



MAYBERRY

INVESTMENTS LIMITED

Unaudited Financial Results

For the Six Months Ended 30 June 2007

CHAIRMAN'S STATEMENT

■ Profit before taxation increased by 150%

This quarter we posted an increase of 150% in our profit before taxation compared to the corresponding quarter ended 30 June 2006. Our profit before taxation was \$45 million compared to \$18 million for the corresponding quarter. Net profit for the quarter was \$35 million compared to \$23 million for 2006 an increase of 52%; earnings per share were \$0.08 compared to \$0.05 for the corresponding period, an increase of 67%.

■ Mayberry Ranked Number 1 Broker

During this period the Jamaica Stock Exchange ranked Mayberry the number 1 broker. Mayberry was ranked 1st for the largest number of trades, 1st for the largest volume of shares traded and 1st for the highest dollar value of trades executed over the 6 months period ended 30 June 2007. This has been the first in recent times that any broker in this market has attained number 1 in all three categories. Once again we extend our appreciation to our customers for their continued support and for placing us in this position.

■ Pension Fund Management and Administrative Services

We have completed all our internal processes, including the implementation of a brand new software system to handle all pension fund management and administrative services offered for groups and individuals. Mayberry believes that this will be very rewarding for our customers.

■ PERFORMANCE HIGHLIGHTS

Statement of Revenues and Expenses

Our net profit for the 6 months period was \$93 million compared to \$57 million for the corresponding period, an increase of 63%; earnings per share were \$0.08 compared to \$0.05 for the corresponding period, an increase of 67%.

This quarter we posted an increase of 150% in our profit before taxation compared to the corresponding quarter ended 30 June 2006. Our profit before

taxation was \$45 million compared to \$18 million for the corresponding quarter. Net profit for the quarter was \$35 million compared to \$23 million for 2006, an increase of 52%.

Net interest income increased by \$46 million or 86% over the corresponding period; dividend income also increased by \$12 million or 73% over the period. These increases were offset by unrealised marked to market losses on our investment revaluation.

Our operating expenses were reduced by 16% over the corresponding period which was driven by an improvement in our net foreign exchange gains.

■ Balance Sheet

Assets and Liabilities

There has been a \$3.1 billion increase in our asset base over the comparative period which was due to increased funding from our institutional clients.

■ Regulatory Capital Requirements

Our capital base remains strong. Our capital to risk weighted asset ratio stood at 61% whereas the Financial Services Commission (FSC) benchmark stipulates a minimum of 14%. Our capital to total assets ratio was 12% whereas the FSC benchmark is 6%.

I wish to thank our management and staff for the hard work that they have put in this quarter. I also wish to thank our customers for their continued support over the past 21 years.

Christopher Berry
Chairman

CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES

FOR THE SIX MONTHS ENDED 30 JUNE 2007

	UNAUDITED 3 Months Ended 30 June 2007 \$'000	UNAUDITED 3 Months Ended 30 June 2006 \$'000	UNAUDITED 6 Months Ended 30 June 2007 \$'000	UNAUDITED 6 Months Ended 30 June 2006 \$'000	AUDITED 12 Months Ended 31 December 2006 \$'000
Interest income	574,653	634,518	1,076,796	1,090,296	2,361,389
Interest expense	(474,293)	(580,590)	(892,292)	(898,935)	(1,998,847)
Net interest income	100,360	53,928	184,504	191,361	362,542
Fees and commissions	16,702	14,151	38,384	28,518	102,672
Dividend income	28,550	16,484	39,965	27,135	43,412
Gain on sale of investments	7,954	22,489	70,760	70,368	102,189
Unrealised gain/(loss) on investment revaluations	(21,248)	21,665	(38,684)	(48,195)	65,364
Other income	2,970	847	4,040	1,504	2,009
Net interest income and other operating revenue	135,288	129,564	298,969	270,691	678,188
Net foreign exchange gain/(loss)	12,113	(16,578)	18,272	(49,525)	(9,476)
Administrative expenses	(106,261)	(94,930)	(203,319)	(182,972)	(393,832)
	41,140	18,056	113,922	38,194	274,880
Share of results of associate	3,954	-	6,017	-	4,789
Profit before taxation	45,094	18,056	119,939	38,194	279,669
Taxation credit/(charge)	(10,399)	5,037	(26,851)	18,472	(18,466)
Net Profit	34,695	23,093	93,088	56,666	261,203
Number of Shares in Issue	1,201,149,291	1,201,149,291	1,201,149,291	1,201,149,291	1,201,149,291
Earnings Per Share	\$0.03	\$0.02	\$0.08	\$0.05	\$0.22



MAYBERRY INVESTMENTS LIMITED

Unaudited Financial Results

For the Six Months Ended 30 June 2007 (Cont'd)

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2007

	(UNAUDITED) JUNE 2007 \$'000	(UNAUDITED) JUNE 2006 \$'000	AUDITED DECEMBER 2006 \$'000
ASSETS			
Cash resources	559,880	143,669	98,755
Investment securities	6,798,545	4,209,503	6,842,336
Government securities purchased under resale agreements	10,530,791	11,321,415	10,289,693
Capital management funds	2,885,869	2,628,719	2,989,905
Promissory notes	644,757	329,028	296,438
Interest receivable	385,924	337,583	505,373
Loans and other receivables	684,361	431,432	639,546
Deferred taxation	40,978	93,369	4,500
Property, plant and equipment	144,864	146,073	141,512
Investment in Associate	49,166	-	43,149
TOTAL ASSETS	22,725,135	19,640,791	21,851,207
LIABILITIES AND STOCKHOLDERS' EQUITY			
LIABILITIES			
Bank overdraft	389,113	76	208,750
Capital management funds obligation	2,885,869	2,628,719	2,989,905
Securities sold under repurchase agreements	13,970,438	12,463,721	13,621,648
Interest payable	219,230	225,170	239,129
Loans	2,241,218	1,645,785	1,146,738
Accounts payable	442,393	239,876	891,714
	20,148,261	17,203,347	19,097,884
STOCKHOLDERS' EQUITY			
Share capital	1,582,381	1,582,381	1,582,381
Fair value reserve	(183,034)	(144,954)	(33,612)
Retained earnings	1,177,527	1,000,017	1,204,554
	2,576,874	2,437,444	2,753,323
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	22,725,135	19,640,791	21,851,207

Approved for issue by the Board of Directors on 26 July 2007 and signed on its behalf by:


Christopher Berry
Director


Erwin Angus
Director

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2007

	Unaudited 3 Months Ended 30 June 2007 \$'000	Unaudited 3 Months Ended 30 June 2006 \$'000	Unaudited 6 Months Ended 30 June 2007 \$'000	Unaudited 6 Months Ended 30 June 2006 \$'000	Audited Year Ended 31 December 2006 \$'000
Profit for the period	45,094	18,056	119,939	38,194	274,880
Adjustment to reconcile profit for the period to net cash used in operating activities	(85,475)	(450,208)	(149,638)	(595,796)	(487,208)
Cash provided by/(used in) operating activities	450,180	435,845	450,573	687,676	134,518
Net cash provided by/(used in) operating activities	409,799	3,693	420,874	130,074	(77,810)
Net cash used in investing activities	(128,287)	28	(140,112)	(1,554)	(45,217)
Increase/(decrease) in cash and cash equivalents	281,512	3,721	280,762	128,520	(123,027)
Effects of change in exchange rate on cash and cash equivalents	-	-	-	-	(2,041)
Cash and cash equivalents at beginning of period	(110,745)	139,872	(109,995)	15,073	15,073
Cash and cash equivalents at end of period	170,767	143,593	170,767	143,593	(109,995)

SIGNIFICANT ACCOUNTING POLICIES

SIX MONTHS ENDED 30 JUNE, 2007

(a) Basis of Preparation

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost convention as modified by the revaluation of available-for-sale securities and trading securities.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(b) Revenue Recognition

Interest income is recognized in the statement of revenues and expenses for all interest bearing instruments on the accrual basis using the effective yield method based on the actual purchase price. Interest income includes coupons earned on fixed investments and discount or premium on financial instruments.

(c) Taxation

Taxation on the profit or loss for the period comprises current and deferred tax. Current and deferred taxes are recognized as income tax expense or benefit in the income statement, except where they relate to items recorded in shareholders' equity, they are also charged or credited to shareholders' equity.

(i) Current Taxation

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

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2007

	Share Capital \$'000	Fair Value Reserve \$'000	Retained Profits \$'000	Total \$'000
Balance at 1 January 2006	1,582,381	53,732	943,351	2,579,464
Realized fair value gains transferred to consolidated statement of revenues and expenses	-	(19,791)	-	(19,791)
Unrealised losses on available for sale investments (net of taxes)	-	(178,895)	-	(178,895)
Net losses not recognized in consolidated statement of revenues and expenses	-	(198,686)	-	(198,686)
Net profit	-	-	56,666	56,666
Balance at 30 June 2006	1,582,381	(144,954)	1,000,017	2,437,444
Balance at 1 January 2007	1,582,381	(33,612)	1,204,554	2,753,323
Realized fair value gains transferred to consolidated statement of revenues and expenses	-	(7,843)	-	(7,843)
Unrealised losses on available for sale investments (net of taxes)	-	(141,579)	-	(141,579)
Net losses not recognized in consolidated statement of revenues and expenses	-	(149,422)	-	(149,422)
Dividend	-	-	(120,115)	(120,115)
Net profit	-	-	93,088	93,088
Balance at 30 June 2007	1,582,381	(183,034)	1,177,527	2,576,874



MAYBERRY INVESTMENTS LIMITED

Unaudited Financial Results

For the Six Months Ended 30 June 2007 (Cont'd)

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Taxation (Cont'd)

(ii) Deferred Income Taxes

Deferred tax liabilities are recognized for temporary differences between the carrying amounts of assets and liabilities in the financial statements and their amounts as measured for tax purposes, which result in taxable amounts in future periods. Deferred tax is provided on temporary differences, except where the timing of reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future. Deferred tax assets are recognized for temporary differences which will result in deductible amounts in future periods, but only to the extent where it is probable that sufficient taxable profits will be available against which these differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realized or the liability will be settled based on enacted rates.

Current and deferred tax assets and liabilities are offset when they arise from the same taxable entity and relate to the same Tax Authority and when the legal right of offset exists.

Deferred tax is charged or credited in the statement of revenues and expenses except where it relates to items charged or credited to equity, in which case deferred tax is also accounted for in equity.

(d) Earnings per Stock Unit

Earnings per stock unit is based on the net profit for the period divided by the weighted average number of stock units in issue during the period.

(e) Investments

The Company classifies its investment securities as fair value through profit and loss and available-for-sale securities. Management determines the appropriate classification of investments at the time of purchase.

Investment securities at fair value through profit and loss are those which were either acquired for generating a profit from short-term fluctuations in price or dealer's margin, or are securities included in a portfolio in which a pattern of short-term profit taking exists. They are initially recognized at cost, which includes transaction costs, and subsequently remeasured at fair value. All related realized and unrealized gains and losses are included in net trading income.

(e) Investments (Cont'd)

Available-for-sale securities are those intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or changes in interest rates, foreign exchange rates or market prices. They are initially recognized at cost, which include transaction costs, and subsequently re-measured at fair value based on quoted bid prices or amounts derived from cash flow models. Unrealized gain and losses arising from changes in fair value of available-for-sale securities are recognized in shareholders' equity. When the securities are disposed of or impaired, the related accumulated unrealized gains or losses included in shareholders' equity are transferred to the statement of revenues and expenses.

All purchases and sales of investment securities are recognized at settlement date.

Where investments are unquoted, the Company determines the fair valuation by using pricing models or discounted cash flow analysis. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimate, discounted using recent arm's length transactions or the market rates at balance sheet date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market related measures at balance sheet date.

(f) Re-purchase and Reverse Repurchase Transactions

Transactions involving purchase of securities under agreements to resell (reverse repurchase agreements ["reverse repos"]) or sale of securities under the agreements to repurchase (repurchase agreements ["repos"]) are accounted for as short-term collateralised financing. The difference between the sale/purchase and repurchase/resale price is treated as interest and accrued over the life of the agreement using the effective yield method. It is the policy of the Company to obtain possession of collateral with a market value equal to or in excess of the principal amount loaned under resale agreements.

(g) Funds Under Discretionary Management

The Company accepts funds from individuals to manage with complete discretion and without reference to the account holders, in accordance with the relevant guidelines issued by the Financial Services Commission, taking into account the investment objective and risk profile of the account holder. These assets and income arising thereon are excluded from the financials statements, as they are not assets of the Company.

(h) Comparative Figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.