



Kingston Properties Limited

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UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS NINE MONTHS ENDED SEPTEMBER 30, 2014

The Board of Directors present, for the shareholders and the investing public at large, the unaudited consolidated financial statements for the quarter and the nine months ended September 30, 2014.

Income Statement

For the nine months ended September 30, 2014, **group rental income** was \$77.4 million, an increase of 16.2% versus the nine months ended September 30, 2013. This reflects primarily scheduled rental increases and one month of rental income from the newly acquired apartment building in Florida, USA.

Total group comprehensive income for the period was \$37.0 million versus \$37.7 million reported for the nine months ended September 30, 2013. **Group comprehensive income** includes results of operating activities and foreign currency translation differences for foreign operations. The latter was positive \$32.4 million for the nine months ended September 30, 2014 versus \$42.4 million for the similar period in 2013, reflecting the reduced pace of US dollar strengthening versus the Jamaican Dollar on the group's non-financial assets in its Miami operations.

Group operating expenses, which consist of direct property expenses and administrative costs, were \$42.0 million for the nine months ended September 30, 2014, versus \$39.5 million for the similar period a year ago, a 6.3% increase. Direct property expenses, which include insurance, property taxes, homeowners' association (HOA) fees, broker fees and repairs & maintenance, were \$23.0 million for the nine months ended September 30, 2014 compared with \$24.2 million for the similar period in 2013, a 5.0% increase.

Group net finance costs were \$30.3 million for the nine months ended September 30, 2014 compared with \$36.7 million for the similar period in 2013. These amounts include unrealized foreign currency translation losses resulting from the devaluation of the Jamaican dollar of \$17.5 million and \$26.2 million respectively.

Balance Sheet

Kingston Properties' significant balance sheet assets are **Investment Properties** of \$1,145.9 million at September 30, 2014 versus \$863.6 million at September 30, 2013. The increase is a result of the purchase of a nineteen-unit (19) apartment building in Miami, Florida.

