

Courts Jamaica Limited.

AUDITED RESULTS - TWELVE MONTHS ENDED 31 MARCH 2003

The audited results for the year ended 31 March 2003 with corresponding figures for 2002 are as follows:

PROFIT AND LOSS ACCOUNT

	2003 \$000's	2002 \$000's
Turnover	5,545,689 =====	3,957,152 =====
Operating Profit	1,674,024	628,375
Finance income/(costs), net	71,062	(43,431)
Profit before Deferred Profit & Taxation	1,745,086	584,944
Transfer (to)/from Deferred Profit	(574,462)	518,391

Profit before Taxation	1,170,624	1,103,335
Taxation	(343,888)	(332,859)
NET PROFIT	826,736	770,476
	=====	=====
	Cents	Cents
EARNINGS PER STOCK UNIT	52.00	48.00*
	=====	=====

* Restated to reflect Bonus Issue
in September 2002.

BALANCE SHEET

	2003	2002
	\$'000	\$'000
NET ASSETS EMPLOYED		
Fixed Assets	1,163,513	1,050,284
Goodwill	11,250	12,000
Investment	19	39
Long Term Hire Purchase Receivables	1,100,981	522,376
Current Assets		
Receivables	1,135,095	1,047,425
inventories	647,991	703,378

Cash & Short Term Deposits	45,739	544,567
	1,828,825	2,295,370
Current Liabilities		
Overdraft	(293,258)	-
Payables	(370,837)	(299,490)
Taxation	(288,625)	(345,284)
	(952,720)	(644,774)
Net Current Assets	876,105	1,650,596
Net Assets	3,151,868	3,235,295
	=====	=====
FINANCED BY		
Share Capital	799,041	599,281
Capital Reserve	596,753	617,903
Retained Earnings	1,756,074	2,018,111
Capital Employed	3,151,868	3,235,295
	=====	=====

STATEMENT OF CHANGES IN EQUITY

	Share Capital		Retained Earnings	Total
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Balance at 1 April 2001	479,425	617,903	1,395,658	2,492,986
Net profit	-	-	770,476	770,476
Issue of bonus shares	119,856	-	(119,856)	-

Dividends			(28,167)	(28,167)
Balance at 31 March 2002	599,281	617,903	2,018,111	3,235,295
Net profit	-	-	826,736	826,736
Issue of bonus shares	199,760	-	(199,760)	-
Revaluation of land and buildings		(21,150)		(21,150)
Dividends			(889,013)	(889,013)
Balance at 31 March 2003	799,041	596,753	1,756,074	3,151,868

STATEMENT OF CASH FLOWS

	2003 \$'000	2002 \$'000
CASH RESOURCES		
WERE PROVIDED BY/(USED IN) :		
Operating Activities		
Net profit	826,736	770,476
Items not affecting cash resources:		
Amortisation of goodwill	750	750
Gain on disposal of fixed assets	(2,853)	(2,185)
Depreciation	<u>45,369</u>	<u>40,440</u>
	870,002	809,481
Changes in non-cash working capital	772	417,466
Cash provided by operating activities	870,774	1,226,947
Cash (used by)/provided by investing activities	(755,500)	148,616

Cash used by financing activity	(907,360)	(24,211)
(Decrease)/ increase in cash and cash equivalents	(792,086)	1,351,352
Net cash and cash equivalents at beginning of year	544,567	(806,785)
Net cash and cash equivalents at end of year	(247,519)	544,567

Notes

Trading

The results for the year showed turnover increasing to \$5.5B(2002 - \$3.9B), representing an increase of \$1.6B or 41 % over prior year due to increased merchandise and credit sales.

The higher turnover and tighter control of operational expenses resulted in a 166% improvement in operating profits. However, \$574M was transferred to the deferred profit reserve compared to \$518M being transferred from the reserve last year.

The rise in HP Receivables reflects the increase in credit sales and is shown net of the deferred profit reserve. The deferred profit reserve, which will flow into future years' profit now stands at \$1,870,791,000; (2002 - \$1,296,329,000).

Future Prospects

Turnover for the first few weeks of the new financial year is ahead of the similar period in prior year.

However, the full year's success will be dependent on the performance of the economy with respect to the relative stability of the exchange rates and the lowering of interest rates.

Courts remains committed to being the market leader, providing excellent customer service, quality merchandise and innovative products.

Dividends

At an Extraordinary General Meeting, which was held on 13 May 2003, the shareholders approved a bonus issue of one 50 cents ordinary share for every two previously held by each shareholder from the capitalisation of \$399,520,440 from current year's profits.

The directors intend to recommend at the Annual General Meeting a final dividend of 0.42 cents per share including the bonus issue, which represents a significant increase in the full year's dividend over last year.

Yours faithfully
COURTS (JAMAICA) LIMITED

R. HAYDEN SINGH
Managing Director
