

MONTEGO FREEPORT LIMITED & SUBSIDIARY COMPANIES
UNAUDITED CONSOLIDATED PROFIT & LOSS ACCOUNT
THREE MONTHS ENDED 30 JUNE 2008

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	3 months ended 30 June	
	2008 \$'000	2007 \$'000
Revenue	90	90
Other operating income	197	49
Administrative expenses	(2,788)	(4,083)
Other operating expenses	(3,295)	(2,718)
Operating Loss	<u>(5,796)</u>	<u>(6,662)</u>
Disposal of investment properties	-	-
Finance income	17,249	10,041
Profit before Taxation	<u>11,453</u>	<u>3,379</u>
Taxation	871	517
Net Profit	<u><u>10,582</u></u>	<u><u>2,862</u></u>
EARNINGS PER STOCK UNIT (\$)	<u><u>0.019</u></u>	<u><u>0.005</u></u>

MONTEGO FREEPORT LIMITED
UNAUDITED CONSOLIDATED BALANCE SHEET
THREE (3) MONTHS ENDED 30 JUNE 2008

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	Unaudited 30 June 2008 \$'000	Audited 31 March 2008 \$'000	Unaudited 30 June 2007 \$'000
Non- Current Assets			
Investment properties	25,743	25,792	1,593,439
Property, plant and equipment	867,533	867,533	3,000
Current Assets			
Receivables	174,589	918,330	306,009
Taxation recoverable	21,803	21,085	22,259
Cash and cash equivalents	982,938	275,017	328,419
	<u>1,179,330</u>	<u>1,214,432</u>	<u>656,687</u>
Current Liabilities			
Payables	105,283	151,768	302,479
Parent corporation	47	-	-
Taxation payable	6,264	6,264	6,345
	<u>111,594</u>	<u>158,032</u>	<u>308,824</u>
	<u>1,067,736</u>	<u>1,056,400</u>	<u>347,863</u>
Net Current Assets	<u><u>1,961,012</u></u>	<u><u>1,949,725</u></u>	<u><u>1,944,302</u></u>
Shareholders' Equity			
Share capital	281,533	281,533	281,533
Capital reserve	1,658,939	1,658,939	1,655,262
(Accumulated losses)/retained earnings	11,969	2,043	6,282
	<u>1,952,441</u>	<u>1,942,515</u>	<u>1,943,077</u>
Non- Current Liability			
Deferred tax liabilities	8,571	7,210	1,225
	<u>1,961,012</u>	<u>1,949,725</u>	<u>1,944,302</u>



 John Gourzong - Chairman



 Jewell Spencer - Director

MONTEGO FREEPORT LIMITED
UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
THREE MONTHS ENDED 30 JUNE 2008

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	2008 \$'000	2007 \$'000
CASH RESOURCES WERE PROVIDED BY / (USED IN) :		
Net profit	10,582	2,862
Items not affecting cash resources	(17,180)	(9,971)
	(6,598)	(7,109)
Changes in non-cash working capital components	705,408	(5,367)
Tax paid	153	(1,166)
Tax refund	-	-
Cash used in operating activities	698,963	(13,642)
Cash used in financing activity	47	59
Cash provided by investing activities	2,850	6,714
Increase in cash and cash equivalents	701,860	(6,869)
Cash and cash equivalents at the beginning of the year	275,017	332,977
Exchange and translation gain on net foreign balances	6,061	2,311
CASH AND CASH EQUIVALENTS AT END OF YEAR	982,938	328,419

MONTEGO FREEPORT LIMITED
STATEMENT OF CHANGES IN EQUITY
THREE (3) MONTHS ENDED 30 JUNE 2008

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	SHARE CAPITAL \$'000	CAPITAL RESERVE \$'000	RETAINED EARNINGS \$'000	TOTAL \$'000
Balance as at 31 March 2007	281,533	1,655,262	3,420	1,940,215
Net Profit	-	-	2,862	2,862
Balance as at 30 June 2007	281,533	1,655,262	6,282	1,943,077

	SHARE CAPITAL \$	CAPITAL RESERVE \$	RETAINED EARNINGS/ (ACCUMULATED LOSSES) \$	TOTAL \$
Balance as at 31 March 2008	281,533	1,658,939	11,969	1,952,441
Net Profit	-	-	10,582	10,582
Balance as at 30 June 2008	281,533	1,658,939	22,551	1,963,023

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 30 June 2008

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.