

**MONTEGO FREEPORT LIMITED & SUBSIDIARY COMPANIES**  
**UNAUDITED CONSOLIDATED PROFIT & LOSS ACCOUNT**  
**THREE (3) AND NINE (9) MONTHS ENDED 31 DECEMBER 2007**

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	3 months ended 31 Dec		9 months ended 31 Dec	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<b>Revenue</b>	89	90	269	249
Other operating income	9	40	68	167
Administrative expenses	(5,200)	(4,777)	(15,110)	(10,970)
Other operating expenses	(2,896)	(3,531)	(9,003)	(11,722)
<b>Operating Loss</b>	<u>(7,998)</u>	<u>(8,178)</u>	<u>(23,776)</u>	<u>(22,276)</u>
Disposal of investment properties	-	-	-	2,543
Finance income	1,796	8,915	20,610	24,300
<b>Profit/(Loss) before Taxation</b>	<u>(6,202)</u>	<u>737</u>	<u>(3,166)</u>	<u>4,567</u>
Taxation	140	464	440	(153)
<b>Net Profit/(Loss)</b>	<u><u>(6,342)</u></u>	<u><u>273</u></u>	<u><u>(3,606)</u></u>	<u><u>4,720</u></u>
<b>EARNINGS PER STOCK UNIT (\$)</b>	<u><u>(0.0113)</u></u>	<u><u>0.0005</u></u>	<u><u>(0.0064)</u></u>	<u><u>0.0084</u></u>

**MONTEGO FREEPORT LIMITED**  
**UNAUDITED CONSOLIDATED BALANCE SHEET**  
**NINE (9) MONTHS ENDED 31 DECEMBER 2007**

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	Unaudited 31-Dec 2007 \$'000	Audited 31 March 2007 \$'000	Unaudited 31-Dec 2006 \$'000
<b>Non- Current Assets</b>			
Investment properties	1,593,439	1,593,439	1,557,441
Property, plant and equipment	2,919	3,072	3,554
<b>Current Assets</b>			
Receivables	303,781	300,153	9,561
Taxation recoverable	24,681	20,575	19,332
Cash and cash equivalents	23,732	334,815	254,961
	352,194	655,543	283,854
<b>Current Liabilities</b>			
Payables	302,875	304,786	10,196
Taxation payable	6,664	6,185	7,197
	309,539	310,971	17,393
	42,655	344,572	266,461
<b>Net Current Assets</b>	<u>1,639,013</u>	<u>1,941,083</u>	<u>1,827,456</u>
<b>Shareholders' Equity</b>			
Share capital	281,533	281,533	281,533
Capital reserve	1,356,838	1,655,262	1,548,094
(Accumulated losses)/retained earnings	(186)	3,420	(2,761)
	1,638,185	1,940,215	1,826,866
<b>Non- Current Liability</b>			
Deferred tax liabilities	828	868	590
	<u>1,639,013</u>	<u>1,941,083</u>	<u>1,827,456</u>

  
 B. Anthony Lindo - Chairman

  
 Jewell Spencer - Director

MONTEGO FREEPORT LIMITED  
 UNAUDITED CONSOLIDATED CASH FLOW STATEMENT  
 NINE (9) MONTHS ENDED 31 DECEMBER 2007

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	2007 \$'000	2006 \$'000
<b>CASH RESOURCES WERE PROVIDED BY / (USED IN) :</b>		
Net profit/(Loss)	(3,606)	4,720
Items not affecting cash resources	(20,395)	(26,410)
	<u>(24,001)</u>	<u>(21,690)</u>
Changes in non-cash working capital components	(5,742)	(3,092)
Tax paid	(3,666)	(5,619)
Tax refund	-	-
Cash used in operating activities	<u>(33,409)</u>	<u>(30,401)</u>
Cash used in financing activity	(298,247)	-
Cash provided by investing activities	16,544	25,512
Decrease in cash and cash equivalents	<u>(315,112)</u>	<u>(4,889)</u>
Cash and cash equivalents at the beginning of the year	332,977	256,992
Exchange and translation gain on net foreign balances	5,867	2,858
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><u>23,732</u></u>	<u><u>254,961</u></u>

MONTEGO FREEPORT LIMITED  
 STATEMENT OF CHANGES IN EQUITY  
 NINE (9) MONTHS ENDED 31 DECEMBER 2007

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	SHARE CAPITAL \$'000	CAPITAL RESERVE \$'000	RETAINED EARNINGS \$'000	TOTAL \$'000
Balance as at 31 March 2006	281,533	1,548,094	(7,481)	1,822,146
Net Profit	-	-	4,720	4,720
Balance as at 31 December 2006	281,533	1,548,094	(2,761)	1,826,866

	SHARE CAPITAL S	CAPITAL RESERVE S	RETAINED EARNINGS/ (ACCUMULATED LOSSES) S	TOTAL S
Balance as at 31 March 2007	281,533	1,655,262	3,420	1,940,215
Capital Distribution	-	(298,424)		(298,424)
Net Profit	-	-	(3,606)	(3,606)
Balance as at 31 December 2007	281,533	1,356,838	(186)	1,638,185

**Notes to report**

**Accounting Policies**

**a) Basis of preparation**

These consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS).

**b) Property, plant and equipment**

Land and buildings are recorded at valuation or deemed cost, less accumulated depreciation for buildings. Other fixed assets are stated at cost less accumulated depreciation.

**c) Investment properties**

Investment properties which are not occupied by the Group, are treated as a long-term investments and carried at fair value, representing open market value determined annually by external valuers in the case of land and by the directors in the case of buildings. Changes in fair values are recorded in the profit and loss account. Investment properties were not revalued in the quarter to 31 December 2007.

**d) Deferred taxation**

Deferred income tax is provided in full, using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

**e) Earnings per stock unit**

Earnings per stock unit is based on the group net profit for the period divided by the average number of stock units in issue during the period.