

## Pan Caribbean Merchant Bank Limited

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The Directors of Pan-Jamaican are pleased to report profits attributable to stockholders of \$58.2 million for the first quarter ended March 31, 2001, an increase of 19% over the same period last year. This result was achieved on revenues of \$894.8 million, an increase of 4%.

This performance is in line with those of Pan-Jamaican main subsidiaries, First Life and Hardware & Lumber.

In the Hardware & Lumber group, profits were down 11% compared to an exceptional quarter last year when one-time profits from the Facey Hardware acquisition realized certain one-time benefits.

The First Life group met expectations for the period, posting increased profits of 20%. With its 68% interest in Trafalgar Development- Bank, First Life's earnings growth would become increasingly driven by its banking operations.

Richard O. Byles  
President & CEO

Maurice W. Facey  
Chairman

Unaudited Financial Results  
Three Months Ended March 31, 2001

	March 2001 \$'000	March 2000 \$'000
Gross Operating Revenue	<u>894,809</u>	<u>861,060</u>
Group Profit before Taxation	104,069	87,743
Taxation	<u>(10,100)</u>	<u>(18,375)</u>
Group Profit after taxation	93,969	69,368
Minority Interest	<u>(35,796)</u>	<u>(20,370)</u>
Profit Attributable to Stockhol	<u>58,173</u>	<u>48,998</u>
Average Issued Capital number of 10c stock units outstanding	160,814	160,814
Earnings per Stock Unit		
Basic	\$0.36	\$0.30
Fully diluted	\$0.35	\$0.30

Unaudited Consolidated Balance Sheet  
Three Months Ended March 31, 2001

	March 2001 \$'000	December 2000 \$'000
NET ASSETS EMPLOYED		
Fixed Assets	223,126	178,399
Investment Properties	1,523,959	1,523,959
Investments	2,400,336	2,185,404
Other Insurance and Banking Assets	2,487,920	678,241
Deferred Expenses	17,930	21,016
Goodwill	62,598	65,125
Current Assets	1,235,215	1,142,558
Current Liabilities	<u>(544,706)</u>	<u>(559,683)</u>
	<u>7,404,378</u>	<u>5,235,019</u>
FINANCED BY:		
Shareholders' Fund	1,999,682	1,669,384
Minority Interest	787,714	564,380
Policyholders' Fund	2,556,468	2,424,070
Other Insurance and Banking Liabilities	691,408	482,759
Long Term Liabilities	<u>1,469,106</u>	<u>94,426</u>
	<u>7,404,378</u>	<u>5,235,019</u>

Statement of changes in Shareholders Fund

Equity at beginning of the period	1,669,384	1,313,228
Net profit for the period	58,173	208,132
Shares Issued	-	150,533
Change in the value of investments	180,735	50,820
Transfer to insurance & banking reserves	-	3,375
Transfer from Investment Reserves	(8,610)	(23,738)
Dividends	-	<u>(32,966)</u>
Equity at the end of the period	<u>1,899,682</u>	<u>1,669,384</u>