IFRS 7 and the IAS 19 Amendment is expected to result in additional disclosures for financial instruments and the defined benefit scheme. Except for these additional disclosures, the adoption of these standards and interpretations is not expected to have a material impact on the financial statements.

Stockholding of Directors and Officers

December 31, 2005

DIRECTORS

		<u>Total</u>
Mr. A. E. Ffrench		15,892
The Hon. E. C. George		4,687
Mr. J. Hall	288,876 <u>1,079,636*</u>	1,368,512
Dr. M. Hall		12,167,772
Mr. C. H. Johnston	197,389 <u>10,623,604*</u>	10,820,993
Mrs. D. Kelly		199,933
Mr. M. R. Lord	51,020 <u>206,208*</u>	257,228
Mr. D. McConnell		6,000
Mr. J. O. Minott		13,182
Mr. P. K. Morris		208,497
Mrs. K. A. J. Moss	1,634,748 <u>1,198,600*</u>	2,833,348
Mr. D. H. Read		4,634
Prof. A. G. Wint		8,228

OFFICERS

Ms. J. D. Goodall		2,500
Mr. K. O. McGann		76,750
Mr. P. St. E. Samuels		13,041
Mr. D. C. Witter		3,818

TRUSTEES

J.P.G. Ltd. E.S.O.P.		16,145,917
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* Indicates shares held by Nominees or connected persons

List of Top Ten Stockholders

December 31, 2005

NAMES

Trustees - JPG Ltd. (ESOP)
Grace Kennedy Pension Scheme
Marshall Hall & Jeanette Hall
Lennox Portland Ltd.
National Commercial Bank Ja. Ltd.
National Insurance Fund
Mayberry Investments Ltd.
Scotia Jamaica Investment Management Ltd.
Scotia Jamaica Inv. Ltd. A/c 3119 (Pension Fund)
David & Kathleen Moss

Stock Units

16,145,917
15,025,848
12,167,772
10,820,993
8,662,941
6,986,463
5,093,439
4,610,084
3,171,986
2,833,348



FORM OF PROXY

Jamaica Producers Group Limited

I/We _____
(Block Capitals)

of _____

being a member/members of the above-mentioned Company HEREBY APPOINT _____

_____ or failing him/her

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday 25th May 2006 at 11 o'clock in the forenoon and at any adjournment thereof.

DATED this _____ day of _____ 2006

Signed _____

If you wish your proxy to vote in a particular manner, please indicate.

Proxy

	FOR	AGAINST
RESOLUTION 1:		
RESOLUTION 2:		
RESOLUTION 3:		
RESOLUTION 4A:		
RESOLUTION 4B:		
RESOLUTION 5:		
RESOLUTION 6		

Notes

1. This Form of Proxy must be lodged at the Registered Office of the Company not later than forty-eight hours before the meeting.
2. Any alterations in this Form of Proxy should be initialled.
3. In the case of joint holders, the signature of one holder will be sufficient but the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, seniority being determined by the order in which the names stand on the Register.
4. If the appointer is a Corporation this Form of Proxy must be executed under its Common Seal.
5. An adhesive stamp for \$100.00 must be affixed to this Form of Proxy.

Place \$100 adhesive stamp here



Designed by Bunny Levy & Associates
Photography 2 1/4 Works & Synergie Marketing and Design
Printed by Lithographic Printers Limited



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