

ACCESS

FINANCIAL SERVICES LTD.

"Bringing Financial Services to the People of Jamaica"

Head Office: 41B Half-Way-Tree Road Kingston 5

Branches: Portmore, Spanish Town, Mandeville, Ocho Rios, Montego Bay, May Pen & Savanna-la-mar

Tel: 1-888-GET-ACCESS

July 15, 2010

Jamaica Stock Exchange
40 Harbour Street
Kingston

Attention: Mrs. Marlene Street-Forrest

Dear Sirs:

Re: Financial Results for the period ended June 30th 2010

Enclosed are the following documents for the period ended June 30, 2010:

- Chairman and CEO's report on the second quarter results
- Statement of Financial Position
- Statement of comprehensive income
- Consolidated statement of changes in equity
- Statement of cash flows
- Notes to the financial statements

Should you require any additional information please contact the undersigned at 929-9253.

Yours truly,
ACCESS FINANCIAL SERVICES LIMITED


MARCUS JAMES
CHIEF EXECUTIVE OFFICER

Date: July 15, 2010

For further information contact:

Marcus James

Chief Executive Officer

Tel: 876-929-9253

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MEDIA RELEASE

ACCESS FINANCIAL SERVICES LIMITED RECORDS 189% GROWTH IN SECOND QUARTER YEAR OVER YEAR NET PROFIT

SECOND QUARTER HIGHLIGHTS

- Net profit of \$30.52 million
- Earnings per share of \$0.11
- Productivity Ratio of 78%

Access Financial Services Limited reported its 2010 second quarter financials today. Net income for the six month period ending June 30, 2010 was \$69.68 million, representing a 189% increase in the company's earnings when compared to the corresponding period ending June 30, 2009.

Net profit before tax for the three month period ending June 30, 2010 was \$30.5 million representing a 178% increase over the 2009 corresponding period.

Return on equity and earnings per share for the six month period ending June 30, 2010 was 21.13% and \$0.25 respectively compared to 17.32% and \$0.09¹ for the corresponding period in 2009.

Marcus James, Chief Executive Officer, stated that the company's performance for the period April to June 2010 was affected by the social unrest which occurred during the week of May 23, 2010 as several branches were closed and many customers were unable to make payments. This resulted in a decline in the level of loan disbursement and persons served by the money service division. Mr. James stated that "The social unrest had an impact on our business which resulted in a decline our revenue and productivity. Despite the impact on our revenue our year to date performance was still significantly ahead of the comparative 2009 period. During the second quarter we continued our expansion plans with construction being completed at our Old Harbour and Browns Town locations. These branches are set to open at the end of July 2010 and will bring our total branch complement to 13."

¹ The Earnings per Share calculation for 2009 has been computed using the total number of shares outstanding as at June 30, 2010 of 274,509,840 for comparative purposes.

Revenues

Total revenue for the quarter was \$103.7 million which represents a 35.4% increase over the corresponding period for 2009 total revenue of \$76.6 million. Net interest income for the period increased by 53% moving from \$55.6 million to \$85.1 million recorded during the 2nd quarter of 2009.

The company's Money Service Division contributed 9.6% or \$9.98 million to total revenue during the 2nd quarter of 2010. This performance represented an 11.3% increase in total revenue when compared to the 2nd quarter of 2009.

During the quarter under review the company also benefited from the tax remission afforded to companies listed on the Jamaica Stock Exchange Junior Market.

Non Interest Expense and Productivity

Total operating expense for the quarter increased from \$49.8 million recorded during the 2nd quarter of 2009 to \$65.8 million for the quarter under review. The increase was primarily driven by an increase in other operating expenses and allowance for credit losses. Other notable operating expenses include utilities and rent. Management continues to adopt a conservative approach in providing for loan losses.

Balance Sheet

Total assets as at June 30, 2010 were \$545 million representing an 18.7% increase over June 30, 2009. The growth in total assets was driven by a 15% increase in Loans and Advances, and an increase in the company's IT infrastructure.

The company also recorded an increase in equity which moved from \$138.9 million to \$329.8 million. The increase in equity was driven by \$92.9 million of net funds raised during the company's Initial Public Offering during the last quarter of 2009 and retained earnings generated during the year. During the 1st quarter of 2010 the company paid \$13.7 million in dividends to its shareholders on record as at March 12, 2010.

Non-financial highlights

As part of our corporate responsibility, Access Financial Services was involved in a variety of events during Labour Day 2010 including assisting a member of the Burke Road District in Old Harbour with a housing solution and the Brown's Town Parish Council with the town's beautification project.

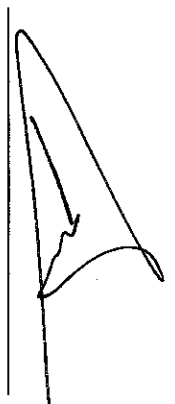
During the 1st quarter we provided major sponsorship to Eastern Canada and the Caribbean Circle K District to facilitate training at their annual district convention.

On behalf of the Chairman and the Board of Directors, I would like to take this opportunity to thank our customers and staff for their continued support, hard work and diligence. We are particularly thankful that the period of unrest that we recently experienced is now behind us. We must now look forward to what, we hope, will be a brighter and safer future for our customers and staff.

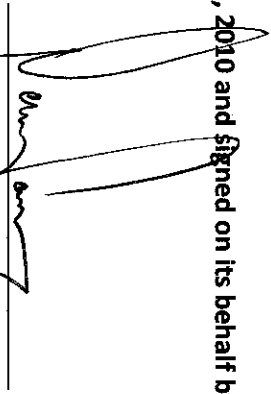
**ACCESS FINANCIAL SERVICES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30 2010**

	\$'000 Unaudited Period ended June 30 2010	\$'000 Audited Year ended December 31, 2009	\$'000 Unaudited Period ended June 30, 2009
ASSETS			
Cash and cash equivalents	69,813	28,825	42,523
Securities purchased under resale agreements	74	71,758	17,754
Other accounts receivables	18,512	15,248	8,603
Loans and advances	413,342	453,784	358,363
Property, plant and equipment	35,206	33,037	26,443
Intangible Assets	8,138	5,828	5,219
TOTAL ASSETS	545,085	608,480	458,905
LIABILITIES			
Bank overdraft	-	-	10,581
Accounts payables and provisions	21,955	20,878	17,881
Taxation Payable	-	5,748	2,209
Loans Payables	193,380	308,060	284,046
Deferred Taxation	-	-	5,242
Total Liabilities	215,336	334,686	319,959
Share Capital	96,051	96,051	3,137
Retained Earnings	233,699	177,743	135,809
Total Stockholders' Equity	329,750	273,794	138,946
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	545,085	608,480	458,905

Approved for issue by the Board of Directors on July 15, 2010 and signed on its behalf by:



Brian Goldson
Chairman



Marcus James
Chief Executive Officer

ACCESS FINANCIAL SERVICES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6 MONTHS ENDED JUNE 30 2010

	\$'000 (Unaudited) 3 months ended 30 June 2010	\$'000 (Unaudited) 3 months ended 30 June 2009	\$'000 (Unaudited) 6 months ended 30 June 2010	\$'000 (Unaudited) 6 months ended 30 June 2009
Operating income				
Interest Income from Loans	91,307	64,003	186,031	128,041
Interest Income from Securities	1,180	1,160	3,203	2,047
Total Interest Income	92,487	65,163	189,234	130,087
Interest Expense	(7,359)	(9,548)	(15,127)	(18,283)
Net interest income	85,129	55,614	174,108	111,804
Net Fee and Commission Income	1,326	1,972	2,573	3,303
Net Trading income	86,455	57,587	176,681	115,107
Other operating Income				
Money Services	9,986	8,974	19,389	17,321
Foreign Exchange (losses)/gains	(94)	492	395	1,343
	96,347	67,054	196,465	133,771
Operating Expenses				
Staff Cost	23,696	22,047	47,511	37,827
Allowance for credit losses	14,000	7,284	23,020	13,784
Depreciation and amortization	1,649	1,286	3,236	2,558
Other operating expenses	26,477	19,146	53,018	41,933
	65,822	49,764	126,785	96,103
Profit before taxation	30,525	17,290	69,680	37,669
Taxation	-	6,312	-	(13,604)
Profit for the period	30,525	10,978	69,680	24,064
Earnings per Share *	0.11	0.04	0.25	0.09

*EPS has been computed using the total number of shares outstanding as at June 30, 2010 of 274,509,940 for comparative purposes.

ACCESS FINANCIAL SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2010

	UNAUDITED	\$'000	\$'000	\$'000	\$'000	\$'000
		Share Capital	Fair Value Reserve	Other Reserve	Retained Profits	Total
Balance as at January 1, 2009		3,137	-	-	111,744	114,881
Total comprehensive income		-	-	-	65,999	65,999
Issue of shares, net of transaction costs		92,914	-	-	-	92,914
Balance as at December 31, 2009		96,051	-	-	177,743	273,794
Balance as at January 1, 2010		96,051	-	-	177,743	273,794
Total comprehensive income		-	-	-	69,680	69,680
Dividends		-	-	-	(13,725)	(13,725)
Balance as at June 30, 2010		96,051	-	-	233,699	329,750

Access Financial Services Limited
Statement of cashflows
for the six months ended June 30 2010

	Unaudited \$'000 2010	Unaudited \$'000 2009
Cashflow from projected activities	69,680	24,064
Profit for the period to date		
Non cash items	(145,171)	(31,531)
Cash used in operating activities	(160,831)	(55,826)
Cash provided by operating activities	227,068	84,702
Net cash provided by (used in) operating activities	<u>(9,254)</u>	<u>21,409</u>
Net cash provided by investing activities	<u>63,968</u>	<u>11,670</u>
Cash used in Financing activities	<u>(13,725)</u>	<u>-</u>
Increase /(decrease) in cash and cash equivalents	<u>40,989</u>	<u>33,079</u>
Increase in cash and cash equivalents		
Cash and equivalents at beginning of the period	28,824	(1,137)
Cash and equivalents at the end of the period	<u>69,813</u>	<u>31,942</u>
Comprised of		
Cash and bank balances	69,813	42,523
Bank overdraft	<u>69,813</u>	<u>(10,581)</u>
	<u>69,813</u>	<u>31,942</u>

Notes to the Financial Statements
for the period ended June 30, 2010

- **Identification**

Access Financial Services Limited (the company) is incorporated and domiciled in Jamaica and its registered office is situated at 41B Half Way Tree Road, Kingston 5, Jamaica, W.I. The company is listed on the Junior Market of the Jamaica Stock Exchange.

The principal activity of the company is retail lending to the micro enterprise sector for personal and business purposes. Funding is provided by financial institutions, government entities and non-governmental organisations.

- **Basis of preparation and significant accounting policies**

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board and comply with the provisions of the Jamaican Companies Act.

- **New Standards**

The standard considered relevant to company is as follows:

Revised IAS 1 was considered in preparing these financial statements.

- **Use of estimates and judgements**

- Allowance for impairment losses on loan receivables:

In determining amounts recorded for impairment losses in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators to suggest a potential measurable decrease in the estimated future cash flows from loan receivables.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and comply in all material respects with IFRS.

- Property, plant and equipment and intangible assets:

Items of property, plant and equipment, and intangible asset are stated at cost less accumulated depreciation and impairment losses.

- Depreciation

Depreciation is recognised in profit or loss on the straight-line basis, over the estimated useful lives of property, plant and equipment.

- Loans:

Loans are stated at amortised cost, net of any unearned income and impairment losses, if any.

- Allowance for loan losses:

The company maintains an allowance for credit losses, which in management's opinion, is adequate to absorb credit related losses in its portfolio. This consists of specific provisions established as a result of reviews of individual loans and is based on an assessment which takes into consideration factors including collateral held and business and economic conditions.

- Borrowings:

Borrowings are recognised initially as the proceeds received net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method with any difference between proceeds net of transaction costs, and the redemption value recognised in income along with regular interest charges over the period of the borrowings.