

News Release

GraceKennedy Confirms Key Insurance's Take Up of Its Acquisition Offer

Kingston, Jamaica, March 20 – Following on its January 20 announcement of an offer to acquire Key Insurance Company Limited, GraceKennedy is announcing that following the Key Board's review of the Offering Circular and a recommendation to shareholders to take up the offer, GraceKennedy was successful in its bid for the company. The offer closed on March 2, and GraceKennedy will own 65% of Key.

"At GraceKennedy's recently held Investor Briefing, I indicated that the 'Key' brand is strong, and well respected in the Jamaican market, and that we feel it will be a success story for GK. Now that the deal is completed, we can roll out the strategy to ensuring that this comes to fruition," said Group CEO, Don Wehby.

Mr Wehby advised that a team, headed by GraceKennedy Financial Group (GKFG) COO, Steven Whittingham, will be presenting a two-year strategic plan for submission to the Board for approval. "We have four strategic drivers with clearly defined and measurable deliverables. They are: sustainable growth and innovation, consumer centricity, improved business processes for greater efficiency and a performance driven culture, underpinned by strong change management principles," he disclosed.

Mr Wehby added that the Board's top priority is to turn around the company from its current loss-making status, to a sustainably profitable company. "We are confident that the strategy will support this. GraceKennedy is also committed to capitalising the company in order to achieve the growth targets. In line with this strategy, being listed on the main market would support the achievement of this objective," he added.

The acquisition of Key is part of the GraceKennedy Group's plans to further strengthen and expand its Financial Services Division through an offer by the holding company, GKFG. It forms part of the company's larger strategy of mergers and acquisitions as a strategic driver for growth for the GraceKennedy Group.

Listed on the Junior Market of the Jamaica Stock Exchange, Key Insurance was incorporated in 1982, and has steadily grown its customer base, with offices located in Kingston, Portmore, May Pen, Ocho Rios, Montego Bay and Mandeville.

The company will be the newest member of the GraceKennedy Financial Group, which comprises Western Union, Bill Express, FX Trader, GK General Insurance, Allied Insurance Brokers, GK Capital and First Global Bank.

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Contact: Simone Clarke-Cooper
Chief Communication & Sponsorships Officer
(876) 932-3174; (876) 809-1121

Released by the GraceKennedy Corporate Communication Department
GraceKennedy Limited

73 Harbour Street, P.O. Box 86, Kingston, Jamaica, West Indies
Telephone: (876) 922 3440 Facsimile: (876) 948 3073
Website: www.gracekennedy.com