

Directors' Statement – Unaudited Six-Month Financial Results for September 30, 2006

The Directors are pleased to announce the Group's six-month financial results for the period ended September 30, 2006. The Group produced a net profit of J\$480.4 million, resulting in an earnings per share of J\$0.33. The asset base of J\$86.22 billion reflects an increase of J\$14.18 billion or 19.7% over last year.

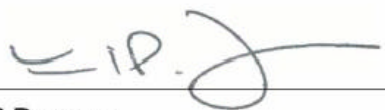
The Jamaican operating company, JMMB, performed well achieving a 4.7% growth in profitability year on year despite narrowing spreads in what is a highly competitive market environment. The performance was bolstered by growth in assets, gains on securities traded, increased fee income from corporate finance transactions and demonstrates the impact realized from the management of spreads and administrative expenses.

At the Group level, however, the results were negatively impacted by subsidiaries and associated companies contributions. JMMB Securities Limited experienced a loss primarily from depressed prices in its equity portfolio but steps have been taken to minimize any further losses. JMMB Insurance Brokers Limited also realized a small loss but with the recent regulatory approval for the company to provide general insurance solutions, we anticipate improved results over the next year. In this quarter, one-time expenses totaling J\$17.9 million related to international expansion activities also impacted the Group's results.

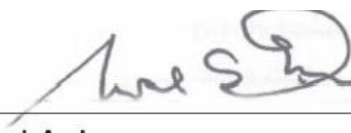
Associated companies were negatively impacted by increasing interest rates and a downturn in the equities market in Trinidad and Tobago. The share of profits from these entities decreased by 83.9% to J\$53.9 million for the current six-month period.

Whilst we expected that this would be a challenging year in light of market conditions, we are mindful that there was a downturn in the results over last year. However, our strategy to expand internationally as well as to offer new products, such as the Managed Global Bond Portfolio and the Trinidad Select Index Fund should generate additional income in the short to medium term. These products promise to deliver higher rates of return and provide portfolio diversification for our clients. In addition, cost savings will be realized from improved operational efficiencies as a result of the recent introduction of the electronic transaction machines at two locations, with a further two machines slated for installation before the financial year-end. We will also continue to increase our presence in the Dominican Republic.

The Directors would like to extend thanks to our clients and team members who continue to support and contribute to the results of JMMB.



Keith P. Duncan
Group Chief Executive Officer



Noel A. Lyon
Chairman

JAMAICA MONEY MARKET BROKERS LIMITED

GROUP BALANCE SHEET

	Unaudited as at 30-Sep-06	Unaudited as at 30-Sep-05	Audited as at 31-Mar-06
	J\$'000		
ASSETS			
Cash and cash equivalents	649,050	1,594,185	876,674
Interest and other receivables	4,798,741	3,748,779	5,120,282
Resale agreements and investments	78,423,910	64,148,219 *	72,662,569
Membership share	15,000	15,000	15,000
Interest in associated companies	1,599,186	2,085,164	2,546,948
Deferred tax	12,506	-	24,383
Computer software	107,090	58,728	108,274
Property, plant and equipment	615,145	394,542	576,879
	86,220,629	72,044,617	81,931,009
EQUITY AND LIABILITIES			
Equity			
Share capital	365,847	365,847	365,847
Share premium	13,775	13,775	13,775
Investment revaluation reserve	(394,804)	662,134 *	896,856
Cumulative translation reserve	304,380	241,406	279,437
Retained profits	5,993,478	5,050,147	5,688,693
	6,282,676	6,333,309	7,244,608
Minority interest	1,887	4,103	4,680
Total Equity	6,284,564	6,337,412	7,249,288
Liabilities			
Interest payable and other liabilities	1,339,142	1,415,895	1,447,106
Repurchase agreements	76,029,188	61,890,563	70,761,258
Loan payable	317,698	379,767	214,997
Notes Payable	1,979,100	1,882,500	1,961,400
Deferred tax liability	270,937	138,480 *	296,960
	79,936,065	65,707,205	74,681,721
	86,220,629	72,044,617	81,931,009

*Restated to conform with 2006 presentation (see note 2e)

JAMAICA MONEY MARKET BROKERS LIMITED

GROUP INCOME STATEMENT

	3 months ended 30-Sep-06	3 months ended 30-Sep-05	6 months ended 30-Sep-06	6 months ended 30-Sep-05	year ended 31-Mar-06
	J\$'000	J\$'000	J\$'000	J\$'000	J\$'000
Net interest income and other operating revenue					
Interest income	2,204,323	2,085,184	4,226,209	4,003,699	8,188,358
Interest expense	(1,811,996)	(1,597,245)	(3,477,187)	(2,953,432)	(6,218,120)
Net interest income	392,326	496,153	749,021	1,050,267	1,970,238
Gains on securities trading, net	173,759	133,931	448,882	221,094	703,015
Fees and commissions	37,263	33,737	66,303	52,630	95,658
Foreign exchange margins from cambio trading	13,424	27,177	30,186	35,112	76,220
Operating revenue net of interest expense	616,773	690,998	1,294,393	1,359,103	2,845,131
Other Income /(expenses)					
Share of (loss) / profits of associated companies	(10,406)	182,799	53,968	335,380	573,830
Other	936	(2,526)	3,131	(252)	8,896
	607,303	871,271	1,351,492	1,694,231	3,427,857
Administrative expenses	(429,046)	(371,364)	(811,603)	(706,508)	(1,496,190)
Profit before income tax	178,256	499,907	539,888	987,723	1,931,667
Income Tax	(24,038)	(56,394)	(62,265)	(100,708)	(264,139)
Profit for the period	154,218	443,513	477,623	887,015	1,667,528
Attributable to:					
Equity holders of the parent	155,944	442,427	480,392	885,464	1,670,349
Minority interest	(1,726)	1,086	(2,769)	1,551	(2,821)
Profit for the period	154,218	443,513	477,623	887,015	1,667,528
Earnings per stock unit	\$0.11	\$0.30	\$0.33	\$0.61	\$1.14

JAMAICA MONEY MARKET BROKERS LIMITED

STATEMENT OF GROUP CASH FLOWS

	Unaudited 6 months ended 30-Sep-06 J\$'000	Unaudited 6 months ended 30-Sep-05 J\$'000
Profit for the period	477,623	887,015
Items not involving cash	132,478	(141,345)
	<u>610,101</u>	<u>745,670</u>
Cash flows from operating assets and liabilities	36,192	418,989
Net cash generated from operating activities	646,293	1,164,659
Net cash used in investing activities	(5,966,240)	(7,189,535)
Net cash generated from financing activities	5,092,324	7,004,888
Net (decrease)/increase in cash and cash equivalents	(227,624)	980,012
Cash and cash equivalents at beginning of the period	<u>876,674</u>	<u>614,173</u>
Cash and cash equivalents at end of period	<u>649,050</u>	<u>1,594,185</u>

JAMAICA MONEY MARKET BROKERS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

	Share Capital J\$'000	Share Premium J\$'000	Investment revaluation reserve J\$'000	Cumulative translation reserve J\$'000	Retained profits J\$'000	Total attributable to equity holders of the parent J\$'000	Minority interest J\$'000	Total J\$'000
Restated balances at March 31, 2005 (audited)	365,847	13,775	917,890	192,427	4,311,022	5,800,961	7,501	5,808,462
Unrealised losses on available-for-sale portfolio, net of taxes	-	-	(259,084)	-	-	(259,084)	-	(259,084)
Profit for the period ended September 30, 2005	-	-	-	-	885,464	885,464	(3,398)	882,066
Foreign exchange translation differences	-	-	-	48,979	-	48,979	-	48,979
Dividends paid	-	-	-	-	(146,339)	(146,339)	-	(146,339)
Balances at September 30, 2005 (unaudited)	365,847	13,775	658,806	241,406	5,050,147	6,329,981	4,103	6,334,084
Prior year adjustment (note 2e)	-	-	3,328	-	-	3,328	-	3,328
	365,847	13,775	662,134	241,406	5,050,147	6,333,309	4,103	6,337,412
Balances at March 31, 2006 (audited)	365,847	13,775	896,856	279,437	5,688,693	7,244,608	4,680	7,249,288
Unrealised losses on available-for-sale portfolio, net of taxes	-	-	(1,291,660)	-	-	(1,291,660)	-	(1,291,660)
Profit for the period ended September 30, 2006	-	-	-	-	480,392	480,392	(2,793)	477,600
Foreign exchange translation differences	-	-	-	24,943	-	24,943	-	24,943
Dividends paid	-	-	-	-	(175,607)	(175,607)	-	(175,607)
Balances at September 30, 2006 (unaudited)	365,847	13,775	(394,804)	304,380	5,993,478	6,282,676	1,887	6,284,564
Profits retained in the financial statements of :								
	<u>2006</u>		<u>2005</u>					
	J\$'000		J\$'000					
	6,016,449		4,990,292					
	(22,971)		59,855					
	<u>5,993,478</u>		<u>5,050,147</u>					

JAMAICA MONEY MARKET BROKERS LIMITED

NOTES TO QUARTERLY FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and their interpretations issued by the International Accounting Standards Board ("IASB"), and the relevant provisions of the Companies Act.

The financial statements are presented on the historical cost basis except for investments classified as fair value through profit or loss and available-for-sale, which are carried at fair value.

Accounting policies applied in these financial statements are consistent with those used in the audited financial statements for the year ended March 31, 2006.

These financial statements are presented in Jamaica dollars.

2. Significant accounting policies

(a) Investments

Investments are classified as trading, loans and receivables, held-to-maturity or available-for-sale.

Investments classified as fair value through profit or loss, including those held for trading, are carried at fair value, with changes in fair value being recognised in the group income statement. Securities acquired by the group by making funds available to debtors are classified as loans and receivables, provided they are not traded in an active market, and are measured at amortised cost less impairment losses. Where the group has the positive intent and ability to hold investments to maturity, they are classified as held-to-maturity investments and measured at amortised cost less impairment losses. Other investments are classified as available-for-sale and are stated at fair value with gains or losses arising from changes in fair value being included in investment revaluation reserve.

The fair value of investments is based on their quoted market bid price, if available, at the balance sheet date without any deduction for transaction costs. Where a quoted market price is not available, fair value is estimated using a generally accepted alternative method such as discounted cash flow.

Investments are recognised or derecognised by the company on the date of settlement.

(b) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

JAMAICA MONEY MARKET BROKERS LIMITED

NOTES TO QUARTERLY FINANCIAL STATEMENTS

(i) Current income tax:

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to income tax payable in respect of previous years

(ii) Deferred income tax:

Deferred income tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand and call deposits with banks and very short-term balances with other broker/dealers.

(d) Earnings per stock unit

Earnings per stock unit ("EPS") is computed by dividing profit attributable to the equity holders of the parent of J\$480,392,000 (2005: J\$885,464,000) by the number of stock units in issue during the period, numbering 1,463,386,752.

(e) Prior year adjustment

As a result of a change in accounting policy, following adoption of amendments to IAS 39, Financial Instruments: Recognition and Measurement, investments previously classified as loans and receivables and measured at amortised cost, have been reclassified. The investments are now classified as available-for-sale and carried at fair value. This has been treated as a prior year adjustment, and the comparative figures restated accordingly.

(f) Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing products (business segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. At this time there are no material segments into which the Group's business may be broken down.

(g) Seasonality of Revenue

Gains on securities trading are dependent on market conditions and may result in fluctuations in reported results from period to period.