



**CAVE SHEPHERD & CO. LIMITED**  
**Consolidated Balance Sheet (Unaudited)**  
**As at March 31, 2010**  
*(With comparatives as at March 31, 2009)*

	March 31, 2010 \$	March 31, 2009 \$
<b>Current Assets</b>		
Cash and cash equivalents	12,641,462	15,938,632
Financial assets held for trading	19,190,422	11,267,674
Trade and other receivables and prepayments	15,155,247	15,242,974
Inventories	3,872,888	6,256,062
Other current assets	10,378,515	6,813,959
	<u>61,238,534</u>	<u>55,519,301</u>
<b>Current Liabilities</b>		
Trade and other payables	3,077,880	3,164,127
Other current liabilities	3,632,115	1,553,574
	<u>6,709,995</u>	<u>4,717,701</u>
<b>Working Capital</b>	54,528,539	50,801,600
<b>Investment in Associates and at Fair Value through Profit and Loss</b>	73,634,038	76,249,479
<b>Intangible Assets and Goodwill</b>	10,592,564	13,137,024
<b>Investment Property</b>	2,560,000	2,519,446
<b>Property, Plant and Equipment</b>	1,832,702	2,575,213
<b>Loan due by associate</b>	8,800,000	10,400,000
<b>Other Long Term Assets</b>	627,649	627,649
<b>Fixed Income Certificates Payable and Other Long Term Liabilities</b>	(25,093,653)	(21,723,613)
	<u>127,481,839</u>	<u>134,586,798</u>
<b>Capital and Reserves attributable to the equity holders of the company</b>		
Share capital	39,584,581	39,584,581
Retained earnings	82,560,565	89,685,600
	<u>122,145,146</u>	<u>129,270,181</u>
<b>Non-controlling interest</b>	5,336,693	5,316,617
	<u>127,481,839</u>	<u>134,586,798</u>

**CAVE SHEPHERD & CO. LIMITED**  
**Consolidated Statement of Income (Unaudited)**  
**For the Three Months Ended March 31, 2010**  
*(With comparatives for the three months ended March 31, 2009)*

	For the three months ended <b>March 31, 2010</b> \$	For the three months ended <b>March 31, 2009</b> \$
<b>Income</b>		
Revenue from operations	4,309,028	5,090,010
Other gains/(losses)	48,141	-
<b>Total Income</b>	<u>4,357,169</u>	<u>5,090,010</u>
<b>Net Operating (Loss)/Profit</b>	(516,700)	26,291
Share of Results of Associates	2,119,911	590,812
<b>(Loss)/Income Before Taxation</b>	<u>1,603,211</u>	<u>617,103</u>
Corporation Tax	(244,009)	(189,060)
<b>Net Income for the Period</b>	<u>1,359,202</u>	<u>428,043</u>
<b>Attributable to:</b>		
Equity holders of the company	1,181,346	305,539
Non-controlling interest	177,855	122,504
	<u>1,359,202</u>	<u>428,043</u>
Earnings per share (EPS) – basic and diluted	<u>\$0.06</u>	<u>\$0.02</u>

The Group recorded a profit attributable to equity holders of \$1.2 million for the first quarter of 2010 compared to a profit of \$0.3 million for the same period last year. This represents earnings per share (EPS) of \$0.06 compared to \$0.02 in the prior year.

We are pleased to report that there has been an improvement in duty free sales to visitors to the Caribbean at our main retail associate, Duty Free Caribbean (Holdings) Group, in the first quarter. Together with disciplined control of expenses, this has contributed to our Share of Results of Associates showing a profit of \$2.1 million compared to a prior period profit of \$0.6 million.

Our financial services division continues to perform well with all companies showing improved profitability for the period.

We have expensed \$0.5 million towards impairment of goodwill relating to our retail operations in Tortola, BVI as these continue to suffer a decline in sales during the first three months of 2010. We will assess the need to make similar further quarterly provisions as the year progresses.

Our Balance Sheet remains strong with a strong working capital position and comfortable levels of cash and liquid assets.

Although the Caribbean region continues to feel the effects of the economic recession, and is likely to do so for the remainder of 2010, we expect the Group to return to modest profitability for the full year.

R. Geoffrey Cave  
Chairman

John M. B. Williams  
Chief Executive Officer