



# Press Release

## **GRACEKENNEDY REPORTS J\$5.9 BILLION INCREASE IN REVENUE AND J\$973 MILLION INCREASE PRE-TAX PROFITS FOR YEAR ENDING 2013**

**Kingston, Jamaica, February 28** – The GraceKennedy Group has recorded revenues for 2013 of \$67.3 billion, representing a J\$5.9 billion or 9.6% increase over the prior year. This revenue increase was accompanied by a J\$973 million or 23.7% increase in pre-tax profits. Group CEO, Don Wehby is expressing satisfaction with the Group’s results, characterizing 2013 as a year of resilience in the face of a challenging economic climate. He also noted the added impact of the National and Private Debt Exchange programmes in which the Company participated, which led to a one-time loss of \$293 million in the income statement arising from the exchange of instruments. Despite the significant increase in pre-tax profits, 2013 net profits were flat when compared to 2012 due to a one-off change in the company’s deferred income tax in 2012.

Group CFO Frank James advised of an increase in dividends paid in 2013. “The Company paid \$2.18 per share, compared to \$2.00 in 2012, an increase of 9%. We remain focused on growing the company, and increasing our shareholders’ returns,” he said. He further advised that the Board of Directors on 28th February 2014 declared a dividend of 70 cents per stock unit.

For 2013, the Group focused on the strengthening of its Jamaican businesses, growing its international footprint - specifically in the USA, Canada and the United Kingdom and new markets in Western Africa and continental Europe - , improved capital management, and continued focus on its customers and employees. There was also sustained focus on the Group’s commitment to good corporate citizenship, specifically through the work of its Foundations, as well as through its subsidiaries.

With regard to the divisions, GK Foods saw progress being made on the goal to becoming a Global Consumer Group, with growth in revenue both domestically and internationally. The international subsidiaries performed excellently, with much of the growth driven by Canada, Europe and Africa.

Within the GraceKennedy Financial Group (GKFG), First Global Bank Limited won Best Banking Customer Service Provider in Jamaica and Best Online Banking Platform in Jamaica from UK based Global Banking & Finance Review. The insurance, banking and money services segments all launched innovative products. There was some fallout in the division however, due to the debt exchange, subsequent structural changes and a claims review in the insurance segment. These impacted the profitability of the division’s insurance and banking and investments segments.

According to the Group CEO, “We are excited about 2014 and launched the year under the theme ‘Investing for growth’, delivering on our promise. We are focused on the growth of our international business, strengthening and maintaining our domestic businesses, improved efficiency and better capital management. We will be working assiduously towards creating the conditions that make those goals reality,” he said. He thanked customers and consumers across the world, adding that the Company would be working harder to get closer to them.

In thanking the GraceKennedy team, directors and shareholders, the Group CEO continued, “We urge you to keep expecting more from us and to keep challenging us to improve. We are grateful for 92 years and expect an even better future guided by the values of HONESTY, INTEGRITY AND TRUST.”

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