

The following Half-Yearly Report is published pursuant to the terms of Chapters 8 and 9 of the Malta Financial Services Authority Listing Rules and the Prevention of Financial Markets Abuse Act 2005. The condensed financial information has been extracted from the company's unaudited financial statements for the six months ended 30 June 2010 and has been reviewed in terms of ISRE 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

## Interim directors' report

The directors have the pleasure of reporting the company's interim results for the six months ended 30 June 2010.

The company's principal activity is to carry on the business of a finance and investment company in connection with ownership, development, operation and financing of the business activities of the companies forming part of the Mizzi Organisation. The proceeds from the bonds issued for subscription to the general public have been advanced by the company to related parties forming part of the Mizzi Organisation.

Interest income, principally receivable from related parties, earned by the company during the six month period up to 30 June 2010 amounted to €1,183,317 (2009: €850,422). Profit before taxation for the period amounted to €13,055 (2009: €41,058), after deducting administrative expenses of €50,607 (2009: €26,508). Earnings per share, reflecting profit after taxation divided by the weighted average number of ordinary shares in issue during the period, amounted to €12.86 (2009: €41.01). Furthermore, the directors are not anticipating any significant changes during the forthcoming six months.

The directors do not recommend the payment of an interim dividend. During the six month period ended 30 June 2009, the directors proposed the payment of a net interim dividend to the company's ordinary shareholders amounting to €150,000.

## Condensed statement of comprehensive income

	Six months ended 30 June	
	2010 (unaudited) €	2009 (unaudited) €
Interest receivable, principally from related parties	1,183,317	850,422
Interest payable and similar charges	(1,119,655)	(782,856)
<b>Net interest income</b>	<b>63,662</b>	<b>67,566</b>
<b>Profit before tax</b>	<b>13,055</b>	<b>41,058</b>
Tax expense	(194)	(46)
<b>Profit for the period - total comprehensive income</b>	<b>12,861</b>	<b>41,012</b>
Earnings per share	12.86	41.01

## Condensed statement of financial position

	As at 30 June 2010 (unaudited) €	As at 31 December 2009 (audited) €
<b>ASSETS</b>		
<b>Non-current assets</b>		
Loans and advances to related parties	29,775,462	29,660,462
<b>Current assets</b>		
Loans and advances to related parties	-	3,999,382
Other current assets	251,308	268,462
Total current assets	251,308	4,267,844
<b>Total assets</b>	<b>30,026,770</b>	<b>33,928,306</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>	<b>477,173</b>	<b>464,312</b>
<b>Non-current liabilities</b>		
Borrowings	29,255,504	29,208,662
<b>Current liabilities</b>		
Payables	294,093	605,950
Borrowings	-	3,649,382
Total current liabilities	294,093	4,255,332
Total liabilities	29,549,597	33,463,994
<b>Total equity and liabilities</b>	<b>30,026,770</b>	<b>33,928,306</b>

## Directors' statement pursuant to Listing Rule 9.44k.3

I confirm that to the best of my knowledge:

- The condensed interim financial statements give a true and fair view of the financial position of the company as at 30 June 2010 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS 34 'Interim Financial Reporting').
- The interim Directors' report includes a fair review of the information required in terms of Listing Rule 9.44q.

Dr John C. Grech - Chairman  
26 August 2010

## Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Mizzi Organisation Finance p.l.c.

### Introduction

We have reviewed the accompanying condensed statement of financial position of Mizzi Organisation Finance p.l.c. as at 30 June 2010 and the related condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended. The directors are responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS 34 'Interim financial reporting'). Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

This report, including the conclusion, has been prepared for and only for the company for the purpose of the Listing Rules of the Malta Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

PRICEWATERHOUSECOOPERS  
167, Merchants Street, Valletta, Malta

Fabio Axisa  
Partner  
26 August 2010

## Condensed statement of changes in equity

	Share capital €	Retained earnings €	Total €
Balance at 1 January 2009	232,937	325,803	558,740
Profit for the six months ended 30 June 2009	-	41,012	41,012
- total comprehensive income	-	41,012	41,012
Transactions with owners - Dividends	-	(150,000)	(150,000)
Balance at 30 June 2009	232,937	216,815	449,752
Balance at 1 January 2010	232,937	231,375	464,312
Profit for the six months ended 30 June 2010	-	12,861	12,861
- total comprehensive income	-	12,861	12,861
<b>Balance at 30 June 2010</b>	<b>232,937</b>	<b>244,236</b>	<b>477,173</b>

## Condensed statement of cash flows

	Six months ended 30 June	
	2010 (unaudited) €	2009 (unaudited) €
Net cash (used in)/from operating activities	(293,343)	49,716
Net cash from/(used in) investing activities	3,884,382	(119,939)
Net cash used in financing activities	(3,649,382)	-
<b>Movement in cash and cash equivalents</b>	<b>(58,343)</b>	<b>(70,223)</b>
<b>Cash and cash equivalents at beginning of interim period</b>	<b>103,770</b>	<b>155,365</b>
<b>Cash and cash equivalents at end of interim period</b>	<b>45,427</b>	<b>85,142</b>

## Notes to the interim financial information

This condensed interim financial information for the six months ended June 2010 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2009, which have been prepared in accordance with IFRSs as adopted by the EU. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2009, as described in those financial statements.

Non-current borrowings as at 30 June 2010 and 31 December 2009 represent the amortised cost and carrying amount of the 6.2% bonds 2016-2019 which the company issued to the general public in 2009. Such bonds are redeemable at par (€100 for each bond) and at the latest are due for redemption on 30 November 2019. The bonds are redeemable in whole or in part at the company's sole discretion on any date falling between and including 30 November 2016 and 30 November 2019 (Early Redemption Date/s).

Current borrowings as at 31 December 2009 represent 2002 bonds which were not surrendered by 2002 bondholders in exchange for bonds issued in 2009. These 2002 bonds having a face value of €3,649,382 were redeemed in full on 31 May 2010. This repayment is matched by the settlement of an equivalent amount of loans and advances to related parties.

At the end of the reporting period, bonds with a face value of €762,600 (31 December 2009: €1,121,300) were held by related parties, principally company directors, other officers of companies forming part of the Mizzi Organisation and close family members of these individuals.