

PEGASUS HOTELS OF JAMAICA LIMITED

INTERIM STATEMENTS AS AT 25th DECEMBER 2003.

Balance Sheet

	Dec-03	Mar-03	Dec-02
	\$'000	\$'000	\$'000
NET ASSET EMPLOYED			
Fixed Asset	811,921	822,754	833,657
Long Term Receivables	171	171	171
Current Assets			
Inventories	20,526	16,769	19,142
Accounts receivable	52,249	54,802	47,933
Taxation recoverable	0	0	2,001
Cash and bank balances	93,395	95,801	73,867
	<u>166,170</u>	<u>167,372</u>	<u>142,943</u>
Current Liabilities			
Bank overdraft		408	
Accounts payable	15,153	41,157	23,001
Taxation payable	11,571	914	0
Current portion of long term liability	19,696	19,696	19,696
Current portion of lease obligation	557	873	672
	<u>46,977</u>	<u>63,048</u>	<u>43,369</u>
Net Current Assets	<u>119,193</u>	<u>104,324</u>	<u>99,574</u>
	<u>931,285</u>	<u>927,249</u>	<u>933,402</u>
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FINANCED BY

Share Capital	120,166	114,444	114,444
Capital Reserves	846,457	846,457	846,457
Replacement Reserve	(443)	3,309	1,955
Accumulated Deficit	(55,238)	(72,440)	(70,065)
	<u>910,942</u>	<u>891,770</u>	<u>892,791</u>
Long Tom Liability	20,343	35,115	40,072
Lease obligation	0	364	539
	<u>931,285</u>	<u>927,249</u>	<u>933,402</u>
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Profit and Loss Account

	For the Quarter Ending		For the Nine Months Ending	
	25-Dec	26-Dec	25-Dec	26-Dec
	2003	2002	2003	2002
	\$'000	\$'000	\$'000	\$'000
Sales	135,407	112,034	401,574	350,988
Cost of sales	(67,557)	(53,464)	(170,817)	(150,820)
Gross Profit	67,850	58,570	230,757	200,168
Other operating income	1,050	2,110	5,428	7,650
Administration expenses	(31,058)	(28,763)	(98,914)	(92,610)
Other operefing expenses	(37,769)	(31,794)	(111,084)	(98,650)

Operating profit / (loss)	73	123	26,187	16,558
Finance (expense) / income	2,451	297	9,080	(305)
Profit before taxation	2,524	420	35,267	16,253
Taxation	(883)	(147)	(12,343)	(5,688)
NET PROFIT	1,641	273	22,924	10,565
PROFIT PER STOCK UNIT	01.37 cents	00.23 cents	19.08 cents	08.79 cents

NOTES:-

1. The figures are unaudited and accounting policies remain as stated in the 2002/2003 Annual Accounts
2. The earnings per stock unit are based on 120,165,973 ordinary stock units, which represents the number of ordinary stock units issued at the end of the period.

Statement of Changes of Equity

	Number of Shares	Share Capital	Capital Reserve	Replacement Reserve	Accumulated deficit	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 April 2002	114,444	114,444	846,457	2,618	(86,319)	877,200
Provision for replacement	-	-	-	24,498	-	24,498
Replacement utilisation	-	-	-	(23,807)	-	(23,807)
Net Profit	-	-	-	-	13,879	13,879
Balance as at 1 April 2003	114,444	114,444	846,457	3,309	(72,440)	891,770
Bonus issue	5,722	5,722	-	-	(5,722)	-

Provision for replacement	-	-	-	20,421	-	20,421
Replacement utilisation	-	-	-	(24,173)	-	(24,173)
Net Profit				-	22,924	22,924
Balance at 25 December 2003	120,166	120,166	846,457	(443)	(55,238)	910,942

SOURCES AND APPLICATIONS OF FUNDS

	\$'000
CASH RESOURCES WERE (USED IN)/ PROVIDED BY:	
Operating Activities	
Net Profit	22,924
Items not affecting cash	
Depreciation	37,831
Replacement Reserve	20,421
Replacement Reserve (SPENT)	(24,173)
Gain on disposal of fixed assets	57,003
Changes in non-cash working capital components	
Inventories	(3,757)
Receivables	2,553
Payables	(15,663)
Forte (UK) Ltd	-
Taxation	-
Net cash provided by operating activities	<u>40,136</u>
Financing Activities	
Proceeds from disposal of fixed assets	-
Proceeds from DBJ loan	
Net cash used in financing activities	

Loan Repayment	(15,137)
Investing Activity	
Purchase of fixed assets	<u>(26,997)</u>
Net cash used In investing activity	<u>(26,997)</u>
Increase/(Decrease) in net bank and cash balances	(1,998)
Net bank and cash balances at beginning of year	<u>95,393</u>
NET BANK AND CASH BALANCES AT END OF YEAR	<u>93,395</u>
