

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Group Profit and Loss Account
Year ended 30 June 2005

	Note	Period April - June \$'000	Y-T-D Jun-05 \$'000	Period April - June \$'000	Y-T-D Jun-04 \$'000
Revenue		89,282	433,154	140,301	513,225
Direct expenses		-75,520	-362,651	-112,261	-420,791
Gross Profit		13,762	70,503	28,040	92,434
Other operating income	2	29,673	36,352	648	7,012
Administration expenses		-19,113	-95,833	-20,538	-93,825
Other operating expenses		-1,284	-5,119	-1,527	-4,349
Operating (Loss)/Profit		23,038	5,903	6,623	1,272
Financial (cost)/income, net	3	-998	-638	-1,622	7,445
(Loss)/Profit before Taxation		22,040	5,265	5,001	8,717
Taxation		4,419	4,419	-5,625	-5,625
(Loss)/Profit before Minority Interest		26,459	9,684	-624	3,092
Minority interest in results of subsidiaries		-5,236	-4,841	-256	-28
NET (LOSS)/PROFIT ATTRIBUTABLE TO STOCKHOLDERS		21,223	4,843	-880	3,064
(Loss)/Earnings per Stock Unit	4	14.77	3.37	-0.61	2.13

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Group Balance Sheet
As At 30 June 2005

	Note	Jun-05 \$'000	Jun-04 \$'000
Non-Current Assets			
Fixed assets		212,804	234,022
Investments		10,656	8,210
Deferred tax assets		3,916	758
Pension surplus		20,501	11,230
Current Assets			
Inventories		13,958	14,702
Accounts receivable	2	22,762	12,507
Taxation recoverable		9,050	8,370
Cash and bank balances		56,540	81,163
		102,310	116,742
Current Liabilities			
Accounts payable		51,830	58,992
Current portion of long term liabilities		12,191	13,922
Bank overdraft		12,910	23,318
		76,931	96,232
Net Current Assets			
		25,379	20,510
		273,256	274,730
Stockholders' Equity			
Share capital		1,437	1,437
Capital reserve		166,685	166,685
Fair value reserve		10,470	8,024
Retained earnings		63,286	58,730
		241,878	234,876
Non-Current Liabilities			
Long term liabilities		21,487	33,543
Deferred tax liabilities		4,626	5,887
Minority interest		5,265	424
		273,256	274,730

Approved for issue by the Board of Directors on 15 August 2005 and signed on its behalf by:

DOUGLAS GRAHAM

DIRECTOR

LLOYD ALBERGA

DIRECTOR

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Group Statement of Changes in Equity
Year ended 30 June 2005

	Number of Shares	Share Capital	Capital Reserve	Fair Value Reserve	Retained Earnings	Total
	'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2003	1,437	1,437	166,685	3,803	56,097	228,022
Net profit	-	-	-	-	3,064	3,064
Dividends paid	-	-	-	-	-431	-431
Increase in fair value of investments	-	-	-	4,221	-	4,221
Balance at 30 June 2004	1,437	1,437	166,685	8,024	58,730	234,876
Net loss	-	-	-	-	4,843	4,843
Dividends paid	-	-	-	-	-287	-287
Increase in fair value of investments	-	-	-	2,446	-	2,446
Balance at 30 June 2005	1,437	1,437	166,685	10,470	63,286	241,878

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Group Statement of Cash Flows
Year ended 30 June 2005

	Jun-05	Jun-04
	\$'000	\$'000
Cash Flows from Operating activities		
Cash provided by operating activities	11,302	27,413
Cash Flows from Investing activities		
Purchase of fixed assets	-8,185	-24,045
Proceeds from sale of fixed assets	0	57
Long term receivables received	1,895	5,798
Dividend received	104	114
Interest received	3,690	11,185
Cash used in investing activities	<u>-2,496</u>	<u>-6,891</u>
Cash Flows from Financing activities		
Long term loans repaid	-13,922	-13,732
Dividends Paid	-287	-431
Interest paid	-9,129	-5,768
Cash used in financing activities	<u>-23,338</u>	<u>-19,931</u>
	-14,532	591
Exchange gain on foreign cash balances	317	1,131
(Decrease)/Increase in cash and cash equivalents	<u>-14,215</u>	<u>1,722</u>
Cash and cash equivalents at beginning of period	57,845	56,123
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>43,630</u></u>	<u><u>57,845</u></u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Notes to the Financial Statements

Year ended 30 June 2005

Note 1 - The figures are unaudited and accounting policies remain as stated in the 2003/2004 Annual Accounts.

Note 2 - Other Operating Income includes approximately \$29M of insurance income; a balance of \$14.2M is due to be received, and is included in Accounts Receivable.

Note 3 - Included in Net Financial Income is \$4.5M of interest expense provided for, pending a legal ruling of the C. D. Alexander Suit.

Note 4 - The (loss)/earnings per stock unit is based on 1,437,028 ordinary stock units in issue at the end of the period.

Note 5 - Segment Report

Primary Reporting Format - Geographical segments:

	Montego				
	Kingston	Bay	Mandeville	Portmore	Total
	2005 \$'000	2005 \$'000	2005 \$'000	2005 \$'000	2005 \$'000
Revenue	317,786	76,582	28,739	10,047	433,154
Capital Expenditure	5,371	1,355	1,024	435	8,185
Depreciation	13,641	10,032	5,611	119	29,403

	Montego				
	Kingston	Bay	Mandeville	Portmore	Total
	2004 \$'000	2004 \$'000	2004 \$'000	2004 \$'000	2004 \$'000
Revenue	384,612	76,628	36,758	15,227	513,225
Capital Expenditure	19,820	155	3,982	88	24,045
Depreciation	12,440	10,016	5,500	90	28,046

Secondary Reporting Format - Business segments:

	2005 \$'000	2004 \$'000
Box Office Receipts	245,065	291,064
Confectionery Sales	106,460	120,593
Film Exchange	68,897	90,653
Other Activities	12,732	10,915
	<u>433,154</u>	<u>513,225</u>