

**Company Announcement issued by GlobalCapital p.l.c. pursuant to the  
Malta Financial Services Authority Listing Rules 8.5.5 and 8.5.20**

**Quote**

At a meeting held on 8 September 2006, the Board of Directors of Global Capital p.l.c. (the 'Company') considered and approved the attached Interim Financial Statements for the six (6) months ended 30 June 2006.

An interim dividend of 2 cents per share gross of tax has been declared by the Board of Directors in respect of the six months ended 30 June 2006. All shareholders on the Company's register of members on Friday, 15 September 2006, will be paid this interim dividend on 29 September 2006.

**Unquote**

**By Order of the Board**

**11 September 2006**

**GlobalCapital p.l.c**

GlobalCapital Financial Management Ltd, GlobalCapital Fund Advisors Ltd and GlobalCapital Insurance Brokers Ltd are licensed by the Malta Financial Services Authority (MFSA). GlobalCapital Life Insurance Ltd is authorised to transact Long Term Insurance Business and is regulated by the MFSA. GlobalCapital Health Insurance Agency Ltd is authorised as an Insurance Agent and is regulated by the MFSA.

## **Financial Review – period ended 30 June 2006**

GlobalCapital p.l.c. ('the Company') registered a profit before tax for the six months ended 30 June 2006 of Lm1,074,667 compared with a corresponding result for the previous year of Lm674,588. This represents an increase over previous year of 59.3%. Profit after tax, during the period under review, amounted to Lm735,180 (6 months to 30 June 2005: Lm528,470)

- Operating profit amounted to Lm658,316 – up from Lm435,661 in 2005;
- Earnings per share amounted to 5c6 from 4c0 for the corresponding 6 months of the previous year;
- Net assets as at 30 June 2006 amounted to Lm11,546,362 - up from Lm11,197,503 as at 31 December 2005;
- Net asset value per share as at 30 June 2006 amounted to 87c4, up from 84c8 at the end of December 2005;
- Profit after tax represents a return on shareholder funds, for the six months, of 6.4% compared to 4.7% in the corresponding 6 months of the previous year.

The first six months of the year were characterised by the re-branding exercise of the Company, together with the launch of a 17 million Eur bond issue. The Board is pleased to note that both initiatives were successful and is confident they will contribute to the financial strength of the Company.

The Board has approved the payment of a gross interim dividend of 2c per share (net: 1c3) which reflects the Board's continuing commitment to prudently deliver profit to shareholders, while at the same time ensuring a capital base sufficient to attain its growth objectives. This dividend will be payable to shareholders who are on the Company's Register of Members on 15 September 2006.



**Condensed Profit and Loss Account  
for the period ended 30 June 2006**

(unaudited)

	<b>Group</b>	
	<b>1 January to 30 June 2006</b>	<b>1 January to 30 June 2005</b>
	Lm	Lm
<b>Turnover</b>		
Turnover - commission and fees receivable	<b>1,043,961</b>	1,324,280
Balance on the long term business of insurance technical account before tax	<b>178,903</b>	193,236
Gains on investment property	<b>772,740</b>	30,000
Administrative expenses	<b>(941,363)</b>	(850,762)
Commission payable and direct marketing costs	<b>(295,925)</b>	(261,093)
Impairment of goodwill	<b>(100,000)</b>	-
<b>Operating profit</b>	<b>658,316</b>	435,661
Net investment income	<b>416,351</b>	238,927
<b>Profit before tax</b>	<b>1,074,667</b>	674,588
Income tax expense	<b>(339,487)</b>	(146,118)
<b>Profit for the financial period</b>	<b>735,180</b>	528,470
Earnings per share (cents)	<b>5c6</b>	4c0

**Condensed Balance Sheet  
at 30 June 2006**

(unaudited)

	<b>Group</b>	
	<b>30 June 2006 (unaudited)</b>	<b>31 December 2005</b>
	Lm	Lm
<b>ASSETS</b>		
Intangible assets	3,573,562	3,658,957
Deferred income tax	31,306	34,095
Property, plant and equipment	2,020,136	2,234,835
Investment property	5,999,337	4,054,239
Investment in associated undertaking	1,470,064	1,388,518
Other investments	18,724,306	12,096,905
Taxation receivable	61,903	108,635
Reinsurers' share of technical provisions	371,477	498,776
Trade and other receivables	3,381,979	1,164,412
Cash and cash equivalents	3,852,647	3,218,263
<b>Total assets</b>	<b>39,486,717</b>	<b>28,457,635</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to the Company's Shareholders</b>		
Share capital	1,650,943	1,650,943
Share premium account	7,285,496	7,285,496
Other reserves	1,118,029	472,578
Profit and loss account	1,491,894	1,788,486
<b>Total equity</b>	<b>11,546,362</b>	<b>11,197,503</b>
Technical provisions	14,767,351	13,783,937
Deferred income tax	841,196	517,915
Interest-bearing borrowings	8,903,816	1,335,896
Trade and other payables	3,092,200	1,237,495
Current income tax liabilities	335,792	384,889
<b>Total liabilities</b>	<b>27,940,355</b>	<b>17,260,132</b>
<b>Total equity and liabilities</b>	<b>39,486,717</b>	<b>28,457,635</b>



**Condensed Cash Flow Statement  
for the period ended 30 June 2006**

(unaudited)

	<b>Group</b>	
	<b>30 June 2006</b>	<b>30 June 2005</b>
	Lm	Lm
Net cash generated from operating activities	<b>154,128</b>	2,128,620
Net cash used in investing activities	<b>(6,580,784)</b>	(2,458,580)
Net cash generated from/(used) in financing activities	<b>6,985,513</b>	(257,547)
<b>Movements in cash and cash equivalents</b>	<b>558,857</b>	(587,507)
Cash and cash equivalents at beginning of period	<b>3,122,626</b>	3,853,756
Increase/(decrease) in cash and cash equivalents	<b>558,857</b>	(587,507)
<b>Cash and cash equivalents at end of period</b>	<b>3,681,483</b>	3,266,249

**Condensed Statement of Changes in Equity  
for the period ended 30 June 2006**

	<b>Group</b>				
	<b>Share capital</b>	<b>Share premium account</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>Lm</b>	<b>Lm</b>	<b>Lm</b>	<b>Lm</b>	<b>Lm</b>
<b>Period ended 30 June 2005</b>					
Balance at 1 January 2005	1,650,943	7,285,496	252,187	781,403	9,970,029
Profit for the period	-	-	-	528,470	528,470
Dividends for 2004	-	-	-	(257,547)	(257,547)
<b>Balance at 30 June 2005</b>	<b>1,650,943</b>	<b>7,285,496</b>	<b>252,187</b>	<b>1,052,326</b>	<b>10,240,952</b>
<b>Period ended 30 June 2006</b>					
Balance at 1 January 2006	1,650,943	7,285,496	472,578	1,788,486	11,197,503
Profit for the period	-	-	-	735,180	735,180
Investment property - fair value gains, net of deferred income tax, transferred to other reserves	-	-	645,451	(645,451)	0
Total recognised income for the period	1,650,943	7,285,496	1,118,029	1,878,215	11,932,683
Dividends for 2005	-	-	-	(386,321)	(386,321)
<b>Balance at 30 June 2006</b>	<b>1,650,943</b>	<b>7,285,496</b>	<b>1,118,029</b>	<b>1,491,894</b>	<b>11,546,362</b>

**Segmental Information**  
(unaudited)

	<b>Group</b>					
	<b>Investment and advisory services</b>	<b>Business of insurance</b>	<b>Agency and brokerage services</b>	<b>Property services</b>	<b>Eliminations</b>	<b>Group</b>
	Lm	Lm	Lm	Lm	Lm	Lm
<b>Period ended 30 June 2006</b>						
<b>Turnover</b>	<b>774,652</b>	<b>1,701,939</b>	<b>293,693</b>	<b>46,748</b>	<b>(71,131)</b>	<b>2,745,900</b>
<b>Segment result/operating profit</b>	<b>(135,556)</b>	<b>128,903</b>	<b>(83,197)</b>	<b>744,005</b>	<b>4,161</b>	<b>658,316</b>
	<b>Group</b>					
	<b>Investment and advisory services</b>	<b>Business of insurance</b>	<b>Agency and brokerage services</b>	<b>Property services</b>	<b>Eliminations</b>	<b>Group</b>
	Lm	Lm	Lm	Lm	Lm	Lm
<b>Period ended 30 June 2005</b>						
<b>Turnover</b>	<b>1,023,676</b>	<b>1,731,619</b>	<b>299,316</b>	<b>44,338</b>	<b>(43,050)</b>	<b>3,055,899</b>
<b>Segment result/operating profit</b>	<b>283,545</b>	<b>135,032</b>	<b>3,096</b>	<b>9,827</b>	<b>4,161</b>	<b>435,661</b>



## Notes to the Condensed 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 Group's unaudited management accounts for the six months ended 30 June 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 December 2005.

(4) The Group's operations consist of the provision of investment and advisory services in terms of the Investment Services Act, 1994, the provision of agency and brokerage services for health or other general insurance in terms of the Insurance Business Act, 1998 and the Insurance Brokers and Other Intermediaries Act, 1998, the carrying on of long term business of insurance under the Insurance Business Act, 1998 and the provision of property management and consultancy services, including handling property acquisitions, disposals and development projects. All the Group's turnover is primarily generated in and from Malta.

(5) Fair value gains recognised in the income statement for the period ended 30 June 2006 amounted to Lm1,218,531 (2005: Lm213,356)

(6) Earnings per share is based on the net profit for the year divided by the weighted average number of ordinary shares in issue during the period. The weighted average number of ordinary shares in issue during the period amounted to 13,207,548 shares (2005: 13,207,548 shares).

(7) On 8 September 2006, the directors have approved the payment of a gross interim dividend of 2c (net-1c3) per ordinary share.

(8) Commitments for capital expenditure not provided for in these condensed financial statements amount to Lm2,530,000 (2005: Lm434,000).