Santumas Shareholdings plc

Amalgamated
with Marsascala Development Limited, Santumas Contractors Limited
and Calpabrin Properties (Investments) Limited
Britannia House 1, 9 Old Bakery Street, Valletta VLT 1450, Malta G.C.
Telephones : (+356) 2123 1492 • 2125 0345 • 2122 1074 • Fax: (+356) 2123 9279
E-mail: santumas@maltanet.net

31st December 2009

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Santumas Shareholdings plc pursuant to Malta Financial Services Authority Listing Rules.

Quote

On the 21st December 2009 the Board of Directors of Santumas Shareholdings plc approved the attached unaudited Interim Financial Statements for the six-month period ended 31st October 2009.

The unaudited Interim Financial Statements are also available for viewing at the registered office of the Company at 1 Britannia House, 9 Old Bakery Street, Valletta VLT 1450, Malta.

Unquote

Michael Formosa Gauci
Company Secretary

Company Registration No.: C 35

SANTUMAS SHAREHOLDINGS PLC

Interim Report
and
Interim Financial Statements (unaudited)

31 October 2009

CONTENTS

Supplementary Statements

DIRECTORS AND COMPANY INFORMATION

REGISTRATION

Santumas Shareholdings plc was registered as a public limited liability company under the Companies Act, Cap. 386 of the Laws of Malta on 24 December 1997 with company registration number C35. The company holds a Collective Investment Scheme license from the Malta Financial Services Authority in terms of the Investment Services Act, 1994.

DIRECTORS

Dr. Edward Firman, B.A., M.B.A., F.C.M.A., M.B.I.M., C.P.A.
"La Encantada," Mons. E. Debono Street, Kappara, MALTA

Dr. Rene Frendo Randon, LL.D. (Chairman)
Villa Belveder, B'Kara Hill, St. Julians, MALTA

Mr. Peter Paul Testaferrata Moroni Viani
19, J. Howard Street, San Pawl tat-Targa, MALTA

Chev. Anthony Demajo OCC.
41, G'Mangia Hill, Pieta, MALTA

Mr. Christopher Testaferrata Moroni Viani
Villa Ammermann, Mdina Road, Balzan, MALTA.

SECRETARY

Mr. Michael Formosa Gauci, B.A. (Acc.) Bus. Manag.
'Zagora', 23, Triq l-Isponsun, Kappara, MALTA

REGISTERED OFFICE

Britannia House/1, 9, Old Bakery Street, Valletta, MALTA

AUDITORS

Ernst & Young
Certified Public Accountants
Regional Business Centre
Achille Ferris Street
Msida MSD 1751
MALTA

CUSTODIAN

HSBC Bank Malta plc
233, Republic Street
Valletta
MALTA

DIRECTORS AND COMPANY INFORMATION - continued

ADVOCATE

Dr. Rene Frendo Randon LL.D.
222, Merchants Street
Valletta
MALTA

BANKERS

HSBC Bank Malta plc
Development House
Floriana
MALTA

Bank of Valletta plc
Republic Street
Valletta
MALTA

BACKGROUND

The company was formed as the Malta New Issues Investment Co. Limited on 29 April 1963. The company's name was changed on 11 May 1965 to Malta Shareholdings Limited when the company was converted to a public company with the objects of carrying on the business of a finance trust in all branches. The name was changed again on 29 September 1978 to Santumas Shareholdings Limited. The company's objects also provided for property development, with the main property development being the Santumas Estate at Marsascala.

Calpabrin Properties (Investments) Limited merged into Santumas Shareholdings Limited on 2 April 1987 and Marsascala Development Limited and Santumas Contractors Limited merged into Santumas Shareholdings Limited on 15 December 1989.

On 9 May 1996 the company was licensed as a Collective Investment Scheme under the Investment Services Act, 1994 by the Malta Financial Services Centre. The company was registered as a public limited liability company under the Companies Act, Cap. 386 of the Laws of Malta on 24 December 1997, thereby changing its name to Santumas Shareholdings plc.

On 12 December 2003 the company's shares were accepted for listing on the Malta Stock Exchange.

DIRECTORS' REPORT

The directors submit their report and financial statements for the six-month period ended 31 October 2009.

Results and dividends

The accounts presented to you are not audited as is the norm for an interim set of accounts. The profit and loss account is set out on page 6. The Directors do not consider the payment of a dividend to be appropriate however the dividend situation will be reviewed at the year end.

The profit before tax for the six-month period to 31 October 2009 was EUR321,466 as compared to a profit of EUR2,663,427 for the corresponding period in 2008. There was a tax charge for the six months of EUR25,588 (2008: EUR472,520). The profit for the six-month period to 31 October 2009 was therefore EUR295,878 as against a profit of EUR2,190,907 for the six month period to 31 October 2008.

The substantial fall in profits, as compared to the corresponding period in 2008, is due to the corresponding period including in its net figures a one-off sale of land and associated rights; this sale served to disguise what would otherwise have been a substantial loss in the corresponding period.

Property

There has been little movement on the property portfolio over the six months. The superior/dominant ground rents on a property in St Paul's Bay, of which the sub ground rents already belong to the Company, were purchased during the year and added to the ground rent roll.

The much needed refurbishment of the Company offices in Valletta commenced during the period.

Portfolio

As previously reported the company's foreign portfolio was liquidated and the resulting funds placed into a Sterling denominated Capital Protected Fund. The company continues to hold this investment and will do so to maturity.

Our local equity holdings have moved broadly in line with the MSE index resulting in an unrealized profit of EUR243,277. Although a move in the positive direction this should be viewed against a loss of approximately EUR1million on our local portfolio in the previous twelve months to 30 April 09. In effect the portfolio has therefore began to make a tentative recovery on its previous losses however the current economic climate remains uncertain and as such the Company continues to pursue an explicitly prudent approach to any investment decisions.

Dividend income over the six months has seen a decrease of approx 10% over the corresponding period last year. This relatively small decrease is due to a lower rate of dividend payout by the major quoted local companies. Interest income has also fallen though this has been a marginal drop and not material when viewed in the context of the bigger picture.

Net asset value

At 31 October 2009 the Net Asset Value per share of the Company stood at EUR3.767 cents and had risen to EUR3.864 cents by the end of November 2009. This contrasts with the share price of EUR2.50 as at the end of October 09; the current share price remains at EUR2.50 as at the end of December 09.

DIRECTORS' REPORT - continued

Malta Stock Exchange

Trading in company shares on the local market remained thin as has been the case since admission to the official list of the Malta Stock exchange on 12 December 2003. The share price continues to lag behind the Net Asset Value, a situation not unusual with Investment Companies. As at 30 December 09 the Company's shares are trading at a 33.6% discount to net asset value.

Directors

The directors for the six months to 31 October 2009 were listed on page 2.

Risk warning

The company is not a normal trading, manufacturing or services company but a specialized investment fund whose assets are not immediately realizable. As a consequence the price of its shares and the income (if any) therefrom can go down as well as up and investors may not realize the amount of their initial investment. Past performance is no guide to future performance.

The directors' report was approved by the Board of Directors and signed on its behalf by:

Dr. Rene Frendo Randon
Chairman

Mr. C. Testaferrata Moroni Viani
Director

21 December 2009

INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Notes	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
REVENUE			
Investment income	4	**95,073**	106,992
Increase/(decrease) in fair values of financial assets	15	**243,277**	(696,028)
Increase in fair value of investment properties		**5,489**	466
Profit/(loss) on sale of financial assets	8	**2,655**	(203,903)
Profit on sale of investment properties	9	**34,940**	3,522,397
Total revenue		**381,434**	2,729,924
EXPENSES			
Administrative expenses	6	**59,683**	64,179
Finance costs	5	**285**	2,318
Total expenses		**59,968**	66,497
Profit before tax		**321,466**	2,663,427
Income tax expense	10	**(25,588)**	(472,520)
Profit for the period		**295,878**	2,190,907
Total comprehensive income for the period		**295,878**	2,190,907
Earnings per share	11	**0.178**	1.316

The accounting policies and explanatory notes on pages 10 to 27 form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION
as at 31 October 2009

	Notes	31 October 2009 EUR unaudited	30 April 2009 EUR unaudited
ASSETS			
Non-current assets			
Investment properties	13	**2,311,965**	2,302,002
Property, plant and equipment	14	**89,036**	80,855
Financial assets at fair value through profit or loss	15	**2,941,664**	2,681,687
		5,342,665	5,064,544
Current assets			
Financial assets at fair value through profit or loss	15	**-**	304,016
Receivables	16	**85,627**	47,519
Cash at bank and in hand	17	**1,320,525**	1,038,534
Income tax recoverable		**29,586**	30,193
		1,435,738	1,420,262
TOTAL ASSETS		**6,778,403**	6,484,806
EQUITY AND LIABILITIES			
Capital and reserves			
Issue capital	18	**969,704**	969,704
Share premium	19	**262,746**	262,746
Revaluation reserve	19	**45,094**	46,710
Other reserves	19	**2,121,397**	2,069,235
Retained earnings		**2,874,359**	2,629,027
		6,273,300	5,977,422
Non-current liabilities			
Deferred tax liability	20	**307,636**	304,678
Current liabilities			
Interest-bearing borrowings	21	**17,631**	23,343
Payables	22	**179,836**	179,363
		197,467	202,706
Total liabilities		**505,103**	507,384
Total equity and liabilities		**6,778,403**	6,484,806
Net asset value per share	23	**3.767**	3.590

The accounting policies and explanatory notes on pages 10 to 27 form an integral part of the financial statements.

The financial statements on pages 6 to 27 were authorised for issue by the board of directors on 21 December 2009 and signed on its behalf by:

Dr. Rene Frendo Randon
Chairman

Mr. C. Testaferrata Moroni Viani
Director

STATEMENT OF CHANGES IN EQUITY

	Issued capital EUR	Share premium EUR	Revaluation reserve EUR	Other reserves EUR	Dividend reserve EUR	Retained earnings EUR	Total EUR
FINANCIAL PERIOD ENDED 31 OCTOBER 2009							
At 1 May 2009	969,704	262,746	46,710	2,069,235	-	2,629,027	5,977,422
Total comprehensive income for the period	-	-	-	-	-	295,878	295,878
Increase in fair value of ground rents, net of deferred tax	-	-	-	4,417	-	(4,417)	-
Increase in fair value of financial assets	-	-	-	47,654	-	(47,654)	-
Unrealised gains on financial assets released on disposal	-	-	-	91	-	(91)	-
Depreciation transfer for land and building, net of deferred tax	-	-	(1,616)	-	-	1,616	-
Financial period ended at 31 October 2009	**969,704**	**262,746**	**45,094**	**2,121,397**	**-**	**2,874,359**	**6,273,300**
FINANCIAL PERIOD ENDED 31 OCTOBER 2008							
At 1 May 2008	969,704	262,746	44,664	2,864,580	77,577	417,566	4,636,837
Total comprehensive income for the period	-	-	-	-	-	2,190,907	2,190,907
Equity dividends paid (note 12)	-	-	-	-	(77,577)	(388,672)	(466,249)
Increase in fair value of ground rents, net of deferred tax	-	-	-	410	-	(410)	-
Unrealised gains on ground rents released on redemption	-	-	-	(1,789)	-	1,789	-
Unrealised gain on investment properties released on disposal	-	-	-	(8,863)	-	8,863	-
Decrease in fair value of financial assets	-	-	-	(108,283)	-	108,283	-
Unrealised gains on financial assets released on disposal	-	-	-	(600,902)	-	600,902	-
Depreciation transfer for land and building, net of deferred tax	-	-	(490)	-	-	490	-
Financial period ended at 31 October 2008	**969,704**	**262,746**	**44,174**	**2,145,153**	**-**	**2,939,718**	**6,361,495**

The accounting policies and explanatory notes on pages 10 to 27 form an integral part of the financial statements.

STATEMENT OF CASH FLOWS

	Notes	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Operating activities			
Profit before taxation		**321,466**	2,663,427
Adjustments for:			
Depreciation of property, plant and equipment	14	**919**	878
(Profit)/loss on sale of financial assets	8	**(2,655)**	203,903
(Increase)/decrease in fair value of financial assets	15	**(243,277)**	696,028
Profit on sale of investment property		**(34,940)**	(3,522,397)
Increase in fair value of investment properties		**(5,489)**	(466)
Finance costs	5	**285**	2,318
Working capital adjustments:			
(Increase)/decrease in receivables		**(38,108)**	2,749
Increase in payables		**473**	29,067
Income tax paid		**(22,023)**	(483,771)
Net cash flows used in operating activities		**(23,349)**	(408,264)
Investing activities			
Purchase of investment properties		**(4,474)**	(145,565)
Proceeds from sale of investment properties		**34,940**	2,425,179
Purchase of financial assets		**(16,700)**	(1,578,390)
Proceeds from sale of financial assets		**306,671**	1,230,584
Purchase of property, plant and equipment		**(9,100)**	-
Net cash flows from investing activities		**311,337**	1,931,808
Financing activities			
Dividends paid	12	**-**	(466,249)
Interest paid		**(285)**	(2,318)
Net cash flows used in financing activities		**(285)**	(468,567)
Net increase in cash and cash equivalents		**287,703**	1,054,977
Cash and cash equivalents at 1 May		**1,015,191**	(28,930)
Cash and cash equivalents at 31 October	**17**	**1,302,894**	1,026,047

The accounting policies and explanatory notes on pages 10 to 27 form an integral part of the financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Santumas Shareholdings plc is a public limited company incorporated and domiciled in Malta whose shares are publicly traded.

The principal activity of the company is to carry out investment activities as a Collective Investment Scheme as licensed by the Malta Financial Services Authority.

2. BASIS OF PREPARATION

The unaudited interim financial statements are prepared under the historical cost convention, except for leasehold property under property, plant and equipment, investment properties and financial assets at fair value through profit and loss that have been measured at fair value.

Statement of compliance

The financial statements have been prepared in accordance with paragraph 1.12 of Part C II of the Investment Services Rules issued by the Malta Financial Services Authority, and in accordance with International Financial Reporting Standards as adopted for use in the European Union and comply with the Companies Act, Cap. 386 of the Laws of Malta.

3.1 CHANGES IN ACCOUNTING POLICIES

Standards, interpretations and amendments to published standards as endorsed by the EU effective in the current period

The accounting policies adopted are consistent with those of the previous financial year except as follows:

The Company has adopted the following new and amended IFRS and IFRIC interpretations as of 1 May 2009:

- IFRS 1 and IAS 27 (amendments) Cost of an investment in a Subsidiary, Jointly controlled entity effective 1 January 2009
- IFRS 2 Share-based Payment: Vesting Conditions and Cancellations effective 1 January 2009
- IFRS 7 (amendment) Improving disclosures about Financial Instruments effective 1 January 2009
- IFRS 8 Operating Segments effective 1 January 2009
- IAS 1 Presentation of Financial Statements effective 1 January 2009
- IAS 23 Borrowing Costs (Revised) effective 1 January 2009
- IAS 32 Financial Instruments: Presentation and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation effective 1 January 2009
- IAS 39 (amendment) Reclassification of Financial Assets: Effective date and transition effective 1 July 2008
- IFRIC 13 Customer Loyalty Programmes effective 1 July 2008
- IFRIC 15 Agreements for the construction of Real Estate effective 1 January 2009
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation effective 1 October 2008
- Improvements to IFRSs (May 2008)

When the adoption of the standard or interpretation is deemed to have an impact on the financial statements or performance of the Company, its impact is described below:

NOTES TO THE INTERIM FINANCIAL STATEMENTS - continued

3.1 CHANGES IN ACCOUNTING POLICIES - continued

Standards, interpretations and amendments to published standards as endorsed by the EU effective in the current period – continued

IAS 1 *Presentation of Financial Statements:* The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented in a reconciliation of each component of equity. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Company has elected to present one statement.

IFRS 7 *Financial Instrument Disclosures:* The amended standard requires additional disclosures about fair value measurement and liquidity risk. The required additional disclosures will be included by the company in the annual year end financial statements.

Standards, interpretations and amendments to published standards as endorsed by the EU that are not yet effective

Up to date of approval of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but which are not yet effective for the current reporting period and which the Company has not early adopted, but plans to adopt upon their effective date, These are as follows:

- IFRS 1, 'First time adoption of IFRS' (Revised) (effective for annual periods beginning on or after 1 July 2009).
- IFRS 3, 'Business Combinations' (Revised) and IAS 27, 'Consolidated and Separate Financial Statements' (Amended) (effective for annual periods beginning on or after 1 July 2009).
- IAS 39, 'Financial Instruments: Recognition and Measurement Eligible Hedged Items' (amendment) (effective for annual periods beginning on or after 1 July 2009).
- IFRIC 9 (amendment) and IAS 39, 'Embedded Derivatives' (effective for annual periods beginning on or after 1 July 2009)
- IFRIC 17 'Distributions of Non-Cash to Owners' (effective for financial years beginning on or after 1 July 2009).
- IFRIC 18 'Transfer of Assets from Customers' (effective for financial years beginning on or after 1 July 2009).

Standads, interpretations and amendments to published standards that are not yet endorsed by the EU

- IFRS 1 Amendments - Additional Exemptions for First-time Adopters (effective for financial years beginning on or after 1 January 2010)
- IFRS 2 Amendment - Group Cash-settled Share-based Payment Transactions (effective for financial years beginning on or after 1 January 2009)
- IFRS 9 – Financial Instruments (effective for financial years beginning on or after 1 January 2013)
- IAS 24 Amendment – Related Party Disclosures (effective for financial years beginning on or after 1 January 2011)
- IAS 32 Amendment – Classification of Rights Issues (effective for financial years beginning on or after 1 July 2009)
- IFRIC 14 – Amendment – Prepayments of a Minimum Funding Requirement (effective for financial years beginning on or after 1 January 2011)
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments (effective for financial years beginning on or after 1 July 2010)
- Second omnibus improvements to IFRSs (various effective dates, earliest for the financial year beginning on or after 1 January 2009)

NOTES TO THE FINANCIAL STATEMENTS - continued

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements are set out below:

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue is reliably measured. The following specific revenue criteria must also be met before revenue is recognised:

Investment income

Interest income is included in the statement of comprehensive income on an accruals basis using the effective interest rate method, that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Ground rents and other rents are included in the statement of comprehensive income on an accrual basis.

Dividend income is included in the statement of comprehensive income when the right to receive the payment is established.

Upon disposal of investment properties consisting of land, leasehold property and ground rents capitalised, the difference between the proceeds from disposal and the carrying amount is recognised as a gain or loss through the statement of comprehensive income.

Foreign currency translation

The financial statements are presented in Euro, which is the company's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the year end date. All differences are taken to the statement of comprehensive income. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Investment properties consisting of land, buildings and leasehold property

Investment properties, consisting of properties not occupied by the company and held to earn rentals and for capital appreciation, are regarded as long term investments.

All investments are measured initially at cost, being the fair value of the consideration given, including acquisition charges associated with the investment. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day to day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the year end date. This is based on market valuations performed by independent professional architects every two years or earlier whenever their fair values differ materially from their carrying amounts. Gains or losses on changes in the fair values of investment properties are taken to the statement of comprehensive income in accordance with IAS 40 "Investment Properties". Unrealised gains are subsequently transferred to other reserves in accordance with the requirements of the Companies Act, Cap. 386 of the Laws of Malta.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of comprehensive income in the year of retirement or disposal.

NOTES TO THE FINANCIAL STATEMENTS - continued

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Investment properties consisting of ground rents capitalised

On 30 April 1990, the directors capitalised the increase in ground rent imposed on the sale of land (at Marsascala and Bahar ic-Caghaq). The value of this asset was included with long term assets with a resultant increase in the capitalisation reserve included within other reserves. Up to 30 April 2001, ground rents were revalued in the financial statements after capitalising the net annual amount receivable at 8% per annum. As from the year ended 30 April 2002, the capitalisation rate was changed to 5% per annum.

Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Leasehold property is subsequently measured at fair value less depreciation and impairment. All other property, plant and equipment, are subsequently stated at cost amounts less accumulated depreciation and accumulated impairment in value, if any.

Leasehold premises consists of property that is occupied by the company as its offices.

It is company policy to carry out a professional market valuation of leasehold every two years which is frequently enough to ensure that the fair value of the revalued asset does not differ materially from its carrying amount. To the extent that a revaluation results in an increase in the carrying amount of the asset, the increase is credited to the revaluation reserve within equity. To the extent that a revaluation results in a decrease in the carrying amount of the asset, the decrease is charged against the revaluation reserve to the extent that the decrease does not exceed the amount held in the revaluation reserve in respect of that same asset; any excess of the decrease is taken to the statement of comprehensive income. The accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Depreciation of property, plant and equipment

Depreciation is provided on property, plant and equipment, other than leasehold property, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset on a straight line basis over the expected useful life. The annual rates used for this purpose, which are consistent with those of the previous year, are:-

	%
Fixtures and fittings	15.0
Equipment	33.3

Depreciation is provided on leasehold property to write off the valuation on a straight line basis over the remaining period of the lease.

Each year the difference between the depreciation based on the revalued carrying amount of the asset (the depreciation charged to the statement of comprehensive income) and depreciation based on the asset's original cost, is transferred from the revaluation reserve to retained earnings.

Impairment of non-financial assets

The company assesses at each reporting date whether there are indications of impairment for all non-financial assets. If any such amount exists, or when impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS - continued

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Investments and other financial assets

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The company determines the classification of its financial assets on initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss includes financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss.

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments or a financial guarantee contract. Gains or losses on investments held for trading are recognised in profit or loss.

The company assesses whether embedded derivatives are required to be separated from host contracts when the company first becomes party to the contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the year end date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis or other valuation models.

Impairment of financial assets

The company assesses at each year end date whether a financial asset or group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss shall be recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in profit or loss.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

NOTES TO THE FINANCIAL STATEMENTS - continued

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Trade and settlement date accounting

All "regular way" purchases and sales of financial assets are recognised on the "trade date," that is, the date the company commits to purchase or sell the asset. Regular way purchases and sales are purchases and sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the obligation can be made.

Contingent liabilities and contingent assets are not recognised. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

Deferred taxation

Deferred taxation is provided using the liability method, on temporary differences, at the year end date, arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination, and at the time of transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and an associate, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the year end date.

Under this method the company is required to make provision for deferred income taxes on the revaluation of certain non-current assets. Such deferred tax is charged or credited directly to the statement of comprehensive income, and is charged or credited directly to equity if the tax relates to items that are credited or charged in the same or a different period, directly to equity.

Each year the difference between the depreciation based on the revalued carrying amount of the asset (the depreciation charged to the statement of comprehensive income) and depreciation based on the asset's original cost, is transferred from the revaluation reserve to retained earnings.

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.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS - continued

3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank and short term deposits with an original maturity of 3 months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts.

Employee benefits

The company contributes towards the State pension in accordance with local legislation. Short-term employee benefit obligations are measured on undiscounted basis and recognised as an expense in the statement of comprehensive income in the period they are incurred.

Events after the statement of financial position date

Events after the statement of financial position date are those events, favourable and unfavourable, that occur between the statement of financial position date and date when the financial statements are authorised for issue. Adjusting events require the company to adjust the amounts recognised in its financial statements while non-adjusting events do not require any adjustments to the amounts recognised in the financial statements.

3.3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In preparing the financial statements, the directors are required to make judgments, estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates. Actual results in the future could differ from such estimates and the differences may be material to the financial statements. These estimates are reviewed on a regular basis and if a change is needed, it is accounted in the period the changes become known.

The accounting estimates, assumptions and judgments 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)-'Presentation of financial statements'.

4. INVESTMENT INCOME

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Dividends	**65,170**	73,264
Interest income	**12,702**	16,279
Ground rents and other rents (net)	**17,201**	17,449
	95,073	106,992

NOTES TO THE FINANCIAL STATEMENTS - continued

5. FINANCE COSTS

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Interest on bank overdrafts	**285**	2,318

6. EXPENSES BY NATURE

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Staff costs (note 7a)	**18,046**	15,755
Auditors' remuneration	**3,216**	3,494
Depreciation of property, plant and equipment (note 14)	**919**	878
Loss on exchange	**1,218**	134
Custodian fees	**3,494**	3,494
Other expenses	**32,790**	40,424
Total administrative expenses	**59,683**	64,179

7. EMPLOYEE INFORMATION

a) Staff costs

The total employment costs were as follows:

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Salaries	**17,216**	14,925
Social security costs	**830**	830
	18,046	15,755

b) Staff numbers

The average number of persons employed by the company during the period was as follows:

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Administration	**2**	2

NOTES TO THE FINANCIAL STATEMENTS - continued

8 PROFIT/(LOSS) ON SALE OF FINANCIAL ASSETS

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Financial assets at fair value through profit and loss		
Local		
Quoted on the Malta Stock Exchange	**2,655**	(203,903)
	2,655	(203,903)

9 PROFIT ON SALE OF INVESTMENT PROPERTIES

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Profit on redemption of ground rents	**-**	112
Profit on sales of land and buildings	**34,940**	3,522,285
	34,940	3,522,397

10. INCOME TAX EXPENSE

Major components of income tax expense for the periods ended 31 October 2009 and 2008 are:

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Statement of comprehensive income		
Current income tax		
Current income tax charge	**22,630**	486,956
Deferred income tax		
Relating to origination and reversal of temporary differences (note 20)	**2,958**	(14,436)
Income tax expense	**25,588**	472,520

NOTES TO THE FINANCIAL STATEMENTS – continued

10. INCOME TAX EXPENSE - continued

The income tax on profit differs from the theoretical income tax expense that would apply on the company's profit before tax using the applicable tax rate in Malta of 35% as follows:

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Profit before tax	**321,466**	2,663,427
Theoretical tax expense at 35%	**112,513**	932,199
Tax effect of:		
- income subject to lower tax rate	**(11,436)**	(792,896)
- losses and gains not subject to tax	**(86,076)**	314,977
- expenses not deductible for tax purposes	**21,971**	23,275
- investment income not subject to further tax	**(11,384)**	(5,035)
Income tax expense	**25,588**	472,520

11. EARNINGS PER SHARE

The earnings per share of 18 cents (2008: 132 cents) is calculated on the profit after taxation attributable to the ordinary shareholders, divided by the average number of ordinary shares in issue and ranking for dividend during the period.

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Profit for the period	**295,878**	2,190,907

	31 October 2009 EUR	31 October 2008 EUR
Average number of ordinary shares in issue	**1,665,176**	1,665,176

	Six months to 31 October 2009 cents	Six months to 31 October 2008 cents
Earnings per share	17.77	131.57

12. DIVIDENDS PAID AND PROPOSED

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Declared and paid during the period		
Final dividend for 2008: 4.66c	-	77,577
Interim dividend for 2009: 23.34 (2008: 4.66c)	-	388,672
	-	466,249

NOTES TO THE FINANCIAL STATEMENTS - continued

13. INVESTMENT PROPERTIES

	Land and buildings EUR	Ground rents capitalisation EUR	Total EUR
At 1 May 2008	1,892,849	518,253	2,411,102
Additions	145,565	-	145,565
Disposals/redemptions	(263,432)	(6,459)	(269,891)
Revaluations	-	15,226	15,226
At 30 April 2009	**1,774,982**	**527,020**	**2,302,002**
Additions	-	8,945	8,945
Revaluations	-	1,018	1,018
At 31 October 2009	**1,774,982**	**536,983**	**2,311,965**

Investment properties are carried at their fair value, based on a valuation as at year end date performed in July 2009 by an accredited independent valuer who is an industry specialist in valuing these types of investment properties. The fair value of investment properties at period end is not materially different from this valuation.

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold buildings EUR	Fixtures fittings & equipment EUR	Total EUR
Cost or valuation			
At 1 May 2008	82,693	35,479	118,172
Transfer*	(3,518)	-	(3,518)
Revaluation	3,518	-	3,518
At 30 April 2009	82,693	35,479	118,172
Additions	9,100	-	9,100
At 31 October 2009	**91,793**	**35,479**	**127,272**
Depreciation			
At 1 May 2008	3,518	35,479	38,997
Charge for the year	1,838	-	1,838
Transfer*	(3,518)	-	(3,518)
At 30 April 2008	1,838	35,479	37,317
Charge for the year	919	-	919
At 30 April 2009	**2,757**	**35,479**	**38,236**
Net book value			
At 31 October 2009	**89,036**	-	**89,036**
At 30 April 2009	80,855	-	80,855
At 1 May 2008	79,175	-	79,175

NOTES TO THE FINANCIAL STATEMENTS - continued

14. PROPERTY, PLANT AND EQUIPMENT - continued

*This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued cost.

Leasehold buildings were acquired in the financial year ended 30 April 1993 at a cost of EUR34,097. Subsequently these leasehold buildings were revalued in July 2009 at EUR82,693, based on a valuation as at year end date by a credited independent valuer who is an industry specialist in valuing these types of properties. The remaining life of the lease is 45 years.

Had leasehold buildings not been included in the financial statements at revaluation less accumulated depreciation, the carrying amount at 31 October 2009, based on cost less accumulated depreciation charged on cost, would have been EUR33,257 (30 April 2009: EUR24,441).

Fully depreciated fixtures, fittings and equipment are still in use.

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss include financial assets designated upon initial recognition as at fair value through profit or loss. This designation results in more relevant information because this group of financial assets is managed and its performance is evaluated on a fair value basis.

	31 October 2009 EUR	30 April 2009 EUR
Non-current	**2,941,664**	2,681,687
Current	**-**	304,016
	2,941,664	2,985,703

The table below analyses the nature of the financial assets:

	31 October 2009 EUR	30 April 2009 EUR
Equity securities	**1,070,764**	931,745
Corporate bonds	**62,300**	45,255
Treasury bills	**-**	304,016
Managed funds	**991,593**	900,999
Equity-linked notes	**817,007**	803,688
	2,941,664	2,985,703

a. Fair values

	31 October 2009 EUR	30 April 2009 EUR
Local		
Quoted on the Malta Stock Exchange	**2,095,639**	2,152,997
Unquoted	**846,025**	832,706
	2,941,664	2,985,703

NOTES TO THE FINANCIAL STATEMENTS - continued

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - continued

b. Acquisition costs

	31 October 2009 EUR	30 April 2008 EUR
Local		
Quoted on the Malta Stock Exchange	**2,427,326**	2,714,175
Unquoted	**856,054**	966,079
Exchange fluctuations	**(376)**	(109,650)
	3,283,004	3,570,604

c. Fair value movements:

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
Local		
Quoted on the Malta Stock Exchange	**229,959**	(649,414)
Unquoted	**13,318**	(46,614)
	243,277	(696,028)

The management of the company's investments is regulated by the company's Investment Policy as laid down in the company's memorandum and articles of association.

16. RECEIVABLES

	31 October 2009 EUR	30 April 2009 EUR
Ground rent receivables (note i)	**39,977**	38,711
Prepayments and accrued income	**9,113**	3,018
Other receivables	**36,537**	5,790
	85,627	47,519

i. Ground rents are received annually and are non-interest bearing. Ground rents receivable are past due but not impaired.

17. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flows statement comprise the following statement of financial position amounts:

	31 October 2009 EUR	30 April 2009 EUR	Change EUR
Cash at bank and in hand	**1,320,525**	1,038,534	281,991
Bank overdraft (note 21)	**(17,631)**	(23,343)	5,712
	1,302,894	1,015,191	287,703

NOTES TO THE FINANCIAL STATEMENTS - continued

18. SHARE CAPITAL

	31 October 2009 EUR	30 April 2009 EUR
Authorised		
4,000,000 ordinary shares of EUR0.582343 each	**2,329,372**	2,329,372
Issued, called up and fully paid		
1,665,176 ordinary shares of EUR0.582343 each	**969,704**	969,704

19. RESERVES

Share premium

The share premium account represents the excess over the nominal value of proceeds from the issue of shares in the company's capital at a value above nominal value. This reserve is not available for distribution.

Revaluation reserve

This reserve arises from the revaluation of leasehold property. This reserve is not available for distribution.

Dividend reserve

The dividend reserve represents dividends proposed which have not been recognised as a liability at the year end date.

Other reserves

Other reserves represent unrealised gains on investment properties, and increase in fair values of financial assets that are not available for distribution.

20. DEFERRED TAX LIABILITY

The liability for deferred tax for the period/year is analysed as follows:

	31 October 2009 EUR	30 April 2009 EUR
At beginning of the period/year	**304,678**	318,944
Credited to statement of comprehensive income (note 10)	**2,958**	(14,266)
At end of period/year	**307,636**	304,678

NOTES TO THE FINANCIAL STATEMENTS - continued

20. DEFERRED TAX LIABILITY - continued

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 35% and capital gains tax of 12%. Deferred tax liability arises as follows:

	31 October 2009 EUR	30 April 2009 EUR
On revaluation of leasehold property	**10,685**	9,703
On fair values of investment properties	**295,643**	294,581
Interest receivable	**1,308**	394
	307,636	304,678

21. INTEREST-BEARING BORROWINGS

	31 October 2009 EUR	30 April 2009 EUR
Bank overdraft (note 17)	**17,631**	23,343

At the period end, the company enjoyed a bank overdraft facility amounting to EUR704,640 for the purposes of working capital finance, including portfolio investment, and small autonomous disbursements.

The bank finance is secured by a floating charge over EUR704,635 worth of the Company's inventories, shares, bonds etc. held on behalf of the company in the name of HSBC Bank Malta plc, the company's Custodian.

Interest is charged at the rate of 1.25% per annum over the banks' base rate. The average rates of interest on the company's borrowings were as follows:

	31 October 2009 %	30 April 2009 %
Bank overdraft	**5.5**	5.5

22. PAYABLES

	31 October 2009 EUR	30 April 2009 EUR
Ground rent's payables (note i)	**60,649**	58,070
Accruals and deferred income	**3,952**	7,253
Other payables	**115,235**	114,040
	179,836	179,363

i. Ground rents are paid annually and are non-interest bearing. Ground rents are settled upon receipt of claim.

NOTES TO THE FINANCIAL STATEMENTS - continued

23. NET ASSET VALUE PER ORDINARY SHARE

The net asset value per share is calculated by dividing the net asset value by the number of ordinary shares in issue. During the period under review, the net asset value per share has increased from EUR3.590 to EUR3.767.

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial liabilities comprise interest-bearing borrowings and payables. The main purpose of these financial liabilities is to raise finance for the company's operations. The company has various financial assets such as financial assets at fair value through profit and loss, receivables and cash at bank and in hand, which arise directly from its operations.

The company did not enter into derivative transactions. It is, and has been throughout the period, the company's policy that no trading in derivatives shall be undertaken.

The main risks arising from the company's financial instruments are credit risk, liquidity risk and market risk (which comprises foreign exchange risk, interest rate risk and other price-risk). The board of directors reviews and agrees policies for managing each of these risks which are summarised below.

Credit risk

The company trades only with recognised, creditworthy third parties. Credit risk relating to financial assets is addressed by careful selection of the issuers of securities bought by the company. The company obtains expert technical advice from its stockbrokers and monitors the markets for changes in the credit status of companies in which securities are held.

No provisions have been made against ground rent receivables since the company is entitled to enforce these amounts on the basis of contracts on which the property giving rise to the ground rents is available as a security. The maximum exposure is the carrying amount as disclosed in note 16.

The company's exposure to concentration of risk, arising from financial instruments exceeding 10% of the Net Asset Value of the Company with the same counterparty, amounted to EUR2,531,445 (40.4% of NAV) and EUR991,594 (15.8% of NAV).

Liquidity risk

The company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of its financial assets and projected cash flows from operations.

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing borrowings and payables.

Market risk

Market risk is the risk that the fair value of financial assets will fluctuate due to changes in the market variables such as exchange rates, equity prices and interest rates.

Foreign currency risk

As a result of investment in foreign currency securities, the company's statement of financial position can be affected significantly by movements in the GBP/EUR exchange rates. The company constantly monitors movements in the currencies in which these assets are held.

NOTES TO THE FINANCIAL STATEMENTS - continued

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

Foreign currency risk - continued

The company also has transactional currency exposures. Such exposure arises from sales or purchases of financial assets not denominated in the company's functional currency.

The following table demonstrates a reasonably possible change in the GBP exchange rate, with all other variables held constant, of the company's profit before tax (due to changes in the fair value of monetary assets and liabilities):

	Increase/decrease in GBP rate	Effect on profit before tax EUR'000
31 October 2009	−5%	42
	-5%	(42)
30 April 2009	+5%	42
	-5%	(42)

Equity price risk

Equity price risk is the risk that the fair values of equities decrease as the result of changes in the levels of equity indices and the value of individual stocks.

The effect on the statement of comprehensive income (as a result of a change in the fair value of equity instruments held at fair value through profit or loss at 31 October 2009) due to a reasonably possible change in the Malta Stock Exchange index, with all other variables held constant is as follows:

	Change in equity price %	Effect on profit before tax EUR'000
31 October 2009	10/-10	230/(230)
30 April 2009	37/-37	991/(991)

Interest rate risk

The bank overdrafts are subject to rates of interest determined by the banks, which may be revised at the banks' discretion depending on movements in banks' base rates. The company's favourable bank balances earn interest at rates determined by the banks. In view of the company's marginal net cash and cash equivalents, the amount of interest rates risk is not considered to be significant.

The company's financial assets are not significantly influenced by changes in interest rates since most holdings are equity or equity-linked instruments.

Fair values

At 31 October 2009 and 30 April 2009 the carrying amounts of financial assets, cash at bank and in hand, receivables, payables, and interest-bearing borrowings approximated their fair values.

NOTES TO THE FINANCIAL STATEMENTS - continued

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

Capital management

The primary objective of the company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value. The company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust capital structure, the company may adjust dividend payments to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or process during the period ended 31 October 2009 and year ended 30 April 2009.

The Malta Financial Services Authority supervises the Company and, as such, the operations of the Company are subject to regulatory requirements. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions. The Company is compliant with the regulatory requirements.

25. SHAREHOLDINGS AS AT 31 OCTOBER 2009

Substantial direct interests

Shareholder	Number of shares	Nominal value of shareholding EUR	Percentage shareholding %
Mercury Plc	552,333	321,647	33.2
Mr Ivan J Burridge	149,860	87,270	9.0
One Sixth (Investments) Limited	96,665	56,292	5.8
Dr Rene Frendo Randon	86,348	50,284	5.2
	885,206	515,493	53.2

Size of Shareholding	Shareholders number	Shareholders percentage	Shares number	Shares percentage
1 - 500	76	30.8	16,471	1.0
501 - 1,000	41	16.6	32,200	1.9
1,001 - 5,000	85	34.4	187,594	11.3
5,001 and over	45	18.2	1,428,911	85.8
	247	100.0	1,665,176	100.0

26. RELATED PARTY TRANSACTIONS

The company did not enter into any transactions with related parties.

27. ADDITIONAL INFORMATION

In terms of the company's memorandum and articles of association, the instructions of the Board of Directors or its authorised representative, in particular those relating to, but not limited to, the company's Investment Policy as laid down in the company's memorandum and articles of association, shall be carried out by the company's Custodian. The Custodian is entrusted with the safekeeping of all the company's assets. No purchase, acquisition, transfer, sale or hypothecation of immovable property of the company can take place without the consent of the Custodian. During the period, the company's custodian was HSBC Bank Malta plc.

SUPPLEMENTARY STATEMENTS

SANTUMAS SHAREHOLDINGS PLC **Statement I**
Supplementary Statements
for the six-month period ended 31 October 2009

OPERATING ACCOUNT

	Six months to 31 October 2009 EUR	Six months to 31 October 2008 EUR
INVESTMENT INCOME		
Dividends	**65,170**	73,264
Interest	**12,702**	16,279
Ground rents and other rents (net)	**17,201**	17,449
	95,073	106,992
ADMINISTRATIVE EXPENSES		
Salaries and NI contributions	**18,046**	15,755
Bank charges	**177**	-
MFSA Collective Investment Scheme fees	**2,500**	1,630
Custodian fees	**3,494**	3,494
Malta Stock Exchange costs	**90**	17
Advertising and promotional expenses	**4,753**	4,881
Telecommunications	**875**	750
Water and electricity	**1,555**	460
Stationery and postages	**850**	1,369
Insurances	**388**	373
Professional and legal fees	**13,066**	18,894
Auditors' remuneration	**3,216**	3,494
Travelling expenses	**2,990**	4,309
Computer operating and leasing expenses	**901**	1,137
Annual registration fee	**1,200**	978
Sundry expenses	**3,445**	3,264
Sales commission and brokerage fees	-	2,362
Depreciation of property, plant and equipment	**919**	878
Loss on exchange fluctuations	**1,218**	134
	59,683	64,179
FINANCE COSTS	**285**	2,318
OPERATING PROFIT	**35,105**	40,495

LOCAL INVESTMENTS

LOCAL QUOTED

Banks
Bank of Valletta Plc
HSBC Bank Malta Plc
FIMBank Plc

Investment funds
Amalgamated Investments Sicav Plc

Sovereign funds
Treasury Bills

Telecommunications
Datatrak Holdings Plc
GO Plc

Breweries and beverages
Simonds Farsons Cisk Plc

Insurance
Middlesea Insurance Plc

Marina services
Grand Harbour Marina Plc

Airlines and airports
Malta Int. Airport Plc

Postal services
MaltaPost Plc

LOCAL UNQUOTED

Banks
Auto callable Equity-Linked Notes

Investment funds
The Malta Development Fund Limited

Insurance
Citadel Insurance Plc

ANALYSIS OF COMPANY PORTFOLIO

	31 October 2009		30 April 2009		30 April 2008	
	Market value EUR	% of total	Market value EUR	% of total	Market value EUR	% of total
FINANCIAL ASSETS						
Included under Financial assets at fair value through profit and loss						
Banks	**1,651,545**	**30.91**	1,474,904	27.47	3,432,128	53.33
Investment funds	**1,008,058**	**18.87**	917,464	17.09	42,664	0.66
Sovereign funds	**-**	**-**	304,016	5.66	-	-
Telecommunication services	**163,855**	**3.07**	160,855	2.99	300,873	4.68
Breweries and beverages	**49,347**	**0.92**	46,263	0.86	68,734	1.07
Insurance	**36,553**	**0.68**	49,302	0.92	64,388	1.00
Marine services	**13,860**	**0.26**	13,860	0.26	16,100	0.25
Airlines and airports	**10,505**	**0.20**	10,500	0.20	11,302	0.18
Postal services	**7,941**	**0.15**	8,539	0.16	8,697	0.14
Total financial assets	**2,941,664**	**55.06**	2,985,703	55.61	3,944,886	61.31
PROPERTY						
Included under Investment Properties and Property, plant and equipment						
Development land	**1,315,397**	**24.62**	1,315,397	24.50	1,405,078	21.83
Land	**402,981**	**7.54**	402,981	7.51	431,167	6.70
Leasehold properties	**56,604**	**1.06**	56,604	1.05	56,604	0.88
Ground rents	**536,983**	**10.05**	527,020	9.82	518,253	8.05
Office	**89,036**	**1.67**	80,855	1.51	79,175	1.23
Total property	**2,401,001**	**44.94**	2,382,857	44.39	2,490,277	38.69
TOTAL PORTFOLIO	**5,342,665**	**100**	5,368,560	100.00	6,435,163	100.00

	31 October 2009 % of total	31 April 2009 % of total	30 April 2008 % of total
GEOGRAPHICAL DISTRIBUTION OF FINANCIAL ASSETS			
Malta	**100.0**	100.0	100.0

KEY FIGURES AND RATIOS

	Six months to 31 October 2009	30 April 2009	30 April 2008
Average number of shares in issue[1]	**1,665,176**	1,665,176	1,665,176
Earnings per share (cents)[2]	**17.77**	108.30	(46.15)
Return on capital employed (%)[3]	**4.72**	30.17	(16.57)
Dividend cover (times)[4]	**-**	3.87	-
Gross dividend per EUR0.58 ordinary share (cents)[5]	**-**	28.00	9.32
Net asset value per share (EUR)[6]	**3.767**	3.59	2.78

Notes

1 Actual number of shares in issue.
2 Earnings per share is computed by dividing the profit for the period/year by the average number of shares in issue.
3 Return on capital employed is calculated by dividing the profit for the period/year by the shareholders' funds at the end of the year.
4 Dividend cover is calculated by dividing the profit for the period/year by the dividends for the year.
5 Gross dividend per share is computed by dividing the dividends for the period/year by the average number of shares in issue.
6 Net asset value per share is computed by dividing the net assets by the average number of shares in issue.