



S I M O N D S F A R S O N S C I S K p l c



I N T E R I M R E P O R T

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Directors' Commentary

– TRADING PERFORMANCE –

During the six-month period ended 31 July 2006, the Group's turnover increased by Lm391,000 to Lm13,957,000. Profit attributable to the Equity holders increased from Lm187,000 to Lm467,000.

Key factors affecting the trading results under review are:

- Increased sales during the summer months helped by higher temperatures compared to last year, despite the difficult tourist season;
- Reduction in operating and administrative costs;
- Further improvement in turnover and profitability of Quintano Foods Limited;
- Lower interest charges resulting from better management of working capital;
- Improved results of Vita Sana srl and Guido Vella Limited.

The Board of Directors is anticipating that certain losses, including those of discontinued operations, incurred in the second half of last year will not recur in the second half of the current year.

– DIVIDENDS –

The Company paid to the Ordinary Shareholders an interim dividend of Lm50,000 on 23 May 2006, as well as a final dividend of Lm250,000 on 30 June 2006. The interim dividends have been paid out of taxed profits and the final dividends have been paid out of tax exempt profits resulting in a net dividend to the Ordinary Shareholders of Lm300,000, equivalent to 1c2 per share.

By order of the Board

4 October 2006



Simonds Farsons Cisk plc

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Condensed Consolidated Profit and Loss Account Six months ended 31 July 2006

	Notes	Group	
		31 July 2006 (unaudited) Lm'000	31 July 2005 (unaudited) Lm'000
Continuing Operations:			
Turnover	4	13,957	13,566
Gross profit		3,413	3,318
Operating profit	4	901	615
Fair value gains on investment property	5	35	31
Interest payable		(346)	(398)
Profit before tax		590	248
Tax expense		(59)	(9)
Profit for the period from continuing operations		531	239
Discontinued Operations:			
Loss for the period from discontinued operations		(64)	(32)
Profit for the period		467	207
Attributable to:			
Equity holders		467	187
Minority interest		-	20
		467	207
Earnings per share on profit from continuing operations attributable to the Equity holders during the period			
	6	2c1	0c9
Earnings per share on loss from discontinued operations attributable to the Equity holders during the period			
	6	(0c3)	(0c1)

Condensed Consolidated Balance Sheet As at 31 July 2006

	Group	
	31 July 2006 (unaudited) Lm'000	31 January 2006 (audited) Lm'000
ASSETS		
Fixed assets	18,621	18,439
Other non-current assets	1,481	1,121
Current assets	16,128	13,897
Non-current assets held for sale	1,605	1,661
Total assets	37,835	35,118
EQUITY AND LIABILITIES		
Capital and reserves attributable to the Equity holders of the Company	15,636	15,469
Minority interest	(7)	64
Total equity	15,629	15,533
Provisions for liabilities & charges	174	197
Total non-current liabilities	9,392	8,479
Total current liabilities	12,640	10,909
Total liabilities	22,032	19,388
Total equity and liabilities	37,835	35,118

Condensed Statement of Changes in Equity Six months ended 31 July 2006

GROUP	Attributable to Equity shareholders					Total Lm'000
	Share capital Lm'000	Share premium Lm'000	Other reserves Lm'000	Profit and loss account Lm'000	Minority interest Lm'000	
Period ended 31 July 2005						
Balance at 1 February 2005	3,214	892	5,422	6,180	219	15,927
Profit for the six months ended 31 July 2005	-	-	-	207	(46)	161
Transfer of fair value gains on investment property, net of deferred tax	-	-	20	(20)	-	-
Dividends	-	-	-	(604)	-	(604)
Balance at 31 July 2005	3,214	892	5,442	5,763	173	15,484
Period ended 31 July 2006						
Balance at 1 February 2006	3,214	892	5,878	5,485	64	15,533
Profit for the six months ended 31 July 2006	-	-	-	467	-	467
Acquisition of Minority interest	-	-	-	-	(71)	(71)
Transfer of fair value gains on investment property, net of deferred tax	-	-	31	(31)	-	-
Dividends	-	-	-	(300)	-	(300)
Balance at 31 July 2006	3,214	892	5,909	5,621	(7)	15,629

Condensed Consolidated Cash Flow Statement Six months ended 31 July 2006

	Group	
	31 July 2006 (unaudited) Lm'000	31 July 2005 (unaudited) Lm'000
Net cash from operating activities	1,518	114
Net cash used in investing activities	(1,592)	(1,282)
Net cash inflows/(outflows) from financing activities	326	(626)
Movement in cash and cash equivalents	252	(1,794)
Cash and cash equivalents at beginning of period	(3,428)	(3,765)
Cash and cash equivalents at end of period	(3,176)	(5,559)

Notes to the Condensed Consolidated Interim Financial Statements

1. This report is being published in terms of Malta Financial Services Authority Listing Rules 8.5.5 and 8.5.20 and Article 4(2) of the Prevention of Financial Markets Abuse (Disclosure and Notification) Regulations 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 2006. These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

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 2006.

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 Lm'000	Importation, wholesale & retail of food & beverages, including wines & spirits Lm'000	Operation of franchised food retailing establishments Lm'000	Property management Lm'000	Group Lm'000
Period ended 31 July 2006					
Turnover	8,672	4,554	1,504	228	14,958
Less: inter-segmental sales	(207)	(615)	-	(179)	(1,001)
	8,465	3,939	1,504	49	13,957
Segment results	1,025	254	(29)	(44)	1,206
Unallocated costs					(305)
Operating profit					901
Period ended 31 July 2005					
Turnover	8,236	4,795	1,543	222	14,796
Less: inter-segmental sales	(257)	(794)	-	(179)	(1,230)
	7,979	4,001	1,543	43	13,566
Segment results	774	221	(8)	(41)	946
Unallocated costs					(331)
Operating profit					615

5. Fair value gains recognised in the income statement for the period ended 31 July 2006 amounted to Lm35,000 (2005: Lm31,000).

6. Earnings per share is based on the profit after tax attributable to the Equity holders of Simonds Farsons Cisk plc divided by the weighted average number of Ordinary Shares in issue during the period and ranking for dividend.

7. Commitments for capital expenditure not provided for in these condensed consolidated interim financial statements amount to Lm8,770,000. These capital commitments relate to the approved investment plan and modernisation programme, that comprises a new Soft Drinks Packaging Hall and a Distribution Centre, which is estimated to total Lm10.6 million, the development of which commenced during the financial year ended 31 January 2006.