



**FIMBANK**

## COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by FIMBank p.l.c. ("FIMBank" 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 2011 and the date of this Announcement:

*Quote*

### Interim Directors' Statement

The period under review was largely marked by continued turmoil in Libya, a cautious return to normality in other parts of North Africa and deepening economic problems around the Mediterranean rim which have been threatening the stability of the Eurozone. The Group's business in Libya and Egypt, which includes the joint-venture Egypt Factors, remained safe and well under control and, with the situation hopefully normalizing, opportunities should present themselves again in these markets. Elsewhere in the Mediterranean, the Group's exposures remained short-term and supporting trade-related flows.

FIMBank's approach to new trade finance business remained selective and focused on developing safe transaction structures with established corporate clients. Positive inroads continued to be made in fund raising, including the web-based Easisave account which will soon be experiencing further enhancements. During the period under review the Bank also drew on the USD60 million trade facility made available by the International Finance Corporation (IFC), comprising a 75% participation from the Saudi Fund for Development. New and increased relationships with emerging market banks resulted in further diversification in funding.

Elsewhere in the Group, London Forfaiting Company's performance continued strong and consistent. As market sentiment in the MENA region stabilised further, Menafactors, the Dubai-based subsidiary, maintained the positive trend shown in the first half of 2011 while FIMBank's Dubai office registered growth in its book as the outlook continues to be promising. India Factoring, the new Mumbai joint-venture with Punjab National Bank and Italian Banca Ifis, confirmed the earlier indications by showing impressive growth and a steady performance across the sub-continent. FactorRus, Moscow, and Beirut-based Levant Factors kept a steady and consistent growth in their portfolio and revenue base. On 9 November 2011, Brasil Factors, the Group's new factoring joint venture with the IFC and private financial group BICBANCO, was inaugurated in Sao Paulo.

In the current market conditions, the Group continues to be guided by prudence and an attention to strong risk management, compliance and choice business decisions in its areas of expertise – trade and emerging markets. Overall, the performance for the period under review remains supported by low impairments, a growing balance-sheet, healthy capital and liquidity ratios and is in line with the trends reported for the half-year ended 30 June 2011. Otherwise, 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

15 November 2011