



Wise Financial Thinking for Life

## **Sagicor Life Jamaica Limited**

Interim report to Stockholders  
for the nine-month period ended  
30 September 2010

## Directors' Statement

On behalf of the Board of Directors, we are pleased to present the un-audited consolidated Financial Statements for the Sagicor Life Jamaica Group for the period January to September 2010.

Highlights				
	Sept-10 YTD Un-audited	Sept-09 YTD Un-audited	Dec-09 FY Audited	% Change
Total Revenue - J\$ Billions	19.40	21.30		-9%
Net Profit attributable to Stockholders - J\$ Billions	3.36	4.03		-17%
Earnings per stock unit	0.89	1.07		-17%
Efficiency ratio (Admin. expenses/Revenue)	22%	21%		-5%
Total Assets - J\$ Billions	140.37		135.47	4%
Stockholders Equity - J\$ Billions	23.89		19.86	20%

### Overview:

The Sagicor Life Jamaica Group produced net profit attributable to Stockholders of \$3,361 million for the nine-month period January to September 2010. This represents a basic earnings per share of 89 cents and an annualized return on Stockholders' Equity of 20%.

While profit for Q3 2010 of \$1,253 million was 17% better than for Q2 2010 and also up on Q1 2010, the year-to-date outcome was 17% below that recorded for the corresponding period in 2009. Two significant macro-economic developments negatively impacted current year results of the Group, namely, lower interest rates as a consequence of the Jamaica Debt Exchange programme (JDX) in February and the strengthening of the Jamaica dollar by 4% since January, which led to substantial unrealized foreign exchange (FX) losses being recorded.

### Operations:

Consolidated Total Revenue of \$19,403 million was 9% below that for the same period last year but only marginally less when total revenue from discontinued operations is excluded. This reflects the impact of the lower interest rates and unrealized exchange losses in 2010 and contributions from a large single premium contract in 2009. New insurance sales stayed strong and contributed to a healthy growth in Net Premium Revenues, when the effect of the large single premium contract in 2009 is excluded. Net Investment Income in the current year was affected by lower interest rates but at the same time benefited from significant realized capital gains. Unrealized FX losses depressed the category "Fees, Commissions and Other Revenues". Administration expenses of \$4,233 million were 7% higher than the 2009 amount (excluding the amount for discontinued operations). The 2009 amount included

## Directors' Statement

restructuring cost. Adjusting For the foregoing and the effect of large bulk premiums, the normalized ratio of administrative expenses to total revenue was 22% as against 21% in the previous year.

The Pan Caribbean Financial Services (PCFS) Group, in which SLJ has an 86% interest, generated after tax profits of \$1,082 million, just 3% below prior year despite the lower interest rates and unrealized FX losses in 2010.

### **Balance Sheet and Managed Funds:**

Total assets of the Group were \$140.37 billion compared to \$135.47 billion at December 2009. Total assets under management as at September 2010, including pension fund assets managed on behalf of clients and unit trusts, amounted to \$221.70 billion (December 2009: \$210.41 billion).

Stockholders' (Owners') Equity as at September 2010 was \$23.89 billion, compared to \$19.86 billion as at December 2009. This 20% increase was in part due to the growth in Retained Earnings and the improved fair values of securities held as Available-For-Sale, for which the after-tax unrealized gains are reflected as a component of Equity. The SLJ Board of Directors declared dividends of \$1,617 million to Stockholders or a dividend per share of 43 cents, during 2010.

### **Social Responsibility:**

Sagicor Life Jamaica (SLJ) continued to emphasize its Social responsibility with a particular focus in areas of Health, Education and Sports.

During the third Quarter, support was provided to numerous worthy causes, among these were the Bustamante Heart Surgery Round Island Cycle held to raise funds for the Bustamante Hospital for Children; the Grace Kennedy 5K Run to support Education of Inner City youth; and the Jamaica Amateur Athletic Association training camp held ahead of the World Junior Championships.

120 students received Sagicor academic scholarships this year. Recipients included children of members of the civil service who achieved high scores in GSAT, the Champion Boy and Girl of the JTA/SAGICOR Primary and Junior High Athletic Championships 2010, and children of our own Team members who excelled in their examinations.

In addition, our Sagicor 2010 Motivational Seminar organizing committee selected *Dare to Care*, a branch of the Mustard Seed Group that caters to the welfare of Children living with HIV and AIDS as the beneficiary of the seminar which was held in October.

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### **Discontinued Operations:**

This refers to the sale to Bahamas First Holdings of the Sagicor Life Jamaica Group's interest in Sagicor General Insurance (Cayman) Ltd. effective 1 January 2010. The sale was completed and recorded during June.

### **Outlook:**

The Sagicor Life Jamaica Group continues to perform admirably. We remain confident that the strategies being pursued are effective and will deliver favourable financial results, amidst the challenges and opportunities presented by the changing economic environment in which we operate.

We sincerely thank our Customers, Stockholders, 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  
3 November 2010



RICHARD O. BYLES  
President & CEO

**Consolidated Statement of Financial Position  
as at 30 September 2010  
(Expressed in thousands of Jamaican dollars)**

	Sept-10 Un-audited	Sept-09 Un-audited	December-09 Audited
<b>Assets:</b>			
Financial investments	111,210,034	90,890,941	99,806,966
Securities purchased under resale agreements	2,480,705	9,262,931	6,456,558
Derivative financial instruments	342,754	576,514	155,374
Other investments	885,381	618,355	1,044,063
	<u>114,918,874</u>	<u>101,348,741</u>	<u>107,462,961</u>
Intangible assets	4,493,321	5,223,009	5,071,000
Other assets	11,505,616	10,655,377	9,980,931
Segregated funds' assets	9,456,189	7,456,779	8,516,279
	<u>25,455,126</u>	<u>23,335,165</u>	<u>23,568,210</u>
Assets classified as held for sale and discontinued operations	0	4,832,735	4,435,246
<b>Total Assets</b>	<b><u>140,374,000</u></b>	<b><u>129,516,641</u></b>	<b><u>135,466,417</u></b>
<b>Liabilities:</b>			
Insurance and annuity contracts liabilities	20,477,626	17,921,454	19,004,039
Investment contracts liabilities	9,124,056	9,425,893	12,880,479
Other insurance policy liabilities	2,362,623	2,651,391	3,818,232
	<u>31,964,305</u>	<u>29,998,738</u>	<u>35,702,750</u>
Securities sold under repurchase agreements	45,357,758	42,638,827	42,036,038
Customer deposits	8,912,397	8,656,257	8,782,312
Due to banks and other financial institutions	10,273,405	8,421,999	10,406,121
Derivative financial instruments and structured products	541,880	968,330	673,972
Redeemable preference shares	1,233,523	1,270,858	1,271,319
Other liabilities	7,296,215	4,187,860	3,247,257
Segregated funds' liabilities	9,456,189	7,456,779	8,516,279
	<u>83,071,367</u>	<u>73,600,910</u>	<u>74,933,298</u>
Liabilities directly associated with assets classified as held for sale and discontinued operations	0	3,444,364	3,498,399
<b>Total liabilities</b>	<b><u>115,035,672</u></b>	<b><u>107,044,012</u></b>	<b><u>114,134,447</u></b>
<b>Equity:</b>			
Share Capital	7,854,938	7,831,150	7,854,938
Other components of equity	3,308,669	(637,337)	989,621
Retained earnings	12,722,596	10,910,246	11,018,150
Owners' equity	<u>23,886,203</u>	<u>18,104,059</u>	<u>19,862,709</u>
Non-controlling interests	1,452,125	4,368,570	1,469,261
<b>Total Equity</b>	<b><u>25,338,328</u></b>	<b><u>22,472,629</u></b>	<b><u>21,331,970</u></b>
<b>Total Liabilities and Equity</b>	<b><u>140,374,000</u></b>	<b><u>129,516,641</u></b>	<b><u>135,466,417</u></b>

On behalf of the Board of Directors:



DR. THE HON. R.D. WILLIAMS  
Chairman  
3 November 2010



RICHARD O. BYLES  
President & CEO

**Consolidated Income Statement**  
**for the nine-month period ended 30 September 2010**  
**(Expressed in thousands of Jamaican dollars)**

	<b>Sept-10 Quarter Unaudited</b>	<b>Sept-09 Quarter Unaudited</b>	<b>Sept-10 Year-to-date Unaudited</b>	<b>Sept-09 Year-to-date Unaudited</b>	<b>December-09 Full year Audited</b>
<b>Revenues:</b>					
Net premium revenue	3,863,023	3,650,557	12,102,887	12,548,564	16,317,852
Net investment income	2,140,557	1,895,646	6,013,872	5,083,503	6,620,184
Fees, commissions and other revenues	628,139	456,938	1,285,889	1,870,484	2,459,901
Revenue from discontinued operations	0	659,945	0	1,816,896	2,474,589
<b>Total revenue</b>	<b>6,631,719</b>	<b>6,663,086</b>	<b>19,402,648</b>	<b>21,319,447</b>	<b>27,872,526</b>
<b>Benefits and expenses:</b>					
Net insurance benefits incurred	2,126,758	2,072,983	6,450,763	6,354,569	8,401,898
Changes in actuarial liabilities	664,463	192,904	2,092,526	1,866,767	2,423,033
Administration expenses	1,433,244	1,333,123	4,232,760	3,966,476	5,365,592
Commissions and related expenses	665,021	638,932	1,997,087	1,766,989	2,548,307
Amortization of intangible assets	70,952	104,958	221,540	254,039	336,633
Finance cost	39,829	48,792	118,201	144,653	194,015
Benefits and expenses from discontinued operations	0	646,807	0	1,718,656	2,832,699
<b>Total benefits and expenses</b>	<b>5,000,267</b>	<b>5,038,499</b>	<b>15,112,877</b>	<b>16,072,149</b>	<b>22,102,177</b>
<b>Profit before taxation</b>	<b>1,631,452</b>	<b>1,624,587</b>	<b>4,289,771</b>	<b>5,247,298</b>	<b>5,770,350</b>
Taxation	(318,175)	(214,982)	(788,119)	(709,581)	(884,785)
<b>Profit for the period (total)</b>	<b>1,313,277</b>	<b>1,409,605</b>	<b>3,501,652</b>	<b>4,537,717</b>	<b>4,885,565</b>
<b>Attributable to:</b>					
<b>Equity owners of the parent company (total)</b>	<b>1,253,227</b>	<b>1,241,948</b>	<b>3,360,957</b>	<b>4,032,565</b>	<b>4,390,112</b>
- Profit for the period from continuing operations	1,253,227	1,232,069	3,360,957	3,958,689	4,687,267
- Profit/(Loss) for the period from discontinued operations	0	9,878	0	73,876	(297,155)
<b>Non Controlling Interests (total)</b>	<b>60,050</b>	<b>167,657</b>	<b>140,695</b>	<b>505,152</b>	<b>495,453</b>
- Profit for the period from continuing operations	60,050	164,400	140,695	480,789	593,451
- Profit/(Loss) for the period from discontinued operations	0	3,257	0	24,363	(97,998)
	<b>1,313,277</b>	<b>1,409,605</b>	<b>3,501,652</b>	<b>4,537,717</b>	<b>4,885,565</b>
<b>Earnings per share for profit attributable to stockholders:</b>					
Basic	\$0.33	\$0.33	\$0.89	\$1.07	\$1.17
Fully diluted	\$0.33	\$0.33	\$0.89	\$1.07	\$1.16

Consolidated Statement of Comprehensive Income  
for the nine-month period ended 30 September 2010  
(Expressed in thousands of Jamaican dollars)

	Sept-10 Year-to-date Unaudited	Sept-09 Year-to-date Unaudited	December-09 Full year Audited
<b>Net profit for the period</b>	<b>3,501,652</b>	<b>4,537,717</b>	<b>4,885,565</b>
<b>Other comprehensive income:</b>			
Available-for-sale investements			
Unrealised gains on available-for-sale investments	2,295,214	2,404,824	1,930,508
(Loss)/gains reclassified and reported in profit	231,432	(418,640)	(371,487)
	<u>2,526,646</u>	<u>1,986,184</u>	<u>1,559,021</u>
Owner occupied properties:			
Unrealised gains on owner occupied properties	8,513	0	21,586
Cash flow hedges			
Unrealised gains/(losses) on cash flow hedges	34,015	(48,889)	(149,296)
Re-translation of foreign operations	(140,553)	379,791	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>2,428,621</u>	<u>2,317,086</u>	<u>2,295,945</u>
<b>Total comprehensive income</b>	<b><u>5,930,273</u></b>	<b><u>6,854,803</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	5,611,594	5,828,448	6,652,960
- Total comprehensive income for the period from discontinued operations	0	124,329	(253,373)
	<u>5,611,594</u>	<u>5,952,777</u>	<u>6,399,587</u>
<b>Non-controlling interests:</b>			
- Total comprehensive income for the period from continuing operations	318,679	861,112	865,513
- Total comprehensive income for the period from discontinued operations	0	40,914	(83,590)
	<u>318,679</u>	<u>902,026</u>	<u>781,923</u>
	<b><u>5,930,273</u></b>	<b><u>6,854,803</u></b>	<b><u>7,181,510</u></b>

**Consolidated Statement of Changes in Equity**  
**for the nine-month period ended 30 September 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 30 Sept 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	3,360,957	(127,458)	2,378,095	0	5,611,594	318,679	5,930,273
Issue of ordinary shares	0	0	0	0	0	0	23,050	23,050
Value of employee services rendered	0	0	0	0	23,544	23,544	162	23,706
Dividends paid to owners	0	(1,617,226)	0	0	0	(1,617,226)		(1,617,226)
Dividends paid to non-controlling interests	0	0	0	0	0	0	(46,853)	(46,853)
Disposal of Subsidiary	0	0	0	5,582	0	5,582	(312,174)	(306,592)
Transfer to retained earning reserves	0	(33,213)	0	0	33,213	0	0	0
Adjustment between regulatory loan provision and IFRS	0	(6,072)	0	0	6,072	0	0	0
<b>Balance as at 30 Sept 2010</b>	<b>7,854,938</b>	<b>12,722,596</b>	<b>1,155,298</b>	<b>828,322</b>	<b>1,325,049</b>	<b>23,886,203</b>	<b>1,452,125</b>	<b>25,338,328</b>
<b>Period ended 30 Sept 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	4,032,565	339,338	1,580,874	0	5,952,777	902,026	6,854,803
Issue of shares	29,658	0	0	0	0	29,658	0	29,658
Value of employee services rendered	0	0	0	0	20,435	20,435	3,527	23,962
Employee share options exercised	10,892	0	0	0	(8,103)	2,789	0	2,789
Dividend declared	0	(2,141,157)	0	0	0	(2,141,157)	0	(2,141,157)
Dividend paid to non-controlling interests	0	0	0	0	0	0	(327,920)	(327,920)
Adjustment between regulatory loan provision and IFRS	0	(16,697)	0	0	16,697	0	0	0
<b>Balance as at 30 Sept 2009</b>	<b>7,837,013</b>	<b>10,941,323</b>	<b>1,266,050</b>	<b>(1,117,898)</b>	<b>481,834</b>	<b>19,408,322</b>	<b>4,622,694</b>	<b>24,031,016</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 nine-month period ended 30 September 2010**  
**(Expressed in thousands of Jamaican dollars)**

	<b>Sept-10</b>	<b>Sept-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	3,501,652	4,537,717	4,885,565
Items not affecting cash & changes to Policy holders' funds	(6,880,559)	2,068,799	1,648,071
Changes in operating assets and liabilities	(3,795,964)	(3,000,030)	(4,617,062)
Interest received	9,116,685	8,918,520	11,848,069
Interest paid	(4,105,892)	(4,661,126)	(6,380,578)
Income taxes paid	(726,168)	(584,375)	(843,666)
<b>Cash generated from operating activities</b>	<b>(2,890,246)</b>	<b>7,279,505</b>	<b>6,540,399</b>
<b>Cash Flows from investing activities:</b>			
Acquisitions net of cash acquired	(18,359)	(34,214)	(2,461,087)
Disposal of Subsidiary	976,090	0	0
Intangible Assets, net	(28,910)	(27,542)	(29,092)
Property, plant and equipment, net	(214,169)	(142,820)	(196,219)
<b>Cash used in investing activities</b>	<b>714,652</b>	<b>(204,576)</b>	<b>(2,686,398)</b>
<b>Cash Flows from financing activities:</b>			
Dividends paid to stockholders	(1,617,226)	(2,134,388)	(2,141,157)
Dividends paid to Minority Interest	(46,851)	(345,178)	(327,948)
Ordinary shares issued - to Minority Interests by a Subsidiary company	23,057	0	0
Ordinary shares issued	0	40,551	58,475
Preference shares issued	(38,620)	(118,530)	0
<b>Cash from/(used in) financing activities</b>	<b>(1,679,640)</b>	<b>(2,557,545)</b>	<b>(2,410,630)</b>
Effects of exchange rate changes	(73,201)	701,336	724,931
<b>Cash and cash equivalents:</b>			
Cash and cash equivalents, at beginning of year	11,716,052	9,547,751	9,547,751
Increase in net cash and cash equivalents	(3,928,435)	5,218,720	2,168,302
<b>Net cash and cash equivalents, at end of period</b>	<b>7,787,617</b>	<b>14,766,471</b>	<b>11,716,053</b>

**Consolidated Segmental Financial Information**  
for the nine-month period ended 30 September 2010  
(Expressed in thousands of Jamaican dollars)

	Individual Life	Employee Benefits	Banking and Asset management	General Insurance	All other	Eliminations	Unaudited Sept - 10 Group
<b>Operating results:</b>							
External revenues	6,272,893	9,398,721	2,543,795	14,801	1,172,438	0	19,402,648
Inter-segment revenues	79,449	30,477	75,156	8,218	(23,337)	(169,963)	0
Total revenue	6,352,342	9,429,198	2,618,951	23,019	1,149,101	(169,963)	19,402,648
Benefits and expenses	(4,666,726)	(6,217,454)	(1,031,213)	(5,987)	(812,307)	183,804	(12,549,883)
Change in actuarial liabilities	(395,662)	(1,696,864)		0			(2,092,526)
Depreciation	(56,909)	(28,026)	(33,362)	0	(12,430)	0	(130,727)
Amortization of intangibles	(5,760)	(88,054)	(113,848)	0	(13,878)	0	(221,540)
Finance costs	0	0	(118,201)	0	(14,127)	14,127	(118,201)
Profit before tax	1,227,285	1,398,800	1,322,327	17,032	296,359	27,968	4,289,771
Taxation	(269,983)	(192,151)	(315,045)	0	(10,940)	0	(788,119)
<b>Profit after taxation</b>	<b>957,302</b>	<b>1,206,649</b>	<b>1,007,282</b>	<b>17,032</b>	<b>285,419</b>	<b>27,968</b>	<b>3,501,652</b>
<b>Segment assets:</b>							
Unallocated assets	35,733,619	28,169,411	72,959,340	212,784	8,173,817	(5,315,532)	139,933,439
Investment in associates							2,725
Deferred tax assets							121,301
Retirement benefit asset							316,535
<b>Total assets</b>							<b>140,374,000</b>
<b>Segment liabilities:</b>							
Unallocated liabilities	26,212,510	22,790,816	61,955,386	115,319	8,147,019	(5,397,644)	113,823,406
Deferred tax liabilities							461,862
Retirement benefit obligation							750,404
<b>Total liabilities</b>							<b>115,035,672</b>
<b>Other Segment items:</b>							
Depreciation							130,727
Capital expenditure							212,736
<b>Geographical information:</b>							
	<b>Jamaica</b>	<b>Cayman Islands</b>	<b>Total Group</b>				
Revenue	17,802,057	1,600,591	19,402,648				
Total assets	118,667,285	21,706,715	140,374,000				

Consolidated Segmental Financial Information (continued)  
for the nine-month period ended 30 September 2010  
(Expressed in thousands of Jamaican dollars)

	Individual Life	Employee Benefits	Banking and Asset management	General Insurance	Other	Eliminations	Unaudited Sept - 09 Group
<b>Operating results:</b>							
Revenues from							
external customers	5,219,448	11,616,657	2,740,819	576,868	1,165,655	0	21,319,447
Intersegment revenues	61,465	80,228	(18,958)	8,316	29,118	(160,169)	0
Total revenue	5,280,913	11,696,885	2,721,861	585,184	1,194,773	(160,169)	21,319,447
Benefits and expenses	(3,696,747)	(7,814,142)	(1,033,232)	(413,401)	(839,296)	148,129	(13,648,689)
Change in actuarial liabilities	(100,702)	(1,766,065)		0			(1,866,767)
Depreciation	(50,176)	(45,867)	(37,443)	(11,038)	(11,458)	0	(155,982)
Amortization of intangibles	(4,475)	(102,120)	(120,913)	(14,834)	(13,716)	0	(256,058)
Finance costs	0	(13,222)	(118,208)	(13,223)	(12,040)	12,040	(144,653)
Profit before tax	1,428,813	1,955,469	1,412,065	132,688	318,263	0	5,247,298
Taxation	(208,167)	(127,067)	(375,183)	0	836	0	(709,581)
<b>Profit after taxation</b>	<b>1,220,646</b>	<b>1,828,402</b>	<b>1,036,882</b>	<b>132,688</b>	<b>319,099</b>	<b>0</b>	<b>4,537,717</b>
<b>Segment assets:</b>	33,192,382	24,446,066	67,999,247	5,060,822	9,003,165	(4,741,590)	134,960,092
Unallocated assets							
Investment in associates							2,725
Deferred tax assets							330,087
Retirement benefit asset							206,190
<b>Total assets</b>							<b>135,499,094</b>
<b>Segment liabilities:</b>	24,307,318	19,601,969	58,934,851	3,156,646	8,990,561	(4,741,590)	110,249,755
Unallocated liabilities							
Deferred tax liabilities							268,686
Retirement benefit obligation							430,422
Business development loans							519,215
<b>Total liabilities</b>							<b>111,468,078</b>
<b>Other Segment items:</b>							
Depreciation							155,982
Capital expenditure							123,427

**Geographical information:**

	Jamaica	Cayman Islands	Total Group
Revenue	18,108,626	3,210,821	21,319,447
Total assets	110,463,242	25,035,852	135,499,094

	Individual Life	Employee Benefits	Banking and Asset management	General Insurance	Other	Eliminations	Audited December - 09 Group
<b>Operating results:</b>							
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
Total revenue	7,058,491	15,098,639	3,580,447	794,315	1,557,602	(216,968)	27,872,526
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
Unallocated assets							
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
Unallocated liabilities							
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
<b>Geographical information:</b>							
	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 and discontinued operations, 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. Having received all regulatory approvals, the sale was completed and recorded during June.