

JOINT DISCLOSURE

To: Jamaica Stock Exchange

**From: Kingston Wharves Limited
Jamaica Producers Group Limited**

Date: January 20, 2012

**Re: Proposed Subscription by Jamaica Producers Group Limited for
Shares in Kingston Wharves Limited**

Kingston Wharves Limited ("KW") and Jamaica Producers Group Limited ("JP") wish to announce that JP has tendered a proposal to the Board of KW pursuant to which JP offers to subscribe for 357,550,000 ordinary shares of KW at a price of \$5.00 per share.

The total amount of the proposed equity investment by JP in KW is therefore \$1,787,750,000 and the investment would result in JP holding 25% of the issued shares of KW.

A term of the proposed transaction is that the Articles of Incorporation of KW be amended to allow minority shareholders holding 21% or more of the issued shares the right to appoint up to three directors. The current Articles allow a 51% shareholding vote to elect all Directors. This provision is intended to strengthen the rights of minority shareholders and allow for best practices in corporate governance.

The Board of Directors of KW has resolved to recommend that its shareholders provide the required approval to effect the transaction, amend the Articles and authorize the creation and issue of the new shares. KW will now proceed with the preparation and dissemination of full details on the proposed transaction and its effects, so that shareholders can have sufficient information to guide their decision.

Mr. Grantley Stephenson (CEO of KW) and Mr. Jeffrey Hall (MD of JP) both noted that the proposed investment would (a) provide KW with secure long term financing for port expansion and development, and (b) allow KW to benefit from JP's participation and experience in shipping services and in the productive sector generally in Jamaica and overseas.

In addition to the independent professional financial advice received by the board in respect of the subscription price to be paid by JP, the shareholders of KW will be asked to consider the following factors (among others):

1. KW is recognised as a leading private multi-purpose port terminal operator in the Caribbean. The company operates a comprehensive range of terminal equipment across 260,000 square meters of open storage space, 24,000 square meters of covered warehousing and cold storage, and 53,000 square meters of off-dock storage for motor vehicles. The KW terminal has a 1,655 metre continuous quay that provides nine deep-water berths for roll-on-roll-off, lift-on-lift-off, general break bulk, containerized cargo and bulk cargo vessels. KW will seek to use the proceeds of the proposed investment to deliver growth and improved shareholder returns by accelerating the development of transshipment operations, and increasing productivity and operating efficiency. In particular, KW proposes to capitalize on opportunities presented by the widening of the Panama Canal and the expected increase in sea traffic routing through the Caribbean.
2. JP is a Jamaica Stock Exchange listed company that is wholly owned by Jamaican interests. JP has a long history of operating in various aspects of shipping and terminal operations and is a founding shareholder of Kingston Wharves. JP has extensive experience operating internationally under structured arrangements with leading multinationals demanding high service levels and requiring major capital investment programs. JP, therefore, combines an appreciation of the capital requirements of port development with an appreciation of the importance of high quality service and cost containment. KW expects a share of its growth to involve business arrangements that have these features.
3. JP has adequate financial resources at its disposal to complete the equity investment contemplated by the proposed subscription. Moreover, JP is able to access the required capital without recourse to financing arrangements that may be adversely affected by short-term movements in the Jamaican exchange rate or interest rates. As such, JP will be able to support the long-term investment goals of KW.
4. JP is prepared to participate as a shareholder in the corporate governance of KW and to nominate directors to the board of KW who have demonstrated operational and financial expertise and the capacity to represent the interests of all of the shareholders of KW.
5. It is projected that the proportionate reduction in shareholding percentage by each shareholder to allow the JP 25% subscription, will be more than compensated for by the increase in value and benefits that will result from the JP investment.

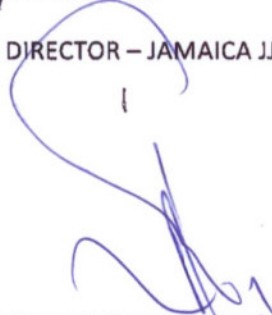
KW will provide due notice of a general meeting on a timely basis, together with further disclosures in appropriate detail, to permit KW shareholders to consider the matters set out in this notice. JP confirms that it may seek to acquire additional shares from third parties and/or to sell shares from time to time in limited volumes, however JP has no intention of acquiring a majority or controlling interest in KW shares or of holding less than 21% of KW shares

Questions or comments may be addressed to Kingston Wharves Limited, Third St., Newport West, Kingston, 11 (for the attention of the Company Secretary) or Jamaica Producers Group Limited, 6A Oxford Road, Kingston 5 (for the attention of the Company Secretary).



JEFFREY HALL

DIRECTOR - JAMAICA JPRODUCERS GROUP LIMITED



Grantley Stephenson
Chairman & Chief Executive Officer - Kingston Wharves Limited