

GRAND HARBOUR MARINA

VITTORIOSA ✱ MALTA

COMPANY ANNOUNCEMENT

GRAND HARBOUR MARINA P.L.C. (THE “COMPANY”)

Announces Interim Directors’ Statement

**Date of Announcement
Reference**

**19 May 2011
54/2011**

The first quarter of 2011 saw the continuation of a high level of occupancy throughout the marina. Berthing revenues for the first three months of this year amounted to €303,212 compared to €279,879 in the first three months of 2010.

During March 2011 one super yacht berth sale was completed and enquiries remain buoyant. The Board is cautiously optimistic that progress, whilst slow, will result in further positive outcomes.

As announced on 16 March 2011, the Company acquired a 45% beneficial interest in Cesme Marina, Turkey from Camper & Nicholsons Marina Investments Limited (CNMI). The marina operated by IC Cesme is located one hour from Turkey’s third largest city Izmir, and its international airport. The marina is held by IC Cesme under a build, operate and transfer (BOT) agreement with the Turkish Ministry of Transportation, which contract expires on the 22 April 2034. It comprises some 373 berths for yachts up to 60 meters in length and a shopping village containing some 6,000 square meters of retail space. The marina was officially opened in 2010 and is fully operational.

The total consideration is 4.75 million Euros, of which 1.9 million Euros is in equity and the balance is in subordinated shareholders’ loans. The Board of Directors considers this to be an outstanding investment in a premium asset in an important and growing market, where CNMI has taken all the risks relating to regulatory, permits and construction aspects. Moreover this investment is expected to contribute significantly to the growth of the company and to adding value for the shareholders.

The acquisition of the beneficial interest in IC Cesme was funded by the Company out of the proceeds of the bond issue in 2010.

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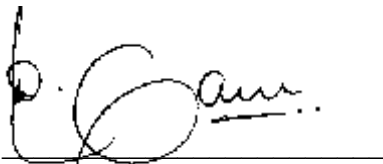
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Turkish holding company, IC Holding, also own a major stake in Cesme Marina. İbrahim Çeçen, (Chairman of the of the Board of Directors for IC Holding) and the Çeçen family are very well respected in Turkey, partly due to Mr Çeçens' philanthropic views and commitment to investing in the future of Turkish society. The IC Foundation aims to provide solutions for the issues of education and health and much more, and a major demonstration of this mission and his personal thoughts has been the donation to government of the campus and buildings for the Ağrı İbrahim Çeçen University, to which Mr Çeçen has singlehandedly given regular scholarships since 1984.

Turkey has weathered the recession well, returning to growth of close to 8% in 2010. Per capita GDP has risen rapidly from \$9,000 in 2000 to \$14,000 in 2008. The size of the yacht fleet grew significantly as evidenced by the 50% growth from 41,700 in 2006, to over 62,000 in 2009.

Since the preliminary announcement of the Company's results for the year ended 31 December 2011 on 16 March 2011, no other material events or transactions have taken place in the ordinary course of business that would have an impact on the financial position of the Company, such that would require special mention, disclosure or announcement pursuant to the applicable Listing Rules.

Signed:



Louis de Gabriele
Company Secretary