

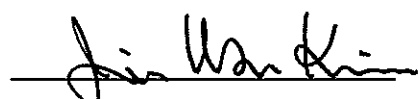
JAMAICA PUBLIC SERVICE COMPANY LIMITED


STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2015

{ Unaudited results in US\$ thousand }

	Mar-15	Mar-14	{ Audited } Dec-14
CURRENT ASSETS			
Cash and cash equivalents	1,494	3,754	7,736
Restricted cash	28,332	22,835	27,147
Receivables, net of provisions	151,779	200,038	172,516
Due from related company	220	194	52
Tax recoverable	1,269	440	-
Inventories	35,323	38,532	33,652
	218,417	265,793	241,103
CURRENT LIABILITIES			
Payables and provisions	131,124	179,887	161,599
Taxation payable	-	2,416	1,307
Bank overdraft	-	3,623	-
Current portion of long-term loans	65,229	37,486	54,917
Due to related companies	839	679	1,295
	197,192	224,091	219,118
WORKING CAPITAL	21,225	41,702	21,985
NON-CURRENT ASSETS			
Property, plant & equipment	698,584	702,889	704,037
Employee benefits asset	21,596	20,206	21,290
Other asset	3,998	4,668	3,998
Long-term receivables	877	1,447	877
	746,280	770,912	752,187
Financed by:			
SHAREHOLDERS' EQUITY			
Share capital	261,786	261,786	261,786
Capital reserve	4,145	19,901	4,145
Retained earnings	74,381	54,194	70,289
	340,312	335,881	336,220
NON-CURRENT LIABILITIES			
Customer deposits	26,471	27,190	25,732
Long-term debts	304,844	328,744	316,160
Shareholder's loan	2,000	2,000	2,000
Preference shares	27,688	27,688	27,688
Deferred taxation	36,283	39,917	36,283
Employee benefits obligations	7,822	7,838	7,244
Deferred revenue	860	1,654	860
	746,280	770,912	752,187

ON BEHALF OF THE BOARD


 Jin Won Kim Chairman


 Tatsuya Ozono Director

JAMAICA PUBLIC SERVICE COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED MARCH 31, 2015

{ Unaudited results in US\$ thousand }

	Three months ended,		Year Ended
	Mar-15	Mar-14	{ Audited } Dec-14
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Operating revenue	180,957	262,596	1,023,240
Cost of sales	(114,656)	(192,757)	(750,166)
Gross profit	66,301	69,839	273,074
Operating expenses	(47,984)	(45,656)	(191,140)
Operating profit	18,317	24,183	81,934
Finance costs (net)	(12,077)	(14,653)	(55,198)
Other income	50	1,429	7,114
Other expenses	(152)	(267)	(11,692)
Profit before taxation	6,138	10,692	22,158
Taxation	(2,046)	(3,564)	847
Profit for the period	4,092	7,128	23,005
Other comprehensive income, net of taxes:			
Loss on revaluation of property, plant and equipment	-	-	(15,756)
Remeasurement gains/(losses) on defined benefit plan	-	-	218
Total comprehensive income attributable to shareholders	4,092	7,128	7,467

Earnings per share/stock unit:			
Number of share/stock units [in thousands]	<u>21,828,195</u>	<u>21,828,195</u>	<u>21,828,195</u>
Net profit per share/stock unit (annualised)	<u>0.07¢</u>	<u>0.13¢</u>	<u>0.11¢</u>

JAMAICA PUBLIC SERVICE COMPANY LIMITED

**STATEMENT OF CASH FLOWS (CONDENSED) FOR THE
PERIOD ENDED MARCH 31, 2015**

{ Unaudited results in US\$ thousand }

	Mar-15	Mar-14
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the period	4,092	7,128
Adjustments for non-cash items:		
Depreciation	14,387	13,482
Unrealised foreign exchange losses	(516)	(22)
Interest capitalized	(262)	(87)
Interest expense	11,300	9,809
Income tax expense	2,046	3,564
Employee benefit obligations, net	272	1,113
Restricted cash	(1,185)	(1,193)
Others	287	(137)
	30,421	33,657
Increase/(decrease) in working capital:		
Accounts receivable	20,773	(13,012)
Inventories	(517)	3,114
Payables and provisions	(26,209)	(6,209)
Taxation	(4,622)	(20)
Due to related companies, net	(624)	(142)
Customer deposits and advances	739	363
Cash provided by operating activities	19,961	17,751
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	340	564
Purchase of property, plant & equipment	(9,826)	(8,611)
Other asset	-	(62)
Cash used in investing activities	(9,486)	(8,109)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term liabilities repaid, net	(1,151)	1,742
Interest paid	(15,566)	(13,169)
Cash used in financing activities	(16,717)	(11,427)
Decrease in cash & short-term balances	(6,242)	(1,785)
Cash & short-term deposits, beginning of period	7,736	1,916
Cash and cash equivalents at end of period	1,494	131

JAMAICA PUBLIC SERVICE COMPANY LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD ENDED MARCH 31, 2015

{ Unaudited results in US\$ thousand }

	<u>Share Capital</u>	<u>Capital Reserve</u>	<u>Retained Earnings</u>	<u>TOTAL</u>
Balance as at December 31, 2013	261,786	19,901	47,066	328,753
Comprehensive income for the period	-	-	7,128	7,128
Balance as at March 31, 2014	<u>261,786</u>	<u>19,901</u>	<u>54,194</u>	<u>335,881</u>
Balance as at December 31, 2014	261,786	4,145	70,289	336,220
Comprehensive income for the period	-	-	4,092	4,092
Balance as at March 31, 2015	<u>261,786</u>	<u>4,145</u>	<u>74,381</u>	<u>340,312</u>

	<u>Mar-15</u>	<u>Mar-14</u>
Net gains for the period	<u>4,092</u>	<u>7,128</u>

JAMAICA PUBLIC SERVICE COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
(UNAUDITED) MARCH 31, 2015

1. Corporate structure and nature of business

Jamaica Public Service Company Limited (“the Company”) is incorporated and domiciled in Jamaica as a limited liability company and is owned by MaruEnergy JPSCO 1 SRL and EWP (Barbados) 1 SRL each holding 40% interest in the Company’s shares, with the Government of Jamaica (GOJ) holding 19.9% and private individuals 0.1%. MaruEnergy JPSCO I SRL, is incorporated in Barbados and is ultimately owned by Marubeni Corporation which is incorporated in Japan. EWP (Barbados) 1 SRL is incorporated in Barbados and is ultimately owned by the Korea Electric Power Corporation which is incorporated in South Korea.

The Government of Jamaica’s ownership in the Company is held collectively through the Accountant General’s Department and the Development Bank of Jamaica Limited. In accordance with a Shareholder’s Agreement, the majority shareholders have the right to appoint six members of the Board of Directors while the GOJ has the right to appoint three. Additionally, certain significant decisions of the Board of Directors require a unanimous vote of the appointed directors.

The principal activities of the Company are generating, transmitting, distributing and supplying electricity in accordance with the terms of the All-Island Electric Licence, 2001 (the Licence), granted on June 30, 2001, by the Minister of Mining and Energy.

The registered office of the Company is situated at 6 Knutsford Boulevard, Kingston 5, Jamaica, W. I., and its preference shares are listed on the Jamaica Stock Exchange.

2. Regulatory arrangements and tariff structure

The Licence authorises the company to supply electricity for public and private purposes within the Island of Jamaica, subject to regulation by the Office of Utilities Regulation (OUR) established pursuant to the Office of Utility Regulation Act, 1995, and as subsequently amended, with power and authority to require observance and performance by the company of its obligations under the Licence, and to regulate the rates charged by the company.

Under the provisions of the Licence, the company is granted the exclusive right to transmit, distribute and supply electricity throughout the Island of Jamaica for a period of twenty years and to develop new generation capacity within the first three years from the effective date of the Licence. Since the expiration of this initial three-year period, the company has the right, together with other persons, to compete for the right to develop new generation capacity. The Licence was extended in August 2007 for an additional period of six years upon the sale of the company by Mirant Corporation to Marubeni Corporation.

Schedule 3 of the Licence defines the rates for electricity and the mechanism for rate adjustments.

Under the Licence, the rates for electricity consist of a Non-Fuel Base Rate, which is adjusted annually using the Performance Based Rate-making Mechanism; and a Fuel Rate, which is adjusted monthly to reflect fluctuations in actual fuel costs, net of adjustments for prescribed efficiency targets. Both rates (fuel and non-fuel) are adjusted monthly to account for movements in the monetary exchange rate between the United States (US) dollar and the Jamaica dollar.

JAMAICA PUBLIC SERVICE COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
(UNAUDITED) MARCH 31, 2015

2. Regulatory arrangements and tariff structure (cont'd)

These rates are determined in accordance with the tariff regime, which provides that the OUR annually reviews the company's efficiency levels (system losses and heat rate) and, where appropriate, adjusts these in the tariff, primarily relating to fuel revenues. Under the rate schedule the company should recover its actual fuel costs, net of the prescribed efficiency adjustments, through its Fuel Rate.

As of June 1, 2004, and thereafter, on each succeeding fifth anniversary, the company must submit a filing to the OUR for further rate adjustments to its Non-Fuel Base Rate. The rate filing, which requires OUR approval, is based on a test year and includes defined "efficient" non-fuel operating costs, depreciation expenses, taxes, and a fair return on investment.

Embedded in the OUR approved tariff is an amount to be set aside monthly in case of a major catastrophe affecting the company's operations (transfer to self-insurance sinking fund).

3. Statement of compliance, basis of preparation and significant accounting policies

The unaudited interim financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board (IASB), and comply with the provisions of the Companies Act.

The interim financial statements have been prepared using the same accounting policies and methods of computation applied in preparing the financial statements for the year ended December 31, 2014. The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The interim statements are presented in United States dollars, which is the currency in which the company conducts the majority of its business, (its functional currency); and are prepared under the historical cost basis, modified for the inclusion of land carried at valuation.

The interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended December 31, 2014.

JAMAICA PUBLIC SERVICE COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
(UNAUDITED) MARCH 31, 2015

4. JPS' Operating Licence

On July 30, 2012, the Supreme Court ruled that the exclusivity provision in the license granted to JPS in 2001 is not valid. The judge ruled that while the Minister of Mining and Energy has the authority to grant a license to an operator to supply power to the entire island, he does not have the power to grant a license upon terms that bar the possibility of any other person entering the market for the transmission of electricity.

On January 16, 2015, the 2012 Supreme Court ruling was overturned by the Court of Appeal. This indicates that the Minister of Mining and Energy is able to grant the exclusive all island licence and is not prevented from considering all other licence applications to provide electricity.

5. Cash and cash equivalents-

As at March 31, 2015, cash and cash equivalents include amounts restricted for use amounting to approximately \$28.3 million (Mar-14: \$22.8 million). This includes approximately \$27.8 million (Mar-14: \$22.3 million) in relation to a self-insurance sinking fund administered under the direction of the OUR (see note 2).

6. Net finance costs

	Quarter ended,	
	Mar-15	Mar-14
	<u>US\$'000</u>	<u>US\$'000</u>
Foreign exchange losses	(752)	(5,068)
Other finance costs	(11,305)	(9,726)
Preference dividends	(658)	(659)
Finance income	638	800
	<u>(12,077)</u>	<u>(14,653)</u>

Foreign exchange losses, as shown above, are the result of fluctuations in exchange rates primarily on the settlement of J\$ accounts receivables and borrowings that are denominated in currencies other than the US Dollar. The relevant period end exchange rates (J\$: US\$) are shown below:

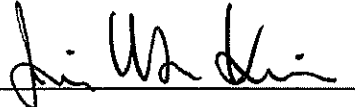
December 31, 2013	<u>106.38</u>	March 31, 2014	<u>109.57</u>
December 31, 2014	<u>114.66</u>	March 31, 2015	<u>115.04</u>

7. Compliance with debt covenants


Under the terms of the long term loan agreements with certain international development financial institutions, the Company is required to maintain a certain financial covenant relating to minimum Debt to Earnings before Interest Tax Depreciation and Amortization. The Company was fully compliant with all its loan covenant obligations as at March 31, 2015.

JAMAICA PUBLIC SERVICE COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
(UNAUDITED) MARCH 31, 2015

ON BEHALF OF THE BOARD



Jin Won Kim Chairman



Tatsuya Ozono Director