

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Malita Investments p.l.c., (“the Company”) pursuant to the Listing Rules of the Malta Financial Services Authority.

26 February 2014

Quote

The board of Directors of Malita Investments p.l.c. has approved the audited financial statements for the financial year ended 31 December 2013 on the 25 February 2014. The Board resolved that these audited financial statements be submitted for the approval of the shareholders at the forthcoming Annual General Meeting (“the AGM”) which is scheduled for Wednesday, 9 April 2014. A preliminary statement of annual results is being attached herewith in terms of the Listing Rules. Shareholders on the Company’s share register at the Central Securities Depository of the Malta Stock Exchange at close of business on Monday 10 March 2014 (the record date), will receive notice of the AGM together with a copy of the Annual Report and Financial Statements for the year ended 31 December 2013.

The Board of Directors further resolved to recommend for the approval of the Annual General Meeting the payment of a final gross dividend to the Ordinary ‘B’ shareholders in accordance with the Company’s Articles of Association, the amount of €604,110 or €0.0201 per share making for a final net dividend of €392,672 or €0.0131 per share. The final net dividend will be paid on Friday 11 April 2014 to the Shareholders on the Company’s share register at close of business at the Malta Stock Exchange on Monday 10 March 2014.

Unquote

By Order of the Board



Dr Noel Buttigieg Scicluna
Company Secretary

PRELIMINARY STATEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

The Company's Preliminary Statement of Annual Results and the decision by the Board of Directors to declare a dividend is being published pursuant to Listing Rules 5.16.4 and 5.54 of the Listing Rules issued by the Listing Authority. The financial information has been extracted from the Company's audited financial statements for the year ended 31 December 2013, as approved by the Board of Directors on 25 February 2014, which have been audited by PricewaterhouseCoopers. These financial statements will be laid before the members at the general meeting to be held on 9 April 2014. The Company's financial statements have been prepared in accordance with International Accounting Standards as adopted by the European Union.

REVIEW OF PERFORMANCE

The development of the Parliament Building and Open Air Theatre continued to progress during the year under review. In fact, on the 18 October 2013, the Open Air Theatre was fully completed and the Company was provided with a completion certificate from the Grand Harbour Regeneration Corporation (GHRC). The Company is informed by GHRC responsible as project manager of the aforementioned developments that the Parliament Building is expected to be finalised by latest the end of Quarter 3 of 2014.

The Company registered a pre-tax profit of €10,027,092 (2012: €2,550,338), while revenue for the year amounted to €6,738,503 (2012: €1,451,379). The Company's revenues were mainly derived from ground rents received from its emphyteuta, the Malta International Airport (MIA) and the Valletta Cruise Port (VCP), as well as income related to the lease of the Parliament Building and the Open Air Theatre as per the contractual agreements in this regard. Administrative expenses were in line with the Company's expectations for the period under review. Overall, the Company's results are in line with the projections presented in the prospectus dated 2 July 2012 except for the fair value movement of €4,666,825 resulting from a review of the discount rate due to a variation in the MGS benchmark used for this purpose. The movement in the fair value of investment property comprises the movement in the fair value of the dominium directum of the MIA and VCP properties. The fair value of investment property is calculated with reference to the cash flows receivable by the Company in terms of its contractual agreements, discounted to present value as at 31 December 2013.

The Board of Directors will be recommending the payment of a final gross dividend of €604,110 or €0.0201 per share equating to a final net dividend of €392,672 or €0.0131 per share at the forthcoming Annual General Meeting scheduled to be held on the 9 April 2014. If approved by the shareholders, the final net dividend is planned to be paid on the 11 April 2014 to all shareholders on the Company's share register at close of trading on the Malta Stock Exchange on 10 March 2014.

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	As at 31 December	
	2013	2012
	€	€
Assets		
Non-current assets	122,227,078	117,558,247
Current assets	13,569,224	29,605,161
Total assets	135,796,302	147,163,408
Equity and Liabilities		
Capital and reserves	82,043,793	74,781,277
Non-current liabilities	40,988,152	40,531,767
Current liabilities	12,764,357	31,850,364
Total liabilities	53,752,509	72,382,131
Total equity and liabilities	135,796,302	147,163,408

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

	Year ended 31 December	
	2013	2012
	€	€
Revenue	6,738,503	1,451,379
Administrative expenses	(353,498)	(318,129)
Change in fair value of investment property	4,666,825	1,171,457
Operating profit	11,051,830	2,304,707
Net finance (costs)/income	(1,024,738)	245,631
Profit before tax	10,027,092	2,550,338
Tax expense	(2,003,678)	(1,149,111)
Profit for the year	8,023,414	1,401,227
Earnings per share	5.42	1.53

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained Earnings	Other reserve-fair value gains	Total
				€
Balance at 1 January 2012	15,000,000	84,907	-	15,084,907
Comprehensive income				
Profit for the year	-	1,401,227	-	1,401,227
Transactions with owners				
Issue of Ordinary A shares	44,054,032	-	-	44,054,032
Issue of Ordinary B shares	14,241,111	-	-	14,241,111
Balance at 31 December 2012	73,295,143	1,486,134	-	74,781,277
Comprehensive income				
Profit for the year	-	8,023,414	-	8,023,414
Transactions with owners				
Transfer within owners' equity	-	(4,781,389)	4,781,389	-
Dividends to equity shareholders	-	(760,898)	-	(760,898)
Balance at 31 December 2013	73,295,143	3,967,261	4,781,389	82,043,793

CONDENSED STATEMENT OF CASH FLOWS

	Year ended 31 December	
	2013	2012
	€	€
Net cash flow generated from operating activities	5,656,567	1,330,102
Net cash flow used in investing activities	(18,340,682)	(53,916,067)
Net cash flow (used in)/generated from financing activities	(1,799,313)	64,168,152
Net movement in cash and cash equivalents	(14,483,428)	11,582,187
Cash and cash equivalents at beginning of year	26,618,331	15,036,144
Cash and cash equivalents at end of year	12,134,903	26,618,331