Radio Jamaica Limited

Report to Stockholders.

The directors present the audited results of the group for the year ended March 31, 2011 which showed after tax profits of $132.8 million compared with $221.6 million in previous year. This $88.79 million decline in after tax profits were due to the reduction in revenues caused from a structural shift of advertising in the market place; the costly impact from unusual circumstances such as the state of emergency; increased costs associated with bad weather in October & November; escalated fuel costs and a change in website management which has not started to realize growth in revenues. Other income increased due to the disposal of a redundant asset property, increased interest income and increased rental income.

Despite the many difficulties in the economic environment which saw a decline in business associated with the introduction of new productions and a general decline in advertising, the RJR Group contained revenue reduction to 2.6% or $51.18 million.

The gross profit margin of 63.3% reflects a decline of 6.3% compared with prior year, mainly due to revenue reduction, salaries related increases, higher World Cup Football radio rights and higher website, streaming, consulting and restructuring activities.

Selling expenses declined $20 million or 5.3% over 2010; due to a lower external spending on advertising and promotion and reduced revenue generated commissions.

Administrative expenses increased by $76.87 million due to the introduction of websites and internet activities to allow streaming capabilities and real time access to our news, sports and other features both locally and abroad, as well as due to staff related costs and professional fees being increased.

Operating expenses of $339.7 million exceeded prior year by $26.9 million due to increase fuel cost and increased maintenance caused from bad weather and general wear and tear of equipment.

Finance costs of $14.9 million were lower than prior year by $7.5 million or 33.5% as a result of the full repayment of two of the loans that existed in prior year.

Cash and short term investments increased by $93.67 million. Shareholders' Equity of $1,215 million increased from $1,124 million over last year due to net profits earned for the year and declared dividends amounting to $41.58 million. The group's earnings per share of 38 cents were less than prior year by 26 cents.

Approved for issue by the Board of Directors on 31 May 2011 and signed on its behalf by:

J. A. Lester Spaulding	*Director*	*Carl D. Domville*	*Director*