



### Chairman's Statement

For the third quarter ended September 30, 2010

The OCM Group achieved encouraging results for the nine months ended September 2010, notwithstanding the traditionally slow third quarter.

Profit before tax of TT\$62 million (US\$9.9 million) was 6.5% more than the TT\$58 million (US\$9.3 million) recorded in the same period in 2009 while revenues of TT\$347million (US\$54.7 million) increased by 5% compared with the first nine months of 2009.

Profit attributable to shareholders of TT\$46.8 million (US\$7.4

million) was 8% higher than the TT\$43 million (US\$6.8 million) in the previous year.

Despite the continuing macro economic difficulties in our major markets we anticipate improvement in the fourth quarter.

All our operating units remain committed and engaged in initiatives to sustain leadership and provide enhanced value for our readers, viewers, listeners, advertisers and shareholders.

Sir Fred Gollop Q.C.  
Chairman  
October 21, 2010

## CONSOLIDATED INCOME STATEMENT

|  | Unaudited<br>9-month<br>Sept 10<br>US\$'000 | Unaudited<br>9-month<br>Sept 09<br>US\$'000 | Audited<br>12-month<br>Dec 09<br>US\$'000 | Unaudited<br>3-month<br>Sept 10<br>US\$'000 | Unaudited<br>3-month<br>Sept 09<br>US\$'000 |
|--|---|---|---|---|---|
| Revenue  | 54,725                                      | 52,440                                      | 72,470                                    | 17,136                                      | 18,059                                      |
| Cost of sales                                      | (35,330)                                    | (35,092)                                    | (46,510)                                  | (12,286)                                    | (11,616)                                    |
| <b>Gross Profit</b>                                | <b>19,395</b>                               | <b>17,348</b>                               | <b>25,960</b>                             | <b>4,850</b>                                | <b>6,443</b>                                |
| Goodwill   | -   | -   | (245)                                     | -   | -   |
| Administrative expenses                            | (9,568)                                     | (7,871)                                     | (10,243)                                  | (1,989)                                     | (2,684)                                     |
| Marketing expenses                                 | (281)                                       | (539)                                       | (503)                                     | 38  | (179)                                       |
| <b>Operating Profit</b>                            | <b>9,546</b>                                | <b>8,938</b>                                | <b>14,969</b>                             | <b>2,899</b>                                | <b>3,580</b>                                |
| Dividend income                                    | 23  | 11  | 161                                       | 5   | 2   |
| Interest income                                    | 485   | 524   | 938                                       | 258   | 263   |
| Finance costs                                      | (141)                                       | (152)                                       | (351)                                     | (51)  | (55)  |
| Share of profit in associates                      | -   | -   | 77  | -   | -   |
| <b>Profit before tax</b>                           | <b>9,913</b>                                | <b>9,321</b>                                | <b>15,794</b>                             | <b>3,111</b>                                | <b>3,790</b>                                |
| Taxation   | (2,595)                                     | (2,502)                                     | (4,034)                                   | (583)                                       | (1,058)                                     |
| <b>Profit for the year</b>                         | <b>7,318</b>                                | <b>6,819</b>                                | <b>11,760</b>                             | <b>2,528</b>                                | <b>2,732</b>                                |
| <b>Group profit:</b>                               |   |   |   |   |   |
| Attributable to non-controlling interest           | (60)  | (15)  | (19)                                      | (29)  | 4   |
| Attributable to shareholders                       | 7,378                                       | 6,834                                       | 11,779                                    | 2,557                                       | 2,728                                       |
|  | <b>7,318</b>                                | <b>6,819</b>                                | <b>11,760</b>                             | <b>2,528</b>                                | <b>2,732</b>                                |
| <b>EARNINGS PER SHARE INCLUSIVE OF ESOP SHARES</b> | <b>US\$0.11</b>                             | <b>US\$0.10</b>                             | <b>US\$0.18</b>                           | <b>US\$0.04</b>                             | <b>US\$0.04</b>                             |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|                                    | Unaudited<br>9-month<br>Sept 10<br>US\$'000 | Unaudited<br>9-month<br>Sept 09<br>US\$'000 | Audited<br>12-month<br>Dec 09<br>US\$'000 | Unaudited<br>3-month<br>Sept 10<br>US\$'000 | Unaudited<br>3-month<br>Sept 09<br>US\$'000 |
|------------------------------------|---|---|---|---|---|
| Profit for the year                | 7,318                                       | 6,819                                       | 11,760                                    | 2,528                                       | 2,732                                       |
| <b>Other comprehensive income:</b> |   |   |   |   |   |
| Currency translation differences   | 19  | (5)   | 207                                       | 16  | 11  |
| Deferred taxation                  | -   | -   | 2   | -   | -   |
| Revaluation of assets              | (8)   | -   | -   | -   | -   |
| Revaluation of investments         | (2)   | (137)                                       | (135)                                     | 4   | (112)                                       |
|                                    | <b>7,327</b>                                | <b>6,677</b>                                | <b>11,834</b>                             | <b>2,548</b>                                | <b>2,631</b>                                |
| <b>Attributable to:</b>            |   |   |   |   |   |
| - Non-controlling interest         | (67)  | (15)  | (19)                                      | (21)  | 4   |
| - Shareholders                     | 7,394                                       | 6,692                                       | 11,853                                    | 2,568                                       | 2,627                                       |
|                                    | <b>7,327</b>                                | <b>6,677</b>                                | <b>11,834</b>                             | <b>2,548</b>                                | <b>2,631</b>                                |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|   | Unaudited<br>9-month<br>Sept 10<br>US\$'000 | Unaudited<br>9-month<br>Sept 09<br>US\$'000 | Audited<br>12-month<br>Dec 09<br>US\$'000 |
|---|---|---|---|
| <b>Balance at beginning of the period</b> | 117,724                                     | 112,588                                     | 112,588                                   |
| Exchange gain on equity                   | -   | -   | (886)                                     |
| Total comprehensive income for the period | 7,327                                       | 6,677                                       | 11,833                                    |
| Sale/allocation of shares                 | 436   | -   | 932                                       |
| Repurchase of shares                      | (327)                                       | (698)                                       | (900)                                     |
| Dividend                                  | (5,892)                                     | (5,891)                                     | (5,843)                                   |
| <b>Balance at end of the period</b>       | <b>119,268</b>                              | <b>112,676</b>                              | <b>117,724</b>                            |

## CONSOLIDATED BALANCE SHEET

|                                     | Unaudited<br>9-month<br>Sept 10<br>US\$'000 | Unaudited<br>9-month<br>Sept 09<br>US\$'000 | Audited<br>12-month<br>Dec 09<br>US\$'000 |
|-------------------------------------|---|---|---|
| <b>ASSETS</b>                       |   |   |   |
| Non-current assets                  | 86,220                                      | 85,694                                      | 85,194                                    |
| Current assets                      | 56,646                                      | 45,526                                      | 49,850                                    |
| <b>TOTAL ASSETS</b>                 | <b>142,866</b>                              | <b>131,220</b>                              | <b>135,044</b>                            |
| <b>EQUITY AND LIABILITIES</b>       |   |   |   |
| <b>Capital and Reserves</b>         |   |   |   |
| Share capital                       | 60,484                                      | 60,964                                      | 60,484                                    |
| Revaluation surplus                 | 5,770                                       | 5,607                                       | 5,766                                     |
| Retained earnings                   | 59,571                                      | 52,469                                      | 57,629                                    |
|                                     | 125,825                                     | 119,040                                     | 123,879                                   |
| Non-controlling interest            | 267   | 349   | 342                                       |
| Unallocated shares in ESOP          | (6,824)                                     | (6,713)                                     | (6,497)                                   |
| <b>TOTAL EQUITY</b>                 | <b>119,268</b>                              | <b>112,676</b>                              | <b>117,724</b>                            |
| Non-current liabilities             | 2,765                                       | 2,950                                       | 2,740                                     |
| Current liabilities                 | 20,833                                      | 15,594                                      | 14,580                                    |
| <b>TOTAL LIABILITIES</b>            | <b>23,598</b>                               | <b>18,544</b>                               | <b>17,320</b>                             |
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>142,866</b>                              | <b>131,220</b>                              | <b>135,044</b>                            |

## CONSOLIDATED CASH FLOW STATEMENT

|  | Unaudited<br>9-month<br>Sept 10<br>US\$'000 | Unaudited<br>9-month<br>Sept 09<br>US\$'000 | Audited<br>12-month<br>Dec 09<br>US\$'000 |
|--|---|---|---|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                             |   |   |   |
| Profit before taxation   | 9,913                                       | 9,321                                       | 15,794                                    |
| Adjustments to reconcile profit to net cash from operating activities: |   |   |   |
| Depreciation   | 1,897                                       | 1,856                                       | 2,193                                     |
| Amortisation of capital grant  | -   | -   | (5)                                       |
| Interest income  | (485)                                       | (524)                                       | (938)                                     |
| Finance costs  | 141   | 152   | 351                                       |
| Dividend income  | (23)  | (11)  | (161)                                     |
| Impairment of goodwill   | -   | -   | 245                                       |
| Profit on disposal of property, plant and equipment                    | (1)   | -   | (4)                                       |
| Share of profit in associates  | -   | -   | (77)                                      |
| Allocation of ESOP shares  | 436   | -   | 932                                       |
| Net change in retirement benefit asset                                 | -   | -   | (139)                                     |
| Net change in operating assets and liabilities                         | 2,684                                       | 2,023                                       | 902                                       |
|  | 14,562                                      | 12,817                                      | 19,093                                    |
| Interest paid  | (37)  | (59)  | (201)                                     |
| Taxation paid  | (2,731)                                     | (3,078)                                     | (3,959)                                   |
| Net cash inflows generated from operating activities                   | 11,794                                      | 9,680                                       | 14,933                                    |
| Net cash outflows used in investing activities                         | (3,408)                                     | (2,637)                                     | (2,982)                                   |
| Net cash outflows used in financing activities                         | (6,107)                                     | (6,097)                                     | (6,123)                                   |
| <b>NET CASH INFLOW FOR THE YEAR</b>                                    | <b>2,279</b>                                | <b>946</b>                                  | <b>5,828</b>                              |
| <b>CASH AND CASH EQUIVALENTS</b>                                       |   |   |   |
| at beginning of the year   | 23,888                                      | 18,203                                      | 18,203                                    |
| Exchange loss on cash and bank overdrafts                              | -   | -   | (143)                                     |
| at end of the year   | <b>26,167</b>                               | <b>19,149</b>                               | <b>23,888</b>                             |
| <b>REPRESENTED BY:</b>   |   |   |   |
| Cash and cash equivalents  | 27,630                                      | 19,408                                      | 24,174                                    |
| Bank overdrafts  | (1,463)                                     | (259)                                       | (286)                                     |
|  | <b>26,167</b>                               | <b>19,149</b>                               | <b>23,888</b>                             |

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 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, 2009.