JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS YEAR ENDED DECEMBER 31, 2008

CHAIRMAN'S STATEMENT

Our Company had an extremely difficult year in 2008. It has been the harshest business environment that we have faced in recent years, and we were hit on many fronts. However, we have taken steps to prevent a recurrence by exiting our biggest business unit, Serious Food Group, and by ceasing the exporting of bananas from Jamaica, our oldest business. These were painful decisions.

Losses amounted to $2.86 billion on revenues of $13 billion. Our losses increased relative to our 2007 loss of $463 million. In accordance with our decision to exit the Serious Food business, the total losses for this unit (representing 91% of Group losses) are accounted for as a discontinued operation. Loss from operations amounted to $1.64 billion on gross operating revenues of $9.35 billion. However, because we do not expect to receive value from the sale of the assets of Serious (after payment of secured creditors), the 2008 results also show a loss on disposal of our interest in Serious Food of $962 million.

Going forward, the main revenue and earnings generators for the Group will be businesses that we have acquired or developed and re-positioned in the last three years.

The growth engines of our Group continue to be businesses in which we have significant longstanding expertise – namely, fruit juice, agri-business and logistics. However, we have had to undertake a major shift in emphasis. The result of these changes will be a smaller and more nimble Group that no longer has the drag of massive operating losses and major risks related to trade preferences and hurricane damage. We believe that JP is now positioned to re-make itself as a successful growth company.

Serious Food Limited

We decided to exit our UK-based Serious Food Group in order to stem what had been mounting cash losses. Serious Food operated in the premium segment of the UK juice and smoothie market, and a couple of years ago had launched the production of organic soups and hand-finished desserts. The Serious Food business had been struggling for some time with reduced margins, and in recent years had required increasing cash support from JP to fund its operations.

As previously reported, Serious Food's negative trading position emerged as a result of increased raw material commodity costs over the last three years and the company's inability to pass these costs along to its supermarket customers. The first half of 2008 saw soaring commodity prices all over the globe, including a run-up in the price of citrus and fruit purees, which were the main raw materials of Serious Food. We ended the year with raw material costs in our juice business being 32 percent higher than they were at the start of the year. The business was literally "squeezed" between high raw material costs and low selling prices. The depreciation in the pound sterling further adversely affected our dollar denominated import and freight costs, particularly in the second half of the year.

As the fallout in the UK financial sector gathered pace, we then experienced rapid changes in consumer behavior that led to a collapse in fresh juice and smoothie sales in the second half of 2008 and a move away from premium products. In the wider economy, in the three months leading up to February 2009, the UK faced the biggest annual drop in industrial output since comparable records began 41 years ago.

With four chains controlling approximately 80% of the entire retail trade, the UK supermarket sector is among the most concentrated in the world and is certainly the most concentrated of all the major European economies. The concentrated buying power of the UK supermarkets reflects a major constraint on the ability of private label food producers – such as Serious Food – to raise prices. This is particularly true in times of economic downturn that result in excess manufacturing capacity among producers.

Faced with these challenges, over the course of last year, we articulated a clear restructuring plan that involved (a) the sale of the non-core businesses (soups and desserts), both of which were loss-making, (b) the reduction in administrative expenses and headcount, (c) the termination of uneconomic contracts and the de-commissioning of under-utilized plant, (d) selling price increases, (e) strategic alliances with branded players under contracts with flexible pricing based on raw material price movements, (f) the appointment of new turnaround management, and (g) diversification into markets outside the UK to leverage our expertise and buying power.

The reality is that our management team made substantial tangible progress on all of these fronts. Unfortunately, we must also accept that given the scale of the economic contraction in the UK, our efforts were simply not sufficient. After a careful review by our board of the extremely adverse sales trends in UK premium foods, coupled with the inadequate margins in our own business, we concluded that JP could not justify the substantial additional cash investment required to fund a turnaround of the business in the current UK economic environment.

We initially sought to execute a direct sale of the company. However, the board of Serious Food ultimately took the decision that it was in the best interest of all stakeholders for an orderly sales process to be conducted under the legal process of administration. Under this process, all of the assets and liabilities of the business are placed under the control of a qualified administrator who seeks to sell the assets and pay the creditors.

The losses associated with Serious represent the largest share of the losses of our Fresh and Processed Foods Division. Losses for this division – which also includes our snack business and the half-year results of our recently acquired fresh juice business in the Netherlands – were $2.2 billion in 2008 compared with a loss of $711 million in 2007. Importantly, as a result of our decisions, these losses will not continue into 2009.

Export Bananas

Our banana division again experienced a devastating blow in 2008. Jamaica was struck by a severe storm (Gustav), the fourth time since Hurricane Ivan in 2004. This storm destroyed the crop at Eastern Banana Estates in St. Thomas and at St. Mary Banana Estates and disrupted our weekly shipping services. Eastern Banana Estates and St. Mary Banana Estates accounted for approximately 90% of Jamaica's exports.

The traditional business of our banana division – the cultivation and export of Jamaican bananas – has long been fiercely competitive. In recent times it has been made even more challenging by the erosion of the trade preferences offered to Jamaican bananas in the UK market, and by the depreciation in the pound sterling. In 2008, we concluded that the business of growing bananas for export from Jamaica was simply uneconomic under present conditions. With regret, we took the decision to halt exports from Jamaica, and to cease growing bananas at Eastern.

Our banana division – which includes our farms in Jamaica and Honduras as well as our logistics business – had 2008 pre-tax losses of $220 million compared with a loss of $97 million in 2007. Of this amount, $98 million represented redundancy expenses, and expenses associated with the off-hire of containers that will no longer be required as part of our shipping operation. The restructuring charges and losses to the business were partially offset by the reduction of amounts due under agricultural loans that included a force majeure clause in which re-payment obligations are waived in the event of the destruction of the business by windstorm.

JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS
YEAR ENDED DECEMBER 31, 2008

CHAIRMAN'S STATEMENT (Cont'd)

Corporate Segment

The Corporate segment – which includes interest and investment income, net of the cost of corporate functions – earned profits of $9 million compared with $36 million in 2007. Interest income was down because of the cash requirements to fund operations and because of reduced yields.

Our Group balance sheet was adversely affected by our operating losses as well as the poor performance of the Jamaican equity market. The market value of our equity portfolio declined by $1.1 billion in the year. While we are confident in the inherent value of the stocks we hold, 2009 will most likely not see the return to 2007 valuations.

The Way Forward

Our interest in fruit juice is now centered on our juice manufacturing facility in the Netherlands – A.L. Hoogesteger Fresh Specialist B.V. (Hoogesteger) – a Dutch juice business that we acquired in 2008. We are now the largest fresh juice company in the Benelux countries.

Our interest in bananas in the Caribbean is now centered on our regional snack operations, which include our recently commissioned joint venture snack factory in the Dominican Republic that had its first full year of operations in 2008. This operation complements our snack factory and our farms in Jamaica (from which we supply the local market as well as the snack factory). The increase in production capacity in snacks allows us, for the first time, to mount an aggressive campaign to drive the sales of our flagship "St. Mary's" brand and to offer a more diverse range of snacks.

In our logistics division, we will continue to develop services that do not depend on Jamaican banana exports. In particular, as a result of recent acquisitions we are developing a healthy portfolio of freight services to the wider Caribbean. The performance of this new business is expected to offset losses to the logistics business that are associated with our exit from bananas.

Hoogesteger

Despite our recent challenges, JP remains relentlessly international. We will continue to target a majority of our earnings from major economies outside of Jamaica in which (a) our growth potential is substantial, (b) we have operational expertise, and (c) we can generate hard currency earnings for our shareholders. Our 2008 acquisition of Hoogesteger forms an important part of this initiative. This business is attractive to us because, along with its bottling lines, it is engaged in the extraction of high quality juice from whole fresh fruit imported into the Netherlands from around the world. The business therefore falls within our area of expertise (the procurement and processing of fresh fruit) while putting us into new markets.

Although the Netherlands faces an economic downturn, it so far is faring better than the UK. We have been able to execute a turnaround to profitability of that business and expect it to be a very constructive platform for growth in fresh foods when the economic environment in Europe improves. Our immediate strategy is to strengthen our existing supermarket customer relationships through strong service levels and by continually improving our operating efficiencies. We will also, over time, expand our portfolio of fruit juices, while widening our customer base to include additional channels and markets.

JP Tropical Foods

During this period of global economic challenge, we are placing considerable focus and resources on building out the "value" or "economy" parts of our portfolio of natural food products.

JP Tropical Foods is able to deliver very competitive pricing for natural snack products that have mass market appeal. We do this by taking advantage of our vertically integrated production facilities for banana chips and other tropical snacks in Jamaica and by building on our fruit procurement and processing experience in the Dominican Republic. With this business, we are now improving margins by adding value and branding to a majority share of our traditional agricultural output. JP Tropical Foods is supported in Jamaica by our development of a 600-acre mixed use farm that targets the banana, cassava, breadfruit, plantain and sweet potato requirements of our snack processing plant. The farm serves the local market for produce but has as its primary focus the supply of bananas and other tropical produce for our "St. Mary's" brand of snacks. We are encouraged by the prospects for this business and expect to see substantial year-on-year growth into 2009 on the back of additional plant capacity, improved raw material availability and strong marketing.

The growth of JP Tropical Foods will complement our position in the "premium" end of the natural food market in Europe. In this sense, going forward, we will be backing two horses. We will have our premium freshly squeezed juice business in Europe as one platform for growth. At the same time we will have our Caribbean based tropical snack business as another growth platform.

Logistics and Land Management

We are aggressively finding ways to derive an operating return from the assets and businesses that we developed over many years as part of our vertically integrated export banana business. Going forward, however, this return will have to be independent of bananas. The specific areas of focus for us are on land utilization – our owned estates represent over three thousand acres – and on building out our logistics division to serve other countries and to operate independently of our banana trade. These projects represent ongoing initiatives with positive results targeted for the latter part of 2009.

General

This has been a challenging time for business generally and for Jamaica Producers Group Limited in particular.
Important for us at this time, however, is the added message to shareholders that our board, management, and staff take the view that it is not good enough for us to simply blame market and weather conditions – whatever the realities.

We believe that the changes in our Group, as described in our 2008 results, reflect the tough decisions that had become necessary to confront our challenges and to cauterize our losses. Despite the challenges of 2008, JP has a strong balance sheet with a reasonable amount of cash, liquid investments, and a small amount of debt. Moreover, our trading divisions have good prospects. We believe that the decisions that we are now taking will place the Group on a solid trajectory of growth and profitability for the future.

____________________Chairman
C. H. Johnston

JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS
YEAR ENDED DECEMBER 31, 2008

GROUP BALANCE SHEET

	Audited as at December 31, 2008	Audited as at December 31, 2007
	$ 000	$ 000
Current Assets		
Cash and cash equivalents	221,437	1,387,172
Short-term investments	814,908	1,578,096
Securities purchased under resale agreements	162,518	334,006
Accounts receivable	403,838	2,384,232
Taxation recoverable	157,354	163,316
Inventories	401,349	913,823
Total Current Assets	**2,161,404**	**6,760,645**
Current Liabilities		
Bank overdrafts and short-term loans	313	7,180
Accounts payable	1,066,783	3,041,663
Taxation	20,485	3,103
Unclaimed dividends	21,935	82,913
Current portion of long-term loans	45,778	256,669
Total Current Liabilities	**1,155,294**	**3,391,528**
Working Capital	**1,006,110**	**3,369,117**
Non-current Assets		
Biological assets	19,102	21,768
Interest in joint venture	69,060	47,568
Investments	1,596,256	3,120,599
Goodwill	490,454	852,671
Deferred tax assets	88,357	286,371
Property, plant and equipment	1,027,745	2,943,797
Total Non-current Assets	**3,290,974**	**7,272,774**
Total Assets less Current Liabilities	**4,297,084**	**10,641,891**
Equity		
Share capital	18,702	18,702
Reserves	4,167,412	9,057,873
Total equity attributable to equity holders of the parent	**4,186,114**	**9,076,575**
Minority Interest	**-**	**5,604**
Total Equity	**4,186,114**	**9,082,179**
Non-current Liabilities		
Deferred tax liabilities	7,971	267,956
Deferred income	-	122,590
Employee benefit obligation	-	33,906
Long-term loans	102,999	1,135,260
Total Non-current Liabilities	**110,970**	**1,559,712**
Total Equity and Non-current Liabilities	**4,297,084**	**10,641,891**
Parent company stockholders' equity per ordinary stock unit (see note 6):		
Based on stock units in issue	**$22.38**	**$48.53**
After exclusion of stock units held by ESOP	**$24.73**	**$53.34**

JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS
YEAR ENDED DECEMBER 31, 2008

GROUP PROFIT AND LOSS ACCOUNT

	Notes	Audited Year ended December 31, 2008 $ 000	Audited Year ended December 31, 2007 $ 000 (Restated)*
Continuing operations			
Gross operating revenue	3	3,650,096	2,860,166
Cost of operating revenue		(3,004,698)	(1,931,435)
Gross profit		**645,398**	**928,731**
Marketing, selling and distribution costs		(90,825)	(39,745)
Administrative and other operating expenses		(1,114,996)	(973,178)
Loss from continuing operations		**(560,423)**	**(84,192)**
Share of loss in joint venture		(1,624)	(6,567)
Net loss from fluctuations in exchange rates		(21,712)	(19,555)
Impairment loss on investments		(15,392)	(18,127)
Gains on disposal of property, plant and equipment and investments		34,800	43,391
Reorganisation and restructuring recovery/(cost)		133,582	(87,222)
Recovery from pension scheme		92,803	-
Other income		82,699	106,422
Loss from continuing operations before finance cost and taxation		**(255,267)**	**(65,850)**
Finance cost - interest		(24,759)	(16,190)
Loss from continuing operations before taxation		**(280,026)**	**(82,040)**
Taxation credit		29,271	24,044
Loss from continuing operations after taxation		**(250,755)**	**(57,996)**
Discontinued operations			
Loss from discontinued operations after taxation	4	(1,643,774)	(421,112)
Loss on disposal of interest in subsidiaries		(961,938)	-
Loss for year		**(2,856,467)**	**(479,108)**
Attributable to:			
Parent company stockholders		**(2,856,199)**	**(463,423)**
Minority interest		**(268)**	**(15,685)**
		(2,856,467)	**(479,108)**
Dealt with in the financial statements of:			
The company		**(396,661)**	**280,733**
Subsidiary companies		**(2,451,347)**	**(737,589)**
Joint venture company		**(8,191)**	**(6,567)**
		(2,856,199)	**(463,423)**
Loss per ordinary stock unit:			
Based on stock units in issue	6	**(1,527.18)¢**	**(247.79)¢**
After exclusion of stock units held by ESOP		**(1,683.67)¢**	**(271.72)¢**

***Restated – see note 4**

JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS
YEAR ENDED DECEMBER 31, 2008

GROUP STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Capital Reserves	Fair Value Reserve	Reserve For Own Shares	Retained Profits	Parent Company Stockholders' Equity	Minority Interest	Total Equity
	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000
Balances at December 31, 2006	**18,702**	**135,087**	**2,138,357**	**2,096,268**	**(135,170)**	**5,197,815**	**9,451,059**	**21,015**	**9,472,074**
Changes in equity:									
Exchange gains arising on retranslation of foreign operations	-	-	335,003	-	-	-	335,003	1,229	336,232
Unrealised exchange losses transferred	-	-	(4,110)	-	-	4,110	-	-	-
Change in fair value of available-for-sale investments	-	-	-	236,208	-	-	236,208	-	236,208
Impairment loss on available-for-sale investments recognised in the group profit and loss account	-	-	-	18,127	-	-	18,127	-	18,127
Realised gains on available-for-sale investments transferred to the group profit and loss account	-	-	-	(22,605)	-	-	(22,605)	-	(22,605)
Own shares acquired by ESOP	-	-	-	-	(25,130)	-	(25,130)	-	(25,130)
Unclaimed distributions to stockholders	-	-	15,282	-	-	-	15,282	-	15,282
Income and (expenses) recognised directly in equity	**-**	**-**	**346,175**	**231,730**	**(25,130)**	**4,110**	**556,885**	**1,229**	**558,114**
Loss for the year	-	-	-	-	-	(463,423)	(463,423)	(15,685)	(479,108)
Total recognised income and (expenses) for the year	**-**	**-**	**346,175**	**231,730**	**(25,130)**	**(459,313)**	**93,462**	**(14,456)**	**79,006**
Distributions to stockholders	-	-	-	-	-	(467,946)	(467,946)	(955)	(468,901)
Balances at December 31, 2007	**18,702**	**135,087**	**2,484,532**	**2,327,998**	**(160,300)**	**4,270,556**	**9,076,575**	**5,604**	**9,082,179**
Exchange losses arising on retranslation of foreign operations	-	-	(187,437)	-	-	-	(187,437)	(1,788)	(189,225)
Minority interest released on disposal of subsidiaries	-	-	-	-	-	-	-	(3,548)	(3,548)
Cumulative realised exchange gains of subsidiaries transferred to the group profit and loss account	-	-	(696,296)	-	-	-	(696,296)	-	(696,296)
Change in fair value of available-for-sale investments	-	-	-	(1,133,795)	-	-	(1,133,795)	-	(1,133,795)
Impairment loss on available-for-sale investments recognized in the group profit and loss account	-	-	-	15,392	-	-	15,392	-	15,392
Realised gains on available-for-sale investments transferred to the group profit and loss account	-	-	-	(38,471)	-	-	(38,471)	-	(38,471)
Own shares acquired by ESOP	-	-	-	-	(30,198)	-	(30,198)	-	(30,198)
Unclaimed distributions to stockholders	-	-	78,865	-	-	-	78,865	-	78,865
Expenses recognised directly in equity	**-**	**-**	**(804,868)**	**(1,156,874)**	**(30,198)**	**-**	**(1,991,940)**	**(5,336)**	**(1,997,276)**
Loss for the year	-	-	-	-	-	(2,856,199)	(2,856,199)	(268)	(2,856,,467)
Total recognised expenses for the year	**-**	**-**	**(804,868)**	**(1,156,874)**	**(30,198)**	**(2,856,199)**	**(4,848,139)**	**(5,604)**	**(4,853,743)**
Distributions to stockholders	-	-	-	-	-	(42,322)	(42,322)	-	(42,322)
Balances at December 31, 2008	**18,702**	**135,087**	**1,679,664**	**1,171,124**	**(190,498)**	**1,372,035**	**4,186,114**	**-**	**4,186,114**

JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS
YEAR ENDED DECEMBER 31, 2008

GROUP STATEMENT OF CHANGES IN EQUITY (cont'd)

	Share Capital	Share Premium	Capital Reserves	Fair Value Reserve	Reserve For Own Shares	Retained Profits	Parent Company Stockholders' Equity	Minority Interest	Total Equity
	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000
Retained in the financial statements of:									
The company	18,702	135,087	1,557,652	1,168,623	-	355,217	3,235,281		
Subsidiary companies	-	-	123,097	2,501	(190,498)	1,025,009	960,109		
Joint venture company	-	-	(1,085)	-	-	(8,191)	(9,276)		
Balances at December 31, 2008	18,702	135,087	1,679,664	1,171,124	(190,498)	1,372,035	4,186,114		
The company	18,702	135,087	1,478,787	2,264,895	-	798,634	4,696,105		
Subsidiary companies	-	-	1,005,745	63,103	(160,300)	3,478,489	4,387,037		
Joint venture company	-	-	-	-	-	(6,567)	(6,567)		
Balances at December 31, 2007	18,702	135,087	2,484,532	2,327,998	(160,300)	4,270,556	9,076,575		

JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS
YEAR ENDED DECEMBER 31, 2008

GROUP STATEMENT OF CASH FLOWS

	Audited Year ended December 31, 2008 $ 000	Audited Year ended December 31, 2007 $ 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year attributable to parent company stockholders	(2,856,199)	(463,423)
Items not affecting cash:		
Depreciation and amortization	770,146	494,073
Loss on disposal of subsidiaries	961,938	-
Deferred tax, net	(542,320)	(238,729)
Other items	22,764	150,461
	(1,643,671)	**(57,618)**
Decrease/(increase) in current assets	1,533,092	(102,820)
(Increase)/decrease in current liabilities	(1,032,445)	87,738
CASH USED BY OPERATING ACTIVITIES	(**1,143,024**)	(**72,700**)
CASH PROVIDED BY INVESTMENT ACTIVITIES	314,409	1,257,827
CASH USED BY FINANCING ACTIVITIES	(337,120)	(423,724)
Net (decrease)/ increase in cash and cash equivalents	**(1,165,735)**	**761,403**
Cash and cash equivalents at beginning of the year	**1,387,172**	**625,769**
Cash and cash equivalents at end of the year	**221,437**	**1,387,172**

JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS
YEAR ENDED DECEMBER 31, 2008

NOTES TO THE FINANCIAL STATEMENTS:

1. Basis of Presentation

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations, issued by the International Accounting Standards Board (IASB) and its International Financial Reporting Interpretations Committee (IFRIC), and comply with the provisions of the Jamaican Companies Act.

Where necessary, the previous year's comparative figures have been reclassified or restated to conform with those of the current year.

2. Group's Operations and Activities

With effect from July 4, 2008, the Group purchased 100% of the share capital of A. L. Hoogesteger Fresh Specialist B.V. (Hoogesteger) from Friesland Foods B.V. for a net price of €7.6 million. Hoogesteger is Holland's leading fresh juice and smoothie manufacturer.

During the quarter ended October 4, 2008, the Group sold Serious Desserts Limited, its loss-making desserts business, for £2.75 million. Ownership of the Serious Foods brand was also included in the sale. However, with effect from January 28, 2009 the rest of the Serious Food Group (Serious) was placed in administration. As a consequence, the net assets of Serious are shown in the group's financial statements along with the earlier sale of Serious Desserts Limited as the disposal of subsidiaries.

Arising from the destruction of its Jamaican banana farms by Tropical Storm Gustav in August 2008, the Group's board has decided to suspend production of bananas for export to the United Kingdom.

As a result of changes within the Group, costs and revenues of an exceptional nature have been separately disclosed under reorganization and restructuring in the Profit and Loss Account. This includes $75 million in redundancies and $37 million in container off-hiring costs which was offset by a loan waiver credit of $248 million under continuing operations. The latter arises as a result of a force majeure and represents partial recovery of banana resuscitation costs charged to the Profit and Loss Account following Hurricane Dean in the previous year. A further $304 million for fixed asset impairment and $134 million in costs related to Serious (in administration subsequent to year-end) are included under discontinued operations in the Profit and Loss Account.

In the previous year, a total of $112 million was incurred for the reorganization and restructuring costs. This comprised redundancy, termination and legal costs, $25 million of which was related to the Serious Food Group and shown under discontinued operations.

The main activities of the Group are juice and food manufacturing, the cultivation, marketing and distribution of bananas locally, shipping and the holding of investments.

There were no other significant changes to the Group's operations for the period under review.

3. Gross Operating Revenue

Gross operating revenue comprises the Group's sales of goods and services, commissions earned on consignment sales and investment income. This is shown after deducting returns, rebates and discounts, consumption taxes and eliminating sales within the Group.

JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS
YEAR ENDED DECEMBER 31, 2008

NOTES TO THE FINANCIAL STATEMENTS (cont'd):

4. Loss From Discontinued Operations After Taxation

Loss from discontinued operations after taxation comprises:

	Audited Year ended December 31, 2008 $ 000	Audited Year ended December 31, 2007 $ 000
Gross operating revenue	9,352,832	10,995,699
Cost of operating revenue	(9,066,987)	(9,639,667)
Gross profit	**285,845**	**1,356,032**
Marketing, selling and distribution costs	(1,224,784)	(1,196.996)
Administrative and other operating expenses	(673,869)	(682,222)
Operating Loss	**(1,612,808)**	**(523,186)**
Finance cost - interest	(94,621)	(118,381)
Reorganisation and restructuring cost	(133,558)	(24,645)
Impairment loss on property, plant and equipment	(303,652)	-
Gains on disposal of fixed assets and investments	-	1,228
Other income	12,719	18,549
Loss from discontinued operations before taxation	**(2,131,920)**	**(646,435)**
Taxation	488,146	225,323
Loss from discontinued operations after taxation	**(1,643,774)**	**(421,112)**

5. Acquisition

On July 4, 2008, the Group acquired 100% of Hoogesteger's equity for $840.47 million.

The acquisition was accounted for using the purchase method. The carrying amount, which approximates fair value of assets and liabilities of the business recognised by the Group, at the date of acquisition, is as follows:

	$ 000
Net identifiable assets and liabilities	
Property, plant and equipment	596,967
Accounts receivable	373,753
Inventories	310,090
Accounts payable	(691,167)
	589,643
Share of net assets 100%	589,643
Goodwill during year	250,822
Total consideration	840,465
Satisfied by the following:	
Cash consideration	855,339
Cash acquired	(86,199)
Fees	71,325
Net cash outflow arising on acquisition	840,465

NOTES TO THE FINANCIAL STATEMENTS (cont'd):

6. Loss per stock unit and stockholders' equity per stock unit

Loss per stock unit is calculated by dividing loss attributable to the Group by 187,024,006, being the total number of ordinary stock units in issue during the period and a weighted average number of ordinary stock units in issue (excluding those held by the ESOP) during the period. The weighted average number of ordinary stock units in issue (excluding those held by the ESOP) for the year ended December 31, 2008 was 169,641,614 (2007 – 170,550,104) stock units of 10 cents each.

Stockholders' equity per stock unit is calculated by dividing the parent company stockholders' equity by 187,024,006 being the total number of ordinary stock units in issue at the end of the year and 169,291,570 (2007 – 170,162,741), representing the total number of ordinary stock units in issue at year-end less those held by the ESOP at the same date.

7. Accounting Policies

The following accounting policies have been reflected in these financial statements in compliance with IFRS:

a. Biological assets

Biological assets represent the cost of primarily banana plants which are capitalized up to maturity. These are stated at cost, less accumulated amortization and impairment losses, as fair value cannot be reliably determined. The costs are normally amortized over a period of seven years. Certain subsidiaries have taken those costs to their profit and loss accounts in the year incurred due to the uncertainty of future profits from which those costs would normally be recovered.

b. Investments

The Group's investments are initially recognized at cost and classified at the time of purchase in accordance with IFRS. Available-for-sale investments are subsequently re-measured at fair value. The excess of the fair value of these investments over the original carrying amount is credited to the Fair Value Reserve (see Group Statement of Changes in Equity). Where fair value cannot be reliably measured, available-for-sale investments are carried at cost. Loans and receivables that have no active market are subsequently re-measured at amortized cost. Securities having a maturity date of less than one year are included in Current Assets.

c. Goodwill

Goodwill represents amounts arising on acquisition of subsidiaries after 1995. It comprises the excess of the cost of acquisition over the fair value of the net identifiable assets acquired less contingent liabilities, and deemed cost at March 31, 2004. Goodwill is stated at cost, less any accumulated impairment losses. It is allocated to cash-generating units and tested annually for impairment.

d. Deferred Taxation

Deferred income tax is provided in full, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts. A tax asset is reflected for unutilized tax losses only to the extent that reversal can reasonably be expected.

e. Segment Reporting

The Group is organized into three business segments:

- Fresh & Processed Foods Division – This comprises the production and marketing of fresh juices, drinks and other freshly prepared foods and tropical snacks.
- Banana Division – This comprises the growing, sourcing, ripening, marketing and distribution of bananas, and the operation of a shipping line.
- Corporate segment – This comprises interest and investment income, net of the cost of corporate functions not directly charged to business units.

JAMAICA PRODUCERS GROUP LIMITED

EXTRACTS FROM THE AUDITED GROUP RESULTS
YEAR ENDED DECEMBER 31, 2008

NOTES TO THE FINANCIAL STATEMENTS (cont'd):

8. Segment Results

The audited segment results are as follows:

	Total		Continuing operations		Discontinued operations	
	Year ended December 31, 2008	Year ended December 31, 2007	Year ended December 31, 2008	Year ended December 31, 2007	Year ended December 31, 2008	Year ended December 31, 2007
	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000
Revenue						
Fresh & Processed Foods Division	11,464,126	11,302,703	2,111,294	307,004	9,352,832	10,995,699
Banana Division	1,348,620	2,261,792	1,348,620	2,261,792	-	-
Corporate	190,182	291,370	190,182	291,370	-	-
Total	**13,002,928**	**13,855,865**	**3,650,096**	**2,860,166**	**9,352,832**	**10,995,699**
(Loss)/profit before tax						
Fresh & Processed Foods Division	(2,200,735)	(666,777)	(68,815)	(20,342)	(2,131,920)	(646,435)
Banana Division	(219,920)	(97,262)	(219,920)	(97,262)	-	-
Corporate	8,709	35,564	8,709	35,564	-	-
Total	**(2,411,946)**	**(728,475)**	**(280,026)**	**(82,040)**	**(2,131,920)**	**(646,435)**

9. Foreign Currency Translation

Overseas revenues and expenses have been translated at effective exchange rates of J$133.89 (2007: J$136.39) to £1, J$102.58 (2007: Nil) to €1 and J$72.82 (2007: J$68.49) to US$1.

Adjustments have been made for exchange gains and losses on foreign currency assets and liabilities at December 31, 2008 and December 31, 2007 based upon the following exchange rates:

	J$/£	J$/€	J$/US$
December 31, 2008	114.44	111.15	79.96
December 31, 2007	140.10	-	70.18

On behalf of the Board

C.H Johnston — Chairman

J. Hall — Group Managing Director

May 5, 2009