



Chairman's Statement

For the **13-week** period ended June 27, 2015 (the "second quarter") Jamaica Producers Group Limited ("JP") generated net profit attributable to shareholders of \$414 million representing a three-fold increase over the prior year. The year-to-date (the "first half") net profit attributable to JP shareholders was \$589 million compared to \$138 million in 2014. In the six-months from January 1, 2015 to the end of the second quarter, shareholders' equity increased 7% to \$6.27 billion.

Year-to-date revenues for 2015 were down by 6%. This was primarily a result of the depreciation of the euro relative to the Jamaican dollar by 14% compared to the comparable six month period in the prior year. The major share of our revenues is denominated in euros and our European juice business is the largest contributor to the Group's revenues. Offsetting these changes has been significant local currency revenue growth in several of our other businesses.

Commencing January 1, 2015 we revised our segment reporting. We now account for our operations on the basis of the major lines of business in which we are engaged. This approach is directly aligned with our strategy to develop an international diversified specialty foods business, and a portfolio of business interests in logistics and infrastructure. Importantly, this segment reporting gives our shareholders clearer visibility of the extent and strategic importance of our non-food holdings, and distinguishes this activity from our food business. Prior to this year, our segment reporting reflected the geographic division of our assets between Europe and the Americas.

The JP Food & Drink Division comprises a vertically integrated portfolio of subsidiaries and associates that are engaged in farming, processing, distribution and/or retail of food and drink.

The JP Logistics & Infrastructure Division comprises holdings and operations in logistics, port operations, construction aggregates and related industries.

Both the JP Food & Drink Division and the JP Logistics & Infrastructure Division showed improved profit performance for the 2015 year-to-date.

JP Food & Drink

At the end of the second quarter, JP Food & Drink earned year-to-date profits before interest and taxation of \$167 million, a 24% increase relative to the prior year.

The division, through its subsidiaries and associated companies, has production facilities in Jamaica, Holland, the Dominican Republic, the Cayman Islands and Barbados, and operates a distribution center in the United States. Our range of specialty food and drink products includes fresh juices, tropical snacks, fresh fruit, specialty coffee, Caribbean rum and rum-based confectionary items. JP Food & Drink products are marketed and sold in international markets under our own brands as well

as under the brands of third parties who contract with us to produce and process food products for them.

In general, the divisional profit performance benefited from an ongoing focus on new product development as well as initiatives to expand in new export markets. The agricultural aspect of our business in Jamaica (including products linked to bananas, coffee, pineapple and cassava) experienced adverse growing conditions associated with the drought. Despite these challenges, we have maintained our profitability through more aggressive cost management and by enhancing the value of our products to customers through processing, quality management and product innovation.

During the quarter, our A.L. Hoogesteger Fresh Specialist B.V. business advanced on the commissioning of our state of the art High Pressure Processing line to extend the shelf life of our new proprietary blends of fresh fruit and vegetable juices. The combination of this technology, our recently introduced Pulse Electric Field technology, and our market leading know-how in fresh juice product innovation will make our plant among the most advanced and flexible manufacturing sites for fresh juice in Europe. The new line will come into production in the third quarter of 2015.

JP Logistics & Infrastructure

The JP Logistics & Infrastructure Division includes businesses engaged in logistics, freight forwarding and construction aggregates, and comprises three business units:

- Kingston Wharves Limited (KWL), an associated company in which JP holds a 42% interest.
- JP Shipping Services Limited, a wholly owned full-service logistics company operating out of the UK and servicing the UK-Caribbean trade.
- Four Rivers Mining Company Limited, a 51% subsidiary engaged in the extraction and processing of high specification construction aggregates.

For the 2015 first half, the JP Logistics & Infrastructure division generated earnings before interest and taxation of \$223 million, up 37% relative to the comparable period last year.

As an associate company within the division, KWL's revenues are not consolidated into those of the Group, but our earnings reflect our share of KWL's profits. Kingston Wharves experienced a 39% increase in its net profit for the 2015 year-to-date compared to the first half of 2014. This resulted from improved volumes of cargo handled by the port. In addition to this earnings growth, the results also reflect our additional investment in KWL, completed at the end of the third quarter of 2014, which took our ownership stake from 30.2% to 42.0% thereby increasing our share of earnings from this business.



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 26 WEEKS ENDED JUNE 27, 2015

Chairman's Statement (cont'd)

The JP Shipping Services logistics operations also experienced improved performance, benefitting from a healthier economic environment in the United Kingdom. We continued to strengthen our service standards and develop the customer base.

Revenues for the JP Logistics & Infrastructure division of \$561 million were down from \$605 million in the prior year. The fall in divisional revenue year-on-year was as a result of our decision in the fourth quarter of 2014 to exit the Clarendon operations of Four Rivers Mining and concentrate our production at a single site in St. Mary.

Corporate Services

The Corporate Services segment comprises our activities associated with group financing, investment and corporate management services. For the first half, third party divisional revenue increased by 11% to \$54 million and earnings before interest and taxation increased to \$315 million compared to a loss of \$61 million in the prior year first half.

Over the past five years, your Group has articulated and implemented a clear strategic plan that involved specific steps to diversify our business both geographically and by line of business. Our objective has been to leverage our capital and expertise to establish a solid new base for profitable growth in specialty food and in logistics and infrastructure.

Our board and management continually assess the risk and returns on the asset mix that arises from our investment programme, the programme's ongoing financing needs and the level and terms of indebtedness incurred to finance our investments. In this context we have elected to systematically reduce our holdings of various passive portfolio equity securities and certain non-core or non-operational real estate holdings and to redeploy the sale proceeds in-line with our current areas of focus. This initiative was reflected in our decision to realize gains on the sale of non-core equities and real estate in the first half of this year. Our aggregate year-to-date gains on these disposals amount to \$426 million and include gains from the sale of our office block at Oxford Road in New Kingston, which was executed during the second quarter. We now occupy less than

1/3 of the space in this office unit and will continue to occupy these offices under a lease arrangement with the purchaser.

The decision to re-deploy assets is also reflected in our ongoing capital investment programme across our business and specifically in our decisions to increase our interest in Kingston Wharves Limited in the second half of last year, as well as to commence the renovation and expansion of a 24,000 square foot shared services, cold storage and distribution center in the Cross Roads area of Kingston in the second half of this year. Notwithstanding the investments already undertaken, the Group expects to be in a strong position to maintain prudent levels of cash and liquid investments to finance further growth and to support its debt repayments.

General

Our JP Food & Drink business will continue to benefit from our focus on new products and expanding our sales into new markets. A major priority for the next two years will be to seize the potential for greater synergy among our food businesses. These businesses have been tasked with reducing the number of operating sites by co-locating their activities where possible, and with gaining new customers by cross selling our products. We expect that this will support revenue growth, cost control and improved earnings for the Group.

We continue to be optimistic about the prospects for logistics and infrastructure in Jamaica. In addition to implementing our now well-documented plans for investment through Kingston Wharves at the port of Kingston, we will also review other complementary infrastructure and logistics investment opportunities that may arise.

I thank our board, management and staff for their commitment to our success, and our customers for their continued support.

C. H. Johnston

Chairman



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 26 WEEKS ENDED JUNE 27, 2015

Group Balance Sheet

	Unaudited as at June 27, 2015 \$'000	Unaudited as at June 28, 2014 \$'000	Audited December 31, 2014 \$'000
Current Assets			
Cash and cash equivalents	366,934	215,381	322,281
Short-term investments	4,513	229,755	283
Securities purchased under resale agreements	163,847	11,009	148,730
Accounts receivable	1,373,114	1,132,677	993,898
Taxation recoverable	8,291	30,795	10,121
Inventories	394,703	400,561	492,300
Total Current Assets	2,311,402	2,020,178	1,967,613
Current Liabilities			
Credit facilities	-	-	57,069
Accounts payable	1,343,123	1,442,756	1,564,747
Taxation	51,480	1,238	42,879
Current portion of long-term loans	126,463	91,068	106,155
Total Current Liabilities	1,521,066	1,535,062	1,770,850
Working Capital	790,336	485,116	196,763
Non-Current Assets			
Biological assets	122,056	125,634	134,773
Interest in associated companies and joint ventures	4,410,046	3,094,816	4,246,761
Investments	193,389	531,566	358,095
Intangible assets	1,168,780	1,231,674	1,193,198
Deferred tax asset	1,007	2,227	2,226
Property, plant and equipment	1,911,934	1,893,094	2,040,780
Total Non-Current Assets	7,807,212	6,879,011	7,975,833
Total Assets Less Current Liabilities	8,597,548	7,364,127	8,172,596
Equity			
Share capital	18,702	18,702	18,702
Reserves	6,255,605	5,928,131	5,844,990
Total equity attributable to equity holders of the parent	6,274,307	5,946,833	5,863,692
Non-Controlling Interest	288,814	325,200	322,044
Total Equity	6,563,121	6,272,033	6,185,736
Non-Current Liabilities			
Deferred tax liability	1,248	-	-
Long-term loans	2,033,179	1,092,094	1,986,859
Total Non-Current Liabilities	2,034,427	1,092,094	1,986,859
Total Equity and Non-Current Liabilities	8,597,548	7,364,127	8,172,595
Parent company stockholders' equity per ordinary stock unit:			
Based on stock units in issue	\$33.55	\$31.80	\$31.35
After exclusion of stock units held by ESOP	\$36.64	\$34.83	\$34.34



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 26 WEEKS ENDED JUNE 27, 2015

Group Profit and Loss Account

Notes	Unaudited	Unaudited	Unaudited	Unaudited
	13 weeks ended June 27, 2015	13 weeks ended June 28, 2014	26 weeks ended June 27, 2015	26 weeks ended June 28, 2014
	\$'000	\$'000	\$'000	\$'000
Gross operating revenue	3 2,077,297	2,390,056	4,106,415	4,350,561
Cost of operating revenue	(1,554,905)	(1,840,766)	(3,100,724)	(3,373,141)
Gross profit	522,392	549,290	1,005,691	977,420
Marketing, selling and distribution costs	(158,449)	(150,121)	(301,039)	(284,643)
Administrative and other operating expenses	(336,231)	(336,218)	(663,791)	(649,298)
Profit from operations	27,712	62,951	40,861	43,479
Share of profit in associated companies and joint ventures	172,385	98,888	274,058	167,469
Net gain from fluctuations in exchange rates	4,325	4,227	4,812	8,581
Gain on disposal of property, plant and equipment and investments	319,024	-	423,788	17,166
Other expenses	(38,308)	-	(38,308)	-
Profit before finance cost and taxation	485,138	166,066	705,211	236,695
Finance cost - interest	(49,096)	(25,642)	(100,521)	(50,729)
Profit before taxation	436,042	140,424	604,690	185,966
Taxation charge	(46,386)	(60,168)	(55,969)	(70,756)
Profit for the period	<u>389,656</u>	<u>80,256</u>	<u>548,721</u>	<u>115,210</u>
Attributable to:				
Parent company stockholders	414,243	103,662	589,431	137,827
Non-controlling interest	(24,587)	(23,406)	(40,710)	(22,617)
	<u>389,656</u>	<u>80,256</u>	<u>548,721</u>	<u>115,210</u>
Profit per ordinary stock unit:	4			
Based on stock units in issue	<u>221.49</u> ¢	<u>55.43</u> ¢	<u>315.16</u> ¢	<u>73.69</u> ¢
After exclusion of stock units held by ESOP	<u>242.04</u> ¢	<u>60.83</u> ¢	<u>344.81</u> ¢	<u>80.91</u> ¢



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 26 WEEKS ENDED JUNE 27, 2015

Group Statement of Profit or Loss and Other Comprehensive Income

	Unaudited 13 weeks ended June 27, 2015 \$'000	Unaudited 13 weeks ended June 28, 2014 \$'000	Unaudited 26 weeks ended June 27, 2015 \$'000	Unaudited 26 weeks ended June 28, 2014 \$'000
Profit for the period	<u>389,656</u>	<u>80,256</u>	<u>548,721</u>	<u>115,210</u>
Other comprehensive income:				
Items that may be reclassified to profit or loss:				
Exchange gains/(losses) on translating foreign operations	92,313	50,502	(63,605)	146,567
Share of other comprehensive expense of associated companies	-	-	(533)	(10,549)
Available-for-sale financial assets:				
Revaluation gains/(losses) arising during the year	1,667	(10,749)	(6,585)	5,430
Realised revaluation gains on available-for-sale investments transferred to group profit and loss account	-	-	(103,246)	(16,994)
	<u>93,980</u>	<u>39,753</u>	<u>(173,969)</u>	<u>124,454</u>
Total comprehensive income for the period	<u><u>483,636</u></u>	<u><u>120,009</u></u>	<u><u>374,752</u></u>	<u><u>239,664</u></u>
Total comprehensive income attributable to:				
Parent company stockholders	502,037	140,508	407,982	247,760
Non-controlling interest	(18,401)	(20,499)	(33,230)	(8,096)
	<u><u>483,636</u></u>	<u><u>120,009</u></u>	<u><u>374,752</u></u>	<u><u>239,664</u></u>



Jamaica Producers Group Limited

**UNAUDITED GROUP RESULTS
26 WEEKS ENDED JUNE 27, 2015**

Group Statement of Changes in Equity

	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	Non- Controlling Interest \$'000	Total Equity \$'000
Balances at December 31, 2013	18,702	135,087	2,386,731	257,585	(173,465)	3,073,167	5,697,807	333,296	6,031,103
Changes in equity:									
Profit/(loss) for the period	-	-	-	-	-	137,827	137,827	(22,617)	115,210
Other comprehensive income									
Exchange gains arising on retranslation of foreign operations	-	-	132,046	-	-	-	132,046	14,521	146,567
Share of other comprehensive expense of associated companies	-	-	-	-	-	(10,549)	(10,549)	-	(10,549)
Net change in fair value of available-for-sale investments	-	-	-	5,430	-	-	5,430	-	5,430
Realised revaluation gains on available-for-sale investments transferred to group profit and loss account	-	-	-	(16,994)	-	-	(16,994)	-	(16,994)
Total other comprehensive income/(expense)	-	-	132,046	(11,564)	-	(10,549)	109,933	14,521	124,454
Total comprehensive income/(expense) for the period	-	-	132,046	(11,564)	-	127,278	247,760	(8,096)	239,664
Transactions with owners of the company									
Own shares sold by ESOP	-	-	-	-	1,266	-	1,266	-	1,266
	-	-	-	-	1,266	-	1,266	-	1,266
Total increase/(decrease) in equity	-	-	132,046	(11,564)	1,266	127,278	249,026	(8,096)	240,930
Balances at June 28, 2014	18,702	135,087	2,518,777	246,021	(172,199)	3,200,445	5,946,833	325,200	6,272,033
Retained in the financial statements of:									
The company	18,702	135,087	1,607,019	242,237	-	2,462,508	4,465,553		
Subsidiaries	-	-	948,132	3,784	(172,199)	337,962	1,117,679		
Joint venture and associated companies	-	-	(36,374)	-	-	399,975	363,601		
Balances at June 28, 2014	18,702	135,087	2,518,777	246,021	(172,199)	3,200,445	5,946,833		



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 26 WEEKS ENDED JUNE 27, 2015

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	Non- Controlling Interest \$'000	Total Equity \$'000
Balances at December 31, 2014	<u>18,702</u>	<u>135,087</u>	<u>2,391,553</u>	<u>135,699</u>	<u>(172,199)</u>	<u>3,354,851</u>	<u>5,863,693</u>	<u>322,044</u>	<u>6,185,737</u>
Changes in equity:									
Profit/(loss) for the period	-	-	-	-	-	589,431	589,431	(40,710)	548,721
Other comprehensive income									
Exchange (losses)/gains arising on retranslation of foreign operations	-	-	(71,085)	-	-	-	(71,085)	7,480	(63,605)
Share of other comprehensive expense of associated companies	-	-	-	-	-	(533)	(533)	-	(533)
Net change in fair value of available-for-sale investments	-	-	-	(6,585)	-	-	(6,585)	-	(6,585)
Realised revaluation gains on available-for-sale investments transferred to group profit and loss account	-	-	-	(103,246)	-	-	(103,246)	-	(103,246)
Total other comprehensive (expense)/income	-	-	(71,085)	(109,831)	-	(533)	(181,449)	7,480	(173,969)
Total comprehensive (expense)/income for the period	-	-	(71,085)	(109,831)	-	588,898	407,982	(33,230)	374,752
Transaction with owners of the company									
Own shares sold by ESOP	-	-	-	-	1,449	-	1,449	-	1,449
Unclaimed distributions to stockholders	-	-	1,183	-	-	-	1,183	-	1,183
	-	-	1,183	-	1,449	-	2,632	-	2,632
Total increase in equity	-	-	(69,902)	(109,831)	1,449	588,898	410,614	(33,230)	377,384
Balances at June 27, 2015	<u>18,702</u>	<u>135,087</u>	<u>2,321,651</u>	<u>25,868</u>	<u>(170,750)</u>	<u>3,943,749</u>	<u>6,274,307</u>	<u>288,814</u>	<u>6,563,121</u>
Retained in the financial statements of:									
The company	18,702	135,087	1,615,339	25,701	-	3,283,978	5,078,807		
Subsidiaries	-	-	706,312	167	(170,750)	(174,053)	361,676		
Joint venture and associated companies	-	-	-	-	-	833,824	833,824		
Balances at June 27, 2015	<u>18,702</u>	<u>135,087</u>	<u>2,321,651</u>	<u>25,868</u>	<u>(170,750)</u>	<u>3,943,749</u>	<u>6,274,307</u>		



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 26 WEEKS ENDED JUNE 27, 2015

Group Statement of Cash Flows

	Unaudited as at 26 weeks ended June 27, 2015 \$'000	Unaudited as at 26 weeks ended June 28, 2014 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period attributable to the group	589,431	137,827
Items not affecting cash:		
Gains on disposal of investments and fixed assets	(424,407)	(17,616)
Depreciation and amortisation	153,892	158,852
Other items	(161,966)	(65,737)
	156,950	213,326
Increase in current assets	(272,230)	(185,615)
(Decrease)/Increase in current liabilities	(226,360)	138,215
CASH (USED)/PROVIDED BY OPERATING ACTIVITIES	(341,640)	165,926
CASH PROVIDED/(USED) BY INVESTMENT ACTIVITIES	500,755	(213,924)
CASH USED BY FINANCING ACTIVITIES	(114,462)	(135,541)
Net increase/(decrease) in cash and cash equivalents	44,653	(183,539)
Cash and cash equivalents at beginning of the period	322,281	398,920
Cash and cash equivalents at end of the period	<u>366,934</u>	<u>215,381</u>



Jamaica Producers Group Limited

**UNAUDITED GROUP RESULTS
26 WEEKS ENDED JUNE 27, 2015**

Notes to the Financial Statements

1. Basis of Presentation

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

The accounting policies and methods of computation used in these interim financial statements are consistent with the most recent annual report except as stated in note 5(d).

2. Group's Operations and Activities

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

The main activities of the company and its subsidiaries ("group") are juice and food manufacturing, the cultivation, marketing and distribution of fresh produce locally, logistics, land management and the holding of investments.

There were no exceptional items or discontinued operations.

3. 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, consumption taxes and eliminating sales within the group.

4. Profit per stock unit and stockholders' equity per 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 quarter and a weighted average number of ordinary stock units in issue (excluding those held by the ESOP) during the quarter. The weighted average number of ordinary stock units in issue (excluding those held by the ESOP) for the quarter ended June 27, 2015 was 171,143,707 (2014 – 170,409,472) 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 quarter and 171,244,216 (2014 – 170,746,087), representing the total number of ordinary stock units in issue at quarter-end less those held by the ESOP at the same date.

5. Accounting Policies

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

a. Associates

Associates are those entities over which the group has significant influence, but not control, or joint control over the financial and operating policies, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method and are initially recognized at cost, including transaction costs.

The group's investment is carried at the group's share of the fair value of net identifiable assets of the associate net of any impairment loss identified on acquisition. The group's share of its associates' post-acquisition profits or losses is recognised in the profit and loss account and its share of post-acquisition movements in reserves is recognized in other comprehensive income to the extent that the profits, losses or movements are consistent with the group's significant accounting policies. Should the group's share of



Notes to the Financial Statements (cont'd)

5. Accounting Policies (cont'd)

a. Associates (cont'd)

losses in an associate equal or exceed its interest in the associate, including any other unsecured receivables, the group will not recognize further losses unless it has incurred obligations or made payments on behalf of the associate.

b. 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 available-for-sale and are stated at fair value with changes in fair value recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses in the case of monetary items, such as debt securities. Where these investments are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is recognised in group 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.

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

c. Intangible assets and goodwill:

(i) Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and tested annually for impairment. In respect of equity accounted investees, the carrying amount of goodwill is including in the carrying amount of the equity accounted investee as a whole.

(ii) Other intangible assets

Other intangible assets that are acquired by the group and have finite useful lives are measured at cost less accumulated amortization and any accumulation impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iv) Amortization

Except for goodwill, intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimates of useful lives are as follows:

- brands and trademarks 25 years
- customer relationships 15 years
- other identified intangible assets 3 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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.



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 26 WEEKS ENDED JUNE 27, 2015

Notes to the Financial Statements (cont'd)

5. Accounting Policies (cont'd)

d. Segment reporting (cont'd)

The group reorganised its business segments in order to reflect its current strategy and focus. The change has culminated in the profit or loss before finance cost and taxation being used to measure the segment result instead of profit or loss before taxation. Previously reported segment information have been restated to conform to the current period's presentation. The reorganisation has resulted in the recognition of three business segments:

- JP Food & Drink - This comprises businesses that are engaged in agriculture, processing, distribution and/or retail of food and drink.
- JP Logistics & Infrastructure – This comprises businesses that are engaged in logistics, transportation, port operations, construction aggregates and related industries.
- Corporate Services – This comprises interest and investment income, net of the cost of corporate functions not directly charged to business units.

6. Segment Results

The segment results are as follows:

	2015			
	JP Food & Drink	JP Logistics & Infrastructure	Corporate Services	Group
	\$'000	\$'000	\$'000	\$'000
Gross revenue	3,490,910	561,538	124,933	4,177,381
Inter - segment revenue	-	-	(70,966)	(70,966)
Revenue from external sources	<u>3,490,910</u>	<u>561,538</u>	<u>53,967</u>	<u>4,106,415</u>
Profit before finance cost and taxation	<u>167,310</u>	<u>223,423</u>	<u>314,478</u>	705,211
Finance cost - interest				(100,521)
Profit before taxation				604,690
Taxation				(55,969)
Non-controlling interest				40,710
Net profit attributable to parent company stockholders				<u>589,431</u>

	2014			
	JP Food & Drink	JP Logistics & Infrastructure	Corporate Services	Group
	\$'000	\$'000	\$'000	\$'000
Gross revenue	3,696,462	605,333	104,228	4,406,023
Inter - segment revenue	-	-	(55,462)	(55,462)
Revenue from external sources	<u>3,696,462</u>	<u>605,333</u>	<u>48,766</u>	<u>4,350,561</u>
Profit before finance cost and taxation	<u>135,149</u>	<u>162,506</u>	(60,960)	236,695
Finance cost - interest				(50,729)
Profit before taxation				185,966
Taxation				(70,756)
Non-controlling interest				22,617
Net profit attributable to parent company stockholders				<u>137,827</u>



Notes to the Financial Statements (cont'd)

7. Seasonal Variations

There are significant seasonal variations in some of the group's activities, and so the results for any period are not necessarily indicative of the final results for the whole year.

8. Foreign Currency Translation

Overseas revenues and expenses have been translated at effective exchange rates of J\$128.63 (2014: J\$149.32) to €1, J\$174.01 (2014: J\$179.92) to £1 and J\$115.16 (2014: J\$108.78) to US\$1.

Adjustments have been made for exchange gains and losses on foreign currency assets and liabilities at June 27, 2015 and June 28, 2014 based upon the following exchange rates:

	<u>J\$/€</u>	<u>J\$/£</u>	<u>J\$/US\$</u>
June 27, 2015	130.03	181.84	116.72
December 31, 2014	138.09	175.97	114.12
June 28, 2014	152.15	189.09	111.54
December 31, 2013	145.67	173.56	105.72

On behalf of the Board

Chairman

C.H. Johnston

Group Managing Director

J. Hall

August 10, 2015