

RELEASE

July 23, 2015 – The Board of Directors is pleased to release the following unaudited financial results for National Commercial Bank Jamaica Limited (NCBJ) and its subsidiaries for the nine months ended June 30, 2015.

Performance highlights

We reported net profit of **\$8,554 million** (pro forma \$9,014 million) for the nine months ended June 30, 2015, compared to restated net profit of \$8,971 million (pro forma \$8,772 million) for the prior year. These nine month results for the 2014/2015 financial year reflect another commendable performance in a challenging environment as we see the resilience of our diversified business model.

The results continue to be impacted by the Group’s adoption of International Financial Reporting Interpretation Committee (IFRIC) 21 – *Levies*. In keeping with IFRIC 21, asset tax is no longer eligible to be accounted for on a periodic accrual basis, but must be recorded in full when triggered. In the quarter ended December 31, 2014, the full liability of the asset tax expense imposed by the Government of Jamaica was recorded on October 1, 2014 for all entities with the exception of our insurance companies (NCB Insurance Company Limited and Advantage General Insurance Company Limited), whose full liability for asset tax was expensed on January 1, 2015. We have restated the prior periods to reflect the effect of this accounting change.

The table below shows a comparison of our financial results for the nine months ended June 30, 2015 under International Financial Reporting Standards (IFRS) with the pro forma results if asset tax was accrued throughout the year.

| | As reported in Financial Statements at June 30, 2015 | Effect of implementation of IFRIC 21 | Pro forma at June 30, 2015 | Year to Date Results as previously reported in Financial Statements at June 30, 2014 (nine months October 2013 to June 2014) |
|------------------------------|---|--|-------------------------------|---|
| Net profit (\$'000) | 8,553,908 | 460,240 | 9,014,148 | 8,772,498 |
| Operating expenses (\$'000) | 24,076,653 | (460,240) | 23,616,413 | 21,753,641 |
| Earnings per stock unit (\$) | \$3.48 | \$0.18 | \$3.66 | \$3.56 |
| Cost to income ratio (%) | 63.9% | (1.3%) | 62.6% | 64.4% |
| Return on average assets (%) | 2.3% | 0.1% | 2.4% | 2.5% |
| Return on average equity (%) | 13.5% | 0.7% | 14.2% | 15.6% |

The pro forma normalised net profit for the three months ended June 30, 2015 was **\$2,895 million**, 13% or \$445 million lower than the pro forma normalised net profit for the three months ended March 31, 2015 of \$3,341 million, and 1% or \$29 million below the previously reported net profit for the three months ended June 30, 2014 of \$2,924 million.

Performance highlights (continued)

The subsequent discussion and analysis on the financial performance in this document is based on the IFRS results and financial position.

Nine months ended June 30, 2015 compared with the nine months ended June 30, 2014 (restated)

- Net profit of \$8.6 billion, a decrease of 5%, or \$417 million.
- Earnings per stock unit of \$3.48, decreased by 5%.
- Cost to income ratio increased slightly to 63.9%, from 63.7%.
- Total assets of \$508.7 billion, grew by 0.5%, or \$2.6 billion.
- Return on average total assets decreased to 2.3%, from 2.5%.
- Total stockholders' equity of \$87.4 billion, increased by 11%, or \$8.3 billion.
- Return on average equity of 13.5%, decreased from 15.8%.
- Net loans of \$162.3 billion, grew by \$10.2 billion, or 7%.

- Customer deposits of \$217.0 billion, increased by \$12.1 billion, or 6%.

Three months ended June 30, 2015 compared with the three months ended March 31, 2015

- Net profit of \$3.2 billion, a decrease of 4%, or \$115 million.
- Cost to income ratio decreased to 59.8%, from 60.4%.
- Return on average total assets of 2.5%, down from 2.6%.

Three months ended June 30, 2015 compared with the three months ended June 30, 2014 (restated)

- Net profit of \$3.2 billion, a decrease of 8%, or \$265 million.
- Cost to income ratio increased marginally to 59.8%, from 59.4%.
- Return on average total assets of 2.5%, down from 2.8%.

Financial performance

Operating income

For the nine months ended June 30, 2015, operating income increased by 11%, or \$3.4 billion, when compared with the nine months ended June 30, 2014, mainly as a result of:

- Gain on foreign currency and investment activities, up by \$1.2 billion. This was due to higher levels of gains from the sale of debt securities and foreign exchange income compared to the prior year.
- Net fee and commission income, growing by \$955 million or 15%, mainly due to Payment Services fees related to card usage and transaction volumes, credit related fees from the growth in loans and greater unit trust and corporate fees booked in the current period stemming from an increase in the number of transactions.
- Net interest income, increasing by 5%, or \$834 million, primarily due to growth in the net loan portfolio.

Operating expenses

Operating expenses increased by 12%, or \$2.5 billion, over the nine months ended June 30, 2014, mainly as a result of:

- Other operating expenses, which grew by 28%, or \$2.0 billion, primarily due to asset tax charges and irrecoverable taxes; marketing and advertising costs arising from additional media, marketing and sponsorship campaigns; technical, consultancy, and professional service fees incurred in achieving our strategic initiatives; and property maintenance expenses.

Financial performance (continued)

Loans and advances

Loans and advances, which totalled \$162.3 billion (net of provision for credit losses) as at June 30, 2015, grew by 7%, or \$10.2 billion, compared to the loan portfolio as at June 30, 2014. Non-performing loans totalled \$8.5 billion as at June 30, 2015 (\$7.9 billion as at June 30, 2014) and represented 5.10% of the gross loans compared to 5.08% as at June 30, 2014. Our activities to manage delinquency are on-going and remain proactive and robust, with the implementation of an automated dialler and Collections Management System. We continue to monitor the environment and respond to changes that impact us and our customers. The regulatory provision coverage at June 30, 2015 was 118.6% of non-performing loans compared to 119.3% at June 30, 2014.

Deposits

Customer deposits were \$217.0 billion, up 6% or \$12.1 billion over the prior year. This was driven by growth in our savings and current accounts portfolios, which increased by 13% and 8% respectively, over the prior year.

Capital

The Group's stockholders' equity was \$87.4 billion as at June 30, 2015, up 11% over the prior year. Our capital position remains strong and our individual companies continued to meet their respective regulatory capital requirements.

Regulatory Capital Requirements

| <u>Company</u> | <u>Regulatory capital ratios</u> | <u>June 30, 2015</u> | <u>June 30, 2014</u> |
|---|--|--------------------------|--------------------------|
| National Commercial Bank Jamaica Limited | Regulatory capital to risk weighted assets ratio [Minimum requirement – 12.5%] | 12.7% | 12.6% |
| NCB Capital Markets Limited | Regulatory capital to risk weighted assets ratio [Minimum requirement – 10.0%] | 39.5% | 26.5% |
| NCB Insurance Company Limited | Stockholders' equity to total liabilities (Solvency ratio) [Minimum requirement – 10.0%] | 46.0% | 39.9% |
| Advantage General Insurance Company Limited | Available assets to required assets (Minimum capital test) [Minimum requirement – 250.0%] | 340.0% | 316.4% |



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Segment performance for the nine months ended June 30, 2015

Commercial banking activities, comprising the Retail & SME, Payments Services, Corporate Banking, and Treasury & Correspondent Banking segments, produced combined operating profits of \$7.0 billion for the nine months ended June 30, 2015, an increase of 21%, or \$1.2 billion, when compared to the nine months ended June 30, 2014.

Retail & SME

Operating profit of \$1.3 billion improved by 13%, or \$147 million. Allocated expenses to this segment were \$249 million or 7% below the prior period and operating income was 2% and \$172 million above the prior year due to growth in the loan portfolio which resulted in higher levels of interest income from loans.

Payment Services

Operating profit of \$1.1 billion decreased by 21%, or \$289 million. Operating expenses increased by \$497 million or 24% due to costs incurred related to direct credit card marketing campaigns and higher loan loss provision expenses and allocated expenses to this segment, which increased by \$264 million or 51%. Operating income grew by \$472 million, driven by increased fee and commission income due to higher transaction volumes.

Corporate Banking

Operating profit of \$952 million grew by 79%, or \$420 million, mainly due to increased operating income of \$598 million as a result of higher interest income from loans and net fee and commission income. This was partially offset by allocated expenses, which grew by \$151 million or 56%.

Treasury & Correspondent Banking

Operating profit of \$3.7 billion increased by 35%, or \$943 million, primarily due to higher gains on foreign currency and investment activities and interest income from investment securities due to growth in the interest earning asset portfolio.

Wealth, Asset Management and Investment Banking

Operating profit of \$2.5 billion decreased by 10%, or \$274 million. Operating expenses grew by \$461 million or 48% resulting from higher staff costs, impairment provisions made, marketing and professional services. Operating income increased by \$187 million due to growth in unit trust and corporate finance fees and gains from investment activities.

Insurance and Pension Fund Management

Operating profit of \$2.4 billion increased by 16%, or \$330 million. Operating income increased by \$652 million, driven by premium income. Operating expenses grew by \$322 million due to higher staff costs, asset tax expenses and marketing and advertising costs; this was offset by lower policyholder' and annuitants' benefits and reserves resulting from changes in the actuarial assumptions related to tax policy changes.

General Insurance

Operating profit of \$1.0 billion increased by \$8 million or 1%. Operating income grew by \$114 million or 3% as a result of premium income and net fee and commission income. Operating expenses increased by \$106 million or 3%, mainly due to increased expenses associated with policyholders and annuitants benefits and reserves.

Dividends

The Board of Directors, at its meeting on July 23, 2015, declared an interim dividend of \$0.45 per ordinary stock unit. The dividend is payable on August 21, 2015 for stockholders on record as at August 10, 2015.

Business highlights

- During the quarter, NCB Insurance Company Limited (NCBIC) was awarded “*Pension Fund Manager of the Year, Caribbean*”, by World Finance, a leading financial magazine. The World Finance award recognises pension scheme managers who show the highest level of service to members.
- NCB hosted its Financial Fitness Days in May; the focus was to provide our customers with a complete package of financial solutions and the requisite tools to enable their financial well-being.
- We hosted our 2nd SME Conference, themed – *Growth through Transformation* in June. The aim was to facilitate economic growth by strengthening the capacity of SMEs to access financing from various sources, including but not limited to commercial banks, private equity and venture capital funds. The conference included hands-on workshops and interactive sessions to help attendees seize global opportunities, access financing and increase productivity and sales through technology and e-commerce and many other topics.

Corporate Social Responsibility

We believe that it is important to build the communities we serve and this is the mission of the N.C.B. Foundation. During the nine months ended June 30, 2015, we donated over \$43 million in support of various initiatives, the focus of which were education, community (including sports), youth leadership and entrepreneurship.

To close the quarter, we celebrated the significant milestone of having donated over \$1 billion in ten years to nation building efforts. Under the distinguished patronage of the Prime Minister of Jamaica, Hon. Portia Simpson Miller, and Michael Lee-Chin, NCB Group Chairman, we celebrated this achievement which has directly impacted over 160,000 Jamaicans.

Education

NCB took great pride in calling interested applicants as the annual Scholarships and Grants programme was opened to the general public on April 16, 2015 and closed on June 4, 2015. Accessible via www.ncbfoundation.org, the applicants were from the primary to the tertiary level, with special grants to teachers; this year an unprecedented 7,902 applications were received representing 708 from students pursuing studies in teaching, 5,874 from other tertiary applicants and 1,320 from students at the primary and secondary levels. This represents a significant increase of over 3,000 applications over last year.

Education continues to be the primary area of focus with commitments in infrastructural development as well as support for activities for Child’s month and Education week. During this quarter, NCB’s Adopt a School programme was used as a medium through which staff members supported their 31 adopted schools on Teachers’ Day and Read across Jamaica Day by way of treats, well needed equipment and time with the students and staff. The International University College also received a donation towards the refurbishing of its newly acquired building in the parish of Manchester.

Corporate Social Responsibility (continued)

Education (continued)

The Foundation forged a first time partnership with One on One Educational Services, a learning institution which provides personalised educational services and e-learning solutions to secondary school students. Its CSEC Principles of Accounts and Principles of Business question and answer series were specifically sponsored based on NCB's payment of fees for these subjects and were featured in the Daily Gleaner over an eight week period in time for the students to use as revision material in their examination preparations.

Community Development

NCB Foundation led the annual Labour Day activities for the NCB Group with over 20 projects. Four major projects were undertaken in keeping with the national focus on children and led to the painting of the Pediatric and Accident and Emergency wards at the Spanish Town Hospital; ceiling and electrical repairs at the Victoria Jubilee Hospital's Labour Ward; painting and detailed cleaning of the Elletson and Mizpah Primary Schools. More than 600 volunteers were represented across all projects including staff, scholars, family, friends and members of surrounding communities.

We also continued our partnership with Food for the Poor Jamaica with its first annual 5K race to raise funds to build more homes for needy Jamaicans across the island. A major objective of the charity was to build at least three homes ahead of the race through corporate sponsorship and NCB along with NCB Insurance Company Limited donated \$800,000 to the cause, with members of the NCB Volunteer Corp helping to build two of the three homes in St. James and St. Catherine. In addition our team of over 150 members were out for the 5K race and some acted as race marshals along the course.

Youth Leadership & Entrepreneurship

We will again support the 2015 Schools' Environment Programme that aims to expose students across the island to best practices in environmental issues as well as allow them the opportunity to develop and present projects of this nature. The University of Technology, Jamaica Career and Placement Centre hosted a Career Day and we assisted thirteen young men with outfits for their interviews and presentations.

National Commercial Bank continues to build the communities it serves through the work of the NCB Foundation, its branches and its staff and we are forever grateful for the support of our customers and shareholders who make it possible for us to continue to do well as an organisation and do good for our nation.

To our customers, we say thank you for your continued loyalty, confidence and support; ***Put Your Best Life Forward.***



ON BEHALF OF THE BOARD

National Commercial Bank Jamaica Limited

Unaudited Consolidated Income Statement

Nine months ended June 30, 2015

(expressed in Jamaican dollars unless otherwise indicated)

| Note | <i>CURRENT YEAR</i> | | | <i>PRIOR YEAR</i> | |
|---|---------------------|-------------------|-------------------|-------------------|-------------------|
| | Quarter ended | Quarter ended | Year to date | <i>Restated</i> | |
| | June 30 | March 31 | June 30 | Quarter ended | Year to date |
| | 2015 | 2015 | 2015 | June 30 | June 30 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating income | | | | | |
| Interest income | 9,170,943 | 9,277,176 | 28,137,042 | 9,338,586 | 27,298,334 |
| Interest expense | (2,746,476) | (2,878,258) | (8,808,137) | (3,206,852) | (8,803,785) |
| Net interest income | 6,424,467 | 6,398,918 | 19,328,905 | 6,131,734 | 18,494,549 |
| Fee and commission income | 2,941,457 | 2,820,293 | 8,858,734 | 2,584,991 | 7,706,457 |
| Fee and commission expense | (547,758) | (561,638) | (1,620,069) | (493,881) | (1,422,296) |
| Net fee and commission income | 2,393,699 | 2,258,655 | 7,238,665 | 2,091,110 | 6,284,161 |
| Gain on foreign currency and investment activities | 827,134 | 1,075,895 | 2,820,981 | 1,129,674 | 1,637,579 |
| Premium income | 1,993,611 | 1,871,286 | 5,701,407 | 1,666,150 | 5,206,054 |
| Dividend income | 21,444 | 26,068 | 85,258 | 38,925 | 123,127 |
| Other operating income | 20,751 | 42,991 | 140,874 | 41,589 | 129,236 |
| | 2,862,940 | 3,016,240 | 8,748,520 | 2,876,338 | 7,095,996 |
| | 11,681,106 | 11,673,813 | 35,316,090 | 11,099,182 | 31,874,706 |
| Operating expenses | | | | | |
| Staff costs | 2,706,751 | 3,300,282 | 9,026,878 | 2,862,038 | 8,925,994 |
| Provision for credit losses | 472,270 | 352,666 | 1,412,131 | 356,804 | 1,239,113 |
| Policyholders' and annuitants' benefits and reserves | 1,318,696 | 695,582 | 3,234,854 | 1,121,508 | 3,320,611 |
| Depreciation and amortisation | 391,772 | 397,168 | 1,139,330 | 289,125 | 924,876 |
| Impairment losses on securities | - | - | 88,554 | - | - |
| Other operating expenses | 2,567,101 | 2,656,835 | 9,174,906 | 2,318,955 | 7,144,999 |
| | 7,456,590 | 7,402,533 | 24,076,653 | 6,948,430 | 21,555,593 |
| Operating profit | 4,224,516 | 4,271,280 | 11,239,437 | 4,150,752 | 10,319,113 |
| Negative goodwill on acquisition of subsidiary | | - | - | - | 301,441 |
| Share of profit of associates | 6,008 | 150,582 | 311,391 | 205,986 | 722,633 |
| Profit before taxation | 4,230,524 | 4,421,862 | 11,550,828 | 4,356,738 | 11,343,187 |
| Taxation | (1,077,714) | (1,153,835) | (2,996,920) | (939,002) | (2,372,641) |
| NET PROFIT | 3,152,810 | 3,268,027 | 8,553,908 | 3,417,736 | 8,970,546 |
| Earnings per stock unit (expressed in \$ per share) Basic and diluted | 1.29 | 1.32 | 3.48 | 1.38 | 3.64 |

National Commercial Bank Jamaica Limited

Unaudited Consolidated Statement of Comprehensive Income

Nine months ended June 30, 2015

(expressed in Jamaican dollars unless otherwise indicated)

| | Quarter ended June 30 2015 \$'000 | Quarter ended March 31 2015 \$'000 | Year to date June 30 2015 \$'000 | <i>Restated</i> | |
|--|--|---|---|---------------------------|---------------------------|
| | | | | Quarter ended | Year to date |
| | | | | June 30 2014 \$'000 | June 30 2014 \$'000 |
| Net Profit | 3,152,810 | 3,268,027 | 8,553,908 | 3,417,736 | 8,970,546 |
| Other comprehensive income, net of tax- | | | | | |
| Items that will not be reclassified to profit or loss | | | | | |
| Remeasurements of post-employment benefit obligations | (12,700) | (48,611) | (78,486) | (16,586) | (43,510) |
| | 3,140,110 | 3,219,416 | 8,475,422 | 3,401,150 | 8,927,036 |
| Items that may be subsequently reclassified to profit or loss | | | | | |
| Currency translation gains | 100,841 | 4,049 | 172,194 | 122,532 | 342,915 |
| Unrealised gains/(losses) on available-for-sale investments | 1,417,771 | 416,567 | 2,370,235 | 424,062 | (304,320) |
| Realised fair value gains on sale and maturity of available-for-sale investments | (162,075) | (387,235) | (894,683) | (324,746) | (396,645) |
| | 1,356,537 | 33,381 | 1,647,746 | 221,848 | (358,050) |
| Total other comprehensive income | 1,356,537 | 33,381 | 1,647,746 | 221,848 | (358,050) |
| TOTAL COMPREHENSIVE INCOME | 4,496,647 | 3,252,797 | 10,123,168 | 3,622,998 | 8,568,986 |

National Commercial Bank Jamaica Limited


Unaudited Consolidated Statement of Financial Position

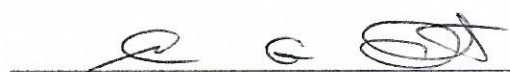
June 30, 2015

(expressed in Jamaican dollars unless otherwise indicated)

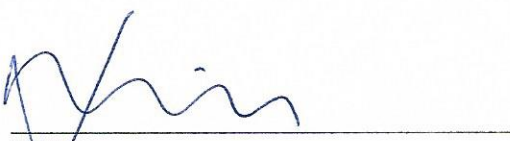
| | Note | <i>Restated</i> | | |
|--|------|---------------------------|--------------------------------|---------------------------|
| | | June 30 2015 \$'000 | September 30 2014 \$'000 | June 30 2014 \$'000 |
| ASSETS | | | | |
| Cash in hand and balances at Central Banks | | 27,192,501 | 29,795,115 | 28,755,908 |
| Due from other banks | | 34,396,963 | 20,393,555 | 32,696,991 |
| Derivative financial instruments | | 441,208 | 581,668 | 466,248 |
| Investment securities at fair value through profit or loss | | 675,421 | 523,393 | 461,488 |
| Reverse repurchase agreements | | 2,096,633 | 1,621,798 | 1,293,965 |
| Loans and advances, net of provision for credit losses | | 162,261,944 | 157,630,000 | 152,101,291 |
| Investment securities classified as available-for-sale and loans and receivables | | 147,546,417 | 105,557,761 | 108,152,057 |
| Pledged assets | | 109,092,018 | 159,488,612 | 155,340,538 |
| Investment in associates | | 6,316,607 | 5,913,804 | 8,486,101 |
| Investment properties | | 475,500 | 484,500 | 484,500 |
| Intangible assets | | 2,626,793 | 2,463,849 | 2,365,747 |
| Property, plant and equipment | | 7,814,260 | 7,313,869 | 7,361,203 |
| Deferred income tax assets | | 22,144 | 23,390 | 133,052 |
| Income tax recoverable | | 1,046,856 | 1,184,083 | 1,290,409 |
| Customers' liability - letters of credit and undertaking | | 1,550,447 | 1,270,160 | 2,260,886 |
| Other assets | | 5,102,814 | 5,099,535 | 4,412,057 |
| Total assets | | 508,658,526 | 499,345,092 | 506,062,441 |
| LIABILITIES | | | | |
| Due to other banks | | 8,595,846 | 6,336,574 | 8,638,906 |
| Customer deposits | | 217,047,388 | 202,162,392 | 204,937,032 |
| Repurchase agreements | | 93,247,946 | 134,690,626 | 143,241,030 |
| Obligations under securitisation arrangements | 3 | 43,326,185 | 13,885,577 | 13,769,924 |
| Derivative financial instruments | | - | 52,660 | - |
| Other borrowed funds | | 8,568,123 | 11,992,819 | 7,852,007 |
| Income tax payable | | 322,668 | 92,408 | 273,581 |
| Deferred income tax liabilities | | 2,336,300 | 2,455,791 | 2,531,133 |
| Liabilities under annuity and insurance contracts | | 35,138,522 | 34,230,910 | 34,346,929 |
| Provision for litigation | | 1,500 | 3,053 | 3,053 |
| Post-employment benefit obligations | | 2,469,235 | 2,185,311 | 1,978,144 |
| Liability - letters of credit and undertaking | | 1,550,447 | 1,270,160 | 2,260,886 |
| Other liabilities | 2 | 8,664,440 | 8,140,426 | 7,157,551 |
| Total liabilities | | 421,268,600 | 417,498,707 | 426,990,176 |
| STOCKHOLDERS' EQUITY | | | | |
| Share Capital | | 6,465,731 | 6,465,731 | 6,465,731 |
| Shares held by NCB Employee Share Scheme | | (3,388) | (3,388) | (3,388) |
| Fair value and capital reserves | | 4,055,013 | 2,407,267 | 2,132,510 |
| Loan loss reserve | | 5,580,060 | 5,375,901 | 5,327,255 |
| Banking reserve fund | | 6,512,634 | 6,512,634 | 6,512,634 |
| Retained earnings reserve | | 20,310,000 | 19,430,000 | 19,025,000 |
| Retained earnings | 2 | 44,469,876 | 41,658,240 | 39,612,523 |
| Total stockholders' equity | | 87,389,926 | 81,846,385 | 79,072,265 |
| Total stockholders' equity and liabilities | | 508,658,526 | 499,345,092 | 506,062,441 |

Approved for issue by the Board of Directors on July 23, 2015 and signed on its behalf by:


Director


Director


Director


Secretary

National Commercial Bank Jamaica Limited

Unaudited Consolidated Statement of Changes in Stockholders' Equity

Nine months ended June 30, 2015

(expressed in Jamaican dollars unless otherwise indicated)

| | Share capital | Shares held by NCB Employee Share Scheme | Fair value and capital reserves | Loan loss reserve | Banking reserve fund | Retained earnings reserve | Retained earnings | Total |
|--|------------------|--|------------------------------------|----------------------|-------------------------|---------------------------------|----------------------|-------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at October 1, 2013, as previously reported | 6,465,731 | (3,388) | 2,490,560 | 5,141,357 | 6,512,634 | 18,050,657 | 33,341,794 | 71,999,345 |
| Restatement based on adoption of IFRIC 21 | - | - | - | - | - | - | 547,585 | 547,585 |
| Balance at October 1 2013, as restated | 6,465,731 | (3,388) | 2,490,560 | 5,141,357 | 6,512,634 | 18,050,657 | 33,889,379 | 72,546,930 |
| Total comprehensive income | - | - | (358,050) | - | - | - | 8,927,036 | 8,568,986 |
| Dividends paid | - | - | - | - | - | - | (2,043,651) | (2,043,651) |
| Transfer to Loan loss reserve | - | - | - | 185,898 | - | - | (185,898) | - |
| Transfer to Retained earnings reserve | - | - | - | - | - | 974,343 | (974,343) | - |
| Balance at June 30 2014, as restated | 6,465,731 | (3,388) | 2,132,510 | 5,327,255 | 6,512,634 | 19,025,000 | 39,612,523 | 79,072,265 |
| Balance at September 30, 2014, as previously reported | 6,465,731 | (3,388) | 2,407,267 | 5,375,901 | 6,512,634 | 19,430,000 | 40,425,607 | 80,613,752 |
| Restatement based on adoption of IFRIC 21 | - | - | - | - | - | - | 1,232,633 | 1,232,633 |
| Balance at September 30, 2014, as restated | 6,465,731 | (3,388) | 2,407,267 | 5,375,901 | 6,512,634 | 19,430,000 | 41,658,240 | 81,846,385 |
| Total comprehensive income | - | - | 1,647,746 | - | - | - | 8,475,422 | 10,123,168 |
| Dividends paid | - | - | - | - | - | - | (4,579,627) | (4,579,627) |
| Transfer to Loan loss reserve | - | - | - | 204,159 | - | - | (204,159) | - |
| Transfer to Retained earnings reserve | - | - | - | - | - | 880,000 | (880,000) | - |
| Balance at June 30, 2015 | 6,465,731 | (3,388) | 4,055,013 | 5,580,060 | 6,512,634 | 20,310,000 | 44,469,876 | 87,389,926 |

National Commercial Bank Jamaica Limited

Unaudited Consolidated Statement of Cash Flows

Nine months ended June 30, 2015

(expressed in Jamaican dollars unless otherwise indicated)

| | June 30 | Restated |
|--|-------------------|-------------------|
| | 2015 | June 30 |
| | \$'000 | 2014 |
| | \$'000 | \$'000 |
| Cash Flows from Operating Activities | | |
| Net profit | 8,553,908 | 8,970,546 |
| Adjustments to reconcile net profit to net cash provided by operating activities | (28,212,483) | 41,558,599 |
| Net cash (used in)/provided by operating activities | (19,658,575) | 50,529,145 |
| Cash Flows from Investing Activities | | |
| Acquisition of subsidiary and capital injection, net of cash acquired | - | (307,063) |
| Acquisition of property, plant and equipment | (1,284,131) | (1,638,590) |
| Acquisition of intangible asset - computer software | (553,864) | (730,849) |
| Proceeds from disposal of property, plant and equipment | 98,081 | 40,014 |
| Dividends received from associates | 142,589 | 183,486 |
| Purchases of investment securities | (87,867,366) | (91,245,695) |
| Sales/maturities of investment securities | 93,986,206 | 54,506,498 |
| Net cash provided by/(used in) investing activities | 4,521,515 | (39,192,199) |
| Cash Flows from Financing Activities | | |
| Proceeds from securitisation arrangements | 28,748,011 | 2,647,893 |
| Proceeds from other borrowed funds | 956,976 | 3,720,356 |
| Repayments of other borrowed funds | (4,532,464) | (959,099) |
| Due to other banks | 499,186 | (5,038,504) |
| Dividends paid | (4,579,627) | (2,043,651) |
| Net cash provided by/(used) in financing activities | 21,092,082 | (1,673,005) |
| Effect of exchange rate changes on cash and cash equivalents | 1,619,950 | 2,696,469 |
| Net increase in cash and cash equivalents | 7,574,972 | 12,360,410 |
| Cash and cash equivalents at beginning of period | 28,246,559 | 28,561,967 |
| Cash and cash equivalents at end of period | 35,821,531 | 40,922,377 |
| Comprising: | | |
| Cash in hand and balances at Central Banks | 3,871,350 | 7,174,461 |
| Due from other banks | 33,633,351 | 31,628,914 |
| Reverse repurchase agreements | 1,231,605 | 1,070,203 |
| Investment securities | 1,481,117 | 3,106,427 |
| Due to other banks | (4,395,892) | (2,057,628) |
| | 35,821,531 | 40,922,377 |

National Commercial Bank Jamaica Limited

Unaudited Segment Report

Nine months ended June 30, 2015

| | Consumer & SME | | | | | | | | | Consolidated |
|--|-------------------|------------------|-------------------|----------------------------------|---|--|-------------------|----------------|--------------------|--------------------|
| | Retail & SME | Payment Services | Corporate Banking | Treasury & Correspondent Banking | Wealth, Asset Management & Investment Banking | Life Insurance & Pension Fund Management | General Insurance | Other | Eliminations | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| External revenue | 10,908,938 | 7,124,322 | 4,283,786 | 7,284,899 | 6,351,530 | 5,147,486 | 4,552,580 | 90,755 | - | 45,744,296 |
| Revenue from other segments | 1,926,077 | - | 37,465 | 3,005,103 | 621,130 | 84,576 | 176,792 | 45,335 | (5,896,478) | - |
| Total revenue | 12,835,015 | 7,124,322 | 4,321,251 | 10,290,002 | 6,972,660 | 5,232,062 | 4,729,372 | 136,090 | (5,896,478) | 45,744,296 |
| Interest income | 10,191,776 | 2,723,283 | 3,857,429 | 8,516,300 | 5,510,690 | 2,225,308 | 543,683 | 19,780 | (5,453,653) | 28,134,596 |
| Interest expense | (1,529,207) | (1,069,008) | (2,361,202) | (5,567,014) | (3,036,822) | (680,590) | - | (163) | 5,453,653 | (8,790,353) |
| Net interest income | 8,662,569 | 1,654,275 | 1,496,227 | 2,949,286 | 2,473,868 | 1,544,718 | 543,683 | 19,617 | - | 19,344,243 |
| Net fee and commission income | 2,419,450 | 2,736,714 | 420,379 | 211,490 | 354,855 | 861,294 | 149,361 | 7,560 | (21,243) | 7,139,860 |
| Gain on foreign currency and investment activities | 118,123 | 13,865 | 29,317 | 1,399,877 | 1,045,666 | 147,774 | 50,373 | 61,616 | (49,972) | 2,816,639 |
| Premium income | - | - | - | - | - | 1,963,872 | 3,950,777 | - | (213,242) | 5,701,407 |
| Other income | 8,372 | 2,470 | 529 | 154,995 | 59,181 | 33,814 | 35,178 | 47,135 | (214,234) | 127,440 |
| Total operating income | 11,208,514 | 4,407,324 | 1,946,452 | 4,715,648 | 3,933,570 | 4,551,472 | 4,729,372 | 135,928 | (498,691) | 35,129,589 |
| Staff costs | 3,847,962 | 352,660 | 117,756 | 117,089 | 517,814 | 532,752 | 595,848 | 56,414 | (21,663) | 6,116,632 |
| Provision for credit losses | 661,601 | 719,044 | 8,991 | - | - | - | - | - | - | 1,389,636 |
| Depreciation and amortisation | 142,800 | 153,538 | 5,644 | 30,752 | 26,779 | 34,098 | 54,725 | 966 | 53,732 | 503,034 |
| Impairment losses on securities | - | - | - | - | 47,108 | 41,446 | - | - | - | 88,554 |
| Policyholders' and annuitants' benefits and reserves | - | - | - | - | - | 816,169 | 2,418,685 | - | - | 3,234,854 |
| Other operating expenses | 2,088,869 | 1,326,601 | 440,330 | 709,860 | 834,776 | 718,801 | 642,324 | 14,771 | (275,912) | 6,500,420 |
| Total operating expense | 6,741,232 | 2,551,843 | 572,721 | 857,701 | 1,426,477 | 2,143,266 | 3,711,582 | 72,151 | (243,843) | 17,833,130 |
| Operating profit before allocated costs | 4,467,282 | 1,855,481 | 1,373,731 | 3,857,947 | 2,507,093 | 2,408,206 | 1,017,790 | 63,777 | (254,848) | 17,296,459 |
| Allocated costs | (3,178,062) | (783,586) | (421,455) | (204,412) | - | - | - | - | - | (4,587,515) |
| Operating profit | 1,289,220 | 1,071,895 | 952,276 | 3,653,535 | 2,507,093 | 2,408,206 | 1,017,790 | 63,777 | (254,848) | 12,708,944 |
| Unallocated corporate expenses | | | | | | | | | | (1,469,507) |
| Share of profit of associates | | | | | | | | | | 311,391 |
| Profit before taxation | | | | | | | | | | 11,550,828 |
| Taxation | | | | | | | | | | (2,996,920) |
| Net Profit | | | | | | | | | | 8,553,908 |
| Segment assets | 174,746,442 | 15,327,119 | 68,766,649 | 176,005,719 | 121,050,393 | 39,652,734 | 12,990,263 | 1,011,293 | (109,042,698) | 500,507,914 |
| Associates | | | | | | | | | | 6,316,607 |
| Unallocated assets | | | | | | | | | | 1,834,005 |
| Total assets | | | | | | | | | | 508,658,526 |
| Segment liabilities | 160,223,580 | 10,032,498 | 55,400,146 | 158,646,511 | 99,056,618 | 27,574,752 | 8,494,034 | 144,750 | (101,353,516) | 418,219,373 |
| Unallocated liabilities | | | | | | | | | | 3,049,227 |
| Total liabilities | | | | | | | | | | 421,268,600 |
| Capital expenditure | 1,019,315 | 469,421 | 66,074 | 17,718 | 80,053 | 98,820 | 69,739 | 16,855 | - | 1,837,995 |

National Commercial Bank Jamaica Limited

Unaudited Segment Report

Nine months ended June 30, 2014

| | Consumer & SME | | | | | | | | | Consolidated |
|--|-------------------|------------------|-------------------|----------------------------------|---|--|-------------------|----------------|--------------------|--------------------|
| | Retail & SME | Payment Services | Corporate Banking | Treasury & Correspondent Banking | Wealth, Asset Management & Investment Banking | Life Insurance & Pension Fund Management | General Insurance | Other | Eliminations | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| External revenue | 10,706,828 | 6,209,877 | 3,386,304 | 6,041,242 | 6,692,960 | 4,510,298 | 4,524,292 | 28,986 | - | 42,100,787 |
| Revenue from other segments | 1,846,758 | - | 20,537 | 2,275,428 | 557,031 | 96,892 | 90,655 | 77,976 | (4,965,277) | - |
| Total revenue | 12,553,586 | 6,209,877 | 3,406,841 | 8,316,670 | 7,249,991 | 4,607,190 | 4,614,947 | 106,962 | (4,965,277) | 42,100,787 |
| Interest income | 9,927,274 | 2,373,175 | 3,097,097 | 7,506,578 | 6,121,845 | 2,223,014 | 536,452 | 22,568 | (4,510,090) | 27,297,913 |
| Interest expense | (1,407,672) | (834,383) | (2,048,340) | (4,793,976) | (3,503,011) | (707,600) | - | (112) | 4,510,090 | (8,785,004) |
| Net interest income | 8,519,602 | 1,538,792 | 1,048,757 | 2,712,602 | 2,618,834 | 1,515,414 | 536,452 | 22,456 | - | 18,512,909 |
| Net fee and commission income | 2,347,406 | 2,378,212 | 261,086 | 173,364 | 123,545 | 800,155 | 117,991 | 40,579 | (63,928) | 6,178,410 |
| Gain on foreign currency and investment activities | 130,980 | 11,772 | 34,840 | 408,978 | 941,016 | 103,784 | 23,059 | 2,261 | (22,170) | 1,634,520 |
| Premium income | - | - | - | - | - | 1,452,190 | 3,906,769 | - | (152,905) | 5,206,054 |
| Other income | 38,450 | 6,698 | 3,292 | 221,641 | 63,097 | 28,047 | 30,676 | 41,554 | (253,654) | 179,801 |
| Total operating income | 11,036,438 | 3,935,474 | 1,347,975 | 3,516,585 | 3,746,492 | 3,899,590 | 4,614,947 | 106,850 | (492,657) | 31,711,694 |
| Staff costs | 4,031,541 | 269,492 | 157,622 | 107,426 | 423,233 | 396,275 | 642,744 | 58,591 | (26,259) | 6,060,665 |
| Provision for credit losses | 665,167 | 559,732 | 16,978 | - | (2,846) | - | - | - | - | 1,239,031 |
| Depreciation and amortisation | 115,393 | 86,838 | 5,544 | 49,547 | 12,401 | 4,613 | 49,616 | 1,050 | 53,732 | 378,734 |
| Policyholders' and annuitants' benefits and reserves | - | - | - | - | - | 1,070,212 | 2,250,399 | - | - | 3,320,611 |
| Other operating expenses | 1,655,159 | 1,138,857 | 365,369 | 475,590 | 532,447 | 350,664 | 662,503 | 15,187 | (257,532) | 4,938,244 |
| Total operating expense | 6,467,260 | 2,054,919 | 545,513 | 632,563 | 965,235 | 1,821,764 | 3,605,262 | 74,828 | (230,059) | 15,937,285 |
| Operating profit before allocated costs | 4,569,178 | 1,880,555 | 802,462 | 2,884,022 | 2,781,257 | 2,077,826 | 1,009,685 | 32,022 | (262,598) | 15,774,409 |
| Allocated costs | (3,427,412) | (519,360) | (269,981) | (173,895) | - | - | - | - | - | (4,390,648) |
| Operating profit | 1,141,766 | 1,361,195 | 532,481 | 2,710,127 | 2,781,257 | 2,077,826 | 1,009,685 | 32,022 | (262,598) | 11,383,761 |
| Unallocated corporate expenses | | | | | | | | | | (1,064,648) |
| Negative goodwill on acquisition of subsidiary | | | | | | | | | | 301,441 |
| Share of profit of associates | | | | | | | | | | 722,633 |
| Profit before taxation | | | | | | | | | | 11,343,187 |
| Taxation | | | | | | | | | | (2,372,641) |
| Net Profit | | | | | | | | | | 8,970,546 |
| Segment assets | 159,109,982 | 14,314,251 | 61,848,068 | 171,978,123 | 143,438,268 | 37,369,536 | 11,655,408 | 998,405 | (108,430,920) | 492,281,121 |
| Associates | | | | | | | | | | 8,486,101 |
| Unallocated assets | | | | | | | | | | 5,295,219 |
| Total assets | | | | | | | | | | 506,062,441 |
| Segment liabilities | 149,191,742 | 8,647,832 | 53,143,014 | 154,201,712 | 124,005,942 | 27,108,524 | 7,681,775 | 185,830 | (100,498,549) | 423,667,822 |
| Unallocated liabilities | | | | | | | | | | 3,322,354 |
| Total liabilities | | | | | | | | | | 426,990,176 |
| Capital expenditure | 1,514,351 | 316,217 | 41,057 | 44,034 | 74,358 | 246,878 | 118,057 | 14,487 | - | 2,369,439 |

National Commercial Bank Jamaica Limited

Notes to the Unaudited Financial Statements

June 30, 2015

(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Principal Activities

National Commercial Bank Jamaica Limited (“the Bank”) is incorporated in Jamaica and licensed under the Banking Act, 1992. The Bank is 48.09% (June 30, 2014 – 46.82%) held by AIC (Barbados) Limited. The ultimate parent company is Portland Holdings Inc., incorporated in Canada. Portland Holdings Inc. is controlled by Hon. Michael A. Lee-Chin, OJ, Chairman of the Bank.

The Bank’s registered office is located at 32 Trafalgar Road, Kingston 10, Jamaica.

The Bank is listed on the Jamaica Stock Exchange and the Trinidad and Tobago Stock Exchange.

The Bank’s subsidiaries and other consolidated entities, which together with the Bank are referred to as “the Group”.

All subsidiaries are incorporated in Jamaica with the exception of NCB (Cayman) Limited, NCB Investments (Cayman) Limited and NCB Capital Markets (Cayman) Limited, which are incorporated in the Cayman Islands, NCB Remittance Services (UK) Limited, which is incorporated in the United Kingdom, NCB Global Finance Limited, which is incorporated in Trinidad and Tobago and NCB Capital Markets (Barbados) Limited, which is incorporated in Barbados.

2. Basis of preparation

The condensed consolidated interim financial statements for the nine months ended June 30, 2015 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended September 30, 2014 which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Boards (IASB).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale investment securities, investment securities at fair value through profit or loss, derivative contracts and investment property.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

There have been no changes in accounting policies since the most recent audited accounts as at September 30, 2014 except for the adoption of new and amended standards as described below.

Standards, interpretations and amendments to existing standards effective during the current year

Effects of Adoption of IFRIC 21, Levies

On October 1, 2014, the Group adopted IFRIC 21, 'Levies', (effective for annual periods beginning on or after January 1, 2014). IFRIC 21 addresses the accounting for a liability to pay a levy recognised in accordance with IAS 37, 'Provisions', and the liability to pay a levy whose timing and amount is certain. It excludes income taxes within the scope of IAS 12, 'Income taxes'. IFRIC 21 indicates that the obligating event that gives rise to a liability to pay a levy is the event identified by the legislation that triggers the obligation to pay the levy. It concludes that a fact that an entity is economically compelled to continue operating in a future period, or prepares its financial statements under the going concern principle, does not create an obligation to pay a levy that will arise from operating in the future. Accordingly, a liability to pay a levy is recognised when the obligating event occurs. This might arise at a point in time or progressively over time. The interpretation also requires that an obligation to pay a levy triggered by a minimum threshold is recognised when the threshold is reached. October 1, 2014 has been determined to be the trigger date under the Assets Tax (Specified Bodies) Act in Jamaica. The adoption of IFRIC 21 has resulted in Group companies with an assessment date of September 30, 2014 recognising the liability in full as at October 1, 2014 for asset-based taxes which were progressively recognised during the year ended September 30, 2014 for amounts due and paid in March 2015. Group companies with an assessment date of December 31, 2014 recognised the liability as at January 1, 2015. The financial impact of the adoption for the nine months ended June 30, 2015 is a charge of \$1,233 million on the consolidated income statement. The retrospective effect of the changes on the financial position and results of operations for the period ended June 30, 2014 and the financial position as at September 30, 2014 are as follows:

Effect on the consolidated statement of financial position as at September 30, 2014

| | As previously stated | Effect of restatement on non-insurance companies | Effect of restatement on insurance companies | As restated |
|--|----------------------|--|--|-------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Total Assets | 499,345,092 | - | - | 499,345,092 |
| Total Liabilities | 418,731,340 | (992,474) | (240,159) | 417,498,707 |
| Other equity | 40,188,145 | | | 40,188,145 |
| Retained earnings | 40,425,607 | 992,474 | 240,159 | 41,658,240 |
| Total Stockholders' Equity | 80,613,752 | 992,474 | 240,159 | 81,846,385 |
| Total Stockholders' Equity and Liabilities | 499,345,092 | - | - | 499,345,092 |

National Commercial Bank Jamaica Limited

Notes to the Unaudited Financial Statements

June 30, 2015

(expressed in Jamaican dollars unless otherwise indicated)

2. Basis of preparation (continued)

Standards, interpretations and amendments to existing standards effective during the current year (continued)

Effect on the consolidated statement of financial position as at June 30, 2014

| | As previously stated | Effect of restatement on non-insurance companies | Effect of restatement on insurance companies | As restated |
|---|----------------------|--|--|-------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Total Assets | 506,062,441 | - | - | 506,062,441 |
| Total Liabilities | 427,735,809 | (617,715) | (127,918) | 426,990,176 |
| Other equity | 39,459,742 | | | 39,459,742 |
| Retained earnings | 38,866,890 | 617,715 | 127,918 | 39,612,523 |
| Total Stockholders' Equity | 78,326,632 | 617,715 | 127,918 | 79,072,265 |
| Total Stockholders' Equity and Liabilities | 506,062,441 | - | - | 506,062,441 |

Effect on the consolidated income statement for the quarter ended June 30, 2014

| | As previously stated | Effect of restatement on non-insurance companies | Effect of restatement on insurance companies | As restated |
|-------------------------------|----------------------|--|--|-------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating income | 11,099,182 | - | - | 11,099,182 |
| Operating expenses | 7,441,679 | (375,569) | (117,680) | 6,948,430 |
| Operating profit | 3,657,503 | 375,569 | 117,680 | 4,150,752 |
| Share of profit of associates | 205,986 | - | - | 205,986 |
| Profit before taxation | 3,863,489 | 375,569 | 117,680 | 4,356,738 |
| Taxation | (939,002) | - | - | (939,002) |
| Net profit | 2,924,487 | 375,569 | 117,680 | 3,417,736 |

Effect on the consolidated income statement for the nine months ended June 30, 2014

| | As previously stated | Effect of restatement on non-insurance companies | Effect of restatement on insurance companies | As restated |
|--|----------------------|--|--|-------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating income | 31,874,706 | - | - | 31,874,706 |
| Operating expenses | 21,753,641 | (119,308) | (78,740) | 21,555,593 |
| Operating profit | 10,121,065 | 119,308 | 78,740 | 10,319,113 |
| Negative goodwill on acquisition of subsidiary | 301,441 | - | - | 301,441 |
| Share of profit of associates | 722,633 | - | - | 722,633 |
| Profit before taxation | 11,145,139 | 119,308 | 78,740 | 11,343,187 |
| Taxation | (2,372,641) | - | - | (2,372,641) |
| Net profit | 8,772,498 | 119,308 | 78,740 | 8,970,546 |

3. Obligations under Securitisation Arrangements

Diversified Payments Rights (DPR)

On April 27, 2015, the holders of the Series 2013-1 Notes exercised their option to extend the maturity of the Notes by 12 months, adjusting the principal amortisation to commence on September 15, 2016 and final maturity to March 16, 2020.

Merchant Voucher Receivables

The Bank has entered into a structured financing transaction involving securitisation of its Merchant Voucher Receivables. This arrangement involves the sale of future flows due from Visa International Service Association (Visa) and MasterCard International Incorporated (MasterCard) related to international merchant vouchers acquired by the Bank in Jamaica.

Arising from this arrangement, the Bank transferred its rights to all future receivables under a true sale to an off shore special purpose company (SPC), Jamaica Merchant Voucher Receivables Limited which then issues notes which are secured by the Merchant Voucher Receivables flows. The cash flows generated by the Merchant Voucher Receivables are used by Jamaica Merchant Voucher Receivables Limited to make scheduled principal and interest payments to the note holders and any excess cash is transferred to the Bank, provided no early amortisation event or default has occurred under the terms of the notes.

On May 18, 2015, the Bank raised US\$250,000,000 through the Merchant Voucher Receivables Securitisation transaction. The transaction was structured on a mortgage-style amortisation basis with an interest-only period of twenty eight months and thereafter quarterly principal amortisation, beginning October 6, 2017 to final maturity on July 8, 2022. Interest is due and payable on a quarterly basis calculated at a rate of 5.875% beginning July 7, 2015.

National Commercial Bank Jamaica Limited

Notes to the Unaudited Financial Statements

June 30, 2015

(expressed in Jamaican dollars unless otherwise indicated)

4. Segment reporting

The Group is organised into the following business segments:

- Retail & SME - This incorporates the provision of banking services to individual and small and medium business clients and money remittance services.
- Payment services - This incorporates the provision of card related services.
- Corporate banking - This incorporates the provision of banking services to large corporate clients.
- Treasury & correspondent banking - This incorporates the Bank's liquidity and investment management function, management of correspondent bank relationships, and relationships with other financial institutions as well as foreign currency dealing activities.
- Wealth, asset management and investment banking - This incorporates stock brokerage, securities trading, investment management and other financial services provided by overseas subsidiaries.
- Life Insurance & pension fund management - This incorporates life insurance, pension and investment management services.
- General insurance - This incorporates property and casualty insurance services.
- The Group's insurance brokerage services, trustee services, registrar and transfer agent services are classified as Other for segment reporting.

The Group's operations are located mainly in Jamaica. The operations of subsidiaries located overseas account for less than 10% of the Group's external operating revenue, assets and capital expenditure.

Unallocated assets and liabilities

Unallocated assets and liabilities comprise current income tax payable and recoverable, deferred income tax assets and liabilities and assets and liabilities of support units of the Bank that are not allocated to the banking segments.

Direct allocated costs and unallocated corporate expenses

Costs incurred by the support units of the Bank are allocated to the business segments based on certain criteria determined by management. These criteria include staff complement, square footage and time spent providing the service to the business segment. The expenses that are allocated are mainly staff costs, depreciation and amortisation and other operating expenses and are treated as direct allocated costs.

Costs allocated to the banking segments are reported directly by those segments to the Group Managing Director and Board of Directors. Costs allocated to the non-banking segments are not included in the individual internal reports presented by those segments and are treated as unallocated corporate expenses.

Eliminations

Eliminations comprise inter-company and inter-segment transactions.

**Interest/Ownership of Securities by Directors and Senior Managers in National Commercial Bank Jamaica Limited
as at June 30, 2015**

| Directors | Total | Direct | Connected Parties |
|---------------------------------|---------------|---------------|--------------------------|
| Robert Almeida | 158,442 | 158,442 | 0 |
| Wayne Chen | 1,225,335,749 | 14,044 | 1,225,321,705 |
| Dennis Cohen * | 73,039,457 | 86,480 | 72,952,977 |
| Sandra Glasgow * | 73,025,026 | 75,049 | 72,949,977 |
| Sanya Goffe | 4,340 | 4,340 | 0 |
| Hon. Noel Hylton, OJ, CD | 354,074 | 14,044 | 340,030 |
| Patrick Hylton, CD | 930,902 | 930,902 | 0 |
| Hon. Michael Lee-Chin, OJ | 1,617,971,638 | 2,192,250 | 1,615,779,388 |
| Thalia Lyn, OD * | 73,118,509 | 153,412 | 72,965,097 |
| Prof. Alvin Wint | 88,144 | 88,144 | 0 |
| Dave Garcia (Company Secretary) | 11,210 | 11,210 | 0 |

| Senior Managers | Total | Direct | Connected Parties |
|------------------------|--------------|---------------|--------------------------|
| Rickert Allen | 113,696 | 113,696 | 0 |
| Septimus Blake | 10,050 | 10,050 | 0 |
| Brian Boothe | 0 | 0 | 0 |
| Robert Brooks | 6,209 | 6,209 | 0 |
| Nicole Brown | 58,294 | 58,294 | 0 |
| Ffrench Campbell | 57,660 | 57,660 | 0 |
| Lennox Channer | 354 | 0 | 354 |
| Dennis Cohen * | 73,039,457 | 86,480 | 72,952,977 |
| Euton Cummings | 0 | 0 | 0 |
| Damian Duncan | 0 | 0 | 0 |
| Loren Edwards | 7,100 | 7,100 | 0 |
| Dave Garcia | 11,210 | 11,210 | 0 |
| Steven Gooden | 4,293 | 4,293 | 0 |
| Howard Gordon | 0 | 0 | 0 |
| Peter Higgins | 0 | 0 | 0 |
| Andre Ho Lung | 0 | 0 | 0 |
| Patrick Hylton, CD | 930,902 | 930,902 | 0 |
| Vernon James | 0 | 0 | 0 |
| Winston Lawson | 82,518 | 82,518 | 0 |
| Ramon Lewis | 30,000 | 30,000 | 0 |
| Alison Lynn | 36,075 | 36,075 | 0 |
| Nadeen Matthews | 10,000 | 10,000 | 0 |
| Anne McMorris Cover | 940 | 940 | 0 |
| Marva Peynado | 52,338 | 52,338 | 0 |
| Janelle Prevost | 0 | 0 | 0 |
| Norman Reid | 15,934 | 15,934 | 0 |
| Stuart Reid | 89,630 | 89,630 | 0 |
| Marcia Reid-Grant | 1,250 | 1,250 | 0 |
| Claudette Rodriquez | 42,147 | 42,147 | 0 |
| Malcolm Sadler | 0 | 0 | 0 |
| Andrew Simpson | 0 | 0 | 0 |
| Mark Thompson | 0 | 0 | 0 |
| Audrey Tugwell Henry | 17,540 | 16,640 | 900 |
| Tanya Watson Francis | 0 | 0 | 0 |
| Mukisa Wilson Ricketts | 0 | 0 | 0 |
| Allison Wynter * | 73,050,766 | 100,789 | 72,949,977 |
| Angus Young | 0 | 0 | 0 |

* Connected parties for Dennis Cohen, Sandra Glasgow, Thalia Lyn and Allison Wynter include shares of 72,949,977 held by trustees of the N.C.B. Staff Pension Fund.

10 Largest Shareholders of National Commercial Bank Jamaica Limited as at June 30, 2015

| Name of Shareholder | Units | Percentage Ownership |
|--|---------------|-----------------------------|
| AIC (Barbados) Limited | 1,186,304,844 | 48.09% |
| Harprop Limited | 314,372,000 | 12.74% |
| Sagicor PIF Equity Fund | 69,636,704 | 2.82% |
| NCB Insurance Co. Ltd WT 109 | 62,989,156 | 2.55% |
| Ideal Portfolio Services Company Limited | 55,400,975 | 2.25% |
| AIC Global Holdings Inc. | 49,565,238 | 2.01% |
| Portland (Barbados) Limited | 38,178,106 | 1.55% |
| SJIML A/C 3119 | 26,474,981 | 1.07% |
| Beta SPV Limited | 21,000,000 | 0.85% |
| Capil's & Company Limited | 19,144,961 | 0.78% |

Shareholder Profile of National Commercial Bank Jamaica Limited as at June 30, 2015

| Number of Shareholders | Ownership of Each Shareholder | Percentage Ownership | Number of Units |
|---------------------------------|--------------------------------------|-----------------------------|------------------------|
| (1) shareholder with 4 accounts | 48.09% | 48.09% | 1,186,304,844 |
| 1 | 10 - 15% | 12.74% | 314,372,000 |
| 6 | 1 - 4% | 12.25% | 302,245,160 |
| 35,143 | Less than 1% | 26.92% | 663,840,824 |
| 35,151 | | 100.00% | 2,466,762,828 |