

PEGASUS HOTELS OF JAMAICA LIMITED 1996

CHAIRMAN'S STATEMENT

The year under review was one of mixed fortunes and hence proved challenging for several reasons:-

- There was renewed competition from our traditional competitors.
- Devaluation of the Jamaican Dollar and inflation eroded the benefits of an overall sales growth of 23.5%.
- Gross Revenue for the year was \$348.8M, an increase of 23.5%. Profit before taxation and exceptional items was \$50.8M, an increase of 47.5%. Excluding interest income earned in the previous year the increase was 104%.
- Net profit of J\$27.794M after tax, represents a 31.9% increase over 1994/95. This improved performance, in light of the re-opening of our major competitor-fully re-furbished with expanded services is due in no small part to the professionalism, dedication and hard work of all members of staff under the guidance of the new management.

When placed within the context of the dominant trends in the national economic environment, the Jamaica Pegasus has performed creditably.

Plans for the current year include the refurbishing and upgrading of three bedroom floors and the development and implementation of more focused and aggressive marketing and sales strategies.

The anticipated mutually-satisfactory wage settlement by the Industrial Disputes Tribunal should eliminate any impediment to the continuing good working relationship of the management and staff.

Your Directors remain committed to vigorously pursuing the primary objective of achieving positive returns on your investment by the delivery of quality service and prudent management and operational strategies.

Your Board, Management and Staff wish to thank our customers and suppliers for their continued support over the years, which has kept the Jamaica Pegasus in its premier position of the best hotel in the capital city. As a service enterprise, we are ever mindful of our responsibility to maintain the goodwill and support of those whom we serve. We will continue to strive to improve our product.

JOHN J. ISSA, C.D., J.P.

CHAIRMAN

13 MAY, 1996
