

MONTEGO FREEPORT LIMITED & SUBSIDIARY COMPANIES
UNAUDITED CONSOLIDATED PROFIT & LOSS ACCOUNT
THREE (3) AND SIX (6) MONTHS ENDED 30 SEPTEMBER 2008

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	3 months ended 30 Sept		6 months ended 30 Sept	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Revenue	89	89	179	179
Other operating income	1,444	10	1,641	59
Administrative expenses	(2,607)	(5,827)	(5,395)	(9,910)
Other operating expenses	(3,626)	(3,388)	(6,922)	(6,106)
Operating Loss	<u>(4,700)</u>	<u>(9,116)</u>	<u>(10,497)</u>	<u>(15,778)</u>
Disposal of investment properties	-	-	-	-
Finance income	36,901	8,771	54,150	18,813
Profit before Taxation	<u>32,201</u>	<u>(345)</u>	<u>43,653</u>	<u>3,035</u>
Taxation	96	165	(81)	255
Net Profit	<u><u>32,105</u></u>	<u><u>(510)</u></u>	<u><u>43,734</u></u>	<u><u>2,780</u></u>
EARNINGS PER STOCK UNIT (\$)	<u><u>0.0570</u></u>	<u><u>(0.0009)</u></u>	<u><u>0.0777</u></u>	<u><u>0.0049</u></u>

MONTEGO FREEPORT LIMITED
UNAUDITED CONSOLIDATED BALANCE SHEET
SIX (6) MONTHS ENDED 30 SEPTEMBER 2008

	Unaudited 30 Sept 2008 \$'000	Audited 31 March 2008 \$'000	Unaudited 30 Sept 2007 \$'000
Non- Current Assets			
Investment properties	867,533	867,533	1,593,439
Property, plant and equipment	25,674	25,792	2,958
Current Assets			
Receivables	174,484	918,330	304,713
Taxation recoverable	30,758	21,085	24,324
Cash and cash equivalents	1,005,135	275,017	28,670
	<u>1,210,377</u>	<u>1,214,432</u>	<u>357,707</u>
Current Liabilities			
Payables	103,830	151,768	302,225
Parent corporation	105	-	-
Taxation payable	6,573	6,264	6,517
	<u>110,508</u>	<u>158,032</u>	<u>308,742</u>
	<u>1,099,869</u>	<u>1,056,400</u>	<u>48,965</u>
Net Current Assets	<u>1,993,076</u>	<u>1,949,725</u>	<u>1,645,362</u>
Shareholders' Equity			
Share capital	281,533	281,533	281,533
Capital reserve	1,658,939	1,658,939	1,356,838
(Accumulated losses)/retained earnings	45,777	2,043	6,200
	<u>1,986,249</u>	<u>1,942,515</u>	<u>1,644,571</u>
Non- Current Liability			
Deferred tax liabilities	6,827	7,210	791
	<u>1,993,076</u>	<u>1,949,725</u>	<u>1,645,362</u>

Dale Sinclair

 Director

S. J. ...

 Director

MONTEGO FREEPORT LIMITED
UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
SIX (6) MONTHS ENDED 30 SEPTEMBER 2008

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	2008 \$'000	2007 \$'000
CASH RESOURCES WERE PROVIDED BY / (USED IN) :		
Net profit	43,734	2,780
Items not affecting cash resources	(54,011)	(18,669)
	(10,277)	(15,889)
Changes in non-cash working capital components	705,008	(7,340)
Tax paid	(9,748)	(3,493)
Tax refund	-	-
Cash used in operating activities	684,983	(26,722)
Cash used in financing activity	105	(298,305)
Cash provided by investing activities	38,715	14,945
Increase in cash and cash equivalents	723,803	(310,082)
Cash and cash equivalents at the beginning of the year	275,017	332,977
Exchange and translation gain on net foreign balances	6,315	5,775
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,005,135	28,670

MONTEGO FREEPORT LIMITED
STATEMENT OF CHANGES IN EQUITY
SIX (6) MONTHS ENDED 30 SEPTEMBER 2008

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	SHARE CAPITAL \$	CAPITAL RESERVE \$	RETAINED EARNINGS/ (ACCUMULATED LOSSES) \$	TOTAL \$
Balance as at 31 March 2007	281,533	1,655,262	3,420	1,940,215
Capital Distribution	-	(298,424)		(298,424)
Net Profit	-	-	2,780	2,780
Balance as at 30 September 2007	281,533	1,356,838	6,200	1,644,571

	SHARE CAPITAL \$'000	CAPITAL RESERVE \$'000	RETAINED EARNINGS \$'000	TOTAL \$'000
Balance as at 31 March 2008	281,533	1,658,939	2,043	1,942,515
Net Profit	-	-	43,734	43,734
Balance as at 30 September 2008	281,533	1,658,939	45,777	1,986,249

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 September 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.