

LIFE OF JAMAICA LIMITED 1998

Report of the Directors

The Directors have pleasure in submitting their Report and the Audited Accounts for the year ended December 31, 1998. The figures reflect the consolidated results of Life of Jamaica and its subsidiaries.

	1998 % (m)	1997 % (m)	%Increase
Operating Results			
Profits of the Group	17.34	92.1	-81.2%
Earnings per Ordinary stock unit	0.03	0.23	-87.0%
Financial Position			
Life Assurance Assets			
- LOJ	4,767.22	5,693.60	-16.3%
- Subsidiaries	6,238.52	6,190.20	0.8%
Banking Assets			
	0.00	0.00	0.0%
Total Consolidated Assets	11,005.74	11,883.80	-7.4%
Segregated Pension Funds	11,257.00	11,974.00	-6.0%
Total Assets Managed	22,262.74	23,857.80	-6.7%
Shareholders' Funds	877.03	860.00	2.0%
Investment Reserves	47.55	46.80	1.6%

Business in Force and New Sales

New Annualised Premiums			
- Individual	519.35	496.98	4.5%
- Group Life and Health	<u>105.31</u>	<u>238.23</u>	<u>-55.8%</u>
Total Premiums	624.66	735.21	-15.0%
Single Premiums			
- Individual	207.39	215.00	-3.5%
- Group	210.92	149.99	40.6%
Life Insurance Amounts in Force			
- Individual	168,365.71	167,907.97	0.3%
- Group	<u>48,091.95</u>	<u>50,708.31</u>	<u>-5.2%</u>
- Total	216,457.66	218,616.28	-1.0%

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Directors

The Directors retiring at the Annual General Meeting are Ms. Diane Bean and Messrs. Michael Fennell and Dennis Lalor all of whom being eligible, offer themselves for re-election.

Auditors

The retiring Auditors, KPMG Peat Warwick, having expressed their willingness to continue in office will do so in accordance with the provisions of Section 153 of the Companies Act. A resolution authorising the Directors to fix the remuneration of the Auditors will be presented at the Annual General Meeting.

On behalf of the Board of Directors

Hon. Dennis H. Lalor, O.J. Chairman
