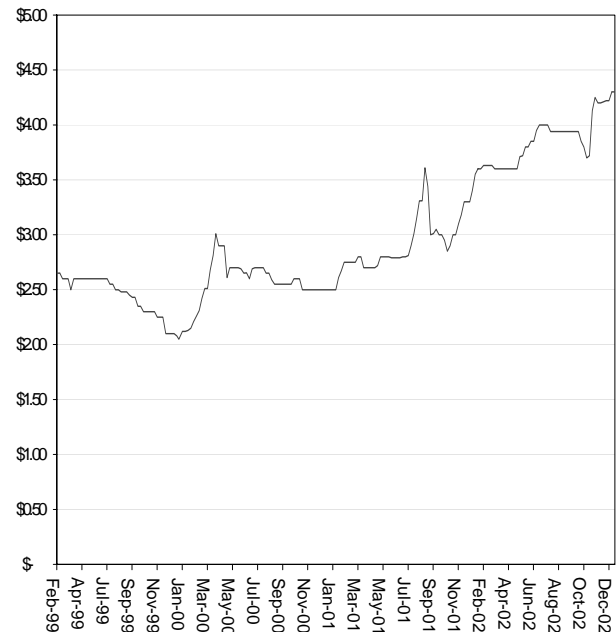


**Prestige Holdings Limited**

| | | | |
|---------------|----------------|----------------|---------------|
| Recent Price | \$ 4.31 | EPS(est.2002) | \$ 0.25 |
| 52 Wk Range | \$ 3.31 - 4.31 | Div.(est.2002) | \$ 0.19 |
| Shares O/s | 60,000,000 | Yld.(est.2002) | 4.41% |
| Float | 18,000,000 | P/E (est.2002) | 17.20 X |
| Market Cap. | \$ 258,600,000 | Fiscal Yr End | November |
| ACTUAL | 2001 | 2000 | 1999 |
| P/E Ratio | 12.35 X | 11.33 X | 12.35 X |
| EPS | \$ 0.27 | \$ 0.22 | \$ 0.17 |
| Div. Payout | 71.32% | 74.78% | 79.41% |
| ROE% (Avg) | 35.53% | 45.60% | 55.31% |
| ROA% (Avg) | 8.31% | 10.72% | 10.65% |
| B.V. / Share | \$ 0.58 | \$ 0.49 | \$ 0.33 |
| LT Debt | \$ 106,051,000 | \$ 62,418,404 | \$ 48,291,049 |
| Pref. Equity | Nil | Nil | Nil |
| Comm. Equity | \$ 34,548,000 | \$ 29,183,336 | \$ 19,544,500 |





Prestige Holdings Limited

Update – Q3 ended August 31, 2002.

Prestige Holdings continues to feel the effects of the poor performance of its Dominican Republic (DR) operations. The KFC operations in the DR have been affected by the depressed economy and the competitive nature of the market. The losses from the KFC restaurants in the DR were \$3 million for the period. The lone TGI Friday restaurant in the DR continues to show good results.

Overall there was a healthy increase in sales of 27.86% for the nine months ended August 31, 2002 moving from \$222.679 million in 2001 to \$284.713 million in 2002. Cost of sales grew by 29.15% moving from \$150.503 million to \$194.378 million. Gross profit increased by 25.16% moving from \$72.176 million in 2001 to \$90.335 million in 2002. Operating expenses increased by 32.67% moving from \$47.904 million in 2001 to \$63.552 million in 2002. As a result of these steeper increase in expenses operating profit increased by only 10.35% moving from \$24.272 million in 2001 to \$26.783 million in 2002. There was a substantial jump in interest cost of 40.17% moving from \$6.853 million in 2001 to \$9.606 million in 2002. This mainly as a result of the increase in long term debt. As a consequence there was a marginal decline in profit before tax of 1.39% moving from \$17.419 million in 2001 to \$17.177 million in 2002. Taxation increased by 26.33% from \$6.548 million in 2001 to \$8.272 in 2002. The effective tax rate jumped from 37.59% in 2001 to 48.16% in 2002. The Company's tax rate is higher than the statutory rate because the losses in the DR cannot be offset against the profit in Trinidad. Overall profit attributable to shareholders declined by 11.66% moving from \$11.987 million in 2001 to \$10.589 million in 2002.

Prestige's short to medium term growth would be affected by the challenges it faces in the DR. The Chairman in his report stated that the DR market continues to be challenging for the KFC brand. He also stated that the Company had reorganized the KFC business with support from Trinidad with a view to reducing cost, improving the consistency of the product quality and achieving sales growth. There are early signs that the initiatives are having a positive effect.

In Trinidad all the Company's brands continue to deliver excellent same store growth with an increased combined profitability of 14% for the nine months ended August 2002 over the same period in 2001. During the last quarter the new TGI Friday and Pizza Hut restaurants would be opened in Chaguanas.

The Board of Directors have approved an interim dividend of 6¢ per share payable on October 25, 2002 to shareholders on the close of business on October 16, 2002. The interim dividend paid in 2001 was 7¢ per share.

**Prestige Holdings Limited****Income Statement Analysis (TT\$ millions)**

| | 2001 | 2000 | 1999 | 1998 | 1997 |
|---------------|-------------|-------------|-------------|-------------|-------------|
| Rev. | 302.934 | 242.435 | 198.492 | 181.675 | 152.562 |
| Op. Inc. | 136.123 | 79.699 | 57.344 | 55.832 | 47.778 |
| Depr. | 10.125 | 7.866 | 6.588 | 6.297 | 6.521 |
| Int. Exp. | 9.418 | 8.024 | 7.002 | 6.590 | 1.052 |
| Pretax Inc. | 21.578 | 18.616 | 14.796 | 7.280 | 11.488 |
| Eff. Tax Rate | 37.60% | 31.56% | 30.91% | 21.08% | 38.48% |
| Net Inc. | 15.984 | 13.239 | 10.223 | 5.746 | 7.067 |

Bal. Sheet & Other Fin. Data (TT\$ millions)

| | | | | | |
|--------------|---------|---------|---------|--------|---------|
| Cash | 1.926 | 1.690 | 0.171 | 0.130 | 5.627 |
| Curr. Assets | 16.826 | 13.277 | 10.174 | 15.028 | 11.212 |
| Total Assets | 187.724 | 136.155 | 101.642 | 90.289 | 79.958 |
| Curr. Lia. | 42.222 | 30.195 | 28.721 | 18.969 | 12.631 |
| LT Debt | 96.797 | 62.418 | 48.291 | 51.198 | 49.145 |
| Common Eq. | 34.548 | 29.183 | 19.545 | 17.422 | 15.876 |
| Total Cap. | 179.697 | 128.129 | 99.111 | 87.520 | 79.845 |
| Cap Exp. | 53.778 | 31.021 | 22.710 | 12.041 | 5.778 |
| Cash Flow | -34.926 | -15.576 | -0.157 | -6.059 | -39.153 |

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