

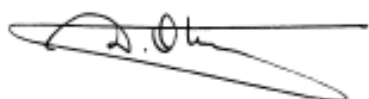
JAMAICA PUBLIC SERVICE COMPANY LIMITED

CONDENSED BALANCE SHEET AS AT DECEMBER 31, 2007

{Unaudited results in J\$ thousand}

	Dec-07	{Audited} Dec-06
CURRENT ASSETS		
Cash and cash equivalents	1,496,561	2,702,365
Accounts receivable	14,408,639	10,571,792
Tax recoverable	178,550	169,264
Inventories	2,827,839	2,150,060
	<u>18,911,589</u>	<u>15,593,481</u>
CURRENT LIABILITIES		
Short-term loans	1,412,353	1,007,232
Current portion of long-term loans	467,983	444,994
Accounts payable and provisions	10,316,822	5,298,736
Due to related companies	334	42,267
	<u>12,197,492</u>	<u>6,793,229</u>
WORKING CAPITAL	6,714,097	8,800,252
NON-CURRENT ASSETS		
Property, plant & equipment	44,716,523	40,302,553
Employee benefits asset	1,894,600	1,706,167
	<u>53,325,220</u>	<u>50,808,972</u>
Financed by:		
SHAREHOLDERS' EQUITY		
Stated capital	11,744,730	11,744,730
Capital reserve	12,429,982	10,559,173
Retained earnings	4,511,048	5,447,884
	<u>28,685,760</u>	<u>27,751,787</u>
NON-CURRENT LIABILITIES		
Customer deposits	2,363,095	2,185,032
Long-term loans	15,274,206	14,873,518
Deferred taxation	5,753,846	4,780,290
Employee benefits obligations	1,248,313	1,218,345
	<u>53,325,220</u>	<u>50,808,972</u>

ON BEHALF OF THE BOARD



Damian Obiglio
President & CEO



Gary Osborne
Chief Financial Officer

JAMAICA PUBLIC SERVICE COMPANY LIMITED

**STATEMENT OF EARNINGS (CONDENSED) FOR THE
YEAR ENDED DECEMBER 31, 2007**

{Unaudited results in J\$ thousand}

	Quarter ending,		Year ended,	
	Dec-07	Dec-06	Dec-07	Dec-06
	<u>J\$'000</u>	<u>J\$'000</u>	<u>J\$'000</u>	<u>J\$'000</u>
Operating revenue	15,486,159	12,088,065	54,194,466	48,145,435
Cost of sales:				
Fuel	(10,122,351)	(6,617,431)	(32,748,151)	(26,679,270)
Purchased power (excluding fuel)	(1,357,214)	(1,314,662)	(5,155,903)	(4,783,600)
	<u>(11,479,565)</u>	<u>(7,932,093)</u>	<u>(37,904,054)</u>	<u>(31,462,870)</u>
Gross profit	4,006,594	4,155,972	16,290,412	16,682,565
Operating expenses:				
Selling, general & administrative expenses	(1,476,865)	(1,046,207)	(4,654,945)	(3,846,425)
Maintenance expenses	(1,433,397)	(1,297,346)	(5,084,800)	(4,474,115)
	<u>(2,910,262)</u>	<u>(2,343,553)</u>	<u>(9,739,745)</u>	<u>(8,320,540)</u>
Operating profit before depreciation, net finance costs, other expenses and taxation	1,096,332	1,812,419	6,550,667	8,362,025
Depreciation and amortisation expenses	(861,130)	(740,479)	(3,280,915)	(2,860,087)
Operating profit before net finance costs, other expenses and taxation	235,202	1,071,940	3,269,752	5,501,938
Net financing costs	(515,022)	(820,862)	(2,694,139)	(2,779,426)
Other expenses, net	(434,811)	(80,063)	(1,383,892)	(29,758)
Profit/(loss) before taxation	(714,631)	171,015	(808,279)	2,692,754
Taxation income/(expense)	311,712	92,149	502,185	(718,218)
Profit/(loss) for the period	<u>(402,919)</u>	<u>263,164</u>	<u>(306,094)</u>	<u>1,974,536</u>
Earnings per share/stock unit:				
Number of share/stock units [in thousands]	<u>21,828,195</u>	<u>21,828,195</u>	<u>21,828,195</u>	<u>21,828,195</u>
Net profit/(loss) per share/stock unit (annualised)	<u>(7.38)¢</u>	<u>4.82¢</u>	<u>(1.40)¢</u>	<u>9.05¢</u>

JAMAICA PUBLIC SERVICE COMPANY LIMITED

**CASH FLOW STATEMENT (CONDENSED) FOR THE
YEAR ENDED DECEMBER 31, 2007**

{Unaudited results in J\$ thousand}

	Dec-07	Dec-06
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) for the period	(306,094)	1,974,536
Adjustments for non-cash items:		
Depreciation and amortisation	3,280,915	2,860,087
Loss on disposal of fixed assets	25,090	94,384
Unrealised foreign exchange losses	812,435	593,655
Interest accrued	2,074,269	2,288,952
Interest capitalized during construction	(107,324)	(70,843)
Taxation income/(expense)	(502,185)	718,218
Employee benefits, net	(158,465)	(283,086)
Other interest income net	(140,566)	(232,323)
Amortisation of debt discounts and expenses	28,636	12,986
Cash generated before changes in working capital and deposits	5,006,711	7,956,566
Increase/(decrease) in working capital:		
Accounts receivable	(3,835,411)	(1,383,796)
Inventories	(677,779)	(97,159)
Accounts payable and provisions	5,031,520	59,673
Due to related companies	(41,933)	7,943
Customer deposits and advances	178,063	130,221
Interest paid	(1,992,454)	(1,706,846)
Taxes withheld	(9,286)	(5,175)
Net cash provided by operating activities	3,659,431	4,961,427
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	139,130	224,412
Purchase of property, plant & equipment	(3,185,430)	(2,602,763)
Net cash used by investing activities	(3,046,300)	(2,378,351)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short-term loans received/(repaid), net	346,452	(467,165)
Long-term loans received/(repaid), net	(453,974)	(155,540)
Dividends paid	(1,711,413)	(993,634)
Net cash used by financing activities	(1,818,935)	(1,616,339)
Net increase/(decrease) in cash and cash equivalents	(1,205,804)	966,737
Cash and cash equivalents at beginning of year	2,702,365	1,735,628
Cash and cash equivalents at end of year	1,496,561	2,702,365

JAMAICA PUBLIC SERVICE COMPANY LIMITED

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2007**

{Unaudited results in J\$ thousand}

	<u>Stated Capital</u>	<u>Capital Reserve</u>	<u>Retained Earnings</u>	<u>TOTAL</u>
Balances as at December 31, 2005	11,744,730	9,493,649	3,544,603	24,782,982
Revaluation surplus	-	2,981,854	-	2,981,854
Deferred tax on revaluation surplus	-	(993,951)	-	(993,951)
Realised revaluation surplus	-	(922,379)	922,379	-
	11,744,730	10,559,173	4,466,982	26,770,885
Profit for the period	-	-	1,974,536	1,974,536
Ordinary dividends paid	-	-	(993,464)	(993,464)
Preference dividends paid	-	-	(170)	(170)
Balance as at December 31, 2006	11,744,730	10,559,173	5,447,884	27,751,787
Balances as at December 31, 2006	11,744,730	10,559,173	5,447,884	27,751,787
Revaluation surplus	-	4,427,221	-	4,427,221
Deferred tax on revaluation surplus	-	(1,475,741)	-	(1,475,741)
Realised revaluation surplus	-	(1,080,671)	1,080,671	-
	11,744,730	12,429,982	6,528,555	30,703,267
Profit for the period	-	-	(306,094)	(306,094)
Ordinary dividends paid	-	-	(1,711,286)	(1,711,286)
Preference dividends paid	-	-	(127)	(127)
Balance as at December 31, 2007	11,744,730	12,429,982	4,511,048	28,685,760

	<u>Dec-07</u>	<u>Dec-06</u>
Net gains for the period	<u>2,645,386</u>	<u>3,962,439</u>
Amount recognised directly in equity	<u>2,951,480</u>	<u>1,987,903</u>

JAMAICA PUBLIC SERVICE COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
(UNAUDITED) DECEMBER 30, 2007

1. Corporate structure and nature of business

The company is incorporated in Jamaica and is an 80% subsidiary of Mirant JPSCO (Barbados) SRL, which is incorporated in Barbados. The registered office of the company is situated at 6 Knutsford Boulevard, Kingston 5, Jamaica, W. I., and its preference shares are listed on the Jamaica Stock Exchange.

The ultimate holding company is Mirant Corporation, incorporated in Delaware, U.S.A, which is listed on the New York Stock Exchange. Mirant Corporation and its subsidiary companies are referred to in these financial statements as “related companies” as it relates to transactions in 2006.

The principal activities of the company are generating, transmitting, distributing and supplying electricity in accordance with the terms of the All-Island Electric Licence 2001 (the Licence), granted on March 30, 2001 by the Minister of Mining and Energy.

On August 9, 2007 Mirant Corporation sold its 80% shareholding in the Jamaica Public Service Company Limited to Marubeni Caribbean Power Holdings, Inc., a wholly owned subsidiary of Marubeni Corporation of Japan. Marubeni Caribbean Power Holdings, Inc. is incorporated in Delaware and headquartered in Marietta, Georgia, U.S.A. Marubeni Corporation and its subsidiary companies are referred to in these financial statements as “related companies” as it relates to transactions since August 9, 2007.

2. Regulatory arrangements and tariff structure

The Licence authorises the company to supply electricity for public and private purposes within the Island of Jamaica, subject to regulation by the Office of Utilities Regulation (OUR) established pursuant to the Office of Utility Regulation Act, 1995, and as subsequently amended, with power and authority to require observance and performance by the company of its obligations under the Licence, and to regulate the rates charged by the company.

Under the provisions of the Licence, the company is granted the exclusive right to transmit, distribute and supply electricity throughout the Island of Jamaica for a period of twenty years. Additionally, future generation capacity expansion projects require the approval of the OUR and will be subject to a competitive tendering process.

Schedule 3 of the Licence defines the rates for electricity and the mechanism for rate adjustments. Under the Licence, the rates for electricity consist of a Non-Fuel Base Rate, which is adjusted annually using the Performance Based Rate-making Mechanism; and a Fuel Rate, which is adjusted monthly to reflect fluctuations in actual fuel costs, net of adjustments for prescribed efficiency targets (system losses and heat rate). Under the rate schedule the company should recover its actual fuel costs net of the prescribed efficiency adjustments through its Fuel Rate. Both rates (fuel and non-fuel) are adjusted monthly to account for movements in the monetary exchange rate between the United States dollar (US\$) and the Jamaica dollar.

As of May 31, 2004, and thereafter on each succeeding fifth anniversary, the company must submit a filing to the OUR for further rate adjustments to its Non-Fuel Base Rate. The rate filing, which requires OUR approval, is based on a test year and includes defined “efficient” non-fuel operating costs, depreciation expenses, taxes, and a fair return on investment.

Embedded in the OUR approved tariff is an amount to be set aside monthly as a self insurance sinking fund reserve in case of a major catastrophe affecting the company’s operations.

JAMAICA PUBLIC SERVICE COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
(UNAUDITED) DECEMBER 30, 2007

3. Statement of compliance, basis of preparation and significant accounting policies

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

The interim financial statements have been prepared using the same accounting policies and methods of computation as compared with the audited financial statements for the year ended December 31, 2006. The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The interim statements are presented in Jamaica dollars, which is the currency in which the company conducts the majority of its operations (functional currency); and are prepared under the historical cost basis, modified for the inclusion of specialised plant and equipment carried at valuation.

The interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended December 31, 2006.

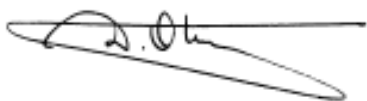
4. Net finance costs

	Quarter ending,		Year ended,	
	Dec-07	Dec-06	Dec-07	Dec-06
	<u>JS'000</u>	<u>JS'000</u>	<u>JS'000</u>	<u>JS'000</u>
Foreign exchange losses	(28,240)	(241,974)	(812,435)	(593,655)
Other finance costs	(546,930)	(651,262)	(2,129,594)	(2,488,937)
Finance income	60,148	72,374	247,890	303,166
	<u>(515,022)</u>	<u>(820,862)</u>	<u>(2,694,139)</u>	<u>(2,779,426)</u>

Foreign exchange losses, as shown above, are the result of fluctuations in exchange rates. The relevant period end exchange rates (J\$: US\$) are shown below:

December 31, 2005	64.58	September 30, 2006	66.06
December 31, 2006	67.15	September 30, 2007	<u>70.41</u>
December 31, 2007	<u>70.62</u>		

ON BEHALF OF THE BOARD



Damian Obiglio
President & CEO



Gary Osborne
Chief Financial Officer