



David Hudd - Chairman
John Foster- Managing Director

Falkland Islands Holdings Plc

Results Year Ended 31 March 2009

FIH Preliminary Results y/e 31 March 2009

Financial Highlights



- Underlying pre tax profits rose 3.1% to record levels of £2.1m (2008: £2.0 m)
- Earnings per share on underlying profits were 16.5p (2008: 17.1p)
- Operating cash flow up 40% at £4.2m (2008 £3.0m)
- Cash on hand at 31/3/09 of £3.0m (2008 £3.0m)
- Net Borrowings reduced by 31% to £4.2m (2008 £6.1m)
- Pre Tax loss reported of £0.6m
 - £2.0m non cash charge for write down of intangibles
 - £0.4m annual amortisation charge
 - £0.3m mark to market revaluation of interest rate collar
- Loss after tax of £1.15m due to impact of non cash impairment and revaluation charges (2008: PAT of 1.38m)
- Proposed dividend held at 8.0p per share



FIH Preliminary Results y/e 31 March 2009

Operational Highlights



- A satisfactory trading result in a challenging year
- All 3 operating companies traded profitably and generated cash:
 - FIC Falklands - Highly profitable but lower than exceptional levels seen in prior year
 - PHFC Ferry - Steady growth in PBIT and cash generation
 - Momart - Strong revenue growth but Commercial Gallery business affected by down-turn in H2
- Cost base lowered at Momart by 12% headcount reductions in March 09
- Upside potential from investment in FOGL unchanged at 15 m shares (now 14.6%)





FIH Group Profitability - Y/e 31 March 2009

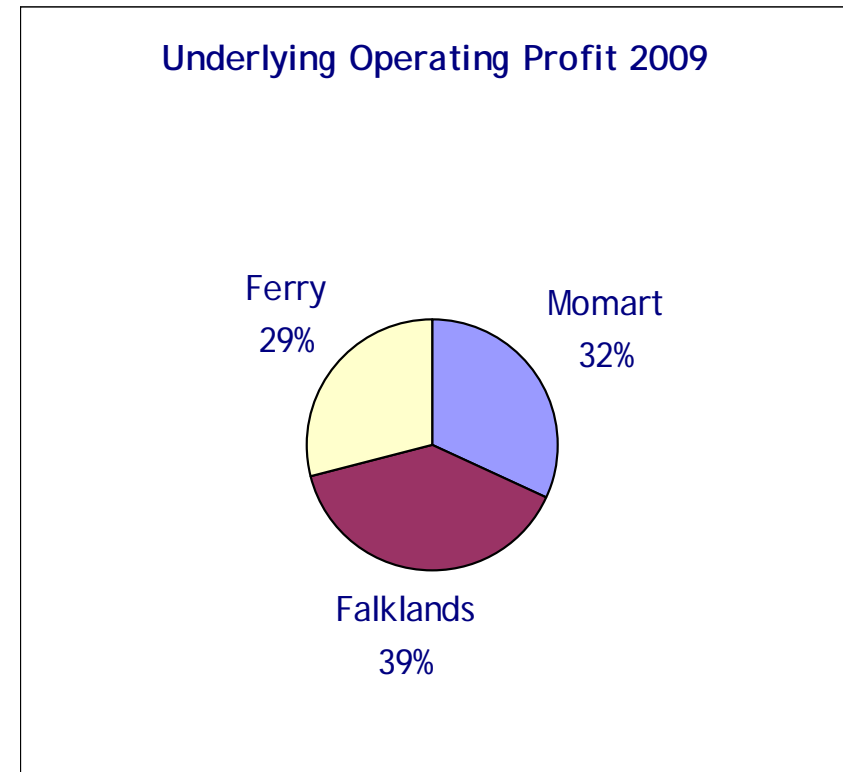
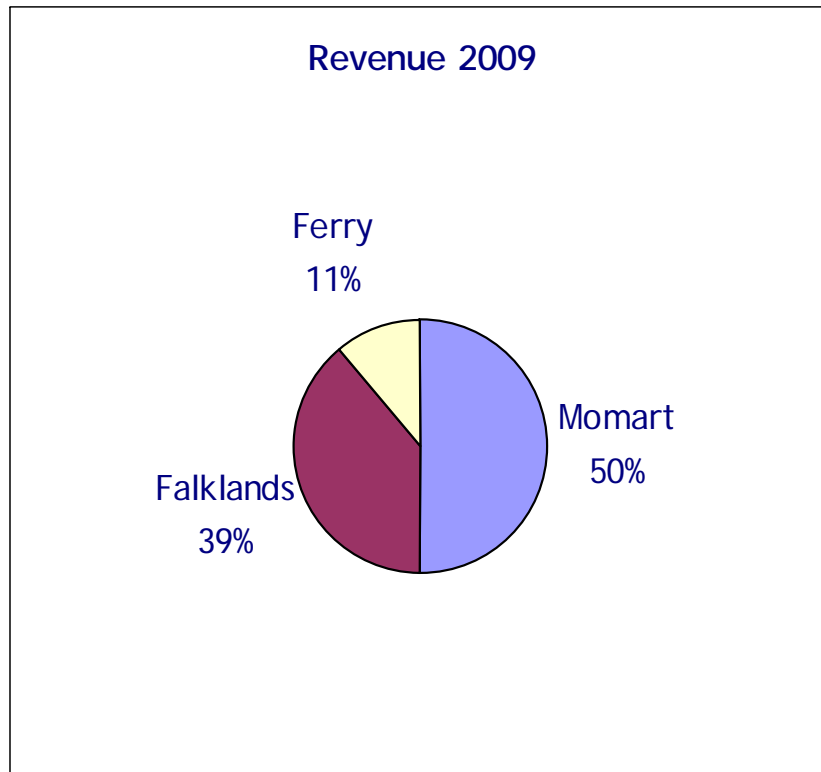
	12months to 31 Mar 2009 £000	12months to 31 Mar 2008 £000	Change +/-
Turnover -continuing operations	31,749	17,200	84.6%
Underlying Operating Profit	2,652	2,111	25.6%
Interest net incl pensions costs	(578)	(101)	
Underlying Pre Tax Profit	2,074	2,010	3.1%
Intangible amortisation /impairment	(2,381)	(28)	
Profit on sale of properties	242	-	
Decr in Marke t value of Interest Collar	(334)	(72)	
Restructuring costs	(228)		
Reported (Loss) / PBT	(627)	1,909	
EPS on Underlying PBTa	16.5p	17.1p	-3.5%

Revenue and Profits - Y/e March 2009

	31 March 2009 £000	31 March 2008 £000	Change £000
Falklands	12,489	12,603	-0.9%
PHFC	3,716	3,531	5.2%
Momart	15,544	1,066	
Turnover from Continuing Operations	31,749	17,200	84.5%
Falklands	1,014	1,209	-16.1%
PHFC	782	717	9.1%
Momart	856	112	
Operating Profit	2,652	2,038	30.1%
Net Bank & other Interest & fees	(448)	101	1
Net Pension Financing costs	(130)	(129)	(5)
Net Financing costs	(578)	(28)	(4)
Underlying Profit (PBTa)	2,074	2,010	+3.1%
EPS on Taxed PBTa	16.5p	17.1p	

Revenue and Operating Profits

Year ended 31 March 2009



Operating Profit as reported ,
after allocating central overheads

Falkland Islands Company FIC



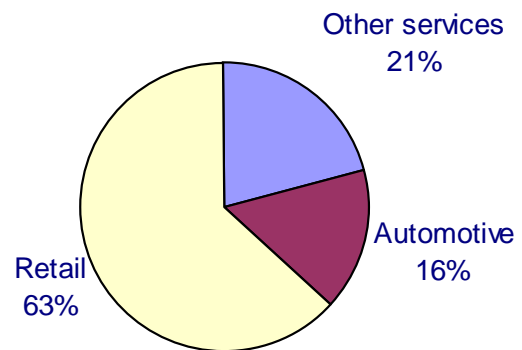
Falklands FIC - 12 months to 31 March 2009

- Profits down on exceptional prior year performance at £1.0m (2008: £1.2m)
- Overall retail sales down 0.2% at £7.95m (2008 £7.97m)
 - DIY - Sales ahead by 4.2% following successful rebranding
 - West Store - Sales down 1.0% due to increased pressure on margins
- Fishing Agency -Illex squid catch was modest in 2008 resulting in lower agency income
- Auto - solid year with but lower than 2008 record: 78 vehicles sold (2008:95)
- Insurance and Property rental activities - further steady progress
- Conversion work progressing on Upland Goose Hotel for development of 12 residential properties
- Darwin Shipping volumes 7% lower reflecting no large 3rd party contracts
- Income from cruise ship excursions buoyant, helped by strong dollar
- Management team strengthened with appointment of new Retail Director

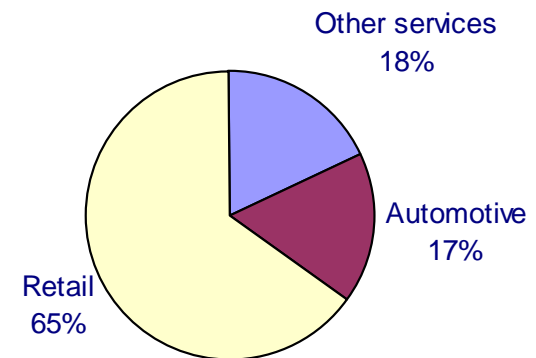


FIC Revenues - Year ended 31 March 2009

Falklands Revenues 2009



Falklands Revenues 2008



Portsmouth Harbour Ferry Company

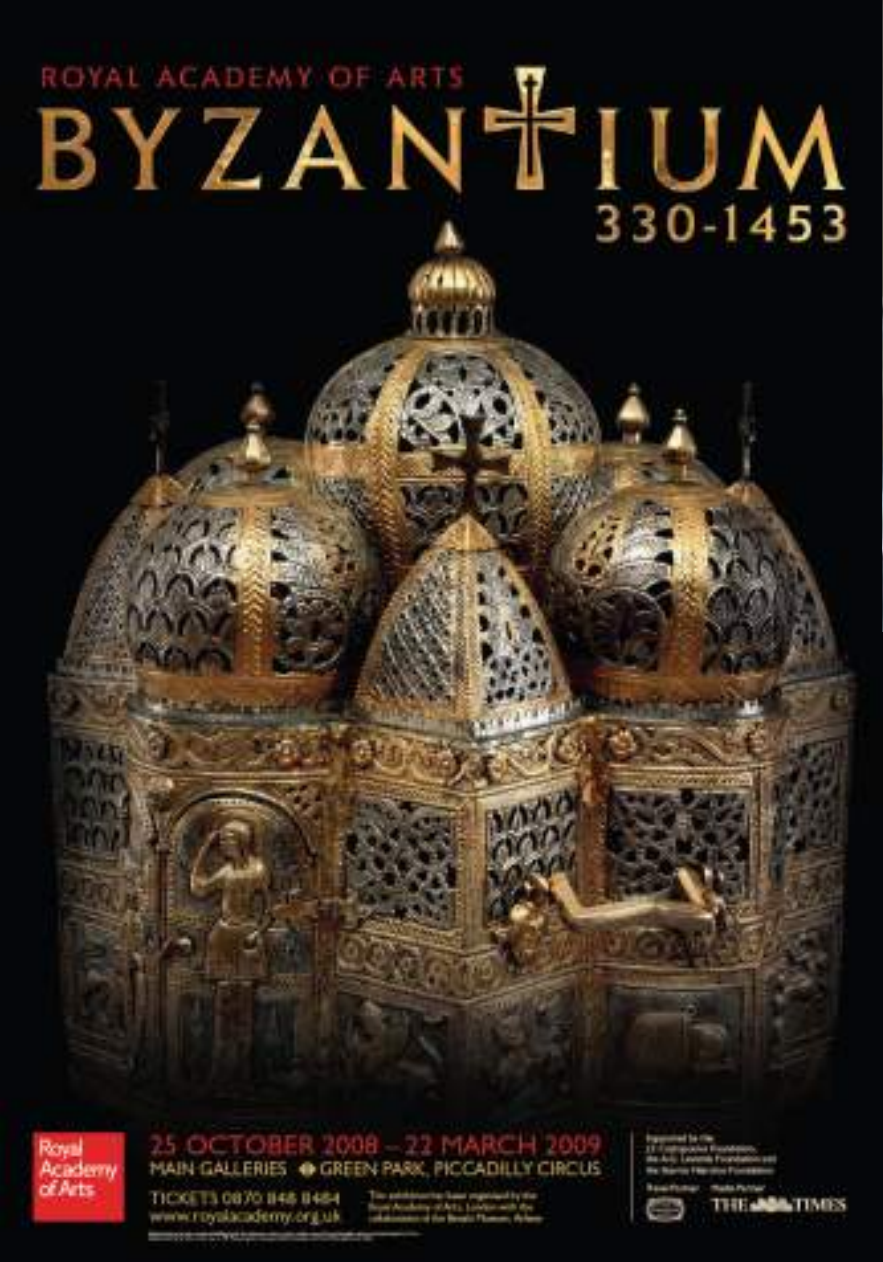


Ferry - PHFC - Year ended 31 March 2009

- Strong contribution to Group with PBIT up 9.1% to £782k (2008: £717k)
- Revenues up 5.2% to £3.7m (2008: £3.5m)
- Adult Return Fares increased 4.5% on 1 June 2008
- Passenger numbers up 0.2% to c.3.6 m (c.10,000 per day)
 - + 2.0% in first half , -2.0% in quieter H2
- Costs tightly controlled - increase in fuel costs abated at half year
- Ferry reliability at 99.8% (2008: 99.6%) - 364 days pa, 18.5 hours per day
- Leisure cruising activities produced small but increased contribution
- Discussions continuing with Gosport Council over replacement of Gosport pontoon with installation expected in Q4 2009



Momart International



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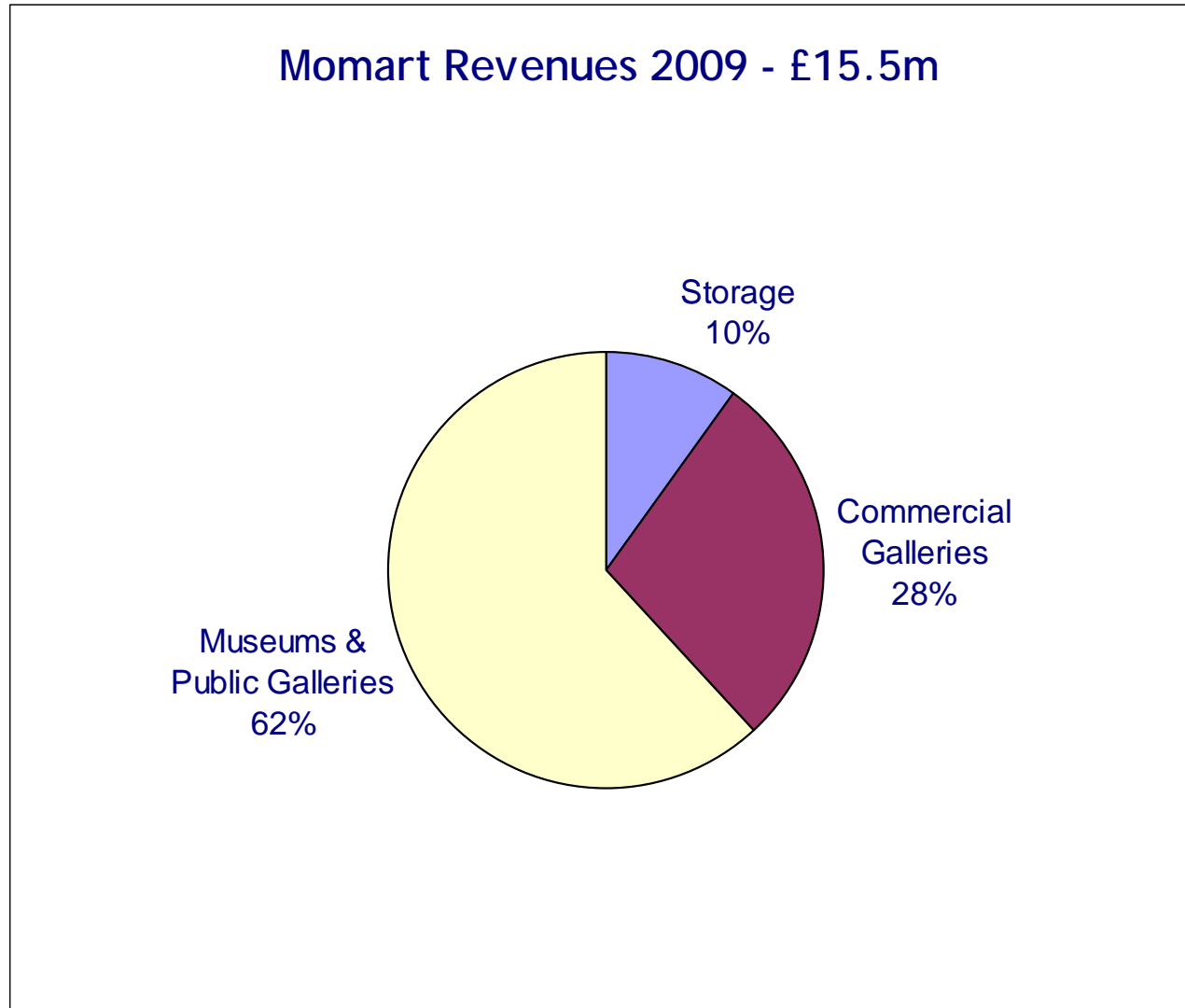
Special Partner: **THE TIMES**



Momart - Year ended 31 March 2009

- First full year from Momart: sales £15.5m, PBIT £856k .
- Sharp slowdown in H2 saw profits fall well below expectations
- Commercial Gallery business particularly affected
 - 30% fall in H2 revenues after 26% increase in H1
 - Headcount reduced by 12% at cost of £0.1m, resulting in annual savings of £0.5m pa from March 2009
- Demand in Exhibition Services remained strong throughout period
 - Revenues up 54% to over £9.6m (2008: £xm)
 - Margins lower due to increased use of overseas agents, less profitable sales mix and weakening Sterling
- Storage income up 19% - solid base of recurring revenue
- Order pipeline remains healthy but market has weakened significantly vs prior year

Momart Revenues - Year ended 31 March 2009



Momart Clients & Recent Contracts

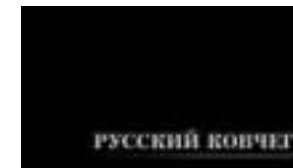
Notable 2008-9 Contracts

- Byzantium, Royal Academy
- Klimt, Tate Liverpool
- Van Dyck Tate Britain
- Babylon - British Museum
- Damien Hirst - Sotheby's auction Sept 2008

Clients



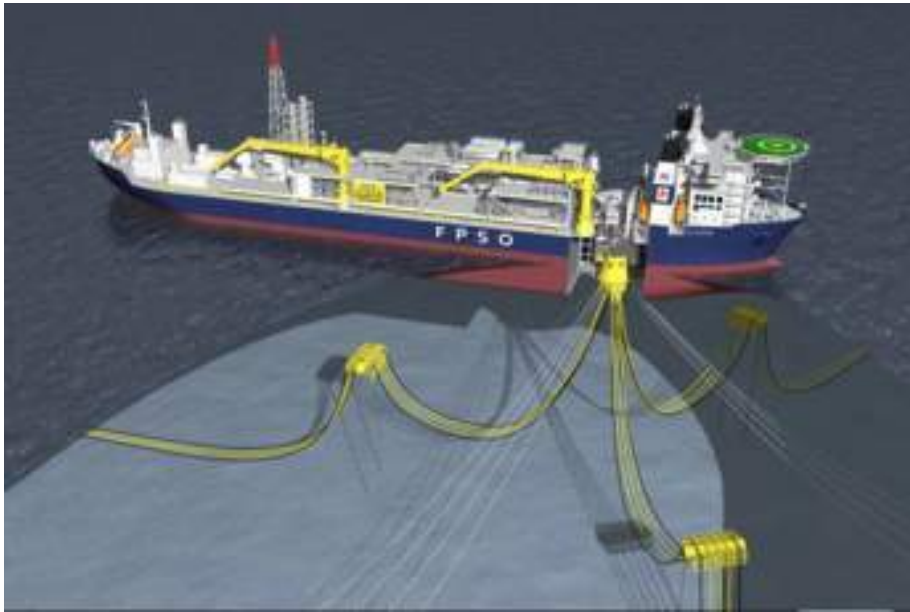
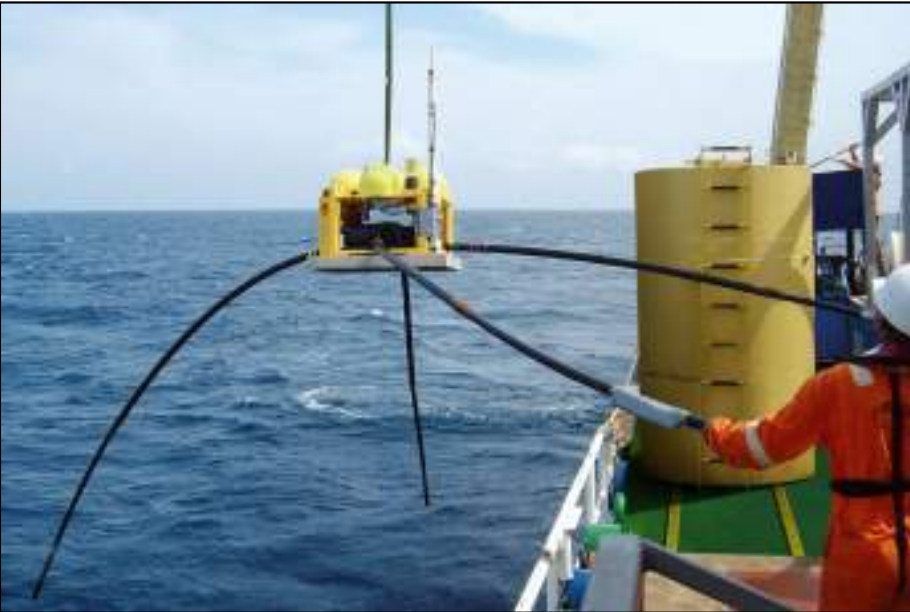
Antony Gormley



Damien Hirst



Falkland Oil & Gas FOGL



Falkland Oil and Gas (FOGL)

- FIH Shareholding unchanged at 15 m shares
- 1.66 FOGL shares for every FIH share held
- BHP Billiton progressing pre-drilling programme
 - Environmental Impact Assessments
 - Wave and current metering / Surveys of drill sites / Sea bed coring
- Pre drilling work progressing to enable drilling to start in late 2009 early 2010.
- Successful FOGL Placing May 2009 raised £7.6m gross to fund pre drilling costs
- FIH holding now 14.6 % (previously:16.3%) following Placing - potential upside for FIH remains

FIH Balance sheet

FIH Group Balance Sheet	31 March 2009 £000	31 March 2008 £000	Change £000
Property , Plant and Equipment	7,672	7,383	289
Investment properties	1,769	1,557	212
Intangibles & Goodwill	13,907	16,335	(2,428)
Deferred Tax assets & sundry other	594	747	(153)
Investment in FOGL at Mkt value	10,890	18,450	(7,560)
Total Fixed Assets and Investments	34,832	44,472	(9,640)
Working Capital - Net	(1,166)	1,167	(2,333)
Cash	3,004	2,995	9
Net Operating Assets	36,670	48,634	(11,964)
Income Tax payable	(518)	(1,356)	838
Bank Loans & Deferred Consideration	(7,195)	(9,056)	1,861
Pension Provisions & Deferred tax	(4,090)	(4,194)	104
Equity Shareholders funds	24,867	34,028	(9,161)
Net Assets per share	£2.74	£3.76	(£1.02)

FIH Group -Cash flow

FIH Group Cash Flow	31 March 2009	31 March 2008
	£000	£000
PBTae	2,074	2,010
Depreciation	880	534
Share based payments and non cash interest	431	243
Tax paid	(1,427)	(460)
Decrease in working capital	1,938	671
Other	(293)	(19)
Net Cash Flow from Operating Activities	4,189	2,979
Capital expenditure	(1,417)	(953)
Dividends paid	(722)	(591)
Net bank interest paid	(363)	6
Loan Repayments	(608)	(1,936)
New Loans drawn down	166	3,841
Cash paid for Momart incl deferred consid.	(1,697)	(5,343)
Proceeds from asset disposals	461	23
Other	-	10
Net Cash Flow	9	(1,964)

FIH Group - Net borrowings and liquidity

FIH Group Net Borrowings	31 March 2009	31 March 2008
	£000	£000
Bank Loans due within 1 year	(500)	(536)
Bank loans due after 1 year	(4,988)	(5,458)
Contingent Consideration due within 1 year *	(1,573)	(1,505)
Contingent Consideration due after 1 year	-	(1,517)
Other borrowings - Leases etc	(134)	(40)
Total Borrowings	(7,195)	(9,056)
Cash	3,004	2,995
Net (Borrowings) Cash	(4,191)	(6,061)
(Increase) / Decrease in Net Borrowings	1,870	(8,287)
Net Tangible Assets	10,960	17,693
Capital Gearing - gross	65.6%	50.4%
Capital Gearing - net	38.2%	34.3%
NOTES		
Base Rate Collar taken out on £3m (Floor 4.25% , Cap 6.25%)	*Contingent Consideration is guaranteed by HSBC	Unutilised RCF Facility £2m as at March 2009

Outlook 2009-10

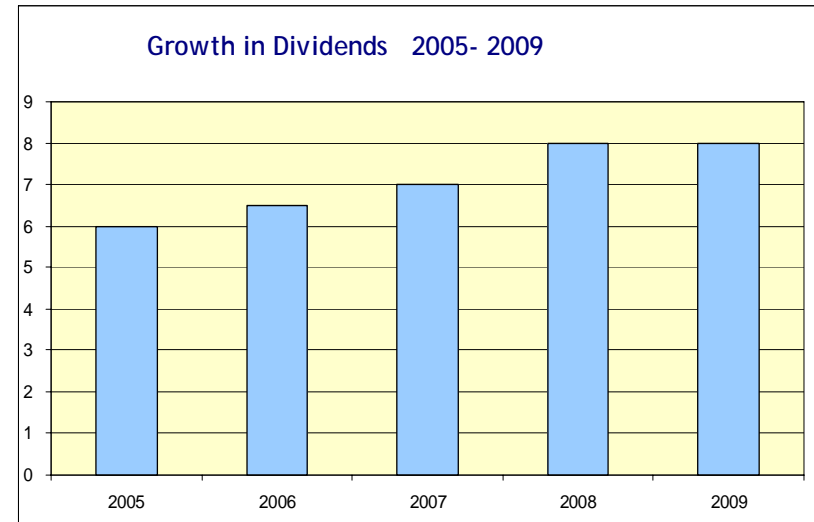
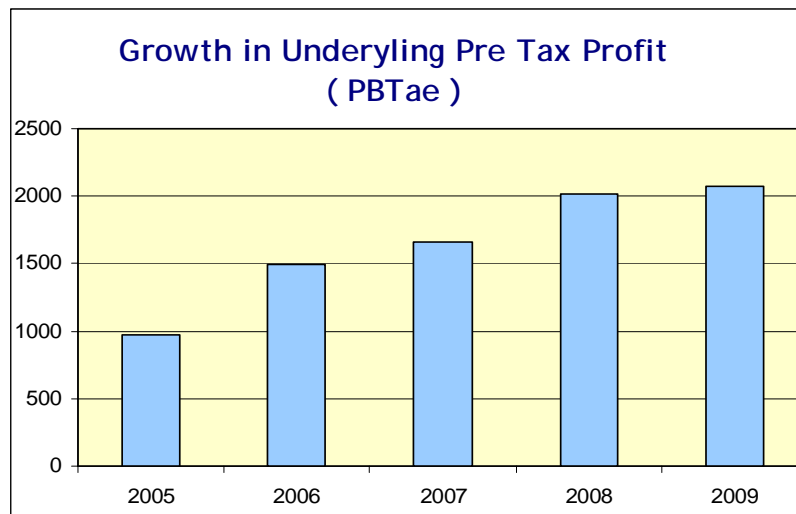
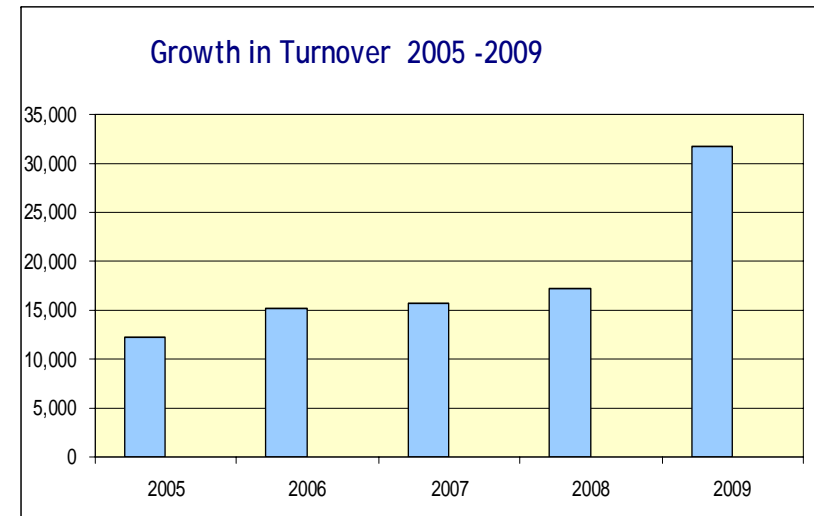
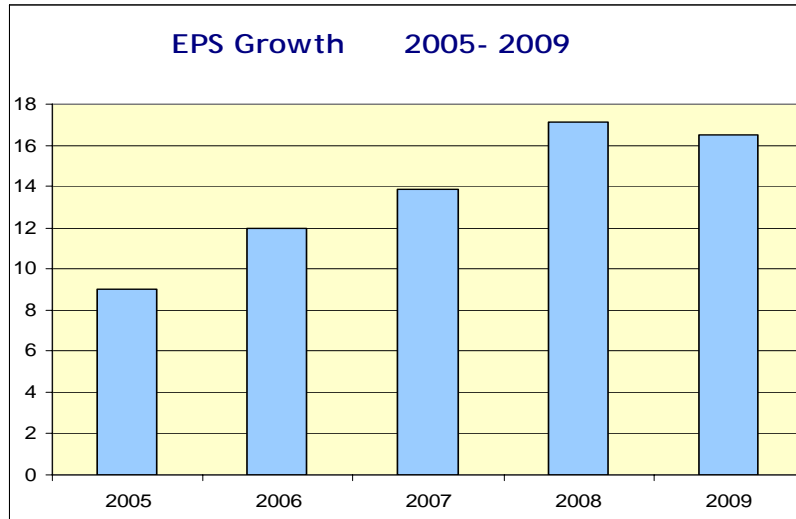
- FIC
 - Slow start to year - illex squid catch failed April/May 2009
 - New Retail Director from UK - leading team by example
 - Enlarged competitor supermarket opened April 09 but West Store expansion due by early 2010
 - Conversion of Upland Goose progressing - sales expected H2
 - Cruise ship linked revenues likely to be affected by global recession
 - Oil exploration offers potential stimulus if progress made in current year
- PHFC
 - New pontoon expected late 2009 - costs borne by ferry company - passed on in fare increases of c 20%
 - Passenger numbers expected to fall marginally as recession restricts discretionary travel
- Momart
 - Overseas expansion on hold
 - New lower cost service options being developed for price conscious clients
 - Exhibition and Gallery activity expected to hold at current levels
 - Steady increase from Storage revenues additional warehouse in place



Summary

- Anticipate limited short-term growth prospects due to continued challenging trading environment
- Group remains well placed to deliver a solid level of underlying profitability and cash flow across all its businesses
- Strong balance sheet modest net borrowings and high levels of interest cover
- Focus for 2009 is on cost control and cash generation
- Major potential upside linked to FOGIL and other Falklands oil and gas exploration

FIH - 5 Year Track Record





Falkland Islands Holdings Plc