

Half-Yearly Report for the period ended 30 June 2010

The following Half-Yearly Report is published pursuant to the terms of Chapters 8 & 9 of the Malta Financial Services Listing Rules and the Prevention of Financial Markets Abuse (Disclosure and Notification) Act 2005. The condensed interim financial information has been extracted from the company's unaudited financial statements for the six months ended 30 June 2010. The financial information has been prepared in accordance with IAS34 'Interim Financial Reporting.' The accounting policies used in the preparation of the Half-Yearly Report are consistent with those used in the annual financial statements for the year ended 31 December 2009.

Interim Directors' report

The Directors' report the company's interim financial results for the six months ending 30 June 2010.

Revenue for the period was €1,001,509 (2009: €979,378) an increase of 2.26%, whilst profit before tax amounted to €658,487 (2009: €654,024). Profit after tax increased to €416,539 (2009:€414,964). Occupancy for the period was 92% (2009: 99%). The decrease was partly attributed to reorganisation of space due to the new extension, which is currently under construction, and partly due to a drop in occupancy of the office floors. Indications are that occupancy should increase during the fourth quarter of 2010.

Company's costs were maintained at satisfactory levels and the 2010 cost to income ratio decreased marginally to 30.26% (2009:30.36%). In line with its growth plans, the company continues to look at new opportunities for expansion.

The development of the company's new extension in Bisazza Lane is proceeding according to plan, and is expected to be completed in early 2011. Remaining capital commitments in relation to this extension amount to €1.1 million, and are to be financed through the company's existing facilities with the company's bank.

The directors do not expect a significant change in the company's performance. However they remain attentive to external market factors.

The Board of Directors does not recommend the payment of an interim dividend (2009:Nil).

Condensed income statement

	Six months ended	
	30 June 2010	30 June 2009
	€	€
Revenue	1,001,509	979,378
Marketing, maintenance and administrative costs	(138,250)	(134,339)
Operating profit before depreciation	863,259	845,039
Depreciation	(164,830)	(162,994)
Operating Profit	698,429	682,045
Net finance costs	(39,942)	(28,021)
Profit before tax	658,487	654,024
Tax expense	(241,948)	(239,060)
Profit for the period	416,539	414,964
Earnings per share (cents)	4c4	4c4

Condensed statement of comprehensive income

	Six months ended	
	30 June 2010	30 June 2009
	€	€
Total comprehensive income for the period	416,539	414,964

Condensed statement of financial position

	30 June 2010	31 December 2009
	€	€
ASSETS		
Non-current assets - property, plant and equipment	27,350,055	26,847,076
Current assets	347,372	338,666
Total assets	27,697,427	27,185,742
EQUITY AND LIABILITIES		
Capital and reserves	19,819,960	20,194,197
Non-current liabilities	5,567,601	5,160,726
Current liabilities	2,309,866	1,830,819
Total liabilities	7,877,467	6,991,545
Total equity and liabilities	27,697,427	27,185,742

Condensed statement of changes in equity

	Share capital	Share premium account	Revaluation reserve	Retained earnings	Total
	€	€	€	€	€
Balance at 1 January 2009	4,385,738	3,094,868	10,520,571	2,100,884	20,102,061
Total comprehensive income for the interim period	-	-	(4,259)	419,223	414,964
Dividends relating to 2008	-	-	-	(744,647)	(744,647)
Balance at 30 June 2009	4,385,738	3,094,868	10,516,312	1,775,460	19,772,378
Balance at 1 January 2010	4,385,738	3,094,868	10,509,323	2,204,268	20,194,197
Total comprehensive income for the interim period	-	-	(5,625)	422,164	416,539
Dividends relating to 2009	-	-	-	(790,776)	(790,776)
Balance at 30 June 2010	4,385,738	3,094,868	10,503,698	1,835,656	19,819,960

Condensed statement of cash flows

	Six months ended	
	30 June 2010	30 June 2009
	€	€
Net cash flows from operating activities	588,520	494,848
Net cash flows used in investing activities	(667,810)	(596,491)
Net cash flows used in financing activities	(265,184)	(824,068)
Net movement in cash and cash equivalents	(344,474)	(925,711)
Cash and cash equivalents at beginning of interim period	(924,478)	(253,437)
Cash and cash equivalents at end of the period	(1,268,952)	(1,179,148)

Statement pursuant to Listing Rule 9.44k.3 issued by the Listing Authority

I confirm that to the best of my knowledge:

- the condensed interim financial information gives a true and fair view of the financial position of the company as at 30 June 2010, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to 'Interim Financial Reporting' (IAS 34);
- the Interim directors' report includes a fair review of the information required in terms of Listing Rule 9.44q.

Albert Mizzi - Chairman
28 July 2010