

Jamaica Producers Group Limited 1999

UNAUDITED GROUP RESULTS
30 SEPTEMBER, 1999

CHAIRMAN'S STATEMENT

Our disappointing results for the third quarter reflect the problems of the banana industry worldwide. The two major factors affecting us are:

1. The inability of the EU to introduce a new banana regime that would be in conformity with the WTO.
2. A dramatic downturn in prices and reduction in sales in Eastern Europe due to the political and economic climate. This has resulted in an oversupplied market in the rest of Europe, including the United Kingdom, affecting our operations there.

We do not anticipate a significant recovery for the fourth quarter, but early indications suggest a very modest improvement.

We have been actively involved in discussions and negotiations to resolve the EU/WTO dispute and expect that the EU will make an announcement before the end of this year. They have however, extended the existing regime into the first quarter of next year.

GROUP BALANCE SHEET
as at
30 September, 1999

	1999 \$'000	1998 \$'000
Working Capital	1,002,975	1,240,101*
Interest in Associated Companies	52,890	114,728
Investments	636,615	584,836*
Fixed Assets	<u>1,826,958</u>	<u>1,777,208</u>
	3,519,438	3,716,873
Less:		
Long Term loans	(141,505)	(229,171)
Minority Interests	(615,712)	(721,827)
Other Net Liabilities	(56,457)	(43,721)
Net Assets	<u>2,705,764</u>	<u>2,722,154</u>
Financed by		
Share Capital	18,702	18,702
Reserves	<u>2,687,062</u>	<u>2,703,452</u>
Shareholders' Equity	<u>2,705,764</u>	<u>2,722,154</u>
Net Assets Per Share	\$14.47	\$14.44

*Restated to conform with current year presentation

GROUP PROFIT & LOSS ACCOUNT ACCCOUNT

	THREE MONTHS ENDED 30 SEPTEMBER		NINE MONTHS ENDED 30 SEPTEMBER	
	1999 \$'000	1998 \$'000	1999 \$'000	1998 \$'000
Gross Operating Revenue (Note 2)	2,870,219	2,693,522	8,229,430	8,546,274
Operating (Loss) / Profit (Note 3)	(34,569)	106,778	187,573	445,449

Net Exchange Gains / (Losses)	<u>35,798</u>	<u>(4,612)</u>	<u>21,831</u>	<u>(7,880)</u>
Profit Before Taxation	1,229	102,166	209,404	437,569
Taxation	<u>367</u>	<u>(48,961)</u>	<u>(72,552)</u>	<u>(169,257)</u>
Profit After Taxation	1,596	53,205	136,852	268,312
Extraordinary & Exceptional Items	0	(92,829)	0	(121,972)
Minority Interests	<u>19,284</u>	<u>14,213</u>	<u>(19,578)</u>	<u>(65,356)</u>
Profit (Loss) For The Period				
Attributable to The Group	<u>20,880</u>	<u>(25,411)</u>	<u>117,274</u>	<u>80,984</u>
Earnings Per Share	<u>11.16</u> cents	<u>(13.59)</u> cents	<u>62.71</u> cents	<u>43.30</u> cents

NOTES:

1. The main activities of the Group during the period consisted of agricultural production, shipping, the marketing and distribution of bananas and other fresh produce locally and overseas, production of fresh juices overseas, and the holding of investments.
2. Gross operating revenue comprises the Group's gross sales of goods and services, commissions earned on consignment sales net of returns, U.K. Value Added Tax and General Consumption Tax and investment income.
3. Overseas revenues and expenses have been translated at effective exchange rates of J\$59.17 (1998 J\$58.79) to £1.00 and J\$38.01 (1998 J\$36.28) to US\$ 1.00.

Adjustments have been made for exchange gains and losses on foreign currency assets and liabilities at 30 September, 1999 and 1998, based upon the following exchange rates:

		J\$/£	J\$/US\$
September	1999	62.50	39.71
December	1998	59.64	36.95
September	1998	60.27	36.49
December	1997	58.34	36.09

4. The earnings and net assets per share have been calculated by reference to 187,024,006 ordinary stock units of 10 cents each.

5. 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. The third quarter operating results were affected by difficult market conditions for bananas in the United Kingdom.

19 October, 1999