

Pan-Jamaican Investment Trust Limited

Unaudited Consolidated Financial Statements

September 30, 2008

The Directors report that net profit attributable to equity holders for the 3 months ended 30 September 2008 amounted to \$234.5 million, compared to \$289.9 million in the 2007 3rd quarter, a decrease of 19.1%, while basic earnings per stock unit were \$1.37 compared to \$1.69 for the same period in 2007. Net profit attributable to equity holders for the 9 months ended 30 September 2008 amounted to \$752.3 million, compared to \$734.9 million for the same period in 2007, an increase of 2.4%, while earnings per stock unit for the 9 months were \$4.39 compared to \$4.29.

Performance for the quarter was impacted by a reduction in revenue from investments of \$8.2 million, a direct result of the downturn in the local and international securities markets. The downturn has also affected the value of our available for sale investment portfolio, for which unrealised changes in market value are accounted for through stockholders' equity. For the quarter, a net unrealised reduction in value of \$118.3 million was recorded (\$74.0 million for the 9 months). Additionally, compared to last year's 3rd quarter we experienced a decline of \$67.0 million, 25.3%, in our share of results of associated companies, represented by our 20.8% investment in Hardware & Lumber Limited (H&L) and First Jamaica's 24.5% investment in Sagicor Life Jamaica Limited (SLJ). For the 9 months, our share of associates' earnings totals \$568.4 million, the same as 2007.

While the current quarter's investment income declined \$8.2 million compared to last year's third quarter, year to date investment income remains ahead, by 20.4%, of prior year levels. Our investment management segment posted operating profit of \$32.9 million for the quarter, a decrease of \$21.1 million compared to last year's 3rd quarter profit of \$54.0 million. For the 9 months, the investment management segment profit is ahead of last year by \$14.6 million, 7.5%.

Total operating expenses grew \$51.4 million, 37.6%, including a full impairment provision of \$14 million against a US financial services security. The remaining increase was driven principally by higher property operating costs, particularly utilities and one-off maintenance costs, as well as general inflationary pressures. These were more than offset by improvement in our

property revenue of \$50.0 million. Our property segment enjoyed overall occupancy levels exceeding 98% for the quarter, while contribution to group operating profit of \$106.1 million for the quarter (\$332.4 million for the 9 months) was 8.4% better than last year's 3rd quarter (13.4% better for the 9 months).

Total assets at 30 September 2008 amounted to \$10,733 million, compared to \$10,593 million at December 31, 2007. Stockholders' equity increased to \$7,287 million (December 31 2007: \$7,097 million), which equates to a book value per share of \$42.54 as at 30 September 2008 (December 31, 2007: \$41.43).

PAN-JAMAICAN INVESTMENT TRUST LIMITED
and its subsidiaries
Unaudited Consolidated Statement of Operations
Nine months ended 30 September 2008

	3 Months to September 2008 \$'000	3 Months to September 2007 \$'000	9 months to September 2008 \$'000	9 Months to September 2007 \$'000
Income				
Investments	55,366	63,576	268,939	223,340
Property	276,243	226,261	780,397	640,555
Premium	7,119	5,522	16,613	15,256
Other	12,207	10,808	41,315	39,377
	<u>350,935</u>	<u>306,167</u>	<u>1,107,264</u>	<u>918,528</u>
Operating expenses	<u>(188,015)</u>	<u>(136,597)</u>	<u>(505,814)</u>	<u>(384,908)</u>
Operating profits	162,920	169,570	601,450	533,620
Interest expense	<u>(14,265)</u>	<u>(9,049)</u>	<u>(37,014)</u>	<u>(21,993)</u>
	148,655	160,521	564,436	511,627
Gain on dilution of stockholding associated company	-	-	-	10,886
Share of results of associated companies	<u>197,532</u>	<u>264,515</u>	<u>568,421</u>	<u>568,734</u>
Profit before taxation	346,187	425,036	1,132,857	1,091,247
Taxation	<u>(21,337)</u>	<u>(26,093)</u>	<u>(95,372)</u>	<u>(77,804)</u>
Net profit	<u>324,850</u>	<u>398,943</u>	<u>1,037,485</u>	<u>1,013,443</u>
Attributable to:				
Equity holders of the company	234,458	289,855	752,340	734,922
Minority interest	<u>90,392</u>	<u>109,088</u>	<u>285,145</u>	<u>278,521</u>
	<u>324,850</u>	<u>398,943</u>	<u>1,037,485</u>	<u>1,013,443</u>
Earnings per stock unit attributable to equity holders of the company for the period				
Basic	\$1.37	\$1.69	\$4.39	\$4.29
Fully diluted	\$1.34	\$1.66	\$4.31	\$4.21

PAN-JAMAICAN INVESTMENT TRUST LIMITED
and its subsidiaries
Unaudited Consolidated Balance Sheet
30-Sep-08

	September 2008 \$'000	December 2007 \$'000	September 2007 \$'000
ASSETS			
Cash and Bank Balances	11,352	102,850	13,775
Investments			
Short term deposits	121,842	99,843	82,074
Securities			
Financial assets at fair value through profit and loss	366,163	130,293	105,875
Available-for-sale	1,443,974	1,404,882	1,270,740
Loan & receivables	19,702	13,924	30,567
Securities purchased under agreements to resell	274,482	383,325	349,159
Deposit	23,299	61,767	-
Investment properties	3,109,386	2,914,400	2,698,932
Investment in associated companies	4,647,717	4,953,389	4,883,596
	10,006,565	9,961,823	9,420,943
Taxation recoverable	77,646	98,745	88,652
Deferred tax assets	9,027	8,796	1,990
Other assets	473,019	270,327	295,490
Property, plant and equipment	114,920	108,292	162,378
Retirement benefit assets	40,432	41,782	50,504
	<u>10,732,961</u>	<u>10,592,615</u>	<u>10,033,732</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Liabilities			
Bank overdraft	6,758	17,738	16,556
Taxation payable	-	119,678	38,500
Deferred tax liability	130,121	128,978	147,823
Retirement benefit liabilities	61,388	57,048	53,539
Due to related party	5,225	10,318	5,225
Other liabilities	272,796	248,839	227,174
Long term loans	368,347	393,570	369,789
Finance lease liability	7,436	5,011	5,673
	<u>852,071</u>	<u>981,180</u>	<u>864,279</u>
Stockholders' Equity			
Capital and Reserves Attributable to the Company's Equity holders			
Share capital	185,354	185,354	185,354
Equity compensation reserve	31,436	21,384	16,652
Property revaluation reserve	1,665,742	1,527,859	-
Investment and other reserves	2,076,805	2,521,443	2,446,989
Retained earnings	3,345,739	2,859,718	4,147,364
Treasury stock	(18,486)	(18,486)	(18,486)
	7,286,590	7,097,272	6,777,873
Minority Interest	<u>2,594,300</u>	<u>2,514,163</u>	<u>2,391,580</u>
Total equity	<u>9,880,890</u>	<u>9,611,435</u>	<u>9,169,453</u>
	<u>10,732,961</u>	<u>10,592,615</u>	<u>10,033,732</u>

PAN-JAMAICAN INVESTMENT TRUST LIMITED
Unaudited Consolidated Statement of Changes in Stockholders' Equity
Nine months ended 30 September 2008

	September 2008	September 2007
Balance at beginning of period	9,611,435	9,441,444
Unrealised (losses)/gains on available-for-sale assets	(74,027)	38,756
Realised fair value gains transferred to Consolidated Statement of Operations	(57,460)	(57,591)
Net profit for the period	1,037,485	1,013,443
Share option expense	10,052	14,197
Movement in other reserves	(469,641)	(239,241)
Dividends paid	(128,436)	(761,786)
Dividends paid to minority shareholders	<u>(48,518)</u>	<u>(279,769)</u>
Balance at the end of the period	<u><u>9,880,890</u></u>	<u><u>9,169,453</u></u>

PAN JAMAICAN INVESTMENT TRUST LIMITED
and its subsidiaries
Unaudited Consolidated Statement of Cash Flows
Nine months ended 30 September 2008

	9-Months to September 2008 \$'000	9-Months to September 2007 \$'000
Net profit	1,037,485	1,013,443
Items not affecting cash	<u>(788,044)</u>	<u>(829,926)</u>
	249,441	183,517
Changes in non-cash working capital components	<u>(41,193)</u>	<u>164,969</u>
Net cash provided by operations	208,248	348,486
Net cash (used in)/ provided by investing activities	(164,628)	802,444
Net cash used in financing activities	<u>(210,982)</u>	<u>(1,289,744)</u>
Net decrease in cash and cash equivalents	(167,362)	(138,814)
Cash & cash equivalents at beginning of the period	<u>568,280</u>	<u>567,266</u>
Cash & cash equivalents at end of the period	<u><u>400,918</u></u>	<u><u>428,452</u></u>
Comprising of:		
Cash at bank and in hand	11,352	13,775
Short term Deposits	121,842	82,074
Securities purchased under agreement to resell	274,482	349,159
Overdraft	<u>(6,758)</u>	<u>(16,556)</u>
	<u><u>400,918</u></u>	<u><u>428,452</u></u>

PAN JAMAICAN INVESTMENT TRUST LIMITED
an its subsidiaries
Unaudited Financial Information by Business Segments

30 September 2008

	Property Investment & Management	Investment Management Services	Other Services	Eliminations	Total
REVENUE					
External	845,375	230,957	30,932	-	1,107,264
Inter-segment	3,369	5,814		(9,183)	-
Total revenue	<u>848,744</u>	<u>236,771</u>	<u>30,932</u>	<u>(9,183)</u>	<u>1,107,264</u>
Segment results	332,350	210,892	21,194	-	564,436
Share of results of associated companies					<u>568,421</u>
Profit before taxation					<u>1,132,857</u>
Taxation					<u>(95,372)</u>
Net profit					<u><u>1,037,485</u></u>
Segment assets	3,700,742	2,345,166	259,160	(219,824)	6,085,244
Associates					<u>4,647,717</u>
Total assets					<u><u>10,732,961</u></u>
Segment liabilities	322,267	468,363	281,265	(219,824)	<u>852,071</u>

30 September 2007

	Property Investment & Management	Investment Management services	Other Service	Eliminations	Total
REVENUE					
External	694,034	195,876	28,618	-	918,528
Inter-segment	44	5,291		(5,335)	
Total revenue	<u>694,078</u>	<u>201,167</u>	<u>28,618</u>	<u>(5,335)</u>	<u>918,528</u>
Segment results	293,128	196,256	22,243	-	511,627
Gain on dilution of stockholding in associated companies					10,886
Share of results of associated companies					<u>568,734</u>
Profit before taxation					<u>1,091,247</u>
Taxation					<u>(77,804)</u>
Net profit					<u><u>1,013,443</u></u>
Segment assets	3,308,894	1,822,090	238,117	(218,965)	5,150,136
Associates					<u>4,883,596</u>
Total assets					<u><u>10,033,732</u></u>
Segment liabilities	346,860	469,260	267,124	(218,965)	<u>864,279</u>