

COMPANY ANNOUNCEMENT

Date of Announcement
Reference

16 March 2011
50/2011

This is a company announcement being made by Grand Harbour Marina plc, the “**Company**” in compliance with Listing Rules 5.16.20 and 5.54.

QUOTE

The Board of Directors of Grand Harbour Marina p.l.c. has approved the financial statements for the period ended 31 December 2010 and resolved that they be submitted for the approval of the shareholders at the forthcoming Annual General Meeting.

A preliminary statement of annual results is being attached to this company announcement.

UNQUOTE

Signed



Louis de Gabriele

Company Secretary

Preliminary Statement of Annual Results
For the year ended 31 December 2010

Condensed Statement of Comprehensive Income

	2010	2009
	€	€
Revenue	2,342,648	2,053,407
Personnel expenses	(328,122)	(316,988)
Directors' emoluments	(47,945)	(44,984)
Depreciation	(353,037)	(343,850)
Other operating expenses	(1,651,173)	(1,538,833)
Results from operating activities	(37,629)	(191,248)
Finance income	139,076	43,152
Finance costs	(801,753)	(267,532)
Net finance costs	(662,677)	(224,380)
Business acquisition related costs	(71,136)	-
Loss before income tax	(771,422)	(415,628)
Tax over provided for in prior periods	-	1,233,367
Other net income tax credit items	-	5,474
Income tax credit	-	(1,238,841)
(Loss) / profit from continuing operations	(771,442)	823,213
Total comprehensive income for the year	(771,442)	823,213
(Loss) / earnings per share	(0.08)	0.08

Condensed Statement of Financial Position

	2010	2009
	€	€
ASSETS		
Non-current assets	8,264,797	8,583,560
Current assets	9,033,186	2,591,628
Total assets	17,297,983	11,175,188
EQUITY		
Total equity	3,865,444	5,386,886
LIABILITIES		
Non-current liabilities	11,586,647	3,260,147
Current liabilities	1,845,892	2,528,155
Total liabilities	13,432,539	5,788,302
Total equity and liabilities	17,297,983	11,175,188

Condensed Statement of Changes in Equity

	Total	Share capital	Retained earnings
	€	€	€
Balance at 1 January 2009	4,563,673	2,329,370	2,234,303
Total comprehensive income for the year			
Profit	823,213	-	823,213
Balance at 31 December 2009	5,386,886	2,329,370	3,057,516
Balance at 1 January 2010	5,386,886	2,329,370	3,057,516
Total comprehensive income for the year			
Loss	(771,442)	-	(771,442)
Transactions with owners, recognised directly in equity			
Dividends to owners	(750,000)	-	(750,000)
Total distribution to owners	(750,000)	-	(750,000)
Balance at 31 December 2010	3,865,444	2,329,370	1,536,074

Preliminary Statement of Annual Results
For the year ended 31 December 2010

Condensed Statement of Cash Flows

	2010	2009
	€	€
Net cash from operating activities	206,521	468,783
Net cash used in investing activities	(2,525,109)	(174,144)
Net cash from / (used in) financing activities	6,525,884	(702,798)
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Net increase / (decrease) in cash and cash equivalents	4,207,296	(408,159)
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Notes to the preliminary statement of annual results

1. Reporting entity

Grand Harbour Marina p.l.c. (the “Company”) is a Company domiciled and registered under the laws of Malta.

The principal activities of the Company are the development, operation and management of marinas. The Company is geared towards providing a high quality service to yachts, with a particular emphasis on super-yachts, which by their very nature, demand high level marina related services. Currently the Company owns the Grand Harbour Marina, which is operated and managed by Camper & Nicholson's Marinas Limited, a company involved internationally in the management and operation of marinas.

The financial information has been extracted from Grand Harbour Marina p.l.c.'s financial statements for the year ended 31 December 2010, which have been approved by the Board of Directors on 15 March 2011 and audited by KPMG.

2. Statement of compliance

This report (the “Report”) of the Company is being published in terms Listing Rule 5.54 issued by the Listing Authority of the Malta Financial Services Authority. The Report does not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 31 December 2010.

3. Review of performance

The results for the year ended 31 December 2010 show a loss after tax of €771,442 compared to a profit after tax of €823,213 for the year ended 31 December 2009.

During 2010, total revenue increased from €2,053,407 to €2,342,648, an increase of 14 per cent over the year ended 31 December 2009. This is attributable to tariff increases and higher occupancy levels attained during the year. There were no super-yacht berth sales during the year ended 31 December 2010 and the comparative year. The profit before interest, tax, depreciation and amortisation (EBITDA) was of €315,408 (2009: €152,602).

Other operating expenses for the year ended 31 December 2010 are €112,340 higher than those for the year ended 31 December 2009. Such increase is directly related to the increase in the operating activity of the company during the year ended 31 December 2010.

The increase in net finance costs to €662,677 for the year ended 31 December 2010 (2009: €224,380) is directly related to the increase in the interest cost of long term borrowings, following the bond issue in January 2010.

The increase in total assets to €17,297,983 at 31 December 2010 from €11,175,188 as at 31 December 2009, is mainly related to the increase in cash and cash equivalents resulting from the proceeds of the bond issue. The increase in total liabilities to €13,432,539 at 31 December 2010 from €5,788,302 as at 31 December 2009, is the net result of the bond issue in 2010, and the early repayment of the bank loan.

4. Bond Issue

In January 2010 the Company issued €10,000,000 bonds, with an over-allotment option of €2,000,000, bearing an interest rate at 7%, redeemable in 2020 and subject to an early redemption option that may be exercised by the Company between 2017 and 2020.

5 Dividends

On 15 July 2010 dividends amounting to €750,000 (€0.075 per qualifying share) were paid to the Company's shareholders on account of the prior years' profits.

Preliminary Statement of Annual Results

For the year ended 31 December 2010

6 Contingencies

Litigations and claims

During the year ended 31 December 2008, the Company paid over the VAT received on the sale of three berths under protest, pending the outcome of a dispute with the Commissioner of VAT as to whether such sales are subject to VAT. Although the case continued to be heard in 2010, there is currently no reliable data to provide any indication of the probable outcome of this dispute, which remains unresolved at the date of the approval of the financial statements.

Other than the above, there were no changes in contingent liabilities as at 31 December 2010 when compared to those previously reported in the financial statements for the year ended 31 December 2009.

7 Subsequent events

The successful issue of €12,000,000 of 10-year Bonds has afforded the Company the capacity to evaluate investment opportunities. During 2010 a number of such investment possibilities were considered and evaluated. Post year-end the first of such investments has been agreed upon, resulting in the approval of the acquisition of the 45% beneficial interest held by Camper & Nicholsons Marina Investments Limited in the recently completed 373-berth Cesme Marina in the Izmir region of Turkey (IC Cesme). The consideration will be €4.4 million, of which €1.9 million will be for the equity and the balance in subordinated shareholders' loans. The transfer of beneficial ownership is expected to take place during March 2011. The transfer of legal ownership is subject to the approval of the competent authorities in Turkey and the bank financing IC Cesme.



Louis de Gabriele
Company Secretary
16 March 2011