

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

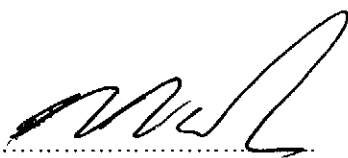
THREE (3) MONTHS ENDED 30 JUNE 2010

	2010 \$'000	2009 \$'000
Operating Income	<u>108</u>	<u>90</u>
Other income	14,036	22,967
Administrative expenses	(3,210)	(3,505)
Other operating expenses	(4,065)	(4,951)
Loss on disposal of investment property	<u>(12,459)</u>	<u>-</u>
Operating (Loss)/Profit	(5,590)	14,601
Finance costs	<u>(7,015)</u>	<u>-</u>
(Loss)/Profit before Taxation	(12,605)	14,601
Taxation	<u>639</u>	<u>(5,076)</u>
Net (Loss)/Profit	(11,966)	9,525
Other comprehensive income	-	-
Total Comprehensive Income	<u>(11,966)</u>	<u>9,525</u>
Earnings per Stock Unit	<u>(\$0.021)</u>	<u>\$0.017</u>

MONTEGO FREEPORT LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
THREE (3) MONTHS ENDED 30 JUNE 2010

Page 2

	Unaudited 30 June 2010 \$'000	Audited 31 March 2010 \$'000	Unaudited 30 June 2009 \$'000
Non-Current Assets			
Investment property	1,097,614	1,221,961	1,165,768
Property, plant and equipment	41,886	42,181	25,146
Current Assets			
Receivables	148,012	162,374	158,657
Taxation recoverable	31,330	27,895	50,248
Cash and cash equivalents	715,130	601,452	504,309
	894,472	791,721	713,214
Current Liabilities			
Payables	226,575	235,910	139,511
Parent corporation	109	-	66
Taxation payable	6,280	6,200	27,544
	232,964	242,110	167,121
Net Current Assets	661,508	549,611	546,093
	1,801,008	1,813,753	1,737,007
Stockholders' Equity			
Share capital	281,533	281,533	281,533
Capital reserve	1,434,518	1,434,518	1,420,946
Retained earnings	68,064	80,030	19,581
	1,784,115	1,796,081	1,722,060
Non-Current Liability			
Deferred tax liabilities	16,893	17,672	14,947
	1,801,008	1,813,753	1,737,007


 Barrington Baugh- Director


 John Gourzong- Director

MONTEGO FREEPORT LIMITED
UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
THREE (3) MONTHS ENDED JUNE 30, 2010

Page 3

	2010 \$'000	2009 \$'000
CASH RESOURCES WERE PROVIDED BY / (USED IN) :		
Net (loss)/profit	(11,966)	9,525
Items not affecting cash resources	124,642	(22,470)
	112,676	(12,945)
Changes in non-cash working capital components	5,027	(20,619)
Tax paid	(4,134)	(626)
Cash used in operating activities	113,569	(34,190)
Cash used in financing activities	109	66
Cash provided by investing activities	-	22,587
Increase/(decrease) in cash and cash equivalents	113,678	(11,537)
Cash and cash equivalents at the beginning of the year	601,452	515,839
CASH AND CASH EQUIVALENTS AT END OF PERIOD	715,130	504,302

MONTEGO FREEPORT LIMITED

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

THREE (3) MONTHS ENDED 30 JUNE 2010

Page 4

	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 April 2009	281,533	1,360,325	65,606	1,707,464
Total comprehensive income	-	-	88,617	88,617
Transfer to capital reserves	-	74,193	(74,193)	-
Balance at 31 March 2010	281,533	1,434,518	80,030	1,796,081
Total comprehensive income	-	-	(11,966)	(11,966)
Balance at 30 June 2010	281,533	1,434,518	68,064	1,784,115
Balance at 30 June 2009	281,533	1,360,325	75,371	1,717,229

Notes to report

Accounting Policies

a) Basis of preparation

These consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS).

b) Property, plant and equipment

Land and buildings are recorded at valuation or deemed cost, less accumulated depreciation for buildings. Other property, plant and equipment are stated at cost less accumulated depreciation.

c) Investment property

Investment property which is not occupied by the Group, is treated as a long-term investment and carried at fair value, representing open market value determined annually by external valuers. Changes in fair values are recorded in the statement of comprehensive income. Investment property was not revalued in the quarter to 30 June 2010.

d) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits at call with banks and other short-term highly liquid investments with original maturities of three months or less.

e) Deferred taxation

Deferred income tax is provided in full, using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

f) Earnings per stock unit

Earnings per stock unit is based on the Group net profit/(loss) for the period divided by the average number of stock units in issue during the period.