COMPANY ANNOUNCEMENT

Half-Yearly Report

The Board of Directors of Mediterranean Investments Holding p.l.c. has approved the attached Group Half-Yearly Financial Report for the period ended 30th June 2010.

Reginald A Cuschieri
Company Secretary

31st August 2010

Mediterranean Investments Holding p.l.c.
22, Europa Centre, Floriana FRN 1400, Malta ~ T +356 21 233141 ~ F +356 21 234219 ~ E info@miholding.com
Company Registration Number: C37513

Mediterranean Investments Holding p.l.c.

GROUP HALF-YEARLY FINANCIAL REPORT

For the Period 1 January to 30 June 2010

Condensed Income Statement

	1 January to 30 June 2010 €	1 January to 30 June 2009 €
Revenue	3,255,977	-
Operating expenses	(873,899)	-
Gross profit	2,382,078	-
Marketing expenses	(218,887)	(249,910)
Administrative expenses	(676,381)	(244,121)
Operating income (expense)	1,486,810	(494,031)
Finance income	19,907	199,549
Finance costs	(1,735,089)	(755,821)
Loss before income tax	(228,372)	(1,050,303)
Tax expense	(1,049)	(15)
Loss for the period	(229,421)	(1,050,318)
Other comprehensive income	-	-
Total comprehensive loss	(229,421)	(1,050,318)
Basic loss per share	(0.005)	(0.022)

Condensed Balance Sheet

	At 30 June 2010 €	At 31 December 2009 €
ASSETS		
Non-current	238,749,009	227,662,600
Current	16,285,686	21,314,768
Total assets	255,034,695	248,977,368
EQUITY		
Total equity	106,558,599	106,788,020
LIABILITIES		
Non-current	112,098,300	115,745,439
Current	36,377,796	26,443,909
Total liabilities	148,476,096	142,189,348
Total equity and liabilities	255,034,695	248,977,368

Condensed Statement of Changes in Equity

	Share capital €	Retained earnings €	Total €
At 1 January 2009	48,002,000	(670,240)	47,331,760
Profit for the period	-	(1,050,318)	(1,050,318)
At 30 June 2009	48,002,000	(1,720,558)	46,281,442
Profit for the period	-	60,506,578	60,506,578
At 31 December 2009	48,002,000	58,786,020	106,788,020
Profit for the period	-	(229,421)	(229,421)
At 30 June 2010	**48,002,000**	**58,556,599**	**106,558,599**

Condensed Cash Flow Statement

	1 January to 30 June 2010 €	1 January to 30 June 2009 €
Net cash from (used in) operating activities	1,105,739	(6,652,270)
Net cash used in investing activities	(5,288,660)	(18,651,079)
Net cash (used in) received from financing activities	(1,182,229)	40,450,189
Net (decrease) increase in cash and cash equivalents	(5,365,150)	15,146,840
Cash and cash equivalents at beginning of period	13,025,410	23,333,417
Cash and cash equivalents at end of period	7,660,260	38,480,257

Selected Explanatory Notes

Basis of Preparation

The published figures have been extracted from the unaudited consolidated financial statements of Mediterranean Investments Holding p.l.c. for the six months ended 30 June 2010 and the comparative period in 2009. Comparative balance sheet information as at 31 December 2009 has been extracted from the audited financial statements of the Group for the year ended on that date. This report is being published in terms of Listing Rule 9.44j issued by the Malta Financial Services Authority – Listing Authority, and has been prepared in accordance with the applicable Listing Rules and the International Accounting Standard 34, 'Interim Financial Reporting'. The financial statements published in this Half-Yearly Report are condensed in accordance with the form and content requirements of this standard. In terms of Listing Rule 9.44k.5 the Directors are stating that this Half-Yearly Financial Report has not been audited or reviewed by the Group's independent auditors.

Accounting Policies

The accounting policies adopted in the preparation of the Group's Half-Yearly Report are the same as those adopted in the preparation of the audited financial statements for the year ended 31 December 2009.

Principal Activities

The principal activity of the Group is to directly or indirectly acquire and develop real estate opportunities in North Africa and invest in any related trade and business venture.

Review of performance

During the period under review, the Group registered an operating income of €1,486,810 against an operating expense of €494,031 registered during the corresponding period last year. The loss after tax for the period amounted to €229,421 (2009 – €1,050,303). This substantial reduction in losses on the corresponding period last year was primarily the result of the income generated from the leasing-out of units at Palm City Residences notwithstanding the fact that administrative expenses increased to €676,381 (2009 – €244,121) due to the fact that in 2009 a significant portion of this category of costs was capitalised while the project was still under construction. Similarly, finance costs also increased from €755,821 in 2009 to €1,735,089 in 2010 mainly as a result of a lower capitalisation of such costs.

State of Affairs

The excess of current liabilities over current assets of €20 million as at 30 June 2010, which also includes €8.4 million in bank loan repayments, will be generally covered by the remaining drawdown of available and approved long-term bank facilities and the generation of cash from operations.

On 14 June 2010 the Company obtained the MFSA approval to issue a new bond on the local market for a maximum of €40 million. This bond was principally aimed to finance the Company's equity participation in Medina Tower - a major development project in which the Group will hold a 25% stake. Subscriptions for this bond opened to the general public on the 12 July 2010 and closed on the same day due to over-subscription.

Outlook

The Palm City project in Libya is now practically complete and fully operational. Throughout the last six months, occupancy levels have increased sharply and significantly as keen interest was shown by clients viewing the unparalleled lifestyle on offer. With over 50% of the units leased out to various international corporations, Palm City has already achieved and exceeded the leasing targets for the first six months. Various leases are currently under negotiation and Palm City Limited plans to lease as much as 90% of the units by year end. It is expected that by the end of 2010, the Group's consolidated Income Statement will show a profit after tax.

During the period under review, MIH has been actively engaged in setting up Medina Tower Joint Stock Company in Libya. MIH will own 25% of this company together with IHI as another 25% shareholder and EDREICO owning the other 50%. Substantial progress has also been achieved on the commencement of the early works on site as the design is now complete while two of the most significant tenders, namely those for the sub-structure and the super-structure, have been issued. Both tenders are expected to be awarded by the end of October 2010 with commencement of works set to take place shortly after. It is envisaged that this project will be completed in forty four months.

MIH has also appointed two directors to the board of Medina Tower, namely Mr Reuben Xuereb as Managing Director and Mr Joseph Fenech as a Non-Executive Director.

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

We confirm that to the best of our knowledge:

- this condensed set of consolidated financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position, and profit or loss of Mediterranean Investments Holding p.l.c.; and
- includes a fair review of the information required in terms of Listing Rule 9.44c.2

Khaleel E.A.M. Al-Abdullah
Vice-Chairman

Joseph Fenech
Director

MEDITERRANEAN INVESTMENTS HOLDING p.l.c.
22 Europa Centre • Floriana FRN 1400 • Malta
Tel: +356 21 233141 • Fax: +356 21 234219 • Email: mih@corinthia.com • Website: www.mihplc.com