

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Group Profit and Loss Account

Three months ended 30 September 2007

	Note	Period & Y-T-D Sep-07 \$'000	Period & Y-T-D Sep-06 \$'000
Revenue		122,481	106,041
Direct expenses		-93,456	-84,280
Gross Profit		29,025	21,761
Other operating income		6,694	5,169
Administration expenses		-25,241	-25,457
Other operating expenses		-870	-516
Operating Profit		9,608	957
Finance costs - interest expense		-530	-885
NET PROFIT		<u>9,078</u>	<u>72</u>
Attributable to:			
Stockholders of the company		9,055	134
Minority interest		23	-62
		<u>9,078</u>	<u>72</u>
Earnings per Stock Unit Attributable to Stockholders of the Company	2	<u>6.30</u>	<u>0.09</u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Group Balance Sheet

30 September 2007

Note	Sep-07 \$'000	Jun-07 \$'000	Sep-06 \$'000
Non-Current Assets			
Fixed assets	158,042	163,547	182,279
Investments	7,877	7,304	7,648
Deferred tax assets	489	489	5,138
Pension surplus	29,049	29,049	25,600
Current Assets			
Inventories	16,426	13,778	13,082
Accounts receivable	12,752	11,327	23,945
Taxation recoverable	10,647	10,375	9,831
Cash and bank balances	72,229	64,755	58,219
	<u>112,054</u>	<u>100,235</u>	<u>105,077</u>
Current Liabilities			
Accounts payable	36,037	37,483	46,072
Current portion of long term liabilities	7,328	7,328	10,049
Bank overdraft	11,456	11,675	16,268
	<u>54,821</u>	<u>56,486</u>	<u>72,389</u>
Net Current Assets	<u>57,233</u>	<u>43,749</u>	<u>32,688</u>
	<u>252,690</u>	<u>244,138</u>	<u>253,353</u>
Stockholders' Equity			
Share capital	1,437	1,437	1,437
Capital reserve	166,685	166,685	166,685
Fair value reserve	7,690	7,118	7,460
Retained earnings	63,316	54,261	59,899
	<u>239,128</u>	<u>229,501</u>	<u>235,481</u>
Minority Interest	4,675	4,652	4,684
	<u>243,803</u>	<u>234,153</u>	<u>240,165</u>
Non-Current Liabilities			
Long term liabilities	3,659	4,757	10,878
Deferred tax liabilities	5,228	5,228	2,310
	<u>252,690</u>	<u>244,138</u>	<u>253,353</u>

Approved for issue by the Board of Directors on 13 November 2007 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 2007

	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 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
Net loss	-	-	-	-	-5,638	-32	-5,670
Decrease in fair value of investments	-	-	-	-342	-	-	-342
Balance at 30 June 2007	1,437	1,437	166,685	7,118	54,261	4,652	234,153
Net profit	-	-	-	-	9,055	23	9,078
Increase in fair value of investments	-	-	-	572	-	-	572
Balance at 30 September 2007	1,437	1,437	166,685	7,690	63,316	4,675	243,803

THE PALACE AMUSEMENT COMPANY (1921) LIMITED**Unaudited Group Statement of Cash Flows****Three months ended 30 September 2007**

	Sep-07	Sep-06
	\$'000	\$'000
Cash Flows from Operating activities		
Cash provided by operating activities	9,871	14,580
Cash Flows from Investing activities		
Purchase of fixed assets	-558	-47
Dividend received	8	16
Cash used in investing activities	<u>-550</u>	<u>-31</u>
Cash Flows from Financing activities		
Long term loans repaid	-1,098	-1,098
Interest paid	-530	-884
Cash used in financing activities	<u>-1,628</u>	<u>-1,982</u>
Increase in cash and cash equivalents	7,693	12,567
Cash and cash equivalents at beginning of period	53,080	29,384
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>60,773</u></u>	<u><u>41,951</u></u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Notes to the Financial Statements

30 September 2007

Note 1 - The figures are unaudited and accounting policies remain as stated in the 2006/2007 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	Total
	2007	2007	2007	2007
	\$'000	\$'000	\$'000	\$'000
Revenue	89,035	24,002	9,444	122,481
Capital Expenditure	319	239	0	558
Depreciation	2,087	2,547	1,429	6,063

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

Secondary Reporting Format - Business segments:

	2007	2006
	\$'000	\$'000
Box Office Receipts	77,111	62,431
Confectionery Sales	35,615	31,178
Film Rental	7,253	7,267
Other Activities	2,502	5,165
	<u>122,481</u>	<u>106,041</u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Company Profit and Loss Account

Three months ended 30 September 2007

Note	Period & Y-T-D Sep-07 \$'000	Period & Y-T-D Sep-06 \$'000
Revenue	102,478	86,933
Direct expenses	-82,422	-73,383
Gross Profit	20,056	13,550
Other operating income	12,736	10,015
Administration expenses	-23,484	-23,341
Other operating expenses	-870	-516
Operating Profit/(Loss)	8,438	-292
Finance costs - interest expense	-530	-874
NET PROFIT/(LOSS)	<u>7,908</u>	<u>-1,166</u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Company Balance Sheet

30 September 2007

Note	Sep-07 \$'000	Jun-07 \$'000	Sep-06 \$'000
Non-Current Assets			
Fixed assets	82,080	86,160	99,205
Investments	2,518	2,378	3,858
Deferred tax assets	0	0	4,383
Pension surplus	29,049	29,049	25,600
Due from subsidiary companies	26,087	28,564	28,483
Current Assets			
Inventories	15,522	12,994	12,319
Accounts receivable	12,752	11,293	23,945
Taxation recoverable	10,717	10,445	9,901
Cash and bank balances	71,799	64,505	57,739
	110,790	99,237	103,904
Current Liabilities			
Accounts payable	28,329	29,924	40,505
Current portion of long term liabilities	7,328	7,328	10,049
Bank overdraft	11,456	11,675	16,268
	47,113	48,927	66,822
Net Current Assets	63,677	50,310	37,082
	203,411	196,461	198,611
Stockholders' Equity			
Share capital	1,437	1,437	1,437
Capital reserve	148,365	148,365	148,365
Fair value reserve	1,865	1,725	3,205
Retained earnings	43,118	35,210	34,726
	194,785	186,737	187,733
Non-Current Liabilities			
Long term liabilities	3,659	4,757	10,878
Deferred tax liabilities	4,967	4,967	0
	203,411	196,461	198,611

Approved for issue by the Board of Directors on 13 November 2007 and signed on its behalf by:

DOUGLAS GRAHAM DIRECTOR

MELANIE GRAHAM DIRECTOR

THE PALACE AMUSEMENT COMPANY (1921) LIMITED**Unaudited Company Statement of Changes in Equity****Three months ended 30 September 2007**

	Number of Shares '000	Share Capital \$'000	Capital Reserve \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 July 2006	1,437	1,437	148,365	3,004	35,892	188,698
Net loss	-	-	-	-	-1,166	-1,166
Increase in fair value of investments	-	-	-	201	-	201
Balance at 30 September 2006	1,437	1,437	148,365	3,205	34,726	187,733
Net profit	-	-	-	-	484	484
Decrease in fair value of investments	-	-	-	-1,480	-	-1,480
Balance at 30 June 2007	1,437	1,437	148,365	1,725	35,210	186,737
Net profit	-	-	-	-	7,908	7,908
Increase in fair value of investments	-	-	-	140	-	140
Balance at 30 September 2007	1,437	1,437	148,365	1,865	43,118	194,785

THE PALACE AMUSEMENT COMPANY (1921) LIMITED**Unaudited Company Statement of Cash Flows****Three months ended 30 September 2007**

	Sep-07	Sep-06
	\$'000	\$'000
Cash Flows from Operating activities		
Cash provided by operating activities	9,456	14,576
Cash Flows from Investing activities		
Purchase of fixed assets	-323	-33
Dividend received	8	16
Cash used in investing activities	<u>-315</u>	<u>-17</u>
Cash Flows from Financing activities		
Long term loans repaid	-1,098	-1,098
Interest paid	-530	-874
Cash used in financing activities	<u>-1,628</u>	<u>-1,972</u>
Increase in cash and cash equivalents	7,513	12,587
Cash and cash equivalents at beginning of period	<u>52,830</u>	<u>28,884</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>60,343</u></u>	<u><u>41,471</u></u>