



# Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS  
26 WEEKS ENDED JULY 3, 2010

## Chairman's Statement

Jamaica Producers Group Limited ("JP") delivered improved results for the **13-week** period ending July 3, 2010 (the "Second Quarter"). Our net profit attributable to JP stockholders was up 124% compared to last year. JP's Second Quarter earnings benefited significantly from our decision to realize profits on certain investments.

For the 2010 year-to-date, our profits are up 105% relative to the first 24-weeks of 2009. Moreover, our stockholders' equity has increased by \$449.2 million or 10% since the start of this financial year. The profit growth was achieved as a result of operational improvements which were sufficient to overcome the economic challenges in Europe – our primary market. In particular, since the beginning of this year, the euro has depreciated by 15% relative to the Jamaican dollar. This has adversely impacted the Jamaican dollar equivalent of the revenues and profits that we earn from our European operations. Sales in Jamaica were also affected by the reduced economic activity in downtown Kingston during and after the state of emergency.

JP earned net profits of \$132.2 million for the Second Quarter. This compares with profits of \$58.9 million for the **12-week** period ended June 20, 2009 (the "2009 Second Quarter"). Revenues for JP grew by 1% in the 2010 Second Quarter relative to the 2009 Second Quarter (See Note 1).

Year-to-date profits attributable to JP stockholders (for the 26-week period ending July 3, 2010) were \$205.0 million on revenues of \$3.11 billion. Year-to-date revenues are up 10% relative to 2009.

### JP Europe

JP Europe earned year-to-date pre-tax profits of \$134.9 million. This represents a 43% increase in profits relative to 2009. Year-to-date revenues of \$2.38 billion were up 9% relative to 2009. Our JP Europe division comprises our fresh juice operations located in the Netherlands – representing the major share of the division's business – and our UK-based logistics services.

The depreciation in the euro relative to the United States dollar will continue to represent a challenge for JP Europe's juice business because it means that citrus imports from outside of Europe will be relatively more expensive. We are in the process of adopting measures to improve our operating efficiency and to grow sales by entering new markets. We expect these measures to ultimately offset higher fruit prices.

### JP Tropical

Our JP Tropical Division increased its year-to-date pre-tax profits by 65% relative to 2009. The division earned year-to-date pre-tax profits of \$37.8 million on revenues of \$677.7 million. Year-to-date revenues were up 17% relative to the comparable period in 2009. We were pleased to have achieved export growth and to have benefited from our domestic marketing campaigns. This has offset the impact of reduced sales in the Kingston area during the limited state of emergency.

### Corporate

The Corporate segment recorded a pre-tax profit of \$83.3 million for the 2010 year-to-date compared to a profit of \$7.5 million for 2009. The segment comprises interest and investment income net of the cost of corporate functions not directly charged to the business units. The corporate division was adversely affected by exchange losses on cash and short term investments resulting from the depreciation of the United States dollar relative to the Jamaican dollar as well as reduced interest rates relative to the prior year. This was offset, however, by our decision to realize profits on certain investments.

### General

The economic environment in which JP operates will continue to be adversely affected by macroeconomic conditions generally, and in particular by any weakening of the euro during periods in which we procure citrus from outside of Europe. Moreover, during the third quarter, our revenues will be affected by seasonal reductions in demand that are related to summer holidays in our primary markets. Fortunately, our business strategy, market leadership and balance sheet continue to present us with attractive opportunities to diversify our revenue base, grow our business and improve shareholder returns. In seeking to exploit these opportunities, we will give particular focus to our core business of using fresh produce to prepare innovative, high quality food and drink for consumers in Europe and the Americas.

Chairman  
C. H. Johnston



# Jamaica Producers Group Limited

**UNAUDITED GROUP RESULTS  
26 WEEKS ENDED JULY 3, 2010**

## Group Balance Sheet

	Unaudited as at July 3, 2010	Unaudited as at June 20, 2009	Audited as at December 31, 2009
	\$'000	\$'000	\$'000
<b>Current Assets</b>			
Cash and cash equivalents	323,564	286,962	227,000
Short term investments	379,355	367,151	489,233
Securities purchased under resale agreements	514,008	381,811	434,534
Accounts receivable	733,206	731,021	700,250
Tax recoverable	126,267	190,493	137,648
Inventories	204,086	244,821	278,880
<b>Total Current Assets</b>	<b><u>2,280,486</u></b>	<b><u>2,202,259</u></b>	<b><u>2,267,545</u></b>
<b>Current Liabilities</b>			
Accounts payable	845,667	1,061,730	906,429
Taxation	17,364	26,907	36,978
Current maturities of long term loans	51,044	58,180	55,919
<b>Total Current Liabilities</b>	<b><u>914,075</u></b>	<b><u>1,146,817</u></b>	<b><u>999,326</u></b>
<b>Working Capital</b>	<b><u>1,366,411</u></b>	<b><u>1,055,442</u></b>	<b><u>1,268,219</u></b>
<b>Non-Current Assets</b>			
Biological assets	2,001	11,889	2,001
Interest in joint venture	85,355	84,395	88,014
Investments	1,976,689	1,717,270	1,477,104
Employee benefit asset	-	812	-
Goodwill	511,889	548,078	568,778
Deferred tax asset	19,968	56,870	20,199
Property, plant and equipment	1,064,432	1,205,901	1,187,745
<b>Total Non-Current Assets</b>	<b><u>3,660,334</u></b>	<b><u>3,625,215</u></b>	<b><u>3,343,841</u></b>
<b>Total Assets Less Current Liabilities</b>	<b><u>5,026,745</u></b>	<b><u>4,680,657</u></b>	<b><u>4,612,060</u></b>
<b>Equity</b>			
Share capital	18,702	18,702	18,702
Reserves	4,962,360	4,559,652	4,513,191
<b>Total equity attributable to equity holders of the parent</b>	<b><u>4,981,062</u></b>	<b><u>4,578,354</u></b>	<b><u>4,531,893</u></b>
Minority interests	( 801 )	492	595
<b>Total Equity</b>	<b><u>4,980,261</u></b>	<b><u>4,578,846</u></b>	<b><u>4,532,488</u></b>
<b>Non-Current Liabilities</b>			
Employee benefit obligation	8,201	-	9,674
Long term loans	38,283	101,811	69,898
<b>Total Non-Current Liabilities</b>	<b><u>46,484</u></b>	<b><u>101,811</u></b>	<b><u>79,572</u></b>
<b>Total Equity and Non-Current Liabilities</b>	<b><u>5,026,745</u></b>	<b><u>4,680,657</u></b>	<b><u>4,612,060</u></b>
<b>Parent company stockholders' equity per ordinary stock unit:</b>			
Based on stock units in issue	<b><u>\$26.63</u></b>	<b><u>\$24.48</u></b>	<b><u>\$24.23</u></b>
After exclusion of stock units held by ESOP	<b><u>\$29.51</u></b>	<b><u>\$27.04</u></b>	<b><u>\$26.77</u></b>



# Jamaica Producers Group Limited

## UNAUDITED GROUP RESULTS 26 WEEKS ENDED JULY 3, 2010

### Group Profit and Loss Account

	Notes	Unaudited 13 weeks ended July 3, 2010 \$'000	Unaudited 12 weeks ended June 20, 2009 \$'000	Unaudited 26 weeks ended July 3, 2010 \$'000	Unaudited 24 weeks ended June 20, 2009 \$'000
Gross operating revenue	3	1,532,507	1,514,322	3,111,744	2,818,854
Cost of operating revenue		( 1,149,023 )	( 1,120,219 )	* ( 2,310,138 )	* ( 2,169,793 )
<b>Gross profit</b>		<b>383,484</b>	<b>394,103</b>	<b>801,606</b>	<b>649,061</b>
Marketing, selling and distribution costs		( 89,762 )	( 72,114 )	* ( 179,907 )	* ( 137,895 )
Administrative and other operating expenses		( 234,867 )	( 263,122 )	* ( 516,514 )	* ( 472,873 )
<b>Profit from operations</b>		<b>58,855</b>	<b>58,867</b>	<b>105,185</b>	<b>38,293</b>
Share of (loss)/profit in joint venture company		( 5,713 )	2,448	( 7,012 )	7,547
Net (loss)/gain from fluctuations in exchange rates		( 8,716 )	( 21,298 )	* ( 4,051 )	86
Gain on disposal of fixed assets and investments		80,625	6,245	108,972	14,317
Other income		37,480	34,092	* 54,342	66,899
<b>Profit before finance cost and taxation</b>		<b>162,531</b>	<b>80,354</b>	<b>257,436</b>	<b>127,142</b>
Finance credit/(cost)		491	( 832 )	( 1,511 )	( 2,353 )
<b>Profit before taxation</b>		<b>163,022</b>	<b>79,522</b>	<b>255,925</b>	<b>124,789</b>
Taxation		( 27,719 )	( 20,613 )	( 52,327 )	( 24,555 )
<b>Net profit for the period</b>		<b><u>135,303</u></b>	<b><u>58,909</u></b>	<b><u>203,598</u></b>	<b><u>100,234</u></b>
<b>Profit attributable to:</b>					
Parent company stockholders		132,219	58,907	204,994	100,232
Minority interest		3,084	2	( 1,396 )	2
		<b><u>135,303</u></b>	<b><u>58,909</u></b>	<b><u>203,598</u></b>	<b><u>100,234</u></b>
<b>Profit per ordinary stock unit:</b>	4				
Based on stock units in issue		<u>70.70 ¢</u>	<u>31.50 ¢</u>	<u>109.61 ¢</u>	<u>53.59 ¢</u>
After exclusion of stock units held by ESOP		<u>78.33 ¢</u>	<u>34.80 ¢</u>	<u>121.28 ¢</u>	<u>59.21 ¢</u>

\* Reclassified and restated to conform with figures reported in the current quarter.



# Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS  
26 WEEKS ENDED JULY 3, 2010

## Group Statement of Comprehensive Income

	Unaudited 13 weeks ended July 3, 2010 \$'000	Unaudited 12 weeks ended June 20, 2009 \$'000	Unaudited 26 weeks ended July 3, 2010 \$'000	Unaudited 24 weeks ended June 20, 2009 \$'000
<b>Net profit for the period</b>	<u>135,303</u>	<u>58,909</u>	<u>203,598</u>	<u>100,234</u>
<b>Other comprehensive income:</b>				
Exchange (losses)/gains on translating foreign operations	( 158,304 )	19,877 *	( 233,105 )	145,958
Available-for-sale financial assets				
Revaluation (losses)/gains arising during the period	( 245,946 )	178,411	584,107	151,284
Realised revaluation gains included in profit or loss	( 78,836 )	( 5,234 )	( 93,959 )	( 5,234 )
	<u>( 483,086 )</u>	<u>193,054</u>	<u>257,043</u>	<u>292,008</u>
<b>Total comprehensive (expense)/income for the period</b>	<u>( 347,783 )</u>	<u>251,963</u>	<u>460,641</u>	<u>392,242</u>
<b>Total comprehensive (expense)/income attributable to:</b>				
Parent company stockholders	( 350,867 )	251,961	462,037	392,240
Minority interest	<u>3,084</u>	<u>2</u>	( 1,396 )	<u>2</u>
	<u>( 347,783 )</u>	<u>251,963</u>	<u>460,641</u>	<u>392,242</u>

\* Restated to conform with figures reported in the current quarter



# Jamaica Producers Group Limited

## UNAUDITED GROUP RESULTS

26 WEEKS ENDED JULY 3, 2010

### Group Statement of Changes in Equity

	Share capital	Share premium	Capital reserves	Fair value reserve	Reserve for own shares	Retained profits	Parent Company stockholders' equity	Minority interest	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balances at December 31, 2008</b>	<u>18,702</u>	<u>135,087</u>	<u>1,679,664</u>	<u>1,171,124</u>	<u>( 190,498 )</u>	<u>1,372,035</u>	<u>4,186,114</u>	<u>-</u>	<u>4,186,114</u>
<b>Changes in equity:</b>									
<b>Profit for the period</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,232</u>	<u>100,232</u>	<u>2</u>	<u>100,234</u>
<b>Other comprehensive income</b>									
Exchange gains on translating foreign operations	-	-	145,958	-	-	-	145,958	-	145,958
Change in fair value of available-for-sale investments	-	-	-	151,284	-	-	151,284	-	151,284
Realised revaluation gain on available-for-sale investments transferred to group profit or loss account	-	-	-	( 5,234 )	-	-	( 5,234 )	-	( 5,234 )
Total other comprehensive income for the period	<u>-</u>	<u>-</u>	<u>145,958</u>	<u>146,050</u>	<u>-</u>	<u>-</u>	<u>292,008</u>	<u>-</u>	<u>292,008</u>
<b>Total comprehensive income for the period</b>	<u>-</u>	<u>-</u>	<u>145,958</u>	<u>146,050</u>	<u>-</u>	<u>100,232</u>	<u>392,240</u>	<u>2</u>	<u>392,242</u>
<b>Other changes in equity</b>									
Issue of share capital in subsidiary	-	-	-	-	-	-	-	490	490
	<u>-</u>	<u>-</u>	<u>145,958</u>	<u>146,050</u>	<u>-</u>	<u>100,232</u>	<u>392,240</u>	<u>492</u>	<u>392,732</u>
<b>Balances at June 20, 2009</b>	<u>18,702</u>	<u>135,087</u>	<u>1,825,622</u>	<u>1,317,174</u>	<u>( 190,498 )</u>	<u>1,472,267</u>	<u>4,578,354</u>	<u>492</u>	<u>4,578,846</u>
<b>Retained in the Financial Statements of:</b>									
The Company	18,702	135,087	1,557,652	1,317,098	-	379,853	3,408,392		
Subsidiaries	-	-	267,526	76	( 190,498 )	1,093,058	1,170,162		
Joint Venture Company	-	-	444	-	-	( 644 )	( 200 )		
<b>Balances at June 20, 2009</b>	<u>18,702</u>	<u>135,087</u>	<u>1,825,622</u>	<u>1,317,174</u>	<u>( 190,498 )</u>	<u>1,472,267</u>	<u>4,578,354</u>		



# Jamaica Producers Group Limited

## UNAUDITED GROUP RESULTS

### 26 WEEKS ENDED JULY 3, 2010

#### Group Statement of Changes in Equity (cont'd)

	Share capital \$'000	Share premium \$'000	Capital reserves \$'000	Fair value reserve \$'000	Reserve for own shares \$'000	Retained profits \$'000	Parent Company stockholders' equity \$'000	Minority interest \$'000	Total equity \$'000
<b>Balances at December 31, 2009</b>	<u>18,702</u>	<u>135,087</u>	<u>1,921,618</u>	<u>1,090,700</u>	<u>( 190,498 )</u>	<u>1,556,284</u>	<u>4,531,893</u>	<u>595</u>	<u>4,532,488</u>
<b>Changes in equity:</b>									
<b>Profit/(Loss) for the period</b>	-	-	-	-	-	<u>204,994</u>	<u>204,994</u>	<u>( 1,396 )</u>	<u>203,598</u>
<b>Other comprehensive (expenses)/income</b>									
Exchange loss on translating foreign operations	-	-	( 233,105 )	-	-	-	( 233,105 )	-	( 233,105 )
Change in fair value of available-for-sale investments	-	-	-	584,107	-	-	584,107	-	584,107
Realised revaluation gain on available-for-sale investments transferred to group profit or loss account	-	-	-	( 93,959 )	-	-	( 93,959 )	-	( 93,959 )
Total other comprehensive (expense)/income for the period	-	-	( 233,105 )	490,148	-	-	257,043	-	257,043
<b>Total comprehensive (expense)/income for the period</b>	-	-	( 233,105 )	490,148	-	<u>204,994</u>	<u>462,037</u>	<u>( 1,396 )</u>	<u>460,641</u>
<b>Other changes in equity</b>									
Own shares acquired by ESOP	-	-	-	-	( 12,868 )	-	( 12,868 )	-	( 12,868 )
	-	-	( 233,105 )	490,148	( 12,868 )	<u>204,994</u>	<u>449,169</u>	<u>( 1,396 )</u>	<u>447,773</u>
<b>Balances at July 3, 2010</b>	<u>18,702</u>	<u>135,087</u>	<u>1,688,513</u>	<u>1,580,848</u>	<u>( 203,366 )</u>	<u>1,761,278</u>	<u>4,981,062</u>	<u>( 801 )</u>	<u>4,980,261</u>
<b>Retained in the Financial Statements of:</b>									
The Company	18,702	135,087	1,577,786	1,576,926	-	534,530	3,843,031		
Subsidiaries	-	-	111,981	3,922	( 203,366 )	1,251,132	1,163,669		
Joint Venture Company	-	-	( 1,254 )	-	-	( 24,384 )	( 25,638 )		
<b>Balances at July 3, 2010</b>	<u>18,702</u>	<u>135,087</u>	<u>1,688,513</u>	<u>1,580,848</u>	<u>( 203,366 )</u>	<u>1,761,278</u>	<u>4,981,062</u>		



# Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS  
26 WEEKS ENDED JULY 3, 2010

## Group Statement of Cash Flows

	Unaudited 26 weeks ended July 3, 2010 \$'000	Unaudited 24 weeks ended June 20, 2009 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period attributable to the group	204,994	100,232
Items not affecting cash:		
Gains on disposal of fixed assets and investments	( 108,833 )	( 14,317 )
Depreciation and amortisation	76,227	56,320
Other items	( 49,961 )	( 12,966 )
	<b>122,427</b>	<b>129,269</b>
Decrease/(increase) in current assets	53,219	( 198,913 )
(Decrease)/increase in current liabilities	( 116,941 )	17,186
<b>CASH PROVIDED/(USED) BY OPERATING ACTIVITIES</b>	<b>58,705</b>	( 52,458 )
<b>CASH PROVIDED BY INVESTMENT ACTIVITIES</b>	62,414	119,720
<b>CASH USED BY FINANCING ACTIVITIES</b>	( 24,555 )	( 1,737 )
<b>Net increase in cash and cash equivalents</b>	<b>96,564</b>	<b>65,525</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>227,000</b>	<b>221,437</b>
<b>Cash and cash equivalents at end of the period</b>	<b>323,564</b>	<b>286,962</b>



# Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS  
26 WEEKS ENDED JULY 3, 2010

## Notes to the Financial Statements

### 1. Basis of Presentation

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations, issued by the International Accounting Standards Board (IASB) and its International Financial Reporting Interpretations Committee (IFRIC), and comply with the provisions of the Jamaican Companies Act.

Where necessary, the previous year's comparative figures have been reclassified or restated to conform with those of the current quarter.

As of January 1, 2010 the group has presented its quarterly unaudited financial statements in four equal 13-week periods to better reflect comparability between quarters and promote process efficiencies within the group. In 2010 our four quarters are the 13-week periods ending on April 3, July 3, October 2 and December 31. The quarter ended July 3, 2010 has seven additional days trading in comparison to the comparative quarter ended June 20, 2009 however the prior year results have not been restated as this will require estimations that may not achieve an optimal level of accuracy.

### 2. Group's Operations and Activities

The main activities of the company and its subsidiaries ("group") are juice and food manufacturing, the cultivation, marketing and distribution of bananas locally, shipping and the holding of investments.

There have been no significant changes to the group's operations for the period under review.

### 3. Gross Operating Revenue

Gross operating revenue comprises the group's sales of goods and services, commissions earned on consignment sales and investment income. This is shown after deducting returns, rebates and discounts, consumption taxes and eliminating sales within the group.

### 4. Profit per ordinary stock unit and stockholders' equity per ordinary stock unit

Profit per ordinary stock unit is calculated by dividing profit attributable to the group by 187,024,006, being the total number of ordinary stock units in issue during the period and a weighted average number of ordinary stock units in issue (excluding those held by the ESOP) during the period. The weighted average number of ordinary stock units in issue (excluding those held by the ESOP) for the 13 weeks ended July 3, 2010 was 168,791,135 (2009 - 12 Weeks - 169,291,135) stock units, and for the 26 weeks ended on July 3, 2010 was 169,024,831 (2009 - 24 weeks - 169,291,135) stock units.

Stockholders' equity per ordinary stock unit is calculated by dividing the parent company stockholders' equity by 187,024,006 being the total number of ordinary stock units in issue at the end of the period and 168,791,135 (2009 - 169,291,135), representing the total number of ordinary stock units in issue at period-end less those held by the ESOP at the same date.



# Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS  
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## Notes to the Financial Statements (cont'd)

### 5. Accounting Policies

The following accounting policies have been reflected in these financial statements in compliance with IFRS:

a. Investments

The group's investments are initially recognized at cost and classified at the time of purchase in accordance with IFRS. Available-for-sale investments are subsequently re-measured at fair value. The excess of the fair value of these investments over the original carrying amount is credited to the Fair Value Reserve (see Group Statement of Changes in Equity). Where fair value cannot be reliably measured, available-for-sale investments are carried at cost. Loans and receivables that have no active market are subsequently re-measured at amortized cost. Securities having a maturity date of less than one year are included in Current Assets.

b. 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. It is allocated to cash-generating units and tested annually for impairment.

c. Deferred Taxation

Deferred income tax is provided in full, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts. A tax asset is reflected for unutilized tax losses only to the extent that reversal can reasonably be expected.

d. Segment Reporting

Segment information is presented in respect of the group's strategic business segments. The identification of business segments, 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.

The group is organized into three business segments:

- JP Europe Division – This comprises businesses that are centred in Europe and include the production and marketing of natural food and drink, and the logistics business.
- JP Tropical Division – This comprises businesses that are centred in the Caribbean and Central America, and include the production and marketing of natural food and drink as well as management of land holdings.
- Corporate – This comprises interest and investment income, net of the cost of corporate functions not directly charged to business units.



# Jamaica Producers Group Limited

## UNAUDITED GROUP RESULTS 26 WEEKS ENDED JULY 3, 2010

### Notes to the Financial Statements (cont'd)

#### 6. Segment Results

The unaudited segment results are as follows:

	<u>26 weeks ended</u> <u>July 3, 2010</u> \$'000	<u>24 weeks ended</u> <u>June 20, 2009</u> \$'000
<b>Revenue</b>		
JP Europe Division	2,382,538	2,181,021
JP Tropical Division	677,662	578,057
Corporate	<u>51,544</u>	<u>59,776</u>
<b>Total</b>	<b><u>3,111,744</u></b>	<b><u>2,818,854</u></b>
<b>Profit before tax</b>		
JP Europe Division	134,861	94,315
JP Tropical Division	37,789	22,972
Corporate	<u>83,275</u>	<u>7,502</u>
<b>Total</b>	<b><u>255,925</u></b>	<b><u>124,789</u></b>

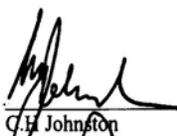
#### 7. Foreign Currency Translation

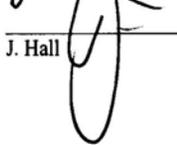
Overseas revenues and expenses have been translated at effective exchange rates of \$134.91 (2009: \$127.02) to £1, \$118.41 (2009: \$116.12) to €1 and \$88.64 (2009: \$87.22) to US\$1.

Adjustments have been made for exchange gains and losses on foreign currency assets and liabilities at their respective balance sheet dates based upon the following exchange rates:

	<u>J\$/£</u>	<u>J\$/€</u>	<u>J\$/US\$</u>
July 3, 2010	127.61	107.91	85.64
December 31, 2009	139.80	127.30	89.01
June 20, 2009	145.45	123.63	88.77
December 31, 2008	114.44	111.15	79.96

On behalf of the Board

  
C.H. Johnston      Chairman

  
J. Hall      Group Managing Director

August 13, 2010