



Mediterranean Investments Holding p.l.c.

Profit and loss account

	Group	
	1 January to 30 June 2008	1 January to 30 June 2007
	€	€
Other income	-	85
Finance income	212,722	277,165
Marketing costs	(167,967)	(96,015)
Administrative expenses	(122,494)	(51,775)
Finance expenses	(581,281)	-
	<u>(659,020)</u>	<u>129,460</u>
Share of results of associate company	-	(15,192)
(Loss)/profit before taxation	(659,020)	114,268
Taxation	(36,829)	(41,575)
(Loss)/profit for the period	(695,849)	72,693
Earnings per share	-	-

Balance sheet

	Group	
	At 30 June 2008	At 30 December 2007
	€	€
Non-current assets		
Intangible assets	1,832	1,832
Property, plant and equipment	53,024,897	41,059,453
Financial assets	85,227	85,227
Lease prepayment	472,120	475,916
	<u>53,584,076</u>	<u>41,622,428</u>
Current assets		
Trade and Other Receivables	6,273,846	7,477,188
Cash at bank and in hand	6,500,111	16,637,018
	<u>12,773,957</u>	<u>24,114,206</u>
Creditors: amounts falling due within one year	(3,983,264)	(2,666,016)
Net current assets	8,790,693	21,448,190
Total assets less current liabilities	62,374,769	63,070,618
Creditors: amounts falling due after more than one year		
Bonds	(15,000,000)	(15,000,000)
Net assets	47,374,769	48,070,618
Capital and reserves		
Share capital	48,002,000	48,002,000
Accumulated (losses)/profits	(627,231)	68,618
	<u>47,374,769</u>	<u>40,070,618</u>

The consolidated financial statements were approved by the Board of Directors on 11 August 2008 and were signed on its behalf by:

Alfred Pisani
Chairman

Musaed Al Saleh
Director

Mediterranean Investments Holding p.l.c.
Unaudited Report and consolidated financial statements
For the period 1 January 2008 to 30 June 2008



Mediterranean Investments Holding p.l.c.

Statement of changes in equity

Group	Called-up	Profit	Total
	issued share capital	and loss account	
	€	€	€
At 1 January 2007	48,002,000	242,181	48,244,181
Profit for the period (1 Jan to 30 June)	-	72,693	72,693
At 30 June 2007	48,002,000	314,874	48,316,874
Loss for the period (1 July to 31 December)	-	(246,256)	(246,256)
At 1 January 2008	48,002,000	68,618	48,070,618
Loss for the period (1 Jan to 30 June)	-	(695,849)	(695,849)
At 30 June 2008	48,002,000	(627,231)	47,374,769

Cash flow statement

	Group	
	1 January to 30 June 2008	1 January to 30 June 2007
	€	€
Net cash used in operating activities	(280,044)	(556,205)
Investing activities		
Payment to acquire property, plant and equipment	(9,867,793)	(6,196,426)
Net decrease in cash and cash equivalents	(10,147,837)	(6,752,631)
Cash and cash equivalents at beginning of period	16,647,948	20,131,384
Cash and cash equivalents at end of period	6,500,111	13,378,753

Report of the directors

The Directors present their interim report and the unaudited financial statements of Mediterranean Investments Holding p.l.c. for the period 1 January 2008 to 30 June 2008.

Basis of Preparation

The published figures have been extracted from the unaudited management financial statements for the six months ended 30 June 2008 and its comparative period in 2007. Comparative balance sheet information as at 31 December 2007 has been extracted from the audited financial statements 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 Company’s independent auditors.

Principal activity

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

Review of business development

During the six months under review MIH has consolidated its efforts in developing the Palm City project which remains at the forefront of the Company’s real estate investments in Libya. By the end of June, 85% of the structural works on the Palm City Residences Project were complete. Moreover, 75% of the development contracts have been awarded.

MIH is currently pursuing a number of projects to sustain its expansion strategy in the real estate market in Libya. To this end it has, in July 2008, issued another €15 million bond issue bearing an interest of 7.5% and redeemable in 2015. This bond was issued with an option to increase the offering to €20 million in case of over-subscription. On 29 July 2008, MIH announced that the offer was over-subscribed on the first day and that the Company exercised its over-allocation option in full.

The proceeds from this bond offer will be utilised to fund the Company’s contribution in the projects that it is pursuing. MIH expects to close one of the acquisitions under review within the coming six months, subsequent to which the Company will consider further consolidation of its investments.

Results

Interest income earned during the six-month period to 30 June 2008 amounted to €212,722. Loss before tax for the period amounted to €659,020 (2007 - profit €114,268).

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

We confirm that to the best of our knowledge:

- this condensed Half-Yearly Financial Report gives a true and fair view of the financial position as at 30 June 2008, financial performance and cash flows for the period then ended in accordance with accounting standards for Interim Financial Statements; and
- the Interim Directors’ Report includes a fair review of the information required in terms of Listing Rule 9.44q.

Alfred Pisani
Chairman

Musaed Al Saleh
Director