

British American Investment Co. (Mtius) Ltd

Group results for the year ended December 31, 2005

Financial Highlights

- Profits attributable to shareholders up 217% to MUR 149 million
- Gross revenue up 38% to MUR 6.4 billion
- Total assets up 56% to MUR 11.8 billion
- Total distribution to shareholders for the year maintained at MUR 0.47 per share

Comments

The British American Investment Group ('the Group') announces herewith its audited results for the year ended December 31, 2005. During the year under review, the Group's revenue improved by 38% (before restatement of 2004 figures) against last year and profits grew by 217% to MUR 148.9m. Cash generation was also good with operating cash flows up by 51% from last year. The Group's balance sheet remains robust with total assets growing by 56% to MUR 11,786.4m.

The macro-economic environment during 2005 was generally unsupportive with low economic growth, relatively high interest rates and rising inflation. However, the Group took a number of initiatives aimed at expanding key growth areas of its business:

- In the first half of the year, the Group acquired two new subsidiaries, namely Le Voyageur Travel & Tours Ltd and CMB Management Ltd. This move will contribute to consolidating our existing businesses in the Tourism and Financial Services divisions respectively;
- Bramer Asset Management Ltd launched a number of innovative investment products;
- British American Exchange Co. Ltd focused on expanding its 'money transfer' distribution network and posted growth in pre-tax profits of 53% to MUR 10m;
- The Mauritius Leasing Company Limited registered a growth of 11% in revenues;
- Our Transportation division expanded its products range and this initiative boosted its revenues by 28%;
- The year ended on a highly positive note with the acquisition of Courts in Mauritius and Madagascar. This transaction has consolidated the investment base of the Group and enhanced its investment risk profile through diversification of its activities. Management is confident that this acquisition will result in considerable synergistic gains and will contribute positively to group performance in the future.

The group results were negatively impacted by changes in IAS (International Accounting Standards) 39, 'Financial Instruments' which became effective on January 1, 2005. With revised IAS 39, movements in the fair values of our listed equity investments are now reflected directly in our income statement. As a result, an easing of the share price of Global Financial Services Group plc ('Global') during the year gave rise to fair value losses of MUR 34m. However, since the start of 2006, the results of 'Global' have been very encouraging. The MUR 34m fair value loss incurred in 2005 has been fully recouped and from January 1, up to March 27, 2006, fair value gains of MUR 363m have been recorded.

An 'exceptional' expense of MUR 55m this year was attributable to actuarial reserves following the implementation of IFRS (International Financial Reporting Standard) 4 'Insurance Contract' on January 1, 2005. As a result, the 2004 figures were also restated and the impact was negative on both revenues and net profits for 2004 by MUR 860m and MUR 35m respectively

Our Group results were also impaired during the year by the negative performance of our Construction division which was adversely affected by difficult economic conditions. However, management have already implemented corrective measures and they are confident that such initiatives will contribute positively to profitability in that division going forward.

Notice of dividends

The Board of Directors of British American Investment Co. (Mtius) Ltd has, at a meeting held on March 31, 2006, declared a final dividend of MUR 0.33 per share for the year ended December 31, 2005.

This dividend will be payable on or about May 31, 2006 to all ordinary shareholders registered at the close of business on April 19, 2006.

Shares of British American Investment Co. (Mtius) Ltd will therefore be quoted cum-div. up to April 14, 2006 and ex-div. as from April 17, 2006 on the Stock Exchange.

By Order of the Board

Swadeck Taher FCA, FCCA

Company Secretary

March 31, 2006

Registered Office:

25, Pope Hennessy Street

Port Louis

Copies of this report are available to the public, free of charge, at the Registered Office of the Company.

The financial statements are issued pursuant to Listing Rule 12.20.

The Board of Directors of British American Investment Co. (Mtius) Ltd accepts full responsibility for the accuracy of the information contained in the financial statements.