

# BRITISH AMERICAN INVESTMENT

## BRITISH AMERICAN INVESTMENT CO.(MTIUS) LTD AND ITS SUBSIDIARIES INTERIM GROUP RESULTS FOR THE PERIOD ENDED JUNE 30, 2006

### COMMENTS

The British American Investment Group ('the Group') announces herewith its unaudited interim results for the period ended June 30, 2006. The Group's revenues were 111% higher than the equivalent period in 2005 whilst profits improved to MUR 93.1m for the period. The Group's balance sheet remains strong with total assets growing by 8% to MUR 12,680.7m since December 31, 2005.

The macro-economic environment during the first half of 2006 remained generally unsupportive with low economic growth and a subdued investment climate. However, measures enunciated in the government budget are encouraging. From a wider perspective, moves to establish a level playing field for the business community, to enhance the business regulatory environment, to open up the economy to foreigners, to diversify the economy through new growth drivers and to lower corporate taxation, should definitely open up new horizons for further diversification of the Group's activities either through greenfield development, joint ventures or new acquisitions.

Our 'Trade and Commerce', 'Financial Services', 'Transportation' and 'Leisure and Hospitality' divisions all recorded growth in both revenues and operating profits over the period from June 30, 2005. This is the first time that the results of Courts Mauritius and Madagascar have been fully consolidated following their acquisition in late 2005. During the period under review, Courts operations contributed 12% to both Group revenues and net profits.

The insurance company contributed positively to group results mainly attributable to fair value gains following a positive rebound in the share price of our Maltese listed investment, Global Capital plc (formerly Global Financial Services Group plc), since the start of 2006.

The 'Construction' division is still recovering from a difficult year in 2005 when it was adversely hit by unfavourable economic conditions which resulted in a retrenchment of the construction sector at national level by 5%. However, corrective action taken by management since 2005 has started to pay off and measures announced in the last government budget augur well for this division going forward.

### NOTICE OF DIVIDENDS

The Board of Directors of British American Investment Co. (Mtius) Ltd has, at a meeting held on September 29, 2006, declared an interim dividend of MUR 13,310,318 (MUR 0.14 per share) for the year ending December 31, 2006.

This dividend will be payable on or about October 30, 2006 to all ordinary shareholders registered at the close of business on October 18, 2006.

Shares of British American Investment Co. (Mtius) Ltd will therefore be quoted cum-div. up to October 13, 2006 and ex div. as from October 16, 2006 at the Stock Exchange.

By order of the Board

Swadeck Taher FCA, FCCA Registered Office:  
Company Secretary 25, Pope Hennessy Street  
September 29, 2006 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 12.21.

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.

### ABRIDGED UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED JUNE 30, 2006

(a) Group	Attributable to equity holders of the Company			
	Share Capital MUR'000	Reserves MUR'000	Minority Interest MUR'000	Total MUR'000
At January 1, 2005	95,073	460,741	260,827	816,641
Currency translation differences	-	589	752	1,341
Net loss for the period	-	(260,407)	(22,573)	(282,980)
Dividends	-	(31,374)	-	(31,374)
Other movements	-	-	(15,039)	(15,039)
<b>At June 30, 2005</b>	<b>95,073</b>	<b>169,549</b>	<b>223,967</b>	<b>488,589</b>
At January 1, 2006	95,073	643,627	375,915	1,114,615
Currency translation differences	-	5,828	(308)	5,520
Net profit/(loss) for the period	-	93,128	(3,389)	89,739
Dividends	-	(31,374)	(3,322)	(34,696)
Other movements	-	-	(24,135)	(24,135)
<b>At June 30, 2006</b>	<b>95,073</b>	<b>711,209</b>	<b>344,761</b>	<b>1,151,043</b>
(b) Company	Share Capital MUR'000	Reserves MUR'000	Total MUR'000	
At January 1, 2005	95,073	384,693	479,766	
Net loss for the period	-	(25,412)	(25,412)	
Dividends	-	(31,374)	(31,374)	
<b>At June 30, 2005</b>	<b>95,073</b>	<b>327,907</b>	<b>422,980</b>	
At January 1, 2006	95,073	346,325	441,398	
Net loss for the period	-	(21,641)	(21,641)	
Dividends	-	(31,374)	(31,374)	
<b>At June 30, 2006</b>	<b>95,073</b>	<b>293,310</b>	<b>388,383</b>	

### ABRIDGED UNAUDITED BALANCE SHEET AS AT JUNE 30, 2006

	GROUP			COMPANY		
	30.06.06 Unaudited MUR'000	31.12.05 Audited Restated MUR'000	30.06.05 Unaudited MUR'000	30.06.06 Unaudited MUR'000	31.12.05 Audited MUR'000	30.06.05 Unaudited MUR'000
<b>ASSETS</b>						
Non-current assets	8,650,368	7,952,020	6,027,767	1,715,536	1,682,546	834,772
Current assets	4,030,291	3,818,798	1,544,066	284,413	134,461	18,662
<b>TOTAL ASSETS</b>	<b>12,680,659</b>	<b>11,770,818</b>	<b>7,571,833</b>	<b>1,999,949</b>	<b>1,817,007</b>	<b>853,434</b>
<b>EQUITY AND LIABILITIES</b>						
Equity attributable to equity holders of the parent	806,284	738,701	264,622	388,383	441,400	422,980
Minority interest	344,759	375,917	223,967	-	-	-
<b>TOTAL EQUITY</b>	<b>1,151,043</b>	<b>1,114,618</b>	<b>488,589</b>	<b>388,383</b>	<b>441,400</b>	<b>422,980</b>
<b>LIABILITIES</b>						
Non-current liabilities	7,396,742	6,548,824	5,514,296	495,397	506,329	290,792
Current liabilities	4,132,874	4,107,376	1,568,948	1,116,169	869,278	139,662
<b>TOTAL LIABILITIES</b>	<b>11,529,616</b>	<b>10,656,200</b>	<b>7,083,244</b>	<b>1,611,566</b>	<b>1,375,607</b>	<b>430,454</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>12,680,659</b>	<b>11,770,818</b>	<b>7,571,833</b>	<b>1,999,949</b>	<b>1,817,007</b>	<b>853,434</b>

### ABRIDGED UNAUDITED INCOME STATEMENT FOR THE PERIOD ENDED JUNE 30, 2006

	GROUP			COMPANY		
	Half year ended 30.06.06 Unaudited MUR'000	30.06.05 Unaudited MUR'000	Year ended 31.12.05 Audited Restated MUR'000	Half year ended 30.06.06 Unaudited MUR'000	30.06.05 Unaudited MUR'000	Year ended 31.12.05 Audited MUR'000
Revenue	4,471,930	2,117,069	5,607,589	45,480	230	65,696
Expenses	(4,172,333)	(2,286,940)	(5,333,953)	(5,783)	(8,195)	(23,941)
<b>PROFIT/(LOSS) FROM OPERATIONS</b>	<b>299,597</b>	<b>(169,871)</b>	<b>273,636</b>	<b>39,697</b>	<b>(7,965)</b>	<b>41,755</b>
Finance costs	(182,278)	(94,009)	(211,681)	(61,338)	(17,447)	(35,438)
<b>PROFIT/(LOSS) FOR THE PERIOD BEFORE TAXATION</b>	<b>117,319</b>	<b>(263,880)</b>	<b>61,955</b>	<b>(21,641)</b>	<b>(25,412)</b>	<b>6,317</b>
Taxation	(27,580)	(19,100)	52,662	-	-	-
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>89,739</b>	<b>(282,980)</b>	<b>114,617</b>	<b>(21,641)</b>	<b>(25,412)</b>	<b>6,317</b>
<b>ATTRIBUTABLE TO:</b>						
Equity holders of the Company	93,128	(260,407)	162,112	(21,641)	(25,412)	6,317
Minority interest	(3,389)	(22,573)	(47,495)	-	-	-
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>	<b>89,739</b>	<b>(282,980)</b>	<b>114,617</b>	<b>(21,641)</b>	<b>(25,412)</b>	<b>6,317</b>
<b>EARNINGS/(LOSS) PER SHARE</b>	<b>0.98</b>	<b>(2.74)</b>	<b>1.71</b>	<b>(0.23)</b>	<b>(0.27)</b>	<b>0.07</b>

### ABRIDGED UNAUDITED CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2006

	GROUP			COMPANY		
	30.06.06 Unaudited MUR'000	31.12.05 Audited MUR'000	30.06.05 Unaudited MUR'000	30.06.06 Unaudited MUR'000	31.12.05 Audited MUR'000	30.06.05 Unaudited MUR'000
CASH FLOWS FROM OPERATING ACTIVITIES	266,090	177,403	60,143	105,697	247,431	30,869
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES	(382,483)	(1,030,647)	(168,419)	(21,475)	(804,334)	30,137
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES	(65,258)	573,962	(128,113)	(27,419)	547,938	(64,280)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(181,651)</b>	<b>(279,282)</b>	<b>(236,389)</b>	<b>56,803</b>	<b>(8,965)</b>	<b>(3,274)</b>
CASH AND CASH EQUIVALENTS AT BEGINNING	(247,240)	32,045	32,045	(2,156)	6,809	6,809
CASH AND CASH EQUIVALENTS AT END	(428,891)	(247,237)	(204,344)	54,647	(2,156)	3,535

### UNAUDITED SEGMENTAL REPORTING FOR THE PERIOD ENDED JUNE 30, 2006 PRIMARY REPORTING FORMAT

	PERIOD ENDED JUNE 30, 2006								Total Group MUR'000
	Investment MUR'000	Insurance MUR'000	Leisure & Hospitality MUR'000	Trade & Commerce MUR'000	Transportation MUR'000	Financial Services MUR'000	Property Development & Construction MUR'000	Others MUR'000	
Gross revenue	19,860	2,157,106	233,598	675,905	656,152	549,060	123,419	56,830	4,471,930
Operating (loss)/profit	(17,289)	188,346	5,241	33,901	40,209	99,817	(21,897)	(28,731)	299,597
	PERIOD ENDED JUNE 30, 2005								Total Group MUR'000
	Investment MUR'000	Insurance MUR'000	Leisure & Hospitality MUR'000	Trade & Commerce MUR'000	Transportation MUR'000	Financial Services MUR'000	Property Development & Construction MUR'000	Others MUR'000	
Gross revenue	4,838	845,807	155,615	16,856	527,017	425,785	140,297	854	2,117,069
Operating (loss)/profit	(6,929)	(180,898)	1,224	(780)	31,948	79,168	(70,380)	(23,224)	(169,871)

### NOTES TO THE INTERIM REPORT

- The abridged financial statements are unaudited and have been prepared in accordance with IAS 34 - Interim Financial Reporting.
- The accounting policies used in the preparation of the interim financial statements are consistent with those used in the audited financial statements for the year ended December 31, 2005.