

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Group Profit and Loss Account

Three months ended 30 September 2006

	Note	Period & Y-T-D Sep-06 \$'000	Period & Y-T-D Sep-05 \$'000
Revenue		106,041	83,388
Direct expenses		<u>-84,280</u>	<u>-70,911</u>
Gross Profit		21,761	12,477
Other operating income		5,169	5,478
Administration expenses		-25,457	-25,320
Other operating expenses		<u>-516</u>	<u>-1,416</u>
Operating Profit/(Loss)		957	-8,781
Finance costs - interest expense		<u>-885</u>	<u>-1,252</u>
NET PROFIT/(LOSS)		<u>72</u>	<u>-10,033</u>
Attributable to:			
Stockholders of the company		134	-9,888
Minority interest		<u>-62</u>	<u>-145</u>
		<u>72</u>	<u>-10,033</u>
Earnings per Stock Unit Attributable to Stockholders of the Company	2	<u>0.09</u>	<u>-6.88</u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Group Balance Sheet
As At 30 September 2006

Note	Sep-06 \$'000	Jun-06 \$'000	Sep-05 \$'000
Non-Current Assets			
Fixed assets	182,279	188,851	207,691
Investments	7,648	7,737	9,083
Deferred tax assets	5,138	5,138	3,916
Pension surplus	25,600	25,600	20,501
Current Assets			
Inventories	13,082	13,363	15,591
Accounts receivable	23,945	14,146	21,584
Taxation recoverable	9,831	9,737	9,140
Cash and bank balances	58,219	47,863	66,647
	<u>105,077</u>	<u>85,109</u>	<u>112,962</u>
Current Liabilities			
Accounts payable	46,072	29,437	60,407
Current portion of long term liabilities	10,049	10,049	12,190
Bank overdraft	16,268	18,479	19,989
	<u>72,389</u>	<u>57,965</u>	<u>92,586</u>
Net Current Assets	<u>32,688</u>	<u>27,144</u>	<u>20,376</u>
	<u>253,353</u>	<u>254,470</u>	<u>261,567</u>
Stockholders' Equity			
Share capital	1,437	1,437	1,437
Capital reserve	166,685	166,685	166,685
Fair value reserve	7,460	7,551	8,895
Retained earnings	59,899	59,765	56,225
	<u>235,481</u>	<u>235,438</u>	<u>233,242</u>
Minority Interest	4,684	4,746	4,881
	<u>240,165</u>	<u>240,184</u>	<u>238,123</u>
Non-Current Liabilities			
Long term liabilities	10,878	11,976	19,318
Deferred tax liabilities	2,310	2,310	4,126
	<u>253,353</u>	<u>254,470</u>	<u>261,567</u>

Approved for issue by the Board of Directors on 14 November 2006 and signed on its behalf by:

DOUGLAS GRAHAM DIRECTOR

MELANIE GRAHAM DIRECTOR

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Group Statement of Changes in Equity

Three months ended 30 September 2006

	Attributable to the Company's Stockholders					Minority Interest	Total
	Number of Shares	Share Capital	Capital Reserve	Fair Value Reserve	Retained Earnings		
	'000	\$'000	\$'000	\$'000	\$'000		
Balance at 1 July 2005	1,437	1,437	166,685	10,470	66,113	5,026	249,731
Net loss	-	-	-	-	-9,888	-145	-10,033
Decrease in fair value of investments	-	-	-	-1,575	-	-	-1,575
Balance at 30 September 2005	1,437	1,437	166,685	8,895	56,225	4,881	238,123
Net profit	-	-	-	-	3,540	-135	3,405
Decrease in fair value of investments	-	-	-	-1,344	-	-	-1,344
Balance at 30 June 2006	1,437	1,437	166,685	7,551	59,765	4,746	240,184
Net profit	-	-	-	-	134	-62	72
Decrease in fair value of investments	-	-	-	-91	-	-	-91
Balance at 30 September 2006	1,437	1,437	166,685	7,460	59,899	4,684	240,165

THE PALACE AMUSEMENT COMPANY (1921) LIMITED**Unaudited Group Statement of Cash Flows**

Three months ended 30 September 2006

	Sep-06 \$'000	Sep-05 \$'000
Cash Flows from Operating activities		
Cash provided by operating activities	14,580	8,067
Cash Flows from Investing activities		
Purchase of fixed assets	-47	-1,895
Dividend received	16	14
Cash used in investing activities	<u>-31</u>	<u>-1,881</u>
Cash Flows from Financing activities		
Long term loans repaid	-1,098	-2,170
Interest paid	-884	-1,252
Cash used in financing activities	<u>-1,982</u>	<u>-3,422</u>
Increase in cash and cash equivalents	12,567	2,764
Cash and cash equivalents at beginning of period	29,384	43,894
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>41,951</u>	<u>46,658</u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED**Unaudited Notes to the Financial Statements****Three months ended 30 September 2006**

Note 1 - The figures are unaudited and accounting policies remain as stated in the 2005/2006 Annual Accounts.

Note 2 - The (loss)/earnings per stock unit is based on 1,437,028 ordinary stock units in issue at the end of the period.

Note 3 - Segment Report**Primary Reporting Format - Geographical segments:**

	Montego				
	Kingston	Bay	Mandeville	Portmore	Total
	2006	2006	2006	2006	2006
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	78,041	20,115	7,885	0	106,041
Capital Expenditure	47	0	0	0	47
Depreciation	2,649	2,541	1,429	0	6,619

	Montego				
	Kingston	Bay	Mandeville	Portmore	Total
	2005	2005	2005	2005	2005
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	58,723	17,291	5,372	2,002	83,388
Capital Expenditure	1,811	52	0	32	1,895
Depreciation	3,011	2,540	1,421	35	7,007

Secondary Reporting Format - Business segments:

	2006	2005
	\$'000	\$'000
Box Office Receipts	62,431	50,082
Confectionery Sales	31,178	25,621
Film Rental	7,267	4,230
Other Activities	5,165	3,455
	<u>106,041</u>	<u>83,388</u>