

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Consolidated Profit and Loss Account
Six months ended 31 December 2009

	Note	Period Oct. - Dec. \$'000	Y-T-D Dec-09 \$'000	Period Oct. - Dec. \$'000	Y-T-D Dec-08 \$'000
Revenue	2	173,782	344,724	123,138	258,563
Direct expenses		-143,283	-285,750	-114,534	-233,785
Gross Profit		30,499	58,974	8,604	24,778
Other operating income		4,036	6,994	9,470	15,479
Administration expenses		-28,661	-54,856	-26,505	-49,798
Operating Profit/(Loss)		5,874	11,112	-8,431	-9,541
Finance costs - interest expense		-1,328	-1,854	-933	-1,276
NET PROFIT/(LOSS)		4,546	9,258	-9,364	-10,817
Attributable to:					
Stockholders of the company		4,625	9,352	-9,340	-10,650
Minority interest		-79	-94	-24	-167
		4,546	9,258	-9,364	-10,817
Earnings/(loss) per Stock Unit Attributable to Stockholders of the Company	3	3.22	6.51	-6.50	-7.41

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Consolidated Balance Sheet

31 December 2009

	Dec-09 \$'000	Jun-09 \$'000	Dec-08 \$'000
Non-Current Assets			
Property, plant and equipment	189,663	184,169	143,343
Investments	8,289	8,758	8,413
Deferred tax assets	6,956	6,956	2,715
Post-employment benefit assets	25,016	25,016	32,475
Current Assets			
Inventories	30,385	21,952	27,461
Accounts receivable	26,400	30,250	21,787
Taxation recoverable	295	0	199
Cash and bank balances	107,085	71,693	100,560
	164,165	123,895	150,007
Current Liabilities			
Accounts payable	87,706	70,375	55,558
Taxation payable	0	117	0
Current portion of long term liabilities	3,198	1,077	2,523
Bank overdraft	1,916	8,456	20,380
	92,820	80,025	78,461
Net Current Assets	71,345	43,870	71,546
	301,269	268,769	258,492
Stockholders' Equity			
Share capital	1,437	1,437	1,437
Capital reserve	166,488	166,488	166,488
Fair value reserve	8,211	8,680	8,335
Retained earnings	77,001	67,649	64,201
	253,137	244,254	240,461
Minority Interest	5,507	5,601	5,674
	258,644	249,855	246,135
Non-Current Liabilities			
Long term liabilities	28,779	5,068	0
Deferred tax liabilities	13,846	13,846	12,357
	301,269	268,769	258,492

Approved for issue by the Board of Directors on 9 February 2010 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
Six months ended 31 December 2009

	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	\$'000
Balance at 1 July 2008	1,437	1,437	166,488	10,165	74,851	5,841	258,782
Net loss	-	-	-	-	-10,650	-167	-10,817
Decrease in fair value of investments	-	-	-	-1,830	-	-	-1,830
Balance at 31 December 2008	1,437	1,437	166,488	8,335	64,201	5,674	246,135
Net profit	-	-	-	-	5,604	-73	5,531
Dividends paid	-	-	-	-	-2,156	-	-2,156
Increase in fair value of investments	-	-	-	345	-	-	345
Balance at 30 June 2009	1,437	1,437	166,488	8,680	67,649	5,601	249,855
Net profit	-	-	-	-	9,352	-94	9,258
Decrease in fair value of investments	-	-	-	-469	-	-	-469
Balance at 31 December 2009	1,437	1,437	166,488	8,211	77,001	5,507	258,644

THE PALACE AMUSEMENT COMPANY (1921) LIMITED**Unaudited Consolidated Statement of Cash Flows**

Six months ended 31 December 2009

	Dec-09	Dec-08
	\$'000	\$'000
Cash Flows from Operating activities		
Cash provided by/(used in) operating activities	33,956	-9,255
Cash Flows from Investing activities		
Purchase of property, plant and equipment	-18,646	-3,323
Interest received	2,558	4,826
Dividend received	86	61
Cash (used in)/provided by investing activities	<u>-16,002</u>	<u>1,564</u>
Cash Flows from Financing activities		
Long term loans received	26,495	0
Long term loans repaid	-663	-2,195
Interest paid	-1,854	-1,276
Cash provided by/(used in) financing activities	<u>23,978</u>	<u>-3,471</u>
Increase/(decrease) in cash and cash equivalents	41,932	-11,162
Cash and cash equivalents at beginning of period	<u>63,237</u>	<u>91,342</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>105,169</u></u>	<u><u>80,180</u></u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Notes to the Financial Statements
31 December 2009

Note 2 - Segment Reporting (continued)

	2008						Total \$'000
	Carib Cinema	Palace Cineplex	Palace Multiplex	Odeon Cineplex	Film Activities	Screen Advertising	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Revenue -							
Box office receipts	81,532	27,674	33,723	12,185	-	-	155,114
Confectionery sales	38,995	13,750	13,627	5,256	-	-	71,628
Film rental	-	-	-	-	99,347	-	99,347
Screen advertising	-	-	-	-	-	8,025	8,025
Other activities	3,296	1,256	1,346	530	-	-	6,428
	<u>123,823</u>	<u>42,680</u>	<u>48,696</u>	<u>17,971</u>	<u>99,347</u>	<u>8,025</u>	<u>340,542</u>
Eliminations							-81,979
Revenue from external customers							<u>258,563</u>
Capital Expenditure -							
Unallocated head office capital expenditure	1,269	710	16	21	9	-	2,025
Total capital expenditure							<u>1,298</u>
							<u>3,323</u>
Depreciation -							
Unallocated head office depreciation	1,230	226	5,105	2,861	1	6	9,429
Total depreciation							<u>543</u>
							<u>9,972</u>
Interest Expense -							
Unallocated head office interest expense	55	-	249	-	-	-	304
Total interest expense							<u>972</u>
							<u>1,276</u>

Note 3 - The earnings/(loss) 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
Six months ended 31 December 2009

	Period Oct. - Dec. \$'000	Y-T-D Dec-09 \$'000	Period Oct. - Dec. \$'000	Y-T-D Dec-08 \$'000
Revenue	125,296	248,017	88,004	185,319
Direct expenses	-101,434	-204,301	-80,811	-164,742
Gross Profit	23,862	43,716	7,193	20,577
Other operating income	12,530	24,124	15,181	27,694
Administration expenses	-28,495	-54,519	-26,361	-49,516
Operating Profit/(Loss)	7,897	13,321	-3,987	-1,245
Finance costs - interest expense	-1,083	-1,562	-892	-1,221
NET PROFIT/(LOSS)	6,814	11,759	-4,879	-2,466

THE PALACE AMUSEMENT COMPANY (1921) LIMITED

Unaudited Company Balance Sheet

31 December 2009

	Dec-09 \$'000	Jun-09 \$'000	Dec-08 \$'000
Non-Current Assets			
Property, plant and equipment	87,512	81,819	66,743
Investments	1,866	1,634	2,039
Post-employment benefit assets	25,016	25,016	32,475
Due from subsidiary companies	64,792	64,996	34,205
Current Assets			
Inventories	28,124	20,025	25,876
Accounts receivable	26,211	30,014	21,484
Taxation recoverable	295	0	70
Cash and bank balances	105,435	71,287	98,850
	160,065	121,326	146,280
Current Liabilities			
Accounts payable	73,373	60,079	45,238
Taxation payable	0	117	0
Current portion of long term liabilities	3,198	1,077	2,523
Bank overdraft	1,916	8,456	20,380
	78,487	69,729	68,141
Net Current Assets			
	81,578	51,597	78,139
	260,764	225,062	213,601
Stockholders' Equity			
Share capital	1,437	1,437	1,437
Capital reserve	148,365	148,365	148,365
Fair value reserve	1,309	1,077	1,482
Retained earnings	67,028	55,269	49,960
	218,139	206,148	201,244
Non-Current Liabilities			
Long term liabilities	28,779	5,068	0
Deferred tax liabilities	13,846	13,846	12,357
	260,764	225,062	213,601

Approved for issue by the Board of Directors on 9 February 2010 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
Six months ended 31 December 2009

	Number of Shares	Share Capital	Capital Reserve	Fair Value Reserve	Retained Earnings	Total
	'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2008	1,437	1,437	148,365	1,880	52,426	204,108
Net loss	-	-	-	-	-2,466	-2,466
Decrease in fair value of investments	-	-	-	-398	-	-398
Balance at 31 December 2008	1,437	1,437	148,365	1,482	49,960	201,244
Net profit	-	-	-	-	7,465	7,465
Dividends paid	-	-	-	-	-2,156	-2,156
Decrease in fair value of investments	-	-	-	-405	-	-405
Balance at 30 June 2009	1,437	1,437	148,365	1,077	55,269	206,148
Net profit	-	-	-	-	11,759	11,759
Increase in fair value of investments	-	-	-	232	-	232
Balance at 31 December 2009	1,437	1,437	148,365	1,309	67,028	218,139

THE PALACE AMUSEMENT COMPANY (1921) LIMITED**Unaudited Company Statement of Cash Flows**

Six months ended 31 December 2009

	Dec-09	Dec-08
	\$'000	\$'000
Cash Flows from Operating activities		
Cash provided by/(used in) operating activities	29,932	-11,939
Cash Flows from Investing activities		
Purchase of property, plant and equipment	-16,158	-2,054
Interest received	2,558	4,826
Dividend received	86	61
Cash (used in)/provided by investing activities	<u>-13,514</u>	<u>2,833</u>
Cash Flows from Financing activities		
Long term loans received	26,495	0
Long term loans repaid	-663	-2,195
Interest paid	-1,562	-1,221
Cash provided by/(used in) financing activities	<u>24,270</u>	<u>-3,416</u>
Increase/(decrease) in cash and cash equivalents	40,688	-12,522
Cash and cash equivalents at beginning of period	62,831	90,992
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>103,519</u>	<u>78,470</u>