

Radio Jamaica Limited.

Interim Report to stockholders.

The directors present the un-audited results of the group for the third quarter and nine months ended December 31, 2009.

The Group earned after tax profits of \$103.6 million for the quarter October to December 2009, bringing the after tax profits for the nine months ending December 31, 2009 to \$212.3 million. This performance reflected a significant improvement over corresponding prior year periods, varying favourably by \$51.6 million and \$191.8 million respectively. The \$51.6 million improvement in profitability for the current quarter was due to a \$106.7 million increase in revenues over prior year, offset by a net increase in operational expenses, finance costs and taxation. The additional revenues were due to heightened sponsorships and advertising activity including the Telecommunications sector.

The gross profit of \$425.8 million recorded in this third quarter reflects an improvement by \$137.6 million or 47.7% when compared to the corresponding prior year quarter. YTD Gross Profits of \$1.1 billion compares favourably to the \$713 million last year; producing a Gross margin of 71.5% and 57.3% respectively. In addition to the revenues increasing by \$106.7 million; cost of sales contracted by \$30.9 million or 17.8% due mainly to reductions in spending on special events sports broadcast rights undertaken this year when compared to those undertaken in prior year, which included the Olympics and World Cup Football Qualifiers. Savings also resulted from the restructuring exercise at the end of the last financial year.

Other Operating Income decreased over prior year by \$2.6m or 8% due to the net effect of Disposal gains realized on the sale of redundant property, reduced dividend income from an Associate Company and termination of the rental arrangement for the AM services, which existed in prior year.

Distribution Expenses for the third quarter increased by \$31.4 million or 43.8% over prior year, due to increased commissions which naturally occur as a consequence of the increased revenues and collections.

Other Operating Expenses reflected an increase over prior year by \$2.3 million or 3% due to the additional premises renovation costs undertaken for improvement of the facilities at Broadcast House.

Operating profit of \$173.2 million for the quarter ended December increased by \$102.9 million or 146.5% when compared to the \$70.2 million earned the previous year.

Finance and interest costs surpassed prior year by \$3.5 million due to adjustments made in prior year to capitalize loan interest amounting to \$4.2 million. These costs were incurred to finance a new Television Outside Broadcast unit.

Profits before tax for the third quarter increased by \$99.4 million compared to the \$52.1 million earned for the same period last year.

Resulting from increased profitability, Taxation charges increased by \$47.9 million for the third quarter and \$138.6 million year to date.

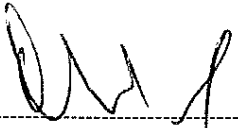
The profit attributable to shareholders for the quarter ending December 2009 represents a noteworthy improvement of \$47.6 million over the \$56.0 million earned in the corresponding prior year period. YTD profits for the nine months increased by \$192 million. The above converts to Earnings per Share (EPS) of 29.44 cents for the quarter and 60.32 cents YTD, reflecting increases of 85% and 5.9 times respectively.

RADIO JAMAICA LIMITED
GROUP PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2009 (UNAUDITED)


Current Quarter 3 months to 31/12/2009	Reclassified Prior Year Quarter 3 months to 31/12/2008		Notes	Year To Date 9 months to 31/12/2009	Reclassified Year To Date Histor 9 months to 31/12/2008
<u>\$</u>	<u>\$</u>			<u>\$</u>	<u>\$</u>
568,516,342	461,784,094	23% TURNOVER	2	1,555,711,031	1,244,779,787
<u>(142,671,936)</u>	<u>(173,586,383)</u>	-18% COST OF SALES		<u>(442,635,995)</u>	<u>(531,759,810)</u>
425,844,406	288,197,711	48% GROSS PROFIT		1,113,075,036	713,019,977
30,861,313	33,475,646	-8% OTHER OPERATING INCOME	3	57,788,036	70,491,717
(103,230,365)	(71,790,349)	44% DISTRIBUTION COSTS		(275,730,873)	(217,617,162)
(97,342,496)	(99,060,356)	-2% ADMINISTRATIVE EXPENSES		(279,743,005)	(276,652,049)
<u>(82,976,947)</u>	<u>(80,585,188)</u>	3% OTHER OPERATING EXPENSES		<u>(244,743,791)</u>	<u>(253,956,478)</u>
173,155,912	70,237,463	147% OPERATING (LOSS)/PROFIT		370,645,404	35,286,006
<u>(5,868,087)</u>	<u>(2,394,742)</u>	145% FINANCE COSTS		<u>(18,771,448)</u>	<u>(13,758,621)</u>
167,287,825	67,842,721	147% (LOSS)/PROFIT BEFORE TAX		351,873,956	21,527,385
<u>(63,655,069)</u>	<u>(15,748,572)</u>	304% TAXATION		<u>(139,549,552)</u>	<u>(988,085)</u>
<u>103,632,756</u>	<u>52,094,150</u>	99% NET (LOSS)/PROFIT		<u>212,324,404</u>	<u>20,539,299</u>
		ATTRIBUTABLE TO:			
103,632,756	56,017,885	Stockholders of the company		212,324,404	30,768,149
0	(3,923,735)	Minority Interest		0	(10,228,850)
<u>103,632,756</u>	<u>52,094,150</u>			<u>212,324,404</u>	<u>20,539,299</u>
Cents	Cents			Cents	Cents
29.44	15.92	EARNINGS PER STOCK UNIT	4	60.32	8.74

RADIO JAMAICA LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2009 (UNAUDITED)

NET ASSETS EMPLOYED	Notes	December 2009	March 2009	Reclassified December 2008
NON-CURRENT ASSETS				
FIXED ASSETS (Net)		743,304,544	770,793,669	785,470,182
INTANGIBLE ASSETS	5	44,435,534	46,588,028	111,970,034
INVESTMENTS		11,876,683	11,885,972	10,260,993
DEFERRED TAX ASSET		1,561,481	3,174,742	54,841,206
PENSION PLAN SURPLUS		123,020,000	123,020,000	115,192,000
CURRENT ASSETS				
STOCK		70,881,297	56,836,236	66,363,710
RECEIVABLES - TRADE		430,274,102	264,182,326	316,583,397
RECEIVABLES - OTHER		9,611,213	14,793,307	20,885,843
TAXATION RECOVERABLE		14,243,524	10,984,716	14,313,314
PREPAYMENTS		40,643,971	18,582,107	35,465,411
CASH, BANK DEPOSITS		151,275,534	13,970,435	21,689,323
		<u>716,929,641</u>	<u>379,349,126</u>	<u>475,300,998</u>
CURRENT LIABILITIES				
PAYABLES		112,755,329	134,536,800	133,618,082
TAXATION PAYABLE		169,469,689	44,751,128	70,481,379
CURRENT PORTION OF FINANCE LEASE OBLIGATIONS		9,765,041	7,984,736	8,453,328
CURRENT PORTION OF LONG TERM LOANS		28,292,607	26,538,876	31,912,014
BANK OVERDRAFT		4,292,724	-	8,549,286
		<u>324,575,390</u>	<u>213,811,540</u>	<u>253,014,088</u>
NET CURRENT ASSETS		392,354,251	165,537,587	222,286,909
		<u>1,316,552,493</u>	<u>1,120,999,997</u>	<u>1,300,021,324</u>
FINANCED BY				
SHARE CAPITAL	6	440,155,939	440,155,939	440,155,939
UNISSUED SHARE CAPITAL	7	27,500,000	27,500,000	41,250,000
RETAINED EARNINGS		647,585,414	452,859,859	613,066,651
		<u>1,115,241,352</u>	<u>920,515,798</u>	<u>1,094,472,590</u>
MINORITY INTEREST		0	0	308,653
		<u>1,115,241,352</u>	<u>920,515,798</u>	<u>1,094,781,242</u>
NON-CURRENT LIABILITIES				
FINANCE LEASE OBLIGATIONS		6,522,976	14,622,111	16,009,580
LONG TERM LOAN		72,734,176	84,728,631	88,380,995
DEFERRED TAX LIABILITIES		105,307,989	84,387,457	86,216,506
EMPLOYEE BENEFIT OBLIGATIONS		16,746,000	16,746,000	14,633,000
		<u>1,316,552,493</u>	<u>1,120,999,997</u>	<u>1,300,021,324</u>



 J. A. LESTER SPAUDLING
 DIRECTOR



 CARL DOMVILLE
 DIRECTOR

Radio Jamaica Limited
Consolidated Statement of Changes in Equity
Period ended 31 December 2009

	Notes	Attributable to Stockholders of the Company			Minority	Total
		Share Capital	Unissued Shares	Retained Earnings	Interest	
		\$	\$	\$	\$	\$
Balance at 1 April 2008		440,175,449	55,000,000	582,299,037	10,537,502	1,088,011,988
Preference Shares repurchased	6	(19,510)				(19,510)
Contingent unissued shares reversed	7		(13,750,000.00)			(13,750,000)
Net profit/(loss)				30,767,614	(10,228,850)	20,538,764
Balance as at 31 December 2008		<u>440,155,939</u>	<u>41,250,000</u>	<u>613,066,651</u>	<u>308,653</u>	<u>1,094,781,242</u>
Balance at 1 April 2009		440,155,939	27,500,000	452,859,859	0	920,515,798
Net profit/(loss)				212,324,404	0	212,324,404
Dividends				(17,598,850)		(17,598,850)
Balance as at 31 December 2009		<u>440,155,939</u>	<u>27,500,000</u>	<u>647,585,414</u>	<u>0</u>	<u>1,115,241,352</u>

Radio Jamaica Limited
Statement of Consolidated Cash Flows
31 December 2009

	2009	2008
	\$	\$
CASH RESOURCES WERE (USED IN)/PROVIDED BY:		
Operating Activities		
Net (Loss)/Profit	212,324,404	30,768,149
Items not affecting cash resources:	<u>90,970,713</u>	<u>28,069,703</u>
	303,295,117	58,837,852
Changes in non-cash working capital components:	<u>(97,004,909)</u>	<u>(14,302,236)</u>
Cash provided by operations	206,290,208	44,535,615
Investing Activities		
Cash used in investing activities	(39,119,428)	(84,503,584)
Financing Activities		
Cash provided by / (used in) financing activities	<u>(34,158,404)</u>	<u>45,047,754</u>
Increase in net cash and cash equivalents	133,012,375	5,079,785
Net cash and cash equivalents at beginning of year	<u>13,970,435</u>	<u>8,060,252</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>146,982,810</u></u>	<u><u>13,140,037</u></u>

NOTES

1. The accounting policies followed in the interim financial statements are consistent with the most recent annual financial statements. Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year, especially in relation to the requirements of IFRS.
2. Turnover represents the sale of airtime, programme material and the rental of studios and equipment.
3. Other operating income represents interest income, net foreign exchange (losses)/gains, profit on sale of fixed assets, net unrealized losses/gains on revaluation of investment securities classified at fair value through profit and loss and rental income
4. The calculation of earnings per stock unit is based on net profit and 351,978,991 ordinary stock units in issue.
5. This figure is inclusive of Goodwill and Brand values. The Goodwill figure was reduced due to the reduction in Unissued shares (see note 7).
6. In keeping with the resolution passed at the Annual General Meeting held on September 24th, 2008 the cumulative preference shares were repurchased by the company.
7. On December 1, 2006, the company through its subsidiary, Media Plus Limited, acquired 65% of Reggae Entertainment Television (RETV) and 80% of Jamaica News Network (JNN). These companies are involved in the sale of airtime via the cable network.

Unissued Shares represent those shares approved by the shareholders to be issued to the previous owners of RETV and JNN upon their attainment of certain landmarks in a 36 months period. In prior year, 5,500,000 shares were written back against goodwill as the subsidiaries were not expected to meet future profit targets. The remaining 5,500,000 shares are due to be issued to the vendors on January 15, 2010

Media Plus Limited is a wholly owned subsidiary of Radio Jamaica Limited incorporated as an international business company in St. Lucia.