



# JAMAICA PRODUCERS GROUP LIMITED

## EXTRACTS FROM THE AUDITED GROUP RESULTS YEAR ENDED DECEMBER 31, 2009

Jamaica Producers Group Limited (JP) earned after-tax profits in 2009 of \$209.8 million, a turnaround from a loss of \$2.86 billion in 2008. The improved results reflect our decision to exit non-performing businesses and to aggressively re-focus our resources on those businesses in which we can build upon our unique competitive position and grow shareholder value.

Accordingly, at the end of 2008, JP took the decision to exit its United Kingdom juice business (which is accounted for in 2008 as a discontinued operation) and to exit the business of exporting Jamaican bananas to the UK.

JP's continuing operations now comprise two operating divisions along with our Corporate reporting segment. Our JP Europe operating division accounts for 78.2% of the combined revenues of JP. JP Europe is the largest producer of fresh juice in the Netherlands. The division also operates a UK-based freight forwarder and freight consolidator serving the English-speaking Caribbean. Our JP Tropical operating division is the leading vertically integrated tropical snack producer in the Caribbean. JP Tropical includes farming as well as food processing and accounts for 19.7% of JP Group revenues.

Both operating divisions achieved growth in revenues and profits. Revenues from our continuing operations are up 71.5% in 2009. This increase is largely due to our acquisition in the Netherlands and significant growth in our tropical snack lines. Moreover, we reversed a 2008 loss from continuing operations of \$250.7 million and achieved a \$460.5 million profit improvement.

### **JP Europe**

Revenues from continuing operations in JP Europe increased by \$2.14 billion to \$4.89 billion in 2009. The increase is due to our July 2008 acquisition of A.L. Hoogesteger Fresh Specialist B.V. ("Hoogesteger"). Profit was up by \$413.7 million to \$213.3 million. This reflected a turnaround relative to the 2008 loss of \$2.33 billion and the 2008 loss from continuing operations of \$200.4 million.

JP Europe, through Hoogesteger, is primarily involved in fruit processing and imports fruit from around the world and operates a fruit juice extraction and bottling plant that is based in the Netherlands and serves the Benelux (Belgium, Netherlands and Luxembourg) market. JP acquired this business with effect from July 4, 2008. In the context of a challenging economic environment, the improved results reflect efficiency gains in the juice factory and more effective raw material procurement.

JP Europe also operates JP Shipping Services Limited, which handles freight forwarding between the UK and the Caribbean. This business historically operated in tandem with our banana export business. With our exit from Jamaican banana exports, the unit no longer benefits from synergies that supported the efficient backhaul of cargo from Europe to Jamaica and the co-loading of Jamaican cargo with bananas. We have had to restructure the business to reduce its cost base and to develop new opportunities in freight consolidation to the wider Caribbean. Although we made progress with cost reduction and the development of new business with the wider Caribbean and returned the business to profitability in the fourth quarter of 2009, JP Shipping Services experienced a loss for the full year as a result of the collapse in freight volumes associated with the UK economic downturn. More aggressive selling and marketing initiatives to improve freight volume and profitability are planned for 2010.

### **JP Tropical**

JP Tropical achieved substantial revenue growth in 2009 of 74.6% relative to 2008. Revenues benefited from more aggressive brand-led advertising and distribution of our processed snack lines as well as new product development.

We introduced new cassava, sweet potato and plantain chip products together with flavoured varieties and improved packaging to enhance the shelf life of the product. We also launched our snack products in the Dominican Republic and targeted export growth in North America. We are pleased with the positive market acceptance of these initiatives.

As a result of our work in 2009, the JP St. Mary's brand is now recognized as the leading tropical snack brand in Jamaica. In 2010, we will build on this platform by expanding into new markets and by offering new processed food lines under our brands in Jamaica. We will also introduce a strong marketing campaign around our fresh bananas with a view to achieving comparable levels of brand recognition and sales growth.

JP Tropical also benefited from efficiency gains and improved yields in its farming operations in Jamaica and Honduras. Moreover, it has begun to benefit from a series of initiatives to generate added rental income from its land holdings in Jamaica.

Profits for the JP Tropical Division were up by \$273.2 million to \$48 million. This reflected a turnaround from the loss of \$225.2 million in 2008.

### **Corporate**

The Corporate segment recorded a profit of \$46.4 million in 2009 compared to a profit of \$145.6 million for the comparable period in 2008. The segment comprises interest and investment income net of the cost of corporate functions not directly charged to the business units. During the year, we sought to offset lower investment income and the loss in management fees from discontinued operations with reduced corporate overheads. At year-end, we reduced central corporate overheads by \$57.9 million relative to the prior year.

### **Outlook**

JP has a strong market share for its core product lines -- fresh juice and tropical snacks (including ripe bananas) -- in each of our main markets. Although our strong market position can reasonably be viewed as a source of comfort for shareholders, it also means that JP is required to target new markets and new products in order to achieve our objective for substantial medium-term growth. In this regard, we feel that our greatest potential for returns are in new products and markets that take advantage of our existing investment in plant and equipment, food and agricultural expertise and brand acceptance. As such, in 2010 and beyond, we will be seeking to identify and exploit opportunities in food processing and marketing in Northern Europe (particularly the Benelux region and the UK) and the Americas (particularly Central America, Caribbean and the USA), and are positioning JP to effectively pursue strategies for growth from its existing businesses and from new acquisitions. Our balance sheet strength is sufficient to both maintain our current businesses and to support our growth ambitions.

The turnaround that JP achieved in 2009 was particularly challenging because we had to fundamentally re-orient and re-invent our Group and at the same time manage through a difficult economic environment. I wish to thank the board, management and staff for their willingness and determination to make the changes that were required to re-position the Group for profitable growth.

Chairman  
C. B. Johnston



# JAMAICA PRODUCERS GROUP LIMITED

## EXTRACTS FROM THE AUDITED GROUP RESULTS YEAR ENDED DECEMBER 31, 2009

### GROUP BALANCE SHEET

	Audited as at December 31, 2009 \$ 000	Audited as at December 31, 2008 \$ 000
<b>Current Assets</b>		
Cash and cash equivalents	227,000	221,437
Short-term investments	489,233	814,908
Securities purchased under resale agreements	434,534	162,518
Accounts receivable	700,250	403,838
Taxation recoverable	137,648	157,354
Inventories	278,880	401,349
<b>Total Current Assets</b>	<b>2,267,545</b>	<b>2,161,404</b>
<b>Current Liabilities</b>		
Bank overdrafts	-	313
Accounts payable	906,429	1,066,783
Taxation	36,978	20,485
Unclaimed dividends	-	21,935
Current portion of long-term loans	55,919	45,778
<b>Total Current Liabilities</b>	<b>999,326</b>	<b>1,155,294</b>
<b>Working Capital</b>	<b>1,268,219</b>	<b>1,006,110</b>
<b>Non-current Assets</b>		
Biological assets	2,001	19,102
Interest in joint venture	88,014	69,060
Investments	1,477,104	1,596,256
Goodwill	568,778	490,454
Deferred tax assets	20,199	88,357
Property, plant and equipment	1,187,745	1,027,745
<b>Total Non-current Assets</b>	<b>3,343,841</b>	<b>3,290,974</b>
<b>Total Assets less Current Liabilities</b>	<b>4,612,060</b>	<b>4,297,084</b>
<b>Equity</b>		
Share capital	18,702	18,702
Reserves	4,513,191	4,167,412
<b>Total equity attributable to equity holders of the parent</b>	<b>4,531,893</b>	<b>4,186,114</b>
<b>Minority Interest</b>	<b>595</b>	<b>-</b>
<b>Total Equity</b>	<b>4,532,488</b>	<b>4,186,114</b>
<b>Non-current Liabilities</b>		
Deferred tax liabilities	-	7,971
Employee benefit obligation	9,674	-
Long-term loans	69,898	102,999
<b>Total Non-current Liabilities</b>	<b>79,572</b>	<b>110,970</b>
<b>Total Equity and Non-current Liabilities</b>	<b>4,612,060</b>	<b>4,297,084</b>
<b>Parent company stockholders' equity per ordinary stock unit (see note 4):</b>		
Based on stock units in issue	<u>\$24.23</u>	<u>\$22.38</u>
After exclusion of stock units held by ESOP	<u>\$26.77</u>	<u>\$24.73</u>



# JAMAICA PRODUCERS GROUP LIMITED

## EXTRACTS FROM THE AUDITED GROUP RESULTS

**YEAR ENDED DECEMBER 31, 2009**

### **GROUP PROFIT AND LOSS ACCOUNT**

	<u>Notes</u>	<u>Year ended December 31, 2009</u> \$ 000	<u>Year ended December 31, 2008</u> \$ 000
<b>Continuing operations</b>			*
Gross operating revenue	3	6,259,033	3,650,096
Cost of operating revenue		( 4,805,758)	( 3,004,698)
<b>Gross profit</b>		<b>1,453,275</b>	<b>645,398</b>
Marketing, selling and distribution costs		( 330,366)	( 90,825)
Administrative and other operating expenses		( 922,887)	( 1,114,996)
<b>Profit/(Loss) from continuing operations</b>		<b>200,022</b>	<b>( 560,423)</b>
Share of loss in joint venture		( 9,181)	( 1,624)
Net gain/(loss) from fluctuations in exchange rates		7,971	( 21,712)
Impairment loss on investments		-	( 15,392)
Gains on disposal of property, plant and equipment and investments		59,645	34,800
Reorganisation and restructuring recovery		-	133,582
Recovery from pension scheme		-	92,803
Other income		57,127	82,699
<b>Profit/(Loss) from continuing operations before finance cost and taxation</b>		<b>315,584</b>	<b>( 255,267)</b>
Finance cost - interest		( 8,022)	( 24,759)
<b>Profit/(Loss) from continuing operations before taxation</b>		<b>307,562</b>	<b>( 280,026)</b>
Taxation (charge)/credit		( 97,814)	29,271
<b>Profit/(Loss) from continuing operations after taxation</b>		<b>209,748</b>	<b>( 250,755)</b>
<b>Discontinued operations</b>			
Loss from discontinued operations after taxation		-	( 1,643,774)
Loss on disposal of interest in subsidiaries		-	( 961,938)
<b>Profit/(Loss) for year</b>		<b>209,748</b>	<b>( 2,856,467)</b>
<b>Attributable to:</b>			
Parent company stockholders		209,643	( 2,856,199)
Minority interest		105	( 268)
		<b>209,748</b>	<b>( 2,856,467)</b>
<b>Dealt with in the financial statements of:</b>			
The company		157,622	396,661
Subsidiary companies		61,202	( 2,457,914)
Joint venture company		( 9,181)	( 1,624)
		<b>209,643</b>	<b>( 2,856,199)</b>
<b>Profit/(Loss) per ordinary stock unit:</b>			
Based on stock units in issue	4	112.09¢	( 1,527.18)¢
After exclusion of stock units held by ESOP		123.84¢	( 1,683.67)¢

\* These figures include approximately six months of activity in our Dutch subsidiary acquired in 2008 (See Note 2)



# JAMAICA PRODUCERS GROUP LIMITED

## EXTRACTS FROM THE AUDITED GROUP RESULTS YEAR ENDED DECEMBER 31, 2009

### GROUP STATEMENT OF COMPREHENSIVE INCOME

	<u>Year ended</u> <u>December 31, 2009</u> \$ 000	<u>Year ended</u> <u>December 31, 2008</u> \$ 000
<b>Net profit/(loss) for the period</b>	<u>209,748</u>	( <u>2,856,467</u> )
<b>Other comprehensive income</b>		
Exchange gains/(losses) on translating foreign operations	221,820	( 189,225)
Cumulative realized exchange gains of subsidiary sold transferred to the group profit and loss account	-	( 696,296)
Available-for-sale financial assets		
Revaluation losses arising during the year	( 32,089)	( 1,133,795)
Impairment gains recognised in group profit and loss account	-	15,392
Realised revaluation gains transferred to group profit and loss account	( <u>48,335</u> )	( <u>38,471</u> )
	<u>141,396</u>	( <u>2,042,395</u> )
<b>Total comprehensive income/(expense) for the year</b>	<u>351,144</u>	( <u>4,898,862</u> )
<b>Total comprehensive income/(expense) attributable to:</b>		
Parent company stockholders	351,039	( 4,896,806)
Minority interest	<u>105</u>	<u>2,056</u>
	<u>351,144</u>	( <u>4,898,862</u> )



# JAMAICA PRODUCERS GROUP LIMITED

## EXTRACTS FROM THE AUDITED GROUP RESULTS YEAR ENDED DECEMBER 31, 2009

### **GROUP STATEMENT OF CHANGES IN EQUITY**

	Share Capital \$ 000	Share Premium \$ 000	Capital Reserves \$ 000	Fair Value Reserve \$ 000	Reserve For Own Shares \$ 000	Retained Profits \$ 000	Parent Company Stockholders' Equity \$ 000	Minority Interest \$ 000	Total Equity \$ 000
<b>Balances at December 31, 2007</b>	<b>18,702</b>	<b>135,087</b>	<b>2,484,532</b>	<b>2,327,998</b>	<b>( 160,300)</b>	<b>4,270,556</b>	<b>9,076,575</b>	<b>5,604</b>	<b>9,082,179</b>
Changes in equity:									
<b>Profit for the year</b>	-	-	-	-	-	( 2,856,199)	( 2,856,199)	( 268)	( 2,856,467)
<b>Other comprehensive income</b>									
Exchange losses arising on retranslation of foreign operations	-	-	( 187,437)	-	-	-	( 187,437)	( 1,788)	( 189,225)
Cumulative realized exchange gains of subsidiaries transferred to 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 recognised in group profit and loss account	-	-	-	15,392	-	-	15,392	-	15,392
Realised revaluation gains on available-for-sale investments transferred to group profit and loss account	-	-	-	( 38,471)	-	-	( 38,471)	-	( 38,471)
Total other comprehensive income for the year	-	-	( 883,733)	( 1,156,874)	-	-	( 2,040,607)	( 1,788)	( 2,042,395)
Total comprehensive expense for the year	-	-	( 883,733)	( 1,156,874)	-	( 2,856,199)	( 4,896,806)	( 2,056)	( 4,898,862)
<b>Other changes in equity</b>									
Minority interest released on disposal of subsidiaries	-	-	-	-	-	-	-	( 3,548)	( 3,548)
Own shares acquired by ESOP	-	-	-	-	( 30,198)	-	( 30,198)	-	( 30,198)
Unclaimed distribution to stockholders	-	-	78,865	-	-	-	78,865	-	78,865
	-	-	( 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)
<b>Balances at December 31, 2008</b>	<b>18,702</b>	<b>135,087</b>	<b>1,679,664</b>	<b>1,171,124</b>	<b>( 190,498)</b>	<b>1,372,035</b>	<b>4,186,114</b>	<b>-</b>	<b>4,186,114</b>
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)		
<b>Balances at December 31, 2008</b>	<b>18,702</b>	<b>135,087</b>	<b>1,679,664</b>	<b>1,171,124</b>	<b>( 190,498)</b>	<b>1,372,035</b>	<b>4,186,114</b>		



# JAMAICA PRODUCERS GROUP LIMITED

## EXTRACTS FROM THE AUDITED GROUP RESULTS YEAR ENDED DECEMBER 31, 2009

### GROUP STATEMENT OF CHANGES IN EQUITY(Cont'd)

	Share Capital \$ 000	Share Premium \$ 000	Capital Reserves \$ 000	Fair Value Reserve \$ 000	Reserve For Own Shares \$ 000	Retained Profits \$ 000	Parent Company Stockholders' Equity \$ 000	Minority Interest \$ 000	Total Equity \$ 000
<b>Balances at December 31, 2008</b>	<b>18,702</b>	<b>135,087</b>	<b>1,679,664</b>	<b>1,171,124</b>	<b>( 190,498)</b>	<b>1,372,035</b>	<b>4,186,114</b>	<b>-</b>	<b>4,186,114</b>
Changes in equity:									
<b>Profit for the year</b>	-	-	-	-	-	209,643	209,643	105	209,748
<b>Other comprehensive income</b>									
Exchange losses arising on retranslation of foreign operations	-	-	221,820	-	-	-	221,820	-	221,820
Change in fair value of available-for-sale investments	-	-	-	( 32,089)	-	-	( 32,089)	-	( 32,089)
Impairment loss on available-for-sale investments recognised in group profit and loss account	-	-	-	( 48,335)	-	-	( 48,335)	-	( 48,335)
Total other comprehensive income for the year	-	-	221,820	( 80,424)	-	-	141,396	-	141,396
Total comprehensive (expense)/income for the year	-	-	221,820	( 80,424)	-	209,643	351,039	105	351,144
<b>Other changes in equity</b>									
Issue of share capital in subsidiary	-	-	-	-	-	-	-	490	490
Unclaimed distribution to stockholders	-	-	20,134	-	-	-	20,134	-	20,134
	-	-	241,954	( 80,424)	-	209,643	371,173	595	371,768
Distributions to stockholders	-	-	-	-	-	( 25,394)	( 25,394)	-	( 25,394)
<b>Balances at December 31, 2009</b>	<b>18,702</b>	<b>135,087</b>	<b>1,921,618</b>	<b>1,090,700</b>	<b>( 190,498)</b>	<b>1,556,284</b>	<b>4,531,893</b>	<b>595</b>	<b>4,532,488</b>
Retained in the financial statements of:									
The company	18,702	135,087	1,577,786	1,039,641	-	484,785	3,256,001		
Subsidiary companies	-	-	346,067	51,059	( 190,498)	1,088,871	1,295,499		
Joint venture company	-	-	( 2,235)	-	-	( 17,372)	( 19,607)		
<b>Balances at December 31, 2008</b>	<b>18,702</b>	<b>135,087</b>	<b>1,921,618</b>	<b>1,090,700</b>	<b>( 190,498)</b>	<b>1,556,284</b>	<b>4,531,893</b>		



# JAMAICA PRODUCERS GROUP LIMITED

## EXTRACTS FROM THE AUDITED GROUP RESULTS

YEAR ENDED DECEMBER 31, 2009

### **GROUP STATEMENT OF CASH FLOWS**

	<u>Year ended</u> <u>December 31, 2009</u> <u>\$ 000</u>	<u>Year ended</u> <u>December 31, 2008</u> <u>\$ 000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) for the year attributable to parent company stockholders	209,643	( 2,856,199)
Items not affecting cash:		
Depreciation and amortization	157,186	770,146
Loss on disposal of subsidiaries	-	961,938
Deferred tax, net	62,125	( 542,320)
Other items	( 14,132)	22,764
	<b>414,822</b>	<b>( 1,643,671)</b>
(Increase)/decrease in current assets	( 144,977)	1,533,092
Decrease in current liabilities	( 158,888)	( 1,032,445)
CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	<b>110,957</b>	<b>( 1,143,024)</b>
CASH (USED)/PROVIDED BY INVESTMENT ACTIVITIES	( 13,841)	314,409
CASH USED BY FINANCING ACTIVITIES	( 91,553)	( 337,120)
Net increase/(decrease) in cash and cash equivalents	<b>5,563</b>	<b>( 1,165,735)</b>
Cash and cash equivalents at beginning of the year	<u>221,437</u>	<u>1,387,172</u>
Cash and cash equivalents at end of the year	<u><b>227,000</b></u>	<u><b>221,437</b></u>



# JAMAICA PRODUCERS GROUP LIMITED

## EXTRACTS FROM THE AUDITED GROUP RESULTS YEAR ENDED DECEMBER 31, 2009

### **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.

#### **2. Group's Operations and Activities**

Jamaica Producers Group Limited ("company") is incorporated and domiciled in Jamaica. The company's registered office is located at 6A Oxford Road, Kingston 5.

The main activities of the company and its subsidiaries ("group") are juice and food manufacturing, the cultivation, marketing and distribution of bananas locally, shipping and the holding of investments.

In the previous year, and 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.

In the previous year, the group sold its loss-making subsidiary, Serious Desserts Limited, for £2.75 million. 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 were included in the 2008 accounts as discontinued items, and are shown as comparative discontinued items in the current year. Included within discontinued items were exceptional charges of \$304 million for impairment of property, plant and equipment and \$134 million in costs related to the administration of Serious.

In the previous year, a total of \$134 million of income was included as exceptional items and separately disclosed under reorganization and restructuring in the profit and loss account of continuing operations. This included \$75 million in redundancies and \$37 million in container off-hiring costs which was offset by a loan waiver credit of \$248 million arising as a result of a force majeure and representing partial recovery of banana resuscitation costs charged to the profit and loss account following Hurricane Dean in 2007.

There have been no discontinued operations or exceptional items in the current year.

#### **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.

#### **4. Profit/(loss) per stock unit and stockholders' equity per stock unit**

Profit/(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, 2009 was 169,291,135 (2008 – 169,641,614) 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 169,291,135 (2008 – 169,291,570), representing the total number of ordinary stock units in issue at year-end less those held by the ESOP at the same date.





# JAMAICA PRODUCERS GROUP LIMITED

## EXTRACTS FROM THE AUDITED GROUP RESULTS YEAR ENDED DECEMBER 31, 2009

### **NOTES TO THE FINANCIAL STATEMENTS (cont'd):**

#### **5. 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 has changed its business segments from the previous year in order to better reflect its strategic direction following the acquisition and disposal of major subsidiaries in that year. Comparative figures have been reclassified to conform with those of the current year. Segment information is presented in respect of the group's strategic business segment. The identification of business segments, is based on the group's management and internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue.

The group is organized into three business segments:

- JP Europe Division – This comprises businesses that are centred in Europe and include the production and marketing of natural food and drink, and the logistics business.
- JP Tropical Division – This comprises businesses that are centred in the Caribbean and Central America, and include the production and marketing of natural food and drink as well as management of land holdings.
- Corporate – 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, 2009

### NOTES TO THE FINANCIAL STATEMENTS (cont'd):

#### 6. Segment Results

The audited segment results are as follows:

	<u>Total</u>		<u>Continuing operations</u>		<u>Discontinued operations</u>	
	<u>Year ended</u>	<u>Year ended</u>	<u>Year ended</u>	<u>Year ended</u>	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2009</u>	<u>December 31, 2008</u>	<u>December 31, 2009</u>	<u>December 31, 2008</u>	<u>December 31, 2009</u>	<u>December 31, 2008</u>
	<u>\$ 000</u>	<u>\$ 000</u>	<u>\$ 000</u>	<u>\$ 000</u>	<u>\$ 000</u>	<u>\$ 000</u>
<u>Revenue</u>						
JP Europe	4,892,384	12,106,328	4,892,384	2,753,496	-	9,352,832
JP Tropical	1,233,629	706,432	1,233,629	706,432	-	-
Corporate	133,020	190,168	133,020	190,168	-	-
<b>Total</b>	<b>6,259,033</b>	<b>13,002,928</b>	<b>6,259,033</b>	<b>3,650,096</b>	<b>-</b>	<b>9,352,832</b>
<u>Profit/(loss) before tax</u>						
JP Europe	213,245	( 2,332,299)	213,245	( 200,379)	-	( 2,131,920)
JP Tropical	47,970	( 225,241)	47,970	( 225,241)	-	-
Corporate	46,347	145,594	46,347	145,594	-	-
<b>Total</b>	<b>307,562</b>	<b>( 2,411,946)</b>	<b>307,562</b>	<b>( 280,026)</b>	<b>-</b>	<b>( 2,131,920)</b>

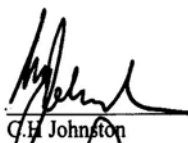
#### 7. Foreign Currency Translation

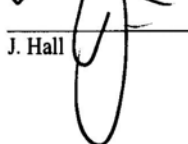
Overseas revenues and expenses have been translated at effective exchange rates of J\$136.39 (2008: J\$133.89) to £1, J\$122.95 (2008: 104.62) to €1 and J\$88.05 (2008: J\$72.82) to US\$1.

Adjustments have been made for exchange gains and losses on foreign currency assets and liabilities at December 31, 2009 and December 31, 2008 based upon the following exchange rates:

	<u>J\$/£</u>	<u>J\$/€</u>	<u>J\$/US\$</u>
December 31, 2009	139.80	127.30	89.01
December 31, 2008	114.44	111.15	79.96

*On behalf of the Board*

  
C.H. Johnston  
Chairman

  
J. Hall  
Group Managing Director

February 25, 2010