

Montego Bay Ice Company Ltd. 1998

Directors' Report

The Directors take pleasure in presenting their Annual Report and Audited Financial Statements for the year ended December 31, 1998. Please find attached a summary of the operations of the Company for the same period.

RESULT OF OPERATIONS

Consolidated earnings for the year before Taxes and Dividends for the Company amounted to \$5,077,928, an increase from the previous year. The increase is due to the following:-

1. A decrease in revenue from operations is a result of the road conditions from the South Gully Sewer Project.
2. The change in the papaya operations contributed to the turn around in the profit

Production of Ice in tons was as follows:

	1998	1997	Changes
Montego Bay Plant	9,107.15	10,292.10	1,184.95
Deans Valley Plant	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total	9,107.15	10,292.10	(1,184.95)

CAPITAL EXPENDITURE

The purchase of an 8 cylinder compressor in to increase efficiency of the plant.

The addition of an ammonia suction trap was necessary to prevent compressor failure.
