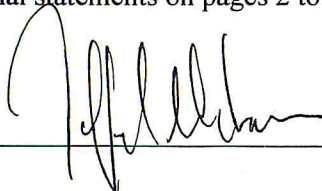


PULSE INVESTMENTS LIMITED

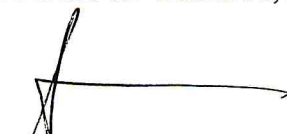
Balance Sheet
December 31, 2010

	Notes	<u>31/12/10</u>	<u>30/9/10</u>	<u>Audited</u> <u>30/6/10</u>	<u>31/12/09</u>
Current assets					
Bank Balances		8,772,285	7,638,177	5,957,991	11,859,349
Trade and other receivables		12,103,958	13,031,943	20,736,375	8,593,608
Advertising entitlements		1,605,211,268	1,470,211,268	1,288,107,938	1,490,742,677
Unexpired sponsorships in kind		41,531,504	41,531,504	18,541,004	23,947,745
		<u>1,667,619,015</u>	<u>1,532,412,892</u>	<u>1,333,343,308</u>	<u>1,535,143,379</u>
Current liabilities					
Bank overdraft		3,157,381	2,620,264	2,861,091	15,834,689
Accounts payable and accrued charges		7,852,462	8,337,759	10,790,961	11,237,046
Due to related parties		77,648,765	61,763,676	46,303,110	97,607,022
Current portion of long-term liabilities		7,535,395	7,535,395	7,535,395	9,051,017
		<u>96,194,003</u>	<u>80,257,094</u>	<u>67,490,557</u>	<u>133,729,774</u>
Net current assets		<u>1,571,425,012</u>	<u>1,452,155,798</u>	<u>1,265,852,751</u>	<u>1,401,413,605</u>
Non-current assets					
Investment property		282,416,076	282,416,076	281,798,856	57,376,455
Intangible assets		92,720,000	92,720,000	92,720,000	92,720,000
Property, plant & equipment		<u>277,445,804</u>	<u>268,423,885</u>	<u>258,787,745</u>	<u>473,116,965</u>
		<u>652,581,880</u>	<u>643,559,961</u>	<u>633,306,601</u>	<u>623,213,420</u>
		<u>2,224,006,892</u>	<u>2,095,715,759</u>	<u>1,899,159,352</u>	<u>2,024,627,025</u>
Financed by:					
Stockholders' equity					
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>1,661,214,735</u>	<u>1,530,833,102</u>	<u>1,334,276,695</u>	<u>1,472,934,594</u>
		2,205,702,911	2,075,321,278	1,878,764,871	2,017,422,770
Non-current liabilities					
Long-term loans		18,303,981	20,394,481	20,394,481	7,204,254
Preference shares					
Shares					
Share premium					
		<u>2,224,006,892</u>	<u>2,095,715,759</u>	<u>1,899,159,352</u>	<u>2,024,627,024</u>

The financial statements on pages 2 to 8 were approved by the Board of Directors on March 30, 2011 and signed on its behalf by:




Director



Kingsley Cooper

Director



PULSE INVESTMENTS LIMITED

Income Statement

Six Months ended December 31, 2010

	<u>Notes</u>	<u>3 Mths.</u> <u>ended</u> <u>31/12/10</u>	<u>3 Mths.</u> <u>ended</u> <u>31/12/09</u>	<u>6 Mths.</u> <u>ended</u> <u>31/12/10</u>	<u>6 Mths.</u> <u>ended</u> <u>30/12/09</u>
Operating revenue		202,958,375	188,751,548	519,252,698	497,127,190
Operating expenses		<u>(72,576,742)</u>	<u>(61,890,910)</u>	<u>(191,878,124)</u>	<u>(187,598,912)</u>
Operating profit		130,381,633	126,860,638	327,374,574	309,598,912
Profit before net finance costs		130,381,633	126,860,638	327,374,574	309,598,912
Net finance costs				(436,842)	
Net profit attributable to members		130,381,633	126,860,638	326,938,040	309,598,912
Basic earnings per stock unit	7	<u>0.46</u>	<u>0.45</u>	<u>1.16</u>	<u>1.10</u>
Fully diluted earnings per stock unit	7	<u>0.46</u>	<u>0.45</u>	<u>1.16</u>	<u>1.10</u>

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

PULSE INVESTMENTS LIMITED

Statement of Changes in Stockholders' Equity
Six months ended December 31, 2010

	Share Capital	Share premium	Capital reserve	Capital redemption reserve	Shares to be Issued	Retained earnings	Total
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	152,367,035	366,375,604	2,636,853	20,499,988	2,608,696	1,163,335,680	1,707,823,856
Net profit attributable to members	-	-	-	-	-	170,941,015	170,941,015
Balance at June 30, 2010	152,367,035	366,375,604	2,636,853	20,499,988	2,608,696	1,334,276,695	1,878,764,871
Net profit attributable to members	-	-	-	-	-	326,938,040	326,938,040
Balance at December 31, 2010	152,367,035	366,375,604	2,636,853	20,499,988	2,608,696	1,661,214,735	2,205,702,911

PULSE INVESTMENTS LIMITED

Statement of Cash Flows

Six months ended December 31, 2010

	3 mths. 31/12/10	3 mths. 31/12/09	6 mths. 31/12/10	6 mths. 31/12/09
Cash flows from operating activities				
Net profit attributable to members	130,381,633	121,860,63	326,938,040	304,598,912
Adjustments to reconcile net profit attributable to members to net cash provided/(used) by operating activities:				
Depreciation	1,713,860	1,715,130	3,427,720	3,430,259
Interest expense			436,842	784,689
Operating profit before changes in working capital	132,095,493	123,575,767	330,802,602	308,813,860
(Increase)/decrease in current assets:				
Trade and other receivables	927,985	1,821,258	8,632,418	5,568,067
Unexpired sponsorships in kind	0	3,750,000	(22,990,500)	10,243,549
Advertising entitlements	(135,000,000)	(134,204,000)	(317,103,330)	(325,341,248)
Increase/(decrease) in current liabilities:				
Accounts payable and accrued charges	(485,297)	684,498	(2,938,500)	(4,526,026)
Current portion of long term loans				
Due to related party	15,885,089	11,749,888	31,345,655	27,038,587
Cash provided/(used)by operating activities	13,423,270	7,377,411	27,748,345	21,796,789
Interest paid	0	0	(436,842)	(784,689)
Net cash provided by operating activities	13,423,270	7,377,411	27,311,503	21,012,100
Cash flows from investing activities:				
Acquisition of property, plant & equipment	(10,735,779)	(219,458)	(22,702,999)	(16,206,458)
Acquisition of Investment Property	-	-	-	-
Net cash used in investing activities	(10,735,779)	(219,458)	(22,702,999)	(16,206,458)
Cash Flows from financing activities				
Bank overdraft	537,117	1,554,379	296,290	3,405,913
Long-term loans repaid	(2,090,500)	(2,971,873)	(2,090,500)	(6,504,379)
Long-term loans received				
Net cash provided by financing activities	(1,553,383)	(1,417,494)	(1,794,210)	(3,098,466)
Net (decrease)/ increase in cash and cash equivalents	1,134,108	5,740,459	2,814,294	1,707,176
Cash and cash equivalents at beginning of period	<u>7,638,177</u>	<u>6,118,889</u>	<u>5,957,991</u>	<u>10,152,171</u>
Cash and cash equivalents at end of period	<u>8,772,285</u>	<u>11,859,348</u>	<u>8,772,285</u>	<u>11,859,347</u>

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

PULSE INVESTMENTS LIMITED

Notes to the Financial Statements

Six months ended December 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, 2010.

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.

PULSE INVESTMENTS LIMITED

Notes to the Financial Statements

Six months ended December 31, 2010

6. 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.

7.. 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 \$130,381,633 (2009: 126,860,638) and the number of shares of 280,702,717 shares in issue.

8. Bank balances

Bank balances include balances in the bank and cash in hand at balance sheet date. Cash inflows improved significantly during the period.