Plaza Centres p.l.c.

THE PLAZA

Annual Report & Financial Statements
2007

Contents

Mission Statement

"To retain our position as Malta's leader in quality retailing and to use our strength to stimulate further growth"

Chairman's Statement

It gives me great pleasure to report on our Company's positive results for the financial year ending 31 December 2007.

The results are in line with our expectations and the Company maintained a consistent level of growth both in terms of occupancy and profitability. During 2007, the Company's occupancy reached 98.26% with similar occupancy levels being anticipated in 2008.

Plaza Centres p.l.c's turnover for the year ended 31 December 2007 was Lm691,903 (2006: Lm656,158) representing a 5.4% increase over 2006. Profit before tax amounted to Lm500,773 (2006: Lm471,417); an increase of 6.2% when compared with 2006. Profit after tax increased by 3% to Lm313,723 (2006: Lm304,552). The company's costs were maintained at satisfactory levels and the 2007 cost to income ratio increased marginally to 30.93% (2006: 30.26%).

During the year under review, the Company's efforts mainly focused on enhancing the Plaza Commercial Centre through its extension on Tower Road. Work on this extension commenced in April 2007 and will be fully completed by end March 2008. The revenue from this extension will commence in April 2008 and to-date, seven of the eight floors were contracted to local and international organisations. The Company will continue to look for new opportunities to expand, both locally and overseas, and in this respect is still waiting for the MEPA to issue a full development permit to commence works on the next extension project in Bisazza Lane, Sliema.

Based on the 2007 positive results, the Board of Directors is recommending the payment of a final net dividend of Lm295,505 or 3c14 per share net of tax (2006: Lm286,898) for approval at the forthcoming Annual General Meeting to be held on 25 April 2008. The final net dividend will be paid on 29 April 2008 to all registered shareholders at close of trading on the Malta Stock Exchange on 4 April 2008.

I would like to conclude by extending my appreciation towards our Board of Directors, Management, Shareholders, Tenants and Staff for their valued contribution towards the Company's continued success.

Albert Mizzi – Chairman
28 March 2008

Share Register Information

Share register information pursuant to the Malta Stock Exchange Bye-laws

Directors' interest in the share capital of the Company (shares held)

	Beneficial interests at 31.12.07	Beneficial interests at 25.03.08
Albert Mizzi	754,280	754,280
Brian R. Mizzi	755,095	755,095
Adrian Strickland	251,031	251,031
Michael Soler	363,729	363,729
Gerald J. Zammit	125,100	125,100

Shareholders holding 5% or more of the equity share capital

	% holding at 31.12.07	% holding at 25.03.08
Middle Sea Valletta Life Assurance Co Ltd	28.09	28.09
HSBC Bank Malta p.l.c. as Custodian	10.34	10.34
Mizzi Associated Enterprises Ltd	8.02	8.02
Cenmed Ltd	8.01	8.01
HSBC Life Assurance (Malta) Ltd	6.34	6.34

Shareholding Details

As at 31 December 2007, Plaza Centres p.l.c.'s issued share capital was held by 421 shareholders, and as at 25 March 2008 by 419 shareholders. The issued share capital consists of one class of ordinary shares with equal voting rights.

Distribution of shareholders analysed by range:

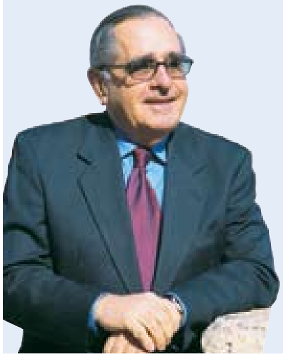
Range of shareholding	No of shareholders at 31.12.07	No of shareholders at 25.03.08	Shares at 31.12.07	Shares at 25.03.08
1-500 shares	63	63	25,222	25,222
501-1000 shares	96	95	81,830	81,030
1001 - 5000 shares	154	152	350,792	347,844
5001 & over	108	109	8,956,156	8,959,904

Company Secretary and Registered Office

Lionel A. Lapira MBA (Henley), AMD
The Plaza Commercial Centre
Penthouse Suite, Level 8
Bisazza Street
Sliema SLM 1640
Malta

28 March 2008

Board of Directors



Albert Mizzi - Chairman

Mr. Mizzi was appointed Chairman of the Company in 1986. He has had an active career within the business community in Malta having led a number of major private sector initiatives and is currently Chairman of various companies including HSBC Bank Malta p.l.c., MIDI p.l.c., Consolidated Biscuit Co. Ltd., Supermarkets (1960) Ltd., Mizzi Associated Enterprises Ltd., Mellieha Bay Hotel Ltd. and Kemmuna Ltd. Mr Mizzi is a director and shareholder in the Alf Mizzi & Sons Group. He has also served for many years as Executive Chairman on various state-owned companies, including Air Malta p.l.c. (19 years), Middle Sea Insurance, Sea Malta and Malta Shipbuilding. He has also served as Chairman of the Malta Council for Economic Development.

Anne Marie Tabone

A Certified Public Accountant by profession, Ms. Anne Marie Tabone, is Chief Finance Officer, of the Middlesea Group.

Brian R. Mizzi

Within Mizzi Organisation, Mr. Brian R. Mizzi holds the post of Managing Director of General Soft Drinks Co. Ltd., bottlers for Coca Cola products, Arkadia Marketing Ltd., The Waterfront Hotel and is also a director of various other companies in Mizzi Organisation, including the Institute of English Language Studies.

Michael Soler

Mr. Michael Soler is the Managing Director of family owned investment companies with interests in the real estate, automotive, insurance and communications sectors. Mr. Soler is a non-Executive Director of the Gasan Group of Companies and a Director of Air Malta p.l.c. Mr. Soler also served as Chairman of the Malta Development Corporation from 1987 to 1990 and Chairman of the National Tourism Organisation of Malta from 1992 to 1995.

Peter Borg

Mr. Borg is the Managing Director of the Bortex Group of Companies. He is also a Director on a number of other Boards including Roosendaal Hotels Ltd., Roosendaal Trading Ltd., Bortex Tunisie s.a.r.l. and Chansel UK Ltd.

Adrian Strickland KM

Mr. Strickland was formerly Chairman of CAM Group and has been Senior Vice President of the Malta Chamber of Commerce. Presently, he is Chairman of Strickland Limited.

Gerald J. Zammit

A former member of the Plaza Executive Management committee. Today still actively involved in the Company's operations. Mr. Zammit is the Marketing Director of Communiqué Creative Limited.

Management

Lionel A. Lapira - Chief Executive Officer

Mr. Lapira joined the Company on 1 July 1994 and has since occupied a number of posts within the Company including Commercial Manager, Company Secretary, Compliance Officer and, till January 2004, member of the Company's executive management committee. He has been a member of the ICSC (International Council of Shopping Centres) since 1995 and in 1999 was awarded AMD (Accredited Marketing Director) status by the ICSC. In January 2000, the Company appointed him General Manager with responsibilities for finance, operations, human resources, leasing, marketing and property management. With qualifications and experience in management, finance, marketing and diplomatic studies, Mr. Lapira obtained his MBA at Henley-Brunel University in 2005. Prior to joining Plaza Centres p.l.c., he occupied senior management positions in the local hospitality, entertainment and leisure industry. Mr. Lapira was appointed Chief Executive Officer on 1 January 2005.

Directors' Report

The directors present their report and the audited financial statements for the year ended 31 December 2007.

Principal activities

The Company's principal activity, which is unchanged since last year, is to lease and manage the Plaza Shopping and Commercial Centre.

Review of the business

Plaza Centres p.l.c.'s turnover for the year ended 31 December 2007 was Lm691,903 (2006: Lm656,158) whilst profit before tax amounted to Lm500,773 (2006: Lm471,417) representing an increase of 6.2% when compared with 2006. Profit after tax amounted to Lm313,723 (2006: Lm304,552) whilst the Company's cost to income ratio increased to 30.93% (2006: 30.26%). In 2007, occupancy reached 98.26% and similar occupancy levels are anticipated during 2008.

During the period being reported, work commenced on the Company's new extension on Tower Road and by 31 December 2007, works on the finishes were progressing according to schedule. At the date of this report, 82% of the new extension was contracted.

Results and dividends

The profit and loss account is set out on page 14. The directors recommend the payment of a final dividend of Lm295,505 (2006: Lm286,898).

Statement pursuant to Listing Rule 9.40.5 issued by the Listing Authority

We confirm that to the best of our knowledge:

1. the financial statements give a true and fair view of the financial position of the Company as at 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.
2. the Annual Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

Directors

The directors of the Company who held office during the year were:

Albert Mizzi - Chairman
Peter Borg
Adrian Strickland
Mark Gasan - resigned 25 April 2007
Brian R. Mizzi
Michael Soler - appointed 25 April 2007
Anne Marie Tabone
Gerald J. Zammit

Directors - continued

The directors are required in terms of the Company's Articles of Association to retire at the forthcoming Annual General Meeting and may offer themselves for re-appointment or re-election.

A shareholder holding not less than 14 per cent of voting rights of the issued share capital or a number of shareholders who between them hold not less than 14 per cent, shall appoint one director for every such 14 per cent holding by letter addressed to the Company. All shares not utilised to make appointments in terms of the above shall be entitled to vote at the Annual General Meeting to elect the remaining directors. The Memorandum and Articles of the Company provides for a Board of Directors of not less than five and not more than seven members.

Auditors

PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board

Albert Mizzi
Chairman

Gerald J. Zammit
Director

Registered office:
The Plaza Commercial Centre
Penthouse Suite, Level 8
Bisazza Street
Sliema SLM 1640
Malta

28 March 2008

Corporate Governance
Statement of Compliance

Pursuant to Listing Rules 8.37 and 8.38 issued by the Listing Authority of the Malta Financial Services Authority, Plaza Centres p.l.c. (the "Company") is hereby reporting on the extent of its adoption of the Code of Principles of Good Corporate Governance (the "Principles") contained in the Listing Rules.

In deciding on the most appropriate manner in which to ensure adherence with the Principles, the Board of Directors of Plaza Centres p.l.c. (the "Board") has taken cognisance of the Company's size and the modest scale of its operations. The Company employs a staff complement of eight. This limitation of size inevitably impacts on the structures required to implement the Principles, without diluting the effectiveness thereof.

Roles and responsibilities

The Board acknowledges its statutory mandate to conduct the administration and management of Plaza Centres p.l.c. The Board, in fulfilling this mandate and discharging its duty of stewardship of the Company, assumes responsibility for the following:

(a) reviewing and approving the business plan and targets that are submitted by management and working with management in the implementation of the business plan;

(b) identifying the principal business risks for the Company and overseeing the implementation and monitoring of appropriate risk management systems;

(c) ensuring that effective internal control and management information systems for the Company are in place;

(d) assessing the performance of the Company's executive officers, including monitoring the establishment of appropriate systems for succession planning and for approving the compensation levels of such executive officers; and

(e) ensuring that the Company has in place a policy to enable it to communicate effectively with shareholders, other stakeholders and the public generally.

The Board delegates authority to and accountability for the Company's day to day business to a team, which during 2007 was composed of the Chairman, Mr. Albert Mizzi, the Chief Executive Officer, Mr. Lionel Lapira and Mr. Gerald J. Zammit. Matters relating to administration, finance and strategy are discussed at Board level.

Composition of the Board

Pursuant to the Company's Articles of Association, the appointment of directors to the Board is reserved exclusively to the Company's shareholders. A shareholder holding not less than 14% of voting rights of the issued share capital or a number of shareholders who between them hold not less than 14%, shall appoint one director for every such 14% holding by a letter addressed to the Company; three members of the Board, including the Chairman, were appointed in 2007 in terms of this rule. All shares not utilised to make appointments in terms of the above shall be entitled to vote at the Annual General Meeting to elect the remaining directors, leading in 2007 to the election of four directors.

The Board is composed of Mr. Albert Mizzi, Chairman, Mr. Peter Borg, Mr. Michael Soler, Mr. Brian R. Mizzi, Mr. Adrian Strickland, Ms. Anne Marie Tabone and Mr. Gerald J. Zammit. All directors serve in a non-executive capacity.

Pursuant to the Company's Listing Agreement with the Listing Authority, prior to being appointed or elected directors, nominees undergo a screening process by the Authority.

As at the date of this statement, the interests of the directors in the shares of the Company were as follows (shares held):

	Beneficial interests
Brian R. Mizzi	755,095
Albert Mizzi	754,280
Michael Soler	363,729
Adrian Strickland	251,031
Gerald J. Zammit	125,100

Mr. Adrian Strickland sold 50,600 shares from 20 March 2007 to 28 March 2008. No other material transactions in the Company's shares, in which any director had a beneficial or non-beneficial interest, were effected.

Contracts are entered into in the ordinary course of business with shareholders and other parties in which the directors have a beneficial interest. As at the financial year end, these contracts included:

(a) income from lettings representing 6.6% of the total square meters rented by Plaza Centres p.l.c. as at the financial year end. The total income is disclosed in Note 24 to the financial statements.
(b) purchase of services and assets, including inter alia, advertising, insurance and capital expenditure. Further information is disclosed in Note 24 to the financial statements.

Terms and conditions of new contracts negotiated with related parties are reviewed by the Company's Audit Committee.

Each director receives an annual remuneration of Lm1,000.

The exercise of the role of the Board

The activities of the Board are exercised in a manner designed to ensure that it can function independently of management and effectively supervise the operations of the Company.

In connection with each Board meeting, the directors are served with a report by management. This report sets out the Company's management accounts circulated monthly to each director; it includes a management commentary on the results and on relevant events and decisions; and it sets out background information on any matter requiring the approval of the Board.

Apart from setting the strategy and direction of the Company, the Board retains direct responsibility for approving and monitoring:

(a) annual plans and budgets;
(b) the remuneration of the Chief Executive Officer, which is determined on an arm's length basis by reference to the responsibility entailed in this post and to the Board's assessment of the performance of the official;
(c) policies regulating relationships with tenants and prospective tenants, including the procedures to be followed from time to time to ensure the timely receipt of all amounts due to the Company;
(d) tenancies which may require a variation from planned terms;
(e) proposals for potential new investments, including any transactions which may entail the acquisition or disposal of property; and
(f) the approval of interim and annual financial statements and reports, and of relevant public announcements made by the Company; the Company's compliance with its continuing listing obligations; and the systems of internal control established by management.

Corporate Governance
Statement of Compliance - continued

Since February 2005, the Board appointed two directors, Ms. Anne Marie Tabone, Mr. Brian R. Mizzi and Mr. David De Marco (previously, alternate director to Mr. Adrian Strickland) to the Company's Audit Committee. The terms of reference, approved by the Board of Directors, are modelled on the recommendations of the Listing Rules. They include, inter alia, the responsibility of reviewing the financial reporting process, the system of internal control and management of financial risk, the audit process, any transactions with related parties and the Company's process for monitoring compliance with laws and regulations. The external auditors are invited to attend specific meetings of the Audit Committee and are entitled to convene a meeting if they consider that it is necessary. In accordance with Listing Rule 8.61, which was modified as from June 2006 and subsequently in March 2007, the Audit Committee met six times during 2007.

The Board does not consider it necessary to constitute separate committees to deal, inter alia, with item (b) above, as would be appropriate in a larger company. In ensuring compliance with other statutory requirements and with continuing listing obligations, the Board is advised directly, as appropriate, by its appointed broker, legal advisor and external auditors.

Directors are entitled to seek independent professional advice at any time on any aspect of their duties and responsibilities, at the Company's expense.

It is the practice of the Board that when a potential conflict of interest arises in connection with any transaction or other matter, the potential conflict of interest is declared so that steps may be taken to ensure that such items are appropriately dealt with. The steps taken will depend on circumstances, and may include the setting up of ad-hoc committees of independent directors that would assist and monitor management as appropriate in the execution of specific transactions. These commercial relationships between the Company and other companies are related by way of common directors, including the purchasing of supplies and services and the letting of outlets.

During the financial year under review, the Board held 11 meetings (9 in 2006).

Communications with Shareholders

Pursuant to the Company's statutory obligations in terms of the Maltese Companies Act, 1995 and the Malta Financial Services Authority Listing Rules, the Annual Report and Financial Statements, the declaration of a dividend, the election of directors, the appointment of the auditors and the authorisation of the directors to set the auditors' fees, and other special business, are proposed and approved at the Company's Annual General Meeting. An overview of the Company's performance is given in the Chairman's Statement which prefaces the Annual Report.

The Company communicates with its shareholders by way of the Annual Report and Financial Statements, by publishing its results on a six-monthly basis during the year, through periodical Company announcements to the market in general and through the Company's website. Periodical information meetings for investors and financial intermediaries are also held when the Board deems appropriate to ensure an informed market on the Company's shares.

Going concern

The directors are satisfied that, having taken into account the strength of the Company's balance sheet and the level of profitability, it is reasonable to assume that the Company has adequate resources to continue operating for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the financial statements.

Approved by the Board of Directors on 28 March 2008 and signed on its behalf by:

Albert Mizzi
Chairman

Gerald J. Zammit
Director

Independent Auditor's Report on Corporate Governance

To the members of Plaza Centres p.l.c. pursuant to Listing Rule 8.39 issued by the Listing Authority

Listing Rules 8.37 and 8.38 issued by the Listing Authority require the Company's directors to include in their Annual Report a Statement of Compliance to the extent to which they have adopted the Code of Principles of Good Corporate Governance and the effective measures that they have taken to ensure compliance with those Principles.

Our responsibility, as auditors of the Company, is laid down by Listing Rule 8.39 which requires us to include a report on the Statement of Compliance.

We read the Statement of Compliance and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with these financial statements. Our responsibilities do not extend to considering whether this Statement is consistent with any other information included in the Annual Report.

We are not required to, and we do not, consider whether the Board's statements on internal control included in the Statement of Compliance cover all risks and controls, or form an opinion on the effectiveness of the Company's Corporate Governance procedures or its risk and control procedures.

In our opinion, the Statement of Compliance set out on pages 8 to 10 has been properly prepared in accordance with the requirements of Listing Rules 8.37 and 8.38 issued by the Listing Authority.

PricewaterhouseCoopers

167 Merchants Street
Valletta
Malta

28 March 2008

Statement of Directors' Responsibilities

The directors are required by the Maltese Companies Act, 1995 to prepare financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial period and of the profit or loss for that period.

In preparing the financial statements, the directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances;
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business as a going concern.

The directors are also responsible for designing, implementing and maintaining internal control relevant to the preparation and the fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Maltese Companies Act, 1995. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Company's website.

Independent Auditor's Report on the Financial Statements

To the Shareholders of Plaza Centres p.l.c.

We have audited the financial statements of Plaza Centres p.l.c. on pages 14 to 32 which comprise the balance sheet as at 31 December 2007 and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the EU and the requirements of the Maltese Companies Act, 1995. As described in the statement of directors' responsibilities on page 12, this responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU and have been properly prepared in accordance with the requirements of the Maltese Companies Act, 1995.

PRICEWATERHOUSECOOPERS

167 Merchants Street
Valletta
Malta

28 March 2008

Profit and Loss Account

Year ended 31 December

	Notes	2007 Lm	2006 Lm
Turnover	3	691,903	656,158
Marketing costs	4	(16,821)	(17,565)
Maintenance costs	4	(1,637)	(2,221)
Administrative expenses	4	(77,221)	(59,679)
Operating profit before depreciation		596,224	576,693
Depreciation	4	(118,361)	(119,101)
Operating profit		477,863	457,592
Interest receivable	6	23,478	22,435
Interest payable	6	(568)	(8,610)
Profit before tax		500,773	471,417
Tax expense	7	(187,050)	(166,865)
Profit for the financial year		313,723	304,552
Earnings per share (cents)	9	3c33	3c24

Balance Sheet

As at 31 December

	Notes	2007 Lm	2006 Lm
ASSETS			
Fixed assets			
Tangible assets - property, plant and equipment	11	**9,951,198**	9,640,672
Other non-current assets			
Debtors	12	-	6,000
Total non-current assets		**9,951,198**	9,646,672
Current assets			
Debtors	12	**81,430**	498,046
Current taxation receivable		-	52,130
Cash at bank and in hand	20	**424,639**	41,015
Total current assets		**506,069**	591,191
Total assets		10,457,267	10,237,863
EQUITY AND LIABILITIES			
Capital and reserves			
Called up issued share capital	16	**1,882,800**	1,882,800
Share premium account	17	**1,328,627**	1,328,627
Revaluation reserve	18	**4,087,671**	4,091,328
Profit and loss account		**857,372**	826,890
Total equity		**8,156,470**	8,129,645
Provisions for liabilities and charges			
Deferred taxation	15	**1,007,207**	1,006,855
Creditors - amounts falling due after more than one year			
Interest-bearing borrowings	13	**444,870**	513,060
Trade and other creditors	14	**372,629**	408,351
		817,499	921,411
Total non current liabilities		**1,824,706**	1,928,266
Creditors - amounts falling due within one year			
Interest-bearing borrowings	13	**235,220**	32,440
Trade and other creditors	14	**231,971**	147,512
Current taxation		**8,900**	-
Total current liabilities		**476,091**	179,952
Total liabilities		**2,300,797**	2,108,218
Total equity and liabilities		10,457,267	10,237,863

The financial statements on pages 14 to 32 were authorised for issue by the Board on 28 March 2008 and were signed on its behalf by:

Albert Mizzi
Chairman

Gerald J. Zammit
Director

Statement of Changes in Equity

	Note	Share capital Lm	Share premium account Lm	Revaluation reserve Lm	Profit and loss account Lm	Total Lm
Balance at 1 January 2006		1,882,800	1,328,627	4,094,985	773,849	8,080,261
Transfer of depreciation through asset use, net of deferred taxation		-	-	(3,657)	3,657	-
Net (expense)/income recognised directly in equity		-	-	(3,657)	3,657	-
Profit for the financial year		-	-	-	304,552	304,552
Total recognised (expense)/income for 2006		-	-	(3,657)	308,209	304,552
Dividends	10	-	-	-	(255,168)	(255,168)
Balance at 31 December 2006		**1,882,800**	**1,328,627**	**4,091,328**	**826,890**	**8,129,645**
Balance at 1 January 2007		1,882,800	1,328,627	4,091,328	826,890	8,129,645
Transfer of depreciation through asset use, net of deferred taxation		-	-	(3,657)	3,657	-
Net (expense)/income recognised directly in equity		-	-	(3,657)	3,657	-
Profit for the financial year		-	-	-	313,723	313,723
Total recognised (expense)/income for 2007		-	-	(3,657)	317,380	313,723
Dividends	10	-	-	-	(286,898)	(286,898)
Balance at 31 December 2007		**1,882,800**	**1,328,627**	**4,087,671**	**857,372**	**8,156,470**

Cash Flow Statement

	Notes	Year ended 31 December 2007 Lm	2006 Lm
Operating activities			
Cash generated from operations	19	615,411	503,348
Interest received	6	23,478	22,435
Interest paid		(38,403)	(31,981)
Tax paid		(125,668)	(157,156)
Net cash from operating activities		474,818	336,646
Investing activities			
Purchase of tangible assets		(316,185)	(98,491)
Disposal of tangible assets		-	1,200
Net cash used in investing activities		(316,185)	(97,291)
Financing activities			
Amount received in connection with property sale	12	377,299	50,850
(Decrease)/increase in borrowings	13	(32,440)	286,000
Dividends paid	10	(286,898)	(255,168)
Net cash from financing activities		57,961	81,682
Movement in cash and cash equivalents		216,594	321,037
Cash and cash equivalents at beginning of year		41,015	(280,022)
Cash and cash equivalents at end of year	20	257,609	41,015

Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

1. Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and with the requirements of the Maltese Companies Act, 1995. The financial statements are prepared under the historical cost convention, as modified by the revaluation of land and buildings owned by the Company.

The preparation of financial statements in conformity with IFRSs requires the use of certain accounting estimates. It also requires directors to exercise their judgement in the process of applying the Company's accounting policies (see Note 1 – Critical accounting estimates and judgements).

Standards, interpretations and amendments to published standards effective in 2007

In 2007, the Company adopted new standards, amendments and interpretations to existing standards that are mandatory for the Company's accounting period beginning on 1 January 2007. The adoption of these revisions to the requirements of IFRSs did not result in substantial changes to the Company's accounting policies. IFRS 7, Financial Instruments: Disclosures, and the complementary Amendment to IAS 1, Presentation of Financial Statements – Capital Disclosures, introduce new disclosures relating to financial instruments and capital, but do not have any impact on the classification and measurement of the Company's financial instruments and capital.

Standards, interpretations and amendments to published standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for issue of these financial statements but are mandatory for accounting periods beginning after 1 January 2007. The Company has not early adopted these revisions to the requirements of IFRSs and the Company's directors are of the opinion that there are no requirements that will have a possible significant impact on the Company's financial statements in the period of initial application.

2. Revenue recognition

Revenue comprises the fair value for services and is recognised as follows:

(a) Rendering of services

Rents receivable and premia charged to clients are included in the financial statements as turnover. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are credited to the income statement on a straight-line basis over the period of the lease.

(b) Interest income

Interest income is accounted for as it accrues, unless collectibility is in doubt.

3. Tangible fixed assets – property, plant and equipment

Tangible fixed assets, comprising land and buildings, electrical installations, plant, machinery and equipment, and furniture and fittings are initially recorded at cost. Land and buildings are subsequently shown at market value, based on valuations by external independent valuers, less subsequent depreciation for buildings. Valuations are carried out on a regular basis such that the carrying amount of property does not differ materially from that which would be determined using fair values at the balance sheet date. All other tangible fixed assets are stated at historical cost less depreciation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are credited to the revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to the profit and loss account. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the profit and loss account) and depreciation based on the asset's original cost, net of any related deferred income taxes, is transferred from the revaluation reserve to retained earnings.

Depreciation is calculated on the straight line method to write off the cost, or revalued amount of each asset, other than land, to their residual values over their estimated useful life as follows:

	%
Buildings	1
Electrical installations	4
Plant, machinery and equipment	5-20
Furniture and fittings	3.33-33.33

Assets in the course of construction are not depreciated.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of tangible fixed assets are determined by comparing proceeds with the carrying amount and these are included in operating profit. On disposal of a revalued asset, the amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

4. Trade debtors

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the profit and loss account.

5. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at call with banks, net of bank overdraft. In the balance sheet, the bank overdraft is included in borrowings in current liabilities.

6. Share capital and dividends

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown as a deduction in equity from the proceeds.

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

7. Deferred taxation

Deferred income tax is provided using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax on revaluations is charged or credited directly to the revaluation reserve. Deferred income tax on the difference between the actual depreciation on the property and the equivalent depreciation based on the historical cost of the property is realised through the profit and loss account.

Deferred tax assets are recognised only to the extent that future taxable profit will be available such that realisation of the related tax benefit is probable.

8. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs are capitalised within tangible fixed assets in so far as they relate to the specific external financing of assets under development. Such borrowing costs are capitalised up to the time that the assets are brought into use. Other borrowing costs are recognised as an expense in the year to which they relate.

Notes to the Financial Statements

1. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised).

As referred in Note 11, the Company's land and buildings were last revalued by the directors as at 31 December 2005. This valuation has been made on the basis of independent professional advice which has considered, inter alia, the projected future earnings from the Plaza Shopping and Commercial Centre, in the main based on long term rental contracts, its ongoing maintenance needs, and other relevant market factors.

2. Format of the profit and loss account

The layout, nomenclature and terminology of the items in the profit and loss account have been adapted due to the special nature of the Company in terms of Section 3(3) of the Third Schedule of the Maltese Companies Act, 1995.

3. Turnover

All of the Company's turnover arises in Malta and relates to rental income and premia charged to tenants.

4. Expenses by nature

	2007 **Lm**	2006 Lm
Staff costs (Note 5)	**66,449**	64,851
Depreciation (Note 11)	**118,361**	119,101
Directors' emoluments	**7,000**	7,000
Provision for impairment of debtors	**(2,866)**	(18,000)
Other expenses	**25,096**	25,614
Total operating costs	**214,040**	198,566

Auditor's remuneration for the current financial year amounted to Lm1,750 (2006: Lm1,650).

5. Staff costs

	2007 **Lm**	2006 Lm
Wages and salaries	**62,067**	60,617
Social security costs	**4,382**	4,234
	66,449	64,851

5. Staff costs - continued

Average number of persons employed by the Company during the year:

	2007	2006
Administration	**4**	4
Maintenance	**3**	3
Security	**1**	1
	8	8

6. Interest

	2007 Lm	2006 Lm
Interest receivable		
Trade debtors	**7,563**	4,549
Other	**15,915**	17,886
	23,478	22,435
Interest payable		
Bank loans and overdraft	**568**	8,610

7. Tax expense

	2007 Lm	2006 Lm
Current tax expense	**186,698**	154,440
Deferred tax expense (Note 15)	**352**	12,425
	187,050	166,865

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	2007 Lm	2006 Lm
Profit before tax	**500,773**	471,417
Tax on profit at 35%	**175,271**	164,996
Tax effect of:		
- non deductible depreciation	**6,504**	6,554
- interest received taxed at 15%	**(2,917)**	-
- other differences	**8,192**	(4,685)
Tax expense	**187,050**	166,865

8. Directors' emoluments

	2007	2006
	Lm	Lm
Directors' fees	**7,000**	7,000

The Company has paid insurance premiums of Lm1,383 (2006: Lm1,853) during the year in respect of professional indemnity in favour of its directors and senior officers.

9. Earnings per share

Earnings per share is based on the net profit for the year divided by the weighted average number of ordinary shares in issue during the year.

	2007	2006
Net profit attributable to shareholders	**Lm 313,723**	Lm 304,552
Weighted average number of ordinary shares in issue	**9,414,000**	9,414,000
Earnings per share (cents)	**3c33**	3c24

10. Dividend

At the forthcoming Annual General Meeting a final net dividend in respect of 2007 of 3c14 per share, amounting to a total net dividend of Lm295,505 is to be proposed. These financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending 31 December 2008. The net dividends declared in respect of 2006 and 2005 were Lm286,898 (3c05 per share) and Lm255,168 (2c71 per share) respectively.

11. Tangible assets - property, plant and equipment

	Land and buildings Lm	Electrical installations Lm	Plant, machinery and equipment Lm	Furniture and fittings Lm	Total Lm
At 1 January 2006					
Cost or valuation	8,622,605	324,396	1,283,804	558,352	10,789,157
Accumulated depreciation	-	(142,538)	(766,432)	(242,276)	(1,151,246)
Net book amount	8,622,605	181,858	517,372	316,076	9,637,911
Year ended 31 December 2006					
Opening net book amount	8,622,605	181,858	517,372	316,076	9,637,911
Additions	82,179	2,428	27,106	10,149	121,862
Disposals	-	-	(10,949)	-	(10,949)
Depreciation charge	(24,101)	(13,074)	(61,847)	(20,079)	(119,101)
Depreciation released on disposals	-	-	10,949	-	10,949
Closing net book amount	8,680,683	171,212	482,631	306,146	9,640,672
At 31 December 2006					
Cost or valuation	8,704,784	326,824	1,299,961	568,501	10,900,070
Accumulated depreciation	(24,101)	(155,612)	(817,330)	(262,355)	(1,259,398)
Net book amount	8,680,683	171,212	482,631	306,146	9,640,672
Year ended 31 December 2007					
Opening net book amount	8,680,683	171,212	482,631	306,146	9,640,672
Additions	369,018	7,090	38,967	13,812	428,887
Depreciation charge	(24,208)	(13,166)	(60,735)	(20,252)	(118,361)
Closing net book amount	**9,025,493**	**165,136**	**460,863**	**299,706**	**9,951,198**
At 31 December 2007					
Cost or valuation	9,073,802	333,914	1,338,928	582,313	11,328,957
Accumulated depreciation	(48,309)	(168,778)	(878,065)	(282,607)	(1,377,759)
Net book amount	**9,025,493**	**165,136**	**460,863**	**299,706**	**9,951,198**

In 2007, borrowing costs of Lm37,835 (2006: Lm23,371) arising on the financing for the extension of the Plaza Shopping Centre were capitalised and are included in 'Additions'. A capitalisation rate of 6.5% (2006: 6%) was used, representing the actual borrowing cost of the funds used to finance the project.

Assets in the course of construction included in tangible assets amounted to Lm374,799 as at the year end, comprising Lm338,683 relating to land and buildings, Lm31,290 relating to plant, machinery and equipment and Lm4,826 relating to electrical installations. No depreciation has been charged on these assets as they had not yet been put into use by 31 December 2007.

Fully depreciated assets which were still in use at 31 December 2007 amounted to Lm232,212 (2006: Lm231,184).

The Company's land and buildings were last revalued on 31 December 2005 on the basis of an open market valuation by an independent professionally qualified valuer. The surplus arising on revaluation, net of deferred taxation, was credited to the revaluation reserve (Note 18).

The carrying value of land and buildings would have been as follows had these assets been included in the financial statements at cost less depreciation.

	2007 **Lm**	2006 Lm
Cost	**3,696,254**	3,327,236
Accumulated depreciation	**(145,986)**	(127,404)
Net book amount	**3,550,268**	3,199,832

12. Debtors

	2007 **Lm**	2006 Lm
Trade debtors on premia	**6,000**	21,297
Trade debtors on rental and other income	**72,682**	99,062
Trade debtors (gross)	**78,682**	120,359
Less: provision for impairment of debtors	**(9,134)**	(12,000)
Trade debtors (net)	**69,548**	108,359
Amount receivable on sale of property	**-**	377,299
Prepayments and accrued income	**11,882**	18,388
	81,430	504,046
Amounts included above which are due after more than one year:		
Trade debtors on premia	**-**	6,000

Trade debtors include an amount of Lm9,650 (2006: Lm10,121) that is owed by related undertakings (Note 24).

Interest on premium debtors is charged at a rate of 7.5% (2006: 6.5%). In 2006, the amount receivable on sale of property was subject to interest at 6.5%, and was secured by a special privilege over the property disposed of.

The repayment terms of the above long term receivables are further analysed as follows:

	2007 **Lm**	2006 Lm
Between 1 and 2 years	**-**	6,000

13. Interest-bearing borrowings

	2007 Lm	2006 Lm
Short term - falling due within one year		
Bank overdraft (Note 20)	**167,030**	-
Bank loans	**68,190**	32,440
Short term borrowings	**235,220**	32,440
Long term		
Bank loans	**444,870**	513,060
Total borrowings	**680,090**	545,500

The bank borrowings are secured by a special and general hypothec over the Company's assets and by a pledge over the insurance policies of the Company.

The Company's banking facilities as at 31 December 2007 amounted to Lm1,013,060 (2006: Lm1,045,500).

The interest rate exposure of the borrowings of the Company was as follows:

	2007 Lm	2006 Lm
Total borrowings:		
At floating rates	**680,090**	545,500

Effective interest rates at the balance sheet date:

	2007 %	2006 %
Bank overdraft	**6.5**	6.0
Bank loans	**6.5**	6.0

Maturity of long term borrowings:

	2007 Lm	2006 Lm
Between 1 and 2 years	**68,190**	68,190
Between 2 and 5 years	**204,570**	204,570
Later than 5 years	**172,110**	240,300
	444,870	513,060

14. Trade and other creditors

	2007 **Lm**	2006 Lm
Amounts falling due within one year		
Trade creditors	**6,340**	23,933
Capital creditors	**77,528**	2,661
Other taxes and social security	**4,623**	20,871
Other creditors	**8,252**	10,810
Accruals and deferred income	**135,228**	89,237
	231,971	147,512
Amounts falling due after more than one year		
Deferred income	**372,629**	408,351

Trade and capital creditors include an amount of Lm13,165 (2006: Lm8,431) that is owed to related undertakings (Note 24).

15. Deferred taxation

Deferred income taxes are calculated on temporary differences under the liability method using a principal tax rate of 35% (2006: 35%), except for temporary differences on land and buildings that are calculated under the liability method using a principal tax rate of 12% of the carrying amount.

	2007 **Lm**	2006 Lm
At beginning of year	**(1,006,855)**	(994,430)
Debited to profit and loss account (Note 7)	**(352)**	(12,425)
At end of year	**(1,007,207)**	(1,006,855)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities. The deferred income tax account is further analysed as follows:

	2007 **Lm**	2006 Lm
Temporary differences attributable to deferred premium income	**139,983**	147,132
Temporary differences on provision for impairment of debtors	**3,197**	4,200
Temporary differences arising on fixed assets	**(203,283)**	(209,114)
Temporary differences on asset revaluation (Note 18)	**(947,104)**	(949,073)
	(1,007,207)	(1,006,855)

The directors expect to recover or settle a substantial portion of the above assets/liabilities after 12 months.

16. Share capital

	2007 Lm	2006 Lm
Authorised		
25,000,000 ordinary shares of Lm0.20 each	**5,000,000**	5,000,000
Issued and fully paid		
9,414,000 ordinary shares of Lm0.20 each	**1,882,800**	1,882,800

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors the level of net debt (including borrowings and trade and other payables less cash and cash equivalents as shown in the balance sheet) against total capital on an ongoing basis. The directors consider the Company's gearing level to be appropriate as at the financial year end.

17. Share premium account

	2007 Lm	2006 Lm
At beginning and end of year	**1,328,627**	1,328,627

The share premium arose on the issue of 2,050,000 ordinary shares with a nominal value of Lm0.20 each at a premium of Lm0.68 per share.

18. Revaluation reserve

	2007 Lm	2006 Lm
At beginning of year, before deferred taxation	**5,040,401**	5,046,027
Transfer to retained profits through asset use	**(5,626)**	(5,626)
At 31 December, before deferred taxation	**5,034,775**	5,040,401
Deferred taxation (Note 15)	**(947,104)**	(949,073)
At 31 December	**4,087,671**	4,091,328

The revaluation reserve is not distributable by way of dividend.

19. Cash generated from operations

Reconciliation of operating profit to cash generated from operations:

	2007 Lm	2006 Lm
Operating profit	**477,863**	457,592
Adjustments for:		
Depreciation (Note 11)	**118,361**	119,101
Deferred premium income	**(35,722)**	(48,722)
Profit on disposal of tangible assets	**-**	(1,200)
Provision for impairment of debtors	**(2,866)**	(18,000)
Changes in working capital:		
Trade and other debtors	**48,183**	5,612
Trade and other creditors	**9,592**	(11,035)
Cash generated from operations	**615,411**	503,348

20. Cash and cash equivalents

For the purpose of the cash flow statement, the year end cash and cash equivalents comprise the following:

	2007 Lm	2006 Lm
Cash at bank and in hand	**424,639**	41,015
Bank overdraft	**(167,030)**	-
	257,609	41,015

At 31 December 2007, included in cash at bank and in hand is an amount of Lm408,853 held as a deposit with a term of 3 months maturing within one month from balance sheet date, which is subject to an effective interest rate of 4%.

21. Financial risk management

The Company's activities potentially expose it to a variety of financial risks: market risk (including fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company did not make use of derivative financial instruments to hedge risk exposures during the current and preceding financial years. The Board provides principles for overall risk management, as well as policies covering risks referred to above and specific areas such as investment of excess liquidity.

(a) Market risk

(i) Cash flow and fair value interest rate risk

The Company's significant interest-bearing assets and liabilities, and related interest rate and maturity information, are disclosed in Notes 12, 13 and 20. As at the financial year end the Company was exposed to variable interest rates in respect of a short term deposit with a 3 month maturity period and bank borrowings. The Company's bank borrowings expose it to cash flow interest rate risk. Management monitors the level of floating rate borrowings as a measure of cash flow risk taken on.

Based on the above, management considers the potential impact on profit or loss of a defined interest rate shift that is reasonably possible at the balance sheet date to be immaterial.

(b) Credit risk

Financial assets that potentially subject the Company to concentrations of credit risk consist principally of cash at bank and debtors. The Company's exposures to credit risk as at each financial year end were as follows :

	2007 **Lm**	2006 Lm
Trade and other receivables	**81,430**	504,046
Cash and cash equivalents	**424,639**	41,015
Total loans and receivables	**506,069**	545,061

Credit risk with respect to cash at bank is not considered to be significant since the Company's cash is placed with quality financial institutions. Debtors are presented net of an allowance for impairment as disclosed in Note 12. Credit risk with respect to trade debtors is limited due to the number of customers comprising the Company's debtor base. The Company assesses the credit quality of its tenants taking into account financial position, past experience and other factors. The Company manages credit limits and exposures actively in a practicable manner such that there are no material past due amounts receivable from tenants as at the reporting date. The Company's debtors, which are not impaired financial assets, are principally in respect of transactions with tenants for whom there is no recent history of default. Management does not expect any material losses from non-performance by these tenants.

(c) Liquidity risk

The Company is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise principally trade and other payables and interest-bearing borrowings (refer to Notes 13 and 14). Prudent liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meet the Company's obligations.

Management monitors liquidity risk by means of cash flow forecasts on the basis of expected cash flows over a twelve month period and ensures that no additional financing facilities are expected to be required over the coming year. The Company's liquidity risk is not deemed to be material in view of the matching of cash inflows and outflows arising from expected maturities of financial instruments, coupled with the Company's committed borrowing facilities that it can access to meet liquidity needs as referred to previously and as disclosed in Note 13.

The carrying amounts of the Company's assets and liabilities are analysed into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date in the respective notes to the financial statements.

(d) Fair values

At 31 December 2007 and 2006 the carrying amounts of cash at bank, debtors, creditors and accrued expenses and short term borrowings approximated their fair values due to the short term maturities of these assets and liabilities. Long term borrowings are accounted for at amortised cost.

22. Capital commitments

Commitments for capital expenditure not provided for in these financial statements are as follows:

	2007 **Lm**	2006 Lm
Authorised but not contracted	**-**	279,000
Authorised and contracted	**138,528**	282,000

During the year, the Company's extension of the Plaza Shopping Centre was at an advanced stage of completion and is expected to be complete and open for business during 2008.

23. Operating lease commitments

Future minimum lease payments due to the Company under non-cancellable operating leases are as set out below. They are determined by reference to the point in time in the rental contract when the tenant is given the option to cancel a lease without the requirement of any additional payment thereon.

	2007 **Lm**	2006 Lm
Not later than 1 year	**501,615**	508,137
Later than 1 year and not later than 5 years	**671,034**	647,010
	1,172,649	1,155,147

24. Related party transactions

Related party transactions are traded on a commercial basis with entities that are related by way of common directors who are able to exercise significant influence over the Company's operations. Related party transactions traded during the year were purchases of fixed assets and other supplies and services, before recoveries from tenants, of Lm119,724 (2006: Lm38,682). Income from lettings and premia amounted to Lm63,231 (2006: Lm58,699). Amounts due from or to related undertakings are disclosed in Notes 12 and 14.

Key management personnel compensation consists of directors' emoluments as disclosed in Note 8.

25. Statutory information

Plaza Centres p.l.c. is a limited liability company and is incorporated in Malta.

26. Euro converted financial highlights

	2007	2006
	€	€
Turnover	**1,611,700**	1,528,437
Profit for the financial year	**730,778**	709,415
Earnings per share	**7c76**	7c54
Net asset value	**18,999,464**	18,936,979
Cash flows from/(used in):		
Operating activities	**1,106,028**	784,174
Investing activities	**(736,513)**	(226,627)
Financing activities	**135,013**	190,268

At the forthcoming Annual General Meeting a final net dividend in respect of 2007 of 7c31 per share, amounting to a total net dividend of €688,341 is to be proposed. These financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending 31 December 2008. The net dividends declared in respect of 2006 and 2005 were €668,293 (7c10 per share) and €594,382 (6c31 per share) respectively.

All figures have been translated using the Irrevocably Fixed Conversion Rate of €1 = Lm0.4293.

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