

PAN-JAMAICAN INVESTMENT TRUST LIMITED

AND ITS SUBSIDIARIES

MARCH 31, 2000

The Directors of Pan-Jamaican are pleased to report improved profitability for the first quarter ended March 31, 2000. Revenues for the period were \$861 million, an Increase of 39% over 1999. Profit attributable to stockholders is \$49 million, an Improvement of 62% over 1999.

The main areas of Investment for Pan-Jamaican, property and financial services and trading, performed well, At the same time, the closure of our manufacturing interests removes any remaining operating losses from reporting subsidiaries.

In FirstLife Insurance Company Ltd. which Pan-Jamaican owns 73%, revenues climbed 51% to \$505.6 million and profits increased 49% to \$69 million. The group life and health portfolios purchased from FINSAC last year have proven to be a good investment though the market is intensely competitive. Our property investments continue to improve in performance with a 96% occupancy level at March 31, 2000. Similarly, Pan Caribbean Merchant Bank has shown substantial improvement over an outstanding 1999, Our banking interests have been expanded with the acquisition of Knutsford Capital Merchant Bank and an increase in the holding of Trafalgar Development Bank to 29%.

In the trading division, Pan-Jamaican increased its holding in Hardware & Lumber Ltd. from 69% to 87% in this reporting period. H&L revenues of \$365 million show an increase of 29% over 1999 and net profits of \$9.6 million, also 29% ahead of the same period last year. Retail sales are up 20% in 1999 and wholesale revenues climbed 37% over last year.

The Directors are of the opinion that the results of Pan-Jamaican for the first quarter are reasonably indicative of profits to be expected for the remainder of year 2000.

| | March 2000 | March 1999 |
|---|--------------------------|--------------------------|
| Gross Operating Revenue | <u>861,060</u> 87,743 | <u>618,667</u> 54,871 |
| Taxation | <u>(18,375)</u> | <u>(9,845)</u> |
| Group Profit after Taxation | 69,368 | 45,026 |
| Minority Interest | <u>(20,370)</u> | <u>14,686</u> |
| Profit Attributable to Stockholders | <u>48,998</u> | <u>30,340</u> |
| | '000's | '000's |
| Average Issued Capital number of 10c stock units outstanding | 160,814 | 158,039 |
| Earnings per Stock Unit on average number of stock units outstanding | \$0.30 | \$0.19 |

Unaudited Consolidated Balance Sheet Three Months Ended March 31, 2000

| | March 2000 \$ '000 | December 1999 \$ '000 |
|--|-----------------------------------|--------------------------------------|
| NET ASSETS EMPLOYED | | |
| Fixed Assets | 169,068 | 188,309 |
| Investment Properties | 1,527,335 | 1,495,617 |
| Investments | 2,065,979 | 1,640,411 |
| Other Insurance and Banking Assets | 823,492 | 933,698 |
| Deferred Expenses | 92,009 | 94,724 |
| Current Assets | 737,486 | 672,488 |
| Current Liabilities | (584,299) | (485,499) |
| | <u>4,831,070</u> | <u>4,539,748</u> |
| FINANCED BY: | | |
| Share Capital | 16,081 | 16,054 |
| Capital and Other Reserves | 644,857 | 644,684 |
| Retained Earnings | 701,488 | 652,490 |
| | <u>1,362,426</u> | <u>1,313,228</u> |
| Minority Interest | 490,999 | 504,891 |
| Policyholders' Fund | 2,081,271 | 1,968,162 |
| Other Insurance and Banking Liabilities | 744,520 | 659,950 |
| Long Term Liabilities | 151,854 | 93,517 |
| | <u>4,831,070</u> | <u>4,539,748</u> |
