

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Consolidated Statement of Comprehensive Income**  
**Three months ended 30 September 2010**

	Note	Period & Y-T-D Sep-10 \$'000	Period & Y-T-D Sep-09 \$'000
<b>Revenue</b>	2	206,644	170,942
Direct expenses		-159,672	-142,638
<b>Gross Profit</b>		46,972	28,304
Other operating income		4,797	2,958
Administration expenses		-29,441	-26,024
<b>Operating Profit</b>		22,328	5,238
Finance costs - interest expense		-1,161	-526
<b>Net Profit</b>		21,167	4,712
<b>Other Comprehensive Income:</b>			
Unrealised losses on available-for-sale investments		-525	-49
<b>Total Comprehensive Income</b>		20,642	4,663
<b>Profit/(Loss) Attributable to:</b>			
Stockholders of the company		21,188	4,725
Non-controlling interest		-21	-13
		21,167	4,712
<b>Total Comprehensive Income Attributable to:</b>			
Stockholders of the company		20,723	4,678
Non-controlling interest		-81	-15
		20,642	4,663
<b>Earnings/(loss) per Stock Unit Attributable to</b>			
<b>Stockholders of the Company</b>	3	14.74	3.29

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Consolidated Statement of Financial Position**  
**30 September 2010**


	Sep-10 \$'000	Jun-10 \$'000	Sep-09 \$'000
<b>Non-Current Assets</b>			
Property, plant and equipment	207,539	180,164	180,058
Investments	7,627	8,152	8,709
Deferred tax assets	2,144	2,144	6,956
Post-employment benefit assets	25,036	25,036	25,016
<b>Current Assets</b>			
Inventories	22,656	24,314	22,102
Receivables	37,300	36,877	24,388
Cash and bank balances	95,601	106,971	98,420
	155,557	168,162	144,910
<b>Current Liabilities</b>			
Payables	67,890	81,520	74,859
Taxation payable	4,537	6,428	3
Current portion of long term liabilities	4,961	5,037	773
Bank overdraft	10,358	0	16,769
	87,746	92,985	92,404
<b>Net Current Assets</b>	67,811	75,177	52,506
	310,157	290,673	273,245
<b>Stockholders' Equity</b>			
Share capital	1,437	1,437	1,437
Capital reserve	166,488	166,488	166,488
Fair value reserve	7,709	8,174	8,633
Retained earnings	98,284	77,096	72,374
	273,918	253,195	248,932
<b>Non-controlling Interest</b>	5,374	5,455	5,586
	279,292	258,650	254,518
<b>Non-Current Liabilities</b>			
Long term liabilities	24,722	25,880	4,881
Deferred tax liabilities	6,143	6,143	13,846
	310,157	290,673	273,245

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Approved for issue by the Board of Directors on 9 November 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**

**Three months ended 30 September 2010**

	Attributable to the Company's Stockholders					Non-Controlling Interest	Total
	Number of Shares	Share Capital	Capital Reserve	Fair Value Reserve	Retained Earnings		
	'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2009</b>	1,437	1,437	166,488	8,680	67,649	5,601	249,855
<b>Total Comprehensive Income</b>							
Net profit	-	-	-	-	4,725	-13	4,712
Other comprehensive income	-	-	-	-47	-	-2	-49
	0	0	0	-47	4,725	-15	4,663
<b>Balance at 30 September 2009</b>	1,437	1,437	166,488	8,633	72,374	5,586	254,518
<b>Total Comprehensive Income</b>							
Net profit	-	-	-	-	4,722	-33	4,689
Other comprehensive income	-	-	-	-459	-	-98	-557
	0	0	0	-459	4,722	-131	4,132
<b>Balance at 30 June 2010</b>	1,437	1,437	166,488	8,174	77,096	5,455	258,650
<b>Total Comprehensive Income</b>							
Net profit	-	-	-	-	21,188	-21	21,167
Other comprehensive income	-	-	-	-465	-	-60	-525
	0	0	0	-465	21,188	-81	20,642
<b>Balance at 30 September 2010</b>	1,437	1,437	166,488	7,709	98,284	5,374	279,292

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Consolidated Statement of Cash Flows**  
**Three months ended 30 September 2010**

	<b>Sep-10</b>	<b>Sep-09</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash Flows from Operating activities</b>		
Cash provided by operating activities	13,812	20,470
<b>Cash Flows from Investing activities</b>		
Purchase of property, plant and equipment	-34,749	-2,310
Interest received	1,513	1,262
Dividend received	91	9
Cash used in investing activities	<u>-33,145</u>	<u>-1,039</u>
<b>Cash Flows from Financing activities</b>		
Long term loans repaid	-1,234	-491
Interest paid	-1,161	-526
Cash used in financing activities	<u>-2,395</u>	<u>-1,017</u>
(Decrease)/Increase in cash and cash equivalents	-21,728	18,414
Cash and cash equivalents at beginning of period	106,971	63,237
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>85,243</u></u>	<u><u>81,651</u></u>



**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**

**Unaudited Notes to the Financial Statements**

**30 September 2010**

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

	2009						Total \$'000
	Cinema			activities		Screen	
	Carib Cinema \$'000	Palace Cineplex \$'000	Palace Multiplex \$'000	Odeon Cineplex \$'000	Film Activities \$'000	Advertising \$'000	
<b>Revenue -</b>							
Box office receipts	57,571	20,291	18,968	6,737	-	-	103,567
Confectionery sales	24,414	8,631	7,902	2,988	-	-	43,935
Film rental	-	-	-	-	68,856	-	68,856
Screen advertising	-	-	-	-	-	5,988	5,988
Other activities	1,840	842	1,081	331	-	-	4,094
	<u>83,825</u>	<u>29,764</u>	<u>27,951</u>	<u>10,056</u>	<u>68,856</u>	<u>5,988</u>	<u>226,440</u>
Eliminations							-55,498
Revenue from external customers							<u>170,942</u>
<b>Capital Expenditure -</b>	1,319	835	-	70	-	-	2,224
Unallocated head office capital expenditure							86
Total capital expenditure							<u>2,310</u>
<b>Depreciation -</b>	1,320	571	2,558	1,437	-	3	5,889
Unallocated head office depreciation							532
Total depreciation							<u>6,421</u>
<b>Interest Expense -</b>	47	-	4	-	-	-	51
Unallocated head office interest expense							475
Total interest expense							<u>526</u>

**Note 3 -** The (loss)/earnings 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 Statement of Comprehensive Income**  
**Three months ended 30 September 2010**

	Period & Y-T-D Sep-10 \$'000	Period & Y-T-D Sep-09 \$'000
<b>Revenue</b>	147,994	122,721
Direct expenses	-115,100	-102,867
<b>Gross Profit</b>	32,894	19,854
Other operating income	14,872	11,594
Administration expenses	-29,441	-26,024
<b>Operating Profit</b>	18,325	5,424
Finance costs - interest expense	-563	-479
<b>Net Profit</b>	17,762	4,945
<b>Other Comprehensive Income:</b>		
Unrealised gains/(losses) on available-for-sale investments	78	-26
<b>Total Comprehensive Income</b>	17,840	4,919

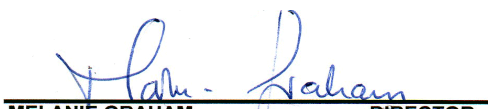
**THE PALACE AMUSEMENT COMPANY (1921) LIMITED**  
**Unaudited Company Statement of Financial Position**  
**30 September 2010**

	Sep-10 \$'000	Jun-10 \$'000	Sep-09 \$'000
<b>Non-Current Assets</b>			
Property, plant and equipment	100,647	80,556	77,709
Investments	2,118	2,040	1,608
Post-employment benefit assets	25,036	25,036	25,016
Due from subsidiary companies	53,648	46,943	64,899
<b>Current Assets</b>			
Inventories	21,000	22,718	20,615
Receivables	37,200	36,732	24,199
Cash and bank balances	95,101	105,971	98,013
	153,301	165,421	142,827
<b>Current Liabilities</b>			
Payables	59,664	69,983	64,720
Taxation payable	4,537	6,428	3
Current portion of long term liabilities	4,961	5,037	773
Bank overdraft	10,358	0	16,769
	79,520	81,448	82,265
<b>Net Current Assets</b>	73,781	83,973	60,562
	255,230	238,548	229,794
<b>Stockholders' Equity</b>			
Share capital	1,437	1,437	1,437
Capital reserve	148,365	148,365	148,365
Fair value reserve	1,561	1,483	1,051
Retained earnings	73,002	55,240	60,214
	224,365	206,525	211,067
<b>Non-Current Liabilities</b>			
Long term liabilities	24,722	25,880	4,881
Deferred tax liabilities	6,143	6,143	13,846
	255,230	238,548	229,794

Approved for issue by the Board of Directors on 9 November 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**

**Three months ended 30 September 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 2009</b>	1,437	1,437	148,365	1,077	55,269	206,148
<b>Total Comprehensive Income</b>						
Net profit	-	-	-	-	4,945	4,945
Other comprehensive income	-	-	-	-26	-	-26
	0	0	0	-26	4,945	4,919
<b>Balance at 30 September 2009</b>	1,437	1,437	148,365	1,051	60,214	211,067
<b>Total Comprehensive Income</b>						
Net loss	-	-	-	-	-4,974	-4,974
Other comprehensive income	-	-	-	432	-	432
	0	0	0	432	-4,974	-4,542
<b>Balance at 30 June 2010</b>	1,437	1,437	148,365	1,483	55,240	206,525
<b>Total Comprehensive Income</b>						
Net profit	-	-	-	-	17,762	17,762
Other comprehensive income	-	-	-	78	-	78
	0	0	0	78	17,762	17,840
<b>Balance at 30 September 2010</b>	1,437	1,437	148,365	1,561	73,002	224,365

**THE PALACE AMUSEMENT COMPANY (1921) LIMITED****Unaudited Company Statement of Cash Flows****Three months ended 30 September 2010**

	<b>Sep-10</b>	<b>Sep-09</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash Flows from Operating activities</b>		
Cash provided by operating activities	4,916	19,103
<b>Cash Flows from Investing activities</b>		
Purchase of property, plant and equipment	-25,895	-991
Interest received	1,513	1,262
Dividend received	35	9
Cash (used in)/provided by investing activities	<u>-24,347</u>	<u>280</u>
<b>Cash Flows from Financing activities</b>		
Long term loans repaid	-1,234	-491
Interest paid	-563	-479
Cash used in financing activities	<u>-1,797</u>	<u>-970</u>
(Decrease)/Increase in cash and cash equivalents	-21,228	18,413
Cash and cash equivalents at beginning of period	105,971	62,831
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>84,743</u></u>	<u><u>81,244</u></u>