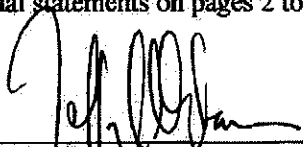


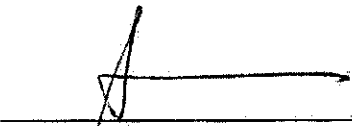
**PULSE INVESTMENTS LIMITED**

Balance Sheet  
March 31, 2010

	<u>Notes</u>	<u>31/3/10</u>	<u>31/12/09</u>	<u>Audited 30/6/09</u>	<u>31/3/09</u>
<b>Current assets</b>					
Bank Balances		11,838,374	10,892,830	10,152,171	16,056,514
Trade and other receivables		8,016,562	8,593,608	14,161,675	30,385,895
Advertising entitlements		1,592,992,677	1,485,742,677	1,160,401,429	1,218,314,886
Unexpired sponsorships in kind		21,947,745	23,947,745	34,191,294	111,626,906
		<u>1,634,795,358</u>	<u>1,529,176,860</u>	<u>1,218,906,569</u>	<u>1,376,384,201</u>
<b>Current liabilities</b>					
Bank overdraft			2,607,885	12,428,776	7,429,563
Accounts payable and accrued charges		12,555,665	12,386,783	15,763,072	6,697,866
Due to related parties		100,359,568	97,318,146	70,568,435	56,404,980
Current portion of long-term liabilities		<u>12,285,684</u>	<u>9,387,056</u>	<u>14,712,860</u>	<u>17,103,191</u>
		<u>125,200,917</u>	<u>121,699,870</u>	<u>113,473,143</u>	<u>87,635,600</u>
<b>Net current assets</b>		<u>1,509,594,441</u>	<u>1,407,476,990</u>	<u>1,105,433,426</u>	<u>1,288,748,601</u>
<b>Non-current assets</b>					
Investment property		57,053,553	57,376,455	58,022,260	137,086,399
Intangible assets		92,720,000	92,720,000	92,720,000	92,720,000
Property, plant & equipment		<u>471,724,737</u>	<u>473,116,965</u>	<u>459,694,960</u>	<u>333,395,313</u>
		<u>621,498,290</u>	<u>623,213,420</u>	<u>610,437,220</u>	<u>563,201,712</u>
		<u>2,131,092,731</u>	<u>2,030,690,410</u>	<u>1,715,870,646</u>	<u>1,851,905,313</u>
<b>Financed by:</b>					
<b>Stockholders' equity</b>					
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>1,569,225,787</u>	<u>1,467,356,600</u>	<u>1,163,335,680</u>	<u>1,303,047,293</u>
		<u>2,113,713,963</u>	<u>2,011,844,776</u>	<u>1,482,015,837</u>	<u>1,847,535,469</u>
<b>Non-current liabilities</b>					
Long-term loans		17,378,768	18,845,634	8,046,790	4,414,844
Preference shares					
Shares					
Share premium		<u>0</u>		<u>0</u>	
		<u>2,131,092,731</u>	<u>2,030,690,410</u>	<u>1,715,870,646</u>	<u>1,851,950,313</u>

The financial statements on pages 2 to 8 were approved by the Board of Directors on May 19, 2010 and signed on its behalf by:

  
\_\_\_\_\_  
Jeffrey Cobham Director

  
\_\_\_\_\_  
Kingsley Cooper Director

The accompanying notes form an integral part of the financial statements

**PULSE INVESTMENTS LIMITED****Income Statement****Nine Months ended March 31, 2010**

	<u>Notes</u>	<u>3 Mths. ended</u> <u>31/3/10</u>	<u>3 Mths. ended</u> <u>31/3/09</u>	<u>9 Mths. ended</u> <u>31/3/10</u>	<u>9 Mths. ended</u> <u>31/3/09</u>
Operating revenue		399,830,705	378,529,662	891,957,895	817,516,042
Operating expenses		<u>(300,725,189)</u>	<u>(276,652,724)</u>	<u>(487,373,193)</u>	<u>(454,480,786)</u>
Operating profit		99,105,516	101,876,938	404,584,702	363,035,256
Other income		<u>2,979,509</u>	<u>215,440</u>	<u>2,979,509</u>	<u>818,832</u>
Profit before net finance costs		102,085,025	102,092,378	407,564,211	363,854,088
Net finance costs		<u>215,837</u>	<u>389,855</u>	<u>1,674,106</u>	<u>943,151</u>
Net profit attributable to members		101,869,188	101,702,523	405,890,105	362,910,937
Basic earnings per stock unit	8	<u>0.36</u>	<u>0.37</u>	<u>1.44</u>	<u>1.33</u>
Fully diluted earnings per stock unit	8				

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

**PULSE INVESTMENTS LIMITED**

**Statement of Changes in Stockholders' Equity**  
**Nine months ended March 31, 2010**

	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	-	-	-	20,499,988	-	429,891,292	429,891,292*
Transfer to capital redemption reserve	-	-	-	(20,499,988)	-	(20,499,988)	(6,812,698)
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	-	-	-	-	-	405,890,107	405,890,107
Balance at March 31, 2010	<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>1,569,225,787</u>	<u>2,113,713,963</u>

**PULSE INVESTMENTS LIMITED****Statement of Cash Flows****Nine months ended March 31, 2010**

	<u>3 Mths. ended</u> <u>31/3/10</u>	<u>3 Mths. ended</u> <u>31/3/09</u>	<u>9 Mths. ended</u> <u>31/3/10</u>	<u>9 Mths. ended</u> <u>31/3/09</u>
<b>Cash flows from operating activities</b>				
Net profit attributable to members	101,869,188	101,702,523	405,890,106	362,910,936
Adjustments to reconcile net profit attributable to members to net cash provided/(used) by operating activities:				
Depreciation	1,715,130	1,813,764	5,145,389	5,437,096
Amortization of patents and trademarks				
Item reclassified				
Interest expense	<u>215,837</u>	<u>347,892</u>	<u>1,386,022</u>	<u>649,734</u>
Operating profit before changes in working capital	103,800,155	103,864,179	412,421,517	368,997,766
<b>(Increase)/decrease in current assets:</b>				
Trade and other receivables	577,046	(8,798,684)	6,145,113	5,440,037
Due from related company				
Advertising entitlements	(105,250,000)	(94,000,000)	(420,347,699)	(376,928,358)
<b>Increase/(decrease) in current liabilities:</b>				
Accounts payable and accrued charges	168,882	(734,032)	(3,207,407)	(7,435,417)
Due to related party	<u>3,041,422</u>	<u>(7,257,713)</u>	<u>29,791,133</u>	<u>26,776,940</u>
Cash provided/(used) by operating activities	2,337,505	(6,926,250)	24,802,657	16,850,968
Interest paid	<u>(215,837)</u>	<u>(347,892)</u>	<u>(1,386,022)</u>	<u>(649,734)</u>
	2,121,668	(7,274,142)	23,416,635	16,201,234
<b>Cash flows from investing activities:</b>				
Acquisition of property, plant & equipment	(0)	(246,664)	(16,206,458)	(63,557,435)
Proceeds from disposal of property, plant & equipment	-	-	-	-
Net cash used in investing activities	(0)	(246,664)	(16,206,458)	(63,557,435)
<b>Cash Flows from financing activities</b>				
Bank overdraft	(2,607,885)	221,055	(12,428,776)	7,429,563
Loans received	2,898,628		14,035,195	1,655,600
Loans repaid	<u>(1,466,866)</u>	<u>(1,747,090)</u>	<u>(7,130,401)</u>	<u>(8,088,861)</u>
Net cash provided by financing activities	<u>(1,176,126)</u>	<u>(1,526,035)</u>	<u>(5,523,974)</u>	<u>(996,302)</u>
Net (decrease)/increase in cash and cash equivalents	945,542	(8,834,181)	1,686,203	(46,359,899)
Cash and cash equivalents at beginning of period	10,892,830	24,890,695	10,152,171	62,416,413
Cash and cash equivalents at end of period	11,838,374	16,056,514	11,838,374	16,056,514

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

## PULSE INVESTMENTS LIMITED

### Notes to the Financial Statements

Nine months ended March 31, 2010

#### 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, 2008.

#### 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.

	<u>31/3/10</u>	<u>30/6/09</u>	<u>31/3/09</u>	<u>30/6/08</u>
Opening balance	1,194,592,723	953,013,434	953,013,434	526,254,066
Sponsorships received	860,320,283	1,699,902,647	762,735,002	421,885,501
Amount recognized in income	<u>(420,347,699)</u>	<u>(1,458,323,358)</u>	<u>(385,806,645)</u>	<u>(111,415,000)</u>
	1,614,940,422	1,194,592,723	1,329,941,792	836,724,567

**PULSE INVESTMENTS LIMITED**

Notes to the Financial Statements

Nine months ended March 31, 2010

**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 \$101,869,188 (2009: 101,702,523) and the number of shares of 280,702,717 (2009: 273,030,826) ordinary and ordinary cumulative convertible redeemable preference shares in issue, respectively.