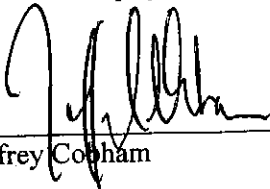


PULSE INVESTMENTS LIMITED

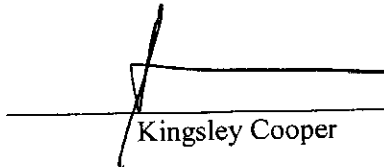
Balance Sheet
December 31, 2009

	<u>Notes</u>	<u>31/12/09</u>	<u>30/9/09</u>	<u>Audited</u> <u>30/6/09</u>	<u>31/12/08</u>
Current assets					
Bank Balances		10,892,830	6,118,889	10,152,171	24,890,719
Trade and other receivables		8,593,608	10,414,866	14,161,675	21,587,211
Advertising entitlements		1,485,742,677	1,351,538,677	1,160,401,429	1,225,381,106
Unexpired sponsorships in kind		23,947,745	27,697,745	34,191,294	10,560,686
		<u>1,529,176,860</u>	<u>1,395,770,177</u>	<u>1,218,906,569</u>	<u>1,282,419,722</u>
Current liabilities					
Bank overdraft		2,607,885	14,280,310	12,428,776	7,208,508
Accounts payable and accrued charges		10,836,783	10,552,548	15,763,072	10,040,594
Due to related parties		97,318,146	85,857,134	70,568,435	40,662,693
Current portion of long-term liabilities		<u>10,937,056</u>	<u>14,712,860</u>	<u>14,712,860</u>	<u>12,417,020</u>
		<u>121,699,870</u>	<u>125,402,852</u>	<u>113,473,143</u>	<u>70,328,815</u>
Net current assets		<u>1,407,476,990</u>	<u>1,270,367,325</u>	<u>1,105,433,426</u>	<u>1,212,090,807</u>
Non-current assets					
Investment property		57,376,455	57,699,358	58,022,261	98,712,205
Intangible assets		92,720,000	92,720,000	92,720,000	92,720,000
Property, plant & equipment		<u>473,116,965</u>	<u>474,289,733</u>	<u>459,694,960</u>	<u>350,549,243</u>
		<u>623,213,420</u>	<u>624,709,091</u>	<u>610,437,220</u>	<u>541,981,448</u>
		<u>2,030,690,410</u>	<u>1,895,076,416</u>	<u>1,715,870,646</u>	<u>1,754,072,355</u>
Financed by:					
Stockholders' equity					
Share capital		152,367,035	152,367,035	152,367,035	152,367,035
Share premium		366,375,604	366,375,604	366,375,604	366,375,604
Capital reserve		2,636,853	2,636,853	2,636,853	2,636,853
Capital redemption reserve		20,499,988	20,499,988	20,499,988	20,499,988
Shares to be issued		2,608,696	2,608,696	2,608,696	2,608,696
Retained earnings		<u>1,467,356,600</u>	<u>1,346,073,956</u>	<u>1,163,335,680</u>	<u>1,201,344,770</u>
		<u>2,011,844,776</u>	<u>1,890,562,132</u>	<u>1,707,823,856</u>	<u>1,743,224,250</u>
Non-current liabilities					
Long-term loans		18,845,634	4,514,284	8,046,790	10,848,105
Preference shares					
Shares					
Share premium					
		<u>2,030,690,410</u>	<u>1,895,076,416</u>	<u>1,715,870,646</u>	<u>1,754,072,355</u>

The financial statements on pages 2 to 8 were approved by the Board of Directors on February 15, 2010 and signed on its behalf by:



Jeffrey Cobham Director



Kingsley Cooper Director

PULSE INVESTMENTS LIMITED

Income Statement
Six Months ended December 31, 2009

	<u>Notes</u>	<u>3 Mths.</u> <u>ended</u> <u>31/12/09</u>	<u>3 Mths.</u> <u>ended</u> <u>31/12/08</u>	<u>6 Mths.</u> <u>ended</u> <u>31/12/09</u>	<u>6 Mths.</u> <u>ended</u> <u>31/12/08</u>
Operating revenue		183,751,548	160,495,639	492,127,190	438,986,350
Operating expenses		<u>(61,924,193)</u>	<u>(57,939,510)</u>	<u>(186,776,871)</u>	<u>(178,079,487)</u>
Operating profit		121,827,355	102,556,129	305,350,319	260,906,863
Other income		_____	_____	_____	<u>603,392</u>
Profit before net finance costs		121,827,355	102,556,129	305,350,319	261,510,255
Net finance costs		<u>544,712</u>	<u>150,957</u>	<u>1,329,401</u>	<u>301,842</u>
Net profit attributable to members		121,282,643	102,405,172	304,020,918	261,208,413
Basic earnings per stock unit	8	<u>0.43</u>	<u>0.38</u>	<u>1.08</u>	<u>0.98</u>
Fully diluted earnings per stock unit	8	<u>0.43</u>	<u>0.38</u>	<u>1.08</u>	<u>0.96</u>

The attached notes form an integral part of these financial statements.

PULSE INVESTMENTS LIMITED

Statement of Changes in Stockholders' Equity
Six months ended December 31, 2009

	Share Capital	Share premium	Capital reserve	Capital redemption reserve	Shares to be Issued	Retained earnings	Total
Balance at June 30, 2007	25,367,036	373,188,302	2,636,853			530,745,053	931,937,244
Net profit attributable to members		-				429,891,292	429,891,292*
Transfer to capital redemption reserve		-		20,499,988		(20,499,988)	
Cost of rights share issue		(6,812,698)					(6,812,698)
Shares to be issued					2,608,696		2,608,696
Rights share issue	<u>126,999,999</u>						<u>126,999,999</u>
Balance at June 30, 2008	152,367,035	366,375,604	2,636,853	20,499,988	2,608,696	940,136,357	1,484,624,533
Net profit attributable to members						223,199,323	223,199,323
Balance at June 30, 2009	<u>152,367,035</u>	<u>366,375,604</u>	<u>2,636,853</u>	<u>20,499,988</u>	<u>2,608,696</u>	<u>1,163,335,680</u>	<u>1,707,823,856</u>
Net profit attributable to members						304,020,918	304,020,918
Balance at December 31, 2009	<u>152,367,035</u>	<u>366,375,604</u>	<u>2,636,853</u>	<u>20,499,988</u>	<u>2,608,696</u>	<u>1,467,356,598</u>	<u>2,011,844,774</u>

* Restated

PULSE INVESTMENTS LIMITED

Statement of Cash Flows

Six months ended December 31, 2009

	3 mths. 31/12/09	3 mths. <u>31/12/08</u>	6 mths. <u>31/12/09</u>	6 mths. <u>31/12/08</u>
Cash flows from operating activities				
Net profit attributable to members	121,282,643	102,405,172	304,020,918	261,208,413
Adjustments to reconcile net profit attributable to members to net cash provided/(used) by operating activities:				
Depreciation	1,715,130	1,811,821	3,430,259	3,623,332
Interest expense	<u>544,712</u>	<u>150,957</u>	<u>1,329,401</u>	<u>301,842</u>
Operating profit before changes in working capital	123,542,485	104,367,950	308,780,578	265,133,587
(Increase)/decrease in current assets:				
Trade and other receivables	1,821,258	7,993,310	5,568,067	14,238,721
Unexpired sponsorships in kind	3,750,000	(15,523,080)	10,243,549	(83,480,762)
Advertising entitlements	(134,204,000)	(101,066,220)	(325,341,248)	(199,447,596)
Increase/(decrease) in current liabilities:				
Accounts payable and accrued charges	284,235	(891,337)	(4,926,287)	(6,701,385)
Due to related party	<u>11,461,012</u>	<u>16,692,547</u>	<u>26,749,711</u>	<u>34,034,653</u>
Cash provided/(used) by operating activities	6,654,990	11,573,170	21,074,370	23,777,218
Interest paid	<u>(544,712)</u>	<u>(150,957)</u>	<u>(1,329,401)</u>	<u>(301,842)</u>
Net cash provided by operating activities	6,110,278	11,422,213	19,744,969	23,475,376
Cash flows from investing activities:				
Acquisition of property, plant & equipment	(219,458)	(23,037,307)	(16,206,458)	(63,523,430)
Acquisition of Investment Property	-	-	-	-
Net cash used in investing activities	<u>(219,458)</u>	<u>(23,037,307)</u>	<u>(16,206,458)</u>	<u>(63,523,430)</u>
Cash Flows from financing activities				
Bank overdraft	(11,672,425)	6,039,084	(9,820,891)	7,208,508
Loans repaid	(3,775,804)	(2,181,120)	(7,308,310)	(6,341,771)
Long-term loans received	<u>14,331,350</u>	<u>14,331,350</u>	<u>14,331,350</u>	<u>1,655,600</u>
Net cash provided by financing activities	<u>(1,116,879)</u>	<u>3,857,964</u>	<u>(2,797,851)</u>	<u>2,522,337</u>
Net (decrease)/ increase in cash and cash equivalents	4,773,941	(7,757,130)	740,660	(37,525,717)
Cash and cash equivalents at beginning of period	<u>6,118,889</u>	<u>32,647,825</u>	<u>10,152,171</u>	<u>62,416,413</u>
Cash and cash equivalents at end of period	<u>10,892,830</u>	<u>24,890,695</u>	<u>10,892,831</u>	<u>24,890,696</u>

The attached notes form an integral part of these financial statements.

PULSE INVESTMENTS LIMITED

Notes to the Financial Statements

Six months ended December 31, 2009

1. The company

The company was incorporated in Jamaica under the Companies Act on August 6, 1993 and is domiciled in Jamaica. It commenced trading on November 1, 1993.

The principal activities of the company are model agency representation, multi-media production, marketing, show promotion and sub-letting of leasehold properties. The registered office of the company is located at 38a Trafalgar Road, Kingston 10, Jamaica.

On June 30, 2005 Pulse Investments Limited (PIL) entered into an agreement with Pulse Entertainment Group Limited (PEGL), a related company, to acquire certain assets and liabilities in PEGL in exchange for shares in PIL.

2. Statement of compliance, basis of preparation and significant accounting policies

(a) Statement of compliance:

The financial statements have been 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 June 30, 2009.

3. Revenue recognition:

Revenue is recognized in the income statement on the accrual basis, except for sponsorship in kind which is recorded as income, at estimated market value, when activities to be performed by the company in return for the sponsorships or advertising entitlement have been substantially completed.

No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due.

4. Government grants:

An unconditional government grant relating to event promotion is recognized in the income statement as operating income when the grant is received. Grants that compensate the company for expenses incurred are recognized as revenue in the income statement on a systematic basis in the same period in which the expenses are incurred.

5. Advertising entitlements and unexpired sponsorship in kind

Unexpired sponsorship represents in kind services which have not been utilized and are recorded at estimated market value. The unexpired portion is carried forward and written off in the following year.

	3 mths to <u>31/12/09</u>	3 mths to <u>30/9/09</u>	6 mths to <u>31/12/09</u>	6 mths to <u>31/12/08</u>
Opening balance	1,379,236,422	1,194,592,723	1,194,592,723	953,013,434
Sponsorships received	176,204,000	293,116,283	469,320,283	422,735,002
Amount expensed in period	<u>(45,750,000)</u>	<u>(108,472,584)</u>	<u>(154,222,584)</u>	<u>(139,776,644)</u>
	1,509,690,422	1,379,236,422	1,509,690,422	1,235,941,792

PULSE INVESTMENTS LIMITED

Notes to the Financial Statements

Six months ended December 31, 2009

6. **Bank overdraft**

The bank overdraft is secured by a bill of sale over a motor vehicle owned by a director and an unlimited personal guarantee from that director.

7. **Operating revenue**

Operating revenue comprises income from television entitlements, market sponsorships, model agency representation, government grants, income from subletting of leasehold properties and ticket sales.

8. **Earnings per stock unit**

Basic and fully diluted earnings per share are calculated based on the net profit for the period attributable to members of \$304,020,918 (2008: 261,208,413) and the weighted average number of shares of 280,702,717(2008:265,603,290) and 280,702,717(2008:273,030,826) ordinary stock units in issue at end of period.

9. **Bank balances**

Bank balances include balances in the bank and cash in hand at balance sheet date.