



E. Gervase Warner
President & Group Chief Executive Officer

- Attended St. Mary's College and won an Additional Scholarship from Government of Trinidad and Tobago in 1983
- Graduated from University of Pennsylvania with Bachelor of Engineering Degrees in Electrical Engineering and Computer Science Engineering in 1988.
- Worked with AT&T as a Computer Consultant and Systems Engineer from 1988 to 1991.
- Earned a Masters in Business Administration (MBA) from Harvard Business School with Honors in 1993.
- Worked at McKinsey & Company from 1993 to 2004 where he became a partner in 1999. Consulted to public and private sector clients and developed extensive experience in Financial, Information Technology, Telecom and Petroleum sectors.
- Joined Neal & Massy in 2004 as the Executive Chairman for the Energy Business Unit. Later in 2004, Mr. Warner was appointed to the Neal & Massy Holding Board of Directors. In 2008, the Energy and Industrial Gases Business Units were combined under his leadership. In May 2009, Mr. Warner was appointed Acting Group CEO and was confirmed as the Group CEO in December.
- Mr. Warner has been married for 20 years and has 2 children. He is an active triathlete and participates in international marathons and triathlons.

Given the difficult economic conditions that prevailed over the past year, the performance of the Neal & Massy Group has been commendable. The Group weathered declines in tourism, energy, construction and automotive sectors throughout the Caribbean and precipitous declines in the foreign exchange rate in Jamaica.

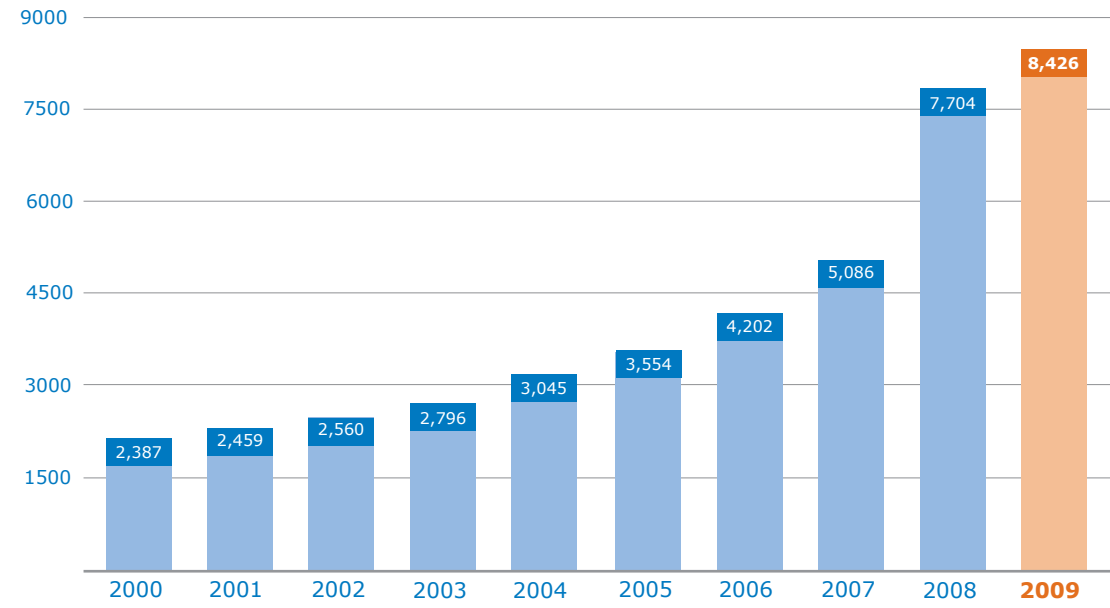
The Group faced a number of unfavourable circumstances in 2009 which are not expected to recur (certainly not simultaneously) in 2010. With the BS&T acquisition, Neal & Massy acquired a few loss-making operations whose losses were exacerbated by the crisis. Significant turnaround efforts were undertaken at DaCosta Mannings, Almond Resorts and Bahamas Supermarkets and these efforts are already starting to show some results.

Despite these challenges the Group did well to increase revenues by 9%, while limiting profit after tax decline to 4% from \$505 million in 2008 to \$484 million in 2009. Furthermore, the Group generated a healthy cash flow of \$561 million (as compared to negative \$71 million in 2008) to end the year with \$958 million in cash.

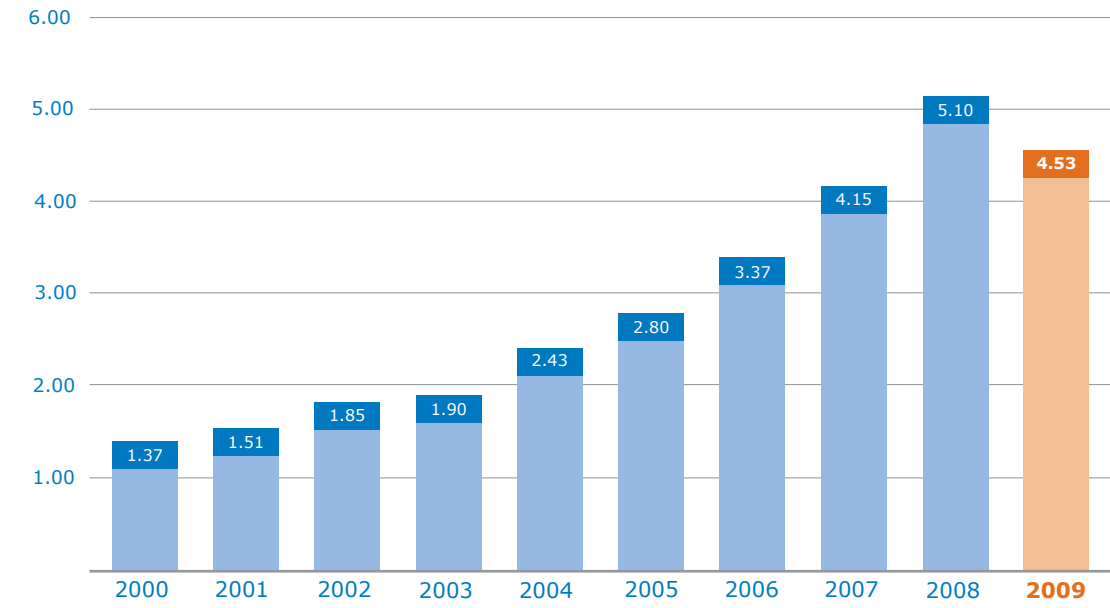
In the 2008 Annual Report, which noted the then emerging financial crisis, the Group pledged to focus on protecting and strengthening its balance sheet, aggressive management of working capital and address non-performing assets. As promised, management focus in 2009 was directed to setting realistic expectations for the evolving economic decline, proactively reducing costs, carefully managing working capital, and to tightening risk management and controls. The Group's balance sheet demonstrates the effectiveness of these strategies as the Group is well poised to continue to weather the economic downturn and to re-engage its pursuit of profitable growth.

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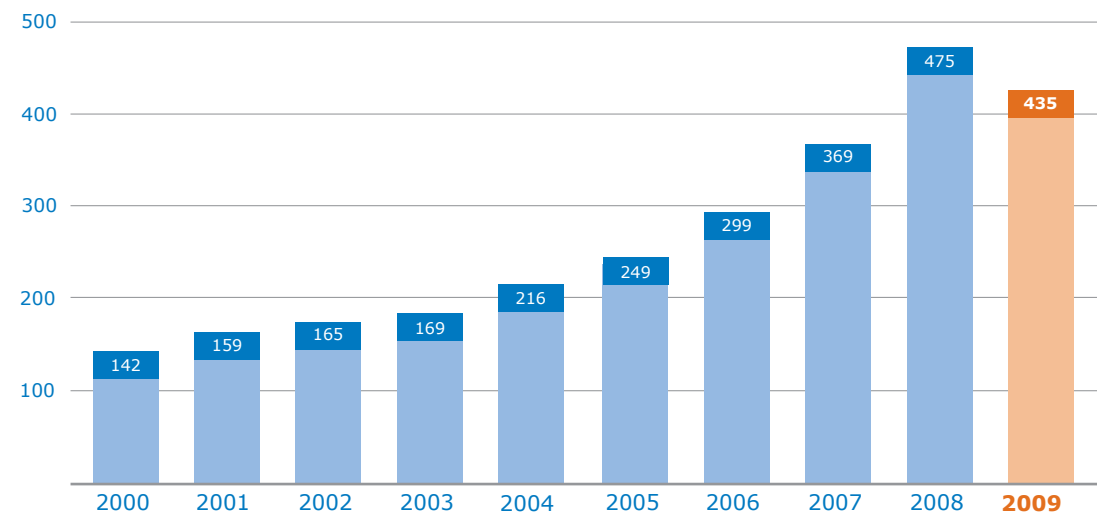
REVENUE TT\$MILLIONS



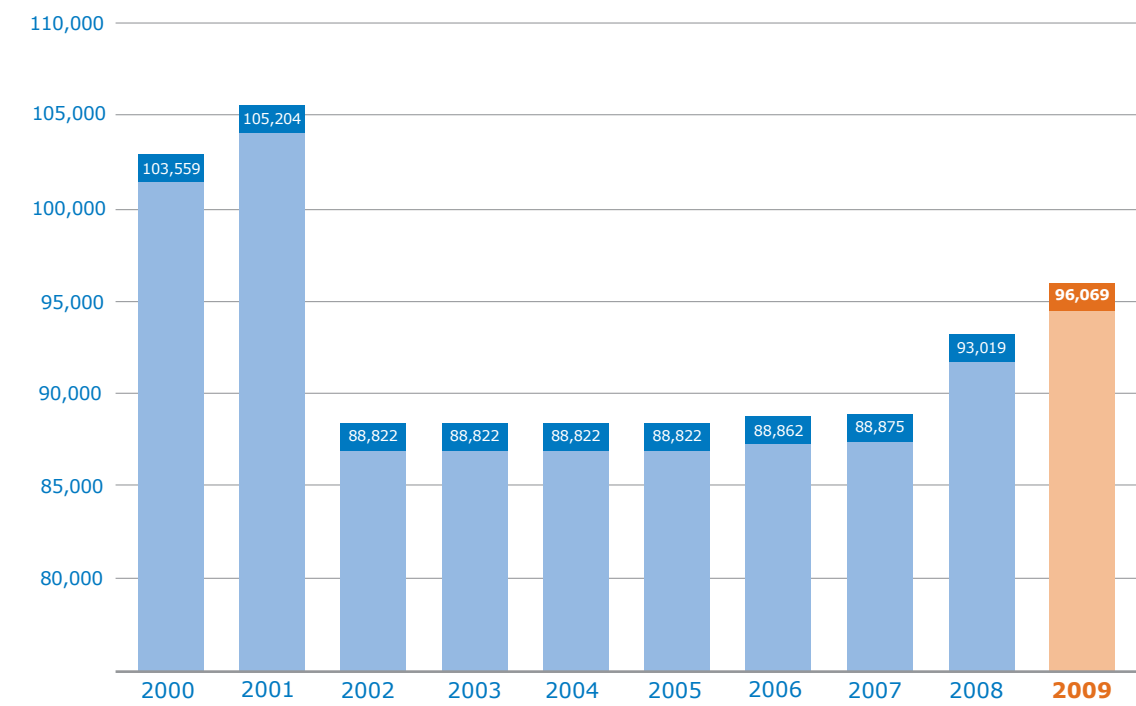
EARNINGS PER SHARE TT\$. ¢.



PROFIT ATTRIBUTABLE TO SHAREHOLDERS TT\$MILLIONS



WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES IN ISSUE THOUSANDS



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The rest of this report provides Triple Bottom Line Reporting consisting of a Financial Review, including an operation review of each line of business, a Health, Safety, Security and Environment (HSSE) Review and a Review of our Corporate Social Responsibility initiatives and investments.

FINANCIAL REVIEW

HIGHLIGHTS:

- Group third party revenue grew by 9% to \$8.4 billion
- Profit before tax declined by 6.6% from \$706 million in 2008 to \$659 million in 2009
- Profit after tax declined by 4% from \$505 million to \$484 million
- Weighted average outstanding shares increased from approximately 93 million to slightly over 96 million shares in 2009, as the shares issued to BS&T shareholders were included for the full 12 months
- Earnings per share was \$4.53 - 11% lower than in 2008 when EPS was \$5.10
- Group debt declined by \$259 million to \$2,175 million
- Debt to equity ratio improved from 95% in 2008 to 79% in 2009
- Current ratio also improved from 1.17 in 2008 to 1.21 in 2009
- Free cash flow improved significantly from negative \$71 million in 2008 to \$561 million in 2009

PROFIT AND LOSS:

The Group revenue increased by 9% while the Profit Before Tax (PBT) fell by 6.6% and EPS declined by 11% from \$5.10 to \$4.53. The increase in revenue reflects the full years' contribution from BS&T in

2009, versus just seven months in 2008. BS&T was acquired on the 1st March 2008, without the contribution from BS&T; the Group's revenue would have declined by \$300 million or 6%. PBT from BS&T increased in 2009 with a full year of profit consolidated versus only 7 months in 2008.

In 2009, the simultaneous impact of the global economic crisis with the inheritance of some under-performing companies with the BS&T acquisition erased the strong performance by many companies. Some of our operations which were negatively impacted by the downturn are:

- Pres-T-Con Ltd and Tracmac Engineering Ltd. were adversely affected by the decline in construction sector projects and activities
- Energy Services and Production companies were hurt by oil, gas and petrochemical commodity price collapses
- Jamaican operations with USD loans were punished by Jamaican currency devaluation
- Automotive sales in Trinidad and Barbados declined as new vehicle sales dropped with consumers delaying new vehicle purchases
- Almond Resorts suffered because of low occupancies and reduced rates affected by the late opening of hotels under renovation and by the downturn in U.K., U.S. and European economies, which contributed to the contraction in the tourism sector in Barbados and St. Lucia.

Group-wide cost reduction initiatives helped Energy and Industrial Gases, Information Technology and Communications, Retail and Distribution/Food Manufacturing and Logistics, and Financial Services Business Units; all increased profits over 2008. Particularly pleasing were results from our Guyana operations.

In the BS&T acquisition, the Group inherited some under-performing companies and major turnaround

efforts were successfully undertaken in 2009. In 2010, turnaround efforts will continue at Bahamas Supermarkets, Warrens Motors and Almond Resorts.

The impact of the cost reduction and turnaround efforts was seen throughout the year as the Group's operating profit margin increased consistently over the final 3 quarters of the year, improving from 6.6% in the first quarter to 8.9% in the final quarter of the year.

Interest costs increased from \$71 million to \$108 million, primarily due to the cost of funds used in the acquisition of BS&T, which was reported for 12 months in 2009 as opposed to 7 months in 2008.

The taxation charge for the Group declined to \$175 million, compared to \$201 million in 2008. This reduction was due to both a slight reduction in the effective rate from 28% to 27% as well as the reduced profitability.

The profits attributable to shareholders declined by 8% from \$475 million to \$435 million, while the EPS fell by 11% from \$5.10 to \$4.53. The weighted average shareholding increased 3% in 2009, as the EPS was based on 93 million shares in 2008 as opposed to 96 million shares in 2009.

Notwithstanding the above, the Group's diversification strategy in the last three years has proven successful. The Group has demonstrated its resilience to simultaneous challenges in multiple territories.

BALANCE SHEET:

The Group's financial condition and balance sheet remain strong. Total assets remained at \$8.3 billion at September 2009. Disciplined efforts to improve working capital management and protect cash produced handsome results. While revenues grew by 9% in 2009, inventory reduced by 17% and

receivables reduced by 8%. The health of the Group's balance sheet improved.

Cash generation across the group improved significantly with \$1 billion in cash generated from operating activities. EBITDA increased by 17% and working capital decreased by \$267 million. There were lower levels of inventories and receivables, particularly in the Automotive & Industrial Equipment Business Unit. Total borrowings of the Group declined from \$2.4 billion to \$2.2 billion, mainly due to the decline in our working capital borrowings. This resulted in a reduction in the gearing from 37% to 27%.

Our net assets per share increased from \$27.64 to \$28.64. Share capital increased from \$512 million to \$522 million mainly with the issue of 172,000 shares under the stock option plan.

Our investing activities utilized \$284 million in cash during 2009, compared to \$1.5 billion in 2008. This included the acquisition of additional property plant and equipment of \$247 million. Dividend payments, including payments to minority shareholders, increased from \$146 million to \$166 million.

The Group has been fully compliant with all debt covenants as of September 30th, 2009 and has adequate financial resources to support its anticipated short- and long-term capital obligations.

LINE OF BUSINESS OPERATIONAL REVIEW

Automotive and Industrial Equipment Business Unit

This Business Unit had a very challenging year as the general decline in economic activity resulted in reduced demand for new vehicles and construction equipment, particularly in the second half of the financial year. The management team quickly responded to the changing

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economic conditions and was able to increase relative market share in most areas, while simultaneously reducing inventory levels and operating costs. The Unit also adjusted its manning levels, mainly in the areas of contract and temporary employees, and is now well poised to benefit from any increase in general economic activity.

Neal & Massy Automotive Limited increased its market share in a declining market by implementing innovative strategies in conjunction with the major principals. This also resulted in a significant reduction in inventory levels and associated carrying costs. The used car division achieved record sales during the second half of the year, through an increase in the demand for lower cost vehicles. Customer service continues to be an area of major focus for the management team, and although some improvement was achieved during the financial year, a number of new initiatives will be implemented in the coming year.

City Motors (1986) Limited continued to be seriously affected by uncompetitive pricing from the principal and to a lesser extent by some quality issues with the Peugeot brand. The company however continues to remain profitable by prudent management of its operating costs.

Master Serv Limited also had a strong year mainly due to an increased demand for "after market" spare parts as consumers sought to reduce vehicle maintenance costs.

Tobago Services Limited had an excellent year, exhibiting double-digit growth. TSL benefited from an increased demand for new vehicles in the first half of the year and introduced new product lines, in collaboration with other Group companies.

Best Auto Limited continues to increase its market share and profitability, despite some supplier challenges from its principal.

Automotive Components Limited performed creditably in the face of increased competition. The removal of tariff protection on batteries saw the influx of a number of new players, resulting in a loss of market share. However, the company responded by improving the efficiency in its manufacturing operations, reducing warranty costs consistent with improved product quality and reducing costs in all areas of operation and thereby achieved significant profit growth despite the reduced market share. ACL introduced a number of new initiatives in the last quarter in an effort to regain lost market share and thus far, they are showing promise.

Tramac Engineering Limited faced the greatest challenge of all the companies in the Automotive & Industrial Equipment Business Unit, as there was a sharp decline in construction activity from as early as the first quarter of the financial year. Tramac's management team rose to the challenge and responded quickly by drastically reducing inventory levels and operating costs, while increasing market share. These efforts resulted in an acceptable return on sales for the financial year under review and the creation of a platform for a return to growth in the next year.

Associated Industries Limited (Ainlim) in Guyana has strengthened its product support capability, and will continue a strategy of building excellence into its after-market service for the machinery and automotive businesses. Its distribution businesses, especially the down trade segment, remain very strong, and recorded another year of growth.

Warrens Motors operating in the high-end vehicle market in Barbados, recorded a loss for the year. Although vehicle sales were weaker than anticipated, freezes on new orders significantly reduced inventory, while various operational changes and cost reductions

throughout the business improved the operating result over the previous year. Higher efficiency and productivity in after-sales services will be the focus of the dealership in the coming year.

Dacosta Mannings Auto & Industrial Department in Barbados delivered a creditable performance over the past year. In the latter part of the year, the tyre centres at Warrens and Brandons were consolidated into the Brandons location. This division will continue to improve its product offering, service and efficiencies in the upcoming fiscal year.

Energy and Industrial Gases Business Unit

2009 was a year of adjustment. Following several years of booming activity and rising commodity prices, the Energy and Industrial Gas companies were forced to adjust to a new reality. Several new projects were postponed indefinitely, and our upstream and downstream clients all adopted heavy cost reduction initiatives which put pressure on most companies in the Business Unit. Rapid response through cost reduction, receivables management and tightening of credit and contracting controls all helped companies in the Unit minimize the impact of these adverse developments. Opportunities arose in maintenance services as many plants incurred voluntary and involuntary shutdowns while commodity prices weakened.

Neal & Massy Energy Limited - Nascent recovery is apparent for energy commodity prices, which bodes well for the near-term outlook for the energy sector in Trinidad and Tobago. However, the lack of success in upstream exploration license awards is a reason for concern. Trinidad and Tobago must accelerate exploration activities in order to continue

the production and plant utilization rates that it currently enjoys. New gas in particular, must come on-stream to revive the growth rates the energy sector experienced in the past.

It's 50% co-owned company, **Neal & Massy Wood Group (NMWG)**, has broadened its market penetration providing maintenance to Methanex Trinidad Limited. The ongoing work, with bpTT's Strategic Outsourcing Contract Agreement (SOCA) and with BG T&T, has met performance expectations despite the energy market conditions. NMWG is proud of its HSSE achievements as it approaches 4 million man hours without a Lost Time Incident.

Neal & Massy Energy Services Limited (NMESL), the products and service solutions business, had a disappointing year with some mixed fortunes. The products side of the business suffered from reduced expenditure in market capital spares. However, the service side of the business enjoyed growth in the rotating equipment services and equipment repair and preventative maintenance services of 170% and 42% respectively. Going forward, the company is completing the integration of the sales team and the wider integration of NMESL and NM Insertech (Caribbean) Limited (NMICL) to increase productivity and efficiency in operations.

NM Insertech (Caribbean) Limited had a very successful year growing its PBT by 56%. Significant successes were the completion of electrical and instrumentation construction services for two offshore platforms, the continued support for construction of a gas-to-liquids plant and the building of a new ethanol plant. The company continues to be a significant supplier of technical resources, valve services and technical equipment to the energy-based industries in Trinidad and Tobago and the region.

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Neal & Massy Energy Resources Limited (NMERL), the production operation arm of NMEL, had a very challenging year. Though the production of oil was above target the steep decline in oil prices eroded these benefits. The company's effective cost management resulted in a marginally positive net profit for the year. NMERL embarked on a number of QHSSE initiatives, including the construction of a new Fiscalization Facility at the Moruga West operations and the implementation of systems for achieving full compliance. For the year ahead, the company will be focused on obtaining new exploration and production licenses.

Neal & Massy Supply Chain Integrators (NMSCI) a joint venture company with Alaska Supply Chain Integrators and now in its second full year of operation, continued to provide procurement and warehouse services to the NMWG SOCA project. NMSCI also secured two contracts with Atlantic LNG to operate their warehouse facilities in Pt Fortin. Strategies to expand the business, within the energy-based industries, will continue in the coming year. NMSCI performed well over the past year, both financially and in being HSSE compliant, without any Lost Time Incidents.

Industrial Gases Limited (IGL) enjoyed a challenging but successful year. The demand for oxygen, acetylene and welding supplies was adversely affected by the collapse of the scrap metal industry. These gaps were filled by the heavy demand for argon, needed for new plant construction activities and for nitrogen from the downstream process plants for new plant commissioning and major plant shutdowns. The business overcame several supply challenges facing interruptions in raw carbon dioxide, as well as nitrogen and argon supplies. The issue of the long term reliability of nitrogen, oxygen and argon will be resolved with

the proposed start-up in the last quarter of 2010 of a relocated Air Separation Plant by Air Liquide, our joint venture partner. In addition, IGL is evaluating its production capacity for high quality food grade carbon dioxide.

Trintogas Carbonics Limited experienced a marginal increase in revenue however the profit before tax was lower than the previous year because of reduced plant efficiency and reliability.

Caribbean Industrial Gases Limited again performed well, achieving its budgeted profits as well as an excellent safety record. The plant was successfully expanded to facilitate higher production levels. The company is expected to reap the full benefits of this expansion after a planned overhaul of its main compressor train scheduled for the latter part of the 2009/2010 financial year.

NM Petrochemicals Services Limited benefited from a number of planned and unplanned catalyst change-outs at the methanol and ammonia plants and exceeded budgetary expectations.

Gas Products Limited (GPL) produced favourable operating results during 2009, despite the severe impact of the global economic downturn on the Jamaican economy which resulted in a very difficult operating environment. A significant devaluation of the Jamaican currency (22.6%) in the first half of the year and the associated loss on the US\$-denominated loan eroded its favourable position and GPL was unable to meet its financial targets. During the year, GPL made significant progress in developing a new business segment and now actively markets LPG for non-cooking applications (NCA) which include water heaters, dishwashers, boilers and standby power generators.

Cool Petroleum Limited (CPL) owned 40% by the Energy and Industrial Gases Group, suffered from the same devaluation loss problem that inflicted GPL.

However, given CPL's debt burden, these losses wiped out profits and resulted in an earnings loss to Neal & Massy. While the business continues to generate healthy cash flows and services its debt payments, declining oil prices have reduced the gross profit margins and adversely affected profitability. CPL will continue its HSE excellence, cost reduction initiatives and product diversification strategies into the new year.

Demerara Oxygen Company Limited (DOCOL) in Guyana, commissioned a new LPG filling plant in 2009 and this contributed to greater efficiency and productivity. It also facilitated the closure of the secondary plant at New Amsterdam and products are now bottled in the Georgetown area and transported throughout the country. The company continued to strengthen its HSSE culture and was recertified for ISO 9001: 2000 during the period.

Dacosta Mannings Texgas in Barbados experienced increased costs in transportation and in maintenance of cylinders, however the unit performed reasonably well. The division will continue to strive for increased market share while seeking innovative ways to reduce expenses in the following fiscal year.

Food Group Business Unit

Food Retailing

TDL Retail (Hi-Lo Food Stores, LB's and FoodMaster's) had another challenging year, fraught with food price inflation and the tightening economic climate having a negative impact on consumer behaviour. Strict cost management, however, resulted in a creditable performance for the company when compared to the previous year.

Staffing the stores, particularly in the north and west of Trinidad continues to be a challenge, and has again negatively impacted customer service. During the year the Chaguanas store was expanded and work on a major refurbishment of our Alyce Glen store was also undertaken.

Super Centre Limited had a strong start to the financial year compensating for a slow last quarter which signaled a significant slow-down in the Barbados economy. The company met sales and profit expectations and continues to build on developing product selection through direct buying and adding value to the fresh food offering. Super Centre showed strong support for local agriculture and plans to create added value products to further support the industry going forward.

The Knights Pharmacies chain also performed well and strategies are being developed to further incorporate pharmacists in overall health care management.

Food/Consumer Distribution & Logistics

Marketing & Distribution (M&D) was able to again deliver record improved revenues and profits, notwithstanding the weakened economic environment. M&D's Trading Departments – Food & General Merchandise, Geddes Grant, Pharmaceuticals, Agricultural & Industrial Chemicals and Cigarettes – all delivered commendable performances. The Food & General Merchandise and Geddes Grant departments continue to adapt swiftly to changes in consumer behaviour. In the new financial year the company will focus on improving operational efficiencies while actively pursuing new business opportunities and exploring new business models to respond to the changing competitive landscape.

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Huggins Shipping and Customs Brokerage Limited had a year of flat earnings although customer count grew and service levels continued to be high. Huggins sustained its position as the service provider of choice in the gas and oil sector. All units of the companies' operations performed well and are poised to repeat their performance in 2010.

Melville Shipping Limited performed credibly. While its profits declined, the company continues to develop its reputation as a leader in the shipping industry, balancing sound financial performance with quality service. Melville is well positioned for future growth and adheres to the highest levels of HSSE best practices in servicing a demanding customer base.

Trading & Distribution Incorporated (TDI) in Guyana recorded flat earnings during the year due to price competition in key product categories and excess inventory holdings, resulting in increased working capital costs. While challenges still remain in the consumer foods environment including weak demand in some areas, the outlook for stabilization in commodity prices appears more favourable. TDI continues to focus on developing its downtrade distribution business and on expanding its local representation of international and regional brands.

S.B.I Distribution in Barbados performed well during the year under review. A strong first half sales performance enabled SBI to exceed budgeted expectations. Efficiencies gained through its warehouse IT system together with changes to delivery methods and consolidation of its cold storage provided cost savings and enhanced profitability. SBI acquired the Pfizer line during the latter part of the year and has plans to further develop its pharmaceutical division. Plans for the new fiscal year include increased focus on greater penetration

into the smaller retailers' segment along with exploring other expense control initiatives. **Knights Limited (Trading as Rainbow Products)** faced competition from international tissue paper product brands however careful management resulted in satisfactory financial results.

Agro Chemicals Incorporated experienced a challenging year. Despite reduced demand and unavailability of certain products from key suppliers, this company produced satisfactory results which were just below those of the previous year.

BS&T International Development (Miami), a procurement business for Caribbean retailers, performed well, and will look for opportunities to expand the number of markets serviced during 2010. The integration of this Unit with Neal & Massy Inc, also in Miami, will be completed this year.

Peronne Manufacturing achieved operational profitability over the past year with a more focused product line of processed and prepared meats. Notable growth of the gourmet range in the Super Centre supermarkets, together with increased sales of frozen bulk meat to commercial kitchens and the trade, also bolstered Peronne's performance. In 2010, Peronne will improve the availability of its products through its distributor SBI Distribution Inc.

Booth Steamship experienced a considerable decline in overall cargo volumes handled at the Bridgetown Port and accordingly its results were well below target and those of recent years although it maintained market share with the Crowley line.

Dacosta Mannings Shipping fared somewhat better with its trans-shipment business through Trinidad on the Bernuth line but also fell below expectations. Indications are that low volumes of imports into Barbados will continue through much of the new financial year due to reduced demand.

Roberts Manufacturing has shown an improved financial position for the year under review after being faced with high input costs in the previous year. Reductions in energy costs followed by commodity prices after the first quarter of the financial year together with a comprehensive review of the cost and production of all product lines have allowed for the improvement in earnings. The removal of the Common External Tariff on soybean oil and margarine in some regions of the OECS and in Trinidad and Tobago has, however, reduced export sales and earnings. For the year ahead, further production efficiencies are anticipated with proposed improvements to the soybean oil bottling line, and improved production planning on the Margarine lines.

Pinnacle Feeds had a reasonably successful year after starting with high fuel and commodity prices. Prices paid in the first quarter of the financial year for corn and soybeans were the highest ever recorded since the company began operating. However, reductions in commodity prices during the financial year allowed for feed price reductions in February, April and July 2009.

H.D. Hopwood & Company Limited had a successful year, despite a steep devaluation in the Jamaican dollar, and a resulting contraction in demand across all areas of business. By rapidly adapting to the changing business environment and adjusting costs, the company was able to protect and improve its operating margins. During the year, the company undertook several initiatives to improve employee engagement and they were well received by the staff. In addition, investments were made in leadership development activities that were aimed at building a high performance team.

Tourism / Hospitality

Almond Resorts Incorporated had a difficult year in 2009. The late opening of Casuarina Beach Club and Almond Beach Club into a depressed world economic climate resulted in unanticipated losses. Worldwide, the tourism sector, dependent as it is on discretionary spending, suffered great losses. At Almond, revenue and average rates declined as occupancy and average daily rates fell well below projections. ARI's marketing efforts yielded better occupancy levels than many other hotels in Barbados but still well short of break-even requirements. The ARI management team took steps to operate more efficiently and implemented cost reduction strategies across the organization. ARI also reduced utility costs through various "green" initiatives.

ARI is Neal & Massy's first foray into the tourism and hospitality sector. ARI and its investments in Casuarina Beach Club are prime property locations in Barbados. We recognize the potential for development projects at the Beach Village location and are encouraged by the growing popularity of the Casuarina Beach Club. There is an air of prudent optimism as the world economies gradually climb out of recession and ARI anticipates a better year based on anticipated increase in the demand for travel.

Financial Services

United Insurance in Barbados was spared the consequences of hurricanes or any other major catastrophic events, and experienced a good underwriting result in a very competitive environment. While its investment earnings were down in the first half of the year, these recovered reasonably by the close of the year. The company has placed more

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emphasis on the management of its brand and marketing, which should redound to the benefit of the company in the coming years. The company continues to seek ways to diversify and spread its risks within and outside of the region to mitigate against the impact of large losses to the portfolio. United has retained its 'A- Excellent' A.M. Best rating, the highest awarded to Caribbean insurers.

General Finance Corporation (GFC) maintained its revenue and operating profit at 2008 levels, despite the substantial contraction in its major areas of business. The higher cost of funds was offset by reductions in operating expenses, while the level of loan delinquency continued to match industry standards. The company continues to pursue a strategy of widening both its customer and depositor base.

Neal & Massy Remittance Services Limited was adversely impacted by the shrinkage in the personal remittance industry worldwide. Transaction volumes were down with a resulting decrease in foreign currency available for trading.

NM Services Limited (NMSL) in Guyana realized improved earnings from its equipment financing business, Customs and shipping and that, together with stable performance for the remittance business, enabled the company to achieve targets. The focus will now be on increasing its market share in the shipping business.

Magna met targeted expectations in all but one territory and continued its growth in the region despite a slow down in consumer spending in 2009. The company achieved growth by expanding its overall loyalty processing services to some of the larger clients, particularly in Trinidad. Jamaica also added 51 new locations during the year. Magna has grown to 1.35 million customers across the region. 2009 saw over 15 million transactions and

\$3.8 billion in retail purchases conducted through its retail partners. Growth for 2010 is expected to be achieved through new revenue streams from other loyalty processing services, together with further penetration of its existing markets.

SurePay, a division of Illuminat (Barbados) Limited, had another successful year and has maintained its position as the dominant provider of electronic bill payments based on an increase in transactions and collection points for a number of utility, financial and insurance companies, which in turn has enabled a high level of convenience to consumers island-wide. New services are being developed to be introduction during the new year.

Properties/Construction Services

Pres-T-Con Group (Pres-T-Con, RABCO Construction and Pres-T-Con Equipment) was affected by the global recession, coupled with the Government's downward adjustment to its Budget. Faced with a major decline in construction projects, Pres-T-Con Group made the necessary adjustments to maintain its leading position as the preferred manufacturer of pre-stressed concrete products and deep foundations installation contractor in Trinidad and Tobago and throughout the Caribbean. Over the past year, Pres-T-Con Group successfully undertook a new venture into alternative deep foundation at Petrotrin's Refinery utilizing Continuous Flight Auger Cast piles. Pres-T-Con Group's plans for the year ahead include penetration of the Guyana market, improved product offerings and enhanced efficiencies.

Nealco Properties Limited (NPL) placed major emphasis on its cost savings and customer service strategies throughout the year with the objective of retaining an occupancy rate above 95%. Focus on

routine and major upgrade maintenance continued to support the market value of its properties. A major upgrade was completed on one of the properties in San Fernando. NPL's revenue and profit increased over the previous year.

Nealco Real Estate Limited (NREL) continued to record a satisfactory performance. The company continued to build its client base and has been able to steadily increase its market share in consultancy and property management services. NREL's expertise, experience and integrity in the real estate market augur well for continued growth in a highly competitive market.

S.P. Musson Son & Company Limited in Barbados produced enhanced results over budget and the previous year through sales of house lots primarily in its development at Friendly Hall, St. Lucy. Although rental increases have not been possible because of reduced retail activity, high occupancy levels in its properties and those under management including Sunset Crest have supported earnings. The company recently began a new land development at Gemswick, St. Philip and also continues to grow its general real estate services under the Musson Realty brand.

The Pierhead Project has been rekindled since Neal & Massy's acquisition of BS&T. In order to identify options for a new Neal & Massy/BS&T led initiative, an advisor has been retained to interact with various consulting parties as well as the Barbados Government to prepare a high-level plan. Pending the result of the consultations and the development of the concept plan, decisions on the next step, whether to work independently or jointly with the Barbados Government, will be taken.

Information Technology & Communications (ITC)/Other Services

The ITC Business Unit closed the year exceeding its 3-year profit growth target set in 2006. On a year-on-year basis, 2009 showed growth in profit and strong free cash flow and shareholder value added performances.

Illuminat (Trinidad & Tobago) Limited showed gains in all of its key measures, significantly improving its customer satisfaction ratings and growing its profit. Among the major successes during the year were contracts in transport, health, finance and energy. Next year the company will provide new services and higher bandwidth at lower costs through its upgraded broadband network; as well as bring an expanded range of HP, Avaya, Education and CISCO solutions to the market. It will also accelerate its efforts to penetrate Latin America for its retail and Oracle solutions.

Illuminat Barbados and Eastern Caribbean strengthened its market position with significant achievements in the financial, education and government sectors through the implementation of new technologies in tandem with a number of its international partners including HP, NCR, Avaya, Oracle and Motorola. Additionally, it enjoyed market share gains with its Xerox imaging and printing solutions portfolio within Antigua, Tortola and surrounding islands. In the coming year it will launch the Internet-based version of its highly successful SurePay bill payment service.

Illuminat Jamaica's performance was adversely affected by a challenging economic environment. Many private and public sector projects were delayed and Jamaica experienced significant currency devaluations further reducing profits. The company, however, deepened its penetration of the key

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education sector with a significant win for PCs and multimedia equipment for 178 secondary schools. It also reduced its dependence on foreign resources through local capability building, and successfully launched new offerings which will increase the flow of recurring revenues in the coming years.

Pereira & Company Limited exceeded all financial targets and received an outstanding service rating from its customers. In 2009 the company embarked on a programme of regional expansion, introducing Diebold in Barbados and Pitney Bowes in Guyana. In Trinidad and Tobago RICOH continues to be the market leader in office equipment, while the Toshiba brand significantly exceeded its targets. The furniture and office interiors division almost doubled its profits and the software division experienced notable success with wins in both the financial and office equipment areas.

Three Sixty Communications, our long-distance communications provider, delivered strong growth in the key enterprise services revenue stream. Overall however, the year was a challenging one and a flat profit performance was delivered. The company expects to further penetrate the enterprise services market, launch services for the SME segment and in a well regulated environment deliver profitable inbound services.

Nealco Datalink Limited's call centre revenue stream performed on target, an encouraging sign as the company pursues the imperative of moving up the outsourcing value chain. Further efforts to penetrate the emerging local market (government and financial) as well as international markets for this service will be its focus in the coming year.

CCS Guyana Limited (CCS) successfully introduced electronic security offerings in its product line-up and obtained three major tenders for the service during the year. The company retained its

share of market for IT and office equipment services; and the provision of ATM's and related services to the financial sector had a positive impact on performance. The company will seek to strengthen customer relationship management and dealership relations during the new year.

NM Security Solutions Incorporated (NMSS) in Guyana did not meet expectations as growth opportunities identified for cash services, and a redirection of guarding services into more profitable segments, were slow in gaining momentum. With the infrastructure in place and the initiatives taken during the year, it is anticipated that the company will return strong growth in the future.

BCB Communications the in-house advertising agency for BS&T and Banks Holdings, performed below budget because of reduced advertising spent by its clients but did a good job of containing expenses.

Seawell Air Services, operating at Grantley Adams International Airport in Barbados, endured a particularly challenging year. The commercial aviation industry was hard hit by the contraction in international economic activity in 2009 and almost all air carriers suffered significant losses. Seawell suffered from loss of revenue from clients who stopped flying to Barbados, a major client who switched to the competition and lower prices to retain other customers. As a result, Seawell closed the year with a loss. Staff reductions were inevitable and were discussed with the representative union. Seawell has also embarked on initiatives to more effectively compete in the new realities of the airline industry by examining its systems and procedures and conducting staff training to reduce operating costs and improve service levels. With the onset of the winter tourism season, Seawell has returned to profitability but the difficulties for commercial aviation are expected to continue during 2010.

Dacosta Mannings Retail Division in Barbados experienced lower than anticipated sales in lumber, furniture, appliances and hardware for the fiscal year as consumer spending contracted bringing about losses after the 2009 Christmas sales. The division exited the lumber business which was located at Fontabelle and the Speighstown store ceased operations in July. The warehouses for hardware and furniture and appliances were consolidated into one location at Brandons and the Tile and Bath store at Fontabelle was consolidated into the main store. At the end of the financial year a new store was opened in Cave Shepherd on Broad Street in Bridgetown. This new store has exceeded expectations to-date although overall sales are still depressed across the retail sector as the Barbadian economy has grown tighter in the second half of 2009. The division continues to position itself in this recessionary period to be as efficient as possible through cost saving measures, and has returned to profit in the months leading up to Christmas in the new financial year.

Associated Companies

Neal & Massy Wood Group, Caribbean Industrial Gases, NMAP Services and Cool Petroleum have been discussed under the Energy and Industrial Gases Business Unit.

Bahamas Supermarkets Limited (BSL) narrowed its losses from 2008 by half in 2009. This was achieved by reducing costs and closing one unprofitable store. Efforts to improve Gross Profit margins were stymied by the protracted timeframe that was required to negotiate refinancing of debt at the holding company to facilitate an injection of additional funds required to support direct buying and better credit terms and prices with suppliers.

Recovery was further compounded by the global recession which has taken its toll on the tourism industry in Bahamas. Consumers are far more price sensitive than ever before. Neal & Massy has acquired majority voting rights in the last round of capital injection and is currently implementing a full-fledged turnaround programme that focuses on restoring customer confidence, realigning product prices to market, motivating employees, improving the supply chain, increasing controls with strong financial and operations reporting and cost-reduction.

Banks Holdings Limited (BHL) in Barbados recorded reduced profits of its Group for the financial year ended 31st August 2009. Most operations in Barbados, and its Guyana associate, commendably matched or exceeded their 2008 results in the face of the recessionary environment. However, BHL's Belize associate incurred a loss as it was unable to overcome the dual challenges of adverse weather patterns and significant lows in orange juice concentrate commodity pricing during the year. There has been a subsequent recovery in citrus concentrate pricing, now almost double the 2008/2009 low, and indications are that the price increase should hold for the foreseeable future.

Gablewoods Supermart Limited through its operating company in St. Lucia, Consolidated Foods Ltd, has performed well and grown through the period under review. This can be attributed to a new "warehouse" store offering a range of large-pack food items and domestic hardware and a fall in electricity rates. The St Lucia economy, however, is becoming more challenging and management are focussed on finding measures to ensure the sustainability of profits.

Group 4 Securicor (G4S) operations in Trinidad and Tobago continue to record strong results across its core competencies despite the contraction of

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the economy and the shrinking labour market. The strategic decision, to position the company as a partner that provides outsourced services within sectors where security and safety risks are a strategic threat, has served the business well.

G4S operations in Barbados had a difficult year, as a quality provider for security services, operating in contracting economies. Management has responded and 2010 should see much improved results.

Signia Financial Group in Barbados performed very well. The lending department continues to be the main driver of profits with marked year-on-year increases in profitability and loan growth. However, with the decline in the stock market, the profitability of the equity trading department has fallen. Foreign exchange trading provided a good contribution, but this was also negatively impacted by the economic environment and reduced foreign exchange in the market. Interest rates have declined, reducing funding costs and positively impacting interest income. The company put additional measures in place to manage delinquencies and given the continued contraction of the market, the company is approaching 2010 with prudence.

Caribbean Airport Services Limited (CAS) which provides ground handling services at Antigua's international airport is a joint venture between LIAT (51%) and Seawell Air Services (49%). During this year, CAS lifted its image by improving customer service through staff training and fine tuning its standard operating procedures. CAS improved its operating performance and achieved increases in certain handling fees. CAS was also awarded the contract to handle two additional carriers, one from October 2009 and one other during the 2009/10 winter.

Tower Hill Merchants PLC, based in the UK, benefited from a combination of stable food ingredient prices, new business with product

substitutes, and lower overheads to deliver a strong performance.

Medina Foods Incorporated of Montreal, Canada provides consultancy services and food safety audit services to food processors and producers for the development and implementation of food safety assurance programmes. A key area of its business is the audit of airline caterers worldwide on behalf of many major airlines in a strategic alliance with IATA. While still a small company, Medina's results have improved in recent years although profits were reduced this last year as a result of lower airline activity.

HEALTH, SAFETY, SECURITY AND THE ENVIRONMENT (HSSE)

This financial year saw a continued emphasis on the deepening of the HSSE processes and procedures embarked upon previously.

Specific to the Group reporting requirements a concerted effort was made regarding monthly submission of the HSSE Leading and Lagging Indicators. The compiled data was analysed in order to determine the overall performance of the companies within the Group. It must be noted that there has been improvement in all cases with the most significant being a reduction in the number Days Away from Work Cases (DAFWC). Root Cause analyses were conducted within the incident investigation process and Lessons Learnt discussed and shared during monthly meetings.

From the Leading and Lagging Indicators reported on a monthly basis, an overall HSSE performance matrix which plots companies' composite performance against HSSE Lagging Indicators (outcomes) versus performance against HSSE Leading Indicators (inputs)

was introduced at the beginning of the financial year. The matrix was used to evaluate and report on the sustained efforts for each of the individual companies across the group and compare progress being made among the Group's companies. Monthly reviews were conducted during the HSSE meetings with all of the practitioners, and at quarterly meetings which included CEO's and Directors.

In consultation with Group companies that had already adopted comprehensive HSSE Management systems, an overall HSSE Management System framework was developed for the Neal & Massy Group of companies and introduced at the beginning of the year. Each company within the Group is required to adapt and adopt the HSSE Management System for its operations. The required training and awareness was conducted for all of the HSSE practitioners. Companies have begun implementing the system and are continuing to improve in preparation for audits during this financial year.

Continued emphasis on ensuring compliance with the Occupational Safety and Health (OSH) Act are complied with have resulted in satisfactory compliance levels across the Group over the past financial year. The audit function within the HSSE Management system will be used as the assurance tool for continued monitoring and improvement in this regard.

A number of visits were conducted at the regional locations in Guyana, Barbados and Jamaica and these locations appraised of their observed performance levels. These visits will continue in order to gauge and assist with improved levels of performance and to enhance Group and other reporting and compliance obligations.

CORPORATE SOCIAL RESPONSIBILITY

At Neal & Massy we recognize and nurture the symbiotic relationship between our Corporate Social Responsibility and our companies' human capital development and financial performance. We realize that our investments and efforts to contribute to educational, social, cultural, sporting and community initiatives in the countries in which we operate redound to our benefit. Healthier, better educated and more fulfilled citizens are better employees, customers and business associates. The more impact we can have towards the enrichment and development of the societies in which we operate, is the safer and more prosperous those societies will be for our business operations.

Neal & Massy's initiatives and investments in the interests of its Corporate Social Responsibility have been outlined earlier in this report and are not repeated in this section. Please review the Corporate Social Responsibility section at the front of this Annual Report to review our CSR contributions in 2009.

CLOSING REMARKS

The late Bernard Dulal-Whiteway was an inspirational leader. His flame burned brightly through his leadership example and the mentoring that he provided to Neal & Massy executives and others. He leaves behind him a legacy of exceptional performance and important values that are treasured at Neal & Massy. He has inspired many of us to emulate his warmth, humility and fairness that balanced his astute business sense. Bernard passed the torch to a group of executives whom he recruited and developed individually to continue the great work of the Neal & Massy Group of Companies in providing

healthy returns to shareholders, creating a safe and fulfilling work environment for its employees, and contributing to the development of the societies in which we operate.

As a result of my appointment as President and Group CEO, Linford Carrabon who chaired the Automotive and Industrial Equipment Business Unit last year, will replace me as the Executive Chairman of the Energy and Industrial Gases Business Unit. As the previous CEO of Industrial Gases Limited as well as previous Chief of Staff for Neal & Massy Wood Group's SOCA contract with bpTT, Linford is no stranger to the Energy and Industrial Gases leadership team and client base.

David O'Brien who chaired the Property/Construction Services and Financial Services Business Units will replace Linford Carrabon as the Executive Chairman of the Automotive and Industrial Equipment Business Unit. The Pres-T-Con Group of companies will move to the Automotive and Industrial Equipment Business Unit and continue to be chaired by Mr. O'Brien.

Anthony King, CEO of BS&T will continue his role as the Executive Vice President for Neal & Massy in Barbados and will take on the additional responsibility of Executive Chairman for the re-integrated Financial Services, Property and Other Business Unit. In addition to recombining the property and financial services companies into a single Business Unit, other companies such as the Magna companies, DaCosta Manning, Roberts Manufacturing and the airport services companies have also been added to this Unit.

The Information Technology and Communications Business Unit will retain the traditional ITC related companies as well as security services related subsidiaries and associates.

Last year, Bernard Dulal-Whiteway introduced new job titles and new job responsibilities in his quest to

strengthen the senior leadership team. He created two new job titles: Executive Vice President and Senior Vice President. Consistent with the desire to leverage the broader executive team in group leadership roles, we are proud to announce that Paula Rajkumarsingh, having been appointed to the Neal & Massy Holdings Board of Directors in 2009 joined Anthony King and Earl Boodasingh as an Executive Vice President of the Group. In addition, other Executive Chairmen of Business Units, Linford Carrabon, Frere Delmas, Keith Thomas were also appointed as Senior Vice Presidents in addition to Christian Maingot, Judith Bowen and David O'Brien who are already Senior Vice Presidents.

In 2010, the Group will continue its focus on the 5 Management Priorities which were identified for running all companies during the current economic down-turn: being realistic about what can or is likely to happen, disciplined working capital management, cost reduction and asset utilization improvement, tight controls and attention to risk management, and thinking outside the box will continue to be guiding priorities for running the operations of the Group's companies. In addition, the Group is well poised to continue its growth objectives. Select opportunities for inorganic growth will be considered in 2010.

The Group has some assets and investments which are not earning returns commensurate with capital employed. The Group's portfolio of assets and investments is being reviewed and divestment of some non-strategic assets will be pursued in 2010. Along with its portfolio review, the Group will also revisit its long-term corporate strategy and develop Business Unit strategies for implementation over the next 5 years.

In closing, I wish to express my condolences to the family, friends and associates who survive Bernard Dulal-Whiteway. I will forever be grateful to Bernard

for his mentorship and guidance. His legacy is etched in our hearts and our minds. He leaves behind a strong and great company with a track-record for performance, caring that extends to its employees, customers and communities in which it operates and a thirst for excellence. We have inherited a company that is a Force for Good in our home countries and for our region.

I thank and congratulate the entire Neal & Massy team, including our recently acquired Barbadian colleagues for their hard work and proactive response to the economic downturn. I appreciate their dedication and commitment demonstrated in work ethic and the Group's results.

I also thank our Chairman, Arthur Lok Jack and my fellow Board members for their counsel and support through a very difficult year. I am honoured by the confidence they have bestowed upon me and will continue to seek their valuable counsel in the future.

To our prized customers and business associates, thank you for your continued support and partnership. We are continuously learning and continuously improving, so we look forward to your continued support and feedback.

To our shareholders, I appreciate the faith and confidence that you demonstrate by investing in our Group. We continue to operate with your interest at the forefront of our concerns. We look forward to serving you for many years to come.