

GRAND HARBOUR MARINA

VITTORIOSA ✳ MALTA

COMPANY ANNOUNCEMENT

GRAND HARBOUR MARINA P.L.C. (THE "COMPANY")

Approval of half yearly report

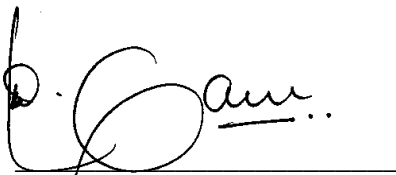
Date of Announcement	30 August 2011
Reference	57/2011
Listing Rule	LR 5.16.20

QUOTE

The Board of Directors has today approved the half yearly report of the Company for the financial period 1 January 2011 to 30 June 2011, a copy of which is attached hereto and is available for public inspection in electronic form on the Company's website (www.cnmarinas.com).

UNQUOTE

Signed:



Louis de Gabriele
Company Secretary

Grand Harbour Marina p.l.c.

Half-Yearly Report

For the six months ended 30 June 2011

Grand Harbour Marina p.l.c.
Half-Yearly Report
For the six months ended 30 June 2011

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Grand Harbour Marina p.l.c.
Directors' Report
For the six months ended 30 June 2011

The Directors are pleased to issue their Report pursuant to the Malta Financial Services Authority Listing Rules 5.81 to 5.84. This report shall be read in conjunction with the Condensed Consolidated Interim Financial Statements of the Group, of which Grand Harbour Marina p.l.c is the parent, for the six months ended 30 June 2011.

Principal activities

The principal activities of Grand Harbour Marina p.l.c (“Company”) and its jointly controlled entity, IC Cesme Marina Yatirim, Turizm ve Isletmeleri Anonim Sirketi (“IC Cesme”), are the development, operation and management of marinas. Currently the Group comprises the Company and its wholly owned subsidiary Maris Marine Limited, acquired on the 29 June 2011, a company registered and domiciled in the United Kingdom, which was previously owned by Camper & Nicholsons Marina Investments Limited (the “Parent Company”). The entities are operated and managed by Camper & Nicholsons Marinas International Ltd, who manage and operate marinas worldwide.

Review of performance

Overview

On 18 March 2011, the Company entered into an agreement with Camper & Nicholsons Marina Investments Limited, as a result of which the Group acquired the 45% beneficial equity investment in IC Cesme Marina Yatirim, Turizm ve Isletmeleri Anonim Sirketi (“IC Cesme”), a company registered under the laws of Turkey, which owns and operates IC Cesme Marina in Turkey. The Company paid €1.9 million for the equity interest and €2.7 million in support of the Parent Company’s cash pledge related to the subordinated bank loans. The acquisition was made in furtherance of the Group’s business of acquiring, operating and managing marinas and was funded by the Company out of the proceeds of the bond issue in 2010.

Significant related party transactions, including amount of such transactions and the nature of the related party relationships are detailed in note 12.

The condensed consolidated financial statements include the proportionate consolidation of the 45% beneficial interest in IC Cesme.

The Board of Directors is pleased to report an improved performance by the Company. It is also confident that, as IC Cesme reaches maturity, the Company will start reaping the benefits of this investment.

Grand Harbour Marina p.l.c.
Directors' Report
For the six months ended 30 June 2011

Grand Harbour Marina

As a result of improved revenue management and higher occupancy levels attained during the period, income from pontoon fees and from ancillary services for the first 6 months ended 30 June 2011 grew from €1,053,466 to €1,291,241 (excluding long term berth sales), an increase of 23% over the first 6 months of 2010. These revenues were enhanced by income derived from the sale of a 30-meter berth for a consideration of €436,320, resulting in total revenues of €1,727,561. There were no super yacht berth sales during the comparative period ended 30 June 2010.

The Company's operating costs for the six months ended 30 June 2011 increased from €803,412 to €1,028,084. This is mainly related to the direct costs of revenue from the sale of the long term berth, comprising the capital costs of the berth sold, brokerage commissions and turnover rent payable.

As a result of the above, profit before interest, tax, depreciation and amortisation (EBITDA) for the six months ended 30 June 2011 increased from €73,511 to €487,776.

Finance expenses for the 6 months ended 30 June 2011 increased from €354,833 to €429,134 and are attributed to the interest costs of the bond issued in February 2010 being for a period of 6 months as compared to 5 months in the prior period.

The Company incurred acquisition-related costs amounting to €85,846 which are expenses incurred in connection with the acquisition of the 45% beneficial interest in IC Cesme.

The results of Grand Harbour Marina for the 6 months ended 30 June 2011 show a loss after tax of €210,287 compared to a loss of €463,157 in the same period of 2010.

IC Cesme Marina

Since the acquisition on 18 March 2011, IC Cesme generated revenues of €727,840 (our 45% interest: €327,528) and incurred operating costs of €499,473 (45%: €224,763). As a result, the profit before interest, tax, depreciation and amortisation (EBITDA) since acquisition date was €34,130 (45% €15,359).

IC Cesme is already proving to be an attractive visitor destination.

At the end of June 2011, 213 of the marina's 373 berths were let on annual berthing basis and all of the retail village units were rented out.

Grand Harbour Marina p.l.c.
Directors' Report
For the six months ended 30 June 2011

IC Cesme Marina (continued)

Finance expenses incurred since acquisition were €209,850 (45%: €94,433) which mainly relates to the interest costs of the loans from Isbank (Turkey).

The results of IC Cesme, since acquisition show a loss after tax of €409,478 (45%: €184,265).

On a consolidated basis

The revenue earned of €2,055,089 for the six months ending 30 June 2011, reflect an increase in the level of marina operating activities of the Company, as well as the first contribution to revenues of the acquired IC Cesme of €327,528. Operating expenses, including personnel expenses and director emoluments, increased to €1,551,953 in the first six months of 2011, mainly as a result of the acquisition of IC Cesme and the direct costs incurred in relation to the long term berth sold. As a result, EBITDA generated in the first six months of 2011 amounts to €503,136.

The consolidated results of the Group for the first 6 months ended 30 June 2011 show a loss after tax of €394,552.

The acquisition of the beneficial interest in IC Cesme of €1.9 million and the €2.7 million in support of the cash pledge paid to Camper & Nicholsons Marina Investments Limited was the main reason for a decrease in cash and cash equivalents of €4.1 million.

The consolidated statement of financial position as at 30 June 2011 comprises the assets and liabilities of the Company, its wholly owned subsidiary Maris Marine Limited (jointly, the "Group") and on a proportional basis, the Company's interest in IC Cesme. Total non-current assets of €19,795,881 comprise tangible fixed assets employed in the marina businesses, the goodwill arising on the acquisition of IC Cesme of €960,380 and the pledged amount of €2,714,250, as detailed in note 6. Current assets include the un-invested net proceeds of the bond issue of €3 million, other cash balances, and trade and other receivables of the marina businesses. Current liabilities were mainly trade related plus the current portion of the long-term debt at IC Cesme. The non-current liabilities comprise the unsecured bond of the Company, and the long term debt of IC Cesme. The deferred tax liability arises on the acquisition of IC Cesme in relation to the fair value adjustment of the property held by IC Cesme.

Grand Harbour Marina p.l.c.
Directors' Report
For the six months ended 30 June 2011

Outlook

The Group now has two fully operational marinas, including its joint venture in IC Cesme, which are well located and have good growth prospects. With increasing revenues from both the marinas we continue to expect improved performance going forward. Through the acquisition of the 45% beneficial equity interest in IC Cesme, the Group has also secured a sound investment for the bond funds raised in February 2010 which will accelerate its growth and which, coupled with improved performance from operations, will generate increasing value to the shareholders. The Company also has at its disposal further funds available for investment and to support its existing operations.

Board of Directors

The board of directors as at 30 June 2011 was:

Lawrence Zammit - Chairman

John Hignett

Roger Lewis

Nicholas Maris

Sir Christopher Lewinton

Franco Azzopardi

The Directors remain fully focused on delivering good results for the Group's shareholders.

Approved by the Board of Directors on 30 August 2011 and signed on its behalf by:



Lawrence Zammit
Chairman

Grand Harbour Marina p.l.c.
Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2011

	Notes	At 30 June 2011 €	At 31 December 2010 €
ASSETS			
Property, plant and equipment:	8	15,583,293	7,740,641
The Group		7,456,372	7,740,641
Jointly controlled entity		8,126,921	-
Deferred costs		537,702	524,156
Goodwill	6.1	960,636	-
Parent company loan	6.2	2,714,250	-
Non-current assets		19,795,881	8,264,797
Trade and other receivables:		1,117,260	431,979
The Group		586,200	431,979
Jointly controlled entity		531,060	-
Cash and cash equivalents:		4,500,890	8,601,207
The Group		4,205,581	8,601,207
Jointly controlled entity		295,309	-
Current assets		5,618,150	9,033,186
Total assets		25,414,031	17,297,983
EQUITY			
Total Equity		3,470,892	3,865,444
LIABILITIES			
Deferred tax liability		334,694	-
Other non-current liabilities:	10	18,060,743	11,586,647
The Group		11,602,180	11,586,647
Jointly controlled entity		6,458,563	-
Current liabilities:		3,547,702	1,845,892
The Group		2,180,995	1,845,892
Jointly controlled entity		1,366,707	-
Total liabilities		21,943,139	13,432,539
Total equity and liabilities		25,414,031	17,297,983

The notes on pages 9 to 19 are an integral part of these condensed consolidated financial statements.

Grand Harbour Marina p.l.c.
Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2011

		1 January 2011 to 30 June 2011	1 January 2010 to 30 June 2010
	Notes	€	€
CONTINUING OPERATIONS			
Revenue:		2,055,089	1,053,466
The Group		1,727,561	1,053,466
Jointly controlled entity		327,528	-
Personnel expenses:		(273,087)	(154,025)
The Group		(185,682)	(154,025)
Jointly controlled entity		(87,405)	-
Directors' emoluments:		(26,019)	(22,518)
The Group		(26,019)	(22,518)
Jointly controlled entity		-	-
Depreciation:		(283,666)	(173,200)
The Group		(174,171)	(173,200)
Jointly controlled entity		(109,495)	-
Other operating expenses:		(1,252,847)	(803,412)
The Group		(1,028,084)	(803,412)
Jointly controlled entity		(224,763)	-
Results from operating activities		219,470	(99,689)
Finance income:		43,890	58,300
The Group		43,446	58,300
Jointly controlled entity		444	-
Finance costs:		(523,567)	(354,833)
The Group		(429,134)	(354,833)
Jointly controlled entity		(94,433)	-
Net finance costs		(479,677)	(296,533)
Acquisition-related costs	6.3	(85,846)	(66,935)
Loss before tax		(346,053)	(463,157)
Tax expense:		(48,499)	-
The Group		(52,358)	-
Jointly controlled entity		3,859	-
Total comprehensive income for the period		(394,552)	(463,157)
Loss per share		(0.04)	(0.05)

The notes on pages 9 to 19 are an integral part of these condensed consolidated financial statements.

Grand Harbour Marina p.l.c.
 Condensed Consolidated Statement of Changes in Equity
 For the six months ended 30 June 2011

	Share capital	Retained earnings	Total
	€	€	€
Balance at 1 January 2010	2,329,370	3,057,516	5,386,886
Total comprehensive income for the period			
Loss for the period	-	(463,157)	(463,157)
	-----	-----	-----
Balance as at 30 June 2010	2,329,370	2,594,359	4,923,729
	=====	=====	=====
Balance at 1 January 2011	2,329,370	1,536,074	3,865,444
Total comprehensive income for the period			
Loss for the period	-	(394,552)	(394,552)
	-----	-----	-----
Balance at 30 June 2011	2,329,370	1,141,522	3,470,892
	=====	=====	=====

The notes on pages 9 to 19 are an integral part of these condensed consolidated financial statements.

Grand Harbour Marina p.l.c.
 Condensed Consolidated Statement of Cash Flows
 For the six months ended 30 June 2011

	1 January 2011 to 30 June 2011	1 January 2010 to 30 June 2010
	€	€
Net cash generated from operating activities	783,169	33,387
Net cash used in investing activities	(4,693,813)	(47,010)
Net cash (used in) / from financing activities	(203,817)	7,708,490
	-----	-----
Net (decrease) / increase in cash and cash equivalents	(4,114,461)	7,694,867
Cash and cash equivalents 1 January	8,516,273	2,008,977
	-----	-----
Cash and cash equivalents 30 June	4,401,812	9,703,844
	=====	=====

The notes on pages 9 to 19 are an integral part of these condensed consolidated financial statements.

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

1. Reporting entity

Grand Harbour Marina p.l.c. (the “Company”) is a public limited liability company domiciled and incorporated in Malta. The condensed consolidated financial statements as at and for the six months ended 30 June 2011 comprise the Company and its subsidiary (together referred to as the “Group”) and the Group’s interest of 45%, in its jointly controlled entity, IC Cesme Marina Yatirim, Turizm ve Isletmeleri Anonim Sirketi (“IC Cesme”).

There were no consolidated financial statements previously presented.

The financial statements of the Company as at and for the year ended 31 December 2010 are available on the Company’s website at www.cnmarinas.com/ghm-investorrelations/notifications-publications and also upon request from the Company’s registered office at “The Capitanerie”, Vittoriosa Wharf, Vittoriosa BRG 1721, Malta.

2. Basis of Preparation

(a) Statement of compliance

The condensed consolidated financial statements (the “Report”) of the Group is being published in terms of Listing Rule 5.74 issued by the Listing Authority and has been prepared in accordance with the applicable Listing Rules and EU adopted International Accounting Standard 34, ‘*Interim Financial Reporting*’. 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.

This Report has not been audited nor reviewed by the Company’s Independent Auditors.

(b) Basis of measurement

The condensed consolidated financial statements of the Group for the six months ended 30 June 2011 have been prepared on a historical cost basis.

(c) Use of estimates and judgements

The preparation of the Report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

2. Basis of Preparation (continued)

(c) Use of estimates and judgements (continued)

In preparing the Report, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2010.

(d) Functional and presentation currency

These condensed consolidated financial statements are presented in euro, which is the Company's functional currency.

3. Significant accounting policies

Except as described in 3(a) below, the accounting policies adopted in the preparation of this Report are the same as those adopted in the preparation of the audited financial statements for the year ended 31 December 2010. The following are considered to be the key significant accounting policies:

(a) Basis of consolidation

(i) Business combinations

The Report comprises the financial statements of the Group as at 30 June 2011. The financial statements of the subsidiary and joint venture are prepared for the same reporting year as the Company, using consistent accounting policies.

The Group measures goodwill at the acquisition date as the fair value of consideration transferred less the net recognised amount (generally at fair value) of identifiable assets acquired and liabilities assumed, all measures as of acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired the joint venture is, from the acquisition date, allocated to each of the jointly controlled entities cash generating units that are expected to benefit from the synergies of the venture, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Transactions costs, other than those associated with the issue of debtor equity securities, that the Group incurs in connection with a business combination or joint venture agreement are expensed as incurred.

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

3. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) Investments in jointly controlled entities

The Group has an interest in a joint venture. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control requiring unanimous consent for strategic financial and operating decisions. The Group recognises its interest in the jointly controlled entity using proportional consolidation. The Group combines its share of each of the assets, liabilities, income and expenses of the jointly controlled entity with the similar items, line by line, in its consolidated financial statements.

The financial statements for the jointly controlled entity are prepared for the same year as the Company using consistent accounting policies.

The joint venture is proportionately consolidated until the date when the Group ceases to have joint control over the entity.

(iii) Subsidiaries

Subsidiaries are those entities controlled by the Group. The financial statements are included in the financial statements from the date that control commences until the date that Group ceases.

(iv) Transactions eliminated on consolidation

Intra-group balances and transaction, and any unrealised income and expense from intra-group transaction, are eliminated in preparing consolidated financial statements.

(b) Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

3. Significant accounting policies (continued)

(b) Foreign currency (continued)

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

(c) Recognition and measurement of plant and equipment

The cost of super-yacht berths that have been completed but not licensed and other items of plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Super-yacht berths and pontoons in the course of construction are not being depreciated.

Costs include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets include the costs of materials, and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use.

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment. The Group recognises, in the carrying amount of an item of plant and equipment, the cost of replacing part of such an item when that cost is incurred and it is probable that the resulting future economic benefits will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the statement of comprehensive income as an expense when incurred.

As part of its operating activities, the Company licenses out super-yacht berths over longer periods, typically for 25 or 30 years. The cost of such berths is apportioned between that part attributable to the initial licensing period, which is recognised immediately in profit or loss and that part (residual amount) attributable to the time period which extends beyond the initial licensing period. The method of cost apportionment used represents a fair reflection of the pattern of future economic benefits estimated to accrue from the licensing of such berths. The residual amount is classified in the statement of financial position within non-current assets, as deferred costs.

(d) Revenue

Revenue from the licensing of super-yacht berths over long-term periods (see accounting policy on recognition and measurement of super-yacht berths above) is recognised in profit or loss on the signing of the licensing contracts with the licensees.

Revenue from Pontoon fees and other ancillary services are recognised in profit or loss in the year in which the services to which they relate have been rendered.

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

3. Significant accounting policies (continued)

(e) Finance income and finance cost

Finance income comprises interest income on funds invested and dividend income. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established.

Finance costs comprise interest expense on borrowings.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss.

(f) Financial Instruments

Non-derivative financial liabilities

The Group initially recognises debt securities and subordinated liabilities issued on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: unsecured bonds, bank overdrafts, loans and borrowings and trade and other payables.

Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

4. Financial risk management

Except as described below, the Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2010.

Market risk – currency risk

The Group makes investments in currencies other than Euros, the base currency of the Company. The Company's net asset value is reported in Euros. Changes in the rates of exchange may have an effect on the value, price or income of such investments. A change in foreign currency exchange rates may impact returns on the Group's non-Euro denominated investments.

5. Seasonality of operations

A significant proportion of the Groups' revenues stem from annual berthing contracts and long term service charges for which the seasonal effects are minimal. Summer visitor income occurs generally between May and September but the effect of seasonality in the interim account is not significant.

6. Acquisition of interest in jointly controlled entity and subsidiary

On the 18 March 2011, the Company entered into an agreement with Camper & Nicholsons Marina Investments Limited, as a result of which the Company acquired the beneficial interest of 45% shareholding in IC Cesme Marina Yatirim, Turizm ve Isletmeleri Anonim Sirketi ("IC Cesme"), a company registered under the laws of Turkey, which company owns and operates a Marina in Turkey. The Company paid €1.9 million for the equity interest and €2.7 million in support of the Parent Company's cash pledge related to the subordinated bank loans.

On 29 June 2011 the Company acquired the holding of its Parent Company in Maris Marine Limited which holds 26% of the ownership in IC Cesme for a consideration of €111, resulting in goodwill of €256 (note 6.1). The remaining 19% ownership in IC Cesme continues to be held by Camper & Nicholsons Marinas Ltd which is another subsidiary company of the Parent Company, Camper & Nicholsons Marina Investments Ltd. The entire 45% interest in IC Cesme is held solely and for the benefit of the Grand Harbour Marina p.l.c.

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

6. Acquisition of interest in jointly controlled entity and subsidiary (continued)

6.1 Goodwill

Goodwill has been recognised as follows:

	€
On acquisition of interest in jointly controlled entity	
Total consideration transferred for equity	1,930,000
Fair value of net identifiable assets	(969,620)

	960,380
On acquisition of subsidiary	256

Total Goodwill	960,636
	=====

The Company has carried out an impairment assessment of goodwill as at 30 June 2011. The recoverable amount was determined based on its value in use. Value in use was determined by discounting the future cash flows expected to be generated from IC Cesme to their net present value. The values assigned to future cash flows and key assumptions therein, represent management's assessment of future trends of IC Cesme. As a result it was determined that goodwill was not impaired.

6.2 Parent company loan

The subordinated loan provided by Isbank to IC Cesme is secured against cash pledges made by the IC Cesme shareholders. As at 30 June 2011 the cash pledge made by the Parent Company in relation to the subordinated loan was €2,714,250. The Company provided the same amount in cash to its Parent Company at an interest rate of 1% per annum as part of the acquisition process of the Company's 45% beneficial interest in IC Cesme (note 6 above refers).

6.3 Acquisition-related costs

The Company incurred acquisition-related costs of €85,846 which mainly relate to legal and other professional fees and due diligence costs, in connection with the acquisition of the 45% beneficial equity interest of IC Cesme.

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

7. Income tax

The income tax is based on the best estimate of the weighted average annual income tax rate expected for full year, applied to the pre-tax loss of the interim period, adjusting for the final withholding tax of the long-term berth sale against the interim period.

Other than the tax amounting to €52,358 relating to the sale of the long-term berth no charge or credit for income tax has been recognised for the period ended 30 June 2011 on the basis that the best estimate of the income tax charge or credit for the year ending 31 December 2011, excluding the income tax effect of any super yacht berth sales, is nil.

8. Plant and equipment

During the six months ended 30 June 2011 the Group acquired assets with a cost of €63,024.

9. Capital commitments

The Group's commitments as at 30 June 2011 were at €54,464.

10. Interest bearing borrowings

	30 June 2011	31 December 2010
	€	€
Unsecured 7% bonds	11,602,180	11,586,647
Bank loans	6,862,223	-
Bank overdrafts	99,078	84,934
	-----	-----
	18,563,481	11,671,581
	=====	=====
Non-current	18,060,743	11,586,647
Current	502,738	84,934
	-----	-----
	18,563,481	11,671,581
	=====	=====

11. Commitments and contingencies

11.1 Litigations and claims

Except as described below, there were no changes in contingent liabilities as at 30 June 2011 when compared to those previously reported in the financial statements for the year ended 31 December 2010.

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

11. Commitments and contingencies (continued)

11.2 Operating lease commitments

The lease of Cesme Marina in Turkey is held by IC Cesme. The lease is non-cancellable and expires in 2033. The annual rent payable is approximately €1 million which is index linked in line with the Turkish Producer Prices Index (ÜFE) in future years in accordance with the BOT contract.

11.3 Guarantees

The Parent Company acts as a guarantor and sponsor of IC Cesme's repayment obligations under the Term Facility and the General Cash and Non-Cash Credit Agreement (the "subordinated loan") to the extent of 45% of any non-payment (being reflective of the shareholding % in IC Cesme Marina). The Parent's Company liability at 30 June 2011 was €6,862,224. (2010: €4,123,251). The Company acts as a guarantor and sponsor for this amount to its Parent Company in accordance with the Sale & Purchase Agreement related to the acquisition of its 45% beneficial interest in IC Cesme.

12. Related party transactions

The Group is a subsidiary of Camper & Nicholsons Marina Investments Limited ("CNMI"), the registered office of which is situated at Island House, Grand Rue, St Martins, Guernsey.

12.1 Transactions with key management personnel

Other than the directors' compensation amounting to €26,019 (June 2010: €22,518), key management compensation amounted to €39,221 (June 2010: €31,123).

12.2 Related party relationships, transactions and balances

Companies forming part of the CNMI Group are considered by the directors to be related parties as these companies are ultimately owned by CNMI. The transactions and balances with such parties are as follows:

12.2.1 Camper & Nicholsons Marinas Limited

	30 June 2011	31 December 2010
	€	€
As per Marina Services Agreement:		
Balance at 1 January	50,172	46,356
Transaction incurred during the period	87,240	263,590
Cash movements	(97,943)	(259,774)
	-----	-----
Balance as at 30 June 2011	39,469	50,172
	=====	=====

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

12. Related party transactions (continued)

12.2 Related party relationships, transactions and balances (continued)

12.2.2 Camper & Nicholsons Marinas International Limited

	30 June 2011	31 December 2010
	€	€
Balance at 1 January:	37,750	25,344
Company	37,750	25,344
Jointly controlled entity	-	-
Transactions incurred during the period:	166,226	201,038
Company	43,834	201,038
Jointly controlled entity	122,392	-
Cash movements	-	-
Company	(67,591)	(188,632)
Balance as at 30 June 2011	136,385	37,750
Company	13,993	37,750
Jointly controlled entity	122,392	-
	=====	=====

12.2.3 Camper & Nicholsons Marinas Investments Limited

	30 June 2011	31 December 2010
	€	€
Balance at 1 January	-	-
Interest receivable	(6,203)	750
Cash movements	-	(750)
Balance as at 30 June 2011	(6,203)	-
	=====	=====

The Company also has a balance of €2,714,250 receivable from Camper & Nicholsons Marina Investments Limited (note 6.2).

Grand Harbour Marina p.l.c.
Notes to the Condensed Consolidated Financial Statements
For the six months ended 30 June 2011

13. Subsequent events

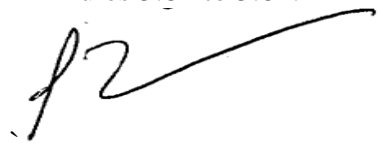
There were no material subsequent events between the end of June 2011 and the date of this Report.

Grand Harbour Marina p.l.c.
Directors' Statements on the Half-Yearly Report
For the six months ended 30 June 2011

Statement pursuant to Listing Rule 5.75.3 issued by the Listing Authority

I confirm that to the best of my knowledge:

- the condensed consolidated financial statements prepared in accordance with the EU adopted International Accounting Standard 34 *Interim Financial Reporting*, included in this Report, give a true and fair view of the assets, liabilities, financial position and loss of the Group as at 30 June 2011; and
- the Directors' Report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.



Lawrence Zammit
Chairman

30 August 2011