



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 13 WEEKS ENDED APRIL 2, 2016

Chairman's Statement

For the **13-week** period ended April 2, 2016 (the "First Quarter") Jamaica Producers Group Limited ("JP") generated revenues of \$2.2 billion representing an increase of 6.7% over the prior year. Gross profit in the First Quarter was up 6.4% relative to the prior year. Net profit attributable to JP shareholders was \$150 million. This compares with \$175 million in 2015. The prior year result benefited from a materially higher gain on the disposal of investments than was the case in 2016. Earnings from associates and joint ventures were up 38.3% year-over-year.

JP Logistics & Infrastructure

Our JP Logistics & Infrastructure Division includes our businesses engaged in logistics and freight forwarding located in the Caribbean and in Europe.

For the First Quarter, the division's earnings before interest and taxation were \$180 million, up 82% relative to the comparable period last year. The earnings reflect strong performances from our logistics businesses with Kingston Wharves being the major overall contributor and JP Shipping Services – our UK-based freight forwarder -- showing a significant improvement over the prior year. During the quarter the Group added to its existing investment in Shipping Association of Jamaica Property Limited. This company, which is engaged in land and investment holdings primarily in the Newport West area of Kingston, is complementary to the division's existing activities and is now accounted for as an associate.

Revenues of \$244 million were down from \$260 million in the prior year. The reduced revenues were entirely as a result of our decision to scale back and restructure our mining operations in St. Mary with a view to shifting the business to a third party operator in due course.

JP Food & Drink

Our JP Food & Drink division comprises our vertically integrated portfolio of subsidiaries, joint venture and associated companies that are engaged in farming, processing, distribution or retail of food and drink. The JP Food & Drink business has production facilities in Holland, Jamaica, 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 and Caribbean rum-based confectionery and baked goods.

JP Food & Drink earned First Quarter revenues of \$1.9 billion, up 9.4% over the prior year. The division earned profits before financing and taxation of \$39 million. The earnings were down \$7 million relative to the prior year entirely as a result of timing issues that saw the delivery of major coffee exports occur a few weeks later in 2016 than was the case in 2015.

The long-term growth of the division continued to benefit from our focus on new product and package development and innovation as well as our initiatives to expand in new export markets. During the quarter we launched flavoured coffees in the Caribbean, kettle cooked potato chips in Jamaica and Panama, fresh fruit and vegetable spreads in Holland, and a new Florida Orange rum cake targeted at the Florida market in the USA. These new and highly innovative products have complemented our existing core product lines in 'by Hoogesteger' fresh juice, Jablum Coffee, Tortuga Rum Cake, St Mary's tropical snacks and JP branded fresh produce.

Corporate Services

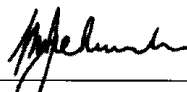
The Corporate Services segment acts predominantly as a group financing, investment and corporate management operation. The division incurred a loss before interest and taxation of \$6 million.

Outlook

Our JP Food & Drink business will continue to benefit from new product development initiatives and our focus on introducing and expanding our products into new markets. During the year, we hope to also seek to optimize the potential for greater synergy among our food businesses and we expect that this will support both revenue growth and cost control.

We are pleased with the performance of our JP Logistics and Infrastructure business. We will seek to consolidate our position in this important business segment so that we are well positioned to capitalise on the available opportunities.

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 13 WEEKS ENDED APRIL 2, 2016

Group Balance Sheet

| | Unaudited as at April 02, 2016 \$'000 | Unaudited as at March 28, 2015 \$'000 | Audited December 31, 2015 \$'000 |
|---|---|---|--|
| Current Assets | | | |
| Cash and cash equivalents | 120,013 | 296,518 | 361,091 |
| Short-term investments | 275 | 4,502 | - |
| Securities purchased under resale agreements | 129,678 | 313,408 | 355,500 |
| Accounts receivable | 1,306,283 | 1,015,710 | 1,071,138 |
| Taxation recoverable | 5,695 | 7,841 | 10,065 |
| Inventories | 454,023 | 474,424 | 374,536 |
| Assets classified as held for sale | 137,779 | - | - |
| Total Current Assets | 2,153,746 | 2,112,403 | 2,172,330 |
| Current Liabilities | | | |
| Credit facilities | 64,565 | - | 84,821 |
| Accounts payable | 1,487,315 | 1,492,737 | 1,411,980 |
| Taxation | 13,954 | 30,528 | 56,019 |
| Current portion of long-term loans | 346,269 | 143,808 | 194,013 |
| Total Current Liabilities | 1,912,103 | 1,667,073 | 1,746,833 |
| Working Capital | 241,643 | 445,330 | 425,497 |
| Non-Current Assets | | | |
| Biological assets | 141,652 | 126,985 | 135,534 |
| Interest in joint venture and associated companies | 5,124,959 | 4,252,970 | 4,652,062 |
| Investments | 203,115 | 231,936 | 280,766 |
| Intangible assets | 1,191,648 | 1,147,650 | 1,174,643 |
| Deferred tax asset | 1,054 | 2,226 | 956 |
| Property, plant and equipment | 1,842,051 | 1,885,454 | 1,831,912 |
| Total Non-Current Assets | 8,504,479 | 7,647,221 | 8,075,873 |
| Total Assets Less Current Liabilities | 8,746,122 | 8,092,551 | 8,501,370 |
| Equity | | | |
| Share capital | 18,702 | 18,702 | 18,702 |
| Reserves | 6,630,487 | 5,750,936 | 6,380,304 |
| Total equity attributable to equity holders of the parent | 6,649,189 | 5,769,638 | 6,399,006 |
| Non-Controlling Interest | 161,054 | 307,215 | 161,458 |
| Total Equity | 6,810,243 | 6,076,853 | 6,560,464 |
| Non-Current Liabilities | | | |
| Deferred tax liability | - | 1,225 | - |
| Long-term loans | 1,935,879 | 2,014,473 | 1,940,906 |
| Total Non-Current Liabilities | 1,935,879 | 2,015,698 | 1,940,906 |
| Total Equity and Non-Current Liabilities | 8,746,122 | 8,092,551 | 8,501,370 |
| Parent company stockholders' equity per ordinary stock unit: | | | |
| Based on stock units in issue | \$35.55 | \$30.85 | \$34.21 |
| After exclusion of stock units held by ESOP | \$38.83 | \$33.79 | \$37.37 |



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 13 WEEKS ENDED APRIL 2, 2016

Group Profit and Loss Account

| | | Unaudited 13 weeks ended April 02, 2016 | Unaudited 13 weeks ended March 28, 2015 |
|--|-------|---|---|
| | Notes | \$'000 | \$'000 |
| Gross operating revenue | 3 | 2,165,342 | 2,029,118 |
| Cost of operating revenue | | (1,650,960) | (1,545,819) |
| Gross profit | | 514,382 | 483,299 |
| Marketing, selling and distribution costs | | (164,908) | (142,590) |
| Administrative and other operating expenses | | (339,054) | (327,560) |
| Profit from operations | | 10,420 | 13,149 |
| Share of profit in joint venture and associated companies | | 140,613 | 101,673 |
| Net gain from fluctuations in exchange rates | | 5,783 | 487 |
| Gain on disposal and acquisition of property, plant and equipment and investments | | 56,004 | 104,764 |
| Profit before finance cost and taxation | | 212,820 | 220,073 |
| Finance cost - interest | | (47,679) | (51,425) |
| Profit before taxation | | 165,141 | 168,648 |
| Taxation charge | | (20,669) | (9,583) |
| Profit for the period | | 144,472 | 159,065 |
| Attributable to: | | | |
| Parent company stockholders | | 150,036 | 175,188 |
| Non-controlling interest | | (5,564) | (16,123) |
| | | 144,472 | 159,065 |
| Profit per ordinary stock unit: | 4 | | |
| Based on stock units in issue | | 80.22 ¢ | 93.67 ¢ |
| After exclusion of stock units held by ESOP | | 87.62 ¢ | 102.61 ¢ |



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 13 WEEKS ENDED APRIL 2, 2016

Group Statement of Profit or Loss and Other Comprehensive Income

| | Unaudited as at 13 weeks ended April 02, 2016 \$'000 | Unaudited as at 13 weeks ended March 28, 2015 \$'000 |
|---|---|---|
| Profit for the period | <u>144,472</u> | <u>159,065</u> |
| Other comprehensive income/(loss): | | |
| Items that may be reclassified to profit or loss: | | |
| Exchange gains/(losses) on translating foreign operations | 109,943 | (155,918) |
| Share of other comprehensive gains/(losses) of associated companies | 5,768 | (533) |
| Available-for-sale financial assets: | | |
| Net change in fair value of available-for-sale investments | (10,404) | (8,252) |
| Realised revaluation gains on available-for-sale investments transferred to profit and loss account | <u>-</u> | <u>(103,246)</u> |
| | <u>105,307</u> | <u>(267,949)</u> |
| Total comprehensive income/(loss) for the period | <u>249,779</u> | <u>(108,884)</u> |
| Total comprehensive income/(loss) attributable to: | | |
| Parent company stockholders | 250,183 | (94,055) |
| Non-controlling interest | <u>(404)</u> | <u>(14,829)</u> |
| | <u>249,779</u> | <u>(108,884)</u> |



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS
13 WEEKS ENDED APRIL 2, 2016

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, 2014 | 18,702 | 135,087 | 2,391,553 | 135,699 | (172,199) | 3,354,851 | 5,863,693 | 322,044 | 6,185,737 |
| Changes in equity: | | | | | | | | | |
| Profit/(loss) for the period | - | - | - | - | - | 175,188 | 175,188 | (16,123) | 159,065 |
| Other comprehensive income | | | | | | | | | |
| Exchange (losses)/gains arising on retranslation of foreign operations | - | - | (157,212) | - | - | - | (157,212) | 1,294 | (155,918) |
| Share of other comprehensive loss of associated companies | - | - | - | - | - | (533) | (533) | - | (533) |
| Net change in fair value of available-for-sale investments | - | - | - | (8,252) | - | - | (8,252) | - | (8,252) |
| 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 | - | - | (157,212) | (111,498) | - | (533) | (269,243) | 1,294 | (267,949) |
| Total comprehensive (expense)/income for the period | - | - | (157,212) | (111,498) | - | 174,655 | (94,055) | (14,829) | (108,884) |
| Balances at March 28, 2015 | 18,702 | 135,087 | 2,234,341 | 24,201 | (172,199) | 3,529,506 | 5,769,638 | 307,215 | 6,076,853 |
| Retained in the financial statements of: | | | | | | | | | |
| The company | 18,702 | 135,087 | 1,614,156 | 24,034 | - | 3,018,298 | 4,810,277 | | |
| Subsidiaries | - | - | 620,185 | 167 | (172,199) | (165,049) | 283,104 | | |
| Joint venture and associated companies | - | - | - | - | - | 676,257 | 676,257 | | |
| Balances at March 28, 2015 | 18,702 | 135,087 | 2,234,341 | 24,201 | (172,199) | 3,529,506 | 5,769,638 | | |



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 13 WEEKS ENDED APRIL 2, 2016

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, 2015 | 18,702 | 135,087 | 2,352,782 | 34,345 | (160,281) | 4,018,371 | 6,399,006 | 161,458 | 6,560,464 |
| Changes in equity: | | | | | | | | | |
| Profit/(loss) for the period | - | - | - | - | - | 150,036 | 150,036 | (5,564) | 144,472 |
| Other comprehensive income | | | | | | | | | |
| Exchange gains arising on retranslation of foreign operations | - | - | 104,783 | - | - | - | 104,783 | 5,160 | 109,943 |
| Share of other comprehensive income of associated companies | - | - | - | - | - | 5,768 | 5,768 | - | 5,768 |
| Net change in fair value of available-for-sale investments | - | - | - | (10,404) | - | - | (10,404) | - | (10,404) |
| Total other comprehensive income/(expense) | - | - | 104,783 | (10,404) | - | 5,768 | 100,147 | 5,160 | 105,307 |
| Total comprehensive income/(expense) for the period | - | - | 104,783 | (10,404) | - | 155,804 | 250,183 | (404) | 249,779 |
| Balances at April 2, 2016 | 18,702 | 135,087 | 2,457,565 | 23,941 | (160,281) | 4,174,175 | 6,649,189 | 161,054 | 6,810,243 |
| Retained in the financial statements of: | | | | | | | | | |
| The company | 18,702 | 135,087 | 1,620,610 | 23,774 | - | 2,872,682 | 4,670,855 | | |
| Subsidiaries | - | - | 836,955 | 167 | (160,281) | 150,244 | 827,085 | | |
| Joint venture and associated companies | - | - | - | - | - | 1,151,249 | 1,151,249 | | |
| Balances at April 2, 2016 | 18,702 | 135,087 | 2,457,565 | 23,941 | (160,281) | 4,174,175 | 6,649,189 | | |



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 13 WEEKS ENDED APRIL 2, 2016

Group Statement of Cash Flows

| | Unaudited as at 13 weeks ended April 02, 2016 \$'000 | Unaudited as at 13 weeks ended March 28, 2015 \$'000 |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit for the period attributable to the group | 150,036 | 175,188 |
| Depreciation and amortisation | 81,252 | 81,378 |
| Share of profits in joint venture and associated companies | (140,613) | (101,673) |
| Gains on disposal and acquisition of fixed assets and investments | (56,004) | (104,764) |
| Exchange movement in working capital | 5,592 | (15,346) |
| Taxation charge | 20,669 | 9,583 |
| Minority interest | (404) | (14,829) |
| Net interest expense | 44,833 | 46,268 |
| Other items | (6,848) | (369) |
| (Increase)/decrease in current assets | (326,669) | 2,615 |
| Increase/(decrease) in current liabilities | 121,445 | (114,580) |
| CASH USED BY OPERATING ACTIVITIES | (106,711) | (36,529) |
| CASH FLOWS FROM INVESTMENT ACTIVITIES | | |
| Additions to property, plant, equipment and biological assets | (135,968) | (30,542) |
| Proceeds on disposals | 4,090 | 124,773 |
| Movement in short term investments and repos | 225,547 | (168,899) |
| Net movement in interest in joint venture and associated companies | (202,399) | 99,851 |
| Interest received | 2,557 | 886 |
| CASH (USED)/PROVIDED BY INVESTMENT ACTIVITIES | (106,173) | 26,069 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net movement in loans and short term credit lines | 118,952 | 20,241 |
| Interest paid | (88,180) | (4,201) |
| Dividends paid | (58,966) | (31,343) |
| CASH USED BY FINANCING ACTIVITIES | (28,194) | (15,303) |
| Net decrease in cash and cash equivalents | (241,078) | (25,763) |
| Cash at beginning of the period | 361,091 | 322,281 |
| Cash at end of the period | 120,013 | 296,518 |



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.

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"), joint venture and associated companies are food and juice manufacturing, the cultivation, marketing and distribution of fresh produce, port terminal operations, logistics, land management and the holding of investments.

During the quarter the group completed the acquisition of approximately 13% of Shipping Association of Jamaica Property Limited (SAJP), a company involved in property and investment holdings. This brings the group's investment in SAJP to 20% and accordingly this entity is now assessed to be an associate of the group, with the group's share of its results since acquisition included in the Group Profit and Loss Account under 'Share of profit in associated companies and joint ventures'.

Also, during the quarter the group commenced the closure of mining operations in its Four Rivers Mining Company Limited subsidiary, a process which is expected to continue into the second quarter. Following a review for impairment at the end of 2015, no further provisions were deemed necessary in the quarter. Certain assets of this subsidiary have been reclassified as held for sale at the end of the period.

There were no other 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 period ended April 2, 2016 was 171,244,216 (2015 – 170,302,146) 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 (2015 – 170,736,087), 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.



Notes to the Financial Statements (cont'd)

5. Accounting Policies (cont'd)

a. Associates (cont'd)

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 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.



Jamaica Producers Group Limited

**UNAUDITED GROUP RESULTS
13 WEEKS ENDED APRIL 2, 2016**

Notes to the Financial Statements (cont'd)

5. Accounting Policies (cont'd)

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's business segments reflect its current strategy and focus. The profit or loss before finance cost and taxation is used to measure the segment result. This 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:

| | 2016 | | | |
|--|----------------------------|--|---------------------------|------------------|
| | JP Food & Drink | JP Logistics & Infrastructure | Corporate Services | Group |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Gross revenue | 1,904,494 | 243,916 | 46,661 | 2,195,071 |
| Inter - segment revenue | - | - | (29,729) | (29,729) |
| Revenue from external sources | <u>1,904,494</u> | <u>243,916</u> | <u>16,932</u> | <u>2,165,342</u> |
| Profit before finance cost and taxation | <u>38,834</u> | <u>180,130</u> | (<u>6,144</u>) | 212,820 |
| Finance cost - interest | | | | (47,679) |
| Profit before taxation | | | | 165,141 |
| Taxation | | | | (20,669) |
| Non-controlling interest | | | | 5,564 |
| Net profit attributable to parent company stockholders | | | | <u>150,036</u> |
| | 2015 | | | |
| | JP Food & Drink | JP Logistics & Infrastructure | Corporate Services | Group |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Gross revenue | 1,741,417 | 260,456 | 63,647 | 2,065,520 |
| Inter - segment revenue | - | - | (36,402) | (36,402) |
| Revenue from external sources | <u>1,741,417</u> | <u>260,456</u> | <u>27,245</u> | <u>2,029,118</u> |
| Profit before finance cost and taxation | <u>45,475</u> | <u>98,771</u> | <u>75,827</u> | 220,073 |
| Finance cost - interest | | | | (51,425) |
| Profit before taxation | | | | 168,648 |
| Taxation | | | | (9,583) |
| Non-controlling interest | | | | 16,123 |
| Net profit attributable to parent company stockholders | | | | <u>175,188</u> |



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS 13 WEEKS ENDED APRIL 2, 2016

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 average exchange rates of J\$132.30 (2015: J\$130.69) to €1, J\$170.89 (2015: J\$173.04) to £1 and J\$120.81 (2015: J\$114.94) to US\$1.

Adjustments have been made for exchange gains and losses on foreign currency assets and liabilities as shown below:

| | <u>J\$/€</u> | <u>J\$/£</u> | <u>J\$/US\$</u> |
|-------------------|--------------|--------------|-----------------|
| April 2, 2016 | 137.67 | 170.45 | 121.34 |
| December 31, 2015 | 129.97 | 175.74 | 119.64 |
| March 28, 2015 | 124.73 | 168.63 | 114.53 |
| December 31, 2014 | 138.09 | 175.97 | 114.12 |

On behalf of the Board

Chairman

C.H. Johnston

Group Managing Director

J. Hall

May 13, 2016