Camper & Nicholsons Marina Investments Limited

Unaudited Condensed Consolidated Interim Financial Statements

for the six months ended 30 June 2011

Half Year Report 2011

Index

CHAIRMAN'S STATEMENT

The recently announced Strategic Partnership with First Eastern will give us the opportunity to put the Company on a sound basis to move forward. It will strengthen the balance sheet and, through our newly formed Hong Kong joint venture will give us access to China, the world's fastest growing marina market.

For the last three years we have been carrying the costs necessary for the successful completion of the development programme for our three marinas, which are now fully operational with improving levels of business along with the development of our portfolio of Third Party management businesses.

Looking forward, as a consequence of the strategic partnership entered into with First Eastern we will now have access to China through Camper & Nicholsons First Eastern our Hong Kong joint venture company. Along with CNMI's strengthened balance sheet we will now be able to:-

- Jointly finance with First Eastern a Hong Kong joint venture company (Camper & Nicholsons First Eastern Limited) to realise the growth opportunities in China, one of the world's fastest growing marina markets
- Having completed the development programme with our existing businesses the management has now a cost reduction programme underway along with streamlining the management structure which will make an important contribution to the results in 2012.

To report on our 3 marinas and the Third Party Business:

<u>GHM</u>

- Improved trading with revenues of €1.7 million (2010: €1.1 million) and EBITDA of €0.4 million (2010: €Nil) after costs of €0.1 million relating to the Cesme acquisition
- Completed 1 long term berth licence generating revenues of €0.4 million (2010: Nil)
- Used €4.4 million of Bond proceeds raised in 2010 to acquire 45% equity interest in IC Cesme Marina
- €3.4 million cash remains available for investment

<u>Cesme</u>

- Improved trading with revenues of €1.0 million (2010: Nil) and EBITDA loss of €0.2 million (2010: €0.5 million loss). The improving trend saw revenues of €0.7m achieved in the second quarter with a small EBITDA profit achieved in that period
- 273 of the marina's 373 berths let on annual and seasonal contracts
- Retail village units, which are 100% let, have shown continued positive performance
- Increasing awareness outside Turkey of the attractions of the Izmir/Cesme region

<u>Port Louis</u>

- Revenues from berthing, utilities and landside increased to €0.7 million (2010: €0.4 million). No revenues from long term berth licences in the period (2010: €0.4 million from 3 long term berth licences). EBITDA breakeven (2010: €0.1 million loss)
- Increasing levels of visitor and annual contract revenues as awareness of Port Louis facilities grows
- Successful hosting of Grenada Sailing Festival, Oyster Regatta and the World ARC

<u>Third Party Marina Service Agreements</u>

- External revenues of €0.3 million (2010: €0.1 million)
- Signed 10 year contract to manage and operate the Yas Marina on Yas Island, Abu Dhabi. The marina is at the heart of the Yas Marina Circuit, home to the Formula 1™ Etihad Airways Abu Dhabi Grand Prix

- Completed design work on 4 marinas in China and in ongoing negotiations to agree multi year management contracts in China and elsewhere
- Continuing support of the construction of new marina at Limassol which is to be operated under a 10 year management agreement. Opening scheduled for late 2012

Outlook

Notwithstanding the difficult economic outlook we anticipate improved performance, through continued revenue growth in the marinas in which we are invested, coupled with the addition of the new management contracts.

Our strategic joint venture partnership with First Eastern will give us high quality access to the Chinese market which we expect to make an important contribution to the Group. Your Board believes that, despite the current global economic uncertainties we will enter 2012 in a substantially strengthened position to generate shareholder value.

Sir Christopher Lewinton

Chairman

19 September 2011

BUSINESS REVIEW

By Nick Maris, Chairman and CEO of Camper & Nicholsons Marinas International Limited

Highlights

The strategic review initiated in March of this year has now been successfully concluded, with FE Marina Investments Ltd acquiring a 25% holding in your Company through the purchase of new shares. This further strengthens the Company's balance sheet. Of equal importance is the establishment of a 50:50 joint venture to develop marina-related opportunities in Asia with a particular focus on China.

We believe the strong combination of CNMI's sector expertise with First Eastern's more than 20 year regional experience will prove attractive to clients and accelerate the growth of CNMI's third party management business in Asia.

Following completion of Cesme Marina in July 2010 all three of our marinas were fully operational marinas in the period. Total revenues in the period are 60% above the same period last year which in turn were 54% ahead of the previous year. Third party marina revenues also increased rising to €0.3 million (2010: €0.1 million) primarily through consultancy fees.

The highlights are:

- Port Louis – Grenada W.I. – Berth rental revenues are over 80% ahead of H1 2010 with much improved visitor levels. Year to date revenues, excluding berth sales, of €0.7 million (2010: €0.4 million). However no berth sales were made in the period (2010: €0.4 million) the net result being that the marina operated at breakeven EBITDA (2010: €0.1 million loss).

- Cesme – Turkey – since opening in June 2010 Cesme occupancy has risen quickly with 273 annual and seasonal berthing contracts as of 8 September comprising a mix of Turkish and International Yachts. The EBITDA loss was €0.2million (2010: €0.5million loss) noting however the peak months for this marina will fall in the second half. Commercial areas remain fully let and continue to generate above budget revenues

- Grand Harbour Marina – Malta – revenues rise to €1.7m (2010: €1.1 million) through higher berth tariffs and increases in occupancy, together with the completion of one 30m berth sale. This sale generated revenues of €0.4 million. EBITDA rose to €0.4 million after allowing for €0.1 million costs related to the Cesme acquisition. €0.2 million PBT loss as a result of the Bond interest. €4.4 million of the Bond proceeds invested in acquiring 45% equity interest in IC Cesme Marina

- CNMI 10 year services agreement signed to operate Yas Marina on Yas Island in Abu Dhabi. Located at the heart of Yas Marina Circuit and home to the Formula 1™ Etihad Airways Abu Dhabi Grand Prix. Limassol Marina, the subject of a ten year services agreement, had construction progressing well with a target opening in Q4 2012. Completed consultancy work for marinas in China, Europe and the Caribbean with active negotiations for further 10 year services agreements

First Half Group Financials

	January – June		
€m	2011 H1	2010 H1	2009 H1
Berth Sales	0.4	0.4	-
Other revenues	2.8	1.6	1.3
Total revenues	3.2	2.0	1.3
Gross Profit	2.4	1.6	1.1
Strategic Review and transaction costs	(0.7)	-	-
EBITDA	(1.3)	(0.9)	(1.4)
Depreciation	(1.1)	(1.0)	(0.4)
Operating (Loss)/ Profit	(2.4)	(1.9)	(1.8)
Average Lettable Berth area (sq mtrs)	107,000	78,000	64,000
Period end Lettable Berth area (sq mtrs)	107,000	107,000	64,000
Investments made (capital expenditure)	0.3	3.8	1.9

Grand Harbour Marina, Malta – General Manager Ben Stuart

	January – June		
€m	2011 H1	2010 H1	2009 H1
Berth Sales	0.4	-	-
Marina operating revenues	1.3	1.1	0.9
Total revenues	1.7	1.1	0.9
EBITDA	0.4	-	-

CNMI continues to hold 79.2% of the shares of Grand Harbour Marina plc (“GHM”), a Maltese listed marina company, with the balance of the shares traded on the Malta Stock Exchange. As at 19 September 2011 the market capitalization of GHM was €19.7 million.

As reported in the 2010 Business Review, GHM agreed to acquire from its parent company, CNMI, its 45% equity interest in IC Cesme Marina. This transaction occurred in March 2011 with consideration paid being €4.4 million plus costs, which comprised €1.9 million for the beneficial interest in the equity and the balance through the assumption of shareholders’ subordinated loans.

During 2011 the Government is undertaking a substantial regeneration of the Vittoriosa Waterfront costing in excess of €9 million. This includes the major landscaping project at Cottonera which will create high quality recreational and leisure spaces and improved access to the marina. These projects will provide increased and improved facilities to berth holders and visitors to Grand Harbour Marina.

Consistent with its position as one of the top super-yacht marinas in the Mediterranean, GHM management has, after three years work, obtained approval for helicopter take-offs and landings in the marina area and on the boats themselves. This has been brought into operation during the period.

As shown in the table above GHM achieved further growth in operating revenues over prior periods. Berthing and utility revenues increased by 23% from the levels achieved in 2010 with the benefit of further tariff increases and a significantly increased level of super yacht visitor revenues. The sale of one 30m berth was concluded during the period generating revenues of €0.4 million. The Berth sales enquiries remain active with current prospects ranging from 30 metres to 130 metres. GHM’s planning application for an extension of the super-yacht capacity continues to be pursued but reconfiguration work will commence only when there is a buyer for one of the new berths.

GHM generated EBITDA of €0.4 million (2010: Nil) after deducting €0.1 million (2010: Nil) of costs relating to the investment in Cesme marina. After deducting depreciation and the interest costs relating to the €12 million Bond the PBT loss was €0.2 million (2010: €0.5 million loss)

CB Richard Ellis valued GHM (based on a 100% interest) at €22.2 million as at 31 December 2010, which has been increased to €22.6 million as at 30 June 2011. After adjusting for minority interests and prior period trading results that have been consolidated into CNMI's results, the cumulative NAV uplift is €2.5 million, an increase of €0.6 million in the period.

Cesme Marina, Turkey - General Manager Kemal Saatcioglu

For 100% of Marina	**January – June**		
€m	2011 H1	2010 H1	2009 H1
Marina operating revenues	1.0	-	-
EBITDA	(0.2)	(0.5)	(0.2)

Following completion in June 2010 and the successful first period of operation in the second half of last year Cesme Marina has continued to make good progress during the first half of 2011. As at 8 September annual and seasonal contracts had been agreed on 273 of the 373 berths that are available and with recently signed contracts all available 12, 13, 14 and 15 metre berths are now taken. During the last 2 months there has been also a high level of visiting boats, including larger Greek yachts which are finding Cesme an attractive alternative to being based in Greece. This has resulted in the marina being full on occasion.

The retail village continued to perform above expectations and since the reporting date the revenues in the peak months of July and August have been above the levels achieved in 2010. Seaside and landside visitors have commented favourably on the marina and surrounding retail village and the marina, which was designed in partnership with Atelier Xavier Bohl, won first prize in the multi purpose category of the Arkitera Architectural Awards in March this year.

In the first half of the year, a period which does not include any of the peak months of the Turkish season, Cesme generated revenues of €1.0 million (2010: Nil). After deducting direct cost of sales and normal operating costs but before depreciation, Cesme made an operating loss of €0.2 million (2010: €0.5 million loss). After finance charges and depreciation, Cesme made a loss of €0.9 million (2010: €0.6 million loss but in that period interest costs of €0.2 million were capitalised). With the marina fully open, operating expenses, which included €0.4 million of Government rent for the 6 month period, but excluding depreciation of €0.3 million, were €1.1 million (2010: €0.5 million).

The Group's 45% share includes revenues of €0.5 million (2010: Nil) and loss before tax of €0.4 million (2010: €0.3 million loss).

CB Richard Ellis valued the Cesme Marina BOT Contract (based on a 100% interest) at €18 million as at 31 December 2010 and they have maintained this valuation as at 30 June 2011. After adjusting for the Group's 45% shareholding, other assets and liabilities and losses there is a positive €0.9 million NAV adjustment in the period to give a cumulative positive NAV adjustment at €2.1 million.

Port Louis Marina, Grenada – General Manager Glynn Thomas

	January – June		
€m	2011 H1	2010 H1	2009 H1
Berth Sales	-	0.4	-
Marina operating revenues	0.7	0.4	0.3
Total revenues	0.7	0.8	0.3
EBITDA	-	(0.1)	(0.4)

The first half of 2011 has seen significantly improved ongoing revenues in Port Louis. Berthing revenues have increased by over 80% from 2010 whilst income from property rental has increased by 90% and income from utilities, mainly electricity, is over two and a half times the level achieved in 2010. Owners are becoming increasingly aware of the attraction of Port Louis Marina and this is being seen in the longer and repeat stays by visiting boats.

TUI Marine, whose charter operators, *The Moorings* and *Sunsail*, have based their southern Caribbean operations in Port Louis Marina have their offices, briefing rooms and support facilities at the marina and at times have had over 20 boats in the marina.

During the first half of 2011 Port Louis Marina has successfully hosted 3 major events, the Grenada Sailing Festival, the Oyster Regatta and the World ARC. All these events demonstrated the excellent facilities at the marina and helped to raise Port Louis' profile in the yachting world. We anticipate that the events will return on a regular basis.

With no berth sales in the period, the marina generated total revenues of €0.7 million (2010: €0.8 million including berth sales of €0.4 million) which, after operating and marketing costs gave a breakeven EBITDA (2010 loss of €0.1million). After a depreciation charge of €0.7 million the operating loss in the period is €0.7 million (2010: €0.8 million). An interest charge of €0.3 million (2010: €0.2 million) resulted in a pre and post tax loss of €1.0 million (2010: €1.0 million).

We are encouraged by the significant increase in berthing revenues from both the number of seasonal contracts and also the number of visiting boats during the off season. Low season tariffs were increased by 5% and occupancy remained strong. The planning application to complete the marina development by increasing the number of pontoons to 390 has now been approved but will only be implemented when demand levels require the expansion.

CB Richard Ellis valued the Port Louis Marina and reclaimed land for development at US$29 million at 31 December 2010 and this valuation has been maintained as at 30 June 2011. After adjusting for other assets and liabilities, losses and exchange impacts there is a €1.6 million positive NAV adjustment reported in the period in relation to the Port Louis Marina to give a cumulative negative NAV adjustment of €9.6 million. After review the Board continues to believe that Grenada offers multiple attractions to yacht owners wishing to rent or own berths and we would hope that any resultant sustainable improvements in trading performance would be reflected in future valuations.

Third Party Marina Service Agreements

		January – June	
€m	2011 H1	2010 H1	2009 H1
External revenues	0.3	0.1	0.1
Intra Group revenues	1.2	1.3	1.4
Total revenues	1.5	1.4	1.5

In the 2010 Business Review we reported that with our own three marinas complete we could focus on our growing third party business. Total revenues in the period reached €1.5 million (2010: €1.4 million) including the provision of operating, management, sales & marketing and technical services to the Group's owned marinas and its Parent Company, Camper & Nicholsons Marina Investments Limited. Of these total revenues €0.3 million (2010: €0.1 million) were to external third party clients. Highlights during the period:

- *Yas Marina in Abu Dhabi – Manager Cedric Le Rest* - Following completion of consultancy work in late 2010 and early 2011, Camper & Nicholsons Marinas was appointed to manage and operate Yas Marina on Yas Island in Abu Dhabi. The marina which opened in 2009 and has capacity for 143 yachts is at the heart of the Yas Marina Circuit, home to the Formula 1™ Etihad Airways Abu Dhabi Grand Prix

- *China* – The establishment of our joint venture with First Eastern, will greatly strengthen our position in closing contracts in China, which has over 100 marinas planned or under construction. We will build on our existing client base for whom we have completed designs for 4 marinas in China, in Shenzen, Sanya, Huizhou and Tianjin, once again providing our clients with improved water utilisation and berth mix. We are actively negotiating multi year contracts on several marinas in the region

- *Limassol Marina in Cyprus* – 577 berth development marina – ongoing technical, operations and sales & marketing work on the multi million Euro project where the marina is scheduled to open in late 2012

- *Brazil* – signed a Memorandum of Understanding with BR Marinas, Brazil's leading marina group to cooperate in the growth of luxury marinas in Brazil which is now being progressed with identified sites in the Rio and neighbouring Angra dos Reis areas

- *Pipeline* – in discussions with several marina owners in relation to third party marina service agreements and consultancy at marinas in the Caribbean, Turkey, Italy, Panama, Greece and the UAE

Management team, Sales & Marketing

With the significant opportunities for Third Party Marina service contracts, particularly in China I am planning to focus my time in that region to conclude contracts and execute them. In support of this James Beaver has been promoted to Chief Operating Officer and in this role will take responsibility for all of the Camper & Nicholsons businesses outside of Asia. To support James in this new role, Bill Green, Technical Director, will assume responsibility for Business Development and will be Deputy Chief Operating Officer.

Anna Tabone, who was International Sales Director, has left the Company to pursue other interests but we have strengthened our sales representation through agreements in the South of France and Monaco.

Sales & marketing activities continue to support the three owned marinas and our third party clients as they look to increase revenues. During the period Camper & Nicholsons has exhibited at three international yachting events, being the ICOMIA World Marinas Conference in Singapore and major boat shows at Dusseldorf and Istanbul. Other significant activities in the period include a sales initiative for Port Louis in Barbados, using M/Y Picnic and sponsorship of the Italian Open Sailing Championship held at Porto San Rocco.

Financial Overview

Sales of €3.2 million (2010: €2.0 million) during the period, reflected an increased level of marina operating revenues at both GHM, Port Louis and €0.5 million from Cesme (2010: €Nil); €0.4 million of super yacht berth licences at GHM and an increase in revenues from the third party marina services and consultancy business. After direct cost of sales of €0.7 million and operating expenses before one-off costs, totalling €3.1 million the Group made an EBITDA loss of €0.6 million. After deducting one-off costs of €0.7 million (€0.5 million for Strategic Review and €0.2 million for the Cesme transaction), depreciation of €1.1 million and net interest expenditure of €0.8 million, the loss before tax was €3.2 million (2010: €2.4 million) with an after tax figure of the same amount (2010: €2.4 million). The loss per share to CNMI shareholders was 5.3c (2010: loss per share of 4.2c).

The change in revenues, operating expenses and cost of sales, depreciation and loss before tax from the period January 1 to June 30 2010 to the same period in 2011, is summarised in the table below:

€m	Sales	Operating Expenses & Cost of Sales		Other	Dep'n	Loss Before Tax
		Marinas	Consultancy			
Marinas	1.9	(2.1)	-	-	(1.0)	(1.2)
Marina Consultancy	1.4	-	(1.1)	-	-	0.3
Parent Company	-	-	-	(1.0)	-	(1.0)
Interest	-	-	-	(0.5)	-	(0.5)
Group Total 2010 Interims	**3.3**	**(2.1)**	**(1.1)**	**(1.5)**	**(1.0)**	**(2.4)**
Marina changes	1.0	(0.4)	-	-	(0.1)	0.5
Marina consultancy changes	0.3	(0.1)	(0.3)	-	-	(0.1)
Reduced funding of consultancy business	(0.2)	-	-	0.2	-	-
Change in administration costs	-	-	-	0.1	-	0.1
Project costs	-	(0.1)	-	(0.6)	-	(0.7)
Exchange	-	0.1	-	(0.4)	-	(0.3)
Change in interest	-	-	-	(0.3)	-	(0.3)
2011	**4.4**	**(2.6)**	**(1.4)**	**(2.5)**	**(1.1)**	**(3.2)**
Analysed as:						
Marinas	2.9	(2.6)	-	-	(1.1)	(0.8)
Marina Consultancy	1.5	-	(1.4)	-	-	0.1
Parent Company	-	-	-	(1.7)	-	(1.7)
Interest	-	-	-	(0.8)	-	(0.8)
Total above	**4.4**	**(2.6)**	**(1.4)**	**(2.5)**	**(1.1)**	**(3.2)**
Intra Group sales	(1.2)	0.4	-	0.8	-	-
Group total 2011 Interims	**3.2**	**(2.2)**	**(1.4)**	**(1.7)**	**(1.1)**	**(3.2)**

As the Marina Consultancy business is reported as a separate business segment as required by IFRS 8 the revenues above for that business include both external and intra group revenues.

The consolidated Statement of Financial Position at 30 June 2011 comprised the assets and liabilities of the Company, Grand Harbour Marina plc, Camper & Nicholsons Caribbean Holdings Ltd and Camper & Nicholsons Marinas International Limited and, on a proportional basis the Group's interest in IC Cesme. The non current assets of €57.8 million (Dec 2010: €60.6 million) comprised the tangible fixed assets employed in the marina businesses, the goodwill arising on the acquisitions and the €2.7 million pledged cash deposit relating to Cesme. Current assets included the Company's cash deposits of €3.6 million, held mainly as fixed short term deposits, the un-invested net proceeds of the GHM bond issue of around €3.4 million and the other cash balances and trade and other debtors of the marina businesses. As at 30 June 2011, the Group had total cash balances of €8.4 million excluding the €2.7 million pledged cash deposit at Isbank.

Current liabilities were mainly trade related, together with the current portion of long-term debt at Port Louis, Cesme and for the parent company. The non current liabilities comprised of the GHM unsecured bond and the balance of the long term debt at Port Louis, Cesme and the parent company.

At 30 June 2011, the Group's net assets on an IFRS basis, amounted to €33.9 million (Dec 2010: €38.9 million). Of this amount, €0.6 million related to the minority shareholders in GHM with €33.3 million (Dec 2010: €38.2 million) attributable to the Company, which equated to 55.3c (Dec 2010: 63.4c) per share on both a basic and diluted basis. On a revaluation basis, the net assets per share were 47.1c on both a basic and diluted basis as shown in the table below.

Net Asset Value and Property Valuation

The statutory NAV of the Group on a basic and diluted basis as at 30 June 2011 was 55.3c per share (Dec 2010: 63.4c per share). As indicated previously, this figure does not reflect any revaluation of the Company's investments in subsidiaries and joint ventures, since in accordance with our statutory accounting policies, which conform to the requirements of International Financial Reporting Standards (IFRS), such investments are consolidated in the balance sheet at the book value of the group's share of net assets.

However, in accordance with the Group's stated valuation policy, which was set out in the Admission Document, CB Richard Ellis Limited has updated its valuations of Cesme Marina, Turkey, Grand Harbour Marina, Malta and Port Louis Marina, Grenada. The basis on which these valuations were completed, is explained in the Note at the end of this report. CB Richard Ellis's valuations of Cesme, Grand Harbour Marina and Port Louis Marina, completed in accordance with RICS Appraisal and Valuation Standards, are €18.0 million, €22.6 million and US$29.0 million respectively. Adjusting for debt and other liabilities, and taking into account the Company's shareholding in Grand Harbour Marina of 79.2%, this has resulted in an aggregate NAV increase in the period of €3.1 million which partially offsets the impact of the trading loss and the negative impact of exchange movements. On a cumulative basis there is an NAV decrease of €5.0 million equating to an adjusted NAV per share on both a basic and a diluted basis of 47.1c.

The Company holds certain investments, which are accounted for and valued in currencies other than Euros. In keeping with its stated policies, it is not intended to hedge the exchange rate risk but, where possible, the Company's investments and related borrowings will be in matched currencies.

Camper & Nicholsons Marina Investments Ltd

The NAV, and reconciliation to Adjusted NAV, are summarized in the table below.

	Total (€m)	Per share # (c)
NAV (IFRS)	33.3	55.3
Grand Harbour Marina – value uplift	2.5	4.1
Cesme Marina, Turkey – value uplift	2.1	3.6
Port Louis Marina	(9.6)	(15.9)
NAV (Adjusted)	28.3	47.1

Basic and diluted per share figures are the same as no options in issue at the reporting date

Note Concerning Property Valuations

CB Richard Ellis Ltd is the Company's property valuer and has prepared valuations for Grand Harbour Marina, Malta, Cesme Marina Turkey and Port Louis Marina, Grenada. Further information is set out below.

Grand Harbour Marina, Malta

The property was initially valued as at 11 June 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards Fifth Edition (Red Book) in the sum of €23.2 million. The property was valued as a fully operational business entity with reference to trading potential. The property is occupied by way of a sub-Emphyteusis agreement granted June 1999 expiring in 2098. The property was valued again in accordance with Royal Institution of Chartered Surveyors Valuation Standards, Seventh Edition at 30 June 2011 in the sum of €22.63 million. We are in receipt of a valuation report as at 30 June 2011.

Cesme Marina, Turkey

The property was initially valued as at 20 April 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards, Fifth Edition (Red Book) in the sum of €4.1 million. The property was valued as a fully operational business entity with reference to trading potential. Following the investment made to build and develop the marina and the associated retail village during 2010 and an encouraging/successful first year of operation, the property was valued again at 30 June 2011 in accordance with Royal Institution of Chartered Surveyors Valuation Standards, Seventh Edition in the sum of €18.0 million. The property is occupied by way of a Build Operate and Transfer agreement expiring after 25 years. On expiry, all interest in the Marina, its fixtures and fittings will revert to the Turkish Government, free of consideration or compensation. We are in receipt of a valuation report as at 30 June 2011.

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Port Louis Marina, Grenada

The property was initially valued as at 6 December 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards Fifth Edition (Red Book) in the sum of $27.3 million. The property and reclaimed land for development was valued in its then current state with reference to trading potential. The property is occupied by way of a 99 year lease from the Government of Grenada which expires in 2105 but is renewable at that time for a further 99 years. The property was valued again at 30 June 2011 in accordance with Royal Institution of Chartered Surveyors Valuation Standards, Seventh Edition but adjusting for the investment made since acquisition in the sum of $29.0 million. We are in receipt of a valuation report as at 30 June 2011.

General Information

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Sir Christopher Lewinton (Chairman)
Nicholas Maris
Roger Lewis
Trevor Ash
John Hignett

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Independent review report

Introduction

We have been engaged by the company to review the Unaudited Condensed set of Consolidated Financial Statements in the half-yearly financial report for the six months ended 30 June 2011 which comprises the Unaudited Condensed Consolidated Statement of Comprehensive Income, Unaudited Condensed Consolidated Statement of Changes in Equity, Unaudited Condensed Consolidated Statement of Financial Position, Unaudited Condensed Consolidated Statement of Cash Flows and the related explanatory notes. We have read the other information contained in the half-yearly report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the Unaudited Condensed set of Consolidated Financial Statements.

This report is made solely to the company in accordance with the terms of our engagement letter dated 1 August 2011. Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly report in accordance with the AIM Rules.

As disclosed in note 2, the annual consolidated financial statements of the group are prepared in accordance with IFRS. The Unaudited Condensed set of Consolidated Financial Statements included in this half-yearly report has been prepared in accordance with IAS 34 *Interim Financial Reporting.*

Our responsibility

Our responsibility is to express to the company a conclusion on the Unaudited Condensed set of Consolidated Financial Statements in the half-yearly report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Unaudited Condensed set of Consolidated Financial Statements in the half-yearly financial report for the six months ended 30 June 2011 is not prepared, in all material respects, in accordance with IAS 34 and the AIM Rules.

KPMG Channel Islands Limited
Guernsey
19 September 2011

Camper & Nicholsons Marina Investments Limited
Unaudited Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2011

		30-Jun-2011	30-Jun-2010
		€	€
Marina operating activities		2,423,562	1,425,947
Licensing of super yacht berth		436,320	435,743
Marina consultancy fees		304,023	129,505
Revenue		3,163,905	1,991,195
Cost of sales		(726,045)	(422,967)
Gross Profit		2,437,860	1,568,228
Directors' fees		150,209	147,801
Wages, salaries and consultancy fees	6	1,215,207	1,017,177
Audit fees		64,540	39,262
Administration fees		28,661	36,896
Rent and rates		509,656	299,395
Other general administration expenses	7	688,856	722,205
Strategic Review & Transaction costs	8	705,386	-
Legal & professional fees		108,924	215,541
Promotion expenses		197,733	256,172
Depreciation		1,065,095	952,778
Foreign exchange (gains)/losses	9	54,214	(251,197)
Operating expenses		4,788,481	3,436,030
Operating loss		(2,350,621)	(1,867,802)
Finance income		56,480	65,799
Finance expense		(895,607)	(568,141)
		(839,127)	(502,342)
Loss before tax		(3,189,748)	(2,370,144)
Taxation	10	(53,479)	-
Loss for the period from continuing activities		(3,243,227)	(2,370,144)
Other comprehensive income			
Foreign exchange reserve	9	(1,723,737)	3,687,194
Other comprehensive income for the period		(1,723,737)	3,687,194
Total comprehensive income for the period		(4,966,964)	1,317,050
Loss attributable to:			
Equity shareholders		(3,164,759)	(2,273,668)
Non-controlling interest		(78,468)	(96,476)
Loss for the period		(3,243,227)	(2,370,144)
Total comprehensive income attributable to:			
Equity shareholders		(4,888,496)	1,413,526
Non-controlling interest		(78,468)	(96,476)
Total comprehensive income for the period		(4,966,964)	1,317,050
Loss per share			
basic, attributable to equity shareholders		(5.26)	(4.20c)
diluted, attributable to equity shareholders		(5.26)	(4.16c)

The accompanying notes on pages 18 to 28 form an integral part of these unaudited condensed interim financial statements.

Camper & Nicholsons Marina Investments Limited
Unaudited Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 June 2011

	Issued Capital	Fair Value Share Option Reserve	Retained Earnings	Foreign Exchange Reserve	Total	Non-controlling Interest	Total Equity
	€	€	€	€	€	€	€
6 Months Ended 30 June 2010							
At 1 January 2010	48,653,795	78,957	(8,533,082)	735,321	40,934,991	1,049,086	41,984,077
Total comprehensive income for the period							
Loss for the period	-	-	(2,273,668)	-	(2,273,668)	(96,476)	(2,370,144)
Other comprehensive income							
Foreign currency translation differences	-	-	-	3,687,194	3,687,194	-	3,687,194
At 30 June 2010	48,653,795	78,957	(10,806,750)	4,422,515	42,348,517	952,610	43,301,127
6 Months Ended 30 June 2011							
At 1 January 2011	49,631,877	78,957	(14,282,145)	2,726,687	38,155,376	732,186	38,887,562
Elimination of share option reserve	78,957	(78,957)	-	-	-	-	-
Total comprehensive income for the period							
Loss for the period	-	-	(3,164,759)	-	(3,164,759)	(78,468)	(3,243,227)
Other comprehensive income							
Foreign currency translation differences	-	-	-	(1,723,737)	(1,723,737)	-	(1,723,737)
At 30 June 2011	49,710,834	-	(17,446,904)	1,002,950	33,266,880	653,718	33,920,598

The accompanying notes on pages 18 to 28 form an integral part of these unaudited condensed interim financial statements**.**

Camper & Nicholsons Marina Investments Limited
Unaudited Condensed Consolidated Statement of Financial Position
As at 30 June 2011

	Notes	30-Jun-2011	31-Dec-2010
		€	€
Non current assets			
Property, plant & equipment	11	44,112,974	47,642,873
Cash pledge	13	2,724,368	1,983,000
Goodwill		10,976,014	10,976,014
		57,813,356	60,601,887
Current assets			
Trade and other receivables		1,759,311	2,016,208
Cash and cash equivalents	14	8,429,118	10,759,421
		10,188,429	12,775,629
TOTAL ASSETS		68,001,785	73,377,516
Current Liabilities			
Trade and other payables		4,699,379	3,066,571
Loans repayable within one year	16	1,758,450	1,474,360
		6,457,829	4,540,931
TOTAL ASSETS LESS CURRENT LIABILITIES		61,543,956	68,836,585
Non current liabilities			
Loans repayable after more than one year	16	16,021,178	17,151,463
Unsecured 7% Bond	15	11,602,180	11,586,647
Other payables		-	1,210,913
		27,623,358	29,949,023
NET ASSETS		33,920,598	38,887,562
Equity attributable to equity shareholders			
Issued capital		49,710,834	49,631,877
Retained loss		(17,446,904)	(14,282,145)
Fair value share option reserve		-	78,957
Foreign exchange reserve		1,002,950	2,726,687
		33,266,880	38,155,376
Non-controlling interest		653,718	732,186
Total equity		33,920,598	38,887,562
Net Assets per share:			
basic, attributable to ordinary equity shares		55.28c	63.40c
diluted, attributable to ordinary equity shares		55.28c	63.40c

The financial statements on pages 14 to 28 were approved by the Board of Directors on 19 September 2011

Sir C Lewinton, Chairman

T C Ash, Director

The accompanying notes on pages 18 to 28 form an integral part of these unaudited condensed interim financial statements.

Camper & Nicholsons Marina Investments Limited
Unaudited Condensed Consolidated Statement of Cash Flows
For the six months ended 30 June 2011

	30-Jun-2011 €	30-Jun-2010 €
Cash flows from operating activities		
Loss before taxation	(3,189,748)	(2,370,144)
Adjusted for:		
Finance income	(56,480)	(65,799)
Finance expense	895,607	568,141
Depreciation	1,065,095	952,778
Unrealised foreign exchange loss/(gain)	21,585	(325,000)
	(1,263,941)	(1,240,024)
Decrease/(Increase)/ in receivables	182,065	(144,590)
Increase in payables	502,316	263,444
Income tax expense	(53,479)	(106,013)
Net cash flows from operating activities	(633,039)	(1,227,183)
Cash flow from investing activities		
Acquisition of property, plant & equipment	(334,601)	(3,966,019)
Disposals of property plant and equipment	162,813	144,272
Interest received	56,480	65,799
Net cash flows from investing activities	(115,308)	(3,755,948)
Cash flows from financing activities		
Proceeds of borrowings	781,611	2,371,865
Net proceeds of Bond issue	-	11,570,986
Increase in cash pledge	(741,368)	-
Repayment of borrowings	(698,103)	(4,170,157)
Interest paid	(902,511)	(568,141)
Net cash flows from financing activities	(1,560,371)	9,204,553
Net decrease in cash and cash equivalents	(2,308,718)	4,221,422
Opening cash and cash equivalents	10,759,421	10,314,872
Effect of exchange rate fluctuations on cash held	(21,585)	325,000
Closing cash and cash equivalents	8,429,118	14,861,294

The accompanying notes on pages 18 to 28 form an integral part of these unaudited condensed interim financial statements**.**

1. Corporate Information

Camper & Nicholsons Marina Investments Limited ("the Company") is a limited liability company, incorporated and domiciled in Guernsey, whose shares are publicly traded on the AIM Market.

The principal activity of the Company, and its subsidiaries (together the "Group") and jointly controlled entity is the acquisition, development, redevelopment and operation of an international portfolio of both new and existing marinas and related real estate primarily in the Mediterranean, the United States and the Caribbean. The Company continues to develop its third party marina management and consulting business.

The Unaudited Condensed Consolidated Interim Financial Statements of the Group and jointly controlled entity for the 6 months ended 30 June 2011 were authorised for issue in accordance with a resolution of the directors on 19 September 2011.

2. Basis of preparation and accounting policies

The Unaudited Condensed Consolidated Interim Financial Statements of the Group and jointly controlled entity for the 6 months ended 30 June 2011 have been prepared in accordance with IAS 34: *Interim Financial Reporting*. They do not include all of the information required for full financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2010.

The accounting policies applied by the Group and jointly controlled entity in the Unaudited Condensed Consolidated Interim Financial Statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2010.

3. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Unaudited Condensed Consolidated Interim Financial Statements, the significant judgements made by management in applying the Group and the jointly controlled entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2010.

4. Seasonality of operations

Marinas derive their income from several sources some of which will produce greater revenues during the summer months and while these seasonally-affected sources are generally relatively small in relation to the overall level of sales they can make an important contribution to profitability. The timing of long term berth sales, which are neither seasonal by nature nor capable of accurate prediction, can have a more significant impact on the level of both sales and profits.

5. Segmental reporting

Under the "management approach" to segmental reporting, the Company believes there are two separately reportable segments to its business, Marina operations and Marina consultancy. These two operating segments are managed separately as they have different resource and capital requirements. A summary of the business operations in each of these two operating segments is given below:

Marina operations: ownership and operation of high quality marina facilities providing berthing and ancillary services for yachts and super yachts.

Marina consultancy: provision, through multi year contracts, of a range of services, including consultancy, to third party marinas.

The results for these two segments for the 6 months ended 30 June 2011 are set out below:-

€	Marina Operations	Marina Consultancy	Parent Company	Totals
For the 6 months ended 30 June 2011				
Revenues from external customers	2,859,882	304,023	-	3,163,905
Intersegment revenues	-	1,204,812	-	1,204,812
Interest revenue	38,315	233	17,932	56,480
Interest expense	(847,186)	(14,902)	(33,519)	(895,607)
Depreciation & amortisation	1,021,645	43,450	-	1,065,095
Reportable segment profit/(loss)	(1,562,923)	118,412	(1,745,237)	(3,189,748)
Expenditures for reportable segment non current assets	365,298	18,826	-	384,124
For the 6 months ended 30 June 2010				
Revenues from external customers	1,861,690	129,505	-	1,991,195
Intersegment revenues	-	1,319,563	-	1,319,563
Interest revenue	59,161	720	5,918	65,799
Interest expense	(541,932)	(30,730)	4,521	(568,141)
Depreciation & amortisation	914,347	38,431	-	952,778
Reportable segment profit/(loss)	(1,703,425)	278,220	(944,939)	(2,370,144)
Expenditures for reportable segment non current assets	5,029,300	21,835	-	5,051,135

Reconciliation of reportable segment revenues and profit and loss

	30-Jun-2011	30-Jun-2010
Revenues		
Total revenues for reportable segments	4,368,717	3,310,758
Elimination of inter-segment revenues	(1,204,812)	(1,319,563)
Group revenues	3,163,905	1,991,195
Profit & loss		
Total profit and loss for reportable segments	(1,444,511)	(1,425,205)
Other profit or loss	(1,745,237)	(944,939)
Group loss	(3,189,748)	(2,370,144)

6. Wages, salaries and consultancy fees

	30-Jun-2011	30-Jun-2010
	€	€
Marina Operations	521,860	407,798
Marina Consultancy	728,532	632,333
Own work capitalised	(35,185)	(22,954)
Total	1,215,207	1,017,177

7. Other General Administration expenses

	30-Jun-2011	30-Jun-2010
	€	€
Communications including travel	124,610	140,280
Repairs & maintenance	91,429	63,632
Security	68,104	45,973
Insurance	90,781	98,694
Electricity, water & gas	99,010	67,928
Printing stationery & postage	32,033	26,733
Bank charges	29,098	23,279
Bad debt (write back) / provision	(21,120)	60,588
Other	174,911	195,098
Total	688,856	722,205

8. Strategic Review and Transaction costs

	30-Jun-2011	30-Jun-2010
	€	€
Strategic Review	475,359	-
Transaction costs	230,027	-
Total	705,386	-

On 16 March 2011, when the Company released its results for the year ended 31 December 2010, it announced also that CBRE had been appointed to carry out a Strategic Review of the business. Significant work was undertaken on this during the first half of 2011 and it was concluded in August with a significant investment in the Company by First Eastern Marina Investments Limited and the formation of a new joint venture by the two parties to access the fast growing Asian market.

During the period, the Group also completed the transaction whereby the Company’s 45% equity interest in IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi (“IC Cesme”) was sold to its’ principal subsidiary, Grand Harbour Marina plc (“GHM”). The transaction costs above include the costs of both the Company and GHM for this related party transaction.

9. Foreign Exchange

As an international operation with marinas in three different countries, the Group has exposure to three primary causes of exchange gains and losses. Where Group companies have cash or debt balances in currencies other than their functional currency, an exchange gain or loss is recognised with changes in the exchange rate between the recording date and the period end date. In addition, where a transaction is completed in a currency other than the functional currency, a realised gain or loss will occur if the exchange rate changes between the time that the invoice is recorded and when it is paid. These realised gains and losses are expensed in the Group's Unaudited Condensed Consolidated Statement of Comprehensive Income.

Unrealised exchange gains and losses arising from the impact of changing exchange rates on the consolidated value of the assets and liabilities in a Group business having a functional currency other than Euros are classified as Other Comprehensive Income in the Group's Unaudited Condensed Consolidated Statement of Comprehensive Income.

The figures reported for these elements of exchange gain and loss are shown in the tables below.

	30-Jun-2011	30-Jun-2010
	€	€
Foreign exchange (charge)/credit in operating expenses	(54,214)	251,197

In the current period the majority of the exchange loss arose in the Company due to the impact on the US$ and Sterling cash balances of the strengthening Euro. In the comparative period effectively all of the exchange gain arose in the Company due to the impact on the US$ cash balances and the Sterling loan of the weakening Euro.

	30-Jun-2011	30-Jun-2010
	€	€
Other Comprehensive Income relates to the following:-		
Camper & Nicholsons Grenada Limited	(1,703,125)	3,819,071
Other	(20,612)	(131,877)
	(1,723,737)	3,687,194
€:$ at start of period	1.3362	1.4406
€:$ at end of period	1.4452	1.2271

Other Comprehensive Income, which is equivalent to the change in value of the foreign exchange reserve in the Group's Unaudited Condensed Consolidated Statement of Financial Position, arises from the change in the value of consolidated assets and liabilities in currencies other than Euros arising from the change in exchange rate over the period. During the current and comparative period, Other Comprehensive Income relates primarily to Camper & Nicholsons Grenada Limited as a result of the US Dollar strengthening by 15% against the Euro in the first half of 2010 and weakened by 8% in the first half of 2011.

10. Taxation

The company, Camper & Nicholsons Marina Investments Ltd is a Guernsey Exempt Company and is therefore not subject to taxation on its income, other than an annual exempt fee of £600, under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989.

The taxation charge shown in these accounts is the aggregate of taxation payable by subsidiaries and the Group's share of taxation of the jointly controlled entity.

11. Property, plant and equipment

	Marina Develop. €	Deferred super yacht berth costs €	Office furniture & equipment €	Motor vehicles €	Leasehold Property €	Total €
Cost:						
Period ended 30 June 2011						
At 1 January 2011	46,983,445	527,771	4,977,868	79,448	256,871	52,825,403
Additions	329,055	-	55,069	-	-	384,124
Deferred costs	(14,409)	14,409	-	-	-	-
Expensed	(169,763)	-	-	-	-	(169,763)
Disposals	-	--	(8,090)	-	-	(8,090)
Exchange adj to closing rate	(2,626,409)	-	(316,247)	(2,731)	-	(2,945,387)
As at 30 June 2011	44,501,919	542,180	4,708,600	76,717	256,871	50,086,287
Depreciation:						
Period ended 30 June 2011						
At 1 January 2011	3,480,537	3,613	1,644,208	27,425	26,747	5,182,530
Depreciation charge	606,486	-	444,431	7,489	6,689	1,065,095
Deferred costs	(865)	865	-	-	-	-
Expensed	(10,186)	-	-	-	-	(10,186)
Disposals	-	-	(4,854)	-	-	(4,854)
Exchange adj to closing rate	(141,820)	-	(115,744)	(1,708)	-	(259,272)
As at 30 June 2011	3,934,152	4,478	1,968,041	33,206	33,436	5,973,313
Net Book Value						
As at 30 June 2011	40,567,767	537,702	2,740,559	43,511	223,435	44,112,974
As at 31 December 2010	43,502,908	524,158	3,333,660	52,023	230,124	47,642,873

It is the Directors' belief that, in the medium term, with the expected levels of cash flow and profits which the business will generate, it is not appropriate to impair the value of property, plant and equipment.

12. Jointly Controlled Entity

As reported in the 2010 Financial Statements, in March 2011 the Company agreed to sell its 45% beneficial equity investment in IC Cesme to its principal subsidiary, Grand Harbour Marina plc for consideration of €1.9 million and transfer of the beneficial ownership was completed in March 2011. Transfer of the legal ownership, which is subject to the approval of the competent authorities in Turkey and Isbank, the bank financing IC Cesme, had not been completed by 30 June 2011. The investment was sold at a price derived from an independent valuation completed by the Group's valuers, CBRE.

13. Cash pledge

As detailed in Note 16, the subordinated loan provided by Isbank to IC Cesme is secured against cash pledges made by the IC Cesme Marina shareholders. The Company's interest in IC Cesme Marina was sold to Grand Harbour Marina plc ("GHM") in March 2011. Part of the contractual terms of the sale required GHM to take over the Company's obligations to Isbank. At 30 June 2011 the Group's share of the cash pledge amounting to €2,724,368 (31 December 2010: €1,983,000) including interest added of €10,118 (31 December 2010: Nil) continued to be held in the Company's name but in line with the terms of the sale agreement, GHM has lodged an equivalent sum with the Company in anticipation of Isbank agreeing to substitute GHM for the Company in relation to the banking arrangements for IC Cesme.

14. Cash & Cash Equivalents

	30-Jun-2011	**31-Dec-2010**
	€	€
Cash & Cash Equivalents comprise the following:-		
Cash at bank and in hand	1,777,306	1,226,166
Short term deposits	6,651,812	9,533,255
	8,429,118	10,759,421

15. Unsecured Bond Issue

During the period ended 30 June 2010, Grand Harbour Marina plc ("GHM") issued €10,000,000 bonds, with an over-allotment option of €2,000,000 bearing an interest rate of 7%, redeemable on 25 February 2020 and subject to an early redemption option that may be exercised by GHM between 2017 and 2020. GHM used part of the funds to repay the loan facility of €3.8m and €4.7m to acquire the Company's 45% beneficial investment in IC Cesme and to assume responsibility for the cash pledge deposited with Isbank to support the subordinated loan advanced to IC Cesme.

As at 30 June 2011 the outstanding balance related to these bonds was €11,602,180 (31 December 2010: €11,586,647) which can be analysed as shown in the table below:

	30-Jun-2011	**31-Dec-2010**
	€	€
Proceeds from issue of unsecured bonds	12,000,000	12,000,000
Issue costs	(440,336)	(440,336)
Amortisation of transaction costs	42,516	26,983
Balance at period end	11,602,180	11,586,647

16. Interest bearing loans and borrowings

	At 30 June 2011	**At 31 Dec 2010**
	€	€
Scotia Bank Loan A	4,346,045	5,287,587
Scotia Bank Loan B	5,142,271	5,613,000
Isbank Loan	4,162,222	4,162,224
Isbank Subordinated Loan	2,700,000	1,968,761
Total Bank Loans	16,350,538	17,031,572
Bank Overdrafts	127,090	92,251
	16,477,628	17,123,823
Unsecured 7% Bond	11,602,180	11,586,647
Other Loan	1,302,000	1,502,000
	29,381,808	30,212,470
Repayable within one year	1,758,450	1,474,360
Repayable after more than one year	27,623,358	28,738,110
	29,381,808	30,212,470

	Interest Rate at 30 June 2011	**Interest Rate at 31 December 2010**	**Due Within 12 months**	**Due 1 July 2012 – 31 Dec 2013**	**Due 2014 & 2015**	**Due 2016 & 2017**	**Due 2018, 2019, 2020**
	%	%	€	€	€	€	€
Scotia Bank Loan A	3.25%	3.39%	576,700	1,747,575	2,021,770	-	-
Scotia Bank Loan B	5.70%	5.70%	-	-	5,142,271	-	-
Isbank Loan	7.26%	6.52%	244,837	734,510	979,346	979,346	1,224,183
Isbank subordinated loan	1.40%	1.40%	158,823	476,470	635,294	634,294	704,119
Bank overdraft	5.00%	5.50%	127,090	-	-	-	-
Unsecured 7% Bond	7.00%	7.00%	-	-	-	-	11,602,180
Other Loan	6.73%	6.30%	651,000	651,000	-	-	-
Total	n/a	n/a	1,758,450	3,609,555	8,778,681	1,614,640	13,620,482

Security and maturity:

The Scotia Bank loan in respect of Camper & Nicholsons Grenada Limited ("CNGL") is secured by:

- First ranking and continuing sum Demand Mortgage Debenture stamped for US$15,000,000 or equivalent charge over the fixed assets, goodwill, and uncalled capital of the borrower and a floating charge over all other assets.

The loan has been shown in two parts as Scotia Bank Loan A and Loan B to reflect the different repayment profiles. Scotia Bank Loan A, originally for US$7,500,000 is repayable in quarterly instalments that commenced at 30 June 2010 with the final payment due in June 2015. Scotia Bank Loan B for US$7,500,000, on which the interest rate has been fixed at 5.7% as shown above, is the bullet payment due in June 2015.

16. Interest bearing loans and borrowings (continued)

The Isbank loan is provided to IC Cesme in the form of a Term Facility Agreement ("Term Facility") in the amount of €9,249,386. This loan is repayable in semi annual instalments commencing in December 2011. In addition to the Term Facility, Isbank provided a loan in the form of a General Cash and Non-Cash Credit Agreement (the "Subordinated Loan") with a maximum facility of €6 million, now fully drawn down. The Subordinated Loan has been secured against cash pledges by the shareholders and is repayable commensurate with the Term Facility. The Group's unaudited condensed consolidated statement of financial position includes an appropriate percentage of the value of these loans from Isbank reflecting its shareholding % in IC Cesme. The Isbank loans are guaranteed by the shareholders as detailed in note 20.

The bank overdraft in respect of Grand Harbour Marina plc ("GHM") is secured by:

- a first general hypothec for €1,747,030 on overdraft basis over all assets, present and future given by Grand Harbour Marina plc; and
- a first special hypothec for €1,747,030 on overdraft basis over the temporary utile dominium for 99 years commencing from 2 June 1999 over the land measuring 1,410 square metres at Cottonera Waterfront Vittoriosa; and
- a pledge over cash balances held with HSBC Bank Malta plc for €100,000 in relation to GHM's bid for the Rhodes Mandraki Marina.

Details of the Grand Harbour Marina 7% unsecured bond are given in Note 15.

The Other Loan is secured by a share charge in favour of the lender over the shares that the Company or its subsidiary owns in Camper & Nicholsons Marinas International Limited.

17. Share based payments

The company granted an option to each of its placing agents, Arbuthnot Securities Limited and Cantor Fitzgerald Europe, in respect of the share issue at Listing in January 2007, to subscribe for up to 250,000 ordinary shares each at a price of €1 each at any time between the first and fourth anniversaries of the admission for listing of the company's shares on the AIM market on 29th January 2007. The options were not exercised prior to their expiry date and the value at which they were recognised in the cost of equity, €78,957, has been transferred from the Fair Value Share Option Reserve to Issued Capital during the period under review.

18. Subsidiaries and joint ventures

	Activity	Country of Incorporation	% Equity Interest
Subsidiaries			
Camper & Nicholsons Marinas (Malta) Ltd	Investment Holding	Malta	100.00
Camper & Nicholsons Caribbean Holdings Ltd	Investment Holding	Bahamas	100.00
Camper & Nicholsons Grenada Ltd	Property Holding	Grenada	100.00
Camper & Nicholsons Grenada Services Ltd	Marina Operator	Grenada	100.00
Grand Harbour Marina plc	Marina Operator	Malta	79.17
Camper & Nicholsons Marinas International Ltd	Investment Management	Malta	100.00
Camper & Nicholsons Marinas Ltd	Investment Management	UK	100.00
Jointly Controlled Entity			
IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi	Marina Operator	Turkey	45.00

19. Non-controlling Interest

The non-controlling interest is all attributable to the 20.83% non-controlling shareholding in Grand Harbour Marina plc.

20. Commitments and contingencies

Operating lease commitments – Group as lessee

The Group has entered into the equivalents of commercial leases in respect of certain of the properties it occupies.

The lease of Grand Harbour Marina in Malta is held by Grand Harbour Marina plc, a 79% subsidiary. The lease is non-cancellable and expires in 2098, except that it has a break clause exercisable by the tenant only in 2029. The rent payable is based on turnover but the lease specifies a minimum and maximum level of rent payable in any year. The minimum future rental payments under the lease amount to approximately €6 million and the maximum to approximately €14 million. Further details on the terms of, and background to, the lease of Grand Harbour Marina were included in Note 23 of the Consolidated Financial Statements for the year ended 31 December 2010.

The lease of Cesme Marina in Turkey is held by IC Cesme Marina Yatrim Turizm ve Isletmeleri Sirketi, a company in which the Group has a 45% interest. The lease is non cancellable and expires in 2033. The initial annual rent payable is approximately €1m which is index linked in future years in accordance with the Build Operate Transfer (BOT) contract.

The lease of the water area of Port Louis Marina in Grenada is held by Camper & Nicholsons Grenada Ltd, a 100% subsidiary. The lease is non-cancellable and expires in 2105 with an option to extend for a further 99 years subject to negotiation on expiry of the initial term. The rent payable is based on the total square footage brought into use. Not all the available area has yet been brought into use and may not be during 2011. The future rental payments under the terms of the lease, assuming that the whole area is brought into use are estimated at €1.6 million.

Finance lease commitments – Group as lessor

The Group has granted a number of licences ranging in duration from 25 to 30 years in respect of berths at Grand Harbour Marina and Port Louis Marina. The licence fees payable for the berth are accounted for in the year of sale and consequently there is no future licence fee income. Licensees are required to pay annual service charges to defray the costs of maintenance of the berths. Because all amounts receivable under long term licenses are collected at the outset of the contract, the Group's gross and net investment in finance leases is zero.

Finance lease and hire purchase commitments

At the reporting date the Group has no commitments as lessee under finance leases.

Trade Mark Licence

The Company has an exclusive, perpetual, global licence to use the Camper & Nicholsons brand and related trademarks in connection with marinas and marina related services and is liable to pay a royalty of, generally, 1.5% of the marina related turnover of entities licensed to use the brand and of 1.5% of fees earned from marina related consultancy services provided.

Capital commitments

At 30 June 2011, the Group had contracted capital commitments of approximately €0.1 million in respect of marina works at Port Louis Marina, Grenada and Cesme Marina, Turkey.

20. Commitments and contingencies (continued)

Contingent liabilities

Neither the Parent Company nor the Group had any contingent liabilities at 30 June 2011 except as disclosed below.

Litigation and claims

There were no changes in contingent liabilities as at 30 June 2011 when compared to those previously reported in the financial statements for the year ended 31 December 2010.

Guarantees

The Parent Company has provided an unlimited guarantee in favour of the Bank of Nova Scotia in support of a loan facility provided to Camper & Nicholsons Grenada Limited.

The Parent Company currently acts as a guarantor and sponsor of IC Cesme's repayment obligations under the Term Facility and the Subordinated Loan to the extent of 45% of any non-payment. As part of the contractual arrangements for the sale of the Company's interest in IC Cesme to GHM, GHM has agreed to become guarantor in place of the Company but the legal formalities relating to this substitution had not been completed at 30 June 2011. GHM has indemnified the Company against any loss arising. The Group's potential liability at 30 June 2011 was €6,862,222 (December 2010: €6,130,985).

Grand Harbour Marina plc, a subsidiary, has provided guarantees in respect of 1 performance bond and 1 bid bond amounting in total to €134,941 (December 2010: €134,941).

Camper & Nicholsons Grenada Services Limited, a subsidiary, has provided an unlimited guarantee in favour of The Bank of Nova Scotia in support of a loan facility provided to Camper & Nicholsons Grenada Limited.

21. Related party transactions

Loan from Maris Marine Holdings Limited

As at 30 June 2011, the Company had a loan of €1,302,000 (2010: €1,502,000) from Maris Marine Holdings Limited, a company of which Nicholas Maris is the controlling shareholder. The key terms of this loan are shown in Note 16 to these financial statements.

Accounting services provided to Maris Marine Holdings Limited

During the period, Maris Marine Holdings Limited has been charged £6,900 (2010: £6,900) for accounting services provided by employees of Camper & Nicholsons Marinas Limited. At the end of the period, £2,760 (2010: £1,351) was due to Camper & Nicholsons Marinas Limited and is included in debtors.

Marina database

During the period, Camper & Nicholsons Marinas International Limited incurred costs of €26,453 (2010: €18,510) with Maris Technologies Limited, a subsidiary of Maris Marine Holdings Limited, for the development and use of a marina database. At the end of the period €4,409 (2010: €3,085) was owed to Maris Technologies Limited and is included in creditors.

21. Related party transactions (continued)

Trade Mark licence

During the period, the company paid royalties of €69,086 (2010: €63,364) to Camper & Nicholsons (Designs) Limited under the terms of a Trade Mark licence, the terms of which remain exactly as detailed in the consolidated financial statements for the year ended 31 December 2010. Nicholas Maris is a director of Camper & Nicholsons (Designs) Limited and is a potential beneficiary of the trust which ultimately controls that company.

Legal services and expenses charged to Camper & Nicholsons & Nicholsons (Designs) Ltd

During the period, Camper & Nicholsons (Designs) Limited has been charged £4,046 (2010: £4,513) for legal services and expenses provided by employees of Camper & Nicholsons Marinas Limited. At the end of the period, £Nil (2010: £1,165) was due to Camper & Nicholsons Marinas Limited.

Administration and support services provided by CL Partners

During the period, CL Partners, of which Sir Christopher Lewinton is a partner, provided administration and support services to Camper & Nicholsons Marinas Limited for which it charged fees of £14,000 (2010: £7,000). At the end of the period £Nil (2010: £4,113) was owed to CL Partners and is included within creditors. CL Partners also provided services to Camper & Nicholsons Marina Investments Limited in relation to the Strategic Review for which it charged fees of €60,000 (2010: Nil) all of which was owed to CL Partners at the end of the period.

22. Financial Risk Management

The Group’s financial risk management objectives and policies remain unchanged from the prior period. Details of these objectives and policies were included in Note 25 of the Consolidated Financial Statements for the year ended 31 December 2010.

23. Post balance sheet events

On 12 August 2011 the Company announced the end of its strategic review period in conjunction with a significant investment in the Company by FE Marina Investments Limited, part of the First Eastern Investment Group (“First Eastern”), a pioneer of direct investments in China. First Eastern invested £4.16m to subscribe for 20,060,904 new ordinary shares in the Company at a price of 20.75 pence per new ordinary share. Proceeds from the subscription, which increased the number of ordinary shares in issue to 80,243,615, were received on 24 August 2011. In addition First Eastern committed to invest in a new joint venture with the Company to access the significant opportunities available to both companies in the fast growing Asian market.