EPPLEY
LIMITED

58 HALF WAY TREE ROAD
KINGSTON 10, JAMAICA, W.I.
P:(876) 929-8451/4 F:(876) 920-1458

February 16, 2015

Fellow Shareholders,

Eppley produced earnings per share of $64.19 in 2014, a 17% return on our $377 per share listing price. Our net asset value was $431 per share.

Portfolio

At the end of the year we had a $1.36 billion portfolio consisting mainly of various types of credit investments. The average income yield of our portfolio was 15%. Our capital-at-risk less than 0.1% of capital.[1]

Capitalization

Our leverage was 3.1x of our capital at the end of the year and our average cost of debt was 10%.

Financial Performance

Our profit after tax in 2014 was $51.1 million compared to $39.0 million in 2013. Further detail on last year's financial performance will be contained in our annual report.

Dividend

Today the Board of Directors approved a dividend of $37.19 per share payable on March 17 to ordinary shareholders on record as of March 10.

Consistent with our previously disclosed policy, this payment and the $9.00 per share ordinary dividend paid in each of last three quarters represents a distribution of the vast majority of our profits to shareholders.

As a result, shareholders have received a 17% cash return on their $377 per share IPO investment in the last twelve months.

Subject to the discretion of the Board of Directors, we expect to maintain our dividend policy in future periods.

Sincerely,

Nigel L. Clarke
Chairman

Nicholas A. Scott
Managing Director

[1] Capital-at-risk is the sum of loans and leases over 90 days and insurance premium finance contracts cancelled late, net of provisions.

EPPLEY LIMITED

FOURTH QUARTER 2014

Eppley Limited
Statement of Comprehensive Income
(Jamaican dollars in thousands)

	Unaudited 12 months ended Dec. 2014	Audited 12 months ended Dec. 2013	Unaudited 3 months ended Dec. 2014	Unaudited 3 months ended Dec. 2013
Net Investment Income				
Interest Income	117,681	65,292	36,101	20,113
Interest expense	(48,701)	(16,554)	(16,879)	(5,700)
Net interest income	**68,980**	**48,738**	**19,222**	**14,413**
Other operating income	33,042	24,233	7,719	6,945
Administrative expenses	(50,912)	(33,920)	(15,519)	(10,309)
Profit before Taxation	51,110	39,051	11,422	11,049
Taxation	-	(66)	-	-
Net Profit being Total Comprehensive Income for the Year	**51,110**	**38,985**	**11,422**	**11,049**
EARNINGS PER SHARE (3)	**64.19**	**71.66**	**14.34**	**13.88**

Eppley Limited
Statement of Financial Position
(Jamaican dollars in thousands)

	Unaudited Dec. 2014	Audited Dec. 2013
ASSETS		
Cash and Deposits	439,452	161,531
Investment Securities	80,338	-
Taxation recoverable	1,319	441
Other receivable	92,981	52,624
IPF Receivables	113,516	125,662
Loans Receivables	473,501	301,102
Lease Receivable	253,361	168,724
Property, Plant and Equipment	3,248	4,407
	1,457,717	**814,491**
LIABILITIES		
Due to related parties	1,653	1,653
Taxation payable	1,082	1,082
Deferred Taxation	273	273
Borrowings	1,081,618	474,271
Other liabilities	29,671	16,237
	1,114,297	**493,516**
SHAREHOLDERS' EQUITY		
Share capital	181,189	181,189
Retained earnings	162,231	139,786
	343,420	**320,975**
	1,457,717	**814,491**

Approved by the Board of Directors on February 12, 2015 and signed on its behalf by:

Nigel L. Clarke
Chairman

Nicholas A. Scott
Managing Director

Eppley Limited
Statement of Changes in Equity
(Jamaican dollars in thousands)

	Share Capital	Retained Earnings	Total
Balance as at 1 January 2013	300	100,801	101,101
Net Profit for the period	-	38,985	38,985
Issue of Shares	180,889	-	180,889
Balance as at 31 December 2013	**181,189**	**139,786**	**320,975**
Balance as at 1 January 2014	181,189	139,786	320,975
Net Profit for the period	-	51,110	51,110
Dividends	-	(28,665)	(28,665)
Balance as at 31 December 2014	**181,189**	**162,231**	**343,420**

Eppley Limited
Statement of Cash Flows
(Jamaican dollars in thousands)

	Unaudited 12 months ended Dec. 2014	Audited 12 months ended Dec. 2013
Cash Flows from Operating Activities		
Net profit	51,110	38,985
Adjustments for items not affecting cash:		
Depreciation	1,187	1,182
Interest income	(117,681)	(65,292)
Interest expense	48,701	16,554
Exchange (gains)/losses on foreign balances	(25,988)	(14,203)
Taxation	-	66
	(42,670)	**(22,708)**
Changes in non-cash working capital components:		
Other receivables	(39,799)	(52,624)
Insurance premium financing receivables	13,483	(65,642)
Loans receivable	(151,322)	135,954
Lease receivables	(80,520)	(167,960)
Interest received	117,681	65,292
Other liabilities	13,422	5,373
Due to related parties	-	-
	(169,725)	**(102,315)**
Tax withheld at source/paid	(878)	(3,042)
Interest paid	(48,701)	(16,806)
Net cash provided by/(used in) operating activities	**(219,305)**	**(122,163)**
Cash Flows from Investing Activities		
Acquisition of investments	(80,338)	-
Additions to property, plant and equipment	(28)	(3,481)
Net cash provided by/(used) in investing activities	**(80,366)**	**(3,481)**

Eppley Limited
Statement of Cash Flows (Cont'd)
(Jamaican dollars in thousands)

	Unaudited 12 months ended Dec. 2014	Audited 12 months ended Dec. 2013
Cash Flows from Financing Activities		
Dividend paid	(28,665)	-
Shares issued	-	135,021
Loans received	741,836	535,959
Loans repaid	(139,619)	(387,495)
Net cash (used in)/provided by financing activities	**573,552**	**283,485**
Increase/(Decrease) in net cash balance	273,881	157,841
Effects of foreign exchange rates changes on cash and cash equivalents	4,040	329
Cash and cash equivalents at beginning of year	**161,531**	**3,361**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**439,452**	**161,531**

Ten Largest Shareholders

(at December 31, 2014)

Musson Investments Limited	299,999
ATL Group Pension Fund Trustees Nominee Limited	204,250
Stony Hill Capital Limited	121,665
General Accident Insurance Company Jamaica Limited	73,000
Michael Subratie	33,268
Ravers Limited	22,134
Nicholas Scott	8,357
Nigel Clarke	5,305
Tropical Battery Company Limited	5,300
Maxim Rochester	3,978

Shareholdings of Directors

(at December 31, 2014)

	Direct	Connected
Nigel Clarke	5,305	-
Melanie Subratie	-	299,999
P. B. Scott	-	299,999
Nicholas Scott	8,357	-
Sharon Donaldson	800	-
Jennifer Scott	-	-
Keith Collister	-	-
Byron Thompson	2,000	-
Maxim Rochester	3,978	-
Alexander Melville	-	-

Shareholdings of Executives

(at December 31, 2014)

	Direct	Connected
Nadia Jervis	277	-
Jacquelin Watson	-	-

1. Identification and Activities

Eppley Limited formerly Orrett and Musson Investment Company Limited is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is located at 58 Half-Way-Tree Road, Kingston 10.

The principal activity of the company is insurance premium financing, lease and loan financing.

The company is a public company listed on the Jamaica Stock Exchange at July 29, 2013.

2. Statement of Compliance and Basis of Preparation

These unaudited interim financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board (IASB), and the relevant provisions of the Companies Act.

The interim financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial assets carried at fair value.

The accounting policies and method of computation are consistent with the audited financial statements for year ended December 31, 2013. These financial statements are expressed in Jamaican dollars which is the currency of the primary economic environment in which the company operates.

3. Earnings Per Share

	Unaudited 12 months ended Dec. 2014	**Audited 12 months ended Dec. 2013**	**Unaudited 3 months ended Dec. 2014**	**Unaudited 3 months ended Dec. 2013**
Net Profit being Total Comprehensive Income for the Year	51,110	38,985	11,422	11,049
Weighted Average Total Shares Outstanding	796,249	544,021	796,249	796,249
EARNINGS PER SHARE	**64.19**	**71.66**	**14.34**	**13.88**