

# Sterling Investments Limited Financial Highlights- Unaudited results for Q3 2018.

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Net profit at Sterling Investments Limited grew by 53.2% year on year for the nine-month period ended September 30, 2018. This was the result of increases in interest income and unrealized Foreign Exchange gains. The intrinsic value of the company's assets continues to grow and at the end of the September 2018 quarter the stock units had a book value of J\$15.42.

Net interest income, SIL's primary source of income, totaled J\$54.8 million for the nine-month period ended September 2018. This was 3.6% higher than the amount of J\$52.9 million recorded for the corresponding period in 2017. The company has successfully taken advantage of intermittent market sell-offs and higher interest rates in the U.S. to purchase undervalued, high quality securities. The company has also effectively used low cost funding to purchase high yielding assets, thereby increasing the return to its investors. This is reflected in the company's robust net interest margin of 87.6%. The company remains one of the most profitable on the stock exchange.

Unrealized foreign exchange gains for the nine-month period ended September 2018 totaled J\$73.5 million compared to J\$11.5 million in September 2017. Profit after taxes for the nine-month period ended September 2018 was J\$90.4 million, an increase of 53.2% from J\$59.0 million for the nine-month period ended September 2017.

Total assets increased by 3.6% from J\$1.2 billion as at September 2017 to J\$1.3 billion as at September 2018. This was largely attributed to a 3.4% increase in investment securities. This was funded by a combination of an increase in the use of margin as well as inflows from the Dividend Reinvestment Programme (DRIP) and Complementary Share Purchase Programme (CSPP). SIL was the first company to introduce these programs on the Jamaica Stock Exchange.

Sterling Investments Limited was formed in 2012 when the JMD/USD exchange rate was J\$92 / US\$1 and prior to the National Debt Exchange. The company has provided growth and income to its shareholders which include pension funds and long-term investors.