

DYOLL GROUP LIMITED

Three month period ended March 31, 2002

Chairman's Report

On behalf of the Board of Dyoll I am pleased to present the first quarter results of the Dyoll Group. The gross operating revenues of the Group increased marginally by 6% over the first quarter performance in 2001 to \$164.7 million. This first three months of each calendar year is usually a low activity period for all our subsidiaries but we appear on target with our revenue projections for 2002. Our operating profits have increased 107% to \$38 million as more of the operational efficiencies from our Business Process Review come on stream. Our profit after tax attributable to shareholders was \$20.9 million. The earnings per stock unit also increased to 34 cents from 15 cents for the same period in 2001.

For this quarter, our financial statements are being presented under the new accounting standards and now include a statement of changes in shareholders equity which shows our continued progress in building back the capital in the Group. Our statement of cash flows is also now required and indicates that we remain cash flow positive for the first quarter.

We look forward to the remainder of 2002 with anticipation as we endeavour to expand operations in both of our subsidiaries through new projects to be embarked on by mid year, which should enhance sustainable revenue streams for the Group.

DYOLL GROUP LIMITED

Group Statement of Cash Flows

Three month period ended March 31, 2002

CASH FLOWS FROM OPERATING ACTIVITIES	2002	2001
Net profit for the period attributable to the group	20,993,866	9,149,154
Adjustments to reconcile net profit for the period to net cash provided by operating activities:		
Depreciation	2,846,899	2,975,612
(Decrease)/increase in insurance funds (net)	(42,592,817)	1,067,322
Advances from associated company	1,922,478	1,922,479
Share of profits of associated companies	659,770	(2,459,280)
Minority interests	(1,585,137)	(1,674,288)
	(17,754,941)	10,980,999
(Increase)/decrease in current assets		
Accounts receivable and prepaid expenses	(13,924,686)	55,697,468
Taxation recoverable	(2,946,941)	(20,930,230)
Inventories	(60,898)	12,901,754
Increase/(decrease) in current liabilities		
Accounts payable and accrued charges	(14,805,992)	(37,528,670)
Taxation payable	(24,258,068)	14,413,952
Net cash (used)/provided by operating activities	(73,751,526)	35,535,273
CASH FLOWS FROM INVESTING ACTIVITIES		
Short-term investments	73,010,625	25,943,404
Investments, net	(7,910,994)	(30,547,862)
Additions to fixed assets	(2,918,918)	(1,335,714)
Long Tenn Receivables	(219,997)	(530,000)
Deferred expenses	335,531	335,530
Net cash provided/(used) by investing activities	62,296,247	(6,134,642)
CASH FLOWS FROM FINANCING ACTIVITIES		
Shareholder's advance	2,561,681	(13,672,597)
Loans paid, net	(261,818)	(785,454)
Net cash provided/(used) by financing activities	2,299,863	(14,458,051)
(Decrease)/increase in cash and short-term deposits	(9,155,416)	14,942,580
Cash and short-term deposits at beginning of the year	212,813,685	167,610,863 .
Cash and short-term deposits at end of the year	203,658,269	182,553,443
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DYOLL GROUP LIMITED

March 31, 2002

Shareholders' equity

	Share Capital	Share Premium	Capital Reserve	Capital Redemption Reserve	General Reserve	Accumulated Deficit	Total
Balance at December 31, 2001	30,460,857	79,942,744	215,167,872	53,771,381	-	(109,659,397)	269,683,457
Net profit for the period	-	-	-	-	-	20,993,866	20,993,866
Balance at March 31, 2002	\$30,460,857	79,942,744	215,167,872	53,771,381	-	(88,665,531)	290,677,323

DYOLL GROUP LIMITED

March 31, 2001

Shareholders' equity

	Share Capital	Share Premium	Capital Reserve	Capital Redemption Reserve	General Reserve	Accumulated Deficit	Total
Balance at December 31, 2000	30,460,857	79,942,744	231,787,405	24,241,987	6,907,469	(247,574,473)	125,765,989
Net profit for the period	-	-	-	-	-	9,149,154	9,149,154
Balance at March 31, 2001	\$30,460,857	79,942,744	231,787,405	24,241,987	6,907,469	(238,425,319)	134,915,143

Dyoll Group Limited

Unaudited Group Balance Sheet

Three Months ended March 31, 2002

	March 31, 2002	December 31, 2001
CURRENT ASSETS		
Cash and bank balances	8,314,505	15,790,103
Short-term deposits	195,343,764	197,023,582
Short-term investments	392,376,802	465,387,427
Accounts receivable and prepaid expenses	265,874,575	251,949,889
Inventories	7,775,452	7,714,554
Taxation recoverable	4,173,748	1,226,807
	<u>873,858,846</u>	<u>939,092,362</u>
CURRENT LIABILITIES		
Accounts payable and accrued charges	117,109,059	131,915,051
Current maturities of long-term loans	501,818	683,636
Taxation payable	12,311,014	36,569,082
	<u>129,921,891</u>	<u>169,167,769</u>
NET CURRENT ASSETS	743,936,955	769,924,593
INVESTMENTS	147,861,946	139,950,952
INVESTMENT IN ASSOCIATED COMPANIES	5,334,841	5,994,611
ADVANCES DUE FROM ASSOCIATED	5,767,434	7,689,912
LONG-TERM RECEIVABLE	47,493,792	47,273,795
FIXED ASSETS	24,284,918	24,212,899
DEFERRED EXPENSES	39,928,206	40,263,737
GOODWILL ON CONSOLIDATION	1,844,634	1,844,634
	<u>1,016,452,726</u>	<u>1,037,155,133</u>
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Financed by:		
SHAREHOLDERS' EQUITY	290,677,323	269,683,457
LONG-TERM LOANS	320,000	400,000
SHAREHOLDER'S ADVANCE	16,726,114	14,164,433
MINORITY INTERESTS	21,692,765	23,277,902
INVESTMENT INSTRUMENT	52,171,384	52,171,384
INSURANCEFUNDS	634,865,140	677,457,957
	<u>1,016,452,726</u>	<u>1,037,155,133</u>
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DYOLL GROUP LIMITED

Unaudited Consolidated

Profit and Loss Account

Period ended March 31, 2002

	3 months to <u>March 31, 02</u> J\$	3 months to <u>March 31, 01</u> J\$	12 months to <u>December 31, 01</u>
Gross operating revenue	164,737,824	154,814,733	832,496,443
Operating expenses	<u>(152,309,163)</u>	<u>(166,387,771)</u>	<u>(815,731,449)</u>
Gross operating profit	12,428,661	(11,573,038)	16,764,994
Other income/(expenses):			
interest and dividends, net	31,076,497	28,406,163	108,922,622
(Loss)/gain on exchange	(5,311,044)	1,240,051	1,323,075
Other income	<u>44,748</u>	<u>317,952</u>	<u>4,889,293</u>
Operating profit	38,238,862	18,391,128	131,899,984
Share of profits of associated companies	(659,770)	2,459,280	11,245,530
Finance costs	<u>(1,633,707)</u>	<u>(4,218,765)</u>	<u>(14,276,346)</u>
Profit before exceptional items	35,945,385	16,631,643	128,869,168
Exceptional items, net	<u>(3,744,329)</u>	<u>(5,379,139)</u>	<u>(44,963,773)</u>
Profit before taxation	32,201,056	11,252,504	83,905,395
Taxation	<u>(12,792,327)</u>	<u>(3,777,608)</u>	<u>(39,586,777)</u>
Profit after taxation	19,408,729	7,474,896	44,318,618
Minority interest, net	<u>1,585,137</u>	<u>1,674,288</u>	<u>4,232,746</u>
Profit attributable to group before extraordinary item	20,993,866	9,149,184	48,551,364
Exrraordinary item, less taxation	<u>-</u>	<u>-</u>	<u>94,667,351</u>
Profit attributable to the group	<u>20,993,866</u>	<u>9,149,184</u>	<u>143,218,715</u>
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Earnings per stock unit	cents	cents	cents
Before extraordinary item	34	15	80
After extraordinary item	34	15	235