

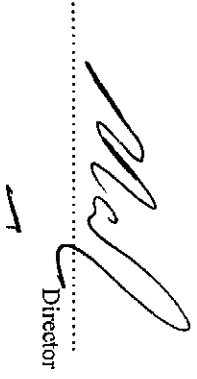
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
THREE (3) AND SIX (6) MONTHS ENDED 30 SEPTEMBER 2010

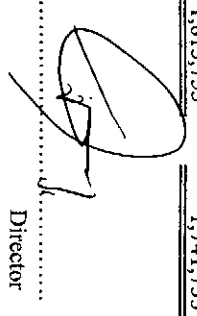
	3 months ended 30 September		6 months ended 30 September	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>Operating Income</b>	<u>187</u>	<u>89</u>	<u>295</u>	<u>179</u>
Other income	10,249	23,079	24,285	46,046
Administrative expenses	(3,224)	(2,973)	(6,434)	(6,478)
Other operating expenses	(7,621)	(5,648)	(11,686)	(10,597)
Loss on disposal of investment property	<u>-</u>	<u>-</u>	<u>(12,459)</u>	<u>-</u>
<b>Operating (Loss)/Profit</b>	<b>(409)</b>	<b>14,547</b>	<b>(5,999)</b>	<b>29,150</b>
Finance costs	<u>(33)</u>	<u>-</u>	<u>(7,048)</u>	<u>-</u>
<b>(Loss)/Profit before Taxation</b>	<b>(442)</b>	<b>14,547</b>	<b>(13,047)</b>	<b>29,150</b>
Taxation	<u>121</u>	<u>(4,946)</u>	<u>760</u>	<u>(10,022)</u>
<b>Net Profit/(Loss), being Total Comprehensive Income for the year</b>	<b>(321)</b>	<b>9,601</b>	<b>(12,287)</b>	<b>19,128</b>
Earnings per Stock Unit	<u>(\$0.001)</u>	<u>\$0.017</u>	<u>(\$0.022)</u>	<u>\$0.034</u>

**MONTEGO FREERPORT LIMITED**  
**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**SIX (6) MONTHS ENDED 30 SEPTEMBER 2010**

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	Unaudited 30 September 2010 \$'000	Audited 31 March 2010 \$'000	Unaudited 30 September 2009 \$'000
<b>Non-Current Assets</b>			
Investment property	1,097,614	1,221,961	1,165,768
Property, plant and equipment	41,608	42,181	24,965
<b>Current Assets</b>			
Receivables	148,161	162,374	158,230
Taxation recoverable	33,086	27,895	55,952
Cash and cash equivalents	315,404	601,452	514,141
	496,651	791,721	728,323
<b>Current Liabilities</b>			
Payables	228,861	235,910	139,829
Parent corporation	217	-	131
Taxation payable	6,151	6,200	37,363
	235,229	242,110	177,323
<b>Net Current Assets</b>	261,422	549,611	551,000
	1,400,644	1,813,753	1,741,733
<b>Stockholders' Equity</b>			
Share capital	281,533	281,533	281,533
Capital reserve	1,034,517	1,434,518	1,360,325
Retained earnings	67,743	80,030	84,734
	1,383,793	1,796,081	1,726,592
<b>Non-Current Liability</b>			
Deferred tax liabilities	16,851	17,672	15,141
	1,400,644	1,813,753	1,741,733

  
 .....  
 Director

  
 .....  
 Director

**MONTEGO FREEPORT LIMITED**  
**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**SIX (6) MONTHS ENDED 30 SEPTEMBER 2010**

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	2010 \$'000	2009 \$'000
<b>CASH RESOURCES WERE PROVIDED BY / (USED IN) :</b>		
Net (loss)/profit	(12,287)	19,128
Items not affecting cash resources	124,920	(45,319)
	<u>112,633</u>	<u>(26,191)</u>
Changes in non-cash working capital components	7,164	(19,618)
Tax paid	(6,061)	(1,383)
	<u>113,736</u>	<u>(47,192)</u>
Cash provided by/(used in) operating activities	217	131
Cash provided by financing activities	(400,001)	45,363
Cash (used in)/provided by investing activities	<u>(286,048)</u>	<u>(1,698)</u>
Decrease in cash and cash equivalents	601,452	515,839
Cash and cash equivalents at the beginning of period	<u>315,404</u>	<u>514,141</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>315,404</u></u>	<u><u>514,141</u></u>

MONTEGO FREEPORT LIMITED

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
SIX (6) MONTHS ENDED 30 SEPTEMBER 2010

	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>Balance at 1 April 2009</b>	281,533	1,360,325	65,606	1,707,464
Net Profit, being total comprehensive income for the year	-	-	88,617	88,617
Transfer to capital reserves	-	74,193	(74,193)	-
<b>Balance at 31 March 2010</b>	281,533	1,434,518	80,030	1,796,081
Net Loss, being total comprehensive income for the period	-	-	(12,287)	(12,287)
Transaction with owners - Capital distribution	-	(400,001)	-	(400,001)
<b>Balance at 30 September 2010</b>	281,533	1,034,517	67,743	1,383,793
<b>Balance at 30 September 2009</b>	281,533	1,360,325	84,734	1,726,592

**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 period ended 30 September 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.