



Chairman's Statement
For the year ended December 31st, 2010

Despite the continuing macro economic challenges in our major markets, the OCM Group of Companies produced satisfactory operating results in 2010.

Revenues across the Group increased by 3% from TT\$460M (US\$72.4M) in 2009 to TT\$474M (US\$ 74.1M).

Operating profit of \$88.8M includes a provision of \$7.4M which reflects an impairment in available-for-sale investments and as a result, profit before tax and goodwill impairment of TT\$92.2M (US\$14.4M) was 9% below the TT\$101M (US\$15.9M) achieved in 2009.

In respect of goodwill, under current reporting standards, this intangible asset of TT\$244M (US\$38.1M) must be subjected to an annual valuation or impairment test. Further, the Directors acknowledge that the trends in media technology and the use of internet-based media are already having an impact on paper-based media applications. It was on this basis that the Directors took the conservative approach to write-off this asset.

It should be noted that this write-off is a one-off non-cash charge that has no impact on our operations nor on our ability to fund strategic investments and pay dividends.

Your Directors have every confidence that with appropriate strategic adjustments to which we are committed, the Group will continue to provide enhanced value for our readers, viewers, listeners, advertisers, employees and shareholders.

Mrs. Dawn Thomas assumed office on January 1, 2011 as Chief Executive Officer of the OCM Group in succession to Dr. Terrence Farrell.

The Board of Directors has approved a final dividend of forty-one (41) cents per share, resulting in a total of sixty-one (61) cents for the year, the same as 2009. The dividend will be paid on April 30, 2011.

The Annual Meeting will be held on Friday 29 April, 2011 at 10:00a.m. at Express House, 35 Independence Square, Port-of-Spain.


Sir Fred Gollop
Chairman

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Audited 12-month Dec 10 US\$'000	Audited 12-month Dec 09 US\$'000	Unaudited 3-month Dec 10 US\$'000	Unaudited 3-month Dec 09 US\$'000
Revenue	74,142	72,470	19,845	20,443
Cost of sales	(48,008)	(46,510)	(12,954)	(11,694)
Gross Profit	26,134	25,960	6,891	8,749
Administrative expenses	(11,725)	(10,243)	(2,231)	(2,433)
Marketing expenses	(573)	(503)	(294)	31
Operating Profit	13,836	15,214	4,366	6,347
Dividend income	182	161	159	150
Interest income	627	938	146	418
Finance costs	(234)	(351)	(94)	(200)
Profit before goodwill impairment & taxation	14,411	15,962	4,577	6,715
Goodwill	(38,192)	(245)	(38,192)	(245)
(Loss) / profit before tax	(23,781)	15,717	(33,615)	6,470
Taxation	(4,304)	(4,034)	(1,729)	(1,551)
(Loss) / profit after tax	(28,085)	11,683	(35,344)	4,919
Other comprehensive income:				
Currency translation differences	109	206	90	212
Deferred taxation	-	2	-	2
Share of other comprehensive income of associates	51	77	51	77
Gain on disposal of subsidiary	38	-	38	-
Revaluation of assets	-	-	8	-
Revaluation of investments	(17)	(135)	(14)	1
	(27,904)	11,833	(35,171)	5,211
Attributable to:				
- Non-controlling interest	(115)	(19)	(48)	(4)
- Shareholders	(27,789)	11,852	(35,123)	5,215
	(27,904)	11,833	(35,171)	5,211
EARNINGS PER SHARE EXCLUDING GOODWILL IMPAIRMENT	US \$ 0.17	US \$ 0.19	US \$ 0.05	US \$ 0.09
EARNINGS PER SHARE INCLUSIVE OF ESOP SHARES	US \$ (0.42)	US \$ 0.18	US \$ (0.53)	US \$ 0.07

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Audited 12-month Dec 10 US\$'000	Audited 12-month Dec 09 US\$'000
Balance at beginning of the period	117,724	112,588
Exchange gain on equity	(918)	(886)
Total comprehensive income for the period	(27,904)	11,833
Sale / allocation of shares	432	932
Repurchase of shares	(723)	(900)
Share options	39	-
Fair value of assets disposed	(8)	-
Dividend	(5,798)	(5,843)
Balance at end of the period	82,844	117,724

CONSOLIDATED BALANCE SHEET

	Audited 12 month Dec 10 US\$'000	Audited 12 month Dec 09 US\$'000
ASSETS		
Non-current assets	49,954	85,194
Current assets	51,394	49,850
TOTAL ASSETS	101,348	135,044
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	60,050	60,484
Revaluation surplus	5,803	5,766
Retained earnings	23,761	57,629
	89,614	123,879
Non-controlling interest	211	342
Unallocated shares in ESOP	(6,981)	(6,497)
TOTAL EQUITY	82,844	117,724
Non-current liabilities	3,554	2,740
Current liabilities	14,950	14,580
TOTAL LIABILITIES	18,504	17,320
TOTAL EQUITY AND LIABILITIES	101,348	135,044

CONSOLIDATED CASH FLOW STATEMENT

	Audited 12 month Dec 10 US\$'000	Audited 12 month Dec 09 US\$'000
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(23,781)	15,717
Adjustments to reconcile profit to net cash from operating activities :		
Depreciation	2,238	2,193
Amortisation of capital grant	(3)	(5)
Interest income	(627)	(938)
Finance costs	234	351
Dividend income	(182)	(161)
Impairment of goodwill	38,192	245
Profit on disposal of property, plant and equipment	(1)	(4)
Allocation of ESOP shares	433	932
Share option scheme - value of services provided	39	-
Net change in retirement benefit asset	5	(139)
Net change in operating assets and liabilities	2,119	902
	18,666	19,093
Interest paid	(101)	(201)
Taxation refund	1	-
Taxation paid	(4,581)	(3,959)
Net cash generated from operating activities	13,985	14,933
Net cash used in investing activities	(6,166)	(2,982)
Net cash used in financing activities	(6,090)	(6,123)
NET CASH INFLOW FOR THE YEAR	1,729	5,828
CASH AND CASH EQUIVALENTS		
At beginning of the year	23,888	18,203
Exchange loss on cash and bank overdrafts	(187)	(143)
At end of the year	25,430	23,888
REPRESENTED BY:		
Cash and cash equivalents	25,704	24,174
Bank overdrafts	(274)	(286)
	25,430	23,888

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2010
The accompanying notes form an integral part of these consolidated financial statements.

1. Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), under the historical cost convention as modified by the revaluation of land and buildings and available-for-sale financial assets.

2. Significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are consistent with those used in the annual financial statements for the year ended December 31, 2010.