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COMPANY ANNOUNCEMENT

The following is a Company Announcement by Simonds Farsons Cisk plc pursuant to the Malta Financial Services Authority Listing Rules Chapters 8 and 9.

Quote

The Board of Directors of Simonds Farsons Cisk plc (the "Company") has on Tuesday 28th April, 2009 met and approved for publication the financial statements of the Company for the year ended 31st January 2009 and resolved to lay the same for the approval of the shareholders at the forthcoming Annual General Meeting of the Company to be held on 25th June, 2009.

A Preliminary Statement of Annual Results for the year ended 31st January 2009 is attached herewith and is made available to the public on website www.farsons.com.

The Board of Directors of Simonds Farsons Cisk plc has resolved to recommend for the approval of the Annual General Meeting:

1. the distribution, out of tax exempt profits, of a final net dividend of €800,000 that is €0.031111 per each ordinary share of €0.291, to be paid by not later than 26th June, 2009. An interim net dividend of €200,000 that is €0.007778 per ordinary share has already been approved at the Board Meeting held on 30th September, 2008 and distributed. This will result in a total net dividend to the ordinary shareholders of €1,000,000 that is €0.038889 per ordinary share. The Board of Directors has established 29th May 2009 as the Effective Date on which all shareholders then on the register of members shall be entitled to receive notice of and attend the Annual General Meeting, be paid dividends declared by the General Meeting and appoint directors or vote at the election of Directors.

2. that with effect from Friday, 26th June 2009, the current text of Clause 5 of the Memorandum of Association is deleted, and substituted by the following text:

   "

   5. The Authorised Share Capital of the Company is €30,000,000 divided into:
   a) 30,000,000 ordinary shares of €0.30 each
   b) 21,000,000 preference shares of €1.00 each

   "

3. that with effect from Friday, 26th June 2009, the amount of €227,031.44 from the Company's reserves is capitalised for the purpose of increasing the current nominal and paid up value of the 25,714,286 shares in issue from €0.291171 each share up to the new nominal and paid up value of €0.30 each share.

4. that with effect from Friday, 26th June 2009, the amount of €1,285,714.20 from the Company’s reserves is capitalised for the purpose of a bonus issue of 4,285,714 fully paid ordinary shares of a nominal value of €0.30 per share, representing 1 bonus share for every 6 shares held, to be allotted to the members appearing on the Register of Members as at the close of business on the Malta Stock Exchange on the 25th June 2009 (Eligible Members) thereby increasing the issued share capital from the current 25,714,286 shares to 30,000,000 shares of €0.30 each fully paid up, resulting in a paid up capital of €9,000,000.

5. that with effect from Friday, 26th June 2009, the current text of Clause 6 of the Memorandum of Association is deleted, and substituted by the following text:

   “

   The issued and fully paid up capital is €9,000,000 divided into 30,000,000 ordinary shares of a nominal value of €0.30 each.

   “

6. that with effect from Friday 26th June 2009, the current text of Clause 5a and Clause 5b of the Articles of Association is deleted, and substituted by the following text:

   “

   5a. By an ordinary resolution taken in General Meeting, the Board of Directors may be authorised to issue 21,000,000 Preference Shares of €1.00 each which authorisation shall be for a maximum period of five years renewable for further periods of 5 years each.

   5b. The acceptance of sub-article 5a of this article by the General Meeting as part of the Articles of Association in itself constitutes an authorisation by the General Meeting to the Board of Directors to issue 21,000,000 Preference Shares of €1.00 each. This authorisation is valid for a period of five years from the date these Articles are duly registered with the Registrar of Companies, such period being renewable for further periods of five years each.

   “

Unquote

Arthur Muscat
Company Secretary

28th April, 2009

SIMONDS FARSONS CISK plc PRELIMINARY STATEMENT OF ANNUAL RESULTS 2009

for the year ended 31 January 2009

Review of the Business

The group's turnover for the financial year ended 31 January 2009 amounted to €66,441,000 reflecting a marginal increase on the turnover registered during the previous financial year of €65,753,000. The flood of parallel traded products, at times illicitly imported, together with the emergence of private labels, and the opening of hard-discount stores, that followed the complete liberalisation of the market, has impacted both the locally manufactured and the imported beverages. Furthermore, the anticipated reduction of excise duties on spirits with effect from 1 January 2009, resulted in a trade minimisation of stocks and thus negatively effected sales over the traditionally busy Christmas period. On the other hand, our food importation business and our franchised food operations registered satisfactory growth levels.

The group's profit before tax fell sharply to €895,000. Lower gains on disposal of assets and fair value gains on properties amounting to circa €800,000 impacted the group results. The performance of the manufacturing segment has been the main cause of this deterioration, mainly resulting from:

- substantial increases in the cost of raw materials such as malt and hops together with increased utility costs;
- lower contribution per litre sold, in particular in the carbonated soft drinks segment;
- inefficiency problems following the installation of the new PET line;
- one-off charges including an impairment on the old PET line to its current realisable value, employee early retirement charges and abnormal write-offs on discontinued materials and finished goods;
- non capitalisation of administration and finance costs following the commissioning of the capital projects.

The new Logistics Centre is operating smoothly and efficiently and the new cost structures are being reflected in lower selling and distribution costs.

The board has taken the decision to discontinue its operations of distributing bottled water in Italy. The results of these operations are being disclosed under discontinued operations as group management is actively seeking to sell the company.

During the current year under review, the company has adopted the revaluation model for property, plant and equipment and the fair value model for investment property (in 2008, this accounting policy was adopted on a group basis). Furthermore, the unused property, in particular the façade of the brewery, is now being reclassified as investment property both in the company and on a group basis after change in operational use.

The group's balance sheet remains healthy with a shareholder equity base of €82 million.

Group indebtedness at €43 million (2008: €44 million) has improved despite the reduction in trade and other payables. The group's gearing ratio stands at 34% (2008: 34%).

Outlook for financial year ending 31 January 2010

The new financial year is presenting fresh challenges brought about by the international economic recession. We have managed to contract a number of raw materials at substantially lower prices, but the removal of the sugar subsidy together with the full year's impact of new utility costs will erode, in some way, these gains.

The efficiency problems with the newly commissioned PET packaging and production lines have now been addressed and the targeted production efficiencies are now being attained.

Cost containment remains a priority to management, principally through reductions in head count and overheads. The ways of working are being continually challenged, changed and improved as necessary. To this effect we have overhauled the operational structures within the marketing and sales sections to be able to respond better to a more competitive market. Furthermore, two subsidiary companies, Anthony Caruana & Sons Limited and Guido Vella Limited are being merged into Wands Limited, which shall be renamed Farsons Beverage Imports Company Limited. This entity will now consolidate all our wines and spirits and beverage import businesses as one operation that should simplify the trade relationship and make our operation more efficient.

We are continuing our investments in our food importation and franchised food operations. Later on this year, Quintano Foods Limited will be relocating its operations to Marsa (ex Wands site) and thereby releasing the property at the current Qormi site which shall become available for eventual sale. Furthermore, new restaurant openings for Pizza Hut and KFC are also in the pipeline and shall be announced soon.

Planning design work and project management preparation on a new Brew House is underway, and a MEPA application will be submitted shortly to seek a permit to construct it, as well as a further floor of offices on top of the new Logistics Office Block. The decision on when to start the project will be taken later this year. These projects will allow the complete liberalisation of the façade of the brewery for eventual further development in due course.

Dividends

The directors declared a net interim dividend of €200,000 which was paid on 24 October 2008 to the ordinary shareholders, and will recommend the payment of a final dividend to the ordinary shareholders of €800,000 at the Annual General Meeting on 25 June 2009. The interim dividend was paid out of tax exempt profits. If approved at the Annual General Meeting, the final dividend will be paid on 26 June 2009 (out of tax exempt profits) to the shareholders who will be on the register of members of the company on 29 May 2009. Furthermore, the directors resolved to recommend for the approval of the Annual General Meeting, to increase the nominal and paid-up value of the authorised and issued shares from €0.291 to €0.30, and to allot a bonus issue of one share for every six shares held. These transactions shall be carried out through the capitalisation of reserves, and the bonus shares shall apply to shareholders who will be on the register of members of the company on 25 June 2009. Net dividends to the ordinary shareholders with regards to the year ended 31 January 2009 will amount to €1,000,000 (2008 : €1,600,000). In this year of transition, the board has decided to partly utilise prior years' group retained earnings for the distribution of dividends.

By order of the board
28 April 2009

Notes to the condensed financial statements

1. This statement is published pursuant to the Malta Financial Services Authority Listing Rules 8.7.4, 8.7.21 and 9.35 and Article 4(2)(b) of the Prevention of Financial Markets Abuse (Disclosure and Notification) Regulations, 2005.

2. The financial information contained herein has been extracted from the Simonds Farsons Cisk plc group's audited financial statements for the year ended 31 January 2009, as approved by the board of directors on 28 April 2009. The accounting policies used in the preparation of the financial statements for the year ended 31 January 2009 are consistent with those used in the annual financial statements for the year ended 31 January 2008.

3. 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.

4. Earnings per share at €0.017 (2008: €0.118) have been calculated by dividing the profit after tax attributable to the equity shareholders by the weighted average number of ordinary shares in issue during the year and ranking for dividend.

Condensed Statements of Financial Position

	Group		Company	
	2009	2008	**2009**	2008
	€'000	€'000	**€'000**	€'000
Assets				
Fixed assets	**114,790**	117,560	**103,256**	56,571
Other non-current assets	**3,880**	4,282	**5,503**	7,526
Current assets	**32,206**	31,492	**22,349**	21,351
Non-current assets held for sale	**263**	739	**-**	-
Total assets	**151,139**	154,073	**131,108**	85,448
Equity and Liabilities				
Total equity	**82,266**	83,382	**79,054**	37,949
Non-current liabilities	**42,110**	43,264	**33,951**	28,856
Current liabilities	**26,763**	27,427	**18,103**	18,643
Total liabilities	**68,873**	70,691	**52,054**	47,499
Total equity and liabilities	**151,139**	154,073	**131,108**	85,448

Condensed Income Statements

	Group		Company	
	2009	2008	**2009**	2008
	€'000	€'000	**€'000**	€'000
Continuing operations:				
Revenue	**66,441**	65,753	**39,148**	38,457
Cost of sales	**(43,469)**	(41,168)	**(23,676)**	(21,416)
Gross profit	**22,972**	24,585	**15,472**	17,041
Selling and distribution costs	**(9,904)**	(10,265)	**(7,637)**	(9,922)
Administrative expenses	**(10,679)**	(9,916)	**(5,911)**	(4,384)
Operating profit	**2,389**	4,404	**1,924**	2,735
Fair value gains on investment property	**-**	208	**-**	-
Profit on disposal of property	**505**	1,102	**-**	-
Investment income	**112**	103	**235**	1,223
Finance costs	**(2,111)**	(1,671)	**(1,896)**	(1,373)
Profit before tax	**895**	4,146	**263**	2,585
Tax expense	**(354)**	(948)	**-**	(108)
Profit for the year from continuing operations	**541**	3,198	**263**	2,477
Discontinued operations:				
Loss for the year from discontinued operations	**(90)**	(144)	**-**	-
Profit for the financial year	**451**	3,054	**263**	2,477
Earnings per share for profit/(loss) during the year				
from continuing operations	**€0.021**	€0.124		
from discontinued operations	**(€0.004)**	(€0.006)		

Condensed Statements of Changes in Equity

	Share capital €'000	Revaluation and other reserves €'000	Retained earnings €'000	Minority interest €'000	Total equity €'000
Group					
Balance at 1 February 2007	7,486	16,529	13,339	(16)	37,338
Revaluation of property, plant and equipment, net of deferred tax	-	44,372	-	-	44,372
Net transfers of fair value gains on investment property, net of deferred tax	-	183	(183)	-	-
Other movements	-	-	-	16	16
Net movements recognised directly in equity	-	44,555	(183)	16	44,388
Profit for the year	-	-	3,054	-	3,054
Total recognised income and expense for 2008	-	44,555	2,871	16	47,442
Dividends for 2007 and 2008	-	-	(1,398)	-	(1,398)
Balance at 31 January 2008	**7,486**	**61,084**	**14,812**	**-**	**83,382**
Balance at 1 February 2008	7,486	61,084	14,812	-	83,382
Net transfers of fair value gains on investment property, net of deferred tax	-	(512)	512	-	-
Net movements recognised directly in equity	-	(512)	512	-	-
Profit for the year	-	-	451	-	451
Total recognised expense and income for 2009	-	(512)	963	-	451
Dividends for 2008 and 2009	-	-	(1,567)	-	(1,567)
Balance at 31 January 2009	**7,486**	**60,572**	**14,208**	**-**	**82,266**

	Share capital €'000	Revaluation and other reserves €'000	Retained earnings €'000	Total equity €'000
Company				
Balance at 1 February 2007	7,486	12,056	17,328	36,870
Profit for the year	-	-	2,477	2,477
Dividends for 2007 and 2008	-	-	(1,398)	(1,398)
Balance at 31 January 2008	**7,486**	**12,056**	**18,407**	**37,949**
Balance at 1 February 2008	7,486	12,056	18,407	37,949
Revaluation of property, plant and equipment, net of deferred tax	-	42,409	-	42,409
Net movements recognised directly in equity	-	42,409	-	42,409
Profit for the year	-	-	263	263
Total recognised income for 2009	-	42,409	263	42,672
Dividends for 2008 and 2009	-	-	(1,567)	(1,567)
Balance at 31 January 2009	**7,486**	**54,465**	**17,103**	**79,054**

Condensed Statements of Cash Flows

	Group		Company	
	2009	2008	**2009**	2008
	€'000	€'000	**€'000**	€'000
Net cash from operating activities	**3,433**	4,424	**3,012**	6,445
Net cash used in investing activities	**(1,392)**	(8,875)	**(497)**	(11,082)
Net cash (used in)/from financing activities	**(2,864)**	318	**(2,650)**	434
Movement in cash and cash equivalents	**(823)**	(4,133)	**(135)**	(4,203)
Cash and cash equivalents at beginning of year	**(8,261)**	(4,128)	**(5,479)**	(1,276)
Cash and cash equivalents at end of year	**(9,084)**	(8,261)	**(5,614)**	(5,479)

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