

**FIMBANK**

## COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by FIMBank p.l.c. ("FIMBank", "Bank" or the "Group" as the case may be) pursuant to Malta Financial Services Authority Listing Rules 5.86 *et seq.* covering the period between 1 July 2012 and the date of this Announcement:

*Quote*

### **Interim Directors' Statement**

The second half of 2012 has been characterised by encouraging opportunities that continued to present themselves in the markets and business sectors where the FIMBank Group is active. London Forfaiting Company remained a strong element in the Group's performance showing good trading results and consistent growth. On its part, FIMBank maintained its selective approach to business in markets, such as Africa, where political and economic normality, albeit at times fragile, has been gradually returning. New opportunities in commodity finance, particularly softs, metals and energy, also continued to become more evident and the Bank has been making further inroads into transactional banking business to satisfy clients' demands. Overall, the Bank's business strategy continues to focus mainly on short-term self-liquidating transactions supporting real trade-related flows.

Menafactors, the Dubai-based subsidiary covering the MENA region, maintained the positive trend of the first half as the outlook for business continued to stabilise and improve. In Egypt and Russia the performance of the associated companies, Egypt Factors and FactorRus respectively, continued to be marked by measured growth and challenging results while in India, after an impressively strong entry into the market, the performance of India Factors is now settling down to levels more consistent with the cautious economic outlook and lower growth forecasts for the sub-continent. On the other hand, the results to date of BrasilFactors continue to reflect a break-even operating performance in its start-up year of operations.

In July, the FIMBank Group Head Office was officially relocated to its new premises at Mercury Tower, The Exchange Financial & Business Centre, St. Julian's, where the new office set-up includes significantly improved and state-of the-art facilities that bring together all of the Group's operations in Malta.

### **FIMBank p.l.c.**

Mercury Tower

The Exchange Financial & Business Centre

Elia Zammit Street

St. Julian's STJ 3155

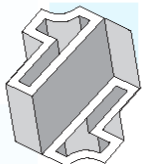
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The Directors again take the opportunity of making reference to previous announcements in relation to the proposed transfer by Massaleh Investments K.S.C.C. of its shareholding interest in FIMBank to Burgan Bank S.A.K., and the latter's intention to inject new equity which will see it increase its prospective holding to above 50% of FIMBank's issued share capital. In recent weeks discussions and negotiations have been taking place aimed at bringing the transaction to a more advanced stage and further announcements will be made as soon as there are developments to report.

The Group's performance for the period under review continues to be underpinned by strong risk and compliance practices, prudent impairments and sound provisioning policies, critical disciplines in a business model that is focused on trade and emerging markets. Revenue and profit levels have followed the trend of the first half with the balance-sheet showing good consolidation. 2013 will see the arrival of new waves of regulation, not least the first implementations under CRD IV/Basle III, with both the Group and the Bank looking to maintain healthy capital and liquidity ratios corresponding to their strategy. No material events or transactions have taken place that would have an impact on the financial position of the Group or require specific disclosure.

*Unquote*

**M Cassar**  
**Company Secretary**

12 November 2012

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Mercury Tower

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