

Barita

INVESTMENTS LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE 3 MONTHS ENDED DECEMBER 31, 2016.

CHAIRMAN'S STATEMENT

For the quarter ended December 31, 2016, Barita Investments Limited recorded net profit of \$15.59 million from gross revenues of \$212 million. This translated into earnings per share of \$0.03c.

The highlights of our operating performance for the quarter are as follows:

- Gross revenue from Interest Income was \$270 million, up 1.19% on the same period last year. This outpaced the marginal 0.68% increase in related interest costs to \$193 million.
- Net Interest was \$77 million or 2.49% on the same period last year. This occurred against the background of a declining interest rate environment.
- We continue to manage the changes to the retail repo model. This has resulted in our non-interest income increasing noticeably by 29.56% to \$135 million. Furthermore, our non-interest income to total income rose from 58% during the first quarter of last year to 64%.
- Fees and Commission income grew significantly by 68% to \$105 million due primarily to a substantial increase in funds under management.
- Dividend Income was down 47% at \$3 million versus \$6 million at the end of the December 2015 first quarter.
- Our operating expenses increased by 20% to \$168 million relative to \$140 million in the first quarter ended December 31, 2015. This was due to a 19.97% increase in administration

expenses to \$68 million. Administration expenses rose as the company started recording depreciation expense for software development. Barita has developed software to enhance its efficiency, the benefits of which will be seen in subsequent quarters.

- Despite the increase in expenses, our cost to income ratio remained relative stable at 79% versus 78% at the end of the comparative quarter.

BALANCE SHEET

The balance sheet reflects an 8% increase in total assets to \$15 billion relative to \$14 billion as at December 31, 2015. This was driven by a 61% increase in the value of marketable securities as bond values improved. Securities purchased under resale agreement declined by 18% to \$2.26 billion reflecting the changes in the repo business.

Liabilities increased 4% to \$13 billion, due to the 18% increase in payables to \$249 million. Securities sold under repurchase agreements, which accounts for the bulk of the company's liabilities, declined marginally by 1.55% to \$11.27 billion.

Stockholder value has improved by 30% to \$2.75 billion. This was driven by the significant 237.29% increase in fair value reserve to \$727 million dollars. Additionally, the company retained more profit during the period.

DIVIDEND

The company remains profitable and as such, declared an interim dividend of \$0.11 per share which is payable on February 23, 2017.

CAPITAL ADEQUACY

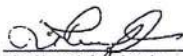
The Capital base of Barita Investments Limited remains in compliance with regulatory requirements. This is set out in the following key ratios:

| | FSC Requirement | Barita Achievement |
|--------------------------------|-----------------|--------------------|
| Capital to Risk Weighted Asset | 10% | 18% |
| Capital to Total Asset | 6% | 18% |
| Capital Base to Tier 1 Capital | 50% | 141% |

OUTLOOK

We will continue to focus our attention on enhancing value for our shareholders by generating greater returns from our funds under management.

We are grateful for the gains that we have made and we will continue to build on our successes.


Rita Humphries-Lewin
Chairman
February 10, 2017.


CONSOLIDATED PROFIT & LOSS STATEMENT AS AT DECEMBER 31, 2016

| | UNAUDITED 3 Months Ended December 31 2016 \$,000 | UNAUDITED 3 Months Ended December 31 2015 \$,000 |
|--|---|---|
| Net Interest Income and Other Revenue | | |
| Interest Income | 270,270 | 267,097 |
| Interest cost of Repurchase Agreements | (193,115) | (191,820) |
| Net Interest Income | 77,155 | 75,277 |
| Fees and Commission Income | 105,180 | 62,741 |
| Foreign Exchange Trading and translation gains | 4,679 | 14,634 |
| Gain/Loss on Sale of Investment | 21,610 | 20,571 |
| Dividend Income | 3,196 | 6,036 |
| Other Income | 189 | 105 |
| Net operating revenue | 212,009 | 179,364 |
| Operating Expenses | | |
| Staff Costs | 80,489 | 83,522 |
| Administration | 67,764 | 56,485 |
| Impairment | 20,000 | - |
| | 168,253 | 140,007 |
| Profit before Taxation | 43,756 | 39,357 |
| Taxation | (28,164) | (11,689) |
| NET PROFIT/(LOSS) FOR THE PERIOD | 15,592 | 27,668 |
| Number of shares in Issue | 445,877 | 445,877 |
| Earnings per stock unit | 0.03 | 0.06 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2016

| | UNAUDITED DECEMBER 2016 \$,000 | UNAUDITED DECEMBER 2015 \$,000 | AUDITED SEPTEMBER 2016 \$,000 |
|---|---|---|--|
| ASSETS | | | |
| Cash and bank balances | 652,044 | 72,630 | 339,863 |
| Securities purchased under resale agreements | 2,262,545 | 2,775,852 | 2,685,639 |
| Marketable securities | 6,830,542 | 4,246,116 | 3,752,461 |
| Pledged Assets | 4,309,175 | 5,040,470 | 6,436,290 |
| Receivables | 363,992 | 1,110,605 | 539,758 |
| Loan receivables | 356,725 | 315,446 | 424,541 |
| Interest receivables | 177,788 | 211,949 | 186,382 |
| Due from related parties | 320 | 34,906 | 55,714 |
| Property, plant and equipment | 297,879 | 322,270 | 296,026 |
| Investments | 55,000 | 28,135 | 55,000 |
| Deferred Assets | - | - | - |
| Total Assets | 15,306,010 | 14,158,379 | 14,771,674 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Liabilities | | | |
| Bank overdraft | 582,909 | 3 | - |
| Securities sold under repurchase agreements | 11,273,593 | 11,451,213 | 11,453,746 |
| Payables | 248,672 | 211,587 | 409,581 |
| Interest Payable | 65,705 | 77,721 | 17,977 |
| Due to related parties | 114 | - | 24,391 |
| Taxation | 73,361 | - | 55,175 |
| Deferred tax liabilities | 316,533 | 309,589 | 316,533 |
| Total Liabilities | 12,560,887 | 12,050,113 | 12,277,403 |
| Shareholders' Equity | | | |
| Stated capital | 745,494 | 745,494 | 736,304 |
| Capital reserve | 69,799 | 69,798 | 69,799 |
| Fair value reserve | 726,621 | 215,426 | 500,551 |
| Capital Redemption Reserve | 220,127 | 220,127 | 220,127 |
| Retained earnings | 983,082 | 857,421 | 967,490 |
| Total Shareholders' Equity | 2,745,123 | 2,108,266 | 2,494,271 |
| Total Liabilities and Shareholders' Equity | 15,306,010 | 14,158,379 | 14,771,674 |


Rita Humphries-Lewin — Chairman


Carl Donville — Director

BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with the accounting policies set out in Note 2 of the audited financial statements for the year ended September 30, 2016.

Barita

INVESTMENTS LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE 3 MONTHS ENDED DECEMBER 31, 2016 CONT'D.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS ENDED DECEMBER 31, 2016

| | STATED CAPITAL \$,000 | TREASURY SHARES \$,000 | CAPITAL RESERVE \$,000 | FAIR VALUE RESERVE \$,000 | CAPITAL REDEMPTION RESERVES \$,000 | RETAINED EARNINGS \$,000 | TOTAL \$,000 |
|--|-----------------------------|------------------------------|------------------------------|---------------------------------|---|--------------------------------|-----------------|
| Balance at 30 September 2015 | 754,994 | (18,690) | 69,799 | 17,077 | 220,127 | 809,324 | 1,852,631 |
| Reclassification entries | | | | | | | |
| Profit for the period | | | | | | 27,668 | |
| Other comprehensive Income: | | | | | | | |
| Unrealised losses on available-for resale investments net of taxes | | | | 177,775 | | | 177,775 |
| Gains recycled to the profit and loss account on disposal and maturity of available-for-sale investments | | | | 20,571 | | | 20,571 |
| Adjusting Entries | | | | | | 20,429 | 20,429 |
| Total Comprehensive Income | - | - | - | 198,346 | - | 20,429 | 227,965 |
| Net Profit | | | | | | 27,668 | 27,668 |
| Ordinary Dividends Paid | | | | | | | 0 |
| Balance at 31 December 2015 | 754,994 | (18,690) | 69,799 | 215,423 | 220,127 | 857,421 | 2,099,074 |
| Balance at 30 September 2016 | 754,994 | (18,690) | 69,799 | 500,551 | 220,127 | 967,490 | 2,494,271 |
| Profit for the period | | | | | | 15,593 | |
| Other Comprehensive Income: | | | | | | | |
| Unrealised gain on available-for resale investments net of taxes | | | | 204,460 | | | 204,460 |
| Gains recycled to the profit and loss account on disposal and maturity of available-for-sale investments | | | | 21,610 | | | 21,610 |
| Adjusting entries | (9,500) | 9,500 | | | | | 0 |
| Total Comprehensive Income | (9,500) | 9,500 | - | 226,070 | | 15,593 | 226,070 |
| Net Profit | | | | | | 15,593 | 15,593 |
| Ordinary Dividends Paid | | | | | | | - |
| Balance at 31 December 2016 | 745,494 | (9,190) | 69,799 | 726,621 | 220,127 | 983,083 | 2,735,934 |

STATEMENT OF COMPREHENSIVE INCOME FOR THE 3 MONTHS ENDED DECEMBER 31, 2016

| | UNAUDITED 3 MONTHS ENDED DECEMBER 31 2016 \$,000 | UNAUDITED 3 MONTHS ENDED DECEMBER 31 2015 \$,000 |
|--|---|---|
| Profit for period | 15,592 | 27,668 |
| Unrealised gain on available-for resale investments net of taxes | 204,460 | 177,775 |
| Total Comprehensive Income | 220,052 | 205,443 |

CONSOLIDATED STATEMENT OF CASH FLOWS AS AT DECEMBER 31, 2016

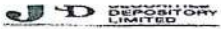
| | UNAUDITED 3 MONTHS ENDED DECEMBER 31, 2016 \$,000 | UNAUDITED 3 MONTHS ENDED DECEMBER 31, 2015 \$,000 |
|--|--|--|
| Cash Flows from Operating Activities | | |
| Net Profit | 15,592 | 27,668 |
| Adjusted for: | | |
| Depreciation | 12,118 | 3,634 |
| Effect of exchange gain/loss on foreign balances | 118 | (11,456) |
| Interest income | (270,270) | (267,097) |
| Interest expense | 193,115 | 191,820 |
| Income tax expense | 28,164 | 11,689 |
| Gain on the disposal of property, plant and equipment | - | - |
| | (21,163) | (43,742) |
| Changes in Operating Assets and Liabilities | | |
| Marketable securities | (724,896) | 399,460 |
| Securities purchased under resale agreements | 423,094 | (479,481) |
| Securities sold under repurchase agreements | (180,153) | (9,814) |
| Receivables | 184,360 | (172,678) |
| Loans receivable | 67,816 | (24,203) |
| Payables | (142,723) | 130,706 |
| Due from related companies | 31,117 | (9,168) |
| | (341,385) | (165,178) |
| Interest received | 278,864 | 260,556 |
| Interest paid | (145,387) | (186,036) |
| Income tax paid | (29,482) | (14,325) |
| Cash provided by Operating Activities | 103,995 | 58,195 |
| Cash Flows from Investing/Financing Activities | | |
| Proceeds from the disposal of property, plant and equipment | - | - |
| Proceeds from sale of ordinary shares and irredeemable preference shares | - | - |
| Ordinary Dividends | - | - |
| Interest paid on preference shares | - | - |
| Purchase of property, plant and equipment | (13,971) | (21,399) |
| Cash provided by Investing/Financing activities | (13,971) | (21,399) |
| Effect of exchange rate on cash and cash equivalents | 1,796 | 50,251 |
| Decrease/(increase) in net cash and cash equivalents | (270,728) | (121,873) |
| Net cash and cash equivalents at beginning of year | 339,863 | 194,500 |
| NET CASH AND CASH EQUIVALENTS AT END OF YEAR | 69,135 | 72,627 |

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Top 10 for Barita Investments Limited

As at December 31, 2016

| Name | Account(s) | Joint Holders | Volume | Percentage |
|------|---|---------------|----------------|------------|
| | RITA HUMPHRIES LEWIN | | 339,975,664.00 | 76.25 |
| | BPM FINANCIAL LTD A/C BP 905 | | 15,680,000.00 | 3.52 |
| | PETA ROSE HALL | | 9,412,982.00 | 2.11 |
| | JOHN MINOTT | | 5,885,322.00 | 1.31 |
| | KARL L. LEWIN | | 5,675,322.00 | 1.24 |
| | FIRSTCARIBBEAN INT`L SEC. LTD A/C B.U.T | | 5,241,804.00 | 1.20 |
| | GEORGE WILLIAM COOPER | | 5,302,322.00 | 1.12 |
| | YVONNE M SHAW | | 4,260,000.00 | 0.96 |
| | MONICA L. COOLS LARTIGUE | | 4,210,500.00 | 0.95 |
| | AGNES BARBARA HUMPHRIES | | 4,000,000.00 | 0.90 |

End of Report

P.O. BOX 1084, 40 Harbour Street, Kingston, Jamaica
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BARITA INVESTMENTS LIMITED
SENIOR MANAGERS AND
CONNECTED PARTIES REPORT
As At December 31, 2016

| Name | Position | Relationship | Units | Percentage | |
|-----------------------------------|---------------------------------|---------------------------------|------------------|---------------|---------------|
| Account # | Primary Holder Joint Holder | | | | |
| Genevieve Harty | Senior Mangers | | | | |
| | Delroy Nugent | | 0.00 | 0.0000 | |
| | Genevieve Harty | | | | |
| | Denise Harty | | 39,000.00 | 0.0087 | |
| | Dionne Harty | | | | |
| | Genevieve Harty | | | | |
| | Genevieve E. Harty | SELF | 35,000.00 | 0.0078 | |
| | Errol A. Harty | | | | |
| | Joyce Brown | | | | |
| | Phillmour Moncrieffe | | 0.00 | 0.0000 | |
| | Joyce L. Brown | | | | |
| | Genevieve Harty | | | | |
| | Key Members Holdings | | 35,000.00 | 0.0078 | |
| | Connected Party Holdings | | 39,000.00 | 0.0087 | |
| | Combined Holdings | | 74,000.00 | 0.0165 | |
| Vannessa Lawrence-Williams | Senior Mangers | | | | |
| | Michael Williams | | 0.00 | 0.0000 | |
| | Vanessa Williams | | | | |
| | Stefan Williams | | | | |
| | Vanessa Marie Williams | SELF | 50,000.00 | 0.0112 | |
| | Stefan Williams | | | | |
| | Michael Edward Williams | | | | |
| | Vanessa Marie Williams | SELF | 25,000.00 | 0.0056 | |
| | Wayne Rushane Lawrence | | | | |
| | Key Members Holdings | | 75,000.00 | 0.0168 | |
| | Connected Party Holdings | | 0.00 | 0.0000 | |
| | Combined Holdings | | 75,000.00 | 0.0168 | |
| Claudine Mcleish | Senior Mangers | | | | |
| | Claudine Mcleish | SELF | 0.00 | 0.0000 | |
| | Jevaughn Mcleish | | | | |
| | | Key Members Holdings | | 0.00 | 0.0000 |
| | | Connected Party Holdings | | 0.00 | 0.0000 |
| | | Combined Holdings | | 0.00 | 0.0000 |

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BARITA INVESTMENTS LIMITED
SENIOR MANAGERS AND
CONNECTED PARTIES REPORT
As At December 31, 2016

| Name | Position | Relationship | Units | Percentage |
|--------------------------------|--|--------------------------|---------------|------------|
| Account # | Primary Holder Joint Holder | | | |
| Dorothea Lynette James | Senior Mangers Lynette James | SELF | 25,000.00 | 0.0060 |
| | | Key Members Holdings | 25,000.00 | 0.0060 |
| | | Connected Party Holdings | 0.00 | 0.0000 |
| | | Combined Holdings | 25,000.00 | 0.0060 |
| Sonia Owens | Senior Mangers Sonia Owens Michael Owens Michael Owens | SELF | 260,000.00 | 0.0583 |
| | | Key Members Holdings | 260,000.00 | 0.0583 |
| | | Connected Party Holdings | 0.00 | 0.0000 |
| | | Combined Holdings | 260,000.00 | 0.0583 |
| Total Key Members | | 395,000 | 0.0889 | |
| Total Connected Parties | | 39,000 | 0.0085 | |
| Total Combined Holdings | | 434,000 | 0.0974 | |

END OF REPORT

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BARITA INVESTMENTS LIMITED

**DIRECTORS AND
CONNECTED PARTIES REPORT
As At December 31, 2016**

| Name | Position | Relationship | Units | Percentage |
|-----------------------------|--|---------------------------------|-----------------------|----------------|
| Account # | Primary Holder Joint Holder | | | |
| | Carl Domville | Directors | | |
| | Carl Domville | SELF | 1,050,034.00 | 0.1982 |
| | Carl D. Domville | SELF | 975,027.00 | 0.2187 |
| | Carl D. Domville Leonie Walters | SELF | 0.00 | 0.0000 |
| | Carl Delroy Domville | SELF | 128,000.00 | 0.0020 |
| | Carl D. Domville * (joint holder) Nicola E. Brown | SELF | 608,713.00 | 0.0018 |
| | | Key Members Holdings | 2,762,124.00 | 0.4221 |
| | | Connected Party Holdings | 0.00 | 0.000 |
| | | Combined Holdings | 2,762,124.00 | 0.5586 |
| John O. Minott, Snr. | Deputy Chairman | | | |
| | John Minott | SELF | 5,885,322.00 | 1.3103 |
| | John O Minott Jnr., John Minott | SELF | 0.00 | 0.0000 |
| | | Key Members Holdings | 5,885,322.00 | 1.3103 |
| | | Connected Party Holdings | 0.00 | 0.0000 |
| | | Combined Holdings | 5,885,322.00 | 1.2350 |
| Karl Lewin | Directors | | | |
| | Karl Lewin | SELF | 5,675,322.00 | 1.2450 |
| | | Key Members Holdings | 5,675,322.00 | 1.2450 |
| | | Connected Party Holdings | 0.00 | 0.0000 |
| | | Combined Holdings | 5,675,322.00 | 1.2450 |
| Robert Jenkinson | Directors | | | |
| | Robert A Jenkinson | SELF | 875,000.00 | 0.1962 |
| | | Key Members Holdings | 875,000.00 | 0.1962 |
| | | Connected Party Holdings | 0.00 | 0.0000 |
| | | Combined Holdings | 875,000.00 | 0.1962 |
| Rita Humphries-Lewin | Chairman | | | |
| | Rita Humphries-Lewin | SELF | 339,975,664.00 | 76.2488 |
| | | Key Members Holdings | 339,975,664.00 | 76.2488 |

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BARITA INVESTMENTS LIMITED

**DIRECTORS AND
CONNECTED PARTIES REPORT
As At December 31, 2016**

| Name | Position | Relationship | Units | Percentage |
|--------------------------------|--------------------------------|---------------------------------|-----------------------|----------------|
| Account # | Primary Holder Joint Holder | | | |
| | | Connected Party Holdings | 0.00 | 0.0000 |
| | | Combined Holdings | 339,975,664.00 | 76.2488 |
| George W. Cooper | Directors | | | |
| | George W. Cooper | SELF | 800,000.00 | 0.1590 |
| | Joseph S Cooper | | | |
| | George William Cooper | SELF | 4,502,322.00 | 1.0098 |
| | Paul G. W. Cooper | SELF | 0.00 | 0.0000 |
| | | Key Members Holdings | 5,302,322.00 | 1.1892 |
| | | Connected Party Holdings | 0.00 | 0.0000 |
| | | Combined Holdings | 5,302,322.00 | 1.1892 |
| Ian McNaughton | Directors | | | |
| | Ian A Mcnaughton | SELF | 26,000.00 | 0.0058 |
| | Dawn P Mcnaughton | | | |
| | Ian Anthony McNaughton | SELF | 270,000.00 | 0.0606 |
| | | Key Members Holdings | 296,000.00 | 0.0664 |
| | | Connected Party Holdings | 0.00 | 0.0000 |
| | | Combined Holdings | 296,000.00 | 0.0664 |
| Enith Williams | Directors | | | |
| | Enith Williams | SELF | 223,500.00 | 0.0501 |
| | | Key Members Holdings | 223,500.00 | 0.0501 |
| | | Connected Party Holdings | 0.00 | 0.0000 |
| | | Combined Holdings | 223,500.00 | 0.0501 |
| Total Key Members | | 360,309,357 | 80.9630 | |
| Total Connected Parties | | 0 | 0.000 | |
| Total Combined Holdings | | 360,918,070 | 80.9457 | |

END OF REPORT