

# ANNUAL REPORT 2010



MARINE DIESEL  
ENGINE



4-STROKE  
OUTBOARD ENGINE



LUBRICANTS



PROTECTIVE  
COATINGS



MARINE  
GENERATORS



WATER JETS



FILTERS



**MALDIVES TRANSPORT AND CONTRACTING COMPANY PLC**

In the name of Allah the most Gracious the most Merciful

## Mission

To contribute fully, to the development of the economy and the country.

## Vision

We want to lead in our respective business through organic growth and collaborative innovation and creativity in this fast changing socio economic environment where we foster continuous staff development and be known as the company to be trusted to deliver what the customer wants.

## Values

- Collaborative innovation and creativity - continuous improvement as a work ethic.
- Changing the work environment for employees - people growth and development.
- Honesty and integrity - respect the fellow individual.
- Social Responsibility - community contribution and responsibility.
- Profit, but profit from work that benefits the economy - profitable growth.



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# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Maldives Transport and Contracting Company Plc will be held on 30th May 2011 at 2100 hrs at the "STELCO Maalan", Male' Maldives.

## AGENDA

1. Announcement and election of Board Directors
  - 1.1 Intimation of Directors nominated by the Government
  - 1.2 Election of Directors representing public Shareholders, in place of Mr. Mansoor Zubair, G.Bermingham Irumatheebei and Mr. Hussain Haaly, H. Iruvai who complete their terms of office.
2. Confirmation of Minutes of the Annual General Meeting 2009
3.
  - 3.1 To receive and adopt the report of Directors and the Statement of Accounts and Balance Sheet of the Company for the year ended 31st December 2010 with Auditors report thereon.
  - 3.2 Confirmation of dividend payable to Shareholders
4. Appointing of Auditors and their fees for the year 2011
5. Shareholders' deliberation
6. Conclusion

5th May 2011

By order of the Board



Sheereen Naseem  
Company Secretary

# Statement of the Chairman

MTCC is the first Public Company established in Maldives owned by both the Government of Maldives and the general public. This year marks our 30 years in service and I extend warm gratitude to all the shareholders of MTCC.

2010 was another challenging year for the Company. The Company was burdened with a number of loss making segments, together with substantial financing cost on borrowings, the Company made a net loss of MRF5.5m. This loss is mainly attributable to loss of MRF8.6m incurred on Medhu Uthuru Province Ferry Operations. Though Province ferry operations commenced on 12th December 2009, the island V.Fotheyo awarded by the Government for resort development to subsidize the losses, was transferred to us on 30th June 2010. Hence, development on V.Fotheyo was delayed and resulting losses reflected in this year's performance.

Revenue in total dropped by 9.7%, while expenses dropped by 35% and financing expenses by 11%; resulting in a net improvement in the Company's performance by 55%. Tremendous improvements were brought on cash position of the Company from MRF -105.63m to MRF 54.36m. Working Capital, Return on Equity and Return on Net Assets improved compared to previous year.

The emphasized cost reduction achieved its target during the year whereby almost all costs were reduced. Staff Expenses reduced by 9.8%, lease rent, hiring & sub-contractor expenses by 54%, finance costs 11%, transport, travel and inspections expenses by 52%. These costs reductions brought in a positive impact on the Company's Net performance compared to previous year.

The Company undertook a major restructuring during the year to diversify into new business ventures. Building Services and Securities Department and Business Development Department was created and Thilafushi Engineering Department was changed from a main business segment to a role of support services.

On 5th April 2010, it was decided to freeze the operations of Maldives Real Estate Corporation Ltd, a 100% subsidiary of MTCC, indefinitely. The assets and liabilities of the company were transferred to MTCC until substantive developments made on long term prospects of the company.

Airport Investment Company Pvt Ltd, a 33% joint venture, reported a net loss of MRF 27.91m, resulting from the termination of the Contract in Gdh.Maavehdhoo project of MRF 26.72m.

The Airport Express Service and Hulhumale' Bus Service commenced during the year as an expansion of transport services as to facilitate rapid passenger movement between Male, Hulhule and Hulhumale'.

Though 2010 financial performance reflects losses it has to be highlighted that comparatively the Company has performed better. But to realize the shareholders aspiration and vision, we are faced with many more challenges. I assure that, we would remain in our dedication to rise to the wide range of challenges and obstacles presented by the current situation, through efficiently utilizing the resources available, focusing on new business opportunities and investing in new ventures to improve our Company and the nation's future.

I take this opportunity to thank our valuable customers, our suppliers, business partners and lenders who have offered continuous support through tougher times.

I thank the Board of Directors for their many contributions towards the development of the Company, and also the employees for their sustained commitment.

We pray to Allah almighty to continue to bestow a prosperous future for years ahead. Amen!



Hussain Hilmy  
Chairman

# Director's Report

The Director's report of Maldives Transport and Contracting Company Plc and the audited financial statements for the year ended 31st December 2010 were approved by the Board of Directors on 5th May 2011.

## Managing the Company

Even this year the Board of Directors worked to achieve the goals of the Company through major restructuring, whereby new departments were formed and operational changes were implemented; with identified strategic targets and business policies, while assisting in obtaining financial and human resources to strengthen the operations of the Company.

With this restructuring; it was the duty of the Board to determine cost effective business targets with relevant financial budgets and to further reduce operating expenditure with sound internal controls mechanisms and ensure the resources of the Company is utilized effectively. It is also the responsibility of the Board to lead the Company in sustainable business directions while increasing shareholders wealth and take all necessary steps to obtain the objectives of the Company.

The role of the shareholders in the operation of the Company is to elect public Directors and Auditors and to check through the Board of Directors whether it is operated through sound corporate policies ensuring the best interest of the shareholders.

## Corporate Governance Compliance

In compliance with the Corporate Governance Code, the role and responsibilities of the Board and Board Committees has further expanded. Efforts were also made to strengthen and upgrade the function of the management.

Compliance to Listing Rules

Company always tries to operate in compliance with the Listing Rules. As such, the Company operates in conformity with the Corporate Governance Code.

## Reporting Policy

The Board of Directors, Management and the Employees work in conformity with the Corporate Governance Code. Apart from this, the Company operates as per the Listing Rules, Securities Act and Company Law with maximum transparency and fairness.

## The Board of Directors

The Board of Directors consists of 10 Directors, of whom 6 are nominated by the Government and 4 are elected by the public shareholders. Amongst these Directors, there is one Executive Director and nine Independent Directors.

Mr. Mohamed Naseem Ibrahim was the Managing Director till 14th January 2010. Mr. Mohamed Shafeeq was appointed as the Acting Managing Director on 17th January 2010. He was also appointed as a Board of Director from 17th January 2010. Mr. Husen Amru was appointed as the Chief Executive Officer on 28th September 2010.

From the Directors elected by the Public Shareholders, the two Directors who resigned upon conclusion of their terms were Mr. Ameen Ibrahim, H. Haaly and Mr. Ali Shafeeu, M. Hudhukaneeruge, who were re-elected by the Public Shareholders at the 2009 Annual General Meeting.

## Overall Responsibility of the Board of Directors

The overall responsibility of the Board of Directors includes ensuring that the Company operates within the limits the Company's Act, Corporate Governance Code, and any other rules and regulations that the Company should abide by, to protect the interest of shareholders, to determine the Company's business policies and lead the Company in enforcing the set policies.

It is also the responsibility of the Board to acquire the basic investment, financial and human resources needed to achieve the objectives of the Company.

To identify and overcome possible threats to the Company by ensuring that the Company's internal control mechanism is functioning soundly.

Establish and ensure the long term objectives of the Company are accomplished. Formations of Board Committees as and when required and determine the rights, roles and responsibilities of these Committees in a comprehensive manner.

## Summary of works carried by the Board during the year 2010

The Company's devastating financial position and its operational difficulties led the Board of Directors to enforce measures to reduce costs. Thereby, the 2010 budget was revised; except for necessary trips all overseas travels were cancelled, the short term training programs were deferred and additional efforts were made to improve collection of long outstanding receivables due to Company.

The operations of the 100% subsidiary Company "Maldives Real Estate Investment Corporation Private Limited" was frozen temporarily and MTCC took over its operations.

Mr. Mohamed Shafeeq was appointed as the Director to represent MTCC in the Board of Maldives Finance Leasing Company Private Limited.

The Memorandum of Association and the Articles of Association was amended in accordance with the Company's operations and the Corporate Governance Code, and approved at the 2009 Annual General Meeting held on 8th August 2010

To facilitate materials supply and logistical support to Ga.Atoll Housing Project it was decided to avail a loan of MRf 64m, from the Ministry of Finance and Treasury.

To facilitate ease of movement to Hulhumale' for the citizens of Hulhumale', a new service called "Airport Express" was introduced as an alternate route. Under this service passengers were transported to Hulhule' then by bus to Hulhumale' .

To develop the awarded island, V. Fotheyo as a resort it was opened to public for submission of "Expression of interest".

In order to improve efficiency and find out the reason and the areas of high operating costs, it was decided to outsource and carry out a Management Audit.

As per the Taxation Law, the Company was registered at the Maldives Inland Revenue Authority's Tax Registry.

A Chief Operating Officer was appointed to improve and oversee the day to day activities of the Company.

### The Board of Directors at the end of the year 2010

- |  |                         |
|--|-------------------------|
| 1. Mr. Hussain Hilmy, Ma. Vahaari<br>(Appointed by the Government/ Independent)                      | Chairman                |
| 2. Mr. Husen Amru, G. Hadhunmathee Dhekunuge<br>(Appointed by the Government/ Executive)             | Chief Executive Officer |
| 3. Mr. Mohamed Shafeeq, Ma. Forsythia<br>(Appointed by the Government/ Independent)                  | Director                |
| 4. Mr. Abdulla Shaair, M. Furahaniaage<br>(Appointed by the Government/ Independent)                 | Director                |
| 5. Mr. Abdulla Saaid, Handhuvarudheyge, Gn. Fuah Mulah<br>(Appointed by the Government/ Independent) | Director                |



6. Mr. Mohamed Nizam, G. Greenlin (Appointed by the Government/ Independent)	Director
7. Mr. Hussain Haaly, H. Iruvai (Elected by Shareholders/ Independent)	Director
8. Mr. Ameen Ibrahim, H. Haali (Elected by Shareholders/ Independent)	Director
9. Mr. Mansoor Zubair, Kothanmaage, S.Hithadhoo (Elected by Shareholders/ Independent)	Director
10. Mr. Ali Shafeeu, M. Hudhukaneeruge (Elected by Shareholders/ Independent)	Director

### Changes to the Board of Directors during the year 2010

Mr. Mohamed Naseem Ibrahim, M. Snowdown	Government	Terminated	on 14 Jan 2010
Mr. Mohamed Shafeeq, Ma. Fosythia	Government	Appointed	on 17 Jan 2010
Mr. Ameen Ibrahim, H. Haali	Public	Re-elected	on 08 Aug 2010
Mr. Ali Shafeeu, M. Hudhukaneeruge	Public	Re-elected	on 08 Aug 2010
Mr. Abdulla Naushad, M. Shaama	Government	Terminated	on 28 Sep 2010
Mr. Husen Amru, G. Hadhunmathee Dhekunuge	Government	Appointed	on 28 Sep 2010
Ms. Shafeenaz Abdul Sattar, H. Helengeli	Government	Resigned	on 01 Oct 2010
Mr. Abdul Nasir Mohamed , G. Liverpool	Government	Terminated	on 30 Dec 2010
Mr. Abdulla Saaid, Handhuvarudheyge, Gn. Fuah Mulah	Government	Appointed	on 30 Dec 2010
Mr. Mohamed Nizam, G. Greenlin	Government	Appointed	on 30 Dec 2010

**During 2010, 14 meetings of the Board of Directors were held. The attendances of the Directors are:**

Directors	No. of Meetings to attend	No. of Meetings attended
Mr. Hussain Hilmy	14	13
Mr. Abdulla Shaairu	14	12
Mr. Ameen Ibrahim	14	14
Mr. Hussain Haaly	14	11
Mr. Mansoor Zubair	14	13
Mr. Ali Shafeeu	14	13
Mr. Mohamed Shafeeq (Appointed as Acting Managing Director on 17th Jan 2010)	13	12
Ms. Shafeenaz Abdul Sattar (Resigned on 1st Oct 2010)	10	9
Mr. Abdulla Naushad (Terminated on 28th Sept 2010)	9	6
Mr. Husen Amru (Appointed on 28th Sept 2010)	5	5
Mr. Mohamed Naseem Ibrahim (Terminated on 14th Jan 2010)	1	0
Mr. Abdul Nasir Mohamed (Terminated on 30th Sept 2010)	14	12

## Role of the Chairman

The overall responsibility of the Chairman in the operation of the Company is to provide information regarding Company operations to the Board of Directors and the Shareholders. The responsibilities of the Chairman include:

Leads the Board to ensure that the responsibilities of the Board are fulfilled effectively and sets the agenda of the Board.  
Provide correct information to the Directors on a timely manner.

Encourage constructive participation of the Board with the management.

Facilitate participation of non executive Directors in the Company in the most effective manner through Board meetings and etc.

Encourage constructive involvement between executive and Non-Executive Directors  
Implement policies only after Independent and detail debates among the Board members.

Facilitate relevant information to the Shareholders on various issues.

Implement and execute Corporate Governance Rules and Regulations within the Company.

## Works carried out by the Board Committees

### Audit Committee

During the year 23 meetings of the Audit Committee were held. The attendances of the Directors are:

Directors	No. of Meetings to attend	No. of Meetings attended
Mr. Abdul Nasir Mohamed (Terminated on 30th Sept 2010)	15	14
Mr. Mansoor Zubair	23	21
Ms. Shafeenaz Abdul Sattar (Resigned on 1st Oct 2010)	15	13
Mr. Hussain Haaly	23	21
Mr. Mohamed Shafeeq	8	6
Mr. Ali Shafeeu	8	8

Although he was not member of the Committee, Director Mr. Ali Shafeeu's professional expertise was utilized in the Committee meetings until 29th September 2010. After which he was appointed as the Chairman of the Audit Committee from 11th October 2010.

### The main tasks carried out during the year 2010 includes:

Advising the Board on the immediate steps necessary to reduce costs, and bring efficiency to the operation of Company in response to the devastating financial situation of the Company.

The monthly performance reports and the quarterly reports were submitted to the Committee and reviewed and reported to the Board of Directors.

Quarterly reports were submitted to the Capital Market Development Authority in accordance with the Continued Disclosure Obligations of Issuers.

The status of the ongoing projects and the proposed new projects were reviewed and assessed by the Committee.

The Committee deliberates on the reports of the Internal and External Auditors and convenes with the respective Department Heads to discuss and identify possible solutions to rectify the issues.

Issues identified by the Committee and requests of the Board were investigated through the Internal Auditors. Further, the issues audited by the Internal Auditors from the Management were reviewed by the Committee and handed for the Management to resolve.

The Committee advised the Management on the possibilities to enhance the efficiency of the Company's operations, strengthen the Internal Auditors functions and complete the Corporate Policies.

Internal Auditors were assigned to check progress of high value projects. The reports submitted were discussed and possible solutions to rectify the identified problems were discussed with the management.

Due to high losses incurred from the Hulhumale' and Villingili Ferry services, the Board of Directors were advised on revising the ferry ticket prices.

Advised the Management to identify and rectify the negative impacts on the Company.



Ali Shafeeu  
Chairman of Audit Committee

### Remuneration Committee

During the year 06 meetings of the Remuneration Committee were held. The attendances of the Directors are:

Directors	No. of Meetings to attend	No. of Meetings attended
Mr. Hussain Haaly	6	5
Mr. Ameen Ibrahim	6	6
Mr. Abdulla Shaairu	6	5
Mr. Abdulla Naushad (Terminated on 28th Sept 2010)	5	4
Mr. Abdul Nasir Mohamed (Terminated on 30th Dec 2010)	1	0

#### The tasks carried out by the Remuneration Committee include completion of the following policies:

- Performance Evaluation and Rewarding Policy
- Expatriate Contract Workers Policy
- Staff Training Policy
- Code of Conduct
- Disciplinary Policy
- Anti-Harassment Policy
- Pension and Retirement Scheme
- Salary and Benefits Policy

#### Apart from the above policies, the Board was also advised on the below analyzed issues:

- How to proceed with the employees on overseas training programs in par with the aim to reduce Company expenditure.
- Regarding the employees above 65 years and employees above 55 years.
- Enrolling the employees in the Pension and Retirement Scheme.
- Regarding the Salary of the Company's senior management and employees.

In addition, the amendments to the Article of Association were made in line with the Capital Market Development Authority's Corporate Governance Code to eliminate any inconsistencies.



Ameen Ibrahim  
Chairman of the Remuneration Committee

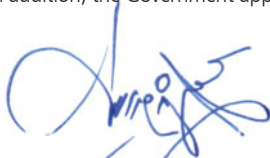
## Nominating Committee

During the year 02 meetings of the Nominating Committee were held. The Attendances of the Directors are:

Directors	No. of Meetings to attend	No. of Meetings attended
Mr. Hussain Haaly	2	2
Mr. Ameen Ibrahim	1	1
Mr. Abdulla Shaairu	2	2
Mr. Abdulla Naushad (Terminated on 28th Sept 2010)	1	1
Mr. Abdul Nasir Mohamed (Terminated on 30th Dec 2010)	1	0

The tasks carried out by the Nominating Committee includes verifying the details of the candidates for Board Directorship, in accordance with the Corporate Governance Code and the Article of Association of the Company, in time for the election on the 2009 Annual General Meeting.

In addition, the Government appointed Directors were also evaluated.



Ameen Ibrahim  
Chairman of the Nominating Committee

## Grievance Committee

The Grievance Committee, consisting of 2 Board Directors; Mr. Ameen Ibrahim and Mr. Abdulla Shaairu, was formed to attend to staff complaints. This year 2 meetings were held to discuss two issues submitted by employees.

## Activities of the Departments

### Construction and Projects Management Department

The main works carried out by the department includes Dredging and Harbour Development, Sheetpiling, Reclamation, Building Construction, Establishing Water and Sewerage Systems, Surveying, Pre-casting and Shore Protection. Executive, Mr. Abdulla Thasleem Abdul Hakeem is the head of Construction and Projects Management Department.

#### Projects carried out by the department

During the year, work on 23 projects was carried out; of which 15 projects were completed. Amongst the completed projects, works on 8 projects were initiated during the year 2010.

The projects carried out during the year include 15 Harbour Development Projects, 4 Reclamation Projects, 1 Sewerage Project, 1 Shore Protection project and 2 Building Construction projects.

Major projects carried out during the year include:

- Hdh. Kulhudhufushi Harbour Development project (1st phase)
- R. Alifushi Harbour Reconstruction Project
- ADh. Mahibadhoo Harbour Reconstruction Project
- GA. Nilandhoo Harbour Development Project
- L. Gan Mukurimagu Harbour Development Project
- L. Gan Sewerage System Development Project



Hulhumale Road Development Project



Fuah Mulak Harbour Project



M.Kolhufushi - 168 Housing Project



Domestic Maritime Transport Project

- R. Rasmaadhoo Harbour Development Project
- ADh. Kunburudhoo Harbor Development Project
- Domestic Maritime Transport Project
- Hulhumale Road Development Project
- M. Kolhufushi Housing Project
- Gn. Fuah Mulah Breakwater Repair Project
- HA.Ihavandhoo, HA.Hoarafushi, K. Dhiffushi Harbor Development Project



'Airport Express' Opening Ceremony

## Transport Department

Transport Services, the widest service provided by the Company is provided by Transport Services Department. Transport Services provided by the Department includes Ferry Services to South Male' Sector, North Male' Sector, V. Atoll, Adh. Atoll and Bus Service to Hulhule - Hulhumale under Airport Express.

From 1st May 2010, the Company complies with the new Transport Regulation of the Transport Authority. Executive, Ms. Hawwa Huzaima remains the Head of Transport Service Department.



Signing Ceremony of the Bus Service between Hulhumale and Hulhule

### The Services carried out by the Department includes:

- Commencement of Medhu Uthuru Province Ferry Service
- Commencement of Airport Express and Hulhule - Hulhumale Bus Service
- Commencement of Male' Sector, North Male' Sector, V. Atoll and Adh. Atoll ferry trips under the Medhu Ithuru Provincial Ferry Service
- Commencement of ferry service for the staff of Maldives Airports Company Limited
- Providing sea transport service and facilitating air transfer service for Election Commissions' vote for deciding Administrative Divisions of the Maldives
- Provided ferry services to "Hay Festival 2010" as official travel partner.
- Terminated Regional Hub Services and closed down Addu Regional Office, L. Regional Office and the Gdh. Regional Office
- Commencement of work on ferry terminal construction at AA. Ukulhas.

## Engineering Department

The Department carried out repair work of vessels, vehicles, machinery and equipment of the Company, provided loading and unloading service, docking service and pre-casting service. In addition, the Department's Dock Yard is open for the public together with docking and undocking service of Speedboats and Dhonis. Executive Mr. Hamid Naseem is the Head of Department during the year.

### Major works carried out by the department include:

The work carried out of the department include opening of Department's Dock Yard for external parties and providing docking and undocking service of Speedboats and Dhonis. In addition, sand blasting and painting work of 632 sheetpiles for Domestic Maritime Project was carried out.

Technical Training was organized and conducted to the department staff by Mr. Lou, Assistant Manager of Yanmar Asia' and Singapore together with the representative from Suzuki to Japan, Africa and Middle East, Mr. Ono Sun. A technical library was also opened for the employees of the Department.

## Trading Department

Trading Department manages all trading activities of the Company. Most widely traded products of the Department include Inboard and Outboard Engine, Generator, Lubricants and protective coatings. After Sale Service for these products are also provided by the department. The Department Head is Executive Mr. Ihsaan Shareef.



Celebrating the 30th Fishermans Day



International Boat Show 2010

### Major activities carried out during the year include:

Participating in the “International Boat Show 2010”, “Maldives Hotel and Trade Exhibition 2010”, Fisherman’s Day celebration in AA. Ukulhas from 9th December 2010 to 11th December 2010. During this celebration, Engine Maintenance Information Seminar was held for customers in the island. Furthermore, Promotional Activities of Engines were also carried out in Ga and Gdh Atoll and a survey on Castrol MHP was conducted in Upper South Province.

Information was also provided to customers from Male’ and other Islands to market and improve the sales of the products traded in the department.

### Logistical Operations Department

Logistics and Rentals Department was renamed to Logistical Operations Department on 28th March 2010. The Rental function of the department was transferred to Trading Department and the “Rent a Bike” and “Feydhoo Rentals” service were terminated during the year. Further, the Logistical Operations Department took over the logistical operation of the Procurement Department.

Services provided by the department during the year includes renting of heavy machinery and equipments needed for the construction industry, mobilizing vehicles and equipments to project sites for the Company’s projects and ship agency service for passenger lines and ships harbouring the country. Executive Mr. Usman Hafeez headed the department from 25th March 2010 to 21st October 2010. Executive Mr. Ismail Fariq is the head of department from 21st October 2010.

### Major activities carried out by the department include:

- 17 trips were made to Tuticorin, India under International Cargo Operations
- Total 304 trips were made within Maldives under Domestic Cargo Operations. These include Company’s internal and external customer’s trips.
- As per agreement between the Ministry of Finance and Treasury and MTCC, unloaded cargo from S. Hithadhoo to 4 Islands of GA. Atoll under the “Reconstruction and Development of GA. Atoll Project”.
- Ship Agency Service was provided for 8 Indians Naval Ships.

### Corporate Department

Main work of this department include carrying out all tasks related to shareholders, Board and Board Committees and ensuring that the Company complies with the Listing Rules and Corporate Governance Code. Executive, Ms. Susan Haneef was the head of the department at the beginning of the year and Executive, Ms. Sheereen Naseem is the head of the department from 7th March 2010.

With the Government offering 131,289 state-owned shares of the Company to the Provident Fund members as an option to use their savings, 11,628 shares were bought by Provident fund members. With this transfer the current share structure of the company is Government 119,628 shares (47.8%); Maldives National Shipping Limited 18,711 shares (7.5%); and General public 111,628 shares (44.7%).

### Administration Department

Functions of the Administration Department comprises of overall administrative work of the Company; and arranging corporate international and domestic travels. The Head of this Department is Executive, Ms. Abida Rasheed.

### Human Resources Department

At the end of 2010, a total of 873 employees were in the Company. Out of which 759 were Males and 292 were Females and 362 were expatriates. Function of the Department include Recruitment, training and development of staff; obtaining staff medical insurance, staff evaluation and handling all employee related issues. Further, all staff related policies are also prepared by the Department.

Mr. Ibrahim Shaheen was the Head of the Department till 7th March 2010 and since then Executive Mr. Ahmed Naseem Heads the Human Resources Department.

**Main tasks carried out by the department:**

- Celebrated retirement of 8 employees over the age of 65
- Performance Evaluation and Rewarding Policy was completed and staff evaluation was conducted.
- Expatriate Contract workers Policy was implemented
- Tools, equipment and protective clothes were provided to field work employees to avoid dangerous accidents.
- Started finance leasing service for employees through Maldives Finance and Leasing Company
- Preparations for participating in the Retirement and Pension Scheme were carried out as per the decision to enrol the employees in the scheme in year 2011.
- Revised Code of Conduct, Employee Performance and Rewarding Policy, Salary and Benefit Policy and drafted Disciplinary Policy was sent to Board Remuneration Committee.

**Building Services and Security Department**

This Department was newly formed under the new structure on 25th March 2010. The main activities of the department includes providing security service to MTCC Buildings and external parties, Designing and implementing Building Maintenance facilities for new buildings. Initially Executive Mr. Ismail Fariq was the Head of the department but from 1st December 2010 Chief Operating Officer Mr. Mohamed Zameel oversees the Department.

Main tasks carried out by the department include relocation of the Departments residing in the MTCC Building (Lift Building) to MTCC Tower, preparation of lay-out and conducting Environment Impact Assessment of V.Fotheyo island and desiging of AA.Ukulhas Ferry Terminal.

**Business Development Department**

This Department was newly formed under the new structure on 25th March 2010. Departmental functions include: monitoring of Company businesses, identifying and assessing the viability of business opportunities; and marketing to expand Company businesses.

Executive Mr. Ibrahim Latheef was the head of Department when department was established. From 26th April 2010 Executive Mr. Ismail Fariq was the Head of the Department and from 1st December 2010, Executive Ms.Aishath Susan Haneef remains the Head of the Department.

**Main tasks carried out by the department includes:**

- Participated in the 6th Major Islamic Economic Forum
- Arrangement of Ga and Gdh Engine Promotion trip
- Arranging different activities during "World Cup 2010" to promote Company products
- Promoted the projects handled by Construction and Projects Department and products of the Company in the "Maldives Hotel and Trade Exhibition 2010"
- Promoted Company products in "International Boat Show 2010"
- Arranged the commemoration and promotion of new service, "Airport Express".
- Different activities were carried out to promote Company products in line with the celebrations of Fisherman's Day 2010 in AA. Ukulhas.

**Finance Department**

Finance Department is involved in compiling all necessary financial statements of the Company. Their functions include: making all payments due, collecting all receivables, preparing performance reports, compiling annual budget, costing, pricing and asset management. Preparing feasibility analysis for new projects, acquiring funding for projects, managing inventory and system support, insurance for Company vessels, machinery and equipment are also tasks carried out by this department.

Chief Financial Officer Ms. Leela Ahmed was the Head of the Department from 7th March 2010.

## Procurement and Supplies Department

The role of the Procurement and Supplies Department includes procuring goods as per departmental /Company project(s) requirements from internal and external sources. Executive Mr. Shifau Ali is the Head of the department.

## Finance and Management Audit Department

Strengthening of the internal controls of the Company and conducting individual internal audits of departments are functions of this department. Internal Audit Executive Mr. P.M. Sakthivel is the Head of this Department.

## Information Communication Technology Department

Implementing and sustaining the information system structure; connecting the Departments of the Company through a network; Managing this network and troubleshooting individual systems; and acquiring and customizing relevant softwares required for the Company is the responsibility of this department. Executive Mr. Hamid Nasheed Mohamed is the Head of the Department.

## Staff Recreation Activities

To enhance the team spirit amongst the staff, the "MTCC Recreation Club" organized various fun activities during this year, including several recreational activities to celebrate the 30th Anniversary of the Company.

## Social Responsibility

The social aim of the Company is to sustain its position in the public by contributing to the sustainable development of the country. As such: The Company sponsors two teachers for the "Kudakudhinge Hiya" each year. Apart from this, MTCC has actively participated and sponsored activities of Schools and non-governmental organizations.

Engineering Department donated a 6CHK second hand engine to the students of "Centre for Career and Technical Education". Additionally, 4 students were given the opportunity to work in the Engineering Department's Marine Engineering Unit and 3 students were given the opportunity to work in the Electric Unit for work Experience.

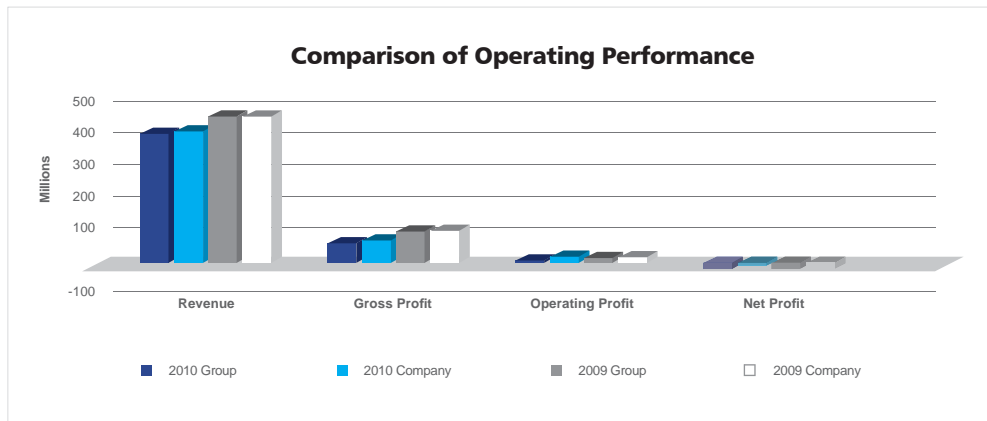
While the Company's Construction and Projects Management Department's projects are carried out in various islands of the Maldives; as part of the Company's social Responsibilities effort, and in collaboration with the related region's Province Office's, Clubs and Associations, the Department actively provides the much needed assistance to them.



## Financial Performance 2010

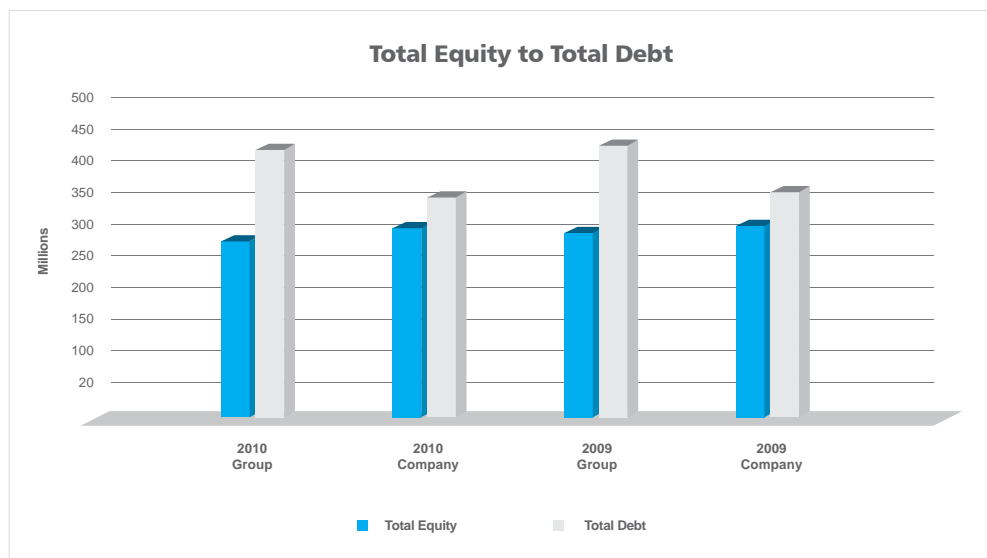
The Company recorded a turnover of Rf 428.23m for the year ended 31st December 2010, representing a 9.72% decrease over the previous year 2009 of Rf 474.34m. Cost of Sales as a % of sales increased from 77% to 82% in 2010, which led to decrease in Gross Profit Margin from 23% in 2009 to 18% in 2010. This decrease in Gross Profit Margin, as a % of Sales is mainly due to inflation.

Expenses as a % of Sales decreased in 2010 to 16% from 22% in 2009. Finance Costs as a % of sales have remained same level in 2009 4.8% to 4.7% in 2010. Even though Gross Profit Margin decreased, the decrease in expenses and the decrease in financial costs resulted in reduced net loss of 12.35m to 5.52 in 2010.

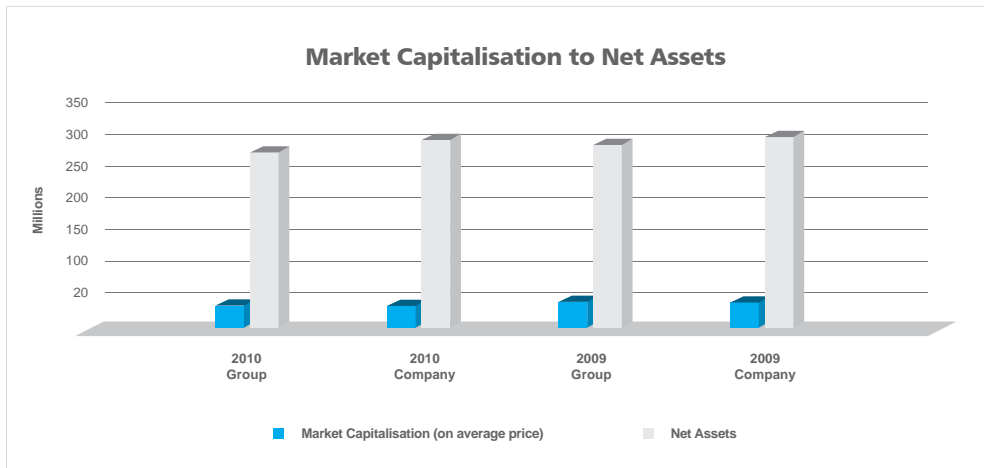


Stock turnover ratio has improved from 138.83 days in 2009 to 122.18 days in 2010. The current ratio has improved to 1.32 times in 2010 Compared to 1.10 in 2009 and the quick ratio has improved to 0.91 times from that of 0.65 times in 2009.

At the end of the year 2010 the debt to equity ratio stood at 0.54 as against a ratio of 0.71 in 2009.

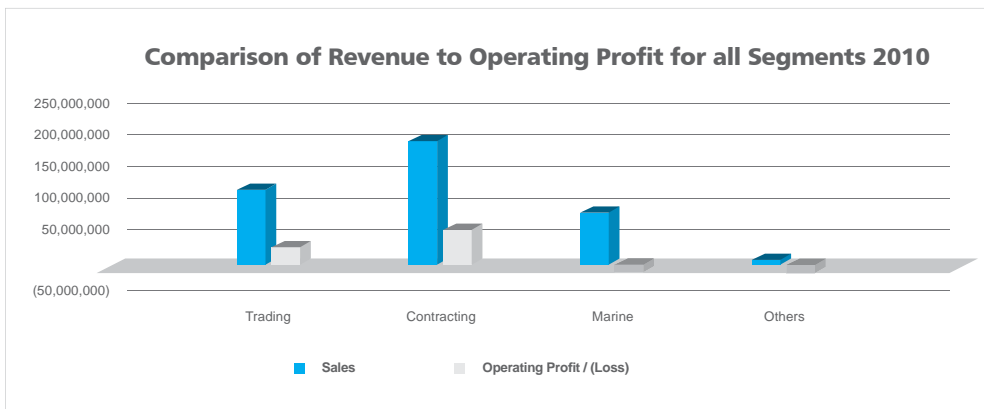


Net Worth of the Company measured by Net Assets has marginally decreased to Rf 301.13 million in 2010 from Rf 304.11 million in 2009. Earnings per share was Rf -22.09 in 2010 due to the loss of the year.



Major part of the Company's revenue is generated from Contracting and Trading Business segments. Revenue contribution of the segments of the Company for the fiscal year are Trading 29% (2009: 22%), Contracting 48% (2009: 55%), Marine 21% (2009: 16%), others 2% (2009: 7%).

The operating profit contribution of the segments for the year are Trading 518% (2009: 199%), Contracting 1075% (2009: 354%), Marine -421% (2009: -98.96%) and Others, -439% (2009: -180%).



## MTCC's Business Segments

The core business units of MTCC are based in Male' and Thilafushi; and consist of 5 strategic business units, namely Trading, Contracting, Marine, Rentals and Engineering Departments, the main contributors towards the profits of the organization being Contracting and Trading segments.

During the year 2010, the Company was restructured to increase efficiency and reduce costs.

### Trading

The products traded in this business unit cater mainly to the marine market segment of the Maldives. The product range covered includes Castrol lubricants, Yanmar Engines, Suzuki OutBoard Engines, Generators, Spare Parts, Himoinsa Gensets, Hamilton Water Jets, Sigma marine and protective coating, Electrical cables, steel and industrial gas. This business segment focuses on maintaining its position in the target segments whilst broadening its product range by screening world markets for quality premium products.

The revenue of this segment increased by 13% in the year 2010 Compared to 2009, and the operating profit for the segment also increased by 57.66% in 2010.

### Contracting

Contracting is the largest segment of the Company in terms of revenue generation and its contribution to the total revenue of the Company had been 48.41% in 2010. The revenue has been decreased by 23.16% in this segment, although the operating profit increased by 84.12% Compared to the proceeding year 2010.

### Marine

Even though the marine segment continuously runs on a loss, the Company focuses on providing efficient and reliable services by making significant investments and introducing new services in this segment.

Comparing to 2009 the revenue of this segment had increased by 11.29% in 2010. The operating loss as a % of revenue on this segment was recorded at 157.53% in 2010.

### Other products and Services

Departments here include Logistic Operations Department and Engineering Department.

Main activities under Logistic Operations Department include providing logistic services to the Company, rental of construction equipment and heavy loaded vehicles and auctioning service.

Services provided by Engineering Department include repair and maintenance work for vehicles, machinery and equipment; cargo handling and pre-cast concrete facility. (Pre-cast concrete works has been transferred to Construction and Project Management Department during 2010).

Compared to the proceeding year 2010 revenue has been decreased to 8.23m from 30.68m in 2009 and resulted operating loss as % of revenue by 248.12%.

## Shaping the future

Given the obstacles and challenges of today's business environment, in line with its Vision, MTCC assures you that the Company will redouble efforts to expand its business prospects, benefit the Shareholders and strengthen the bond between its customers and business partners. Accordingly, MTCC will prosper through increased efficiency, by conforming to the modern advances and local progressions, while developing and utilizing our human resource capability in ways that benefit both the Company and increase MTCC's contribution to the national economic growth.

MTCC reiterates assurance that the Company will not hesitate to seek and invest in growth and business opportunities; it will prioritize and utilize technological advances related to its business portfolio; and MTCC will work to foster the bond between its employees, motivate and improve staff performance and we will do our best to be more engaged and take initiatives in carrying out the Company's social responsibilities.

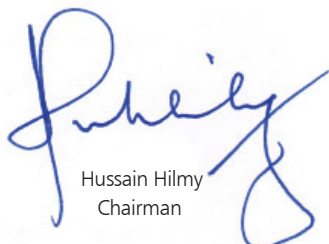
## Acknowledgement

MTCC is most obliged to all its Shareholders, who closely monitor the progress of the Company; the Board of Directors for their valuable time, constant direction and guidance towards achieving the Company's targets; the loyal customers and Business Partners.

Also, heartfelt gratitude to the committed and capable employees of the Company, who are the real source of strength and success of the Company.

MTCC is also appreciative and thankful to the former Board Director Ms. Shafeenaz Abdul Sattar for her valuable service to the Board as a Board member and Chairperson of the Audit Committee; and also appreciate the former Board Director Mr. Abdul Nasir Mohamed and Mr. Abdullah Naushad for their services to the Board and its committees as Board members.

5 May 2011

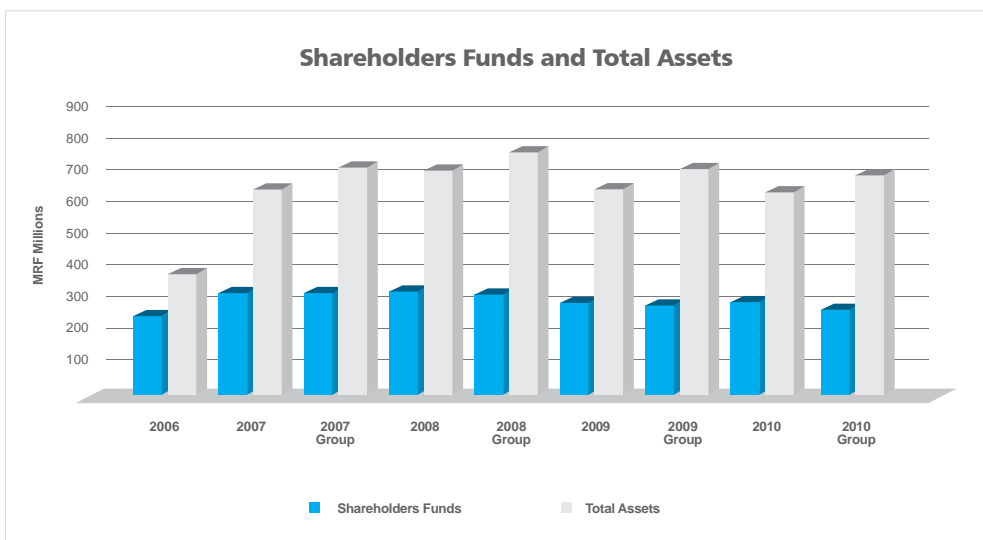
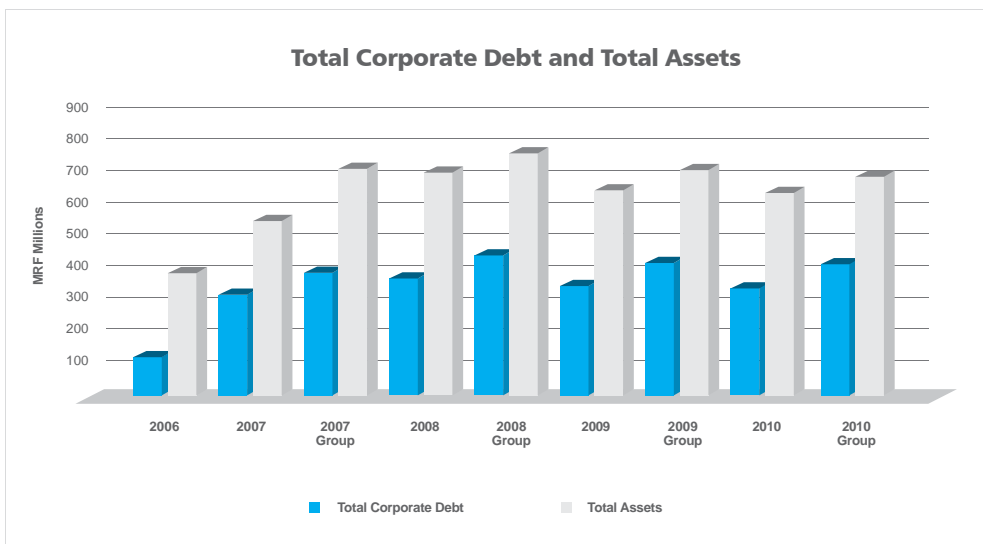
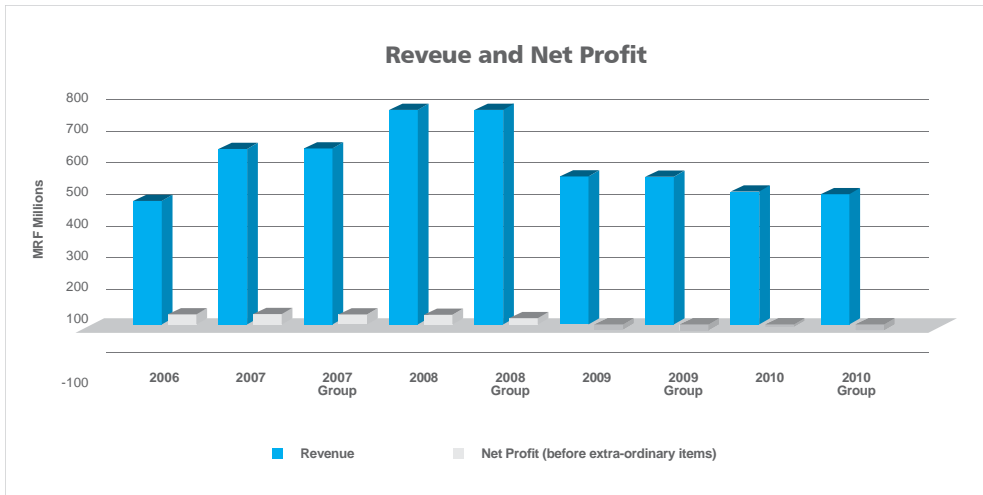


Hussain Hilmy  
Chairman

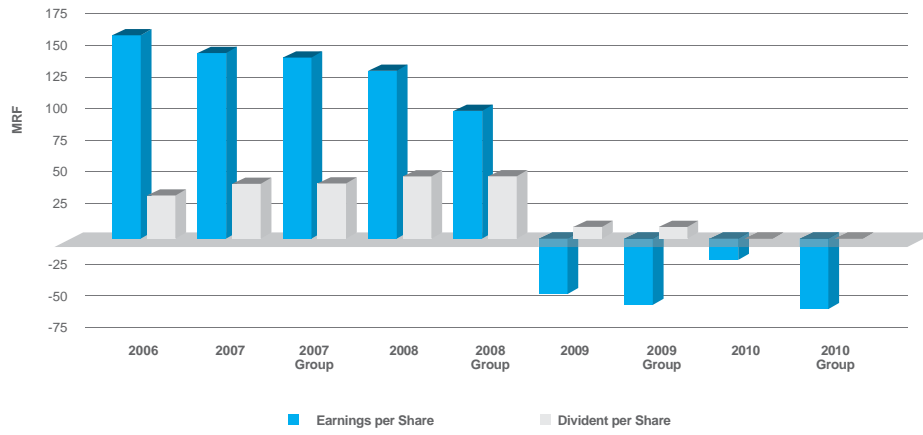


Husen Amru  
Chief Executive Officer

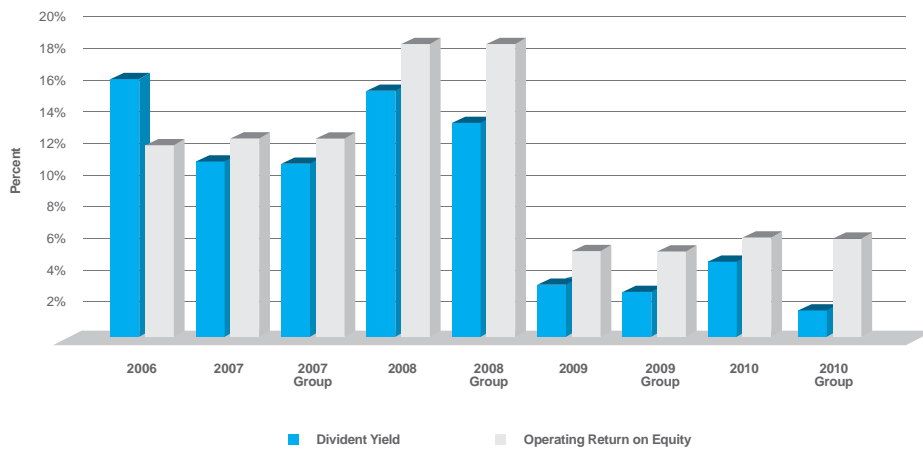
# Financial Highlights



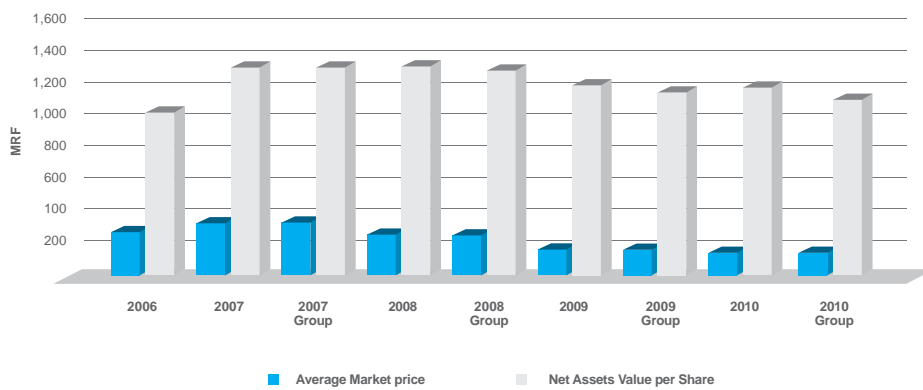
### Earnings per Share and Dividend per Share



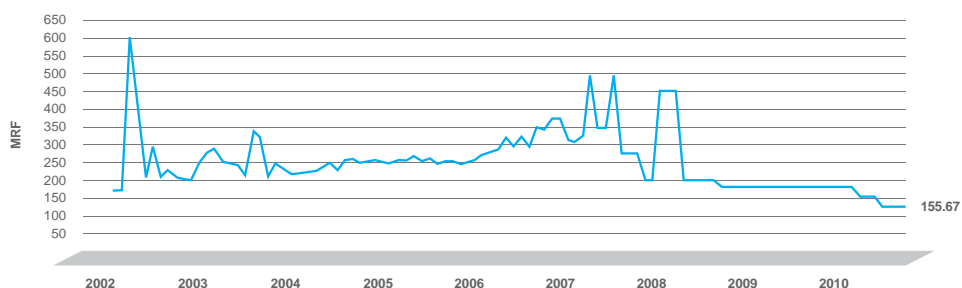
### Dividend Yield & Operating Return on Equity



### Average Market Price and Net Assets Value per Share



### Share price movement



## Board of Directors



**MR. HUSSAIN HILMY**  
Chairman

The former Minister of Fisheries and Agriculture and the Minister of Youth and Sports; Mr. Hussain Hilmy who has served in various other government posts, is also an experienced businessman in the Tourism Industry. A Board Member of Maldives Association of Tourism Industry; a Board Member of Maldives Marketing and Public Relations Corporation Ltd.; and a Board Director of Small and Medium Enterprises Development Council; Mr. Hussain Hilmy was also a Presidents Member of the Peoples Majlis of Maldives. He was appointed as the Chairman of the MTCC Board of Directors, on 4th February 2009.



**MR. HUSEN AMRU**  
Chief Executive Officer

Mr. Husen Amru was appointed as a Board of Director and as the Chief Executive Officer of MTCC on 28th September 2010, A Member of the Governments Privatizing Committee, Mr. Husen Amru holds a Masters Degree in Business Administration. Mr. Husen Amru was the former Under Secretary of the Economic Development Unit of the Presidents' Office.



**MR. MOHAMED SHAFEEQ**  
Director

Mr. Mohamed Shafeeq, with a Bachelors Degree in Architectural Studies has a wide range of expertise in the field of Architecture. He was appointed as a Board Director of MTCC on 17th January 2010. Mr. Mohamed Shafeeq is also the appointed representative of MTCC in the Board of Maldives Finance Leasing Company Private Limited from 7th February 2010,



**MR. ABDULLA SHAAIRU**  
Director

A private Law Practitioner since 1999; Mr. Abdulla Shaairu with a Diploma in Shar'iah and Law, has been representing private and businesses entities in both the Lower Courts and the High Court of Maldives. Serving as the Vice President of the Justice Society of Maldives; Vice Chairman of the Football Associations' Disciplinary Committee; Mr. Abdulla Shaairu is also a Member of the Social Housing Committee and a Founder Member of Turkish Maldives Friendship Association. He was appointed to MTCC's Board of Directors on 4th February 2009.



**MR. HUSSAIN HAALY**  
Director

With more than 15 years business experience in the private sector; Mr. Hussain Haaly holds a Diploma in Information Technology. The Operations and Administrations Manager of Fortsen Shades pvt ltd; and a Board Director of Maldives Real Estate Investment Corporation Pvt Ltd; was elected as a Board Director of MTCC on 27th August 2005.



**MR. AMEEN IBRAHIM**  
Director

With a Masters Degree in Management, Mr. Ameen Ibrahim working as the Chief Executive Officer of VTV, has held various other government key posts; namely the Deputy Minister of Gender and Family, Deputy Executive Director of NNCB and Director of Ministry of Youth and Sports. He is also the Secretary General of Maldives Association of Construction Industry, a Director of Politan Maldives Pvt Ltd and the Vice-Chairman of the Educational Fund. He has numerous experiences in establishing companies and providing management consultancy. Mr. Ameen Ibrahim was elected as a member of MTCC's Board of Directors on 25th June 2006.



**MR. MANSOOR ZUBAIR**  
Director

A Manager at Maldives Monetary Authority; Mr. Mansoor Zubair holds a Bachelors Degree in Commerce. He was appointed as a member of MTCC's Board of Directors on 29th April 2009.



**MR. ALI SHAFEEU**  
Director

An affiliate of the Association of Chartered Certified Accountants; Mr. Ali Shafeeu holds a Bachelors Degree in Accounting. With over 12 years experience working in the field of finance at Maldives Airports Company Limited; Mr. Ali Shafeeu is the Financial Consultant for the Maldives Post Limited. He was elected as a member of MTCC's Board of Directors on 19th August 2009.



**MR. MOHAMED NIZAM**  
Director

With local and overseas training in the field of Air Traffic Control and Airport Terminal Control; Mr. Mohamed Nizam has received pension for 20 years service at Maldives Airports Company Limited; also serving as a Board Director of South Central Utilities, Mr. Mohamed Nizam previously served as the Managing Director of South Central Utilities. He was appointed as a member of MTCC's Board of Directors on 30th December 2010.



**MR. ABDULLA SAAID**  
Director

A Director and a Shareholder of The-Capital Private Limited; Mr. Abdulla Saaid holds a Bachelors Degree in Business Administration. Mr. Abdulla Saaid served 5 years at the Inland Revenue Department of the Ministry of Finance; some of the posts he held in includes, Computer Operator Trainee and Audit Accountant. Others include senior posts in resort management and project management of the Tourism Industry. He was elected as a member of MTCC's Board of Directors on 30th December 2010.



# Senior Management



**Mr. Mohamed Zameel**

In charge of the day to day operations Chief Operating Officer, Mr. Mohamed Zameel joined MTCC on 1st December 2010. With a Bachelors Degree in Business Information System from Curtin University of Technology, Australia; and expertise in the field of Management, Mr. Mohamed Zameel was the former Head of Building Services and Security Department.



**Mr. Ahmed Naseem**

Appointed as Head of Human Resource Department on 7th March 2010, Executive - Mr. Ahmed Naseem joined MTCC in year 1999. He holds an Honors Degree in Computer Networking from Coventry University, UK.



**Ms. Abida Rasheed**

Head of Administration Department, Executive - Ms. Abida Rasheed joined MTCC in year 1983. She has much expertise in the field of management, with vocational training from local and overseas programs and workshops. In Addition to leading the Rentals and Auction Department, Ms. Abida Rasheed headed the Share Section, Human Resources Department, and the Marketing Department.



**Ms. Hawwa Huzaima**

Head of Transport Services Department, Executive - Ms. Hawwa Huzaima joined MTCC in year 2000. In Addition to leading the Procurement and Supplies Department, she was also the Assistant General Manager of of MTCC's 100% subsidiary, Maldives Real Estate Investment Corporation pvt. Ltd. Ms. Hawwa Huzaima holds a Bachelors Degree in Accounts and Finance from Griffith University, Australia.



**Mr. Ismail Fariq**

Executive, Mr. Ismail Fariq started serving MTCC in year 2001, and on 21st October 2010 he was appointed as head of Logistical Operations Department. With a Bachelors Degree in Business Management from University of Queensland, Australia; Mr. Ismail Fariq previously headed the Building Services and Securities Department; and Business Development Department and managed the Rentals Department.



**Mr. Shifau Ali**

Executive, Mr. Shifau Ali was appointed as the Head of Procurement Department on 28th March 2010. He joined MTCC in year 2007 and holds an Honors Degree in Accounting and Finance from University of East London, UK. Over the years Mr. Shifau Ali has attended various local and overseas training programs in the field of procurement and logistical management.



**Mr. Abdulla Thasleem Abdul Hakeem**

Mr. Abdulla Thasleem Abdul Hakeem joined MTCC in the year 1999. He was appointed as the head of Construction and Projects Management Department on 24th November 2009. Abdulla Thasleem Abdul Hakeem holds an 'Master of Science with Distinction in Construction Management' from the Loughborough University, United Kingdom and an undergraduate Degree in 'Bachelor of Planning and Design (Property and Construction)' from The University of Melbourne, Australia. He also obtained a 'Diploma in Building Studies (Quantity Surveying) with Distinction' from the Taylors College, Malaysia. In recognition of his outstanding academic achievements, he was awarded the "Deans Honors Award" from the Faculty of Architecture, Building and Planning of The University of Melbourne, Australia in 2005.



**Mr. Ihusaan Shareef**

Head of Sales and Marketing Department, Executive - Mr. Ihusaan Shareef joined MTCC in 1999. With a Bachelors Degree in Science from the University of Madras, India; Mr. Ihusaan Shareef was the former Head of Sales and Marketing Department and Rentals and Auction Department.



**Mr. Hamid Naseem**

Mr. Hamid Naseem, Executive, was the head of Engineering Department from 28th March 2010. Mr. Hamid Naseem joined MTCC in 1997 and he holds a Bachelors Degree in Mechanical Engineering from Bradford University, England, and has participated in various training programs both locally and overseas.



**Ms. Aishath Susan Haneef**

Head of Business Development Department and the acting Head of Legal Department, Executive - Ms. Aishath Susan Haneef joined MTCC in year 2000. She holds a Masters Degree in Business Administration (Marketing); with an Honors Degree in International Business from University of East London, UK. Ms. Aishath Susan Haneef was also the former Head of Marketing Department, Rentals Department and the Corporate Department.



**Mr. Hamid Nasheed Mohamed**

In charge of the Information Communication Technology Department, Executive - Mr. Hamid Nasheed Mohamed joined MTCC in year 1995. The previous head of the Human Resources Department and the Rentals and Auction Department; Mr. Hamid Nasheed Mohamed has completed Certificate in Computer Programming from Adelaide TAFE Institute, Australia. He has attained experience through local and overseas training programs and conferences.



**Mr. Usman Hafeez**

Executive - Mr. Usman Hafeez joined MTCC in 1985. With much expertise; and training from short Management Courses in Quality Assurance; Mr. Usman Hafeez has been in charge of Finance Department, Corporate Department, Contracting Department, Procurement and Supplies Department, Logistics Operations Department, Sales Department and Logistical Operations Department.



**Mr. Ibrahim Latheef**

With an Honors Degree in Marketing from the University of Hertfordshire, UK; and an affiliated member of Chartered Institute of Marketing (CIM), Executive - Mr. Ibrahim Latheef joined MTCC in year 1999. The temporary Head of Building Services and Security, Mr. Ibrahim Latheef, was the former Head of Marketing Department and Business Development Department.



**Mr. P.M. Sakthivel**

Head of Financial and Management Audit Department, the Internal Audit Executive - Mr. P.M. Sakthivel joined MTCC in year 1999. With over 10 years work experience as a Commercial Officer, and an ISO Coordinator, Mr. P.M. Sakthivel holds a Masters Degree in Commerce from Annamalai University of India.



**Ms. Sheereen Naseem**

Head of Corporate Department, Executive - Ms. Sheereen Naseem is also the Company Secretary of MTCC; as well as the Company Secretary of MTCC's 100% subsidiary, Maldives Real Estate Corporation Pvt. Ltd. Ms. Sheereen Naseem joined MTCC in year 1981; and since has received vocational training in the field of Corporate Secretary, and Management via local and overseas programs.

# Corporate Information

## Name of the Company

Maldives Transport & Contracting Company Plc

## Legal Status

Registered at Ministry of Economic Development as a public company with limited liability under Company's Law No. 10/96.

## Registered Office

MTCC Tower, Boduthakurufaanu Magu  
Male' 20057, Republic of Maldives  
Phone: 3326822  
Fax: 3323221  
Email: info@mtcc.com.mv  
Web site: www.mtcc.com.mv

## Registration no. and Date

Reg. No.: 680  
Date: 18 December 1980.

## Company Secretary

Ms. Sheereen Naseem.

Share Structure	No. of shares	Value (Mrf)	No. of Shares
Government of Maldives of Mrf.50.00	119,661	5,983,050	47.8
General Public of Mrf.50.00	111,628	5,581,400	44.7
MNSL of Mrf 50.00	18,711	935,550	7.5
<b>Total</b>	<b>250,000</b>	<b>12,500,000</b>	<b>100</b>

# Bankers, Auditors & Lawyers

## Bankers

### BANK OF MALDIVES PLC

Boduthakurufaanu Magu, Male' 20094, Maldives  
 Phone: +960 332 2948  
 Fax: +960 332 8233  
 Email: info@bml.com.mv  
 Website: www.bankofmaldives.com.mv

### HSBC LIMITED

MTCC Tower, 1st Floor, Boduthakurufaanu Magu, Male' 20057, Maldives  
 Phone: +960 333 0770  
 Fax: +960 331 2072  
 Email: info@hsbc.com.lk  
 Website: www.hsbc.com

### HABIB BANK LIMITED

H.Thuniya, Boduthakurufaanu Magu, Male' 20066, Maldives  
 Phone: +960 332 2051  
 Fax: +960 332 6791  
 Email: habibmle@dhivehinet.net.mv  
 Website: www.habibbanktd.com

### STATE BANK OF INDIA

H.Sunleet, Boduthakurufaanu Magu, Male' 20005, Maldives  
 Phone: +960 331 2111  
 Fax: +960 332 3053  
 Email: sbimale@dhivehinet.net.mv  
 Website: www.onlinebiglobal.com

### BANK OF CEYLON

Aage, Boduthakurufaanu Magu, Male 20094, Maldives  
 Phone: 331 4764  
 Fax: 332 0575  
 Email: bcmale@dhivehinet.net.mv  
 Website: www.boc.lk

## Auditors

### INTERNAL – KPMG FORD, RHODES, THORNTON & CO. MALDIVES

H.Mialani, 2nd Floor, Sosun Magu, Male', Maldives  
 Phone: +960 331 0420 / 332 3393  
 Fax: +960 332 3175  
 Email: frtmaldives@kpmg.com

### EXTERNAL – ERNST & YOUNG

G.Soasanee, 1st Floor, Rahdhebbai Magu, Male', Maldives  
 Phone: +960 332 0742  
 Fax: +960 332 0748  
 Email: eymld@eymaldives.com.mv

## Lawyers

### MAZLAN & MURAD LAW AND ASSOCIATES

G.Swan Lake, 1st Floor Dharamavantha Magu, Male', Maldives  
 Phone: +960 334 4720  
 Fax: +960 334 4721  
 Email: info@mmlawassociates.com

# Department's Contact Information

## CORPORATE DEPARTMENT

MTCC Tower 7<sup>th</sup> Floor, Boduthakurufaanu Magu, Male'  
 Post Code: 20057  
 Phone: +960 332 6822  
 Fax: +960 332 3221  
 Email: corporate@mtcc.com.mv

## FINANCE DEPARTMENT

MTCC Tower 3<sup>rd</sup> Floor, Boduthakurufaanu Magu, Male'  
 Post Code: 20057  
 Phone: +960 332 6822  
 Fax: +960 331 5500  
 Email: finance@mtcc.com.mv

## HUMAN RESOURCES DEPARTMENT

MTCC Tower 2<sup>nd</sup> Floor, Boduthakurufaanu Magu, Male'  
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 Phone: +960 332 6822  
 Fax: +960 332 3221  
 Email: hr@mtcc.com.mv

## INFORMATION COMMUNICATION TECHNOLOGY DEPARTMENT

MTCC Tower 5<sup>th</sup> Floor, Boduthakurufaanu Magu, Male'  
 Post Code: 20057  
 Phone: +960 332 6822  
 Fax: +960 330 4542  
 Email: isd@mtcc.com.mv

## PROCUREMENT DEPARTMENT

H.Sawmill, Filigas Magu, Male'  
 Post Code: 20002  
 Phone: +960 332 6822  
 Fax: +960 331 5005  
 Email: procurement@mtcc.com.mv

## ENGINEERING DEPARTMENT

K.Thilafushi  
 Phone: +960 664 0664 / +960 332 6822  
 Fax: +960 664 0523  
 Email: tbd@mtcc.com.mv

## LOGISTICAL OPERATIONS DEPARTMENT

H.Sawmill, Filigas Magu, Male'  
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 Phone: +960 331 7070 / +960 332 6822  
 Fax: +960 332 3022  
 Email: info@mtcc.com.mv

## ADMINISTRATION DEPARTMENT

MTCC Tower 7<sup>th</sup> Floor, Boduthakurufaanu Magu, Male'  
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 Fax: +960 332 3221  
 Email: info@mtcc.com.mv

## BUSINESS DEVELOPMENT DEPARTMENT

MTCC Tower 3<sup>rd</sup> Floor, Boduthakurufaanu Magu, Male'  
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 Phone: +960 332 6822  
 Fax: +960 332 3221  
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## CONSTRUCTION AND PROJECT MANAGEMENT DEPARTMENT

MTCC Tower 6<sup>th</sup> Floor, Boduthakurufaanu Magu, Male'  
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 Phone: +960 332 6822  
 Fax: +960 333 2835  
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## BUILDING SERVICES AND SECURITY DEPARTMENT

Dhathuruvehi 3, Boduthakurufaanu Magu, Male'  
 Post Code: 20057  
 Phone: +960 334 6051 / +960 332 6822  
 Fax: +960 334 4924  
 Email: info@mtcc.com.mv

## TRANSPORT DEPARTMENT

Dhathuruvehi 3, Boduthakurufaanu Magu, Male'  
 Postcode: 20057  
 Phone: +960 331 5050 / +960 332 9076  
 Fax: +960 332 2808 / +960 334 5826  
 Email: tsd@mtcc.com.mv

## TRADING DEPARTMENT

H.Sawmill, Filigas Magu, Male'  
 Post Code: 20002  
 Phone: +960 331 8080 / +960 332 6822  
 Fax: +960 331 4050  
 Email: salesdept@mtcc.com.mv

## INTERNAL AUDIT DEPARTMENT

H.Sawmill, Filigas Magu, Male'  
 Post Code: 20002  
 Phone: +960 332 6822  
 Fax: +960 334 6806  
 Email: audit@mtcc.com.mv

## LEGAL DEPARTMENT

MTCC Tower 7<sup>th</sup> Floor, Boduthakurufaanu Magu, Male'  
 Post Code: 20057  
 Phone: +960 332 6822  
 Fax: +960 332 3221  
 Email: info@mtcc.com.mv

# Auditor's Report



## Chartered Accountants

1st Floor  
G. Soosanee  
Rahdhebai Magu  
Male  
Republic of Maldives  
Tel : +960 3320742, 3326799  
      : +960 3341743  
Fax : +960 3320748  
eymid@eymaldives.com.mv

AHF/ERK/NM

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MALDIVES TRANSPORT AND CONTRACTING COMPANY PLC

### Report on the financial statements

We have audited accompanying financial statements of Maldives Transport and Contracting Company PLC ('Group'), which comprise the consolidated statement of financial position as at 31 December 2010 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

This report is made solely to the company's members, as a body, in accordance with section 71 of the Companies Act No. 10 of 1996. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in auditors' report and for no other purpose. Therefore, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, where due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Subject to the limitations resulting from notes 1, 2, 3, 4, 5, 6 and 7 mentioned below, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Basis of qualified opinion

1. Company has recognize contract revenue and contract cost based on the terms of the construction contracts. Such terms differ from those IAS 11 contracts, which requires construction revenue and cost to be recognize based on the percentage of completion.
2. The company has not carried out an impairment review of its investments in Airport Investments Maldives Private Limited (AIM) and Maldives Real Estate Investment Corporation Pvt Ltd, despite significant doubts about its ability to continue as a going concern.
3. Revenue includes an invoice amounting Mrf 26,720,103/- raised by Maldives Transport and Contracting Company Plc being compensation of damage for termination of a contract entered into a dredging and reclamation work in G.Dh Maavedhoo Island. Documentary evidence in the form of a certificate issued by the Project Manager with respect to materials ordered for the project, the reasonable cost of removal of the equipment and repatriation of the contractor's personnel employed solely on the works, relevant details and evidences supporting the contractor's claim and documents supporting the breach of contract by the Company were not available for our review. In the absence of which, we are unable to conclude whether the amount of Mrf 26,720,103/- charged as penalty for termination of the contract and shown as receivable from related party is valid and therefore revenue is fairly stated.
4. Borrowing includes a total of Mrf 17,767,754/- due to Caterpillar Financial Services Asia Pvt Ltd and Senok Trade Combine Ltd, which includes future interest of Mrf 2,097,919/- (converted at Mrf 12.85 per 1 USD). The corresponding interest suspended is not stated in these financial statements. The current year interest of Mrf 3,563,577/- was reversed to miscellaneous income to adjust the ability to the lender confirmations. In the absence of initial accounting entries we are unable to verify the basis of these accounting entries.
5. Capital work-in-progress of the group at the reporting date represents expenditure incurred on reclamation od land in islands Sh. Funadhoo, Dh. Kudahuvadho, Th. Thimarafushi and G.Dh Maavedhoo for development of regional airports. The reclamation process had been discontinued in above islands during the year 2009, and in the island G.Dh Maavedhoo in the year 2010, due to lack of funds. In the absence of documentary evidence in the form of a plan of action for development of regional airports in the respective islands, we are unable to conclude whether the capital work in progress of Mrf 26,208,022/- (proportion consolidated Mrf 8,736,007/-) stated in these financial statements is impaired therefore whether fairly stated.
6. Other receivables belonging to the joint venture at the reporting date includes calls-in-arrears amounting Mrf 3, 500,000/- (proportion consolidated Mrf 1,166,667/-) from a shareholder, Island Aviation Services Limited, which has been outstanding for more than a year and therefore, doubtful of recovery. In the absence of balance confirmation from the shareholders, we are unable to satisfy ourselves whether the amount shown under other receivables in the statement of financial position is recoverable.
7. Trade and other receivables belonging to Airport Investment Maldives Private Limited ( Joint Venture) includes Mrf 6,315,169/- ( proportion consolidated Mrf 2,105,056/-) remaining as a balance for over a year from the total advance paid to the contractor after offsetting for value of work certified by consultants. The recoverability of this amount is doubtful.

### Qualified Opinion

In our opinion, expect for the effect of such adjustments that might have been determined to be necessary had we seen able to satisfy ourselves as to the matters referred to in above notes 1, 2, 3, 4, 5, 6 and 7, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial reporting Standards.

### Emphasis of matters

Without further qualifying our opinion, we draw attention to Note 1 in the financial statements.



05 May 2011  
Male'

# Statement of Comprehensive Income

	Note	COMPANY		GROUP	
		2010	2009	2010	2009
Revenue	3	428,231,046	474,340,631	419,324,345	473,428,464
Cost of goods sold		(349,263,930)	(365,352,276)	(349,291,668)	(365,637,524)
<b>Gross profit</b>		<b>78,967,116</b>	<b>108,988,355</b>	<b>70,032,677</b>	<b>107,790,939</b>
Other income		4,268,547	3,871,310	4,255,054	3,871,310
Selling and distribution expenses		(10,154,730)	(31,600,959)	(10,154,730)	(31,600,959)
Administrative expenses		(52,251,808)	(63,842,665)	(52,854,464)	(64,551,028)
Other expenses		(6,133,959)	(7,021,364)	(6,133,959)	(7,021,364)
<b>Operating profit</b>	<b>4</b>	<b>14,695,166</b>	<b>10,394,677</b>	<b>5,144,578</b>	<b>8,488,898</b>
Finance costs	4.3	(20,216,792)	(22,750,016)	(20,216,792)	(22,750,016)
<b>Profit for the year</b>		<b>(5,521,626)</b>	<b>(12,355,339)</b>	<b>(15,072,214)</b>	<b>(14,261,118)</b>
<b>Earnings per share</b>		<b>(22.09)</b>	<b>(49.42)</b>	<b>(60.29)</b>	<b>(57.04)</b>

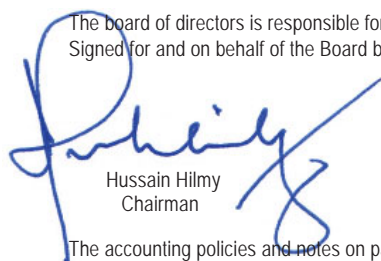
The accounting policies and notes on pages 35 through 55 form an integral part of the financial statements.



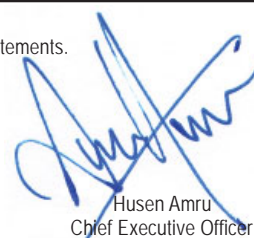
# Consolidated Statement of Financial Position

	Note	COMPANY		GROUP	
		2010	2009	2010	2009
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	7	201,690,888	222,609,795	201,751,279	222,769,957
Capital work-in-progress	8	1,899,089	12,873,127	11,566,221	22,531,186
Investment properties	9		33,273,838	-	33,273,838
Intangible assets	10	1,454,510	2,245,055	1,455,906	2,261,668
Assets held for sale		9,376,330	552,800	9,376,330	552,800
Financial investments	11	53,070,728	48,031,520	40,968,228	35,929,020
Trade and other receivables	12	4,408,158	3,271,748	68,658,158	67,521,748
<b>Total non-current assets</b>		<b>271,899,702</b>	<b>322,857,883</b>	<b>333,776,121</b>	<b>384,840,217</b>
<b>Current assets</b>					
Inventories	13	113,416,738	135,911,034	113,416,738	135,911,034
Goods in transit		3,499,141	3,057,062	3,499,141	3,057,062
Trade and other receivables	12	154,747,714	192,159,494	147,282,017	191,158,597
Cash and cash equivalents	14	107,434,095	7,780,920	108,583,126	9,228,878
<b>Total current assets</b>		<b>379,097,690</b>	<b>338,908,509</b>	<b>372,781,023</b>	<b>339,355,571</b>
<b>TOTAL ASSETS</b>		<b>650,997,391</b>	<b>661,766,392</b>	<b>706,557,144</b>	<b>724,195,788</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
Share capital	15	12,500,000	12,500,000	12,500,000	12,500,000
General reserve		149,539,082	152,039,082	149,539,082	152,039,082
Fair value reserve		28,941,426	23,902,218	28,941,426	23,902,218
Retained earnings		110,147,546	115,669,172	89,967,722	105,039,936
<b>Total equity</b>		<b>301,128,054</b>	<b>304,110,472</b>	<b>280,948,230</b>	<b>293,481,236</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Borrowings	16	28,773,434	45,656,637	28,773,434	45,656,637
Trade payables	17	34,119,315	4,434,479	110,790,981	81,106,146
<b>Total non-current liabilities</b>		<b>62,892,749</b>	<b>50,091,116</b>	<b>139,564,415</b>	<b>126,762,783</b>
<b>Current liabilities</b>					
Borrowings	16	133,387,552	169,270,946	133,387,552	169,270,946
Trade and other payables	17	153,589,036	138,293,858	152,656,946	134,680,823
<b>Total current liabilities</b>		<b>286,976,588</b>	<b>307,564,804</b>	<b>286,044,499</b>	<b>303,951,769</b>
<b>Total liabilities</b>		<b>349,869,337</b>	<b>357,655,920</b>	<b>425,608,913</b>	<b>430,714,552</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>650,997,391</b>	<b>661,766,392</b>	<b>706,557,144</b>	<b>724,195,788</b>

The board of directors is responsible for the preparation and presentation of these financial statements.  
Signed for and on behalf of the Board by,



Hussain Hilmy  
Chairman



Husen Amru  
Chief Executive Officer

The accounting policies and notes on pages 35 through 55 from an integral part of the financial statements.

# Consolidated Statement of Changes in Equity

	COMPANY				Total
	Share Capital	General Reserve	Fair Values & Other Reserves	Retained Earnings	
Balance at 1 January 2009	12,500,000	136,778,922	30,475,098	155,784,671	335,538,691
Net fair value loss on available-for sale financial assets	-	-	(6,572,880)	-	(6,572,880)
Dividend relating to 2008	-	-	-	(12,500,000)	(12,500,000)
Loss for the year	-	-	-	(12,355,339)	(12,355,339)
Transferred to general reserve	-	15,260,160	-	(15,260,160)	-
Balance at 31 December 2009	12,500,000	152,039,082	23,902,218	115,669,172	304,110,472
Balance at 1 January 2010	12,500,000	152,039,082	23,902,218	115,669,172	304,110,472
Net fair value loss on available-for sale financial assets	-	-	5,039,208	-	5,039,208
Dividend relating to 2009	-	(2,500,000)	-	-	(2,500,000)
Loss for the year	-	-	-	(5,521,626)	(5,521,626)
Transferred to general reserve	-	-	-	-	-
Balance at 31 December 2010	12,500,000	149,539,082	28,941,426	110,147,546	301,128,054

	GROUP				Total
	Share Capital	General Reserve	Fair Values & Other Reserves	Retained Earnings	
Balance at 1 January 2009	12,500,000	136,778,922	30,475,098	147,061,214	326,815,234
Net fair value loss on available-for sale financial assets	-	-	(6,572,880)	-	(6,572,880)
Dividend relating to 2008	-	-	-	(12,500,000)	(12,500,000)
Loss for the year	-	-	-	(14,261,118)	(14,261,118)
Transferred to general reserve	-	15,260,160	-	(15,260,160)	-
Balance at 31 December 2009	12,500,000	152,039,082	23,902,218	105,039,936	293,481,236
Balance at 1 January 2010	12,500,000	152,039,082	23,902,218	105,039,936	293,481,236
Net fair value loss on available-for sale financial assets	-	-	5,039,208	-	5,039,208
Dividend relating to 2009	-	(2,500,000)	-	-	(2,500,000)
Loss for the year	-	-	-	(15,072,214)	(15,072,214)
Transferred to general reserve	-	-	-	-	-
Balance at 31 December 2010	12,500,000	149,539,082	28,941,426	89,967,722	280,948,230

The accounting policies and notes on pages 35 through 55 from an integral part of the financial statements.

# Statement of Cash Flow

	Note	COMPANY		GROUP	
		2010	2009	2010	2009
<b>Operating activities</b>					
Loss for the year		(5,521,626)	(12,355,339)	(15,072,214)	(14,261,118)
<b>Adjustments for:</b>					
Depreciation and amortization		58,073,637	66,608,804	58,112,970	66,671,587
Transferd to cost of sales		4,735,598	-	4,735,598	-
Gain on sale of property, plant and equipment		(586,048)	(570,626)	(573,075)	(570,626)
Provision for impairment		7,781,366	26,803,278	7,781,366	26,803,278
Impairment of fixed assets		-	431,022	-	431,022
Provision slow moving items		2,734,692	2,032,753	2,734,692	2,032,753
Investment income		-	(2,791,052)	-	(2,791,052)
Interest income		(118,925)	(509,632)	(118,925)	(509,632)
Interest expense		19,130,838	20,112,233	19,130,838	20,112,233
<b>Working capital adjustments:</b>					
Decrease/(increase) in trade and other receivables		28,494,003	(9,674,928)	34,958,803	(9,043,768)
Decrease/(increase) in inventories		19,317,525	(816,059)	19,317,525	(816,059)
(Decrease)/increase in trade and other payables		42,601,498	(34,171,209)	45,282,444	(31,264,236)
<b>Net cash flows from operating activities</b>		<b>176,642,558</b>	<b>55,099,245</b>	<b>176,290,022</b>	<b>56,794,381</b>
<b>Investing activities</b>					
Purchase of property, plant and equipment		(4,206,433)	(32,973,520)	(4,206,433)	(33,028,386)
Expenditure on capital work-in-progress		(1,663,300)	(7,326,901)	(1,672,375)	(9,524,772)
Proceeds from sale of property, -plant and equipment		780,620	1,192,081	843,304	1,192,081
Advance given to contractor		-	-	-	-
Interest received		118,925	509,632	118,925	509,632
Dividends received		-	2,791,052	-	2,791,052
<b>Net cash flows used in investing activities</b>		<b>(4,970,187)</b>	<b>(35,807,656)</b>	<b>(4,916,579)</b>	<b>(38,060,393)</b>
<b>Financing activities</b>					
Received from calls in-arrears		-	-	-	-
Proceeds from borrowings		82,316,590	38,955,336	82,316,590	38,955,336
Repayments of borrowings		(74,736,222)	(46,592,041)	(74,736,222)	(46,592,041)
Advance payment received to provide the sub-leasehold right		-	-	-	-
Interest paid		(19,130,838)	(20,112,233)	(19,130,838)	(20,112,233)
Dividends paid to company's shareholders		(121,760)	(6,249,150)	(121,760)	(6,249,150)
<b>Net cash flows used in financing activities</b>		<b>(11,672,230)</b>	<b>(33,998,088)</b>	<b>(11,672,230)</b>	<b>(33,998,088)</b>
Net decrease in cash and cash equivalents		160,000,141	(14,706,499)	159,701,214	(15,264,100)
Cash and cash equivalents at 1 January		(105,639,125)	(90,932,626)	(104,191,167)	(88,927,067)
<b>Cash and cash equivalents at 31 December</b>	14	<b>54,361,016</b>	<b>(105,639,125)</b>	<b>55,510,047</b>	<b>(104,191,167)</b>

The accounting policies and notes on pages 35 through 55 from an integral part of the financial statements.

# Notes to Financial Statements

## Corporate information

### I. General

These consolidated financial statements relate to the operations of Maldives Transport and Contracting Company Plc ('the Company') and its subsidiary and joint venture (together 'the Group'). It is a public limited liability company incorporated in the Republic of Maldives under the Act 4/81 on 18 December 1980. The Company was re-registered with the Ministry of Trade and Industries on 12 February 1990.

#### Principal activities and nature of operations

The principal activities undertaken by the company include trading contracting, marine transportation, renting of buildings, construction equipment and machinery, and auctioning. The address of its registered office is MTCC Tower, Boduthakurufaanu Magu, Male' 20057, Republic of Maldives.

The company's shares are listed on the Maldives stock exchange.

#### Going concern

The Directors have made an assessment of the company's and its Subsidiaries ability to continue as a going concern. On this note it was decided to freeze Maldives Real Estate Corporation Ltd., a 100% subsidiary of MTCC on 5th April 2010. All assets and liabilities of the Company was transferred to MTCC. Maldives Real Estate Investment Corporation Private Limited's net current liabilities exceed its current assets by Mrf 2,623,475/- and its total liabilities exceed its total assets by Mrf 873,738/-.

Maldives Real Estate Investment Corporation Private Limited and Airport Investments Maldives Private Limited for the year ended 31 December 2010 has incurred a net loss of Mrf 246,261/- and Mrf 9,304,326/- (2009 – Mrf 120,053/- loss and Mrf 967,115/- loss) respectively, and accumulated loss of Mrf 7,976,238/- and Mrf 11,384,974/- (2009 – Mrf 7,729,977/- loss and Mrf 2,080,648/- loss) respectively as at 31 December 2010.

## 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied over the years, unless otherwise stated.

#### Basis of preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards (IFRS). These financial statements are prepared under the historical cost convention, whereby the transactions are recorded at the value prevailing on the dates when the assets were acquired, the liabilities were incurred or the capital obtained.

The financial statements of Maldives Transport and Contracting Company Plc for the period ended 31 December 2010 were authorized for issue in accordance with a resolution of board of directors dated 05 May 2011.

#### Consolidation

##### Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

### Joint ventures

The Group's interests in jointly controlled entities are accounted for by proportionate consolidation. The Group combines its share of the joint ventures' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements.

The Group recognizes the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other ventures. The Group does not recognise its share of profits or losses from the joint venture that result from the Group's purchase of assets from the joint venture until it resells the assets to an independent party. A loss on the transaction is recognised immediately if it provides evidence of a reduction in the net realisable value of current assets, or an impairment loss. Joint ventures' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the group.

### Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are different from those of other business segments. A geographical segment is engaged in providing products or a service within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

### Foreign currency translation

#### Functional and presentation currency

Items included in the financial statements of entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Maldivian Rufiyaa which is the Group's functional and presentation currency.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except where hedge accounting is applied.

### Property, plant and equipment

All property, plant and equipment, which are initially recorded at historical cost, are stated at cost less depreciation. Cost includes the transfer value of the assets, or their purchase cost, or the cost of construction, together with any incidental expenses of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, commencing from the month in which the assets were purchased up to the date of disposal, as follows:

Buildings (other than MTCC tower)	10 years
MTCC tower	25 years
Plant and Machinery	5 years
Motor vehicles other than dredging vehicle	5 years
Dredging vehicles	5 years
Excavators	5 years
Dump trucks	3 years
Wheel loader	3 years
Crane	3 years
Furniture and fittings	6.67 years
Office equipment	5 years
Vessels (other than tug)	10 years
Tug	7 years
Tools	3 years
Sundry assets	5 years

When values of acquisitions are less than Mrf. 5,000/- those assets are depreciated fully in the year of acquisition irrespective of their useful lifetime.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Buildings constructed on leasehold land and improvements made to leasehold premises are amortised over the unexpired period of the lease.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

### **Investment properties**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time cost is incurred if the recognition criteria are met; and excludes the costs of day to day servicing of an investment property. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

No assets held under operating lease have been classified as investment properties.

### **Intangible asset**

Computer software development costs recognised as assets are amortised using the straight-line method over their estimated useful lives (not exceeding five years). The carrying amount of each intangible asset is reviewed annually and adjusted for permanent impairment where it is considered necessary.

### **Assets held for sale**

Non-current assets classified as held for sales are measured at the lower of carrying amount and fair value less cost to sell. Non-current assets are classified as held for sale if the carrying value will be recovered through a sales transaction rather than through continuing use. This condition is regarded as met only when the sales are highly probable and the assets are available for immediate sales in its present condition. Management must commit to sale which should be expected to qualify for recognition as a completed sale within one year from the classification.

Property plant and equipment once classified as held for sales are not depreciated.

### **Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

## Financial assets

The company classifies its financial assets in the following categories. The classification depends on the purpose of which the financial assets were acquired. The management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. Loans and receivables are classified as "trade and other receivables" in the statement of financial position.

The company assesses at each reporting date whether there is objective evidence that a financial asset is impaired.

### Financial investments

Financial investments are non-derivatives that are either designated in this category or not classified in any other categories. They are included in non-current assets, unless management intends to dispose of the investment within 12 months of the reporting date.

When securities classified as financial investments are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'gains and losses from investment securities'. Dividends on available-for-sale equity instruments are recognised in the income statements, when the company's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for the financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques.

These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs. Wherever these techniques cannot give reliable fair price, the price of unlisted securities is established at cost.

The company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as financial investments, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for financial investments, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

## Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method and includes import duty, insurance, freight, port charges and bank charges. The cost does not include borrowing cost. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

## Construction contracts

The profit on a construction contract is recognised as soon as it can be estimated reliably. The company uses the percentage of completion method to determine the appropriate amount to recognize in a given period; the stage of completion is measured by reference to work done to total work undertaken for each contract. Losses are recognised as soon as the loss is foreseen. The full amount of the anticipated loss, including any loss related to future work on the contract, is recognised in the period in which the loss is identified.

In determining cost incurred up to year end, any costs relating to future activity on a contract are excluded and shown as contract work in progress. The aggregate of the cost incurred and the profit/ loss recognised on each contract is compared against the progress billings up to the year end. Where the sum of the costs incurred and recognised profit or loss exceeds the progress billings, the balance is shown under receivables and prepayments as due from customers on contracts.

### Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement within 'selling and marketing costs'.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

### Share capital

Ordinary shares are classified as equity.

### Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

### Employee benefits

Amounts contributed by the company to the employee's provident fund under a voluntary or a compulsory scheme are treated as a staff cost. However The Government of Maldives declared to close the provident fund on October 2009.

### Provisions

Provisions are recognized when: the company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligations.

### Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of discounts. Revenue is recognised as follows:

#### a) Sales of goods - retail

Sales of goods are recognized when the company has delivered products to the customer; the customer has accepted the products; and collectability of the related receivables is reasonably assured.

#### b) Sales of services

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction, assessed on the basis of the actual service provided as a proportion of the total services to be provided.

#### c) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.



**d) Dividend income**

Dividend income is recognised when the right to receive payment is established.

**e) Rental income**

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

**Leases****a) The company is the lessee**

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

**b) The company is the lessor**

Assets leased to third parties under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

**Dividend distribution**

Dividend distribution to the company's shareholders is recognized as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

**Financial risk Management****Financial risk factors**

The company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance.

Risk management is carried out by the Board of Directors on specific areas, such as foreign exchange risk, credit risk and the investment of excess liquidity.

**a) Market risk****(i) Foreign exchange risk**

The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

**(ii) Price risk**

The company is exposed to equity securities price risk because of the investment held by the company and classified on the statement of financial position as available-for-sale.

**b) Credit risk**

The company has no significant concentrations of credit risk. It has policies in place to ensure that sales of goods and services are made to customers with an appropriate credit history.

**c) Interest rate risk**

The company's exposure to interest rate risk relates to its bank and other borrowings which are on fixed and floating rate terms, and this risk is reviewed on an ongoing basis. At the reporting date the company did not have in place any instruments to hedge its exposure to interest rate risk.

**d) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The company and the Group did not have committed credit facilities at the end of the year.

**Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends payable to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings excluding trade and other payables, as shown in the statement of financial position less cash and cash equivalents. Total capital is calculated as equity, as shown in the statement of financial position, plus net debt.

**Fair value estimation**

The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

**Comparatives**

The consolidated financial statements are the fourth to be prepared since the formation of a subsidiary and acquisition of interest in a jointly controlled entity. Therefore, comparative figures are shown for the previous year for the company and the group and where necessary, comparative figures have been adjusted at the entity level to conform with changes in presentation in the current year.

**3. Segment information**

	Trading 2009	Contracting 2009	Marine 2009	Other 2009	Regional Airport & Resorts 2009	Unallocated 2009	Total 2009
Sales	105,936,602	259,854,667	76,145,805	30,681,434	-	809,956	473,428,464
Operating profit/(Loss)	16,911,339	30,027,138	(8,400,566)	15,247,345	(967,115)	(44,329,242)	8,488,899
Finance costs (Note 4.3)	-	(3,982,503)	<b>(629,331)</b>	(46,436)	-	(18,091,744)	(22,750,016)
<b>Profit for the Year</b>							<b>(14,261,118)</b>

	Trading 2010	Contracting 2010	Marine 2010	Other 2010	Regional Airport & Resorts 2010	Unallocated 2010	Total 2010
Sales	119,848,822	199,682,106	84,743,622	8,234,906	-	6,814,889	419,324,345
Operating profit/(Loss)	26,662,321	55,287,130	(21,633,969)	(22,584,822)	(9,304,326)	(23,281,756)	5,144,578
Finance costs (Note 4.3)	-	(2,939,091)	(342,843)	(16,934,858)	-	-	(20,216,792)
<b>Profit for the Year</b>							<b>(15,072,214)</b>

	Trading	Contracting	Marine	Other	Regional Airport & Resorts	Unallocated	Total
2009 Depreciation (Note 7 and 9)	851,575	34,014,706	16,327,204	12,567,995	30,086	2,046,848	65,838,415
2009 Amortization (Note 10)	9,560	2,964	-	-	967	819,682	833,173
2010 Depreciation (Note 7 and 9)	834,979	29,296,912	15,713,119	12,496,832	30,628	(1,052,291)	57,320,180
2010 Amortization (Note 10)	9,560	2,964	-	-	967	779,298	792,789

	Trading 2009	Contracting 2009	Marine 2009	Other 2009	Regional Airport & Resorts 2009	Unallocated 2009	Total 2009
Assets	64,484,407	168,697,207	88,754,809	111,862,642	80,472,457	209,924,265	724,195,788
Liabilities	954,850	46,158,763	9	2,500	77,553,107	306,045,323	430,714,552
Capital expd. (Note 7.8 & 10)	262,549	28,244,108	5,815,326	5,244,809	448,135	2,483,365	42,498,292

The segment assets and liabilities as at 31 December 2010 and capital expenditure for the year then ended are as follows:

	Trading 2010	Contracting 2010	Marine 2010	Other 2010	Regional Airport & Resorts 2010	Unallocated 2010	Total 2010
Assets	55,227,228	112,890,193	70,491,838	387,545,366	78,482,799	1,755,327	706,392,752
Liabilities	1,288,675	37,308,926	387	304,033,809	83,747,232	2,629,065	429,008,095
Capital expd. (Note 7.8 & 10)	53,300	231,496	1,178,621	5,660,843	91,020	504,284	7,719,564

## 4. Other operating income and expenses

	COMPANY		GROUP	
	2010	2009	2010	2009
<b>4.1 Other operating income</b>				
Dividend income on available for sale financial assets	-	2,791,052	-	2,791,052
Interest income	3,682,499	509,632	3,682,499	509,632
Gain on sale of property, plant and equipment	586,048	570,626	586,048	570,626
	<b>4,268,547</b>	<b>3,871,310</b>	<b>4,268,547</b>	<b>3,871,310</b>

### 4.2 Other expenses

Loss on sale of property, plant and equipment	2,728,916	3,999,306	2,728,916	3,999,306
Repair and maintenance	891,423	1,851	891,423	1,851
Transportation and hire charges	2,513,620	3,020,207	2,513,620	3,020,207
Other expenses	6,133,959	7,021,364	6,133,959	7,021,364

### 4.3 Finance costs

Interest expense on bank borrowings	19,130,838	20,112,233	19,130,838	20,112,233
Net foreign exchange Loss	1,085,954	2,637,783	1,085,954	2,637,783
	<b>20,216,792</b>	<b>22,750,016</b>	<b>20,216,792</b>	<b>22,750,016</b>

### 4.4 Depreciation, amortisation, foreign exchange differences and costs of inventories included in the consolidated income statement

Depreciation (Note 7)	57,283,092	65,781,836	57,320,180	65,838,415
Amortisation (Note 10)	790,545	826,968	792,789	833,173
Impairment of fixed assets	-	431,022	-	431,022
Employee benefit expense (Note 4.5)	79,364,255	88,022,750	79,592,142	88,560,859
Materials and consumables	168,371,881	131,136,645	168,371,881	131,010,853
Director fees	550,239	769,975	692,950	831,975
Lease rent, hiring and sub contract expenses	43,491,612	94,381,394	43,573,780	94,381,394
Repairs and maintenance	18,608,288	13,243,891	18,639,260	13,244,813
Transportation, travel and inspection	2,516,676	5,233,189	2,517,412	5,513,105
Electricity, water, insurance and communication	17,660,670	18,872,070	17,682,632	19,104,692
Audit fees	458,586	554,731	482,144	574,006
Consultation, legal fees and service charges	3,599,141	3,979,893	3,627,474	3,375,861
Bank charges	3,037,868	1,206,777	3,041,466	1,227,502
Zakath	816,432	935,276	816,432	935,276
Advertising, sales promotion and marketing	10,154,730	31,600,959	10,155,270	31,600,959
Other expenses	11,100,412	10,839,887	11,129,012	11,346,969
Total	<b>417,804,427</b>	<b>467,817,264</b>	<b>418,434,823</b>	<b>468,810,875</b>

	COMPANY		GROUP	
	2010	2009	2010	2009
Classified as:				
Cost of sales	349,263,930	365,352,276	349,291,668	365,637,524
Selling and marketing costs	10,154,730	31,600,959	10,154,730	31,600,959
Administrative expenses	52,251,808	63,842,665	52,854,466	64,551,028
Other expenses	6,133,959	7,021,364	6,133,959	7,021,364
	<u>417,804,427</u>	<u>467,817,264</u>	<u>418,434,823</u>	<u>468,810,875</u>

#### 4.5 Employee benefits expense

Wages, salaries and bonus	61,840,563	68,301,705	62,021,811	68,729,750
Foreign staff expenses	865,897	1,090,256	865,897	1,090,256
Staff welfare	298,690	730,436	298,690	730,436
Staff medical expenses	45,986	38,162	45,986	38,162
Staff food allowance	5,670,857	4,933,373	5,717,496	5,043,437
Other allowance	10,642,262	12,928,818	10,642,262	12,928,818
	<u>79,364,255</u>	<u>88,022,750</u>	<u>79,592,142</u>	<u>88,560,859</u>

## 5. Taxation

There is no incidence of taxation on profits and income for companies in the Republic of Maldives. Accordingly, the company is not liable to income tax on profits earned in the Republic of Maldives. However the Government of Maldives has enacted the business profit tax act on 18 January 2011 and profits earned from 18 July 2011 onward will be subjected to the taxation.

## 6. Earnings per share

Basic-earnings per share is calculated by dividing net loss for the year attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the earnings per share computations:

Amount used as the numerator:	COMPANY		GROUP	
	2010	2009	2010	2009
Loss for the year	(5,521,626)	(12,355,339)	(15,072,214)	(14,261,118)
Number of ordinary shares used as denominator:	250,000	250,000	250,000	250,000
Earnings per share (Mrf per share)	(22.09)	(49.42)	(60.29)	(57.04)

**7. Property, plant and equipment - Company**

	Land	Buildings	Plant & machinery	Motor vehicles	Furniture & Office / Communication Equipment	Vessels	Sundry Assets	Total
<b>At 31 December 2008</b>								
Cost	7,370,831	48,993,437	349,016,718	13,225,282	28,606,939	117,268,906	21,191,250	585,673,363
Accumulated depreciation	-	(27,004,132)	(223,097,561)	(10,121,870)	(21,577,215)	(40,701,666)	(14,574,737)	(337,077,181)
<b>Net book value</b>	<b>7,370,831</b>	<b>21,989,305</b>	<b>125,919,157</b>	<b>3,103,412</b>	<b>7,029,724</b>	<b>76,567,240</b>	<b>6,616,513</b>	<b>248,596,182</b>

**Year ended 31 December 2009**

Opening net book value	7,370,831	21,989,305	125,919,157	3,103,412	7,029,724	76,567,240	6,616,513	248,596,182
Additions	-	1,980,000	27,736,427	17,000	870,689	1,943,717	425,687	32,973,520
Transferred from capital work in progress (Note 8)	-	1,610,409	-	-	656,616	4,022,900	-	6,289,925
Disposals	-	-	(492,472)	-	(107,159)	-	(21,824)	(621,455)
Transferred to assets held for sales	-	-	(101,283)	(451,517)	-	-	-	(552,800)
Impairment	-	(268,213)	-	-	-	-	(162,809)	(431,022)
Depreciation charge (Note 4.4)	-	(3,468,226)	(43,049,779)	(1,063,073)	(2,452,850)	(11,020,557)	(2,590,070)	(63,644,555)
<b>Closing net book value</b>	<b>7,370,831</b>	<b>21,843,275</b>	<b>110,012,050</b>	<b>1,605,822</b>	<b>5,997,020</b>	<b>71,513,300</b>	<b>4,267,497</b>	<b>222,609,795</b>

**At 31 December 2009**

Cost	7,370,831	52,315,633	363,613,808	12,003,910	29,860,851	123,235,524	20,292,429	608,692,986
Accumulated depreciation	-	(30,472,358)	(253,601,759)	(10,398,088)	(23,863,832)	(51,722,222)	(16,024,932)	(386,083,191)
<b>Net book value</b>	<b>7,370,831</b>	<b>21,843,275</b>	<b>110,012,049</b>	<b>1,605,822</b>	<b>5,997,019</b>	<b>71,513,302</b>	<b>4,267,497</b>	<b>222,609,795</b>

**Year ended 31 December 2010**

Opening net book value	7,370,831	21,843,275	110,012,049	1,605,822	5,997,019	71,513,302	4,267,497	222,609,795
Additions	-	-	339,393	-	865,474	2,843,382	158,184	4,206,433
Transferred from capital work in progress (Note 8)	-	7,901,740	-	-	-	-	-	7,901,740
Transferred from capital work in progress (Note 9)	-	33,273,838	-	-	-	-	-	33,273,838
Disposals	-	-	-	-	(159,051)	(15,182)	(20,340)	(194,573)
Transferred to assets held for sales	-	-	(1,810,608)	-	-	(7,012,646)	-	(8,823,254)
Depreciation charge (Note 4.4)	-	(5,600,505)	(36,375,983)	(640,398)	(2,257,630)	(10,667,593)	(1,740,982)	(57,283,092)
<b>Closing net book value</b>	<b>7,370,831</b>	<b>57,418,348</b>	<b>72,164,850</b>	<b>965,424</b>	<b>4,445,812</b>	<b>56,661,263</b>	<b>2,664,359</b>	<b>201,690,888</b>

**At 31 December 2010**

Cost	7,370,831	113,649,391	359,411,574	12,003,910	29,612,766	110,895,903	20,280,999	653,225,375
Accumulated depreciation	-	(56,231,043)	(287,246,724)	(11,038,486)	(25,166,954)	(54,234,640)	(17,616,639)	(541,534,487)
<b>Net book value</b>	<b>7,370,831</b>	<b>57,418,348</b>	<b>72,164,850</b>	<b>965,424</b>	<b>4,445,812</b>	<b>56,661,262</b>	<b>2,664,359</b>	<b>201,690,888</b>

**Property, plant and equipment - Group**

	Land	Buildings	Plant & machinery	Motor vehicles	Furniture & Office / Communication Equipment	Vessels	Sundry Assets	Total
<b>At 31 December 2008</b>								
Cost	7,370,831	48,993,437	349,016,718	13,225,282	28,858,846	117,268,906	21,191,250	585,925,270
Accumulated depreciation	-	(27,004,132)	(223,097,561)	(10,121,870)	(21,667,246)	(40,701,666)	(14,574,737)	(337,167,212)
<b>Net book value</b>	<b>7,370,831</b>	<b>21,989,305</b>	<b>125,919,157</b>	<b>3,103,412</b>	<b>7,191,600</b>	<b>76,567,240</b>	<b>6,616,513</b>	<b>248,758,058</b>

**Year ended 31 December 2009**

Opening net book value	7,370,831	21,989,305	125,919,157	3,103,412	7,191,600	76,567,240	6,616,513	248,758,058
Additions	-	1,980,000	27,736,427	17,000	925,555	1,943,717	425,687	33,028,386
Transferred from capital work in progress (Note 8)	-	1,610,409	-	-	656,616	4,022,900	-	6,289,925
Disposals	-	-	(492,473)	-	(107,159)	-	(21,824)	(621,456)
Transferred to assets held for sales	-	-	(101,283)	(451,517)	-	-	-	(552,800)
Impairment	-	(268,213)	-	-	-	-	(162,809)	(431,022)
Depreciation charge (Note 4.4)	-	(3,468,226)	(43,049,779)	(1,063,073)	(2,509,429)	(11,020,557)	(2,590,070)	(63,701,134)
<b>Closing net book value</b>	<b>7,370,831</b>	<b>21,843,275</b>	<b>110,012,049</b>	<b>1,605,822</b>	<b>6,157,183</b>	<b>71,513,300</b>	<b>4,267,497</b>	<b>222,769,957</b>

**At 31 December 2009**

Cost	7,370,831	52,315,633	363,613,808	12,003,910	30,167,625	123,235,524	20,292,429	608,999,760
Accumulated depreciation	-	(30,472,358)	(253,601,759)	(10,398,088)	(24,010,443)	(51,722,223)	(16,024,932)	(386,229,803)
<b>Net book value</b>	<b>7,370,831</b>	<b>21,843,275</b>	<b>110,012,049</b>	<b>1,605,822</b>	<b>6,157,182</b>	<b>71,513,301</b>	<b>4,267,497</b>	<b>222,769,957</b>

**Year ended 31 December 2010**

Opening net book value	7,370,831	21,843,275	110,012,049	1,605,822	6,157,182	71,513,301	4,267,497	222,769,957
Additions	-	-	339,393	-	920,340	2,843,382	158,184	4,261,299
Transferred from capital work in progress (Note 8)	-	7,901,740	-	-	-	-	-	7,901,740
Transferred from capital work in progress (Note 9)	-	33,273,838	-	-	-	-	-	33,273,838
Disposals	-	-	-	-	(159,051)	-	(20,340)	(179,391)
Transferred to assets held for sales	-	-	(1,810,609)	-	-	-	-	(1,810,609)
Depreciation charge (Note 4.4)	-	(5,600,505)	(36,375,983)	(640,398)	(2,294,718)	(10,667,593)	(1,740,982)	(57,320,180)
<b>Closing net book value</b>	<b>7,370,831</b>	<b>57,418,348</b>	<b>72,164,850</b>	<b>965,424</b>	<b>4,623,753</b>	<b>63,689,090</b>	<b>2,664,360</b>	<b>208,896,655</b>

**At 31 December 2010**

Cost	7,370,831	113,649,391	363,613,808	12,003,910	30,167,625	123,235,524	20,292,429	674,630,970
Accumulated depreciation	-	(56,231,043)	(253,601,759)	(10,398,088)	(24,010,443)	(51,722,223)	(16,024,932)	(472,879,692)
<b>Net book value</b>	<b>7,370,831</b>	<b>57,418,348</b>	<b>110,012,049</b>	<b>1,605,822</b>	<b>6,157,182</b>	<b>71,513,301</b>	<b>4,267,497</b>	<b>201,751,279</b>

## 8. Capital work in progress

	COMPANY		GROUP	
	2010	2009	2010	2009
Opening net book value	12,873,127	11,836,151	20,781,447	19,296,339
Expenditure incurred during the year	1,663,300	7,326,901	3,422,111	9,524,772
Transferred to property, plant and equipment (Note 7)	(7,901,740)	(6,289,925)	(7,901,740)	(6,289,925)
Transferred to cost of sales	(4,735,598)	-	(4,735,598)	-
Closing net book value	1,899,089	12,873,127	11,566,221	22,531,186

## 9. Investment properties

	COMPANY		GROUP	
	2010	2009	2010	2009
Opening balance at 1 January	33,273,838	35,411,119	33,273,838	35,411,119
Transferred to property, plant and equipment (Note 7)	(33,273,838)	-	(33,273,838)	-
Depreciation charge for the year	-	(2,137,281)	-	(2,137,281)
Closing balance at 31 December	-	33,273,838	-	33,273,838

Investment properties are stated at cost and depreciated over their useful lifetime.

## 10. Intangible assets

	COMPANY		GROUP	
	2010	2009	2010	2009
Opening net book value	2,245,055	3,072,023	2,261,668	3,094,841
Amortisation charge	(790,545)	(826,968)	(792,789)	(833,173)
Closing net book value	1,454,510	2,245,055	1,468,879	2,261,668
At 31st December				
Cost	4,961,170	4,961,170	4,963,533	4,990,691
Amortisation charge	(3,506,660)	(2,716,115)	(3,507,627)	(2,729,023)
Net book value	1,454,510	2,245,055	1,455,906	2,261,668



## 11. Financial Investments

	COMPANY		GROUP	
	2010	2009	2010	2009
Investment in Airports Investments Maldives Private Limited	5,000,000	5,000,000	-	-
Investment in Maldives Real Estate Investment Corporation Private Limited	7,102,500	7,102,500	-	-
Shares in Bank of Maldives Plc	31,330,728	26,291,520	31,330,728	26,291,520
Shares in Maldives Finance and Leasing Company	9,637,500	9,637,500	9,637,500	9,637,500
	<u>53,070,728</u>	<u>48,031,520</u>	<u>40,968,228</u>	<u>35,929,020</u>

	Opening	Fall in Value	Closing
	Balance		Balance
	01.01.2010	of Investment	31.12.2010
Investment in Airports Investments Maldives Private Limited	5,000,000	-	5,000,000
Investment in Maldives Real Estate Investment Corporation Private Limited	7,102,500	-	7,102,500
Shares in Bank of Maldives Plc	26,291,520	5,039,208	31,330,728
Shares in Maldives Finance and Leasing Company	9,637,500	-	9,637,500
	<u>48,031,520</u>	<u>5,039,208</u>	<u>53,070,728</u>

Financial investments, comprising principally marketable equity securities, are measured at fair value annually at the close of business on 31 December. For investments traded in active markets, fair value is determined by reference to stock exchange quoted bid prices. There were no disposal on financial investments in 2010 and 2009. Other investments (unlisted securities) are stated at cost since the fair value of those shares cannot be measured reliably.

Financial investments are classified as non-current assets, unless they are expected to be realised within twelve months of the reporting date or unless they will need to be sold to raise operating capital.

Financial investments, consist of marketable securities of Bank of Maldives Plc, having a market value of Mrf 31,330,728/- (2009: Mrf 26,291,520/-) and investment in equity shares of Maldives Finance Leasing Company Private Limited (MFLC), stated at cost of Mrf 9,637,500/- (2009: Mrf 9,637,500/-), since the fair value of these unlisted shares cannot be measured reliably.

## 12. Trade and other receivables

	COMPANY		GROUP	
	2010	2009	2010	2009
<b>Trade Receivables</b>	168,033,184	226,484,402	175,100,684	233,551,902
Less: Provision for impairment of receivables	(62,757,240)	(54,975,874)	(69,824,740)	(62,043,374)
Trade receivables (Net)	105,275,944	171,508,528	105,275,943	171,508,528
Prepayments	19,175,851	16,731,644	83,425,851	80,981,644
Receivables from related parties (Note 21)	29,160,230	6,693,212	18,402,969	2,400,751
Other receivables	5,543,847	497,858	8,835,411	3,789,421
	<u>159,155,872</u>	<u>195,431,242</u>	<u>215,940,174</u>	<u>258,680,345</u>
Less: Non-Current Portion: trade receivables	(4,408,158)	(3,271,748)	(68,658,158)	(67,521,748)
	<u>154,747,714</u>	<u>192,159,494</u>	<u>147,282,017</u>	<u>191,158,597</u>

The carrying amount of the trade and other receivables approximates its fair value.

Non-current receivables represent a part of retention money receivables from various construction projects after one year from the reporting date. Non-current receivables in the group include proportionate share of lease rent advance paid to the Government of Maldives by the joint venture company.

Other receivables of the group mainly comprised by the receivable of joint venture which has consisted of calls-in-arrears from Island Aviation Services Limited of Mrf 1,166,667/- (2009 : Mrf 1,166,667/-) advances given for development of airport island to Hansang (Tenssor) of Mrf 2,105,057/- (2009: Mrf 2,105,057/-) and advance to Resort life Maldives Private Limited of Mrf 19,841/-.

There is no concentration of credit risk with respect to trade receivables, as the company has a large number of customers.

The company has recognized a provision of Mrf. 62,757,240/- for the impairment of its trade receivables during the year ended 31 December 2010. The group has recognized a provision of Mrf. 69,824,740/- for the impairment of its trade receivables during the year ended 31 December 2010. The creation and usage of provision for impaired receivables have been included in 'selling and marketing costs' in the income statement. Maturity pattern of non-current receivable are as follows:

Group prepayments represent proportionate share of the lease rent advances paid to Government of Maldives of Mrf 115,650,000/- (proportionate share Mrf 38,550,000/-) for resorts and Mrf 77,100,000/- (proportionate share Mrf 25,700,000/-) for airport and transits hotels, which will be adjusted against future lease rents.

	GROUP	
	2010	2009
Between 1 and 2 years	4,408,158	3,271,748
Between 2 and 5 years	12,850,000	12,850,000
Over 5 years	51,400,000	51,400,000
	<u>68,658,158</u>	<u>67,521,748</u>

### 13. Inventories

	COMPANY		GROUP	
	2010	2009	2010	2009
Construction and contracting materials	18,600,278	20,046,240	18,600,278	20,046,240
Lubricants, paints, construction materials	21,031,021	23,925,734	21,031,021	23,925,734
Engines and generators	80,474,866	91,968,155	80,474,866	91,968,155
Consumables	3,207,787	1,871,116	3,207,787	1,871,116
Provision slow moving items	(9,897,215)	(7,162,523)	(9,897,215)	(7,162,523)
	<u>113,416,738</u>	<u>130,648,722</u>	<u>113,416,738</u>	<u>130,648,722</u>
Inventory - supplies	-	5,262,312	-	5,262,312
	<u>113,416,738</u>	<u>135,911,034</u>	<u>113,416,738</u>	<u>135,911,034</u>

### 14. Cash and cash equivalents

	COMPANY		GROUP	
	2010	2009	2010	2009
Cash at bank and in hand	107,434,095	7,780,920	108,583,126	9,228,878

For the purposes of the cash flow statement, the cash and cash equivalents comprise the following:

Cash and cash equivalents	107,434,095	7,780,920	108,583,126	9,228,878
Bank overdrafts (Note 16)	(53,073,079)	(113,420,045)	(53,073,079)	(113,420,045)
	<u>54,361,016</u>	<u>(105,639,125)</u>	<u>55,510,047</u>	<u>(104,191,167)</u>

- 14.1** Cash and cash equivalents includes an amount of Mrf 77,298,462/- in State Bank of India Mrf account number 12601913020201 which will be used as a letter of credit margin for the purpose of Performance Builders Development Corporation's project and will be returned to Ministry of Finance and Treasury subsequently once the project is over.

## 15. Share capital

	Number of Shares	Amount in MRF
At 1 January 2009	250,000	12,500,000
At 31 December 2009	250,000	12,500,000
At 31 December 2010	250,000	12,500,000

The total authorized number of ordinary shares is 250,000 shares with a par value of Mrf 50/- per share (2009: Mrf 50/- per share). All issued shares are fully paid.

## 16. Borrowings

	COMPANY		GROUP	
	2010	2009	2010	2009
<b>Non-current</b>				
Bank borrowings	28,773,434	45,656,637	28,773,434	45,656,637
<b>Current</b>				
Bank overdraft (Note 14)	53,073,079	113,420,045	53,073,079	113,420,045
Bank borrowings	80,314,473	55,850,901	80,314,473	55,850,901
	133,387,552	169,270,946	133,387,552	169,270,946
Total borrowings	162,160,986	214,927,583	162,160,986	214,927,583

The borrowings from Caterpillar Financial Services Asia Private Limited finance are secured against tractors, excavators and wheel loaders to the value of Mrf 55,948,445/-. The borrowing from Habeeb Bank finance is secured on 03 speed boats to the value of Mrf 8,430,000/-. Import loans from HSBC are secured over 6,086 shares of Bank of Maldives for USD 138,533/-, deposit for Mrf 2,827,000/- in the name of Maldives Transport and Contracting Company Public Limited. Term loans, bank overdraft, LC facility and bank guarantee from Bank of Maldives Plc are secured over MTCC building, MTCC Tower, Jarrafa 3 amounting to Mrf 198,511,000.

The interest rate exposure of the borrowings of the company was as follows :

### Maturity of non-current borrowings

Between 1 and 2 years	21,600,528	26,801,544	21,600,528	34,108,872
Between 2 and 5 years	7,172,905	18,855,093	7,172,905	35,276,025
	28,773,433	45,656,637	28,773,433	69,384,897

The effective interest rates at the balance sheet date were as follows:

At fixed rates	162,160,985	214,927,583	162,160,985	214,927,583
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Financial Institution	Interest	Payable within one year	Payable after one year	Total
Habib Bank Private Limited	Fixed	2,200,000	13,003	2,213,003
Bank of Maldives ( Mrf )	Fixed	6,092,497	7,191,027	13,283,523
Islamic Development Bank	Fixed	16,146,394	-	16,146,394
Hong Kong and Shanghai Banking Corporation	Fixed	-	-	-
Bank of Maldives (Usd)	Fixed	10,708,265	13,432,159	24,140,424
Islamic Trade Finance Corporation	Fixed	35,536,810	-	35,536,810
Caterpillar Financial Services Asia Private Limited	Fixed	8,303,338	8,137,244	16,440,582
Senok Trade Combine Limited	Fixed	1,327,169	-	1,327,169
		80,314,473	28,773,433	109,087,906
Overdraft	Fixed	53,073,079	-	53,073,079
<b>Total borrowings</b>		<b>133,387,552</b>	<b>28,773,433</b>	<b>162,160,985</b>

	Interest	Opening Balance	Proceeds	Repayment	End 2010
Bank of Maldives ( USD )	Fixed	-	32,125,000	7,984,579	24,140,421
Habib Bank Private Limited	Fixed	4,410,395	-	2,197,391	2,213,004
Bank of Maldives ( Mrf )	Fixed	18,694,471	-	5,410,948	13,283,523
Islamic Development Bank	Fixed	28,813,306	-	12,666,912	16,146,394
Hong Kong and Shanghai Banking Corporation	Fixed	12,132,546	14,654,780	26,787,326	-
Islamic Trade Finance Corporation	Fixed	-	35,536,810	-	35,536,810
Caterpillar Financial Services Asia Private Ltd	Fixed	30,341,012	-	13,900,428	16,440,584
Senok Trade Combine Limited	Fixed	7,115,808	-	5,788,638	1,327,170
		101,507,538	82,316,590	74,736,222	109,087,906
Overdraft	Fixed	113,420,045	-	-	53,073,079
<b>Total borrowings</b>		<b>214,927,583</b>	<b>82,316,590</b>	<b>74,736,222</b>	<b>162,160,985</b>

**Effective interest rate exposure**

At fixed rates

<b>162,160,985</b>	<b>214,927,583</b>
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Weighted average effective interest rates per annum:

	COMPANY		GROUP	
	2010	2009	2010	2009
Bank overdraft	9.25%	9.25%	9.25%	9.25%
<b>Bank borrowings</b>				
Bank of Maldives Plc	9.25%	9.25%	9.25%	9.25%
People's Bank	LIBOR + 0.5%	LIBOR + 0.5%	LIBOR + 0.5%	LIBOR + 0.5%
Caterpillar Financial Services Asia Pte Ltd - Revolving	4.95%	4.95%	4.95%	4.95%
Caterpillar Financial Services Asia Pte Ltd-Special	5.25%	5.25%	5.25%	5.25%
Senok Trade Combined Ltd	4.50%	4.50%	4.50%	4.50%
Habib Bank Limited	8.50%	8.50%	8.50%	8.50%

## 17. Trade and other payables

	COMPANY		GROUP	
	2010	2009	2010	2009
<b>NON-CURRENT LIABILITIES</b>				
Lease rent advance	-	-	76,671,667	76,671,667
Trade payables	34,119,315	4,434,479	34,119,315	4,434,479
	<b>34,119,315</b>	<b>4,434,479</b>	<b>110,790,982</b>	<b>81,106,146</b>
<b>CURRENT LIABILITIES</b>				
Trade payables	8,152,577	62,982,227	8,152,577	62,982,227
Accrued expenses	3,146,765	4,633,581	3,214,675	4,697,565
Payables to related parties (Note 21)	3,638,609	9,455,738	2,638,609	5,627,825
Other payables	138,651,085	61,222,312	138,651,085	61,373,206
	153,589,036	138,293,858	152,656,946	134,680,823
	<b>187,708,351</b>	<b>142,728,338</b>	<b>263,447,928</b>	<b>215,786,969</b>

Other payables consist of unpaid dividend amounting to Mrf 19,011,152/-(2009: Mrf 18,227,872/-).

Group Non-current liabilities represent proportionate share in lease rent advance received by the joint venture which is comprised of advance from World Travel Link, sub-lessee for Raalhe Ode Island of Mrf 23,986,667/- (2009: Mrf 23,986,667/-), Maafushi Island of Mrf 24,415,000/- (2009 Mrf 24,415,000/-), Olhugiri Island of Mrf 23,986,667/- (2009: Mrf 23,986,667/-), and R.Ufulandhoo of Mrf 4,283,333/- (2009: Mrf 4,283,333/-) respectively. The advance received will be adjusted against future lease rents.

## 18. Dividends per share

Dividends payable are not accounted for until they have been ratified at the annual general meeting. There has been no dividend declared for the year 2010. (2009 Mrf 2,500,000/-)

## 19. Contingencies

### Contingent liabilities

The company had a contingent liability in respect of letters of credit, amounting to Mrf 21,564,886/- (2009: Mrf 7,071,755/-) at the reporting date.

The company had a contingent liability in respect of guarantee, amounting to Mrf 39,343,815/- (2009: Mrf 9,339,928/-) at the reporting date.

### Contingent assets

There were no material contingent assets recognized at the reporting date.

## 20. Commitments

### Capital Commitments

There were no material capital commitments outstanding at the reporting date.

## 21. Related party transactions

The Government of Maldives along with State owned enterprise Maldives National Shipping Limited owns 55.3% equity shares of the Company, has substantial interest in the voting power of Hulhumale' Development Corporation Limited, State Trading Organization Plc, Bank of Maldives Plc, Maldives Airports Company Limited, and Maldives Real Estate Investment Corporation Pvt Ltd, The following transactions were carried out, on commercial terms and conditions, with related parties:

	COMPANY		GROUP	
	2010	2009	2010	2009
<b>(i) Sales of goods and services</b>				
Maldives Industrial Fisheries Company Limited	1,293,633	3,223,598	1,293,633	3,223,598
State Trading Organization Plc	446,043	1,534,436	446,043	1,534,436
Maldives Airport Company Limited	1,609,272	1,029,399	1,609,272	1,029,399
Hulhumale Development Corporation Limited	15,589,808	210,814	15,589,808	210,814
Maldives National Shipping Limited	124,500	59,610	124,500	59,610
Maldives Tourism Development Corp Plc	99,000	3,840	99,000	3,840
Airport Investments Maldives Private Limited	21,910,672	2,640,673	21,910,672	2,640,673
	<u>41,072,927</u>	<u>8,702,371</u>	<u>41,072,927</u>	<u>8,702,371</u>

	COMPANY		GROUP	
	2010	2009	2010	2009
<b>(ii) Purchase of goods and services</b>				
Maldives Industrial Fisheries Company Limited	-	5,906	-	5,906
State Trading Organization Plc	2,873,796	1,883,974	2,873,796	1,883,974
Maldives National Shipping Limited	61,937	431,382	61,937	431,382
Maldives Airport Company Limited	88,820	47,700	88,820	47,700
Maldives Real Estate Investment Corporation Pvt Ltd	388,078	2,559,693	-	-
	<u>3,412,631</u>	<u>4,928,655</u>	<u>3,024,553</u>	<u>2,368,962</u>

**(iii) Year end balances arising from sale / purchase of goods and services**

Receivables from related parties (Note 12) :

Maldives Industrial Fisheries Company Limited	244,301	480,169	244,301	480,169
State Trading Organization Plc	103,600	183,750	103,600	183,750
Maldives Airport Company Limited	479,805	66,950	479,805	66,950
Hulhumale Development Corporation Limited	1,211,669	1,070	1,211,669	1,070
Maldives National Shipping Limited	8,200	8,200	8,200	8,200
Maldives Tourism Development Corp Plc	99,000	-	99,000	-
Airport Investments Maldives Private Limited	24,384,590	2,490,919	16,256,393	1,660,612
Maldives Real Estate Investment Corp Private Limited	2,629,065	3,462,154	-	-
	<u>29,160,230</u>	<u>6,693,212</u>	<u>18,402,968</u>	<u>2,400,751</u>

Payables to related parties (Note 17) :

State Trading Organization Plc	564,803	188,039	564,803	188,039
Maldives National Shipping Limited	37,500	37,500	37,500	37,500
Maldives Airport Company Limited	36,000	-	36,000	-
Airport Investments Maldives Private Limited	3,000,000	8,102,970	2,000,000	5,401,980
Maldives Industrial Fisheries Company Limited	306	306	306	306
Maldives Real Estate Investment Corporation Pvt Ltd	-	1,126,923	-	-
	<u>3,638,609</u>	<u>9,455,738</u>	<u>2,638,609</u>	<u>5,627,825</u>

**(iv) Loan from a related party**

Bank of Maldives Plc	-	-	-	-
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The movement in the year can be analyzed as follows:

Beginning of the year	-	788,701	-	788,701
Loans repaid during the year	-	(788,701)	-	(788,701)
End of the year	-	-	-	-

Term loans, bank overdraft, LC facility and bank guarantee from Bank of Maldives Plc are secured over MTCC building, MTCC Tower, Jarrafa 3 amounting to Mrf 198,511,000. The loan carries an interest of 9.25% per annum.

	COMPANY		GROUP	
	2010	2009	2010	2009
Director's remuneration	480,000	480,000	480,000	480,000
Key management remuneration	4,063,040	3,936,499	4,063,040	4,130,242

## 22. Events occurring after reporting date

In accordance with chapter 3, section 13 of MMA Act 1981, on 10 April 2011, the President of the Republic of Maldives in consultation with the board of directors of MMA has announced that the exchange rate of Maldivian Rufiyaa against USD is permitted to fluctuate within  $\pm 20\%$  band of Rf 12.85 per USD, effect from 11 April 2011.

There have been no material events, other than that discussed in above, occurring after the reporting date that require adjustments to or disclosure in the financial statements.



# Directors' Shareholdings

<b>Name</b>	<b>Address</b>	<b>No. Of Shares</b>
Mr. Hussain Hilmy	Ma. Vahaari	0
Mr. Husen Amru	G.Hadhunmathee Dhekunuge	0
Mr. Mohamed Shafeeq	M.Fosythia	0
Mr. Abdulla Shaairu	M. Furahaniaage	2
Mr. Abdulla Saaid	Handhuvarudheyge, Gn.Fuah Mulah	0
Mr. Mohamed Nizam	G. Greenlin	0
Mr. Hussain Haaly	H. Iruvai	2
Mr. Mansoor Zubair	Kothanmaage, S.Hithadhoo	2
Mr. Ameen Ibrahim	H. Haali	5
Mr. Ali Shafeeu	M. Hudhukaneeruge	1

# Financial Highlights of 10 Years

	Group		Group		Group		Group							
	2010	2010	2009	2009	2008	2008	2007	2007	2006	2005	2004	2003	2002	2001
Sales	419.32	428.23	473.43	474.34	684.44	684.34	563.96	563.96	397.70	357.69	304.49	345.10	264.62	229.62
Cost of Sales	349.29	349.26	365.64	365.35	531.09	531.03	450.00	449.97	306.08	281.41	248.34	280.06	147.72	127.20
Gross Profit	70.03	78.97	107.79	108.99	153.35	153.31	113.95	113.99	91.62	76.29	58.15	65.04	116.90	102.42
Expenses and Other Income (net)	64.89	64.27	99.30	98.59	95.66	87.59	77.16	76.50	48.49	39.66	33.96	42.78	84.95	74.14
Operating Profit	5.14	14.70	8.49	10.40	57.69	65.72	36.80	37.49	43.13	36.63	22.18	22.26	31.95	28.28
Financing Cost	20.22	20.22	22.75	22.75	19.04	19.04	0.39	0.39	2.19	2.13	2.71	6.96	5.73	6.46
Net Profit	(15.07)	(5.52)	(14.26)	(12.35)	38.65	46.68	36.41	37.10	40.94	34.49	19.47	15.30	26.22	21.82
Extraordinary Items	-	-	-	-	-	-	-	-	-	-	-	-	23.77	-
Net Profit	(15.07)	(5.52)	(14.26)	(12.35)	38.65	46.68	36.41	37.10	40.94	34.49	19.47	39.07	26.22	21.82
Non- Current Assets	333.78	271.90	384.84	322.86	417.88	358.09	420.35	366.53	215.71	174.66	167.39	180.10	157.77	105.90
Total Current Assets	372.78	379.10	339.36	338.91	370.71	371.94	310.62	293.73	175.67	155.01	154.39	136.35	140.13	107.54
Total Assets	706.56	651.00	724.20	661.77	788.59	730.03	730.97	660.26	391.38	329.66	321.78	316.45	297.90	213.44
Total Current Liabilities	286.04	286.98	303.95	307.56	302.03	307.13	300.89	301.86	102.18	78.62	92.38	84.97	116.88	65.73
Working Capital	86.74	92.12	35.41	31.35	68.68	64.81	9.73	(8.13)	73.49	76.39	62.01	51.38	23.25	41.81
Net Assets	420.52	364.02	420.25	354.21	486.56	422.90	430.08	358.40	289.20	251.05	229.40	231.48	181.02	147.71
Shareholder's Equity	280.95	301.13	293.48	304.11	339.73	348.45	333.14	333.84	261.54	227.80	197.28	183.48	140.72	120.74
Capital Employed	420.52	364.02	420.25	354.21	486.56	422.90	430.08	358.40	289.20	251.05	229.40	231.48	181.02	147.71
Dividends Relating to Previous Year	12.50	12.50	12.50	12.50	11.25	11.25	8.75	8.75	7.50	6.25	6.75	6.75	6.25	6.25
Transferred to Reserves & Retained Profit	(2.57)	6.98	(1.76)	0.15	27.40	35.43	27.66	28.35	33.44	28.24	12.72	32.32	19.97	15.57
Dividend Per share	NA	NA	NA	10.00	NA	45.00	NA	45.00	35.00	30.00	25.00	27.00	25.00	25.00
Return on Equity (before extra-ordinary items)	-5.36%	-1.83%	-4.86%	-4.06%	11.38%	13.40%	10.93%	11.11%	15.65%	15.14%	9.87%	8.34%	18.63%	18.07%
Return on Net Assets	-3.58%	-1.52%	-3.39%	-3.49%	7.94%	11.04%	8.47%	10.35%	14.16%	13.74%	8.49%	6.61%	14.48%	14.77%
Share Capital	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
Net Assets Value per Share	1,123.80	1,204.52	1,173.92	1,216.44	1,358.92	1,393.80	1,332.57	1,335.35	1,046.17	911.21	789.10	733.94	562.88	482.96