

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Group Profit and Loss Account

Six months ended 31 December 2007

	Note	Period Oct. - Dec. \$'000	Y-T-D Dec-07 \$'000	Period Oct. - Dec. \$'000	Y-T-D Dec-06 \$'000
Revenue	2	112,740	235,221	90,109	196,150
Direct expenses		-88,198	-181,654	-74,146	-158,426
Gross Profit		24,542	53,567	15,963	37,724
Other operating income		5,593	12,287	3,332	8,501
Administration expenses		-27,726	-52,967	-24,370	-49,827
Other operating expenses		-1,059	-1,929	-747	-1,263
Operating Profit/(Loss)		1,350	10,958	-5,822	-4,865
Finance costs - interest expense		-500	-1,030	-1,405	-2,290
NET PROFIT/(LOSS)		850	9,928	-7,227	-7,155
Attributable to:					
Stockholders of the company		850	9,905	-7,286	-7,152
Minority interest		0	23	59	-3
		850	9,928	-7,227	-7,155
Earnings per Stock Unit Attributable to Stockholders of the Company					
	3	0.59	6.89	-5.07	-4.98

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Group Balance Sheet

31 December 2007

Note	Dec-07 \$'000	Jun-07 \$'000	Dec-06 \$'000
Non-Current Assets			
Fixed assets	153,004	163,547	176,543
Investments	7,834	7,304	8,894
Deferred tax assets	489	489	5,138
Pension surplus	29,049	29,049	25,600
Current Assets			
Inventories	14,912	13,778	13,366
Accounts receivable	17,345	11,327	16,617
Taxation recoverable	11,026	10,375	9,868
Cash and bank balances	73,968	64,755	50,346
	<u>117,251</u>	<u>100,235</u>	<u>90,197</u>
Current Liabilities			
Accounts payable	48,334	37,483	45,566
Current portion of long term liabilities	4,390	7,328	10,049
Bank overdraft	2,603	11,675	7,343
	<u>55,327</u>	<u>56,486</u>	<u>62,958</u>
Net Current Assets	<u>61,924</u>	<u>43,749</u>	<u>27,239</u>
	<u>252,300</u>	<u>244,138</u>	<u>243,414</u>
Stockholders' Equity			
Share capital	1,437	1,437	1,437
Capital reserve	166,685	166,685	166,685
Fair value reserve	7,666	7,118	8,708
Retained earnings	64,166	54,261	52,613
	<u>239,954</u>	<u>229,501</u>	<u>229,443</u>
Minority Interest	4,675	4,652	4,743
	<u>244,629</u>	<u>234,153</u>	<u>234,186</u>
Non-Current Liabilities			
Long term liabilities	2,443	4,757	6,918
Deferred tax liabilities	5,228	5,228	2,310
	<u>252,300</u>	<u>244,138</u>	<u>243,414</u>

Approved for issue by the Board of Directors on 12 February 2008 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
Six months ended 31 December 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	\$'000	
Balance at 1 July 2006	1,437	1,437	166,685	7,551	59,765	4,746	240,184
Net loss	-	-	-	-	-7,152	-3	-7,155
Increase in fair value of investments	-	-	-	1,157	-	-	1,157
Balance at 31 December 2006	1,437	1,437	166,685	8,708	52,613	4,743	234,186
Net profit	-	-	-	-	1,648	-91	1,557
Decrease in fair value of investments	-	-	-	-1,590	-	-	-1,590
Balance at 30 June 2007	1,437	1,437	166,685	7,118	54,261	4,652	234,153
Net profit	-	-	-	-	9,905	23	9,928
Increase in fair value of investments	-	-	-	548	-	-	548
Balance at 31 December 2007	1,437	1,437	166,685	7,666	64,166	4,675	244,629

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Group Statement of Cash Flows
Six months ended 31 December 2007

	Dec-07 \$'000	Dec-06 \$'000
Cash Flows from Operating activities		
Cash provided by operating activities	26,041	21,726
Cash Flows from Investing activities		
Purchase of fixed assets	-1,563	-793
Proceeds from sale of investment	66	0
Dividend received	23	34
Cash used in investing activities	-1,474	-759
Cash Flows from Financing activities		
Long term loans repaid	-5,252	-5,058
Interest paid	-1,030	-2,290
Cash used in financing activities	-6,282	-7,348
Increase in cash and cash equivalents	18,285	13,619
Cash and cash equivalents at beginning of period	53,080	29,384
CASH AND CASH EQUIVALENTS AT END OF PERIOD	71,365	43,003

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Notes to the Financial Statements

31 December 2007

Note 1 - The figures are unaudited and accounting policies remain as stated in the 2006/2007 Annual Accounts.

Note 2 - Segment Report

Primary Reporting Format - Geographical segments:

	Montego			Total
	Kingston	Bay	Mandeville	
	2007	2007	2007	
	\$'000	\$'000	\$'000	\$'000
Revenue	169,241	47,487	18,493	235,221
Capital Expenditure	1,324	239	0	1,563
Depreciation	4,155	5,094	2,857	12,106

	Montego			Total
	Kingston	Bay	Mandeville	
	2006	2006	2006	
	\$'000	\$'000	\$'000	\$'000
Revenue	144,102	37,447	14,601	196,150
Capital Expenditure	785	8	0	793
Depreciation	5,162	5,082	2,857	13,101

Secondary Reporting Format - Business segments:

	2007	2006
	\$'000	\$'000
Box Office Receipts	147,592	117,307
Confectionery Sales	69,974	58,780
Film Rental	13,680	11,365
Other Activities	3,975	8,698
	<u>235,221</u>	<u>196,150</u>

Note 3 - The (loss)/earnings per stock unit is based on 1,437,028 ordinary stock units in issue at the end of the period.

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Company Profit and Loss Account

Six months ended 31 December 2007

	Note	Period	Y-T-D	Period	Y-T-D
		Oct. - Dec.	Dec-07	Oct. - Dec.	Dec-06
		\$'000	\$'000	\$'000	\$'000
Revenue		94,987	197,465	72,386	159,319
Direct expenses		-74,544	-156,966	-61,574	-134,957
Gross Profit		20,443	40,499	10,812	24,362
Other operating income		10,985	23,721	7,774	17,789
Administration expenses		-25,949	-49,433	-22,240	-45,581
Other operating expenses		-1,059	-1,929	-747	-1,263
Operating Profit/(Loss)		4,420	12,858	-4,401	-4,693
Finance costs - interest expense		-439	-969	-1,372	-2,246
NET PROFIT/(LOSS)		<u>3,981</u>	<u>11,889</u>	<u>-5,773</u>	<u>-6,939</u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Company Balance Sheet

31 December 2007

	Note	Dec-07 \$'000	Jun-07 \$'000	Dec-06 \$'000
Non-Current Assets				
Fixed assets		77,935	86,160	94,934
Investments		2,448	2,378	4,286
Deferred tax assets		0	0	4,383
Pension surplus		29,049	29,049	25,600
Due from subsidiary companies		26,872	28,564	25,368
Current Assets				
Inventories		13,849	12,994	12,599
Accounts receivable		17,345	11,293	16,617
Taxation recoverable		11,096	10,445	9,938
Cash and bank balances		73,258	64,505	49,846
		115,548	99,237	89,000
Current Liabilities				
Accounts payable		38,735	29,924	36,873
Current portion of long term liabilities		4,390	7,328	10,049
Bank overdraft		2,603	11,675	7,343
		45,728	48,927	54,265
Net Current Assets				
		69,820	50,310	34,735
		206,124	196,461	189,306
Stockholders' Equity				
Share capital		1,437	1,437	1,437
Capital reserve		148,365	148,365	148,365
Fair value reserve		1,813	1,725	3,633
Retained earnings		47,099	35,210	28,953
		198,714	186,737	182,388
Non-Current Liabilities				
Long term liabilities		2,443	4,757	6,918
Deferred tax liabilities		4,967	4,967	0
		206,124	196,461	189,306

Approved for issue by the Board of Directors on 12 February 2008 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

Six months ended 31 December 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	-	-	-	-	-6,939	-6,939
Increase in fair value of investments	-	-	-	629	-	629
Balance at 31 December 2006	1,437	1,437	148,365	3,633	28,953	182,388
Net profit	-	-	-	-	6,257	6,257
Decrease in fair value of investments	-	-	-	-1,908	-	-1,908
Balance at 30 June 2007	1,437	1,437	148,365	1,725	35,210	186,737
Net profit	-	-	-	-	11,889	11,889
Increase in fair value of investments	-	-	-	88	-	88
Balance at 31 December 2007	1,437	1,437	148,365	1,813	47,099	198,714

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Company Statement of Cash Flows

Six months ended 31 December 2007

	Dec-07 \$'000	Dec-06 \$'000
Cash Flows from Operating activities		
Cash provided by operating activities	24,499	21,145
Cash Flows from Investing activities		
Purchase of fixed assets	-542	-256
Proceeds from sale of investment	66	0
Dividend received	23	34
Cash used in investing activities	-453	-222
Cash Flows from Financing activities		
Long term loans repaid	-5,252	-5,058
Interest paid	-969	-2,246
Cash used in financing activities	-6,221	-7,304
Increase in cash and cash equivalents	17,825	13,619
Cash and cash equivalents at beginning of period	52,830	28,884
CASH AND CASH EQUIVALENTS AT END OF PERIOD	70,655	42,503