

# Jamaica Producers Group Limited

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## Group Balance Sheet as at 24 March, 2001

	24 March 2001 J\$'000	25 March 2000 J\$'000
Working capital	923,036	980,118
Interests in associated companies	138,270	142,180
Investments	609,896	604,363
Fixed assets	<u>1,896,550</u>	<u>1,880,695</u>
	<u>3,567,752</u>	<u>3,607,356</u>
Less:		
Long term loans	(110,445)	(142,899)
Minority interests	(519,432)	(498,510)
Other net liabilities	<u>(96,272)</u>	<u>(67,137)</u>
Net assets employed	<u>2,841,603</u>	<u>2,898,810</u>
Financed by:		
Share capital	18,702	18,702
Reserves	<u>2,822,901</u>	<u>2,880,108</u>
	<u>2,841,603</u>	<u>2,898,810</u>
Net assets employed per share	<u>\$15.19</u>	<u>15.50</u>

Group Profit and Loss Account  
for the twelve weeks ended 24 March, 2001

	Notes	Twelve weeks ended 24 March, 2001 J\$'000	Twelve weeks ended 25 March, 2000 J\$'000
Gross operating revenue	2	2,993,756	2,512,850
Operating profit	3	48,904	19,333
Net exchange gains/(losses)		<u>8,540</u>	<u>9,182</u>
Profit before taxation		57,444	28,515
Taxation		<u>(37,755)</u>	<u>2,264</u>
Profit after taxation		19,689	30,779
Minority interests		<u>(7,381)</u>	<u>(7,813)</u>
Profit for the period attributable to the Group		<u>12,308</u>	<u>22,966</u>
Earnings per share, cents		<u>6.58</u>	<u>12.28</u>

#### NOTES TO THE UNAUDITED GROUP RESULTS

1. On 1 January, 2000 the Group changed its management accounting year from twelve calendar months to thirteen four week periods.
2. 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.
3. 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.
4. Overseas revenues and expenses have been translated at effective exchange rates of J\$64.66 (2000J\$63.65) to E1.00 and J\$45.55 (2000 J\$41.87) to US\$1.00.

Adjustments have been made for exchange gains and losses on foreign currency assets and liabilities at 24 March, 2001 and 25 March, 2000 based upon the following exchange rates:

		J\$/£	J\$/US\$
24 March	2001	62.33	45.52
31 December	2000	65.43	45.30
25 March	2000	63.15	41.89
31 December	1999	64.46	41.16

5. The earnings and net assets per share have been calculated by reference to 187,024,006 ordinary stock units of 10 cents each.
6. 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.

#### Chairman's Statement

There has been much speculation concerning the World Trade Organisation (WTO) ruling and how the response of the European Union (EU) would affect Jamaica Producers. A settlement has now been reached which maintains a restricted supply into the EU until 2006. After 2006, the regime will be changed to tariff only with Jamaica's bananas still enjoying tariff free entry.

The overall impact of the new regime is to reduce the amount of bananas that African, Caribbean and Pacific (ACP) countries like Jamaica can export to the EU and increase the volume of bananas from Latin America. We expect that this will result in a further reduction in ACP banana prices, which have been falling for the last three years.

With respect to growing bananas in Jamaica, we must continue to reduce our costs if this aspect of our business is to remain viable. With funding from the EU's European Banana Support Programme, we are intensifying our drive to achieve this.

JP Fruit Distributors (JPFDD), one of our UK subsidiaries, will face banana supply problems as Jamaica's bananas account for about half of its volumes and JPFDD has had its non-ACP banana entitlement reduced by two-thirds. We have already started discussions on alternative sources of supply but expect the cost of these bananas to increase.

First quarter 2001 results show a 153% increase in operating profit over the comparable period for last year while net profit fell by 46%. This decline in net profit is due to the high effective tax rate as a result of a different profit mix. This year, the banana farms recorded losses while our UK subsidiaries Sunjuice and JPFD were the main profit earners. The continued success of Sun juice is particularly gratifying as it represents the major diversification plank of the Group.

C.H. Johnston  
Chairman  
3 May, 2001

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