

Audited Consolidated Financial Statements

MediaHouse Limited and Subsidiaries

September 30, 2008

CHAIRMAN'S REPORT

MEDIAHOUSE LIMITED

We are pleased to present strong operating results for fiscal 2008. MediaHouse Limited ("MHL" or the "Company") is reporting a profit for the year of \$2,698,362, or \$5.48 per common share. These strong results build off of the milestone returns achieved by the Company in fiscal 2007.

MHL's focus continues to be centered on serving the customer and connecting communities through commerce. Our unyielding focus on the customer is supported by the Company's committed team, its high quality products, its leading customer service, and its commitment to being the best.

Caribbean Publishing Company Limited ("CPC") continued to see positive revenue growth across the region. This accomplishment, during a year of deteriorating economic conditions and deregulation within the telecommunications industry, has been achieved by proactively delivering strong customer value, intensely monitoring direct and operational costs, and maintaining a close eye on competitors. We are pleased to announce that CPC has won another award during the year. The Best Print Directory within the book circulation category of 50,001 to 100,000 was awarded to the Cayman Islands Telephone Directory by the Association of Directory Publishers, an international trade organization for directory publishers.

Achieving another year of positive results, The Bermuda Sun Limited ("BSL") and its team has continued to produce a product that is trusted by readers and advertisers for quality, market reach and coverage. Through creative and appealing new products, the BSL has been able to successfully offset the downward pressures on revenue caused by the toughening economic market.

Island Press Limited ("IPL") and Preview of Bermuda ("POB") were also successful in maintaining their profitable positions. The overriding challenge of Bermuda's tough economic market has kept IPL and POB on the offensive. As noted above, a committed focus on the customer is what has kept these companies successful.

Nearing the close of the current fiscal year, MediaHouse ASP Limited ("ASP") launched MicroMaps, its interactive mapping system, to the general market. Management is excited about this new cutting edge product and sees it developing into an integral part of the Group's future success.

The Board was pleased to redeem all of the Company's preference shares at their par value of \$5.00 per share during the year ended September 30, 2008. In addition to the par value, all preference shareholders received nine months of interest through September 30, 2008.

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