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COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by FIMBank p.l.c. (the “Company”) pursuant to Malta Financial Services Authority Listing Rule 8.6 et seq.

Quote

FIMBank p.l.c. (“**FIMBank**”) announces that on 4 November 2009 a Shareholders’ Agreement and Share Subscription Agreement (together the “**Agreements**”) have been entered into between FIMBank, Punjab National Bank (“**PNB**”), Banca IFIS (“**IFIS**”) and Blend Financial Services Limited (“**Blend**”). These Agreements pave the way for the setting up of a joint venture to carry out the business of factoring, forfaiting and trade finance and related activities in India through a company to be incorporated under Indian law under the name ‘India Factoring and Finance Solutions Private Limited’ (“**India Factoring**” or the “**Company**”), with its registered office situated in Mumbai, India.

PNB is one of the leading public sector banks in India, engaged in the business of providing banking and other allied services. IFIS is engaged in the business of factoring since 1983 and is authorised to carry out banking activities in Italy by the Bank of Italy and specialises in domestic and international factoring activities. Blend is an integrated global financial services company offering debt syndication services, equity advisory services, insurance advisory services, cross border mergers and acquisitions and management advisory services.

Subject to the satisfaction of all the conditions laid down in the Agreements and subject to all due regulatory approvals being forthcoming and in place, in all respective jurisdictions, FIMBank will, in two closing stages, subscribe to the following equity shares in “India Factoring”:

1. *First Closing*: 24,500,000 equity shares with par value of INR 10 (ten Indian Rupees) to be subscribed to by FIMBank at a price of INR 10 (ten Indian Rupees) per equity share, such shareholding constituting 49% of the then issued equity share capital of the Company, such that at the end of the first closing the shareholding of “India Factoring” shall be:

	Name of the Shareholder	Shares	
		Number	%age
1)	FIMBank	24,500,000	49%
2)	PNB	15,000,000	30%
3)	IFIS	5,000,000	10%
4)	Blend	500,000	1%
5)	Trust (acting through its Trustee)	5,000,000	10%
	Total	50,000,000	100%

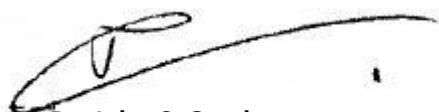
2. *Second Closing*: Subject in particular to the issuance of the regulatory approval by the Reserve Bank of India to “India Factoring” for operating as a non-banking finance company, a further 24,500,000 equity shares with par value of INR 10 (ten Indian Rupees) to be subscribed to by FIMBank at a price of INR 10 (ten Indian Rupees) per equity share, such shareholding constituting 49% of the then issued equity share capital of the Company, such that at the end of the second closing the shareholding of “India Factoring” shall be:

	Name of the	Shares	
		Number	%age
1)	FIMBank	49,000,000	49%
2)	PNB	30,000,000	30%
3)	IFIS	10,000,000	10%
4)	Blend	1,000,000	1%
5)	Trust (acting through its Trustee)	10,000,000	10%
	Total	100,000,000	100%

The Trust refers to a trust to be set up by “India Factoring” to administer an employee stock option scheme for the benefit of its selected employees.

Further announcements will be made in due course once incorporation formalities and the required authorisation procedures have been completed.

Unquote



Dr. John C. Grech
Director & Vice Chairman

4 November, 2009