

10 September 2009

Falkland Islands Holdings Plc ("FIH")

AGM Trading Update

Falkland Islands Holdings Plc the international services Group, which owns essential services businesses focused on transport and logistics and which has a major shareholding in Falkland Oil and Gas ("FOGL") holds its AGM today at 2.30pm at the offices of Financial Dynamics, 26 Southampton Buildings, London WC2A 1PB. At today's Annual General Meeting, Chairman, David Hudd, will make the following statement:

"Overall the Group is trading in line with management's expectations with weaker results in the Falklands balanced by stronger results elsewhere.

"In the Falklands the failure of the illex squid catch in April and May has adversely affected Falkland Island Company's ("FIC") profits and retailing in Stanley continues to be extremely competitive. However, FIC's results have benefitted from profits on the sale of property and the outlook for the second half looks more encouraging with completion of the West Store extension and the Upland Goose housing development set to improve performance.

"Momart, the Group's fine art logistics and storage business, has made a good start to the year with the level of business activity stabilising following the sharp falls seen in the second half of last year. The Portsmouth Harbour Ferry Company continues to trade in line with management's expectations despite slightly lower passenger numbers. Discussions are still continuing with Gosport Council on the arrangements for a new Terminal in Gosport and we should have some clarity on this later in the year.

"In line with its expectations the Board currently anticipates that underlying Pre Tax Profits for the first half will be significantly less than for the comparable period last year but material non-recurring credits should ensure a satisfactory outcome at the Pre Tax level. The group continues to be strongly cash generative.

"The Group retains its shareholding of 15 million shares in Falkland Oil and Gas which have appreciated significantly in value since the year end with the market value of the holding currently at £15.9million, equivalent to 175p per FIH share (31 March 2009 -110p).

"Assuming approval is granted by shareholders at today's Annual General Meeting, a dividend of 8p per share will be paid on 2nd November 2009."

Enquiries:

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