



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

May 12, 2015

Fellow Shareholders,

Eppley produced earnings per share of \$10.97 in the first three months of the year, a 2.9% return on our \$377 per share listing price.

At the end of the quarter, our net asset value was \$405 per share.

Portfolio

As of March 31 we had a \$1.35 billion portfolio consisting mainly of loans, leases and receivables. The average income yield of our portfolio was 14%. Our capital-at-risk was less than 0.1% of capital.¹

Capitalization and Liquidity

Our leverage was 3.2x of our capital at the end of the quarter and our average cost of debt was 10%. We ended the quarter with \$240 million of cash and short term investments. This relatively high balance reflects the proceeds received from our issue of preference shares late in the fourth quarter of 2014.

Financial Performance

Our profit after tax for the first quarter was \$8.7 million compared to \$17.3 million in the first quarter of 2014. This is mainly the result of the stability of the Jamaican dollar in the quarter relative to the sharp deprecation in the first three months of 2014.

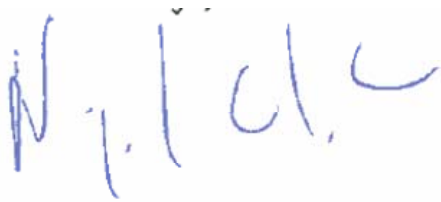
Dividend

Today the Board of Directors approved a dividend of \$9.00 per share payable on June 2 to ordinary shareholders on record as of May 26.

On an annualized basis this represents an ordinary dividend yield of 9.55% on our \$377 per share listing price.

As previously disclosed and subject to the discretion of the Board of Directors, we expect to maintain this level of dividends each quarter. We will adjust the final quarterly dividend each year to distribute the vast majority of our annual earnings to ordinary shareholders.

Sincerely,



Nigel L. Clarke
Chairman



Nicholas A. Scott
Managing Director

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

EPPLEY LIMITED

FIRST QUARTER 2015

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

	Unaudited 3 months ended Mar. 2015	Unaudited 3 months ended Mar. 2014	Audited 12 months ended Dec. 2014
Net Investment Income			
Interest Income	44,935	28,159	117,681
Interest expense	<u>(28,987)</u>	<u>(10,647)</u>	<u>(48,701)</u>
Net interest income	15,948	17,512	68,980
Other operating income	5,095	11,363	33,042
Administrative expenses	<u>(12,310)</u>	<u>(11,547)</u>	<u>(50,791)</u>
Profit before Taxation	8,734	17,327	51,231
Taxation	<u>-</u>	<u>-</u>	<u>(55)</u>
Net Profit being Total Comprehensive Income for the Year	<u><u>8,734</u></u>	<u><u>17,327</u></u>	<u><u>51,176</u></u>
EARNINGS PER SHARE (3)	\$10.97	\$21.76	\$64.27

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

	Unaudited Mar. 2015	Unaudited Mar. 2014	Audited Dec. 2014
ASSETS			
Cash and Deposits	220,271	117,270	519,791
Taxation recoverable	1,474	877	1,319
Other receivable	46,697	55,853	50,186
IPF Receivables	80,444	98,166	113,516
Loans Receivables	798,310	314,600	473,501
Lease Receivable	231,141	188,284	253,361
Investment Securities	20,331	-	-
Property, Plant and Equipment	5,990	4,139	3,248
	<u>1,404,659</u>	<u>779,187</u>	<u>1,414,922</u>
LIABILITIES			
Due to related parties	1,653	1,653	1,653
Taxation payable	1,082	1,082	1,082
Deferred Taxation	328	273	328
Borrowings	1,043,772	426,125	1,038,823
Other liabilities	35,217	18,918	29,550
	<u>1,082,051</u>	<u>448,051</u>	<u>1,071,436</u>
SHAREHOLDERS' EQUITY			
Share capital	181,189	181,189	181,189
Retained earnings	141,419	149,947	162,297
	<u>322,608</u>	<u>331,137</u>	<u>343,486</u>
	<u>1,404,659</u>	<u>779,187</u>	<u>1,414,922</u>

Approved by the Board of Directors on May 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 2014	181,189	139,786	320,975
Net Profit for the period	-	17,327	17,327
Dividends	-	(7,166)	(7,166)
Balance as at 31 March, 2014	181,189	149,947	331,137
Balance as at 1 January 2015	181,189	162,297	343,486
Net Profit for the period	-	8,734	8,734
Dividends	-	(29,613)	(29,613)
Balance as at 31 March, 2015	181,189	141,418	322,608

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

	Unaudited 3 months ended Mar. 2015	Unaudited 3 months ended Mar. 2014	Audited 12 months ended Dec. 2014
Cash Flows from			
Operating Activities			
Net profit	8,734	17,327	51,176
Adjustments for items not affecting cash:			
Depreciation	499	198	1,187
Interest income	(44,935)	(28,159)	(117,681)
Interest expense	28,987	10,647	48,701
Exchange (gains)/losses on foreign balances	(1,962)	(9,919)	(25,988)
Taxation	-	-	55
	<u>(8,678)</u>	<u>(9,906)</u>	<u>(42,551)</u>
Changes in non-cash working capital components:			
Other receivables	3,567	(2,979)	2,996
Insurance premium financing receivables	33,251	27,786	13,483
Loans receivable	(323,995)	(6,208)	(151,322)
Lease receivables	22,661	(18,211)	(80,520)
Interest received	42,578	30,121	117,699
Other liabilities	5,659	2,681	13,301
Due to related parties	-	-	-
	<u>(224,958)</u>	<u>23,284</u>	<u>(126,914)</u>
Tax withheld at source/paid	(155)	-	(878)
Interest paid	(28,987)	(10,647)	(48,701)
Net cash provided by/(used in) operating activities	<u>(254,099)</u>	<u>12,637</u>	<u>(176,493)</u>

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

	Unaudited 3 months ended Mar. 2015	Unaudited 3 months ended Mar. 2014	Audited 12 months ended Dec. 2014
Cash Flows from Investing Activities			
Term deposits with maturity periods in excess of 90 days	-	-	(79,806)
Acquisition of Investments	(20,331)	-	-
Additions to property, plant and equipment	(3,242)	(28)	(28)
Net cash provided by/(used) in investing activities	<u>(23,573)</u>	<u>(28)</u>	<u>(79,834)</u>
Cash Flows from Financing Activities			
Dividend paid	(29,613)	(7,166)	(28,665)
Shares issued	-	-	-
Loans received	11,686	53,612	699,116
Loans repaid	(7,147)	(105,466)	(139,693)
Net cash (used in)/provided by financing activities	<u>(25,073)</u>	<u>(59,020)</u>	<u>530,758</u>
Increase/(Decrease) in net cash balance	(302,746)	(46,411)	274,431
Effects of foreign exchange rates changes on cash and cash equivalents	(880)	2,595	4,040
Cash and cash equivalents at beginning of year	<u>439,293</u>	<u>160,821</u>	<u>160,821</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD (4)	<u><u>135,668</u></u>	<u><u>117,005</u></u>	<u><u>439,293</u></u>

Ten Largest Shareholders

(at March 31, 2015)

Musson Investments Limited	299,999
ATL Group Pension Fund Trustees Nominee Limited	204,250
Stony Hill Capital Limited	121,666
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 March 31, 2015)

	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	-	5,300

Shareholdings of Executives

(at March 31, 2015)

	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, 2014. 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 3 months ended Mar. 2015	Unaudited 3 months ended Mar. 2014	Audited 12 months ended Dec. 2014
Net Profit being Total Comprehensive Income for the Year	8,734	17,327	51,176
Total Shares Outstanding	<u>796,249</u>	<u>796,249</u>	<u>796,249</u>
EARNINGS PER SHARE	10.97	21.76	64.27

4. Cash and Cash Equivalents

	Unaudited 3 months ended Mar. 2015	Unaudited 3 months ended Mar. 2014	Audited 12 months ended Dec. 2014
Cash and bank balances	14,589	33,037	309,292
Term Deposits	205,682	84,232	210,499
	<u>220,571</u>	<u>117,270</u>	<u>519,791</u>
Less: Term deposits with maturity period in excess of ninety days	(79,806)	-	(79,806)
Less: Interest Receivable	(4,797)	(265)	(692)
	<u>135,668</u>	<u>117,005</u>	<u>439,293</u>