

## Half-Yearly Report for the period ended 30 June 2014

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 2014. The financial information has been prepared in accordance with IAS 34 '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 2013. This Half-Yearly Report has not been audited nor reviewed by the company's independent auditors.

### Interim Directors' Report

The Directors have the pleasure of reporting the company's financial results for the six months ended 30 June 2014.

Revenue for the period was €1,149,350 (2013: €1,038,255), whilst profit before tax amounted to €714,929 (2013: €605,474). Profit after tax increased by 18% to €447,763 (2013: €379,595). As at 30 June 2014, occupancy was 93% (2013: 83%) and is expected to increase in the third and fourth quarters of 2014. Following the Interim Directors' Statement of May 2014, the company received a Malta Environment and Planning Authority permit to refurbish its façades in Bisazza Street and Tower Road. The work is planned to commence in August 2014 and is expected to be completed by the year end.

The company's costs were maintained at satisfactory levels and the 2014 cost to income ratio decreased marginally to 31.6% (2013: 33.5%).

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 (2013: Nil).

### Condensed Statement of Financial Position

	As at 30 June 2014	As at 31 December 2013
	€	€
<b>ASSETS</b>		
Non current assets - Property, plant and equipment	27,776,263	27,843,284
Current assets	291,155	316,753
<b>Total assets</b>	<b>28,067,418</b>	<b>28,160,037</b>
<b>EQUITY AND LIABILITIES</b>		
Capital and reserves	20,343,465	20,569,091
Non-current liabilities	5,528,914	5,770,562
Current liabilities	2,195,039	1,820,384
Total liabilities	7,723,953	7,590,946
<b>Total equity and liabilities</b>	<b>28,067,418</b>	<b>28,160,037</b>

### Condensed Statement of Comprehensive Income

	Six months ended	
	30 June 2014	30 June 2013
	€	€
<b>Revenue</b>	<b>1,149,350</b>	1,038,255
Marketing, maintenance and administrative costs	(204,155)	(166,254)
<b>Operating profit before depreciation</b>	<b>945,195</b>	872,001
Depreciation	(159,088)	(181,362)
<b>Operating profit</b>	<b>786,107</b>	690,639
Net finance costs	(71,178)	(85,165)
<b>Profit before tax</b>	<b>714,929</b>	605,474
Tax expense	(267,166)	(225,879)
<b>Profit for the period - total comprehensive income</b>	<b>447,763</b>	379,595
<b>Earnings per share (cents)</b>	<b>1c6</b>	1c3

### Condensed Statement of Changes In Equity

	Share capital €	Share premium account €	Revaluation reserve €	Retained earnings €	Total €
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)
<b>Balance at 30 June 2013</b>	<b>5,648,400</b>	<b>3,094,868</b>	<b>10,469,954</b>	<b>943,242</b>	<b>20,156,464</b>
Balance at 1 January 2014	5,648,400	3,094,868	10,464,331	1,361,492	20,569,091
Total comprehensive income for the interim period	-	-	(5,625)	453,388	447,763
Dividends relating to 2013	-	-	-	(673,389)	(673,389)
<b>Balance at 30 June 2014</b>	<b>5,648,400</b>	<b>3,094,868</b>	<b>10,458,706</b>	<b>1,141,491</b>	<b>20,343,465</b>

### Condensed Statement of Cash Flows

	Six months ended	
	30 June 2014	30 June 2013
	€	€
Net cash flows generated from operating activities	842,612	715,025
Net cash flows used in investing activities	(92,067)	(165,220)
Net cash flows used in financing activities	(814,104)	(816,744)
<b>Net movement in cash and cash equivalents</b>	<b>(63,559)</b>	(266,939)
Cash and cash equivalents at beginning of interim period	(1,053,326)	(972,969)
<b>Cash and cash equivalents at end of interim period</b>	<b>(1,116,885)</b>	(1,239,908)

### 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 2014, 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**  
 23 July 2014

**Charles J. Farrugia - Director**