



FIMBANK

FIMBANK PLC
COMPANY SECRETARIAT
7TH FLOOR, THE PLAZA COMMERCIAL CENTRE
BISAZZA STREET
SLIEMA SLM 15, MALTA
TEL: ++356 21322100 FACSIMILE:++35621322123

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by FIMBank p.l.c. (the "Company") pursuant to Malta Financial Services Authority Listing Rules 8.6.2, 8.6.17 and 8.6.19.

Quote

The Board of Directors of FIMBank p.l.c. met in Kuwait yesterday, 19th February 2006, to approve the Audited Financial Statements for the financial year ended 31st December 2005. A Preliminary Statement of Results for the financial year ended 31st December 2005 is attached to this Company Announcement pursuant to Listing Rule 9.39.

The Board of Directors resolved that the Audited Financial Statements be submitted for approval of the shareholders at the forthcoming Annual General Meeting.

The Annual General Meeting of FIMBank p.l.c. will be held in Malta on 6th April 2006. At that Meeting, the Board of Directors will be recommending the payment of a scrip dividend of US\$ 809,725 (*i.e.* US cents 1.14 per ordinary share) and a one for five bonus shares issue. The Board of Directors resolved that the attribution price for calculating the scrip dividend be established at US\$1.50. Also, changes to the Memorandum and Articles of Association of the Company will be proposed for the shareholders' approval.

Shareholders on the Register at the Central Securities Depository of the Malta Stock Exchange as at the close of trading on 28th February 2006 will be entitled to:

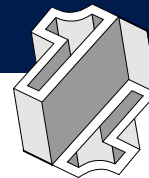
- a) receive notice of the Annual General Meeting;
- b) be allotted shares issued pursuant to the bonus shares issue;
- c) the scrip dividend, to be paid either in cash or by the issue of new shares at a date after the Annual General Meeting.

Unquote

Raffaella Bonadies
Company Secretary
20th February 2006

Preliminary Statement of Annual Results

For the Year Ended 31 December 2005



FIMBank p.l.c.

(formerly First International Merchant Bank p.l.c.)

FIMBANK

General

This Preliminary Statement of Annual Results is published in terms of Malta Financial Services Authority Listing Rule 9.39. Figures have been extracted from FIMBank p.l.c.'s Audited Financial Statements for the financial year ended 31 December 2005, as approved by the Board of Directors on 19 February 2006 and audited by KPMG. The Financial Statements refer to the consolidated accounts of the FIMBank Group (or the "Group"), comprising FIMBank p.l.c., Malta (or the "Bank"), London Forfaiting Company Limited ("LFC"), London UK together with its subsidiary companies, FIMFactors B.V., FIM Business Solutions Limited, and the associated undertaking Global Trade Finance Private Limited, of Mumbai, India.

Review of Performance

The FIMBank Group posted an after-tax profit of US\$2.70 million in 2005 (2004 - US\$1.54 million). As explained in the following additional information extracted from a review of the full Audited Financial Statements of the Group, 2005 was a year of consolidation and further strong growth for the Group, with projects aimed at further diversifying the Group's global footprint in terms of geographical presence and product offering, as well as the consolidation of the existing business areas. The Bank increased its Net Interest Income by 46%, from US\$2.86 million to US\$4.18 million. Both interest revenue and expense increased in absolute terms as the Bank's activity base grew through more availability of bank lines, customer deposits, the IFC Subordinated Convertible loan and the Bank's debut on the Euroloan market. Net fee and commission income increased by 21%, from 2004's US\$5.84 million to US\$7.04 million. Net Operating Income grew from US\$8.35 million to US\$ 11.59 million, an increase of 39%. Operating Expenses also grew by 20% to US\$ 7.92 million, in the main part reflecting the Bank's continued business growth and organisational expansion. Pre-tax profit for FIMBank p.l.c. increased from 2004's US\$1.42 million to US\$3.25 million.

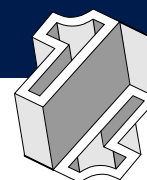
At the Group level, Net Interest Income is down from 2004's US\$ 1.80 million to US\$ 1.50 million, reflecting the extent of LFC's dependence on the Bank for funding of its forfaiting portfolio as consolidation eliminates the intra-group interest flows between parent and subsidiary. On the other hand, Group Net Trading Income is up from US\$ 3.31 million to US\$ 6.38 million in 2005, an increase of 93% in large part contributed by LFC's net trading result on forfaiting assets. Group net fees and commissions increased by 20% to US\$ 7.97 million, mainly in line with the Bank's own trend. Group Net Operating Income grew from US\$ 12.56 million to US\$ 15.63 million, a healthy increase of 25%. Group Operating Expenses increased by 13% to US\$ 12.46 million. This represents a significant improvement on the previous year and, as anticipated in 2004, reflects in good part the reorganisation of LFC's global network of operations to more efficient and economically feasible levels. During the year under review LFC recognised a deferred tax asset amounting to US\$ 0.68 million (2004 - US\$ 1.90 million). This amount went to adjust the gross carrying amount of goodwill to the amounts that would have been recorded if the deferred tax asset had been recognised as an identifiable asset at acquisition date, and such reduction in the carrying amount is recognised in the Income Statement accordingly. For the first time since its consolidation as an associated undertaking late in 2004, GTF has made a contribution to the Group result as reflected by US\$ 0.89 million in share of profits. Pre-tax profit for the Group increased to US\$ 2.94 million in 2005.

Total Equity increased to US\$ 56.1 million (Bank) and US\$ 54.8 million (Group) in 2005, in part reflecting the conversion of IFC's Subordinated Loan into equity. Total Bank assets increased by 34%, from US\$ 202.9 million to US\$ 271.7 million. Commitments outstanding at the balance sheet date, mainly under documentary credits and confirmed letters of credit, were of US\$ 150.8 million (2004 - US\$ 109.6 million). All the main earnings ratios, such as Return on Equity (ROE), Return on Assets (ROA) and Earnings per Share (EPS) show strong improvement on 2004, both for the Bank and the Group. Overall, the consistency and strength in the Group's business can be gauged from the 37% increase in Total Assets, which reached US\$ 295 million in 2005, trade related commitments of US\$ 125.6 million and Solvency Ratio which, at 27.4%, exceeds the minimum regulatory ratio of 8% prescribed by the Banking directives.

The Directors will be recommending to the Annual General Meeting of shareholders the payment of a scrip dividend amounting to US\$809,725 (2004 - NIL), representing a dividend per ordinary share of US cents 1.14 (2004 - NIL). The Board of Directors resolved that the attribution price for calculating the scrip dividend be established at US\$ 1.50. Additionally, the Directors will be recommending to the Annual General Meeting a bonus issue of 1 for 5 by the capitalisation of the Share Premium Reserve. All shareholders on the register as at close of trading on 28 February 2006 shall be entitled to receive the dividend and to be allotted bonus shares.

Preliminary Statement of Annual Results

For the Year Ended 31 December 2005



FIMBank p.l.c.

(formerly First International Merchant Bank p.l.c.)

FIMBANK

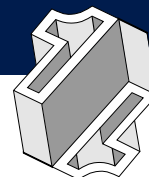
Income Statement

For the Year Ended 31 December 2005

	GROUP		BANK	
	2005 USD	2004 USD	2005 USD	2004 USD
Interest income	5,828,556	3,214,345	8,511,348	4,273,583
Interest expense	(4,328,442)	(1,411,020)	(4,328,442)	(1,416,423)
Net interest income	1,500,114	1,803,325	4,182,906	2,857,160
Fee and commission income	8,673,371	6,989,311	7,682,567	6,147,131
Fee and commission expense	(697,407)	(342,250)	(644,204)	(307,177)
Net fee and commission income	7,975,964	6,647,061	7,038,363	5,839,954
Net trading income	6,381,460	4,433,805	360,885	409,450
Dividend income	76,426	-	327,476	-
Other operating income	60,798	486,258	50,000	51,321
Net operating income before net impairment losses	15,994,762	13,370,449	11,959,630	9,157,885
Net impairment losses	(365,677)	(810,834)	(365,677)	(810,834)
Net operating income	15,629,085	12,559,615	11,593,953	8,347,051
Administrative expenses	(12,464,122)	(10,998,357)	(7,919,185)	(6,512,918)
Depreciation on property, plant and equipment	(563,835)	(481,705)	(421,395)	(409,496)
Impairment loss on property, plant and equipment	(165,858)	-	-	-
Net reversal of provisions	297,089	496,778	-	-
Adjustment to goodwill	(682,372)	(1,902,900)	-	-
Total operating expenses	(13,579,098)	(12,886,184)	(8,340,580)	(6,922,414)
Operating profit / (loss)	2,049,987	(326,569)	3,253,373	1,424,637
Share of profit of associate	892,616	-	-	-
Profit / (loss) before taxation	2,942,603	(326,569)	3,253,373	1,424,637
Taxation	(243,520)	1,868,639	(243,520)	(34,261)
Profit for the year attributable to equity holders of the company	2,699,083	1,542,070	3,009,853	1,390,376
Basic earnings per share	4.06c	2.34c	4.53c	2.11c
Diluted earnings per share	3.81c	2.34c	4.23c	2.11c

Preliminary Statement of Annual Results

For the Year Ended 31 December 2005



FIMBank p.l.c.

(formerly First International Merchant Bank p.l.c.)

FIMBANK

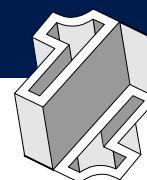
Balance Sheet

As at 31 December 2005

	GROUP		BANK	
	2005 USD	2004 USD	2005 USD	2004 USD
ASSETS				
Balances with the Central Bank of Malta and cash	358,219	139,563	215,071	59,834
Loans and advances to banks	113,761,635	107,948,101	111,528,162	106,813,271
Financial assets at fair value through profit or loss	119,650,397	63,281,081	10,130,000	-
Loans and advances to customers	41,564,011	26,190,662	101,622,616	85,939,813
Investments available-for-sale	133,600	133,600	133,600	133,600
Investments in subsidiaries	-	-	37,392,666	2
Investments in associate	6,762,457	4,703,330	6,259,188	4,703,330
Intangible assets	5,183,515	5,235,887	-	-
Property, plant and equipment	2,850,537	2,972,697	1,351,629	1,527,189
Deferred tax asset	2,522,740	2,645,188	619,840	742,288
Current tax recoverable	366,637	521,791	366,637	521,791
Other assets	1,156,558	1,041,827	694,116	532,667
Prepayments and accrued income	904,957	1,161,292	1,406,345	1,886,267
Total assets	295,215,263	215,975,019	271,719,870	202,860,052
LIABILITIES AND EQUITY				
Liabilities				
Amounts owed to banks	116,336,809	65,697,692	116,336,809	65,697,692
Financial liabilities at fair value through profit or loss	202,727	-	202,727	-
Amounts owed to customers	111,868,342	97,204,814	89,893,658	86,619,942
Debt securities in issue	944,102	-	944,102	-
Subordinated convertible loan	6,000,000	-	6,000,000	-
Other liabilities	386,003	1,286,096	7,293	58,101
Accruals and deferred income	3,961,607	1,604,504	2,232,008	1,341,512
Provisions	729,637	1,868,801	-	-
Total liabilities	240,429,227	167,661,907	215,616,597	153,717,247
Equity				
Called up issued share capital	35,586,870	33,005,316	35,586,870	33,005,316
Share premium	10,231,432	8,862,371	10,231,432	8,862,371
Currency translation reserve	(176,774)	-	-	-
Other reserve	2,681,041	2,681,041	2,681,041	2,681,041
Retained earnings	6,463,467	3,764,384	7,603,930	4,594,077
Total equity	54,786,036	48,313,112	56,103,273	49,142,805
Total liabilities and equity	295,215,263	215,975,019	271,719,870	202,860,052
MEMORANDUM ITEMS				
Contingent liabilities	1,720,516	4,563,943	1,720,516	4,221,546
Commitments	125,609,890	129,261,867	150,826,326	109,628,881

Preliminary Statement of Annual Results

For the Year Ended 31 December 2005



FIMBank p.l.c.

(formerly First International Merchant Bank p.l.c.)

Statement of Changes in Equity

For the Year Ended 31 December 2005

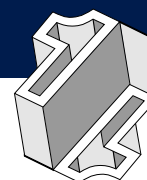
FIMBANK

Group	Called up Issued Share Capital USD	Share Premium USD	Currency Translation Reserve USD	Other Reserve USD	Retained Earnings USD	Total USD
At 1 January 2004	33,003,229	8,862,371	-	2,681,041	3,014,391	47,561,032
Exercised share options	2,087	-	-	-	-	2,087
Profit for the year	-	-	-	-	1,542,070	1,542,070
Dividend paid	-	-	-	-	(792,077)	(792,077)
At 31 December 2004	33,005,316	8,862,371	-	2,681,041	3,764,384	48,313,112
At 1 January 2005	33,005,316	8,862,371	-	2,681,041	3,764,384	48,313,112
Profit for the year	-	-	-	-	2,699,083	2,699,083
Currency translation difference	-	-	(176,774)	-	-	(176,774)
Total recognised income for 2005	-	-	(176,774)	-	2,699,083	2,522,309
Exercised share options	27,589	17,385	-	-	-	44,974
Conversion of subordinated convertible loan	2,553,965	1,351,676	-	-	-	3,905,641
At 31 December 2005	35,586,870	10,231,432	(176,774)	2,681,041	6,463,467	54,786,036

Bank	Called up Issued Share Capital USD	Share Premium USD	Other Reserve USD	Retained Earnings USD	Total USD
At 1 January 2004	33,003,229	8,862,371	2,681,041	3,995,778	48,542,419
Exercised share options	2,087	-	-	-	2,087
Profit for the year	-	-	-	1,390,376	1,390,376
Dividend paid	-	-	-	(792,077)	(792,077)
At 31 December 2004	33,005,316	8,862,371	2,681,041	4,594,077	49,142,805
At 1 January 2005	33,005,316	8,862,371	2,681,041	4,594,077	49,142,805
Exercised share options	27,589	17,385	-	-	44,974
Conversion of subordinated convertible loan	2,553,965	1,351,676	-	-	3,905,641
Profit for the year	-	-	-	3,009,853	3,009,853
At 31 December 2005	35,586,870	10,231,432	2,681,041	7,603,930	56,103,273

Preliminary Statement of Annual Results

For the Year Ended 31 December 2005



FIMBank p.l.c.

(formerly First International Merchant Bank p.l.c.)

FIMBANK

Cash Flow Statement

For the Year Ended 31 December 2005

	GROUP		BANK	
	2005 USD	2004 USD	2005 USD	2004 USD
Cash flows from operating activities				
Interest and commission receipts	21,321,735	13,068,146	15,644,904	10,050,355
Exchange received	239,702	386,034	471,055	409,450
Interest and commission payments	(4,706,756)	(1,756,839)	(4,653,553)	(1,732,169)
Payments to employees and suppliers	(12,773,581)	(16,911,814)	(7,894,283)	(6,568,753)
Operating profit / (loss) before changes in operating assets / liabilities	4,081,100	(5,214,473)	3,568,123	2,158,883
Decrease / (increase) in operating assets:				
- Reserve deposit with Central Bank of Malta	-	3,799,014	-	3,799,014
- Financial assets at fair value through profit or loss	(55,096,991)	(26,216,830)	(10,000,000)	11,391,282
- Loans and advances to customers and banks	(15,043,949)	8,767,290	(15,043,949)	8,767,290
- Other assets, prepayments and accrued income	(114,731)	480,636	(161,449)	(257,535)
(Decrease) / increase in operating liabilities:				
- Amounts owed to customers and banks	67,966,909	23,529,754	56,577,097	11,321,129
- Debt securities in issue	944,102	-	944,102	-
- Subordinated convertible loan	10,000,000	-	10,000,000	-
- Other liabilities	(1,273,890)	587,018	(50,808)	58,101
Net cash flows from operating activities before income tax	11,462,550	5,732,409	45,833,116	37,238,164
Income tax refund / (paid)	29,611	(361,075)	34,082	(361,075)
Net cash flows from operating activities	11,492,161	5,371,334	45,867,198	36,877,089
Cash flows from investing activities				
- Payments to acquire property, plant and equipment	(550,977)	(1,029,224)	(251,700)	(676,760)
- Payments to acquire intangible asset	(315,000)	-	-	-
- Proceeds on disposal of property, plant and equipment	11,645	1,115,225	-	-
- Net advance to subsidiary companies	-	-	(24,508,773)	(29,723,577)
- Purchase of shares in associated company	(1,593,301)	(4,648,205)	(1,593,301)	(4,648,205)
- Payment to acquire subsidiary company	-	-	(11,630,958)	-
- Receipt of dividend	302,029	-	302,029	-
Net cash flows used in investing activities	(2,145,604)	(4,562,204)	(37,682,703)	(35,048,542)
Cash flows from financing activities				
- Proceeds from issue of share capital	44,974	789,617	44,974	789,617
- Dividends paid	-	(792,077)	-	(792,077)
Net cash flows from / (used in) financing activities	44,974	(2,460)	44,974	(2,460)
Increase in cash and cash equivalents	9,391,531	806,670	8,229,469	1,826,087
- Effect of exchange rate changes on cash and cash equivalents	(1,277,745)	(1,319,478)	(1,232,320)	(1,289,448)
- Net increase in cash and cash equivalents	10,669,276	2,126,148	9,461,789	3,115,535
Increase in cash and cash equivalents	9,391,531	806,670	8,229,469	1,826,087
Cash and cash equivalents at beginning of year	28,417,969	27,611,299	27,203,410	25,377,323
Cash and cash equivalents at end of year	37,809,500	28,417,969	35,432,879	27,203,410