

# ACCESS

FINANCIAL SERVICES LTD.

*"Bringing Financial Services to the People of Jamaica"*

Head Office: 41B Half-Way-Tree Road Kingston 5

Branches: Portmore, Spanish Town, Mandeville, Ocho Rios, Montego Bay, May Pen, Savanna-la-mar

Tel: 1-888-GET-ACCESS

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October 29, 2009

Jamaica Stock Exchange  
40 Harbour Street  
Kingston

**Attention: Mrs. Marlene Street-Forrest**

Dear Sirs:

**Re: Access Financial Services Limited  
Financial Results for the period ended  
September 30, 2009**

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Please find the following documents enclosed for the period ended September 30, 2009:

- Chairman and CEO's report on third quarter results
- Segmented Income Statement
- Statement of Comprehensive Income
- Consolidated Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Financial Position

Should you require any additional information please contact the undersigned.

Yours Sincerely

**ACCESS FINANCIAL SERVICES LIMITED**

  
**MARCUS H. JAMES**  
**CHIEF EXECUTIVE OFFICER**

Directors: B.A.L. Goldson (Chairman), M.H. James (Managing), C.W. Berry, G.H. Peart, A.I. Johnson

ACCESS FINANCIAL SERVICES LIMITED  
PERFORMANCE RESULTS  
FOR THE PERIOD ENDED  
SEPTEMBER 30, 2009

**ACCESS FINANCIAL INCREASES YTD NET PROFIT BY 100%**

THIRD QUARTER HIGHLIGHTS

<b><u>Three Months Ended September 30, 2009</u></b>	<b><u>Nine Months Ended September 30, 2009</u></b>
Net Profit: \$11,577,931	Net Profit: \$34,925,071
Earnings per share: \$3.73	Earnings per share: \$11.18
Return on average equity: 8%	Return on average equity: 28%
Productivity Ratio: 67%	Productivity Ratio: 72%

Net profit after tax for the quarter ended September 30, 2009 totaled \$11.6m, a 22% increase for the comparative period of 2008. Earnings per share (EPS) for the third quarter was \$3.73.

Profit before tax increased by 106% for the first 9 months of 2009 moving from \$26.9m in 2008 to \$55.5m in 2009. Year to date net profit after tax increased by 100% moving from \$17.4m for the first 9 months of 2008 to \$34.9m for the first 9 months of 2009. Year to date EPS was \$11.18.

**Income**

Total income for the third quarter of 2009 was \$88.6m. This represented an 18% increase over 2008 third quarter income of \$75.1m. Interest income for the three month period ended September 30, 2009 was \$77.69, a 13% increase over 2008.

For the quarter ended September 30, 2009 the Money Services division contributed \$9.9m toward total revenue. This represented a 44% increase over 2008 Money Services income of \$6.5m.

**Productivity**

The company has recorded an increase in its productivity as measured by its productivity ratio which moved from 72% in the third quarter of 2008 to 67% for the third quarter of 2009.

## **Balance Sheet**

As at September 30, 2009 Access had in excess of \$500m in assets. This represents a 34% increase in total assets when compared with the comparative period for 2008.

Access Financial Services Limited shareholders' equity as at September 30, 2009 was \$150m; this represents a 51.3% increase over shareholders equity as at September 30, 2008.

## **Re-registration as public, and re-organisation and increase of share capital**

On September 23, 2009 the shareholders of Access Financial Services Limited unanimously approved a series of written resolutions for the purposes of its re-registration as a public company and the re-organisation and increase of its share capital. These resolutions were approved in preparation for the company's invitation to the public to subscribe for shares, and its application to list on the JSE Junior Market.

As a result, the share capital of Access Financial Services was re-classified in order to remove the "A" and "B" designations that formerly attached to the ordinary shares, and each of the existing ordinary shares was subdivided into 7 (1:7 split). The current authorised share capital of the company is \$35 million divided into 35 million ordinary shares of no par value, of which 27,450,984 shares have been issued fully paid, inclusive of the 5,490,199 shares issued to the public as a result of the invitation for subscription made by the company in its prospectus dated 29 September 2009.

## **Subsequent Events**

On October 14, 2009 the subscription lists for Access Financial Services Limited's invitation to the public opened. The invitation was made in respect of 20% of the company's ordinary share capital. The invitation for subscription closed early, on October 16, 2009 after the company received applications in respect of the 5,490,199 shares. The invitation successfully raised J\$100m for the company, \$8m of which will be used to pay the expenses associated with the invitation for subscription and the company's admission to the JSE Junior Market, and the balance of which will be used to expand its loan portfolio and branch network.

Access Financial Services Limited would like to welcome its new shareholders - we look forward to their future support of the company. We would also like to thank our customers for their loyalty and for giving us the opportunity to serve their financial needs. Lastly, we would like to thank our team members for their hard work and dedication to providing our customers with quality service.

**ACCESS FINANCIAL SERVICES LIMITED**  
**SEGMENTED INCOME STATEMENT**  
**FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2009**

	Unaudited 9 months ended 30 September 2009 \$'000	Unaudited 9 months ended 30 September 2009 \$'000	Unaudited 9 months ended 30 September 2009 \$'000
	Loans	Money Services	Total
<b>Operating income</b>			
Interest Income from Loans	203,980	-	203,980
Interest income from Securities	3,795	-	3,795
Western Union commission		26,338	26,338
Foreign Exchange (losses)/gain		1,791	1,791
<b>Total Income</b>	<b>207,775</b>	<b>28,129</b>	<b>235,904</b>
Interest Expense	(29,343)	-	(29,343)
	178,432	28,129	206,561
Fees and Commission Income	3,320	1,417	4,737
	<b>181,752</b>	<b>29,546</b>	<b>211,298</b>
<b>Operating Expenses</b>			
Staff Cost	50,326	9,769	60,095
Allowance for credit losses	26,734	563	27,297
Depreciation and amortization	3,589	260	3,849
Other operating expenses	45,901	18,632	64,533
	126,550	29,224	155,774
<b>Profit before taxation</b>	<b>55,202</b>	<b>322</b>	<b>55,524</b>
Taxation	(20,480)	(119)	(20,599)
<b>Profit for the period</b>	<b>34,722</b>	<b>203</b>	<b>34,925</b>

**ACCESS FINANCIAL SERVICES LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2009**

	(Unaudited) 3 months ended 30 September 2009 \$'000	(Unaudited) 3 months ended 30 September 2008 \$'000	(Unaudited) 9 months ended 30 September 2009 \$'000	(Unaudited) 9 months ended 30 September 2008 \$'000	Audited 12 months ended 31 December 2008 \$'000
<b>Operating income</b>					
Interest Income from Loans	76,127	66,461	203,980	155,724	220,225
Interest income from Securities	1,565	427	3,795	911	615
<b>Total Interest Income</b>	<b>77,692</b>	<b>66,888</b>	<b>207,775</b>	<b>156,635</b>	<b>220,840</b>
Interest Expense	(11,060)	(6,460)	(29,342)	(18,524)	(28,837)
Net interest income	<b>66,632</b>	<b>60,428</b>	<b>178,432</b>	<b>138,111</b>	<b>192,003</b>
Net Fee and Commission Income	1,011	613	3,320	1,642	2,423
Net Trading Income	67,643	61,041	<b>181,752</b>	<b>139,753</b>	<b>194,426</b>
<b>Other operating Income</b>					
Money Services	9,440	6,544	27,754	15,714	23,696
Foreign Exchange (losses)/gains	447	1,100	1,791	4,855	(272)
	<b>77,530</b>	<b>68,685</b>	<b>211,297</b>	<b>160,322</b>	<b>217,850</b>
<b>Operating Expenses</b>					
Staff Cost	21,575	17,353	60,094	49,621	68,075
Allowance for credit losses	12,949	7,832	26,734	14,035	16,182
Depreciation and amortization	1,291	1,408	3,849	3,728	5,314
Other operating expenses	23,142	27,326	65,096	66,056	77,126
	<b>58,957</b>	<b>53,919</b>	<b>155,773</b>	<b>133,440</b>	<b>166,697</b>
<b>Profit before taxation</b>	<b>18,573</b>	<b>14,766</b>	<b>55,524</b>	<b>26,882</b>	<b>51,153</b>
Taxation	(6,995)	(5,233)	(20,599)	(9,425)	(18,279)
<b>Profit for the period</b>	<b>11,578</b>	<b>9,533</b>	<b>34,925</b>	<b>17,457</b>	<b>32,874</b>

**ACCESS FINANCIAL SERVICES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 9 MONTHS ENDED SEPTEMBER 30,2009**

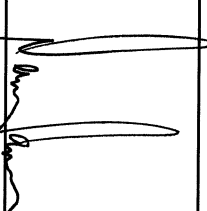
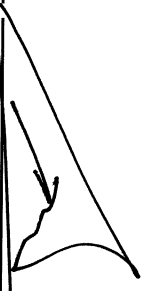
	<b>Share Capital</b>	<b>Fair Value Reserve</b>	<b>Other Reserve</b>	<b>Retained Profits</b>	<b>Total</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at January 1,2008	3,137	-	-	78,870	82,007
Total comprehensive income	-	-	-	17,457	17,457
Dividends	-	-	-	-	-
Balance as at September 30,2008	3,137	-	-	96,327	99,464
Balance as at January 1,2009	3,137	-	-	111,744	114,881
Total comprehensive income	-	-	-	34,925	34,925
Dividends	-	-	-	-	-
Balance as at September 30,2009	3,137	-	-	146,669	149,806

**ACCESS FINANCIAL SERVICES LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2009**

	<u>Unaudited</u> 3 months ended 30 September 2009 \$'000	<u>Unaudited</u> 9 months ended 30 September 2009 \$'000	<u>Unaudited</u> 9 months ended 30 September 2008 \$'000	<u>Audited</u> 12 months ended 31 December 2008 \$'000
Cashflow from operating activities	11,578	34,925	17,457	32,874
Profit for the period	(43,081)	(121,204)	(109,363)	(152,229)
<b>Adjustments to reconcile profit for the period</b>	<b>(38,647)</b>	<b>(46,276)</b>	<b>(31,088)</b>	<b>(39,267)</b>
Non cash items	60,628	145,588	133,306	188,740
Cash used in operating activities	(9,522)	13,033	10,312	30,118
Cash provided from operating activities	2,149	12,546	(9,525)	(46,196)
Net cash used in investing activities	-	-	-	-
Net cash from financing activities	(7,373)	25,579	787	(16,078)
<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>31,815</b>	<b>(1,137)</b>	<b>14,942</b>	<b>14,941</b>
Effects of changes in exchange rate on cash and cash equivalents	24,442	24,442	15,729	(1,137)
Cash and equivalents at beginning of the period	24,442	24,442	15,729	(1,137)
<b>Cash and equivalents at the end of the period</b>	<b>56,257</b>	<b>23,305</b>	<b>31,458</b>	<b>13,800</b>

**ACCESS FINANCIAL SERVICES LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2009**

	Unaudited 9 months ended 30 September 2009 \$'000	Unaudited 9 months ended 30 September 2008 \$'000	Audited 12 months ended 31 December 2008 \$'000
<b>ASSETS</b>			
Cash and cash equivalents	26,615	17,684	22,621
Securities purchased under resale agreements	13,152	74	32,000
Other accounts receivables	16,752	14,017	13,702
Loans	412,255	315,697	346,533
Property, plant and equipment	27,587	22,059	26,153
Intangible Assets	5,237	5,153	4,218
<b>TOTAL ASSETS</b>	<b>501,597</b>	<b>374,684</b>	<b>445,227</b>
<b>LIABILITIES</b>			
<b>Bank overdraft</b>	<b>2,210</b>	<b>1,955</b>	<b>23,758</b>
Accounts payables and provisions	29,884	7,979	11,965
Taxation Payable	4,765	6,223	12,494
Loans Payables	309,689	254,704	276,887
Deferred Taxation	5,242	4,749	5,242
<b>Total Liabilities</b>	<b>351,790</b>	<b>275,610</b>	<b>330,346</b>
Share Capital	3,137	3,137.00	3,137
Retained Earnings	146,670	95,937.00	111,744
<b>Total Stockholders' Equity</b>	<b>149,807</b>	<b>99,074</b>	<b>114,881</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>501,597</b>	<b>374,684</b>	<b>445,227</b>

	 Director	 Director
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