

# **Pan-Jamaican Investment Trust Limited**

Report to Stockholders Nine months ended 30 September 2010

# Pan-Jamaican Investment Trust Limited

# **Interim Report to Stockholders**

# For the 9 months ended September 30, 2010

On behalf of the Board of Directors, we are pleased to present the unaudited consolidated financial statements of Pan-Jamaican Investment Trust Limited ("Pan Jam") for the period ended September 30, 2010.

The highlights are:

- Net profit attributable to owners of \$342 million (2009: \$296 million) for the quarter and \$884 million (2009: \$1,013 million) for the nine months
- Return (annualised) on opening equity of 13% (2009: 18%)
- Basic earnings per stock unit of \$2.00 (2009: \$1.73) for the quarter and \$5.16 (2009: \$5.91) for the nine months
- Book value per stock unit of \$59.26 at September 30, 2010 (December 31, 2009: \$52.15)

# Income Statement

Net profit attributable to owners for the quarter ended September 30, 2010 amounted to \$342 million, compared to \$296 million in the 2009 3<sup>rd</sup> quarter, an increase of 16%, equivalent to basic earnings per stock unit of \$2.00 compared to \$1.73 for the same period in 2009. Net profit attributable to owners for the nine months ended September 30, 2010 amounted to \$884 million, compared to \$1,013 million for 2009, a decrease of 13%, equivalent to basic earnings per stock unit of \$5.16 compared to \$5.91 for the same period in 2009.

The most notable impact on our performance for the quarter was an increase in property income of \$72 million, 32%, compared to the same period last year, while year-to-date property income is ahead of last year's level by 28%. This year we have recognised property revaluation gains of \$62 million for the quarter (\$189 million year-to-date) compared to zero in last year's 3<sup>rd</sup> quarter and \$61 million year-to-date, consequent on continued reduced interest rates and a more favourable outlook for commercial property. Occupancy remains strong across the portfolio.

Investment income in the  $3^{rd}$  quarter of 2010 was adversely affected by a reduction in interest income as well as lower trading gains. Year-to-date income of \$130 million is net of \$50 million of foreign exchange losses incurred principally in the  $2^{nd}$  quarter, while last year's income of \$362 million benefited from \$162 million of foreign exchange gains. We believe that holding the majority of our investment securities in foreign currency continues to be the medium and long-term value-maximising strategy for our stockholders.

Group operating profit for the 3<sup>rd</sup> quarter improved by \$16 million, 10%, compared to last year's 3<sup>rd</sup> quarter. An adverse change in investment income of \$23 million was more than offset by increased property income of \$72 million, primarily attributable to property revaluation gain (we recorded no gain in the 2009 3<sup>rd</sup> quarter), consequent on continued reduced interest rates and a more favourable outlook for commercial property. Total operating expenses increased by just \$2 million, as inflationary pressures were dampened by reduced discretionary spending. For the nine months, group operating profit is lower than last year's level by \$125 million, 19%, principally attributable to an adverse swing in foreign exchange this year of \$211 million, partly offset by improved property revaluation gains of \$128 million.

# **Business Segments**

Our property segment, which is comprised principally of Jamaica Property Company, enjoyed overall occupancy levels exceeding 97% for the 3<sup>rd</sup> quarter, a slight decline over last year, while contribution to group operating profit of \$138 million for the quarter (\$415 million year-to-date) was \$67 million (\$118 million year-to-date) better, essentially attributable to the property revaluation gains recognised in this and the prior quarter.

Our investment management segment operations reported a \$37 million operating profit for the quarter, compared to last year's 3<sup>rd</sup> quarter operating profit of \$87 million; the decline was driven by reduced interest earnings and trading gains. Year-to-date segment operating profit of \$77 million is substantially lower than last year's \$303 million, as last year's foreign exchange gains of \$161 million have been replaced by a loss of \$50 million this year. We reported a net unrealised loss in our portfolio of available for sale securities, which are accounted for through comprehensive income and stockholders' equity, of \$7 million for the quarter (gain of \$93 million year-to-date) compared to a net unrealised gain of \$38 million last year (\$55 million year-to-date), as globally financial markets staged another modest recovery.

### Associated Companies

The results of associated companies consist principally of our 24.7% investment in Sagicor Life Jamaica Limited ("SLJ"). We also hold a 20% interest in Hardware & Lumber Limited (H&L) and a 25% interest in the new Walkerswood group (Walkerswood).

Our investment in SLJ continues to perform well, although that company has also felt the impact of the JDX on its profits and dividends. Our share of results increased marginally for the quarter, while our share of year-to-date earnings of \$822 million is 17% lower than last year's level of \$987 million, principally as a result of lower investment earnings, most notably foreign exchange losses caused by Jamaican dollar strength. SLJ's core earnings remain on a positive growth trajectory and have benefited from both strong new business and careful expense management.

H&L reported a loss of \$7 million for the 3rd quarter, compared to a loss of \$43 million for the same period last year, bringing their year-to-date net loss to \$14 million compared to a loss of \$183 million a year ago. Results continue to be adversely affected by revenue

declines versus the same period a year ago, reflecting continuing soft demand particularly in the construction and home improvement sectors. Nevertheless, we are pleased that management is taking steps to reduce the company's cost base, improve margins, and enhance the retail customer experience through store remodeling and customer service training, resulting in operating profits this year.

Walkerswood continues to build new and existing markets while attempting to satisfy customer demand. We are pleased with the progress of this investment and delighted to see the Walkerswood products consistently on the supermarket shelves both locally and abroad.

### Balance Sheet

Total assets at September 30, 2010 amounted to \$14.7 billion, compared to \$12.9 billion at December 31, 2009. Stockholders' equity increased to \$10.2 billion (December 31 2009: \$8.9 billion), which equates to a book value per stock unit of \$59.26 as at September 30, 2010 (December 31, 2009: \$52.15).

<u>Outlook</u>

Lower interest rates and a compressed economic environment have affected both the group and Sagicor this year, and are likely to continue to do so for the next 12 months. Nevertheless, our strong liquidity position and low leverage, combined with our standing as the country's premier commercial property owner and manager, gives us reason to be cautiously optimistic.

Chairman

President & CEO

# Pan-Jamaican Investment Trust Limited and its subsidiaries Unaudited Consolidated Income Statement Nine months ended 30 September 2010

	3 Months to Sep-10	3 Months to Sep-09	YTD Sep-10	YTD Sep-09
	\$'000	\$'000	\$'000	\$'000
Income				
Investments	52,867	76,238	129,866	362,183
Property	295,856	223,434	887,881	695,369
Commissions	7,521	8,289	22,908	22,649
Other	16,244	46,435	48,557	74,397
	372,488	354,396	1,089,212	1,154,598
Operating expenses	(187,641)	(185,831)	(571,609)	(511,766)
Operating profit	184,847	168,565	517,603	642,832
Interest expense	(12,505)	(10,930)	(32,091)	(41,019)
	172,342	157,635	485,512	601,813
Share of results of associated				
companies, net of taxation	305,578	294,766	824,417	921,625
Profit before taxation	477,920	452,401	1,309,929	1,523,438
Taxation	(26,232)	(40,532)	(108,050)	(115,650)
Net profit	451,688	411,869	1,201,879	1,407,788
Net profit attributable to:				
Owners of the parent	341,791	295,775	884,160	1,012,623
Non-controlling interest	109,897	116,094	317,719	395,165
	451,688	411,869	1,201,879	1,407,788
Earnings per stock unit attributable to				
owners of the parent for the period				
Basic	\$2.00	\$1.73	\$5.16	\$5.91
Fully diluted	\$1.96	\$1.70	\$5.07	\$5.81

#### Pan Jamaican Investment Trust Limited and its subsidiaries Unaudited Consolidated Statement of Comprehensive Income Nine months ended 30 September 2010

	3 Months to Sep-10 \$'000	3 Months to Sep-09 \$'000	YTD Sep-10 \$'000	YTD Sep-09 \$'000
Net profit for the period	1,201,879	411,869	1,201,879	1,407,788
Other comprehensive income:				
Exchange differences on translating foreign operations	(4,683)	343	(3,756)	8,890
Unrealised (losses)/gains on available-for-sale financial assets, net of tax	(6,833)	38,068	92,993	54,930
Gain/(Loss) on dilution of shareholding in associates	164	(1,320)	(3,274)	4,010
Share of other comprehensive income of associates	148,294	309,892	557,764	469,505
Other comprehensive income for the period, net of tax	136,942	346,983	643,727	537,335
Total comprehensive income for the period	1,338,821	758,852	1,845,606	1,945,123
Total comprehensive income attributable to				
Owners of the parent	685,481	550,201	1,387,147	1,409,117
Non-controlling interest	223,176	208,651	458,459	536,006
	908,657	758,852	1,845,606	1,945,123

#### PAN-JAMAICAN INVESTMENT TRUST LIMITED and its subsidiaries Unaudited Consolidated Statement of Financial Position as at 30 September 2010

ASSE 13         Note           Cash and Bank Balances         48,484         18,784         10,359           Investments         83,770         119,417         140,514           Short term deposits         83,770         119,417         140,514           Scurities         119,417         140,514         56,611           Available-for-sale         1,937,471         1,767,993         1,758,101           Loans & receivables         1,2272         12,272         189,408           Deposits         3,761,736         3,584,578         3,286,131           Investment properities         3,761,736         3,584,578         3,286,131           Investment properities         3,761,736         6,003,954         5,714,083           Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         564,178         226,819         300,859           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         584,178         226,819         36,864           Stockholders' Equity         2,183,555         1,998,504         1,819,652           Stockholders' Equity holders         5,077,918         4,525,910         4,002,07	100570	Nete	Unaudited September 2010 \$'000	Audited December 2009 \$'000	Unaudited September 2009 \$'000
Investments         83,770         119,417         140,514           Short term deposits         83,770         119,417         140,514           Securities         1,337,471         140,514         35,237           Available-for-sale         1,272         1,2272         189,408           Deposits         1,277         1,2272         119,408           Deposits         1,707         2,727         -           Securities purchased under agreements to resell         700,523         829,048         756,861           Investment properties         3,761,736         3,326,131         12,020,335           Taxation recoverable         46,851         58,250         52,665           Deferred tax assets         10,550         10,396         21,830           Receivables and other assets         584,178         22,881         38,684           Boyo,850         438,065         525,226         14,713,486         12,023,242         12,223,89           Stockholders' Equity         21,333         185,354         185,354         185,354         185,354           Capital and Reserves Attributable         to the Company's Equity holders         37,708         34,302         32,503           Properby, inar Reserves         2,738,555	ASSETS	Note	40.404	40 704	40.250
Short term deposits         83,770         119,417         140,514           Securities         1         135,237         Available-for-sale         1,337,471         1,787,993         1,758,101           Loans & receivables         1,2,772         12,272         188,408         Deposits         1,707         2,727         -           Securities purchased under agreements to resell         790,523         829,048         756,861         Investment properties         3,761,736         3,584,578         3,326,131           Investment properties         3,761,745         12,466,333         12,020,335         12,020,335         12,020,335           Taxation recoverable         46,851         55,250         52,565         Deferred tax assets         584,176         226,819         30,859           Property, plant and equipment         211,233         100,512         102,288         38,088         38,038         42,088         38,684           Stockholders' Equity         33,038         42,088         38,693         12,923,242         12,555,919           Stockholders' Equity         33,038         42,088         38,684         185,354         185,354         185,354         185,354         185,354         185,354         185,354         185,354         185,354			40,404	10,704	10,356
Securities         146,486         126,404         135,237           Available-for-sale         1,337,471         1,787,933         1,758,101           Loans & receivables         1,2,72         12,272         189,408           Deposits         1,707         2,727         -           Securities purchased under agreements to resell         790,523         682,048         756,661           Investment properties         3,761,736         3,584,578         3,326,131           Investment properties         3,774,152         12,466,333         12,020,335           Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         10,550         10,3964         21,830           Receivables and other assets         584,178         226,819         309,859           Property, plant and equipment         211,233         100,512         102,228           Retirement benefit assets         33,038         42,088         38,844           990,850         438,065         525,226         14,713,486         12,923,242         12,555,919           Stockholder's Equity         Capital and Reserves Attributable         10,151,616         83,3065         5,25,256           Stockholder's Equity         12,923,242<			83 770	110 /17	140 514
Financial assets at fair value through profit and loss         146,486         126,404         135,237           Available-for-sale         1,337,471         1,787,993         1,756,101           Loans & receivables         12,272         189,408           Deposits         1,707         2,727         -           Securities purchased under agreements to resell         790,523         829,048         756,861           Investment properties         3,761,736         3,584,578         3,326,131           Investment properties         3,774,152         12,466,393         12,020,335           Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         10,550         10,336         21,833           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         38,038         42,088         38,684           Stockholders' Equity         Capital and Reserves Attributable         12,923,242         12,555,919           to the Company's Equity holders         5,777,918         4,3302         32,503           Property revaluation reserve         2,730,567         2,206,021         2,281,981           Retained earnings         5,077,918         4,229,102	·		03,110	113,417	140,014
Available-for-sale         1,937,471         1,787,993         1,758,101           Leans & receivables         12,272         12,272         122,272         189,408           Deposits         1,707         2,727         -         -         -           Securities purchased under agreements to resell         790,523         829,048         756,861           Investment properties         3,761,736         3,584,578         3,328,131           Investment properties         3,771,746         2,040,877         6,003,954           Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         10,550         10,386         21,830           Receivables and other assets         584,178         22,819         30,859           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         38,038         42,088         38,684           890,850         438,065         525,226         14,713,486         12,923,242         12,555,919           StocKHOLDERS' EQUITY AND LIABILITIES         Stockholders' Equity         6,077,918         4,302         32,503           Property, plant and equipment         215,551         1,98,554         1,85,354			146 486	126 404	135 237
Loans & receivables         12,272         12,272         189,408           Deposits         1,707         2,727         -           Securities purchased under agreements to resell         17,077         2,727         -           Investment properties         3,761,736         3,584,578         3,326,131           Investment in associated companies         3         7,040,187         6,003,954         5,714,083           Taxation recoverable         46,851         58,250         52,565         0         12,020,335           Deferred tax assets         10,550         10,396         21,830         300,859         9           Property, plant and equipment         211,233         100,512         102,288         36,84           Retirement benefit assets         38,036         42,088         36,684         300,859         525,226           14,713,486         12,923,242         12,555,919         12,833,00         32,503           Stockholders' Equity         Capital and Reserves Attributable         185,354         185,354         185,354           Up versiting interest         2,138,555         1,988,504         4,400,074         1,84,859           Property realuation reserve         2,730,567         2,208,021         2,281,981	0.1				
Deposits         1,707         2,727           Securities purchased under agreements to resell         790,523         829,048         756,861           Investment properties         3,761,736         3,584,578         3,3226,131           Investment in associated companies         3         7,040,187         6,003,954         5,714,083           Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         10,550         10,396         21,830           Receivables and other assets         584,178         228,819         308,859           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         38,038         42,088         38,684           890,850         438,065         525,226         14,713,486         12,923,242         12,555,919           Stockholders' Equity         Capital and Reserves Attributable         185,354         185,354         185,354         185,354           Capital and Reserves         2,730,567         2,208,021         2,281,981           Investment and other reserves         2,730,567         2,208,021         2,281,981           Investment and other reserves         2,7873         80,689         18,376			, ,		
Socurities purchased under agreements to resell Investment properties         790,523         829,048         756,861           Investment properties         3,761,736         3,584,578         3,326,131           Investment in associated companies         3         7,040,187         6,003,854         5,714,083           Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         10,550         10,396         21,830           Receivables and other assets         584,178         226,819         309,859           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         38,038         42,088         38,684           890,850         433,065         525,226         14,713,486         12,923,242         12,555,919           STOCKHOLDERS' EQUITY AND LIABILITIES         3         34,302         32,503         Property revaluation reserve         2,730,567         2,208,021         2,881,981           Store capital         185,354         185,354         185,354         185,354         185,354           Investment and other reserves         2,730,567         2,208,021         2,881,981         18,1965           Investiment and other reserves         2,730,567					
Investment properties         3,761,736         3,584,578         3,326,131           Investment in associated companies         3         7,040,187         6,003,954         5,714,083           Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         10,550         10,396         21,830           Receivables and other assets         584,178         226,819         309,859           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         890,850         438,065         525,256           144,713,486         12,923,242         12,555,919           StockHolders' Equity         Capital and Reserves Attributable         10,555         10,986,504         185,354           to the Company's Equity holders         Share capital         185,354         185,354         185,354           Equity compensation reserve         2,730,567         2,208,021         2,281,981           Investment and other reserves         2,705,67         2,248,021         2,281,981           Net-controlling interest         4         3,296,224         3,248,427         3,152,450           10,151,616         8,933,605         8,710,078         14,825,2810         4,000,74 <td></td> <td></td> <td></td> <td></td> <td>756.861</td>					756.861
Investment in associated companies         3         7,040,187         6,003,954         5,714,083           Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         10,550         10,366         21,830           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         38,038         42,088         38,684           890,850         438,065         525,226         14,713,486         12,923,242         12,555,919           STOCKHOLDERS' EQUITY AND LIABILITIES         38,038         42,088         38,684         300,850         438,065         525,226           Stockholders' Equity         Capital and Reserves Attributable         12,923,242         12,555,919           STOCKHOLDERS' EQUITY AND LIABILITIES         Stocholders' Equity         34,302         32,553           Property revaluation reserve         2,738,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)         (18,486)         (18,486)					
Taxation recoverable         13,774,152         12,466,393         12,020,335           Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         10,550         10,396         21,830           Receivables and other assets         584,178         226,819         309,859           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         38,033         42,088         38,684           890,850         438,065         525,226         14,713,486         12,923,242         12,555,919           StockHolDers' Equity         Capital and Reserves Attributable         185,354         185,354         185,354         185,354           Equity compensation reserve         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           Liabilities         24,39         2,610         107         13,477,404         12,182,032         11,862,528           Liabilities		3			
Taxation recoverable         46,851         58,250         52,565           Deferred tax assets         10,550         10,336         21,830           Receivables and other assets         584,178         226,819         309,859           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         38,038         42,088         38,684           800,850         438,065         525,226           14,713,486         12,923,242         12,555,919           STOCKHOLDERS' EQUITY AND LIABILITIES         380,364         185,354         185,354           Share capital         185,354         185,354         185,354           Equity compensation reserve         2,138,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,226,224         3,248,427         3,152,450           Liabilities         24,39         2,610         107         13,447,840         12,182,032 <td></td> <td></td> <td></td> <td></td> <td></td>					
Deferred tax assets         10,550         10,396         21,830           Receivables and other assets         584,178         226,819         309,859           Property, plant and equipment         211,233         100,512         102,228           Retirement benefit assets         38,038         42,088         38,684           890,850         438,065         525,226           14,713,486         12,923,242         12,555,919           STOCKHOLDERS' EQUITY AND LIABILITIES           Stockholders' Equity           Capital and Reserves Attributable           to the Company's Equity holders           Share capital         185,354         185,354         185,354           Equity compensation reserve         2,138,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           Bank overdraft         2,439         2,610         107         1077 <t< td=""><td></td><td></td><td></td><td></td><td></td></t<>					
Receivables and other assets         584,178         226,819         309,859           Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         38,038         42,088         38,684           890,850         438,065         525,226           14,713,486         12,923,242         12,555,919           STOCKHOLDERS' EQUITY AND LIABILITIES         Stockholders' Equity         Capital and Reserves Attributable         185,354         185,354         185,354         185,354           Share capital         185,354         185,354         185,354         185,354         185,354           Investment and other reserves         2,730,567         2,208,021         2,281,981           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           Iayetities         27,873         80,689         18,376         11,862,528           Liabilities         27,873         80,689         18,376         241,924	Taxation recoverable		46,851	58,250	52,565
Property, plant and equipment         211,233         100,512         102,288           Retirement benefit assets         38,038         42,088         38,684           890,850         438,065         525,226           14,713,486         12,923,242         12,555,919           STOCKHOLDERS' EQUITY AND LIABILITIES           Stockholders' Equity           Capital and Reserves Attributable           to the Company's Equity holders           Share capital           Equity compensation reserve         2,138,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           10,151,616         8,933,065         8,710,078           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           Liabilities         13,447,840         12,182,032         11,862,528         11,862,528           Liabilities         27,873         80,689         18,376           Due to related party         5,225         5,	Deferred tax assets		10,550	10,396	21,830
Retirement benefit assets         38,038         42,088         38,684           890,850         438,065         525,226           14,713,486         12,923,242         12,555,919           STOCKHOLDERS' EQUITY AND LIABILITIES           Stockholders' Equity         12,923,242         12,555,919           Capital and Reserves Attributable         185,354         185,354         185,354           Share capital         185,354         185,354         185,354         185,354           Property revaluation reserve         2,730,567         2,208,021         2,281,981           Investment and other reserves         2,770,8         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           Bank overdraft         2,439         2,610         107         7           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Deferred tax liability         10,839         3,212 <td></td> <td></td> <td>584,178</td> <td>226,819</td> <td>309,859</td>			584,178	226,819	309,859
B90,850         438,065         525,226           14,713,486         12,923,242         12,555,919           STOCKHOLDERS' EQUITY AND LIABILITIES         Stockholders' Equity         Capital and Reserves Attributable to the Company's Equity holders           Share capital         185,354         185,354         185,354           Equity compensation reserve         2,138,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           Liabilities         Bank overdraft         2,439         2,610         107           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Finance lease liability         103,572         104,499         119,512           Retirement benefit liabilities         75,098         69,923         67,623 <tr< td=""><td>Property, plant and equipment</td><td></td><td>211,233</td><td>100,512</td><td>102,288</td></tr<>	Property, plant and equipment		211,233	100,512	102,288
Id.713.486         Id.723.242         Id.755,919           STOCKHOLDERS' EQUITY AND LIABILITIES         Stockholders' Equity         Id.755,919           Stockholders' Equity         Capital and Reserves Attributable to the Company's Equity holders         185,354         185,354         185,354           Share capital         185,355         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           Liabilities         13,447,840         12,182,032         11,862,528           Liabilities         2439         2,610         107           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,867         241,924         257,634           Finance lease liability         10,839         3,212         4,543           Deferred tax liabilities         75,098         69,923         67,623	Retirement benefit assets		38,038	42,088	38,684
STOCKHOLDERS' EQUITY AND LIABILITIES           Stockholders' Equity           Capital and Reserves Attributable           to the Company's Equity holders           Share capital         185,354         185,354         185,354           Equity compensation reserve         37,708         34,302         32,503           Property revaluation reserve         2,138,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           Liabilities         Bank overdraft         2,439         2,610         107           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Finance lease liability         10,839         3,212         4,543           Deferred tax liability         103,572         104,499         119,512			890,850	438,065	525,226
Stockholders' Equity           Capital and Reserves Attributable           to the Company's Equity holders           Share capital         185,354           Equity compensation reserve         37,708           97.098         34,302         32,503           Property revaluation reserve         2,138,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           10,151,616         8,933,605         8,7110,078           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           13,447,840         12,182,032         11,862,528         11,862,528           Liabilities         2         3,248,427         3,152,450           Due to related party         5,225         5,225         5,225           Bank overdraft         2,439         2,610         107           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225         5,225         5,2			14,713,486	12,923,242	12,555,919
Share capital         185,354         185,354         185,354           Equity compensation reserve         37,708         34,302         32,503           Property revaluation reserve         2,138,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           10,151,616         8,933,605         8,710,078           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           13,447,840         12,182,032         11,862,528         11,862,528           Liabilities         2         3,248,427         3,152,450           Due to related party         5,225         5,225         5,225           Bank overdraft         2,439         2,610         107           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Finance lease liability         103,572 <t< td=""><td>Stockholders' Equity Capital and Reserves Attributable</td><td></td><td></td><td></td><td></td></t<>	Stockholders' Equity Capital and Reserves Attributable				
Equity compensation reserve         37,708         34,302         32,503           Property revaluation reserve         2,138,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           Liabilities         10,151,616         8,933,605         8,710,078           Bank overdraft         2,439         2,610         107           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Finance lease liability         103,572         104,499         119,512           Retirement benefit liabilities         75,098         69,923         67,623           Payables and other liabilities         208,713         233,128         220,371           Total liabilities         208,713         233,128         220,371			185,354	185,354	185 354
Property revaluation reserve         2,138,555         1,998,504         1,819,652           Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           13,447,840         12,182,032         11,862,528         11,862,528           Liabilities          27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Finance lease liability         10,839         3,212         4,543           Deferred tax liability         103,572         104,499         119,512           Retirement benefit liabilities         75,098         69,923         67,623           Payables and other liabilities         208,713         233,128         220,371           Total liabilities         1,265,646         741,210         693,391	•				
Investment and other reserves         2,730,567         2,208,021         2,281,981           Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           13,447,840         12,182,032         11,862,528         13,447,840         12,182,032         11,862,528           Liabilities         Bank overdraft         2,439         2,610         107         7           Taxation payable         27,873         80,689         18,376         12,182,032         11,862,528           Liabilities         27,873         80,689         18,376         107         7           Taxation payable         27,873         80,689         18,376         104         107           Due to related party         5,225					
Retained earnings         5,077,918         4,525,910         4,409,074           Treasury stock         (18,486)         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           13,447,840         12,182,032         11,862,528           Liabilities         3         2,439         2,610         107           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Finance lease liability         10,839         3,212         4,543           Deferred tax liabilities         75,098         69,923         67,623           Payables and other liabilities         208,713         233,128         220,371           Total liabilities         1,265,646         741,210         693,391					
Treasury stock         (18,486)         (18,486)         (18,486)         (18,486)           Non-controlling interest         4         3,296,224         3,248,427         3,152,450           13,447,840         12,182,032         11,862,528           Liabilities         380,689         18,376           Due to related party         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Finance lease liability         10,839         3,212         4,543           Deferred tax liabilities         75,098         69,923         67,623           Payables and other liabilities         208,713         233,128         220,371           Total liabilities         1,265,646         741,210         693,391					
Initial Sector         Initial Sector         Initial Sector         Initial Sector           Liabilities         Initial Sector         Initial Sector	-				
Liabilities           Bank overdraft         2,439         2,610         107           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Finance lease liability         10,839         3,212         4,543           Deferred tax liability         103,572         104,499         119,512           Retirement benefit liabilities         75,098         69,923         67,623           Payables and other liabilities         208,713         233,128         220,371           Total liabilities         1,265,646         741,210         693,391			·		
Liabilities           Bank overdraft         2,439         2,610         107           Taxation payable         27,873         80,689         18,376           Due to related party         5,225         5,225         5,225           Bank and other loans         831,887         241,924         257,634           Finance lease liability         10,839         3,212         4,543           Deferred tax liability         103,572         104,499         119,512           Retirement benefit liabilities         75,098         69,923         67,623           Payables and other liabilities         208,713         233,128         220,371           Total liabilities         1,265,646         741,210         693,391	Non-controlling interest	4	3,296,224	3,248,427	3,152,450
Bank overdraft2,4392,610107Taxation payable27,87380,68918,376Due to related party5,2255,225Bank and other loans831,887241,924257,634Finance lease liability10,8393,2124,543Deferred tax liability103,572104,499119,512Retirement benefit liabilities75,09869,92367,623Payables and other liabilities208,713233,128220,371Total liabilities1,265,646741,210693,391			13,447,840	12,182,032	11,862,528
Taxation payable27,87380,68918,376Due to related party5,2255,2255,225Bank and other loans831,887241,924257,634Finance lease liability10,8393,2124,543Deferred tax liability103,572104,499119,512Retirement benefit liabilities75,09869,92367,623Payables and other liabilities208,713233,128220,371Total liabilities1,265,646741,210693,391	Liabilities				
Due to related party5,2255,225Bank and other loans831,887241,924257,634Finance lease liability10,8393,2124,543Deferred tax liability103,572104,499119,512Retirement benefit liabilities75,09869,92367,623Payables and other liabilities208,713233,128220,371Total liabilities1,265,646741,210693,391	Bank overdraft		2,439	2,610	107
Due to related party5,2255,225Bank and other loans831,887241,924257,634Finance lease liability10,8393,2124,543Deferred tax liability103,572104,499119,512Retirement benefit liabilities75,09869,92367,623Payables and other liabilities208,713233,128220,371Total liabilities1,265,646741,210693,391	Taxation payable		27,873	80,689	18,376
Bank and other loans831,887241,924257,634Finance lease liability10,8393,2124,543Deferred tax liability103,572104,499119,512Retirement benefit liabilities75,09869,92367,623Payables and other liabilities208,713233,128220,371Total liabilities1,265,646741,210693,391					
Deferred tax liability         103,572         104,499         119,512           Retirement benefit liabilities         75,098         69,923         67,623           Payables and other liabilities         208,713         233,128         220,371           Total liabilities         1,265,646         741,210         693,391	Bank and other loans		831,887	241,924	257,634
Retirement benefit liabilities         75,098         69,923         67,623           Payables and other liabilities         208,713         233,128         220,371           Total liabilities         1,265,646         741,210         693,391	Finance lease liability				
Retirement benefit liabilities         75,098         69,923         67,623           Payables and other liabilities         208,713         233,128         220,371           Total liabilities         1,265,646         741,210         693,391	-				
Payables and other liabilities         208,713         233,128         220,371           Total liabilities         1,265,646         741,210         693,391	Retirement benefit liabilities				
Total liabilities         1,265,646         741,210         693,391	Payables and other liabilities				
14,713,486 12,923,242 12,555,919	Total liabilities				
			14,713,486	12,923,242	12,555,919

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Maurice W. Facey

Director

Stephen B. Facey

Director

#### Pan-Jamaican Investment Trust Limited Unaudited Consolidated Statement of Changes in Equity for the period ended 30 September 2010

#### 30-Sep-09

١	\Owners Of The Parent/							
Balance at 1 January 2009	Share Capital \$'000 185,354	Equity Compensation reserve \$'000 27,107	Property Revaluation Reserves \$'000 1,775,005	Investment and other reserves \$'000 1,875,061	Retained Earnings \$'000 3,586,706	Treasury Shares \$'000 (18,486)	Non-controlling Interests \$'000 2,710,478	Total \$'000 10,141,225
Dividends paid	-	-	-	-	(145,608)	-	(56,605)	(202,213)
Stock compensation provision	-	5,396	-	-	-	-	1,503	6,899
Property revaluation gains	-	-	44,429	-	(44,429)	-		-
Acquisition of additional shares in subsidiary				10,426			(38,932)	(28,506)
Total comprehensive income for the period	-	-	-	396,494	1,012,623	-	536,006	1,945,123
Balance at end of period	185,354	32,503	1,819,434	2,281,981	4,409,292	(18,486)	3,152,450	11,862,528

#### 30-Sep-10

30-0cp-10		Ov						
	Share Capital	Equity Compensation Reserve	Reserve	Investment and other reserves	Retained Earnings	Treasury Shares	Non-controlling Interests	Total
Balance at 1 January 2010	<b>\$'000</b> 185,354	<b>\$'000</b> 34,302	<b>\$'000</b> 1,998,504	<b>\$'000</b> 2,208,021	<b>\$'000</b> 4,525,910	<b>\$'000</b> (18,486)	<b>\$'000</b> 3,248,427	<b>\$'000</b> 12,182,032
Dividends paid	-	-	-	-	(192,100)	-	(77,480)	(269,580)
Stock compensation provision	-	3,406	-	-	-	-	824	4,230
Property revaluation gains	-	-	140,051	-	(140,051)	-	-	-
Acquisition of additional shares in subsidiary	-	-	-	19,558		-	(334,006)	(314,448)
Total comprehensive income for the period	-	-	-	502,988	884,159	-	458,459	1,845,606
Balance at end of period	185,354	37,708	2,138,555	2,730,567	5,077,918	(18,486)	3,296,224	13,447,840

#### PAN JAMAICAN INVESTMENT TRUST LIMITED and its subsidiaries Unaudited Consolidated Statement of Cash Flows Nine months ended 30 September 2010

	9-Months to Sept. 2010 \$'000	9-Months to Sept 2009 \$'000
Net profit	1,201,879	1,407,788
Items not affecting cash		
Share of results of associated companies	(824,417)	(921,625)
Fair value gains on investment properties	(188,500)	(60,900)
Losses/(Gains) on foreign currency denominated investments,net	50,312	(161,931)
Other	15,663	9,473
	254,937	272,805
Changes in operating assets and liabilities	40,400	00.005
Other assets	16,428	29,095
Other liabilities	(19,374) 251,991	<u>(77,233)</u> 224,667
	251,991	224,007
Interest received	142,467	166,865
Interest paid	(31,578)	(35,923)
Income tax paid	(170,714)	(90,603)
Net cash provided by operations	192,166	265,006
Cash flows from investing activities		
Acquisition of investment securities, net	(131,733)	335,696
Dividends received from associated company	193,038	523,960
Acquisition of additional shares in associated company	(54,354)	-
Acquisition of additional shares in subsidiary	(314,448)	(28,506)
Acquisition of capital expenditure	(114,921)	(8,863)
Other investment activities	(158,398)	8,890
Net cash (used in)/provided by investing activities	(580,816)	831,177
Cash flows from financing activities		
Dividends paid to non controlling interest	(77,480)	(56,605)
Dividends paid to owners of the parent	(192,100)	(145,608)
Loan received	764,984	53,653
Laon repaid	(158,682)	(334,198)
Other financing activities	7,627	(4,222)
Net cash provided by/(used in) financing activities	344,349	(486,980)
Net (decrease)/increase in cash and cash equivalents	(44,301)	609,203
Cash & cash equivalents at beginning of the period	964,639	298,423
Cash & cash equivalents at end of the period	920,338	907,626
Comprising of		
Comprising of: Cash at bank and in hand	10 101	10 259
Short term deposits	48,484 83,770	10,358 140,514
Short term deposits Securities purchased under agreement to resell	790,523	756,861
Overdraft	(2,439)	(107)
e.e.eluit	920,338	907,626

#### September 30, 2010

	Property Management & Rental \$'000	Investments \$'000	Other Services \$'000	Eliminations \$'000	Total \$'000
REVENUE					
External Inter-segment	969,265 5,566	85,715 6,710	34,232 -	- (12,276)	1,089,212 -
Total revenue	974,831	92,425	34,232	(12,276)	1,089,212
Segment results	415,370	77,394	24,839	-	517,603
Interest expense	(18,345)	(13,746)	-	-	(32,091)
	397,025	63,648	24,839		485,512
Share of results of associated companies	-	824,417	-	-	824,417
Profit before taxation	397,025	888,065	24,839		1,309,929
Taxation	(69,405)	(38,115)	(530)	-	(108,050)
Net profit	327,620	849,950	24,309	-	1,201,879
	5,126,541	2,370,535	320,442	(144,219)	7,673,299
Associates	-	7,040,187	-	-	7,040,187
Total assets	5,126,541	9,410,722	320,442	(144,219)	14,713,486
Segment liabilities	752,316	486,840	170,709	(144,219)	1,265,646
September 30, 2009					
	Property Management		Other		
		Investments	Other Service	Eliminations	Total
	Management	Investments \$'000		Eliminations \$'000	Total \$'000
REVENUE	Management & Rental		Service		
	Management & Rental \$'000	\$'000	Service \$'000	\$'000	\$'000
<b>REVENUE</b> External Inter-segment	Management & Rental \$'000 797,372	<b>\$'000</b> 306,344	Service	\$'000	
External Inter-segment	Management & Rental \$'000 797,372 5,190	<b>\$'000</b> 306,344 6,390	Service \$'000 50,882	<b>\$'000</b> (11,580)	<b>\$'000</b> 1,154,598
External	Management & Rental \$'000 797,372	<b>\$'000</b> 306,344	Service \$'000 50,882	\$'000	\$'000
External Inter-segment Total revenue	Management & Rental \$'000 797,372 5,190 802,562	\$'000 306,344 6,390 312,734	Service \$'000 50,882 - 50,882	<b>\$'000</b> (11,580)	<b>\$'000</b> 1,154,598 1,154,598
External Inter-segment	Management & Rental \$'000 797,372 5,190	<b>\$'000</b> 306,344 6,390	Service \$'000 50,882	<b>\$'000</b> (11,580)	<b>\$'000</b> 1,154,598
External Inter-segment Total revenue	Management & Rental \$'000 797,372 5,190 802,562 296,899 (15,388)	\$'000 306,344 6,390 312,734 303,571 (25,631)	Service \$'000 50,882 - 50,882 42,362 -	<b>\$'000</b> (11,580)	\$'000 1,154,598 <u>1,154,598</u> 642,832 (41,019)
External Inter-segment Total revenue Segment results	Management & Rental \$'000 797,372 5,190 802,562 296,899	\$'000 306,344 6,390 312,734 303,571	Service \$'000 50,882 - 50,882	<b>\$'000</b> (11,580)	<b>\$'000</b> 1,154,598 <u>1,154,598</u> 642,832
External Inter-segment Total revenue Segment results	Management & Rental \$'000 797,372 5,190 802,562 296,899 (15,388)	\$'000 306,344 6,390 312,734 303,571 (25,631)	Service \$'000 50,882 - 50,882 42,362 -	<b>\$'000</b> (11,580)	\$'000 1,154,598 <u>1,154,598</u> 642,832 (41,019)
External Inter-segment Total revenue Segment results Interest expense	Management & Rental \$'000 797,372 5,190 802,562 296,899 (15,388)	\$'000 306,344 6,390 312,734 303,571 (25,631) 277,940	Service \$'000 50,882 - 50,882 42,362 -	\$'000 	\$'000 1,154,598 <u>1,154,598</u> 642,832 (41,019) 601,813
External Inter-segment Total revenue Segment results Interest expense Share of results of associated companies	Management & Rental \$'000 797,372 5,190 802,562 296,899 (15,388) 281,511	\$'000 306,344 6,390 312,734 303,571 (25,631) 277,940 921,625	Service \$'000 50,882 - 50,882 42,362 - 42,362 -	\$'000 	\$'000 1,154,598 <u>1,154,598</u> 642,832 (41,019) 601,813 921,625
External Inter-segment Total revenue Segment results Interest expense Share of results of associated companies <b>Profit before taxation</b>	Management & Rental \$'000 797,372 5,190 802,562 296,899 (15,388) 281,511 - 281,511	\$'000 306,344 6,390 312,734 303,571 (25,631) 277,940 921,625 1,199,565	Service \$'000 50,882 - 50,882 42,362 - 42,362 - 42,362	\$'000 (11,580) 	\$'000 1,154,598 <u>1,154,598</u> 642,832 (41,019) 601,813 921,625 1,523,438
External Inter-segment Total revenue Segment results Interest expense Share of results of associated companies <b>Profit before taxation</b> Taxation <b>Net profit</b>	Management & Rental \$'000 797,372 5,190 802,562 296,899 (15,388) 281,511 - 281,511 (73,361) 208,150	\$'000 306,344 6,390 312,734 303,571 (25,631) 277,940 921,625 1,199,565 (42,289) 1,157,276	Service \$'000 50,882 - 50,882 42,362 - 42,362 - 42,362 - 42,362	\$'000 	\$'000 1,154,598 <u>1,154,598</u> 642,832 (41,019) 601,813 921,625 1,523,438 (115,650) 1,407,788
External Inter-segment Total revenue Segment results Interest expense Share of results of associated companies <b>Profit before taxation</b> Taxation Net profit Segment assets	Management & Rental \$'000 797,372 5,190 802,562 296,899 (15,388) 281,511 - 281,511 (73,361)	\$'000 306,344 6,390 312,734 303,571 (25,631) 277,940 921,625 1,199,565 (42,289) 1,157,276 2,608,529	Service \$'000 50,882 - 50,882 42,362 - 42,362 - 42,362 -	\$'000 (11,580) 	\$'000 1,154,598 <u>1,154,598</u> 642,832 (41,019) 601,813 921,625 1,523,438 (115,650) 1,407,788 6,841,836
External Inter-segment Total revenue Segment results Interest expense Share of results of associated companies Profit before taxation Taxation Net profit Segment assets Associates	Management & Rental \$'000 797,372 5,190 802,562 296,899 (15,388) 281,511 - 281,511 (73,361) 208,150 4,112,294	\$'000 306,344 6,390 312,734 303,571 (25,631) 277,940 921,625 1,199,565 (42,289) 1,157,276 2,608,529 5,714,083	Service \$'000 50,882 - 50,882 42,362 - 42,362 - 42,362 - 42,362 - 307,248	\$'000 	\$'000 1,154,598 <u>1,154,598</u> 642,832 (41,019) 601,813 921,625 1,523,438 (115,650) <u>1,407,788</u> 6,841,836 5,714,083
External Inter-segment Total revenue Segment results Interest expense Share of results of associated companies <b>Profit before taxation</b> Taxation Net profit Segment assets	Management & Rental \$'000 797,372 5,190 802,562 296,899 (15,388) 281,511 - 281,511 (73,361) 208,150	\$'000 306,344 6,390 312,734 303,571 (25,631) 277,940 921,625 1,199,565 (42,289) 1,157,276 2,608,529	Service \$'000 50,882 - 50,882 42,362 - 42,362 - 42,362 - 42,362	\$'000 	\$'000 1,154,598 <u>1,154,598</u> 642,832 (41,019) 601,813 921,625 1,523,438 (115,650) 1,407,788 6,841,836

# **NOTES**

### 1. Basis of Consolidation

The Financial Statements have been prepared in accordance with the accounting policies as disclosed in the audited financial statements for the year ended 31 December 2009, amended by the adoption of the following standard effective 1 January 2010:

IAS 27 (Revised) - 'Consolidated and separate financial statements'

# 2. Operating expenses

Expense Category	3 months to September 2010 \$'000	3 months to September 2009 \$'000	9 months to September 2010 \$'000	9 months to September 2009 \$'000
Direct	109,246	108,755	330,265	291,264
Administrative	78,395	77,076	241,344	220,502
Total	187,641	185,831	571,609	511,766

# 3. Reconciliation of investment in associated companies

	September 2010 J\$'000	December 2009 J\$'000	September 2009 J'000
Carrying value at beginning of period	6,003,954	4,842,899	4,842,899
Share of results	824,417	1,151,714	948,606
Impairment	-	(26,981)	(26,981)
Dividends	(397,037)	(523,960)	(523,960)
Acquisition of shares	54,354	177,523	-
Share of reserves & current account			
movement	557,764	371,640	469,509
(Loss)/gain on dilution of holding	(3,274)	11,119	4,010
Carrying value at end of period	7,040,187	6,003,954	5,714,083

# **NOTES**

# 4. Non-controlling interest

	September 2010 \$'000
Balance b/fwd	3,248,427
Dividends paid Share of stock compensation provision	(77,480) 824
Share of comprehensive income for the period	458,459
Acquisition by owners of the parent	(334,006)
Balance at the end of period	3,296,224