

JAMAICA PUBLIC SERVICE COMPANY LIMITED

CONDENSED BALANCE SHEET AS AT MARCH 31, 2010

{Unaudited results in US\$ thousand}

	Mar-10	Mar-09	{Audited} Dec-09
CURRENT ASSETS			
Cash and cash equivalents	25,549	31,634	16,062
Accounts receivable	197,157	146,407	221,153
Tax recoverable	3,345	2,126	2,547
Inventories	50,049	44,633	50,291
	<u>276,100</u>	<u>224,800</u>	<u>290,053</u>
CURRENT LIABILITIES			
Payables and provisions	96,273	96,775	115,975
Taxation payable	3,125	-	9,711
Short-term loans	48,246	43,250	47,858
Current portion of long-term loans	23,047	12,345	24,175
Due to related companies	515	321	154
	<u>171,206</u>	<u>152,691</u>	<u>197,873</u>
WORKING CAPITAL	104,894	72,109	92,180
NON-CURRENT ASSETS			
Property, plant & equipment	630,341	618,196	635,496
Employee benefits asset	22,386	22,106	22,062
	<u>757,621</u>	<u>712,411</u>	<u>749,738</u>
Financed by:			
SHAREHOLDERS' EQUITY			
Share capital	261,918	261,918	261,918
Capital reserve	41,357	41,357	41,357
Retained earnings	105,882	64,346	96,490
	409,157	367,621	399,765
NON-CURRENT LIABILITIES			
Customer deposits	26,833	26,917	27,919
Long-term loans	249,584	243,023	250,213
Deferred taxation	63,376	58,521	63,376
Employee benefits obligations	8,671	16,329	8,465
	<u>757,621</u>	<u>712,411</u>	<u>749,738</u>

ON BEHALF OF THE BOARD



Damian Obigilio
President & CEO (Authorised Representative)



Beverly Lopez
Director

JAMAICA PUBLIC SERVICE COMPANY LIMITED

**STATEMENT OF EARNINGS (CONDENSED) FOR THE
PERIOD ENDED MARCH 31, 2010**

{ Unaudited results in US\$ thousand }

	Quarter ending,		Year ended
	Mar-10 US\$'000	Mar-09 US\$'000	Dec-09 { Audited } US\$'000
Operating revenue	223,192	158,369	793,558
Cost of sales:			
Fuel	(139,909)	(76,437)	(465,900)
Purchased power (excluding fuel)	(17,267)	(17,735)	(73,552)
	(157,176)	(94,172)	(539,452)
Gross profit	66,016	64,197	254,106
Operating expenses:			
Selling, general & administrative expenses	(14,759)	(15,014)	(59,288)
Maintenance expenses	(18,184)	(16,530)	(68,824)
	(32,943)	(31,544)	(128,112)
Operating profit before depreciation, net finance costs, other expenses and taxation	33,073	32,653	125,994
Depreciation and amortisation expenses	(11,218)	(10,657)	(43,136)
Operating profit before net finance costs, other expenses and taxation	21,855	21,996	82,858
Net financing costs	(7,851)	(24,527)	(43,034)
Other income/(expenses), net	84	203	17,065
Profit before taxation	14,088	(2,328)	56,889
Taxation (expense)/credit	(4,696)	731	(14,670)
Net profit/(loss) for the period	9,392	(1,597)	42,219
Earnings per share/stock unit:			
Number of share/stock units [in thousands]	21,828,195	21,828,195	21,828,195
Net profit/(loss) per share/stock unit (annualised)	0.17	(0.03)	0.19

JAMAICA PUBLIC SERVICE COMPANY LIMITED

**CASH FLOW STATEMENT (CONDENSED) FOR THE
PERIOD ENDED MARCH 31, 2010**

{Unaudited results in US\$ thousand}

	Mar-10	Mar-09
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the period	9,392	(1,597)
Adjustments for non-cash items:		
Depreciation and amortisation	11,218	10,657
Unrealised foreign exchange losses	(840)	364
Interest accrued	8,920	9,060
Interest capitalized during construction	(366)	(504)
Taxation expense/(credit)	4,696	(731)
Employee benefits, net	(118)	320
Others	(9)	1,436
	32,893	19,005
Increase/(decrease) in working capital:		
Accounts receivable	23,140	25,605
Inventories	242	(704)
Payables and provisions	(11,859)	7,016
Taxation payable	(11,282)	(1,640)
Customer deposits	(1,086)	(3,160)
Due to related companies	436	235
Interest paid	(14,060)	(13,990)
Taxes withheld	(283)	294
	18,141	32,661
Net cash provided by operating activities	18,141	32,661
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	362	643
Purchase of property, plant & equipment	(5,696)	(2,818)
Net cash used by investing activities	(5,334)	(2,175)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short-term loans obtained, net	388	(10,000)
Long-term loans repaid, net	(1,712)	(3,424)
Dividends paid	(1,996)	(1)
Increase/(decrease) in bank overdraft	-	(775)
Net cash (used) by financing activities	(3,320)	(14,200)
Net increase in cash & cash equivalents	9,487	16,286
Cash and cash equivalents at beginning of year	16,062	15,348
Cash and cash equivalents at end of year	25,549	31,634

JAMAICA PUBLIC SERVICE COMPANY LIMITED

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED MARCH 31, 2010**

{Unaudited results in US\$ thousand}

	Share Capital	Capital Reserve	Retained Earnings	TOTAL
Balance as at December 31, 2008	261,918	41,357	83,944	387,219
Net profit for the period	-	-	(1,597)	(1,597)
Ordinary dividends	-	-	(18,000)	(18,000)
Preference dividends paid	-	-	(1)	(1)
Balance as at March 31, 2009	261,918	41,357	64,346	367,621
Balance as at December 31, 2009	261,918	41,357	96,490	399,765
Net profit for the period	-	-	9,392	9,392
Balance as at March 31, 2010	261,918	41,357	105,882	409,157

	<u>Mar-10</u>	<u>Mar-09</u>
Net gains for the period	<u>9,392</u>	<u>(1,597)</u>
Amount recognised directly in equity	<u>-</u>	<u>-</u>

JAMAICA PUBLIC SERVICE COMPANY LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (UNAUDITED) MARCH 31, 2010

1. Corporate structure and nature of business

The company is incorporated in Jamaica and is an 80% subsidiary of MaruEnergy JPSCO (Barbados) SRL, formerly Mirant JPSCO (Barbados) SRL, which is incorporated in Barbados. MaruEnergy JPSCO (Barbados) SRL is wholly owned by Marubeni TAQA Caribbean Limited (MTC), formally MaruEnergy Caribbean Limited, which is incorporated in the Bahamas. On March 18, 2009, MTC became jointly owned by Marubeni Corporation, which is incorporated in Japan, and Abu Dhabi National Energy Company PJSC (TAQA), which is incorporated in the United Arab Emirates, upon the sale by Marubeni Corporation of one-half of its shareholding in MTC to TAQA.

A further 19.9% of the issued ordinary shares/stock units is held by the Accountant General and the Development Bank of Jamaica on behalf of the Government of Jamaica (GOJ) collectively, and the remaining 0.1% is held by individuals. In accordance with a Shareholder's Agreement dated March 23, 2001 (amended July 16, 2001) between GOJ and Mirant Corporation and adopted by Marubeni Corporation on July 9, 2007, and TAQA on March 18, 2009, the majority shareholder (MTC) has the right to appoint six members of the Board of Directors while the GOJ has the right to appoint three. Additionally, certain significant decisions of the Board of Directors require a unanimous vote of the appointed Directors.

The principal activities of the company are generating, transmitting, distributing and supplying electricity in accordance with the terms of the All-Island Electric Licence, 2001 (the Licence), granted on March 30, 2001, by the Minister of Mining and Energy.

The registered office of the company is situated at 6 Knutsford Boulevard, Kingston 5, Jamaica, W. I., and its preference shares are listed on the Jamaica Stock Exchange.

2. Regulatory arrangements and tariff structure

The Licence authorises the company to supply electricity for public and private purposes within the Island of Jamaica, subject to regulation by the Office of Utilities Regulation (OUR) established pursuant to the Office of Utility Regulation Act, 1995, and as subsequently amended, with power and authority to require observance and performance by the company of its obligations under the Licence, and to regulate the rates charged by the company.

Under the provisions of the Licence, the company is granted the exclusive right to transmit, distribute and supply electricity throughout the Island of Jamaica for a period of twenty years and to develop new generation capacity within the first three years from the effective date of the Licence. Since the expiration of this initial three year period, the company has the right, together with other persons, to compete for the right to develop new generation capacity. The Licence was extended in August 2007 for an additional period of six years upon the sale of the company by Mirant Corporation to Marubeni Corporation.

Schedule 3 of the Licence defines the rates for electricity and the mechanism for rate adjustments.

Under the Licence, the rates for electricity consist of a Non-Fuel Base Rate, which is adjusted annually using the Performance Based Rate-making Mechanism; and a Fuel Rate, which is adjusted monthly to reflect fluctuations in actual fuel costs, net of adjustments for prescribed efficiency targets. Both rates (fuel and non-fuel) are adjusted monthly to account for movements in the monetary exchange rate between the United States (US) dollar and the Jamaica dollar.

JAMAICA PUBLIC SERVICE COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
(UNAUDITED) MARCH 31, 2010

2. Regulatory arrangements and tariff structure (cont'd)

These rates are determined in accordance with the tariff regime, which provides that the OUR annually reviews the company's efficiency levels (system losses and heat rate) and, where appropriate, adjusts these in the tariff, primarily relating to fuel revenues. Under the rate schedule the company should recover its actual fuel costs, net of the prescribed efficiency adjustments, through its Fuel Rate.

As of May 31, 2004, and thereafter, on each succeeding fifth anniversary, the company must submit a filing to the OUR for further rate adjustments to its Non-Fuel Base Rate. The rate filing, which requires OUR approval, is based on a test year and includes defined "efficient" non-fuel operating costs, depreciation expenses, taxes, and a fair return on investment.

Embedded in the OUR approved tariff is an amount to be set aside monthly in case of a major catastrophe affecting the company's operations (transfer to self-insurance sinking fund).

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

The unaudited interim financial statements are 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.

The interim financial statements have been prepared using the same accounting policies and methods of computation applied in preparing the financial statements for the year ended December 31, 2009. The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The interim statements are presented in United States dollars, which is the currency in which the company conducts the majority of its business, (its functional currency); and are prepared under the historical cost basis, modified for the inclusion of land carried at valuation. The revaluation policy was modified in 2008 with the discontinuation of the practice of carrying specialised assets at valuation. In accordance with IAS 8 these policy changes were implemented retrospectively.

The interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended December 31, 2009.

4. Cash and cash equivalents

As at March 31, 2010, cash and cash equivalents include amounts restricted for use amounting to approximately \$ million (March 2009: \$7.9million). This includes approximately \$9.6 million as at March 31, 2010 (March 2009: \$7.5 million) in relation to a self-insurance sinking fund administered under the direction of the OUR (see note 2).

JAMAICA PUBLIC SERVICE COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
(UNAUDITED) MARCH 31, 2010

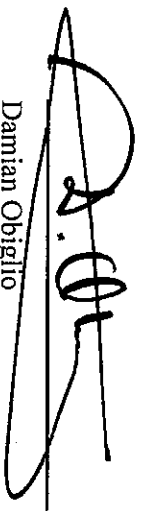
5. Net finance costs


	Quarter ending,	
	Mar-10	Mar-09
	JS'000	JS'000
Foreign exchange losses	840	(16,446)
Other finance costs	(9,361)	(9,178)
Finance income	670	1,097
	(7,851)	(24,527)

Foreign exchange losses, as shown above, are the result of fluctuations in exchange rates. The relevant period end exchange rates (J\$. US\$) are shown below:

December 31, 2008	80.47	March 31, 2008	71.09
December 31, 2009	89.60	March 31, 2009	88.82

ON BEHALF OF THE BOARD


 Damian Obiglio
 President & CEO (Authorised Representative)


 Beverly Lopez
 Director