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COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Simonds Farsons Cisk p.l.c. pursuant to MFSA Listing Rule 8.7.4, 8.7.21, 8.7.23, 9.44j - 9.44k.

Quote

At its meeting held today 30th September, 2008, the Board of Directors of Simonds Farsons Cisk p.l.c. approved the group's financial statements and half yearly report for the six month period ending on 31st July 2008.

A copy of the financial statements and report for the period 1st February 2008 to 31st July 2008 is attached herewith. These financial statements and report are available to the public on www.farsons.com.

The Board of Directors of Simonds Farsons Cisk p.l.c. also resolved to distribute, out of tax exempt profits, an interim dividend of € 0.0078 per share on all ordinary shares. This dividend will be paid on 24th October 2008 to the ordinary shareholders on the Register as at the close of business on 10th October 2008. This will amount to a total interim net dividend of € 200,000.-

Unquote

ARTHUR MUSCAT
Company Secretary

30th September, 2008

SIMONDS FARSONS CISK plc INTERIM REPORT 2008 Six months ended July 2008

Interim Directors' Report

▶ TRADING PERFORMANCE

The directors hereby submit the company's interim results for the six months ending 31 July 2008.
Key financial highlights for the period are as follows:

- Group turnover increased by 4.6% to €35,306,000;
- Gross profit margin decreased from 23.4% to 21.5%;
- Operating profit amounted to €2,010,000 (2007 : €2,905,000);
- Profit before tax amounted to €1,520,000 (2007 : €3,312,000).

In considering the results for the period, attention is drawn to the following factors:-

a) Group turnover improved due to increased sales across all business segments. In particular, beer sales registered growth in value and volumes;
b) While soft drink sales increased in volumes, sales values per litre decreased substantially. This was mainly due to changes in consumer preferences to one way packaging as a result of the full liberalization of the soft drinks market;
c) The franchise food retail and import businesses continued to perform well, achieving growth in a number of product sectors;
d) Operating profits were impacted by initial efficiency set-up problems encountered with the newly commissioned production lines. These are being addressed, and production efficiencies are now approaching target levels;
e) Gross margins have also been adversely affected by the advent of illicitly imported beverages, which have not been subjected to eco contribution, and, in some cases, VAT, thus placing the group under significant unfair competitive disadvantage. Strong representations have been made to Government in this regard;
f) The interim results were also affected by a lower profit on the disposal of property and an increase in finance costs, the latter as a result of the commissioning of the new soft drinks production line and distribution centre at the beginning of the year. In 2007, prior to commissioning, interest costs were capitalized;
g) The group is now operating in a wholly liberalized market in which price competition is acute. The board of directors, through its management structures, is in the course of implementing a permanent cost reduction programme. Such programme includes reductions in overhead costs and a head count reduction of 60 persons within the next 12 months through natural and early retirements and voluntary schemes. These cost reductions can be implemented directly as a result of the capital expenditure programme and reorganization undertaken over the past two years. The board of directors is determined and confident that it will achieve these targeted cost reductions, and that, as a result of these measures, the emerging cost structures will allow for improved profitability levels going forward.

▶ DIVIDENDS

During the period under review, the company paid to the ordinary shareholders a final dividend of €1,367,000 on 27 June 2008 in respect of the financial year ending 31 January 2008. These dividends have been paid out of tax exempt profits and are equivalent to €0.053 per share.

The board of directors is recommending a net interim dividend of €200,000 in respect of the financial year ending 31 January 2009, payable on 24 October 2008 to the ordinary shareholders who will be on the register of members of the company on 10 October 2008. The interim dividend will be paid out of tax exempt profits and is equivalent to €0.0078 per share.

By order of the board
30 September 2008

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

I confirm that to the best of my knowledge:

- The condensed interim financial information gives a true and fair view of the financial position of the group as at 31 July 2008, 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 (IAS34); and
- The Interim Directors' Report includes a fair review of the information required in terms of Listing Rule 9.44q.

Bryan A. Gera – Chairman
30 September 2008

Condensed Consolidated Profit and Loss Account Six months ended 31 July 2008

	Group 31 July 2008 (unaudited) €'000	31 July 2007 (unaudited) €'000
Turnover	**35,306**	33,741
Gross profit	**7,574**	7,912
Operating profit	**2,010**	2,905
Profit on disposal of land and buildings	**518**	1,078
Net fair value gains on investment property	**-**	21
Interest payable	**(1,008)**	(692)
Profit before tax	**1,520**	3,312
Tax expense	**(538)**	(428)
Profit for the period	**982**	2,884
Earnings per share attributable to the equity holders during the period	**€0.038**	€0.112

Condensed Consolidated Balance Sheet As at 31 July 2008

	Group 31 July 2008 (unaudited) €'000	31 January 2008 (audited) €'000
▶ ASSETS		
Fixed assets	**116,294**	117,560
Other non-current assets	**4,126**	4,282
Current assets	**40,850**	31,492
Non-current assets held for sale	**-**	739
Total assets	**161,270**	154,073
▶ EQUITY AND LIABILITIES		
Capital and reserves attributable to the equity holders of the company	**82,997**	83,382
Provisions for liabilities & charges	**11,664**	11,491
Creditors: Amounts falling due:		
– after more than one year	**33,138**	31,773
– within one year	**33,471**	27,427
Total creditors	**66,609**	59,200
Total equity and liabilities	**161,270**	154,073

Condensed Statement of Changes in Equity Six months ended 31 July 2008

	Attributable to equity shareholders					
	Share capital €'000	Revaluation reserve €'000	Other reserves €'000	Profit and loss account €'000	Minority interest €'000	Total €'000
Period ended 31 July 2007						
Balance at 1 February 2007	7,486	-	16,529	13,340	(16)	37,339
Profit for the six months ended 31 July 2007	-	-	-	2,884	-	2,884
Other movements	-	-	-	(16)	16	-
Net transfer of fair value gains on investment property, net of deferred tax	-	-	19	(19)	-	-
Dividends	-	-	-	(1,165)	-	(1,165)
Balance at 31 July 2007	**7,486**	**-**	**16,548**	**15,024**	**-**	**39,058**
Period ended 31 July 2008						
Balance at 1 February 2008	7,486	44,372	16,712	14,812	-	83,382
Profit for the six months ended 31 July 2008	-	-	-	982	-	982
Net transfer of fair value gains on investment property, net of deferred tax	-	-	(464)	464	-	-
Dividends	-	-	-	(1,367)	-	(1,367)
Balance at 31 July 2008	**7,486**	**44,372**	**16,248**	**14,891**	**-**	**82,997**

Condensed Consolidated Cash Flow Statement Six months ended 31 July 2008

	Group 31 July 2008 (unaudited) €'000	31 July 2007 (unaudited) €'000
Net cash from operating activities	**788**	2,096
Net cash from/(used in) investing activities	**547**	(5,327)
Net cash used in financing activities	**(22)**	(885)
Movement in cash and cash equivalents	**1,313**	(4,116)
Cash and cash equivalents at beginning of period	**(8,261)**	(4,128)
Cash and cash equivalents at end of period	**(6,948)**	(8,244)

Notes to the Condensed Consolidated Interim Financial Statements

1. This report is being 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.
2. The financial information being published has been extracted from the Simonds Farsons Cisk group's unaudited interim financial statements for the six months ended 31 July 2008, prepared in accordance with accounting standards adopted for use in the European Union for reported interim financial information (IAS 34 - Interim Financial Reporting). In terms of Listing Rule 9.44k.5, this interim report has not been audited or reviewed by the group's independent auditors.
3. The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 January 2008.
4. The group's operations consist of the brewing, production and sale of branded beers and beverages, the importation, wholesale and retail of food and beverages, including wines and spirits, the operation of franchised food retailing establishments and property management. These operations are carried out, primarily, on the local market. An analysis by business segment of the group's turnover and operating profit is set out below:

	Brewing, production & sale of branded beers & beverages €'000	Importation, wholesale & retail of food & beverages, including wines & spirits €'000	Operation of franchised food retailing establishments €'000	Property management €'000	Group €'000
Period ended 31 July 2008					
Turnover	21,920	11,166	4,309	540	**37,935**
Less: inter-divisional sales	(426)	(1,843)	-	(360)	**(2,629)**
	21,494	9,323	4,309	180	**35,306**
Segment results	1,688	792	343	57	**2,880**
Unallocated costs					**(870)**
Operating profit					**2,010**
Period ended 31 July 2007					
Turnover	21,027	10,818	3,864	608	**36,317**
Less: inter-divisional sales	(391)	(1,703)	-	(482)	**(2,576)**
	20,636	9,115	3,864	126	**33,741**
Segment results	2,686	797	121	42	**3,646**
Unallocated costs					**(741)**
Operating profit					**2,905**

5. During the six months ended 31 July 2008, corporate restructuring within the subsidiaries of the group was made. Food Operations Limited was merged into Kentucky Operations Limited whilst Trident Wines Limited was merged into Wands Limited.
6. Earnings per share is based on the profit after tax attributable to the ordinary shareholders of Simonds Farsons Cisk plc divided by the weighted average number of ordinary shares in issue during the period and ranking for dividend.
7. Following Malta's adoption of the euro as its national currency on 1 January 2008 the group's functional currency was changed from Maltese Lira to euro. Consequently, the results and financial position of the group were translated at the irrevocable fixed conversion rate of €1 : Lm0.429300 as at that date. Comparative financial information related to the Profit and Loss Account, Statement of Changes in Equity, Cash Flow Statement and Segmental Information has been converted into euro using the above mentioned irrevocable fixed conversion rate. This change in comparative information has been made for information purposes only.

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