

Half-Yearly Report for the period ended 30 June 2013

The following Half-Yearly Report is being published pursuant to the terms of Chapter 5 of the Malta Financial Services Authority Listing Rules. The condensed interim financial information has been extracted from the company's unaudited financial statements for the six months ended 30 June 2013. The financial information has been prepared in accordance with IAS34 'Interim Financial Reporting' as adopted by the European Union. 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 2012. This Half-yearly Report has not been audited nor reviewed by the company's independent auditors.

Review of Performance

The Directors have the pleasure of reporting the company's financial results for the six months ending 30 June 2013.

Revenue for the period was €1,038,255 (2012: €1,122,374), whilst profit before tax amounted to €605,474 (2012: €685,013). Profit after tax decreased by 10.5% to €379,595 (2012: €423,969) and was affected by the anticipated lower occupancy in view of the refurbishment programme that needed to be carried out. As at 30 June 2013, occupancy was 83% (2012: 93%). As announced in the Interim Directors' Statement in May 2013, the majority of the refurbishment of the office floors was completed at the end of June 2013 and the remaining vacant offices areas are expected to be leased in the third and fourth quarter of 2013.

The company's costs were maintained at satisfactory levels although the 2013 cost to income ratio increased marginally to 33.5% (2012: 32.2%).

The Directors do not anticipate a significant change in the company's performance in the next six months, although they remain attentive to external market factors.

The Board of Directors does not recommend the payment of an interim dividend (2012: Nil).

Condensed Statement of Financial Position

	As at 30 June 2013	As at 31 December 2012
	€	€
ASSETS		
Non current assets - property, plant and equipment	27,897,534	27,913,676
Current assets	288,903	347,989
Total assets	28,186,437	28,261,665
EQUITY AND LIABILITIES		
Capital and reserves	20,156,464	20,475,141
Non-current liabilities	5,778,356	5,918,262
Current liabilities	2,251,617	1,868,262
Total liabilities	8,029,973	7,786,524
Total equity and liabilities	28,186,437	28,261,665

Condensed Statement of Comprehensive Income

	Six months ended	
	30 June 2013	30 June 2012
	€	€
Revenue	1,038,255	1,122,374
Marketing, maintenance and administrative costs	(166,254)	(175,738)
Operating profit before depreciation	872,001	946,636
Depreciation	(181,362)	(186,524)
Operating profit	690,639	760,112
Net finance costs	(85,165)	(75,099)
Profit before tax	605,474	685,013
Tax expense	(225,879)	(261,044)
Profit for the period - total comprehensive income	379,595	423,969
Earnings per share (cents)	1c 3	1c 5

Condensed Statement of Changes In Equity

	Share capital €	Share premium account €	Revaluation reserve €	Retained earnings €	Total €
Balance at 1 January 2012	4,385,738	3,094,868	10,486,827	2,396,354	20,363,787
Total comprehensive income for the interim period	-	-	(5,625)	429,594	423,969
Re-denomination of share capital through capitalisation of reserves	1,262,662	-	-	(1,262,662)	-
Dividends relating to 2011	-	-	-	(710,142)	(710,142)
Balance at 30 June 2012	5,648,400	3,094,868	10,481,202	853,144	20,077,614
Balance at 1 January 2013	5,648,400	3,094,868	10,475,579	1,256,294	20,475,141
Total comprehensive income for the interim period	-	-	(5,625)	385,220	379,595
Dividends relating to 2012	-	-	-	(698,272)	(698,272)
Balance at 30 June 2013	5,648,400	3,094,868	10,469,954	943,242	20,156,464

Condensed Statement of Cash Flows

	Six months ended	
	30 June 2013	30 June 2012
	€	€
Net cash flows generated from operating activities	715,025	468,167
Net cash flows used in investing activities	(165,220)	(104,635)
Net cash flows used in financing activities	(816,744)	(849,287)
Net movement in cash and cash equivalents	(266,939)	(485,755)
Cash and cash equivalents at beginning of interim period	(972,969)	(610,934)
Cash and cash equivalents at end of interim period	(1,239,908)	(1,096,689)

Statement Pursuant to Listing Rule 5.75.3 issued by the Listing Authority

We confirm that to the best of our knowledge:

- The condensed interim financial information gives a true and fair view of the financial position of the company as at 30 June 2013, 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' (IAS34);
- The Interim Directors' Report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.

Albert Mizzi - Chairman
15 July 2013

Charles J. Farrugia - Director