

# JAMAICA MONEY MARKET BROKERS LTD.

Unaudited Nine-Month Financial Results period ended December 31, 2006

## Directors' Statement

The Directors are pleased to announce the Group financial results for the quarter and nine months ended December 31, 2006. For the quarter, the group produced net profit of J\$286.8 million, an improvement of 86% versus the previous quarter ended September 30, 2006.

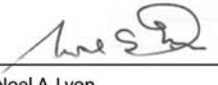
Year-to-date results, however, lag those of the same period last year. For the nine months, the Group produced a net profit of J\$766.7 million as compared to the J\$1,321.3 million earned in the same period last year. The gap is due mainly to the decline in share of profits from Associated Companies.

Looking forward, we continue to execute on our strategy that included the launch of several exciting new products, such as the Managed Global Bond Portfolio (MGBP), the TTSIF (Trinidad & Tobago Select Index Fund), Corporate Finance and General Insurance Services. We expect these initiatives to strengthen the recovery experienced in the current quarter.

Total client funds under management now stands at J\$84.7 billion compared to J\$75.8 billion at December 31, 2005.

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

  
Keith P. Duncan  
Group Chief Executive Officer

  
Noel A. Lyon  
Chairman

## Group Income Statement

	Unaudited 3 months ended 31-Dec-06 J\$'000	Unaudited 3 months ended 31-Dec-05 J\$'000	Unaudited 9 months ended 31-Dec-06 J\$'000	Unaudited 9 months ended 31-Dec-05 J\$'000
<b>Net interest income and other operating revenue</b>				
Interest income	2,173,986	2,063,975	6,400,194	6,075,887
Interest expense	(1,823,737)	(1,640,140)	(5,300,923)	(4,601,786)
<b>Net interest income</b>	<b>350,249</b>	<b>423,835</b>	<b>1,099,271</b>	<b>1,474,101</b>
Gains on securities trading, net	220,690	269,050	669,573	490,144
Fees and commissions	44,698	20,858	111,003	73,488
Foreign exchange margins from cambio trading	13,890	22,274	44,076	57,386
Operating revenue net of interest expense	629,527	736,017	1,923,923	2,095,119
<b>Other income(expense)</b>	<b>(898)</b>	<b>4,021</b>	<b>2,231</b>	<b>3,770</b>
	628,629	740,038	1,926,154	2,098,889
<b>Administrative expenses</b>	<b>(407,470)</b>	<b>(396,981)</b>	<b>(1,196,207)</b>	<b>(1,103,489)</b>
	221,159	343,057	729,947	995,400
Share of profits of associated companies	98,370	199,834	129,470	535,714
<b>Profit before income tax</b>	<b>319,529</b>	<b>542,891</b>	<b>859,417</b>	<b>1,531,114</b>
<b>Income Tax</b>	<b>(32,713)</b>	<b>(108,865)</b>	<b>(94,978)</b>	<b>(209,805)</b>
<b>Profit for the period</b>	<b>286,816</b>	<b>434,026</b>	<b>764,439</b>	<b>1,321,309</b>
<b>Attributable to:</b>				
Equity holders of the parent	286,356	436,198	766,741	1,321,930
Minority interest	460	(2,172)	(2,302)	(621)
<b>Profit for the period</b>	<b>286,816</b>	<b>434,026</b>	<b>764,439</b>	<b>1,321,309</b>
<b>Earnings per stock unit</b>	<b>\$0.20</b>	<b>\$0.30</b>	<b>\$0.52</b>	<b>\$0.90</b>

## Group Balance Sheet

	Unaudited As at 31-Dec-06 J\$'000	Unaudited As at 31-Dec-05 J\$'000
<b>ASSETS</b>		
Cash and cash equivalents	1,443,740	799,180
Interest and other receivables	5,027,458	4,428,250
Resale agreements and investments	75,690,689	68,895,019 *
Membership share	15,000	15,000
Interest in associated companies	1,506,960	2,292,995
Deferred tax	6,456	-
Computer software	101,157	70,746
Property, plant and equipment	647,354	445,340
	<b>84,438,814</b>	<b>76,946,530</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	365,847	365,847
Share premium	13,775	13,775
Investment revaluation reserve	10,883	914,853 *
Cumulative translation reserve	364,055	390,777
Retained profits	6,147,210	5,341,474
	6,901,770	7,026,726
Minority interest	2,347	4,338
Total equity	6,904,117	7,031,064
<b>Liabilities</b>		
Interest payable and other liabilities	1,560,437	1,567,863
Repurchase agreements	73,391,226	65,765,648
Notes Payable	2,010,900	1,931,400
Loan Payable	305,107	246,810
Deferred tax liability	267,026	403,745 *
	<b>77,534,697</b>	<b>69,915,466</b>
	<b>84,438,814</b>	<b>76,946,530</b>

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

## Statement of Group Cash Flows

	Unaudited 9 months ended 31-Dec-06 J\$'000	Unaudited 9 months ended 31-Dec-05 J\$'000
<b>Cash flows from operating activities</b>		
Profit for the period	764,439	1,321,309
Items not involving cash	34,485	(192,034)
	798,924	1,129,275
Cash flows from operating assets and liabilities	(110,937)	231,800
<b>Net cash generated from operating activities</b>	<b>687,987</b>	<b>1,361,075</b>
<b>Net cash used in investing activities</b>	<b>(2,575,283)</b>	<b>(11,857,331)</b>
<b>Net cash generated from financing activities</b>	<b>2,454,362</b>	<b>10,681,263</b>
<b>Net increase in cash and cash equivalents</b>	<b>567,066</b>	<b>185,007</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>876,674</b>	<b>614,173</b>
<b>Cash and cash equivalents at end of period</b>	<b>1,443,740</b>	<b>799,180</b>

# JAMAICA MONEY MARKET BROKERS LTD.

Unaudited Nine-Month Financial Results period ended December 31, 2006

## 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
<b>Restated balances at March 31, 2005 (audited)</b>	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	-	-	(3,037)	-	-	(3,037)	-	(3,037)
Profit for the period ended December 31, 2005	-	-	-	-	1,321,930	1,321,930	(3,163)	1,318,767
Foreign exchange translation differences	-	-	-	198,350	-	198,350	-	198,350
Dividends paid	-	-	-	-	(291,478)	(291,478)	-	(291,478)
<b>Restated balances at December 31, 2005 (unaudited)</b>	<b>365,847</b>	<b>13,775</b>	<b>914,853</b>	<b>390,777</b>	<b>5,341,474</b>	<b>7,026,726</b>	<b>4,338</b>	<b>7,031,064</b>
<b>Balances at December 31, 2005 (unaudited)</b>								
As previously reported	365,847	13,775	400,096	390,777	5,341,474	6,511,969	4,338	6,516,307
Prior year adjustment (note 2e)	-	-	514,757	-	-	-	-	514,757
<b>As restated (unaudited)</b>	<b>365,847</b>	<b>13,775</b>	<b>914,853</b>	<b>390,777</b>	<b>5,341,474</b>	<b>7,026,726</b>	<b>4,338</b>	<b>7,031,064</b>
<b>Balances at March 31, 2006 (audited)</b>	<b>365,847</b>	<b>13,775</b>	<b>896,856</b>	<b>279,437</b>	<b>5,688,693</b>	<b>7,244,608</b>	<b>4,680</b>	<b>7,249,288</b>
Unrealised losses on available -for-sale portfolio, net of taxes	-	-	(885,973)	-	-	(885,973)	-	(885,973)
Profit for the period ended December 31, 2006	-	-	-	-	766,741	766,741	(2,333)	764,408
Foreign exchange translation differences	-	-	-	84,618	-	84,618	-	84,618
Dividends paid	-	-	-	-	(308,224)	(308,224)	-	(308,224)
<b>Balances at December 31, 2006 (unaudited)</b>	<b>365,847</b>	<b>13,775</b>	<b>10,883</b>	<b>364,055</b>	<b>6,147,210</b>	<b>6,901,770</b>	<b>2,347</b>	<b>6,904,117</b>
<b>Profits retained in the financial statements of:</b>								
	2006	2005						
	J\$'000	J\$'000						
The company	6,168,181	5,281,619						
The subsidiaries	(20,971)	59,855						
	6,147,210	5,341,474						

## Notes to the 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 period 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.

#### (i) Current income tax:

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

#### (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 \$766,741,000 (2005: \$1,321,930,000) 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.