

MONTEGO FREEPORT LIMITED & SUBSIDIARY COMPANIES
UNAUDITED CONSOLIDATED PROFIT & LOSS ACCOUNT
THREE (3) AND NINE (9) MONTHS ENDED 31 DECEMBER 2008

Page 1

	3 months ended 31 Dec		9 months ended 31 Dec	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Revenue	89	89	419	269
Other operating income	41	9	1,682	68
Administrative expenses	(3,444)	(5,200)	(8,839)	(15,110)
Other operating expenses	(4,352)	(2,896)	(11,424)	(9,003)
Operating Loss	<u>(7,666)</u>	<u>(7,998)</u>	<u>(18,162)</u>	<u>(23,776)</u>
Disposal of investment properties	-	-	-	-
Finance income	27,069	1,796	81,219	20,610
Profit/(Loss) before Taxation	<u>19,403</u>	<u>(6,202)</u>	<u>63,057</u>	<u>(3,166)</u>
Taxation	151	140	(9)	440
Net Profit/(Loss)	<u><u>19,252</u></u>	<u><u>(6,342)</u></u>	<u><u>63,066</u></u>	<u><u>(3,606)</u></u>
EARNINGS PER STOCK UNIT (\$)	<u><u>0.0342</u></u>	<u><u>(0.0113)</u></u>	<u><u>0.1120</u></u>	<u><u>(0.0064)</u></u>

MONTEGO FREEPORT LIMITED
UNAUDITED CONSOLIDATED BALANCE SHEET
NINE (9) MONTHS ENDED 31 DECEMBER 2008

Page 2

	Unaudited 31-Dec 2008 \$'000	Audited 31 March 2008 \$'000	Unaudited 31-Dec 2007 \$'000
Non- Current Assets			
Investment properties	867,533	867,533	1,593,439
Property, plant and equipment	25,923	25,792	2,919
Current Assets			
Receivables	164,162	918,330	303,781
Taxation recoverable	39,481	21,085	24,681
Cash and cash equivalents	427,831	275,017	23,732
	631,474	1,214,432	352,194
Current Liabilities			
Payables	102,569	151,768	302,875
Parent corporation	163	-	-
Taxation payable	6,732	6,264	6,664
	109,464	158,032	309,539
	522,010	1,056,400	42,655
Net Current Assets	<u>1,415,466</u>	<u>1,949,725</u>	<u>1,639,013</u>
Shareholders' Equity			
Share capital	281,533	281,533	281,533
Capital reserve	1,062,090	1,658,939	1,356,838
(Accumulated losses)/retained earnings	65,109	2,043	(186)
	<u>1,408,732</u>	<u>1,942,515</u>	<u>1,638,185</u>
Non- Current Liability			
Deferred tax liabilities	6,734	7,210	828
	<u>1,415,466</u>	<u>1,949,725</u>	<u>1,639,013</u>
	-	-	-

MONTEGO FREEPORT LIMITED
UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
NINE (9) MONTHS ENDED 31 DECEMBER 2008

Page 3

	2008 \$'000	2007 \$'000
CASH RESOURCES WERE PROVIDED BY / (USED IN) :		
Net profit/(Loss)	63,067	(3,606)
Items not affecting cash resources	(81,011)	(20,395)
	(17,944)	(24,001)
Changes in non-cash working capital components	704,658	(5,742)
Tax paid	(18,406)	(3,666)
Tax refund	-	-
Cash used in operating activities	668,308	(33,409)
Cash used in financing activity	(596,686)	(298,247)
Cash provided by investing activities	73,246	16,544
Decrease in cash and cash equivalents	144,868	(315,112)
Cash and cash equivalents at the beginning of the year	275,017	332,977
Exchange and translation gain on net foreign balances	7,946	5,867
CASH AND CASH EQUIVALENTS AT END OF YEAR	427,831	23,732

MONTEGO FREEPORT LIMITED
STATEMENT OF CHANGES IN EQUITY
NINE (9) MONTHS ENDED 31 DECEMBER 2008

Page 4

	SHARE CAPITAL	CAPITAL RESERVE	RETAINED EARNINGS	TOTAL
	\$'000	\$'000	\$'000	\$'000
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 31 December 2007	<u>281,533</u>	<u>1,356,838</u>	<u>6,200</u>	<u>1,644,571</u>

	SHARE CAPITAL	CAPITAL RESERVE	RETAINED EARNINGS/ (ACCUMULATED LOSSES)	TOTAL
	\$	\$	\$	\$
Balance as at 31 March 2008	281,533	1,658,939	2,043	1,942,515
Capital Distribution	-	(596,849)		(596,849)
Net Profit	-	-	63,066	63,066
Balance as at 31 December 2008	<u>281,533</u>	<u>1,062,090</u>	<u>65,109</u>	<u>1,408,732</u>

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 31 December 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.