

Business Today

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Interview:
Sonny Portelli

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Tecom irks US Government

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Inside

Strawberry prices shoot up

Church fundraiser sells four tonnes of strawberries. The morning after, prices rocket by more than 50 per cent at Pitkali.

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Benigni jokes about Berlusconi

The Italian arts accolade arrival in Malta was marked by his jokes on Italian elections, begging President Edward Fenech Adami for political asylum.

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Post election resignations

Four of nine ministries refuse to divulge details on government board resignations after March 8 elections

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Can Malta take the heat?

MTA clarifies its stance on a Deutsche Bank report that mentions Maltese tourism as the worst affected by global warming.

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60% decline in March cruise passenger traffic

In March cruise passenger traffic in Malta comprised 6,166 persons, a decrease of 60.1 per cent over the same month in 2007.

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World Business Highlights

Euro Surpasses \$1.60 for First Time as Noyer Indicates ECB Won't Cut Rates

The euro surpassed \$1.60 for the first time as European Central Bank officials said they'll increase interest rates if inflation doesn't slow.

Credit Suisse to Cut 500 Investment Bank, Support Jobs as Demand Declines

Credit Suisse Group, Switzerland's second-biggest bank, is cutting 500 jobs in investment banking and administration after earnings fell for a third straight quarter.

European Stocks Decline; Royal Bank of Scotland, Ryanair, Barclays Retreat

European stocks declined for a second day as investors speculated that the turmoil in financial markets won't end soon, while oil's surge to a record dimmed the earnings outlook for airlines.

Royal Bank of Scotland Will Sell \$24 Billion of Shares to Shore Up Capital

Royal Bank of Scotland Group Plc, the U.K. lender reeling from asset writedowns, will sell 12 billion pounds (\$24 billion) of shares to investors in Europe's largest rights offer and cut the dividend.

FTSE 100



GlobalCapital set to take over Mediterranean Bank

Charlot Zahra

In a company announcement on the Malta Stock Exchange (MSE) on 18 April 2008, GlobalCapital p.l.c. announced that on 16 April 2008 it had agreed terms for the acquisition of 85.5% of the issued share capital of Medifin Holding Limited which holds 99.9% of the issued share capital of Mediterranean Bank p.l.c.

According to company records, the other shareholder of Mediterranean Bank p.l.c. is Istvan Burgyan of Manno, Switzerland with the remaining 0.1% of issued share capital.

Medifin Holding Limited's current shareholders are Canlafin SA of Lugano, Switzerland; CapitalView Limited of New Brunswick, Canada; European Services Marketing Consulting Limited of New Brunswick, Canada; Sunnsett Services Limited of New Brunswick,

Canada; The Mercantile Shipping and Coaling Co. - Bianchi and Co (1916) Limited, of Valletta, Malta; Valmafad SA of Lugano, Switzerland; and Dominic Bunford of Montecarlo, Monaco.

"The agreed terms are subject to confirmation following due diligence and further to all necessary regulatory approvals," GlobalCapital said in its company announcement on Friday.

Mediterranean Bank is an independent credit institution licensed under the Banking Act 1994 and Investment Services Act 1994 by the Malta Financial Services Authority.

Until now, its stated mission was "to preserve and increase the private and institutional assets of an international clientele." However this might change after the proposed take-over by GlobalCapital. ▶ page 4



Global Capital CEO Nicholas Portelli

GO to convert existing fixed-line network into a completely fibre optic one

Maltese telecoms company GO has started preparations to convert its existing fixed-line network into a completely fibre-optic one which will be able to achieve Internet speeds at least ten times as much as those at present as well as supply services like IPTV alongside the fixed phone line.

Speaking during an extensive interview with Charlot Zahra, published elsewhere in this issue (see pages 10-11), GO Chairman Sonny Portelli said: "At present our people have started the preparations to take the company's fibre-optic network closer to subscribers' homes: the last kilometre.

"This will open a new world to our subscribers, because broadband and digital television will be provided in a totally different manner as we know it nowadays. This is the future, and towards this end the company is making substantial investments," he explained.

Asked about the timeframes

for this project, Portelli told BusinessToday: "Obviously one cannot wire up the whole country in five minutes. However, there are milestones and there are certain regions of Malta where we will arrive before others due to the geography and other technical reasons.

"In addition, there are also timeframes to be considered as one needs MEPA and ADT permits before commencing the works," he explained.

Portelli said that this, together with the take-over of Multiplus last year and the establishment of GO Mobile, was just one of the measures that the company took to replace the declining revenues from the fixed line telephony business.

"However, this does not mean that fixed line telephony will disappear as from tomorrow; the technology still has a future and will be around for quite a number of years yet," he told Business Today.

Something fishy about the wine

David Darmanin

After a report on Ministerial delays in sending over Maltese wine samples to Italy for attestation featured on the 9 April edition of Business Today, The Ministry for Agriculture

and Rural Affairs has denied claims made in the news feature. And yet, not only has the winery involved stuck to its guns, but the attestation body in Italy has provided a version that does not tally with the Ministry's rebuttal. ▶ page 3

Markets

Security	Closing Prices in Euro Tue22-April-08	Closing Prices in MTL Tue22-April-08	% Change from previous wk
Bank of Valletta p.l.c.	5.290	2.271	-1.121%
HSBC Bank Malta p.l.c.	4.260	1.829	-2.961%
Lombard Bank Malta p.l.c.	13.000	5.581	0.000%
Middlesea Insurance p.l.c.	3.500	1.503	0.000%
Simonds Farsons Cisk p.l.c.	2.600	1.116	1.483%
GO p.l.c.	2.999	1.287	-0.033%
International Hotel Investments p.l.c.	1.060	0.455	-3.636%
Plaza Centres p.l.c.	1.725	0.741	0.000%
Malta International Airport p.l.c.	3.378	1.450	1.441%
GlobalCapital p.l.c.	3.176	1.363	16.337%
Datatrak Holdings p.l.c.	0.305	0.131	0.000%
San Tumas Shareholdings p.l.c.	2.562	1.100	0.000%
Medserv p.l.c.	4.044	1.736	0.000%
Grand Harbour Marina p.l.c.	2.250	0.966	0.000%
Crimsonwing p.l.c.	0.565	0.243	0.893%
MaltaPost p.l.c.	0.750	0.322	-5.063%

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