

PEGASUS HOTELS OF JAMAICA LIMITED
Profit and Loss Account
30 June 2008

	Unaudited 3 months to 30-Jun 2008 \$000	Unaudited 3 months to 30-Jun 2007 \$000	Audited 31-Mar 2008 \$000
Revenue	276,178	191,126	676,291
Direct expenses	(99,060)	(77,732)	(268,780)
Gross Profit	177,118	113,394	407,511
Administration expenses	(53,802)	(42,463)	(204,019)
Other operating expenses	(79,217)	(57,317)	(347,636)
Other operating income	1,599	1,197	205,940
Operating profit	45,698	14,811	61,796
Interest income	2,489	3,555	8,455
Interest expenses	(2,425)	(1,563)	(7,073)
Profit / before Taxation	45,762	16,803	63,178
Taxation	(17,983)	(3,747)	(24,163)
NET PROFIT	27,779	13,056	39,015
PROFIT PER STOCK UNIT (cents)	23.12	10.86	32.47

NOTES:-

1. The figures are unaudited and accounting policies remain as stated in the 2007/2008 Annual Account

2. The earnings per stock unit are based on 120,165,973 ordinary stock units, which represents the number of ordinary stock units issued at the end of the period.

PEGASUS HOTELS OF JAMAICA LIMITED
Balance Sheet on 30 June 2008

	Unaudited Jun-08 \$'000	Unaudited Jun 07 \$'000	Audited Mar-08
NET ASSET EMPLOYED			
Fixed Assets	4,325,544	3,614,942	4,314,431
Current Assets			
Inventories	33,993	31,170	30,874
Accounts receivable	107,133	54,028	98,908
Investments	101,239	123,063	36,239
Cash and short term deposits	0	25,285	76,383
	<u>242,365</u>	<u>233,546</u>	<u>242,404</u>
Current Liabilities			
Accounts payable	59,892	30,644	86,003
Bank overdraft	1,947	0	2,269
Taxation payable	31,897	22,755	15,664
Dividend payable	24,033	0	0
Current portion of long term liability	39,052	17,463	31,921
	<u>156,821</u>	<u>70,862</u>	<u>135,857</u>
Net Current Assets	<u>85,544</u>	<u>162,684</u>	<u>106,547</u>
	<u><u>4,411,088</u></u>	<u><u>3,777,626</u></u>	<u><u>4,420,978</u></u>
FINANCED BY			
Share Capital	120,166	120,166	120,166
Capital Reserves	3,206,394	2,721,511	3,206,394
Replacement Reserve	-	900	0
Retained earnings	28,556	28,892	24,810
	<u>3,355,116</u>	<u>2,871,469</u>	<u>3,351,370</u>
Deferred Tax liabilities	1,024,552	869,975	1,024,552
Long Term Liability	31,420	36,182	45,056
	<u>4,411,088</u>	<u>3,777,626</u>	<u>4,420,978</u>


 John J. Issa - Chairman


 Denzil Barnes - Director

PEGASUS HOTELS OF JAMAICA LIMITED
Statement of Changes of Equity
Three (3) Months ended 30 June,2008

	Number of Shares	Share Capital	Capital Reserve	Replacement Reserve	Retained Earnings	Total
	000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 April 2007	120,166	120,166	2,721,511	-	15,836	2,857,513
Dividends paid	-	-	-	-	(30,041)	(30,041)
Replacement utilisation	-	-	-	-	-	-
Fair value adjustments to land and buildings, net of taxation	-	-	484,883	-	-	484,883
Net profit	-	-	-	-	39,015	39,015
Balance as at 1 April 2008	120,166	120,166	3,206,394	-	24,810	3,351,370
Dividends payable	-	-	-	-	(24,033)	(24,033)
Provision for replacement	-	-	-	14,312	-	14,312
Replacement utilisation	-	-	-	(14,312)	-	(14,312)
Net Profit	-	-	-	-	27,779	27,779
Balance at 30 June 2008	120,166	120,166	3,206,394	-	28,556	3,355,116

PEGASUS HOTELS OF JAMAICA LTD
STATEMENT OF CASH FLOWS
PERIOD ENDED JUNE 2008

3 Months to
30/6/08 **31/3/08(AUDITED)**
\$000 **\$000**

CASH RESOURCES WERE (USED IN)/ PROVIDED BY:

Operating Activities

Net Profit

Adjustments:

Depreciation

Gain on disposal of fixed assets

Exchange gain on foreign balances

Impairment of assets arising from fire

Interest income

Interest expense

Taxation expense

Changes in operating assets and liabilities:

Inventories

Receivables

Payables

Interest received

Taxation paid

Net cash provided by operating activities

Cash Flows From Financing Activities

Dividend paid

Long term loan received

Long term loan repaid

Interest paid

Net cash (used in)/provided by financing activities

Cash Flows from Investing Activities

Purchase of investments

Proceeds from sale of investments

Purchase of fixed assets

Proceeds on disposal of fixed assets

Net cash used in investing activities

Exchange gain on net foreign cash balances

Net increase /(decrease) in cash and cash equivalent

Cash and short term deposits at beginning of year

CASH AND SHORT TERM DEPOSITS AT END OF PERIOD

Add Investments

CASH AND CASH EQUIVALENT AT END OF PERIOD

-	-
27,779	39,015
20,431	63,836
-	(106)
-	(461)
-	10,816
(2,489)	(8,455)
2,425	7,073
17,983	24,163
66,129	135,881
(3,119)	1,621
(8,225)	(17,710)
(2,078)	(4,285)
52,707	115,507
2,489	10,415
(1,750)	(28,236)
53,446	97,686
(24,033)	(30,041)
-	60,000
(6,505)	(21,034)
(2,425)	(7,073)
(32,963)	1,852
(65,000)	-
-	84,864
(31,544)	(133,287)
-	106
(96,544)	(48,317)
(76,061)	51,221
-	461
(76,061)	51,682
74,114	22,432
(1,947)	74,114
101,239	36,239
99,292	110,353

PEGASUS HOTELS OF JAMAICA LIMITED
Notes to the Financial Statements

1. Identification and Principal Activity

Pegasus Hotels of Jamaica Limited is a company limited by shares and incorporated under the laws of Jamaica. The company is 59.8% owned by National Hotels and Properties Limited, a wholly owned subsidiary of Urban Development Corporation, which is owned by the Government of Jamaica.

The company owns and operates the hotel "The Jamaica Pegasus".

The company is a public listed company and its registered office is 81 Knutsford Boulevard, Kingston 5.

2. Significant Accounting Policies

The 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.

These 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 March 31, 2008.

The financial statements are prepared using the historical cost basis.

3. Other Income

Other income is comprised mainly of gains on foreign currencies. It also includes other miscellaneous income.