

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Consolidated Profit and Loss Account
Three months ended 30 September 2008

	Note	Period & Y-T-D Sep-08 \$'000	Period & Y-T-D Sep-07 \$'000
Revenue	2	131,302	122,481
Direct expenses		-112,994	-93,456
Gross Profit		18,308	29,025
Other operating income		10,132	6,694
Administration expenses		-28,871	-25,241
Other operating expenses		-679	-870
Operating (Loss)/Profit		-1,110	9,608
Finance costs - interest expense		-343	-530
NET (LOSS)/PROFIT		-1,453	9,078
Attributable to:			
Stockholders of the company		-1,310	9,055
Minority interest		-143	23
		-1,453	9,078
Earnings per Stock Unit Attributable to Stockholders of the Company	3	-0.91	6.30

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Consolidated Balance Sheet
30 September 2008

	Sep-08 \$'000	Jun-08 \$'000	Sep-07 \$'000
Non-Current Assets			
Fixed assets	146,688	149,992	158,042
Investments	8,690	10,243	7,877
Deferred tax assets	2,715	2,715	489
Pension surplus	32,475	32,475	29,049
Current Assets			
Inventories	22,546	19,227	16,426
Accounts receivable	25,365	15,327	12,752
Taxation recoverable	0	10,120	10,647
Cash and bank balances	109,008	95,115	72,229
	156,919	139,789	112,054
Current Liabilities			
Accounts payable	59,785	55,584	36,037
Current portion of long term liabilities	3,620	4,390	7,328
Bank overdraft	15,440	3,773	11,456
Taxation payable	509	0	0
	79,354	63,747	54,821
Net Current Assets	77,565	76,042	57,233
	268,133	271,467	252,690
Stockholders' Equity			
Share capital	1,437	1,437	1,437
Capital reserve	166,488	166,488	166,685
Fair value reserve	8,612	10,165	7,690
Retained earnings	73,541	74,851	63,316
	250,078	252,941	239,128
Minority Interest	5,698	5,841	4,675
	255,776	258,782	243,803
Non-Current Liabilities			
Long term liabilities	0	328	3,659
Deferred tax liabilities	12,357	12,357	5,228
	268,133	271,467	252,690

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Approved for issue by the Board of Directors on 11 November 2008 and signed on its behalf by:

DOUGLAS GRAHAM

DIRECTOR

MELANIE GRAHAM

DIRECTOR

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Consolidated Statement of Changes in Equity
Three months ended 30 September 2008

	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	\$'000
Balance at 1 July 2007	1,437	1,437	166,685	7,118	54,261	4,652	234,153
Net profit	-	-	-	-	9,055	23	9,078
Increase in fair value of investments	-	-	-	572	-	-	572
Balance at 30 September 2007	1,437	1,437	166,685	7,690	63,316	4,675	243,803
Net profit	-	-	-	-	11,338	1,166	12,504
Increase in fair value of investments	-	-	-	2,475	-	-	2,475
Transfer of realised reserves	-	-	-197	-	197	-	0
Balance at 30 June 2008	1,437	1,437	166,488	10,165	74,851	5,841	258,782
Net loss	-	-	-	-	-1,310	-143	-1,453
Decrease in fair value of investments	-	-	-	-1,553	-	-	-1,553
Balance at 30 September 2008	1,437	1,437	166,488	8,612	73,541	5,698	255,776

THE PALACE AMUSEMENT COMPANY (1921) LIMITED**Unaudited Consolidated Statement of Cash Flows****Three months ended 30 September 2008**

	Sep-08	Sep-07
	\$'000	\$'000
Cash Flows from Operating activities		
Cash provided by operating activities	6,305	9,871
Cash Flows from Investing activities		
Purchase of fixed assets	-2,664	-558
Dividend received	26	8
Cash used in investing activities	<u>-2,638</u>	<u>-550</u>
Cash Flows from Financing activities		
Long term loans repaid	-1,098	-1,098
Interest paid	-343	-530
Cash used in financing activities	<u>-1,441</u>	<u>-1,628</u>
Increase in cash and cash equivalents	2,226	7,693
Cash and cash equivalents at beginning of period	91,342	53,080
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>93,568</u></u>	<u><u>60,773</u></u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Notes to the Financial Statements
30 September 2008

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

Note 2 - Segment Report
Primary Reporting Format - Geographical segments:

	Montego			
	Kingston	Bay	Mandeville	Total
	2008	2008	2008	2008
	\$'000	\$'000	\$'000	\$'000
Revenue	96,661	25,557	9,084	131,302
Capital Expenditure	2,627	16	21	2,664
Depreciation	1,986	2,552	1,430	5,968

	Montego			
	Kingston	Bay	Mandeville	Total
	2007	2007	2007	2007
	\$'000	\$'000	\$'000	\$'000
Revenue	89,035	24,002	9,444	122,481
Capital Expenditure	319	239	0	558
Depreciation	2,087	2,547	1,429	6,063

Secondary Reporting Format - Business segments:

	2008	2007
	\$'000	\$'000
Box Office Receipts	81,565	77,111
Confectionery Sales	36,975	35,615
Film Rental	9,919	7,253
Other Activities	2,843	2,502
	<u>131,302</u>	<u>122,481</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
Three months ended 30 September 2008

	Period & Y-T-D Sep-08 \$'000	Period & Y-T-D Sep-07 \$'000
Revenue	93,192	87,004
Direct expenses	<u>-79,155</u>	<u>-66,948</u>
Gross Profit	14,037	20,056
Other operating income	16,636	12,736
Administration expenses	<u>-27,252</u>	<u>-23,484</u>
Other operating expenses	<u>-679</u>	<u>-870</u>
Operating Profit	2,742	8,438
Finance costs - interest expense	<u>-329</u>	<u>-530</u>
NET PROFIT	<u>2,413</u>	<u>7,908</u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Company Balance Sheet
30 September 2008

	Sep-08 \$'000	Jun-08 \$'000	Sep-07 \$'000
Non-Current Assets			
Fixed assets	70,822	73,431	82,080
Investments	2,212	2,437	2,518
Pension surplus	32,475	32,475	29,049
Due from subsidiary companies	29,398	24,484	26,087
Current Assets			
Inventories	21,240	18,533	15,522
Accounts receivable	25,062	14,135	12,752
Taxation recoverable	0	10,190	10,717
Cash and bank balances	108,558	94,765	71,799
	154,860	137,623	110,790
Current Liabilities			
Accounts payable	51,417	45,494	28,329
Current portion of long term liabilities	3,620	4,390	7,328
Bank overdraft	15,440	3,773	11,456
Taxation payable	637	0	0
	71,114	53,657	47,113
Net Current Assets	83,746	83,966	63,677
	218,653	216,793	203,411
Stockholders' Equity			
Share capital	1,437	1,437	1,437
Capital reserve	148,365	148,365	148,365
Fair value reserve	1,655	1,880	1,865
Retained earnings	54,839	52,426	43,118
	206,296	204,108	194,785
Non-Current Liabilities			
Long term liabilities	0	328	3,659
Deferred tax liabilities	12,357	12,357	4,967
	218,653	216,793	203,411

Approved for issue by the Board of Directors on 11 November 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
Three months ended 30 September 2008

	Number of Shares '000	Share Capital \$'000	Capital Reserve \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 July 2007	1,437	1,437	148,365	1,725	35,210	186,737
Net profit	-	-	-	-	7,908	7,908
Increase in fair value of investments	-	-	-	140	-	140
Balance at 30 September 2007	1,437	1,437	148,365	1,865	43,118	194,785
Net profit	-	-	-	-	9,308	9,308
Increase in fair value of investments	-	-	-	15	-	15
Balance at 30 June 2008	1,437	1,437	148,365	1,880	52,426	204,108
Net profit	-	-	-	-	2,413	2,413
Decrease in fair value of investments	-	-	-	-225	-	-225
Balance at 30 September 2008	1,437	1,437	148,365	1,655	54,839	206,296

THE PALACE AMUSEMENT COMPANY (1921) LIMITED**Unaudited Company Statement of Cash Flows****Three months ended 30 September 2008**

	Sep-08	Sep-07
	\$'000	\$'000
Cash Flows from Operating activities		
Cash provided by operating activities	5,382	9,456
Cash Flows from Investing activities		
Purchase of fixed assets	-1,855	-323
Dividend received	26	8
Cash used in investing activities	<u>-1,829</u>	<u>-315</u>
Cash Flows from Financing activities		
Long term loans repaid	-1,098	-1,098
Interest paid	-329	-530
Cash used in financing activities	<u>-1,427</u>	<u>-1,628</u>
Increase in cash and cash equivalents	2,126	7,513
Cash and cash equivalents at beginning of period	90,992	52,830
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>93,118</u></u>	<u><u>60,343</u></u>