



Wise Financial Thinking for Life

## **Sagicor Life Jamaica Limited**

Interim report to Stockholders  
for the three-month period ended  
31 March 2010

## Directors' Statement

On behalf of the Board of Directors, we are pleased to present the un-audited consolidated Financial Statements for Sagicor Life Jamaica Limited (SLJ) for the three-month period ended 31 March 2010.

### **Overview:**

The Sagicor Jamaica Group produced net profits attributable to Stockholders of \$1,035 million for Q1, 2010. This was 28% below the amount recorded for the corresponding period in 2009 which included certain significant items that were not repeated in 2010. There would be a 20% improvement in the Q1 2010 results with the effect of these items excluded. These items were: A reduction in Actuarial Liabilities due to high interest rates and foreign currency translation gains from depreciation of the Jamaican dollar, offset by restructuring costs. The profit for 2010 was generated from Revenues of \$6,620 million and represents basic earnings per share of 28 cents. The annualized return on opening Stockholders Equity was 21%.

### **Operations:**

Consolidated Total Revenue of \$6,620 million was 3.3% better than that for the same period last year, 13% better when total revenue from discontinued operations is excluded. Revenues from all major lines of business showed improvement. New sales were strong and contributed to the increase in net premium revenues. Investment income was boosted by significant capital gains realized during the quarter despite the negative impact of the Jamaica Debt Exchange programme (JDX).

Benefits paid to policyholders (net of reinsurance) were \$2,292 million or 8% lower than that for the corresponding period in 2009, 4% higher when benefits from discontinued operations are excluded. Death claims and cash surrender expenses were noticeably higher than in the prior year, while health claims showed a more favorable experience.

The large increase in Actuarial Liabilities for Q1 2010 of \$862.3 million negatively impacted earnings. This level of increase was partly a consequence of the mix of policies sold during the period. As pointed out earlier, the Q1 2009 Actuarial Liabilities were reduced due to high interest rates at that time. It should also be noted that lower interest rates from the JDX, were reflected in the 2009 year-end Actuarial Liabilities.

Administrative expenses, of \$1,313 million were 6% lower than the Q1 2009 amount of \$1,399 million (excluding the amount for discontinued operations). The 2009 amount included restructuring cost. After adjusting for the foregoing the normalised ratio of administrative expenses to total revenue was 20% compared to 23% for the previous year.

## Directors' Statement

The Pan Caribbean Financial Services (PCFS) Banking Group, in which Sagicor has an 86% interest, performed well for the first quarter and generated after tax profits of \$396.9 million, up 14% on the prior year.

### **Balance Sheet:**

Total assets of the SLJ Group were \$145.6 billion compared to \$135.5 billion at December 2009, representing a 7.5% growth for the quarter. Total assets under management including pension fund assets managed on behalf of clients and unit trusts, amounted to \$224.0 billion (December 2009: \$210.4 billion).

Stockholders' Equity as at March 2010 was \$21.8 billion, compared to \$19.9 billion as at December 2009. This 9.6% increase was in part due to the growth in retained earnings and the improved fair values of securities held as Available-For-Sale. During the quarter, The SLJ Board of Directors declared dividends of \$789.8 million to Stockholders, or a dividend per share of 21 cents. This interim dividend was paid on April 9, 2010.

### **Social Responsibility:**

During the period under review, SLJ continued to demonstrate its commitment to the Jamaican community through numerous activities. In January, Sagicor was a leading sponsor of the Shaggy Make A Difference Foundation. This sponsorship helped the Foundation in its support of the Bustamante Hospital for Children. We also partnered with Pan Caribbean's Sigma Corporate Run to raise over \$11 million for the Sir John Golding Rehabilitation Centre, the Jamaica Society for the Blind and the Jamaica Association for the Deaf.

In the area of Education, Sagicor continued its Adopt-a-School program which was launched in 2009, by providing support to educational institutions, including fourteen Early Childhood Institutions (ECI) across the island.

### **Discontinued Operations:**

This refers to the sale of Sagicor General Insurance (Cayman) Ltd. effective January 1, 2010. From that date all operating activity inured to the purchaser, Bahamas First Holdings. Conditional regulatory approval was granted in April and full completion is expected to occur during May.

## Directors' Statement

### Outlook:

Against the background of challenges presented by the changing economic environment, the Sagicor Group remains confident in its strategies to sustain growth. These include:

- Continuous improvement in operational efficiencies.
- Maximizing sales to our customer base.
- Higher emphasis on conserving business on the books.
- Maintaining a strong balance sheet through active management.
- Fulfilling our corporate and social responsibility as a leading business entity in Jamaica.
- Continuous engagement of our team members through unique and enriching programs.
- Providing exemplary service to our customers at all times.

We sincerely thank our customers, shareholders, team members and business partners for their continued and valued support.

On behalf of the Board of Directors:



DR. THE HON. R.D. WILLIAMS  
Chairman  
5 May 2010



RICHARD O. BYLES  
President & CEO

**Consolidated Statement of Financial Position**  
**as at 31 March 2010**  
**(Expressed in thousands of Jamaican dollars)**

	March-10 Un-audited	March-09 Un-audited	December-09 Audited
<b>Assets:</b>			
Financial investments	107,324,136	85,780,423	99,806,966
Securities purchased under resale agreements	5,628,773	5,772,431	6,456,558
Derivative financial instruments	171,062	405,212	155,374
Other investments	1,026,818	321,248	1,044,063
	<u>114,150,789</u>	<u>92,279,314</u>	<u>107,462,961</u>
Intangible assets	4,988,269	5,286,136	5,071,000
Other assets	12,744,245	11,526,759	9,980,931
Segregated funds' assets	9,285,164	6,748,619	8,516,279
	<u>27,017,678</u>	<u>23,561,514</u>	<u>23,568,210</u>
Assets classified as held for sale and discontinued operations	4,430,509	4,340,025	4,435,246
<b>Total Assets</b>	<b>145,598,976</b>	<b>120,180,853</b>	<b>135,466,417</b>
<b>Liabilities:</b>			
Insurance and annuity contracts liabilities	19,551,719	15,950,151	19,004,039
Investment contracts liabilities	11,895,073	9,327,264	12,880,479
Other insurance policy liabilities	3,375,662	2,249,619	3,818,232
	<u>34,822,454</u>	<u>27,527,034</u>	<u>35,702,750</u>
Securities sold under repurchase agreements	44,919,428	41,189,936	42,036,038
Customer deposits	8,785,499	7,833,880	8,782,312
Due to banks and other financial institutions	11,922,799	7,055,862	10,406,121
Derivative financial instruments and structured products	672,126	1,598,551	673,972
Redeemable preference shares	1,271,347	1,271,281	1,271,319
Other liabilities	6,978,550	4,233,264	3,247,257
Segregated funds' liabilities	9,285,164	6,748,619	8,516,279
	<u>83,834,913</u>	<u>69,931,393</u>	<u>74,933,298</u>
Liabilities directly associated with assets classified as held for sale and discontinued operations	3,494,663	3,068,679	3,498,399
<b>Total liabilities</b>	<b>122,152,030</b>	<b>100,527,106</b>	<b>114,134,447</b>
<b>Equity:</b>			
Share Capital	7,854,938	7,817,273	7,854,938
Other components of equity	2,664,858	(1,766,919)	989,621
Retained earnings	11,263,616	9,564,214	11,018,150
Owners's equity	<u>21,783,412</u>	<u>15,614,568</u>	<u>19,862,709</u>
Non-controlling interests	1,663,534	4,039,179	1,469,261
<b>Total Equity</b>	<b>23,446,946</b>	<b>19,653,747</b>	<b>21,331,970</b>
<b>Total Liabilities and Equity</b>	<b>145,598,976</b>	<b>120,180,853</b>	<b>135,466,417</b>

On behalf of the Board of Directors:



DR. THE HON. R.D. WILLIAMS  
Chairman  
5 May 2010



RICHARD O. BYLES  
President & CEO

**Consolidated Income Statement**  
**for the three-month period ended 31 March 2010**  
**(Expressed in thousands of Jamaican dollars)**

	March-10 Year-to-date Unaudited	March-09 Year-to-date Unaudited	December-09 Full year Audited
<b>Revenues:</b>			
Net premium revenue	3,894,724	3,542,565	16,317,852
Net investment income	2,226,848	1,545,254	6,620,184
Fees, commissions and other revenues	498,222	762,946	2,459,901
Revenue from discontinued operations	0	555,421	2,474,589
<b>Total revenue</b>	<b>6,619,794</b>	<b>6,406,186</b>	<b>27,872,526</b>
<b>Benefits and expenses:</b>			
Net insurance benefits incurred	2,292,184	2,194,488	8,401,898
Changes in actuarial liabilities	862,276	(257,871)	2,423,033
Administration expenses	1,312,549	1,398,549	5,365,592
Commissions and related expenses	679,594	564,384	2,548,307
Amortization of intangible assets	74,838	75,379	336,633
Finance cost	38,970	38,970	194,015
Benefits and expenses from discontinued operations	0	530,410	2,832,699
<b>Total benefits and expenses</b>	<b>5,260,411</b>	<b>4,544,309</b>	<b>22,102,177</b>
<b>Profit before taxation</b>	<b>1,359,383</b>	<b>1,861,876</b>	<b>5,770,350</b>
Taxation	(272,432)	(258,015)	(884,785)
<b>Profit for the year (total)</b>	<b>1,086,951</b>	<b>1,603,862</b>	<b>4,885,565</b>
<b>Attributable to:</b>			
<b>Equity owners of the parent company (total)</b>	<b>1,035,174</b>	<b>1,442,986</b>	<b>4,390,112</b>
- Profit for the year from continuing operations	1,035,174	1,426,283	4,687,267
- (Loss)/Profit for the year from discontinued operation	0	16,703	(297,155)
<b>Non Controlling Interests (total)</b>	<b>51,777</b>	<b>160,876</b>	<b>495,453</b>
- Profit for the year from continuing operations	51,777	152,568	593,451
- (Loss)/Profit for the year from discontinued operation	0	8,308	(97,998)
	<b>1,086,951</b>	<b>1,603,862</b>	<b>4,885,565</b>
<b>Earnings per share for profit attributable to stockholders:</b>			
Basic	\$0.28	\$0.38	\$1.17
Fully diluted	\$0.28	\$0.38	\$1.16

Consolidated Statement of Comprehensive Income  
for the three-month period ended 31 March 2010  
(Expressed in thousands of Jamaican dollars)

	March 2010	March 2009	December 2009
<b>Net profit for the period</b>	<b>1,086,951</b>	<b>1,603,862</b>	<b>4,885,565</b>
<b>Other comprehensive income:</b>			
Available-for-sale investements			
Unrealised gains/(loss) on available-for-sale investments	1,107,934	(647,054)	1,930,508
Gains reclassified and reported in profit	681,114	(176,778)	(371,487)
	<u>1,789,048</u>	<u>(823,832)</u>	<u>1,559,021</u>
Owner occupied properties:			
Unrealised gains on owner occupied properties	0	0	21,586
Cash flow hedges			
Unrealised gains/(loss) on cash flow hedges	17,045	10,902	(149,296)
Re-translation of foreign operations	(4,388)	354,760	396,680
Negative goodwill from the purchase of subsidiary shares	0	0	467,954
Total income/(expense) recognised directly in stockholders' equity, net of tax	<u>1,801,705</u>	<u>(458,170)</u>	<u>2,295,945</u>
<b>Total comprehensive income</b>	<b><u>2,888,656</u></b>	<b><u>1,145,692</u></b>	<b><u>7,181,510</u></b>
<b>Total comprehensive income attributable to:</b>			
<b>Equity owners of the stockholders of the company:</b>			
- Total comprehensive income for the period from continuing operations	2,702,090	858,361	6,652,960
- Total comprehensive income for the period from discontinued operations	0	126,905	(253,373)
	<u>2,702,090</u>	<u>985,266</u>	<u>6,399,587</u>
<b>Non-controlling interests:</b>			
- Total comprehensive income for the period from continuing operations	186,566	118,664	865,513
- Total comprehensive income for the period from discontinued operations	0	41,762	(83,590)
	<u>186,566</u>	<u>160,426</u>	<u>781,923</u>
	<b><u>2,888,656</u></b>	<b><u>1,145,692</u></b>	<b><u>7,181,510</u></b>

**Consolidated Statement of Changes in Equity**  
**for the three-month period ended 31 March 2010**  
(Expressed in thousands of Jamaican dollars)

	Share Capital	Retained Earnings	Currency Translation Reserves	Investment & Fair Value Reserves	Other Reserves	Total	Non- Controlling Interests	Total Equity
<b>Period ended 31 March 2010:</b>								
Balance as at 1 January 2010	7,854,938	11,018,150	1,282,756	(1,555,355)	1,262,220	19,862,709	1,469,261	21,331,970
Total comprehensive income for the period	0	1,035,176	(4,040)	1,670,954	0	2,702,090	186,566	2,888,656
Issue of ordinary shares	0	0	0	0	0	0	7,561	7,561
Value of employee services rendered	0	0	0	0	8,420	8,420	146	8,566
Dividends paid to owners	0	(789,807)	0	0	0	(789,807)	0	(789,807)
Adjustment between regulatory loan provision and IFRS	0	97	0	0	(97)	0	0	0
<b>Balance as at 31 March 2010</b>	<b>7,854,938</b>	<b>11,263,616</b>	<b>1,278,716</b>	<b>115,599</b>	<b>1,270,543</b>	<b>21,783,412</b>	<b>1,663,534</b>	<b>23,446,946</b>
<b>Period ended 31 March 2009:</b>								
Balance as at 1 January 2009	7,796,463	9,066,612	926,712	(2,698,772)	452,805	15,543,820	4,045,061	19,588,881
Total comprehensive income for the period	0	1,442,985	316,477	(774,196)	0	985,266	160,428	1,145,695
Issue of ordinary shares	18,000	0	0	0	0	18,000	0	18,000
Value of employee services rendered	0	0	0	0	6,810	6,810	1,178	7,988
Employee share options exercised	2,810	0	0	0	(1,400)	1,410	0	1,410
Dividends paid to owners	0	(940,739)	0	0	0	(940,739)	0	(940,739)
Dividend paid to non-controlling interests	0	0	0	0	0	0	(167,489)	(167,489)
Adjustment between regulatory loan provision and IFRS	0	(4,644)	0	0	4,644	0	0	0
<b>Balance as at 31 March 2009</b>	<b>7,817,273</b>	<b>9,564,214</b>	<b>1,243,189</b>	<b>(3,472,968)</b>	<b>462,859</b>	<b>15,614,567</b>	<b>4,039,179</b>	<b>19,653,747</b>
<b>Period ended 31 December 2009:</b>								
Balance as at 1 January 2009	7,796,463	9,066,612	926,712	(2,698,772)	452,805	15,543,820	4,045,061	19,588,881
Total comprehensive income for the period	0	4,858,066	356,044	1,185,477	0	6,399,587	781,923	7,181,510
Issue of ordinary shares	29,658	0	0	0	0	29,658	0	29,658
Employee share option scheme - Value of employee services rendered	0	0	0	0	21,825	21,825	4,050	25,875
Employee stock grants and options exercised	28,817	0	0	0	(19,841)	8,976	0	8,976
Dividends paid to owners	0	(2,141,157)	0	0	0	(2,141,157)	0	(2,141,157)
Dividends paid to non-controlling interests	0	0	0	0	0	0	(327,948)	(327,948)
Adjustment between regulatory loan provision and IFRS	0	(32,771)	0	0	32,771	0	0	0
Transfer from special investment reserve	0	80,191	0	0	(80,191)	0	0	0
Transfer to retained earning reserves	0	42,060	0	(42,060)	0	0	0	0
Transfer from Retained Earnings	0	(854,851)	0	0	854,851	0	0	0
Disposal of equity interest by non-controlling interests	0	0	0	0	0	0	(3,033,825)	(3,033,825)
<b>Balance as at 31 December 2009</b>	<b>7,854,938</b>	<b>11,018,150</b>	<b>1,282,756</b>	<b>(1,555,355)</b>	<b>1,262,220</b>	<b>19,862,709</b>	<b>1,469,261</b>	<b>21,331,970</b>



**Consolidated Statement of Cash Flows**  
**for the three-month period ended 31 March 2010**  
**(Expressed in thousands of Jamaican dollars)**

	<b>March-10</b>	<b>March-09</b>	<b>December-09</b>
	<b>Year-to-date</b>	<b>Year-to-date</b>	<b>Full year</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
<b>Cash Flows from operating activities:</b>			
Net profit	1,086,951	1,603,862	4,885,565
Items not affecting cash	(499,760)	(226,963)	1,648,071
Changes in operating assets and liabilities	776,114	471,972	(4,617,062)
Interest received	3,808,499	2,748,331	11,848,069
Interest paid	(1,572,956)	(1,582,912)	(6,380,578)
Income taxes paid	(392,706)	(145,121)	(843,666)
<b>Cash generated from operating activities</b>	<b>3,206,142</b>	<b>2,869,169</b>	<b>6,540,399</b>
<b>Cash Flows from investing activities:</b>			
Acquisitions, net of cash acquired	0	(34,028)	(2,461,087)
Property, plant and equipment, net	(13,362)	(26,677)	(196,219)
Intangible assets, net	(96)	(7,920)	(29,092)
<b>Cash used in investing activities</b>	<b>(13,458)</b>	<b>(68,625)</b>	<b>(2,686,398)</b>
<b>Cash Flows from financing activities:</b>			
Dividends paid to stockholders	0	(936,590)	(2,141,157)
Dividend paid to minority interest	0	(167,489)	(327,948)
Ordinary shares issued	0	20,811	58,475
Ordinary shares issued - to Minority Interest	7,561	0	0
Preference shares	0	(6,865)	0
<b>Cash used in financing activities</b>	<b>7,561</b>	<b>(1,090,133)</b>	<b>(2,410,630)</b>
Effects of exchange rate changes	(13,186)	636,422	724,931
<b>Cash and cash equivalents:</b>			
Cash and cash equivalents, at beginning of year	11,716,053	9,547,751	9,547,751
Increase in net cash and cash equivalents	3,187,060	2,346,833	2,168,302
<b>Net cash and cash equivalents, at end of period</b>	<b>14,903,113</b>	<b>11,894,584</b>	<b>11,716,053</b>

**Consolidated Segmental Financial Information**  
for the three-month period ended 31 March 2010  
(Expressed in thousands of Jamaican dollars)

	Individual Life	Employee Benefits	Banking and Asset management	General Insurance	All other	Eliminations	Unaudited March - 10 Group
External revenues	2,068,971	3,054,196	899,815	6,958	589,854	0	6,619,794
Inter-segment revenues	29,746	12,271	18,752	1,564	66,115	(128,448)	0
<b>Total revenue</b>	<b>2,098,717</b>	<b>3,066,467</b>	<b>918,567</b>	<b>8,522</b>	<b>655,969</b>	<b>(128,448)</b>	<b>6,619,794</b>
Benefits and expenses	(1,533,308)	(2,165,772)	(330,931)	(2,926)	(271,284)	57,698	(4,246,523)
Change in actuarial liabilities	(299,136)	(563,140)	0	0	0	0	(862,276)
Depreciation	(16,841)	(7,711)	(11,471)	0	(1,781)	0	(37,804)
Amortization of intangibles	(222)	(29,617)	(38,449)	0	(6,550)	0	(74,838)
Finance costs	0	0	(38,970)	0	(4,635)	4,635	(38,970)
<b>Profit before tax</b>	<b>249,210</b>	<b>300,227</b>	<b>498,746</b>	<b>5,596</b>	<b>371,719</b>	<b>(66,115)</b>	<b>1,359,383</b>
Taxation	(84,958)	(54,532)	(126,591)	0	(6,351)	0	(272,432)
<b>Profit after taxation</b>	<b>164,252</b>	<b>245,695</b>	<b>372,155</b>	<b>5,596</b>	<b>365,368</b>	<b>(66,115)</b>	<b>1,086,951</b>
<b>Segment assets:</b>	34,460,498	27,386,119	71,266,615	4,968,566	12,602,889	(5,595,370)	145,089,317
<b>Unallocated assets</b>							
Investment in associates							2,725
Deferred tax assets							190,399
Retirement benefit asset							316,535
<b>Total assets</b>							<b>145,598,976</b>
<b>Segment liabilities:</b>	27,350,247	22,393,225	61,140,090	3,520,520	12,591,176	(5,680,552)	121,314,706
<b>Unallocated liabilities</b>							
Deferred tax liabilities							336,920
Retirement benefit obligation							500,404
<b>Total liabilities</b>							<b>122,152,030</b>
<b>Other Segment items:</b>							
Depreciation							37,804
Capital expenditure							5,096
<b>Geographical information:</b>							
	<b>Jamaica</b>	<b>Cayman Islands</b>	<b>Total Group</b>				
Revenue	5,885,453	734,341	6,619,794				
Total assets	117,239,232	28,359,744	145,598,976				

Consolidated Segmental Financial Information (continued)  
for the three-month period ended 31 March 2010  
(Expressed in thousands of Jamaican dollars)

	Individual Life	Employee Benefits	Banking and Asset management	General Insurance	All other	Eliminations	Unaudited March - 09 Group
Revenues from external customers	1,671,069	3,391,794	823,438	182,034	337,851		6,406,186
Intersegment revenues	0	8,963	36,717	1,694	4,728	(52,102)	0
<b>Total revenue</b>	<b>1,671,069</b>	<b>3,400,757</b>	<b>860,155</b>	<b>183,728</b>	<b>342,579</b>	<b>(52,102)</b>	<b>6,406,186</b>
Benefits and expenses	(1,220,862)	(2,726,039)	(325,599)	(119,306)	(274,695)	47,374	(4,619,127)
Change in actuarial liabilities	126,240	131,631					257,871
Depreciation	(16,843)	(13,799)	(12,868)	(4,347)	(2,723)		(50,580)
Amortization of intangibles	(1,309)	(34,070)	(40,430)	(4,791)	(4,361)		(84,961)
Finance costs	0	(4,271)	(38,970)	(4,271)	(4,728)	4,728	(47,512)
Profit before tax	558,295	754,209	442,288	51,013	56,072	0	1,861,877
Taxation	(71,914)	(52,505)	(117,903)		(15,693)		(258,015)
<b>Profit after taxation</b>	<b>486,381</b>	<b>701,704</b>	<b>324,385</b>	<b>51,013</b>	<b>40,379</b>	<b>0</b>	<b>1,603,862</b>

<b>Segment assets:</b>	25,369,337	22,345,535	65,189,996	4,883,198	4,607,284	(3,217,122)	119,178,228
<b>Unallocated assets</b>							
Investment in associates							2,725
Deferred tax assets							793,710
Retirement benefit asset							206,190
<b>Total assets</b>							<b>120,180,853</b>
<b>Segment liabilities:</b>	19,436,131	17,732,587	57,682,877	3,102,165	4,569,645	(3,217,122)	99,306,283
<b>Unallocated liabilities</b>							
Deferred tax liabilities							275,491
Retirement benefit obligation							430,422
Business development loans							514,911
<b>Total liabilities</b>							<b>100,527,107</b>
<b>Capital expenditure</b>							<b>25,860</b>

**Geographical information:**

	Jamaica	Cayman Islands	Total Group
Revenue	5,495,121	911,065	6,406,186
Total assets	102,420,485	17,760,368	120,180,853

	Individual Life	Employee Benefits	Banking and Asset management	General Insurance	All other	Eliminations	Audited December - 09 Group
External revenues	6,973,910	14,958,234	3,626,990	783,022	1,530,370	0	27,872,526
Inter-segment revenues	84,581	140,405	(46,543)	11,293	27,232	(216,968)	0
<b>Total revenue</b>	<b>7,058,491</b>	<b>15,098,639</b>	<b>3,580,447</b>	<b>794,315</b>	<b>1,557,602</b>	<b>(216,968)</b>	<b>27,872,526</b>
Benefits and expenses	(5,179,054)	(10,448,140)	(1,352,973)	(958,060)	(1,137,570)	205,521	(18,870,276)
Change in actuarial liabilities	194,084	(2,697,681)	0	0	0	0	(2,503,597)
Depreciation	(65,366)	(50,166)	(48,998)	(15,130)	(15,290)	0	(194,950)
Amortization of intangibles	(6,325)	(136,669)	(160,173)	(19,875)	(16,296)	0	(339,338)
Finance costs	0	(17,985)	(158,044)	(17,986)	(19,018)	19,018	(194,015)
Profit before tax	2,001,830	1,747,998	1,860,259	(216,736)	369,428	7,571	5,770,350
Taxation	(280,244)	(188,095)	(481,422)	0	64,976	0	(884,785)
<b>Profit after taxation</b>	<b>1,721,586</b>	<b>1,559,903</b>	<b>1,378,837</b>	<b>(216,736)</b>	<b>434,404</b>	<b>7,571</b>	<b>4,885,565</b>

<b>Segment assets:</b>	31,756,372	26,317,001	65,554,963	5,017,590	10,174,110	(4,498,951)	134,321,085
<b>Unallocated assets</b>							
Investment in associates							2,725
Deferred tax assets							826,072
Retirement benefit asset							316,535
<b>Total assets</b>							<b>135,466,417</b>
<b>Segment liabilities:</b>	24,857,152	21,501,817	57,231,858	3,573,585	10,158,716	(4,584,219)	112,738,909
<b>Unallocated liabilities</b>							
Deferred tax liabilities							372,856
Retirement benefit obligation							500,407
Business development loans							522,275
<b>Total liabilities</b>							<b>114,134,447</b>
<b>Other Segment items:</b>							
Depreciation							194,950
Capital expenditure							202,954

**Geographical information:**

	Jamaica	Cayman Islands	Total Group
Revenue	23,633,818	4,238,708	27,872,526
Total assets	109,244,234	26,222,183	135,466,417

## Explanatory Notes

### **1. Basis of preparation**

These condensed consolidated financial statements have been prepared in accordance with the accounting policies as set out in note 2 of the December 31, 2009 audited financial statements.

### **2. Assets classified as held for sale and discontinued operations**

The assets and liabilities (and operating activity for the comparative periods) relating to Sagicor General Insurance (Cayman) Ltd. have been presented as held-for-sale, following approval of the Board of Directors to sell Sagicor's controlling interest.

On 23 February 2010, Sagicor Life of the Cayman Islands Ltd. entered into a Share Purchase Agreement with Bahamas First Holdings Limited to divest its 75.24% holding, effective 1 January 2010. Conditional regulatory approval was granted in April and full completion is expected to occur during May.