

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Consolidated Profit and Loss Account**  
**Year ended 30 June 2010**

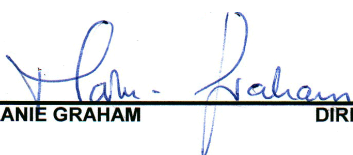
	Note	Period April - June \$'000	Y-T-D Jun-10 \$'000	Period April - June \$'000	Y-T-D Jun-09 \$'000
<b>Revenue</b>	2	182,170	675,638	150,589	528,906
Direct expenses		-148,531	-564,874	-130,831	-468,460
<b>Gross Profit</b>		33,639	110,764	19,758	60,446
Other operating income		4,560	16,115	15,086	42,966
Administration expenses		-28,125	-109,714	-34,093	-107,441
<b>Operating Profit/(Loss)</b>		10,074	17,165	751	-4,029
Finance costs - interest expense		-1,184	-4,323	-574	-2,686
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		8,890	12,842	177	-6,715
Taxation		0	0	1,429	1,429
<b>NET PROFIT/(LOSS)</b>		8,890	12,842	1,606	-5,286
<b>Attributable to:</b>					
Stockholders of the company		8,930	12,994	1,659	-5,046
Minority interest		-40	-152	-53	-240
		8,890	12,842	1,606	-5,286
<b>Earnings/(Loss) per Stock Unit Attributable to Stockholders of the Company</b>	3	6.21	9.04	1.15	-3.51

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Consolidated Balance Sheet**  
**30 June 2010**

	Jun-10 \$'000	Jun-09 \$'000
<b>Non-Current Assets</b>		
Property, plant and equipment	179,117	184,169
Investments	8,153	8,758
Deferred tax assets	6,956	6,956
Post-employment benefit assets	25,016	25,016
<b>Current Assets</b>		
Inventories	22,345	21,952
Accounts receivable	35,830	30,250
Taxation recoverable	904	0
Cash and bank balances	106,982	71,693
	<u>166,061</u>	<u>123,895</u>
<b>Current Liabilities</b>		
Accounts payable	78,449	70,375
Taxation payable	0	117
Current portion of long term liabilities	5,038	1,077
Bank overdraft	0	8,456
	<u>83,487</u>	<u>80,025</u>
<b>Net Current Assets</b>	<u>82,574</u>	<u>43,870</u>
	<u>301,816</u>	<u>268,769</u>
<b>Stockholders' Equity</b>		
Share capital	1,437	1,437
Capital reserve	166,488	166,488
Fair value reserve	8,075	8,680
Retained earnings	80,643	67,649
	<u>256,643</u>	<u>244,254</u>
<b>Minority Interest</b>	5,449	5,601
	<u>262,092</u>	<u>249,855</u>
<b>Non-Current Liabilities</b>		
Long term liabilities	25,878	5,068
Deferred tax liabilities	13,846	13,846
	<u>301,816</u>	<u>268,769</u>

Approved for issue by the Board of Directors on 10 August 2010 and signed on its behalf by:

  
**DOUGLAS GRAHAM** DIRECTOR

  
**MELANIE GRAHAM** DIRECTOR

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Consolidated Statement of Changes in Equity**  
**Year ended 30 June 2010**

	Attributable to the Company's Stockholders					Minority Interest	Total
	Number of Shares	Share Capital	Capital Reserve	Fair Value Reserve	Retained Earnings		
	'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Balance at 1 July 2008</b>	1,437	1,437	166,488	10,165	74,851	5,841	258,782
Net loss	-	-	-	-	-5,046	-240	-5,286
Dividends paid	-	-	-	-	-2,156	-	-2,156
Decrease in fair value of investments	-	-	-	-1,485	-	-	-1,485
<b>Balance at 30 June 2009</b>	1,437	1,437	166,488	8,680	67,649	5,601	249,855
Net profit	-	-	-	-	12,994	-152	12,842
Decrease in fair value of investments	-	-	-	-605	-	-	-605
<b>Balance at 30 June 2010</b>	1,437	1,437	166,488	8,075	80,643	5,449	262,092

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Consolidated Statement of Cash Flows**  
**Year ended 30 June 2010**

	<b>Jun-10</b>	<b>Jun-09</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash Flows from Operating activities</b>		
Cash provided by operating activities	40,746	<u>7,186</u>
<b>Cash Flows from Investing activities</b>		
Purchase of property, plant and equipment	-22,000	-55,634
Proceeds from sale of property, plant and equipment	50	970
Interest received	5,457	9,037
Dividend received	280	238
Cash used in investing activities	<u>-16,213</u>	<u>-45,389</u>
<b>Cash Flows from Financing activities</b>		
Long term loans received	26,495	5,923
Long term loans repaid	-1,725	-4,495
Dividends paid	0	-2,156
Interest paid	-4,323	-2,686
Cash provided by/(used in) financing activities	<u>20,447</u>	<u>-3,414</u>
	44,980	-41,617
Exchange (loss)/gain on foreign cash balances	<u>-1,235</u>	<u>13,512</u>
Increase/(decrease)in cash and cash equivalents	43,745	-28,105
Cash and cash equivalents at beginning of year	63,237	91,342
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><u>106,982</u></u>	<u><u>63,237</u></u>



**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Notes to the Financial Statements**  
**Year ended 30 June 2010**

**Note 2 - Segment Reporting (continued)**

	2009						Total
	Carib Cinema	Palace Cineplex	Palace Multiplex	Odeon Cineplex	Film Activities	Screen Advertising	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue -</b>							
Box office receipts	167,850	54,951	69,414	24,286	-	-	316,501
Confectionery sales	79,270	26,830	27,152	10,204	-	-	143,456
Film rental	-	-	-	-	209,344	-	209,344
Screen advertising	-	-	-	-	-	15,984	15,984
Other activities	5,479	2,763	2,816	1,007	-	-	12,065
	<u>252,599</u>	<u>84,544</u>	<u>99,382</u>	<u>35,497</u>	<u>209,344</u>	<u>15,984</u>	<u>697,350</u>
Eliminations							-168,444
Revenue from external customers							<u>528,906</u>
<b>Capital Expenditure -</b>							
Unallocated head office capital expenditure	28,522	19,010	253	186	10	-	47,981
Total capital expenditure							<u>7,653</u>
							<u>55,634</u>
<b>Depreciation -</b>							
Unallocated head office depreciation	2,732	611	10,214	5,728	2	12	19,299
Total depreciation							<u>1,602</u>
							<u>20,901</u>
<b>Interest Expense -</b>							
Unallocated head office interest expense	110	-	352	-	-	-	462
Total interest expense							<u>2,224</u>
							<u>2,686</u>

**Note 3 -** The earnings/(loss) per stock unit is based on 1,437,028 ordinary stock units in issue at the end of the period.

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Company Profit and Loss Account**  
**Year ended 30 June 2010**

	Period April - June \$'000	Y-T-D Jun-10 \$'000	Period April - June \$'000	Y-T-D Jun-09 \$'000
<b>Revenue</b>	134,902	487,466	109,738	381,077
Direct expenses	-107,430	-403,620	-95,190	-332,357
<b>Gross Profit</b>	27,472	83,846	14,548	48,720
Other operating income	12,070	47,952	22,264	68,232
Administration expenses	-27,879	-108,984	-33,641	-106,565
<b>Operating Profit</b>	11,663	22,814	3,171	10,387
Finance costs - interest expense	-184	-2,395	-561	-2,576
<b>PROFIT BEFORE TAXATION</b>	11,479	20,419	2,610	7,811
Taxation	0	0	-2,812	-2,812
<b>NET PROFIT/(LOSS)</b>	11,479	20,419	-202	4,999


**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Company Balance Sheet**  
**30 June 2010**

	Jun-10 \$'000	Jun-09 \$'000
<b>Non-Current Assets</b>		
Property, plant and equipment	79,509	81,819
Investments	2,040	1,634
Post-employment benefit assets	25,016	25,016
Due from subsidiary companies	68,697	64,996
<b>Current Assets</b>		
Inventories	20,750	20,025
Accounts receivable	35,742	30,014
Taxation recoverable	904	0
Cash and bank balances	105,982	71,287
	163,378	121,326
<b>Current Liabilities</b>		
Accounts payable	66,905	60,079
Taxation payable	0	117
Current portion of long term liabilities	5,038	1,077
Bank overdraft	0	8,456
	71,943	69,729
<b>Net Current Assets</b>	<u>91,435</u>	<u>51,597</u>
	<u>266,697</u>	<u>225,062</u>
<b>Stockholders' Equity</b>		
Share capital	1,437	1,437
Capital reserve	148,365	148,365
Fair value reserve	1,483	1,077
Retained earnings	75,688	55,269
	<u>226,973</u>	<u>206,148</u>
<b>Non-Current Liabilities</b>		
Long term liabilities	25,878	5,068
Deferred tax liabilities	13,846	13,846
	<u>266,697</u>	<u>225,062</u>

Approved for issue by the Board of Directors on 10 August 2010 and signed on its behalf by:

  
 \_\_\_\_\_  
 DOUGLAS GRAHAM

DIRECTOR

  
 \_\_\_\_\_  
 MELANIE GRAHAM

DIRECTOR



**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Company Statement of Changes in Equity**  
**Year ended 30 June 2010**

	Number of Shares '000	Share Capital \$'000	Capital Reserve \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>Balance at 1 July 2008</b>	1,437	1,437	148,365	1,880	52,426	204,108
Net profit	-	-	-	-	4,999	4,999
Dividends paid	-	-	-	-	-2,156	-2,156
Decrease in fair value of investments	-	-	-	-803	-	-803
<b>Balance at 30 June 2009</b>	1,437	1,437	148,365	1,077	55,269	206,148
Net profit	-	-	-	-	20,419	20,419
Increase in fair value of investments	-	-	-	406	-	406
<b>Balance at 30 June 2010</b>	1,437	1,437	148,365	1,483	75,688	226,973

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Company Statement of Cash Flows**  
**Year ended 30 June 2010**

	<b>Jun-10</b>	<b>Jun-09</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash Flows from Operating activities</b>		
Cash provided by/(used in) operating activities	35,664	-21,356
<b>Cash Flows from Investing activities</b>		
Purchase of property, plant and equipment	-19,298	-27,113
Proceeds from sale of property, plant and equipment	50	970
Interest received	5,457	9,037
Dividends received	138	93
Cash used in investing activities	-13,653	-17,013
<b>Cash Flows from Financing activities</b>		
Long term loans received	26,495	5,923
Long term loans repaid	-1,725	-4,495
Dividends paid	0	-2,156
Interest paid	-2,395	-2,576
Cash provided by/(used in) financing activities	22,375	-3,304
	44,386	-41,673
Exchange (loss)/gain on foreign cash balances	-1,235	13,512
Increase/(decrease) in cash and cash equivalents	43,151	-28,161
Cash and cash equivalents at beginning of year	62,831	90,992
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>105,982</b>	<b>62,831</b>