

**PAN JAMAICAN INVESTMENT TRUST LIMITED and
its subsidiaries**

**Auudited Financial Results for the year
ended December 31, 2003**

The financial statements for the year ended 31 December 2003, have been prepared using International Financial Reporting Standards (IFRS). The financial statements for the prior year ended 31 December 2002 have also been restated for comparative purposes, based on the new standards.

The audited results for the year ended 31 December 2003 show Net Profits after tax of \$652.2 million (2002: \$355.0 million, an increase of 84%). These were produced on Revenues of \$6,543 million (2002:\$5,150 million) and result from strong performance in each of the divisions of First Life Insurance Co. Ltd. - Insurance, Banking and Investment Property, and also the improved results from our Trading Company- Hardware & Lumber Ltd. All contributed meaningfully to these excellent results.

During the year, the merger of Hardware & Lumber with Rapid Sheffield was completed and the early results are very promising. The agreement to merge Pan Caribbean Financial Services Ltd, with Manufactures Sigma Merchant Bank Ltd. was signed on 31 December 2003 and is expected to be completed during the first quarter of 2004. The subsequent announcement of the proposed amalgamation of First Life's Insurance and Banking Interests with Life of Jamaica Ltd., is subject to due diligence and is expected to be completed, these significant changes in the structure of our Group will produce substantial efficiencies and help to ensure sustainable

growth and profitability into the future.

Base on these results, the outlook for 2004 and in keeping with our dividend policy of quarterly dividends, based on 20% of maintainable cash profits, the Directors recommend a quarterly interim dividend of \$ 0.15 per share along with a special dividend of \$0.07 per share, both to be paid on June 11, 2004 to sharholders on record as at May 29, 2004.

Maurice W. Facey, O.J., J.P
Chairman

Stephen B. Facey
President & CEO

Consolidatad Profit and Loss Account

	December 2003	Restated December 2002
Income	6,542,976	5,160,283
Interest expense	(2,436,809)	(1,440,093)
Other operating expenses	<u>(3,209,706)</u>	<u>(3,118,481)</u>
	896,461	601,709
Shares of results before tax in associates	5,536	6,685
Gain on disposal or subsidiary	<u>63,334</u>	<u>-</u>

Profit before taxation	965,331	608,394
Taxation	<u>(38,932)</u>	<u>(48,227)</u>
Profit after taxation	926,399	560,167
Minority Interest	<u>(274,220)</u>	<u>(205,145)</u>
	652,179	355,022
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Average issued number of 10 cents stock units	172,120	171,494
Basic	\$3.79	\$2.07
Fully diluted	\$3.77	\$2.05

Consolidated Balance Sheet

	December 2003	Restated December 2002
Net ASSET EMPLOYED		
Property, plant and equipment	250,632	358,120
Investment properties	1,570,665	1,378,506
Intangible assets	204,370	214,806
Investments	19,372,961	15,078,285
Investments in associated company	185,272	56,489
Other assets	2,181,454	2,048,224
Cash and bank balance	225,040	234,012
Cash reserve at Bank of Jamaica	16,941	11,055
Retirement benefit assets	119,545	118,415
Deferred tax assets	<u>55,545</u>	<u>85,000</u>

	24,182,525	19,582,912
	=====	=====
FINANCED BY:		
Stockholders' Funds		
Share Capital	17,216	17,216
Capital and other reserves	869,606	787,755
Retained earnings	2,103,036	1,494,583
Proposed dividends	-	37,005
	<u>2,989,858</u>	<u>2,336,559</u>
Policyholders' funds	1,878,409	1,899,137
Other liabilities	4,029,494	3,657,726
Securities sold under agreements to repurchase	13,718,164	10,318,331
Minority Interest	1,253,292	1,063,250
Long term liabilities	163,191	160,890
Retirement benefit obligations	68,975	66,634
Deferred tax liabilities	<u>80,842</u>	<u>80,385</u>
	<u>24,182,525</u>	<u>19,582,912</u>
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Consolidated Statements of Changes in Shareholders Equity

	Share Capital \$'000	Share Premium \$'000	Capital Redemption Reserve \$'000	Insurance and Banking \$'000	Investment and Other Reserves \$'000	Proposed Dividends \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2002 - as restated	17,153	164,202	2,200	122,782	436,375	27,449	1,309,296	2,079,457
Net profit - as restated							355,022	355,022
Share issued	63	1,186						1,249
Unrealised loss on investment not accounted for in profit & loss					(47,483)			(47,483)
Transfer to statutory banking reserve				75,395			(75,395)	
Transfer from special insurance reserve				(576)			576	
Adjustment between regulatory loan provisioning and IFRS					25,350		(25,350)	
Investment reserve transfer					(3,160)		3,610	
Capitalisation of retained earnings					437		(437)	
Other					11,047			11,047
Dividend proposed						37,005	(37,005)	
Dividend paid						(27,449)	(35,284)	(62,733)
Balance at 1 January 2002	17,216	165,388	2,200	197,601	422,566	37,005	1,494,583	2,336,559
Net profit							652,178	652,178
Unrealised loss on investment not accounted for in profit & loss					79,622			79,822
Transfer to statutory banking reserve				11,357			(11,357)	
Transfer from special insurance reserve				(24,274)			24,274	
Adjustment between regulatory loan provisioning and IFRS					6,862		(6,862)	
Investment reserve transfer					(5,297)		5,297	

Translation loss					(995)		(995)
Other					14,377		14,377
Dividend paid					(37,005)	(55,078)	(92,083)
Balance at 31 December 2003	17,216	165,388	2,200	184,684	517,335	- 2,103,035	2,988,858
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Financial Information by Business Segment

	Insurance	Banking	Investment Property	Trading	Elimination	Totals
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE						
External income	1,717,523	2,943,989	488,868	1,392,687	-	6,542,976
Inter-segment income	8,461	-	111,259	14,810	(134,530)	-
Total revenue	<u>1,725,984</u>	<u>2,943,898</u>	<u>600,127</u>	<u>1,407,497</u>	<u>(134,530)</u>	<u>6,542,976</u>
RESULT						
Segment result	298,212	2,787,076	281,985	78,220	(112,223)	3,333,270
	-	(2,427,925)	(18,701)	(11,511)	21,328	(2,436,809)
	<u>298,212</u>	<u>359,151</u>	<u>263,284</u>	<u>66,709</u>	<u>(90,895)</u>	<u>896,461</u>
Share of results of associated companies						5,536
Gain on disposal of subsidiary						<u>63,334</u>
Profit before taxation						965,331
Taxation						<u>(38,932)</u>
Profit after taxation						926,399
Minority interest						<u>(274,220)</u>
Net profit						<u>652,179</u>
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Year Ended 31 December 2002						

REVENUE

External Income	1,409,302	1,848,894	276,701	1,625,386		5,160,283
Inter-segment income	8,342	2,290	115,566	17,740	(143,938)	-
Total revenue	<u>1,417,644</u>	<u>1,851,184</u>	<u>392,267</u>	<u>1,643,126</u>	<u>(143,938)</u>	<u>5,160,283</u>

RESULT

Segment result	230,153	1,710,342	120,110	79,526	(98,329)	2,041,802
Interest expense	-	(1,420,784)	(19,731)	18,875	19,257	(1,440,093)
	<u>230,153</u>	<u>289,558</u>	<u>100,379</u>	<u>60,651</u>	<u>(79,032)</u>	<u>601,709</u>

Share of results of

associated companies

Profit before taxation

Minority interest

Profit after taxation

Minority interest

Net profit

<u>6,685</u>
608,394
<u>(48,227)</u>
560,167
<u>(205,145)</u>
355,022
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