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## **COMPANY ANNOUNCEMENT**

*The following is a Company Announcement issued by Simonds Farsons Cisk p.l.c. pursuant to the Malta Financial Services Authority Listing Rules 9.51 and 9.53. This statement is based on the unaudited management accounts of Simonds Farsons Cisk p.l.c. up to 31 October 2008 and other financial information.*

### **Quote**

#### **Interim Directors' Statement**

Simonds Farsons Cisk p.l.c. hereby announces that since the publication of the unaudited financial statements for the six months ended 31 July 2008 and the date of this announcement, other than as described below, no material events and transactions have taken place that would have an impact on the financial position of the Holding Company and its controlled undertakings, such that would require specific mention, disclosure or announcement pursuant to the applicable Listing Rules.

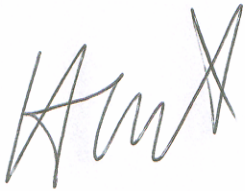
During the first nine months of the current financial year, the Group registered increased turnover levels over the corresponding period last year in its brewing, production and sale of branded beers and beverages segment, in its food importation business and the operation of franchised food retailing establishments. Further, as explained in the interim results, the initial efficiency problems encountered with the newly commissioned production lines are being addressed, and the targeted production efficiencies are expected to be attained by the beginning of next year.

The substantial reduction in sales value per litre of carbonated soft drinks continues to have a negative impact on the profitability of this segment. The Company continues to make representation to Government in respect of enforcement measures relating to illicitly imported beverages.

The implementation of a permanent cost reduction programme is well under way, with the targeted reductions in head count and overheads being attained as planned. Charges in relation to early retirement schemes will, nonetheless, have a negative effect on the results of the Company for the current financial year. Additionally, the impact of the recently announced utility rates will further adversely affect the company's performance.

The Directors expect that the Group's results for the current financial year will show a material decline in profitability over those for the year ended January 2008. Nonetheless, the Directors believe that the Company, through the remedial measures being undertaken, remains well positioned to handle the challenges ahead.

**Unquote**

A handwritten signature in black ink, appearing to read 'A Muscat', with a large, stylized 'X' or flourish at the end.

Arthur Muscat  
Company Secretary

28 November 2008