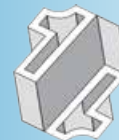


Shareholders' Newsletter

Issue 03 - March 2016



FIMBANK

MESSAGE FROM THE CHAIRMAN

Dear Shareholder,

It is a pleasure for me to welcome you to the third edition of this newsletter, as we enter into another phase of the dynamic process of change and progress within the Group that has characterised these last months.

Shortly after our last Annual General Meeting, we had announced a landmark development for the FIMBank Group, namely the appointment of Murali Subramanian as the Group's new Chief Executive Officer. In August 2015, true to his style, Murali hit the ground running. With the support of Deputy CEO Simon Lay, who had started setting the groundwork as Acting CEO in the difficult days following the announcement of the 2014 financial results, and the rest of our management team, he managed to infuse a sense of enthusiasm, direction and confidence throughout the Group. Along the way, we brought on board seasoned professionals of the likes of Howard Gaunt as Group Chief Operating Officer, Ronald Haverkorn, heading Risk Management, and Michael Davakis, as Senior Vice President and Head of Treasury. In the space of just under six months, Murali and his team have managed to steer FIMBank well within sight of our goal of sustainable profitability.

Among others, we saw an effective streamlining of the Group's international factoring strategy, as well as a consolidation of the way trade finance transactions are structured. Reinforced management and governance frameworks meant that the Group is in a better position to maximise its resource potential, both in terms of our invaluable human resource base, as well as from a cost management perspective. In the meantime, the restructuring of the Group's risk management framework brought together a stable platform from which the organisation can start achieving its performance objectives.

The Group is encouraged by the profit registered in the last quarter of 2015 and the positive performance for the first two months of this year, a trend which we expect will be sustained throughout 2016. We are now in a position to start seeing the results of the concerted and ongoing effort by management and staff towards the implementation of a consolidation strategy, designed to bring about the planned turnaround of the Group's core business.

The recently announced Group Consolidated Audited Financial Statements show that for the year ended 31 December 2015, the FIMBank Group registered a loss of USD7.1 million compared to a loss of USD45.2 million in 2014. At 31 December 2015, total Consolidated Assets stood at USD1.44 billion, a marginal increase of 2% over the USD1.41 billion reported at end 2014, while Total Consolidated Liabilities stood at USD1.27 billion, up by 3.5% from USD1.23 billion in 2014.

Net income for 2015 stood at USD34.9 million, compared to a loss of USD4.7 million in the previous year. During 2015, net interest income rose by 4%, from USD28.4 million to USD29.6 million. Similar



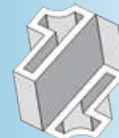
improvements with respect to 2015 were noted in foreign currency operations and other operating income. These were offset by a significantly lower level of fee income from trading assets and documentary credits, mainly due to a change in the geographic focus and up-scaled client target base. Significantly, net impairments decreased by 80%, standing at USD10.3 million, compared to USD50.7 million in 2014. As a result of controlled impairments and marked-to-market losses, the Group has improved its net income by USD39.7 million, to USD34.9 million. Operating expenses increased by USD7.2 million to USD47.0 million, primarily as a result of various one-off costs related to business reorganisation and the strategic redeployment of resources. Meanwhile, FIMBank's Board of Directors will not be recommending a cash dividend. However, subject to regulatory approval, the Board will be recommending a 1 for 25 Bonus Issue of Ordinary Shares by way of capitalisation of the Share Premium Account.

As you are aware, towards the end of last year we hosted our local shareholders to a seminar, during which participants were given an overview of the Group's global activities, as well as the range of trade finance products and services it provides. This Information Session was held in collaboration with the Malta Association of Small Shareholders and was supported by the Malta Stock Exchange. I am very pleased to highlight the spirit of collaboration which exists between FIMBank and the Malta Association of Small Shareholders. FIMBank was one of the first listed companies to open its doors to the Association, and we are committed to the protection of shareholders' rights and their equal treatment. We are also always looking to keep open, extend and diversify the channels of communication with all our shareholders, including through this newsletter, as well as ensuring that the wider community of Maltese shareholders is kept abreast of developments at FIMBank.

On behalf of the Board of Directors and the entire management team, I would like to express my gratitude to all shareholders for their show of support to FIMBank through the challenging times we have been facing. And in this light I would also like to refer to the support demonstrated by the Group's controlling shareholders. This is reflected in their commitment for funding facilities, to the tune of USD250 million, which FIMBank has received from Burgan Bank. This has proved a significant milestone which has allowed us to implement our new business strategy, permitting us to reinforce our asset base and to target higher income levels.

I look forward to meeting you at our forthcoming AGM.

Dr John C. Grech
FIMBank Group Chairman



MESSAĠĠ MINGĦAND IĊ-CHAIRMAN

Għażiż(a) Azzjonist(a),

Huwa pjaċir għalija li nilqghek għat-tielet edizzjoni ta' dan il-bullettin hekk kif dehlin f'fażi oħra tal-proċess dinamiku ta' bidla u progress fi hdan il-Grupp li kkaratterizza dawn l-aħħar xhur.

Ftit wara l-aħħar Laqgħa Ġenerali Annwali tagħna, konna habbarna żvilupp storiku għall-Grupp FIMBank, jiġifieri l-ħatra ta' Murali Subramanian bħala l-Kap Eżekuttiv il-ġdid tal-Grupp. F'Awwissu 2015 fl-istil tiegħu, Murali ma tilifx ħin u beda hdmietu. Bl-appoġġ tad-Deputat CEO Simon Lay, li bħala aġent CEO kien beda jhejji l-pedamenti fiż-żminijiet diffiċli wara t-tħabbir tar-riżultati finanzjarji tal-2014, u l-bqija tat-tim tagħna tal-manigment, huwa rnexxielu jdaħħal sens ta' entużjażmu, direzzjoni u kunfidenza fil-Grupp kollu. Matul il-proċess, židna professjonisti b'esperjenza, bħalma huma Howard Gaunt, l-Uffiċjal Kap Operattiv, Ronald Haverkorn, il-Kap ta' Risk Management, u Michael Davakis, il-Viċi President u Kap tat-Treasury. Fiż-żmien ta' ffit inqas minn sitt xhur, Murali u t-tim tiegħu rnexxielhom imexxu lil FIMBank ferm viċin l-għan tagħna ta' profittabbiltà sostenibbli.

Fost strateġiji oħra, ksibna simplifikazzjoni effiċjenti fl-istrateġija tal-factoring internazzjonali tal-Grupp, kif ukoll konsolidazzjoni fil-mod kif jiġu strutturati t-tranzazzjonijiet finanzjarji. Strutturi msaħħin ta' mmaniġġjar u governanza fissru li l-Grupp kien f'pożizzjoni aħjar sabiex jimmassimizza l-potenzjal tar-riżorsi tiegħu, kemm fir-rigward tal-baži imprezzabbli tar-riżorsi umani tagħna, kif ukoll minn perspettiva ta' mmaniġġjar tal-ispejjeż. Sadattant, l-istrutturar mill-ġdid tal-qafas tal-Grupp dwar l-immaniġġjar tar-riskji għaqqad pjattaforma stabbli li permezz tagħha l-organizzazzjoni setgħet tibda tikseb l-oġettivi tal-prestazzjoni tagħha.

Il-profitt irregiŋrat fl-aħħar kwart tal-2015 u l-prestazzjoni pożittiva għall-ewwel xahrejn ta' din is-sena juru xejra li nistennew se tibqa sostnuta matul l-2016. Issa qegħdin f'pożizzjoni li nibdew naraw r-riżultati ta l-isforz kollettiv u kontinwu mill-amministrazzjoni u l-impjegati lejn l-implimentazzjoni ta' strateġija ta' konsolidazzjoni, imfassla biex terġa' issaħħaħ il-pożizzjoni finanzjarja tal-Grupp.

Illum qegħdin f'pożizzjoni li nibdew naraw ir-riżultati tal-isforz koordinat u kontinwu mit-tim tal-manigment u mill-impjegati lejn l-implimentazzjoni ta' strateġija ta' konsolidazzjoni, iddisinjata li ġoġib il-bidla totali pjanata tan-negożju prinċipali tal-Grupp.

Ir-Rapporti Finanzjarji Konsolidati Awditjati tal-Grupp li tħabbru riċentament juru li l-Grupp irregiŋtra telf ta' USD7.1 miljun għas-sena li ntemmet fil-31 ta' Diċembru 2015 meta mqabbel mat-telf ta' USD45.2 miljun fl-2014. Fil-31 ta' Diċembru 2015, l-Assi Konsolidati totali kienu ta' USD1.44 biljun, zieda marginali ta' 2% fuq il-USD1.41 biljun li kien irrapportat fl-aħħar tal-2014, filwaqt li l-Obbligazzjonijiet Konsolidati Totali kienu ta' USD1.27 biljun, zieda ta' 3.5% mill-USD1.23 biljun fl-2014.

L-introjtu Nett tal-Operat kien ffit iktar baxx, bi tnaqqis ta' 6% matul l-2014. Riżultati mtejbja fil-margini ta' interess, operat ta' muniti barranin u dħul ieħor ikkumpensaw għal introjtu mill-imposti ta' livell sostanzjalment iktar baxx mill-assi ta' negożjar u dokumenti ta' krediti. B'mod sinifikanti, l-indebboliment nett naqas bi 80% għal USD10.3 miljun meta mqabbel mal-USD50.7 miljun fl-2014. B'riżultat ta' indebboliment kkontrollat u b'azzjoni lejn it-telf fis-swieq, il-Grupp tejjeb l-introjtu nett tiegħu b'USD39.7 miljun għal USD34.9 miljun. L-ispejjeż tal-operat ždieđu b'USD7.2 miljun għal USD47.0 miljun, primarjament b'riżultat ta' spejjeż varji ta' darba relatati ma' riorganizzazzjoni tan-negożju u tqassim mill-ġdid ta' riżorsi. Sadattant, il-Bord tad-Diretturi tal-FIMBank mhux ser ikun qed jirrakkomanda dividend. Madankollu, soġġett għall-approvazzjoni regolatorja, il-Bord qed jirrakkomanda Bonus Issue ta' sehem għal kull 25 ishma ordinarji permezz ta' kapitalizzazzjoni tal-kont Share Premium.

Bħalma diġà tafu, lejn l-aħħar tas-sena l-oħra, il-qajna l-azzjonisti lokali tagħna għal seminar li fih il-partecipanti ngħataw ħarsa ġenerali tal-attivitajiet globali tal-Grupp, kif ukoll l-għażla ta' prodotti ta' finanzjament tan-negożju u s-servizzi li joffri. Din is-Sessjoni Informattiva saret b'kollaborazzjoni mal-Assoċjazzjoni Maltija tal-Azzjonisti Żgħar bl-appoġġ tal-Borża ta' Malta. Kuntent ħafna li nenfasizza l-ispiritu ta' kollaborazzjoni li jeżisti bejn il-FIMBank u l-Assoċjazzjoni Maltija tal-Azzjonisti Żgħar. Il-FIMBank kien wieħed mill-ewwel kumpaniji rregiŋtrati li fetaħ il-bibien tiegħu għall-Assoċjazzjoni, u aħna impenjati lejn il-protezzjoni tad-drittijiet tal-azzjonisti u tat-ttrattament indaq tagħhom. Dejjem naraw li nżommu miftuħa, nestendu u niddiversifikaw il-mezzi ta' komunikazzjoni mal-azzjonisti kollha tagħna, inkluż permezz ta' dan il-bullettin, kif ukoll li nassiguraw li l-komunità iktar wiesgħa tal-azzjonisti Maltin tinzamm aġġornata dwar l-iżviluppi fil-FIMBank.

F'isem il-Bord tad-Diretturi u t-tim kollu tal-management, nixtieq nesprimi l-gratitudni tiegħi lejn l-azzjonisti kollha għat-turija tal-appoġġ lejn FIMBank fiż-żminijiet ta' sfida li konna qed niffaċċjaw. U f'din il-perspettiva, nixtieq nirreferi wkoll għall-appoġġ li ntweraw mill-azzjonisti maġġuri tal-Grupp. Dan joħroġ ċar fl-impenn tagħhom għal finanzjament ta' fondi li ammonta għal USD 250 miljun li l-FIMBank irċieva mill-Burgan Bank. Dan irriżulta f'pass sinifikanti li ppermettielna nimplimentaw l-istrateġija l-ġdida tagħna tan-negożju u b'hekk ninfurzew mill-ġdid il-baži tagħna tal-assi u nimmiraw għal livelli oġħla ta' introjtu.

Ninsab ħerqan li niltaqa' miegħek fil-Laqqgħa Ġenerali Annwali tagħna li jmiss.

Dr John C. Grech
Iċ-Chairman

Message from the CEO



Murali Subramanian, Group CEO

Upon the announcement of my appointment as CEO of the FIMBank Group, I had expressed my confidence that FIMBank has “the right credentials, capacity and motivation to produce good results in the future”. I had also announced my intention to work, together with the Executive Team, towards setting the future strategic orientation for the Group, with the aim of establishing a stable platform from which FIMBank could grow and realise its true potential.

Following the most difficult year in the Group’s history, it was clear that stability to the business, the reinforcement of the governance and risk structures, and the gradual re-building of the portfolios to a sustainable level, would be our priorities. This would be achieved by pursuing a consolidation strategy aimed to turnaround the core operating business.

Since then, we have undertaken a series of measures aimed at achieving this objective. We have further strengthened the Bank’s leadership structure. The engagement of Howard Gaunt as Group Chief Operations Officer was of particular significance for the Group. We also reinforced our team in other areas, with the appointment of Ronald Haverkorn overlooking Risk Management, an area which is critical to the success of our strategy, as well as that of Michael Davakis, as Senior Vice President and Head of Treasury, which reflected the importance we are giving to the treasury side of the business. These executives joined a team which already boasts a pedigree of experience and expertise which has proved invaluable, especially at what is an eventful time for the Group.

Meanwhile, the ongoing streamlining of the international factoring strategy means that the different factoring businesses in Malta and abroad are now aligned towards a common objective. Moreover, additional focus has been given to the structuring of transactions to ensure that this remains robust, and that it provides additional comfort beyond the recourse to the borrower’s cash flows. Aided by a strengthened leadership team and governance structures, the Group intensified its effort to maximise its resource potential, including a review of certain staff positions, enhanced cost management processes, and better utilisation of its office space across the different Group entities. We worked on strengthening governance across the board throughout the Group. This was done by means of the implementation of a common risk management framework

and other supporting measures that are effectively addressing issues which negatively impacted the Group’s financial performance in recent years. During 2015, we also boosted recovery efforts on impaired exposures across the Group, and a team of executives was assigned with this specific task.

The objectives we set ourselves last year now look to be well within our grasp. As a result of the consolidation strategy we adopted in 2015, the Group has succeeded in overcoming the substantial impairments which marred the 2014 performance, whilst at the same time creating a revenue platform to generate value going forward. This is reflected in the results for 2015, which indicate that the FIMBank Group is on the right track.

There is, however, still much that needs to be done to achieve the kind of turnaround we are committed to. We remain faced with a challenging macro-economic outlook, driven by weaknesses in commodity prices and emerging markets. Apart from posing external risks to the business, these will exert more pressure on the Group to diversify the target sectors to rebalance and rebuild its different portfolios. The key pillars of the turnaround will remain at the heart of the Group’s operations - an improved origination strategy across its various product offerings, a more harmonised global factoring strategy, continued focus to asset quality and loan recovery management, as well as cost efficiencies and resource optimisation.

Together with my colleagues in the management team, we intend to ensure that FIMBank will continue to respond with agility to the changes in economic cycles across its international geographical presence, and to reposition itself as a growing profitable institution, through adequate returns and value creation to all its stakeholders.

Murali Subramanian
Chief Executive Officer



Messagġ mingħand il-Kap Eżekuttiv

Meta thabbret il-ħatra tiegħi bħala CEO tal-Grupp FIMBank, kont għedt li jiena kunfidenti li l-FIMBank għandu "il-kredenzjali tajbin, il-kapaċità u l-motivazzjoni biex jipproduċi riżultati tajbin fil-futur." Kont ħabbart ukoll l-intenzjoni tiegħi li naħdem flimkien mal-predeċessur tiegħi, Simon Lay u mal-bqija tat-tim tal-management sabiex infasslu l-orjentazzjoni strategika futura għall-Grupp bil-għan li nistabbilixxu pjattaforma stabbli li minnha l-FIMBank jista' jikber u jikseb il-potenzjal veru tiegħu.

Wara l-iktar sena diffiċli fl-istorja tal-Grupp, deher biċ-ċar li l-prijoritajiet tagħna kienu se jkunu l-istabbiltà għan-negozju, ir-rinforz tal-governanza u tal-istrutturi ta' riskju, u l-bini gradwali mill-ġdid tal-portafolli għal livell sostenibbli. Dan seta' jinkiseb billi nimxu fuq strateġija ta' konsolidazzjoni mmirata biex terġa' issaħħaħ il-pożizzjoni finanzjarja tal-Grupp.

Minn dak iż-żmien 'l hawn, ħadna serje ta' miżuri mmirati lejn il-kisba ta' dan l-oġġettiv. Komplejna nsaħħu l-istruttura tat-tmexxija tal-Bank. Il-ħatra ta' Howard Gaunt bħala l-Uffiċjal Kap Operattiv tal-Grupp kienet ta' importanza partikolari għall-Grupp. Iżda saħħaħna mill-ġdid it-tim tagħna f'oqsma oħra wkoll, bil-ħatra ta' Ronald Haverkorn bħala l-Kap ta' Risk Management, qasam li huwa kritiku għas-suċċess tal-istrateġija tagħna, kif ukoll bil-ħatra ta' Michael Davakis bħala l-Viċi President u l-Kap tat-Treasury, li rriflettiet l-importanza li qed nagħtu lill-qasam tat-treasury fin-negozju. Dawn l-eżekuttivi ngħaqdu ma' tim li diġà għandu l-ifjen grad ta' esperjenza u ħila, li kien ta' siwi imprezzabbli, speċjalment fi żmien mimli għajiet importanti għall-Grupp.

Sadattant, il-proċess ta' li għaddejja bħalissa fl-istrateġija tal-factoring internazzjonali tfisser li n-negozji differenti tal-factoring f'Malta u barra minn Malta issa qegħdin allinjati lejn oġġettiv komuni. Barra minn hekk, ingħatat attenzjoni addizzjonali lill-istrutturament ta' tranżazzjonijiet sabiex jiġi żgurat li dan jibqa' b'saħħtu u jipprovdi kumdità addizzjonali lil hinn mir-rikors tal-fluss tal-flus ta' min jissellef. Megħjun minn tim tat-tmexxija u minn strutturi ta' governanza iktar b'saħħithom, il-Grupp intensifika l-isforz tiegħu sabiex jimmassimizza l-potenzjal tar-riżorsi tiegħu, inkluż ir-revizjoni ta' ċerti pożizzjonijiet fost l-impjegati, proċessi aħjar fl-immaniġġjar tal-ispejjeż u użu aħjar tal-faċilitajiet tal-uffiċċju fuq il-firxa tal-entitajiet differenti tal-Grupp. Hdimna fuq it-tisħiħ tal-governanza fil-firxa kollha tal-Grupp. Dan sar permezz tal-implimentazzjoni ta' qafas komuni fl-immaniġġjar ta' riskji u miżuri oħra ta' appoġġ li qed jindirizzaw kwistjonijiet b'mod effettiv li fis-snin riċenti kienu ħallew impatt negattiv fuq il-prestazzjoni finanzjarja tal-Grupp. Matul l-2015, tajna spinta wkoll lill-isforzi ta' rkupru ta' skoperti danneġġati fuq il-firxa tal-Grupp u tajna dan l-inkarigu speċifiku lil tim ta' eżekuttivi.

L-oġġettivi li assenjajna aħna stess is-sena l-oħra issa jidhru li qegħdin fejn nistgħu nilhquhom. B'riżultat tal-istrateġija ta' konsolidazzjoni li adottajna fl-2015, il-Grupp irnexxielu jegħleb l-indeboliment sostanzjali li ħassru l-prestazzjoni tal-2014, filwaqt li fl-istess ħin ħoloq pjattaforma ta' dħul biex jiġġenera l-valur fil-futur. Dan huwa rifless fir-riżultati tal-2015 li jindikaw li l-Grupp FIMBank jinsab fit-triq it-tajba.

Madankollu, għad fadal ħafna xi jsir sabiex jinkiseb it-tip ta' bidla totali li lejha ninsabu impenjati. Għadna ffaċċjati minn prospettiva makroekonomika ta' sfida, xprunata minn dgħufijiet fil-prezzijiet tal-komoditajiet u s-swieq emergenti. Minbarra li qed jipprezentaw riskji esterni lin-negozju, dawn ser jagħmlu pressjoni ikbar fuq il-Grupp biex jiddiversifika s-setturi fil-mira sabiex jibbilanċja u jibni mill-ġdid il-portafolli differenti tiegħu. Il-pilastru ewlenin tal-bidla totali ser jibqgħu fil-qalba tal-operat tal-Grupp – titjib fuq l-istrateġija tal-bidu fuq il-prodotti varji li toffri, strateġija globali tal-factoring iktar armonizzata, attenzjoni kontinwa lejn il-kwalità fl-assi u l-immaniġġjar fl-irkupru tas-self, kif ukoll effiċjenzi fl-ispejjeż u l-ottimizzar ta' riżorsi.

Flimkien mal-kollegi tiegħi fit-tim tal-management, biħsiebna niżguraw li l-FIMBank ser ikompli jaġixxi b'heffa għall-bidliet fiċ-ċikli ekonomiċi fuq il-firxa ta' preżenzi ġeografiċi differenti tiegħu, u biex jirripożizzjona lilu nnifsu bħala istituzzjoni li kulma tmur trendi profitti ikbar permezz ta' qligħ adegwat u ħolqien tal-valur għall-partijiet interessati kollha tiegħu.

Murali Subramanian
Kap Eżekuttiv



New Appointments

FIMBank appoints Group Chief Operating Officer



Howard Gaunt, Group Chief Operating Officer

FIMBank plc has announced the appointment of Howard Gaunt as Group Chief Operating Officer. Howard Gaunt is a senior banker with a proven track record in strategic development and end-to-end management in major and reputable financial institutions.

Howard Gaunt's banking career spans 31 years in senior national and international assignments with Wells Fargo and Company, Citibank, Citicorp, Citigroup and Samba Financial Group. Prior to joining FIMBank, he spearheaded Wholesale Banking Group activities in the Abu Dhabi, Al Ain and GCC regions at Abu Dhabi Commercial Bank (ADCB), the UAE's third largest bank as measured by assets.

Gaunt's responsibilities at ADCB, which he joined in August 2007, included overseeing the Group's fully-integrated customer coverage business for the UAE's Capital, Al Ain, GCC region and India Linked Businesses. Under his strategic guidance, the WBG's industry-specific Client Service Teams were consistently ranked 'superior' in terms of their understanding of the clients' needs and in service delivery as determined by nationally recognized industry analysts.

Gaunt has a Bachelors degree in Political Science and International Relations from the University of Southern California (USC), and is a Certified Investment Manager, CIMC, with the Investment Management Consultants Association, IMCA.

Commenting on the appointment FIMBank CEO Murali Subramanian explained that the addition of a senior executive of Gaunt's stature to the management team reflects FIMBank's commitment to further strengthen its leadership structure, at a time when the Group is pursuing its consolidation strategy to turnaround the core operating business. "We are glad to welcome Howard as a member of our team. We are confident that his extensive experience and expertise will prove invaluable, especially at what is an eventful time for the Group, as we continue directing FIMBank along the road to sustainable profitability and the growth of our core operating businesses", said Subramanian.

FIMBank appoints Head of Treasury



Michael Davakis, Head of Treasury

FIMBank has announced the appointment of Michael Davakis as Senior Vice President and Head of Treasury. Mr. Davakis is responsible for the FIMBank Group's treasury functions, reporting directly to the Chief Executive Officer.

Born in Austria, Mr. Davakis started his banking career in Athens as an analyst for Dresdner Bank in 1997, then moved to Bank of America as treasury economist. He subsequently joined HypoVereinsbank on the credit and project finance side before returning to debt capital markets on the origination side at Dresdner Kleinwort Wasserstein, Frankfurt. In 2004, he joined the treasury of Piraeus Bank SA in Athens, where he successfully helped build the retail banking group's debt issuance platform across a range of products, senior and subordinated, secured and unsecured. In 2011, he was promoted to head the treasury of Piraeus Bank Serbia in Belgrade. A macroeconomist by training, Mr. Davakis holds degrees from the University of Pennsylvania (BA 1990), the Diplomatic Academy of Vienna (MAIS 1993) and the University of Vienna (Magister 1996).

Commenting on the appointment of Michael Davakis as Senior Vice President and Head of Treasury, FIMBank CEO Murali Subramanian explained that having a senior manager with his background reflects the importance which FIMBank is giving to the treasury side of its business. "We are glad to welcome Michael as a member of our team. We are confident that his extensive experience and expertise in treasury will serve to develop further and boost FIMBank's service portfolio in this area", said Subramanian. For more information about the FIMBank Group, visit www.fimbank.com.

Source: Kuwait Times, 1 November 2015

Burgan Bank Group announced yesterday the first nine month results for the financial year 2015. The results demonstrate the consistent solid operating performance of the group in its local and regional contexts amid the headwinds stemming from economic, exchange rates & geo-politics volatilities. Burgan Bank Group reported net income for the first 9 months of 2015 is up by 21% reaching KD 59 million. Third quarter net income is up by 41% reaching KD 21.6 million.

Compared to the same period last year and on a consolidated basis, Operating income surged to KD 216.8 million mirroring a growth of 8%. Operating Profits grew by 9% to reach KD 77.7 million while operating profits before provision grew by 7.5% reaching KD 121 million. International Operations Contribution to group's revenue reached 53%.

Majed Essa Al Ajeel, Chairman of Burgan Bank Group commented: "The positive leading indicators continue to point north across the group subsidiaries. Burgan Bank Kuwait achieved y-o-y growth of 3% for loans and 7% for deposits. Jordan Kuwait bank grew its loans & deposits by 1% & 9% respectively. Burgan Bank-Turkey grew its loans & deposits by 11% & 15% respectively. Gulf bank Algeria grew

its loans book by 4% while deposits growth remained flat. Bank of Baghdad grew its loans & deposits by 6% & 2% respectively and growth in Tunis International bank remained flat. In its local currency reporting, international operations achieved even a higher growth. It is important to mention that this positive results are after taking a precautionary provisions of KD 5 million in the third quarter as a prudent step".

"On behalf of the board, I take this opportunity to thank our customers and shareholders for their confidence in our capabilities. I would also like to thank our executive management team for their leadership and the excellent execution of the corporate strategy, and to our staff for their continued support and commitment," concluded Al Ajeel.

The consolidated financials encompass the results of the Group's operations in Kuwait, and its share from its regional subsidiaries, namely Jordan Kuwait Bank, Gulf Bank Algeria, Burgan Bank – Turkey, Bank of Baghdad, Tunis International Bank, in which Burgan Bank owns a majority stake. Burgan Bank Group has one of the largest regional branch networks with more than 240 branches across Kuwait, Turkey, Jordan, Algeria, Iraq, Tunis, Lebanon and Palestine.

FIMBank organised the leader development programme

FIMBank organised the leader development programme. Multiplex, which facilitated the training, uses a group coaching approach which essentially means that although each session is richly content based, with clear learning outcomes agreed between the coach and the business, the learning process is very engaged and driven by the experiences of the people in the room. Debate, challenge and engagement are the learning structures rather than lectures.

This was coupled with individual coaching and feedback thereon and focused on helping people to lead effectively. For leadership coaching to be sustainable, there is a requirement to focus attention on the individual and the organisational multiplex within which they are operating.

Their approach to leader development is based on a few central principles: firstly, that leadership training is not about event management but about creating lasting personal and organisational change; secondly, coaching over a period of time and done either in groups or individually offers one of the most effective means of leader change; thirdly that there are certain underlying streams of theory that interweave with effective leader development and so our work is built on issues of: levels of work complexity; self-awareness through assessment and a personal development contract; the effective leader model; competency frameworks and the science of managing talented people.



FIMBank awarded STP Excellence Award

FIMBank has been awarded the prestigious Deutsche Bank 2014 EUR Straight Through Payment (STP) Excellence Award, in recognition for the exceptional quality of payment messages generated by FIMBank through 2014. This is the ninth successive year that FIMBank has received this award.

The award is based on measured STP rates, which are considered the most important indicator for quality in the field of payment transactions. These also reflect the degree of automation within the financial institution.

Commenting on this achievement, Maria Said, Head of Payment Orders and Central Customer Operations stated that "FIMBank's Payment Order team is trained to ensure that customer payments are processed and settled cost effectively and in the shortest possible time. The Deutsche Bank Excellence Award recognises the quality of the service delivered by the Bank's personnel and our consistently high SWIFT standards in payment processing. We are very proud that the quality of our work has been acknowledged by one of the largest and most prestigious financial institutions in the world."

Charles Wallbank, Head of Operations, added that "The fact that FIMBank has received the Deutsche Bank Excellence Award for the ninth successive year says a lot about how our service is perceived by our peers internationally. Apart from recognising the high level of our operational performance in the generation of payments, this award reflects the Bank's commitment to excellence through continued investment in leading technology, the creation of a dynamic work environment and most importantly, the development of our specialist personnel."

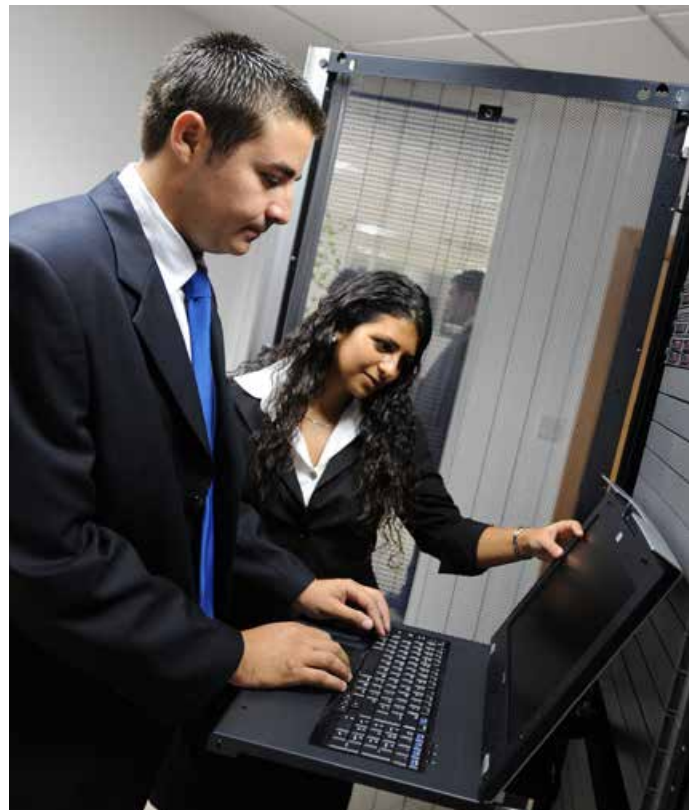


Application Virtualisation

The FIMBank virtualisation journey started 10 years ago with server virtualisation that helped consolidate data centre resources and decrease operating costs, followed by desktop virtualisation that allowed a consistent end user experience irrespective of device or location. The Bank has now recently implemented the latest phase in its virtualization strategy; application virtualisation.

This technology allows line of business applications, such as the core banking system, to be decoupled from the underlying operating environment and made available to users or devices either through policies or on-demand in a self-service model. The solution is based on Citrix XenApp and Netscaler products and leverages the Bank's recent investment in Citrix XenMobile to provide secure access to its virtualised applications through mobile devices.

One of the main advantages of application virtualisation is that it allows the Bank to run legacy applications in a secure manner, thus extending their lifespan. It also simplifies the rollout of system updates as well as contributes to managing cost and software asset usage through monitoring and control tools. As an added benefit, application performance is also generally improved thanks to its proximity to the hosting application and dedicated server-grade hardware.





Qurain Petroleum Company, a KIPCO subsidiary based in Kuwait, hosted a compliance and risk conference at the Chairman's Club, KIPCO Tower in Kuwait on 7th and 8th of February. This was the first conference of its kind, aimed at KIPCO Group entities which included participants from United Bank of Bahrain, Burgan Bank (Kuwait

and Turkey), FIMBank, KAMCO, GIG, Jordan Kuwait Bank, URC and NAPESCO. Presentations were given by KPMG, EY and some of the KIPCO Group firms which included a presentation by FIMBank on 'A Risk Based Approach to Compliance'. FIMBank was represented by Ronald Haverkorn and Michael Davis.

FIMBank's first participation in a Syndicated Murabaha Finance transaction

FIMBank concluded its first participation in a Syndicated Murabaha Finance transaction with the International Islamic Trade Finance Corporation for the purchase of petroleum products by Sonabhy, the State owned petroleum procurement company of Burkina Faso. FIMBank participated up to USD 7,000,000 of this 12months revolving facility. Aly Siby, Chief Banking Officer stated "This is the first participation in a syndicated Murabaha finance transaction for FIMBank. This should pave the way for further sharia compliant finance transactions particularly Murabaha agreements which are in line with FIMBank's core trade finance activity."



Operational Risk Management System Deployed Successfully

FIMBank successfully deployed Benchmatrix's Operational Risk Management solution in order to further strengthen its operational risk management framework. With the roll-out of the application the Bank will simplify the process of loss data collection and analysis, conduct structured internal control testing, and strengthen risk monitoring and measurement. The selected system is a web-based, modular, fully configurable and integrated application that streamlines core process and was customised in order to meet the organisation's needs.

BenchMatrix Solutions W.L.L. is a financial services and software solutions provider specializing in the development of institutional governance, risk and compliance frameworks, and in conducting gap analyses and process reviews to help identify and assess risks and recommend action plans to address control weaknesses.



FIMBank announces Easisave Special Offer

FIMBank will be celebrating Easisave's fifth anniversary through a special offer of a 2.0% per annum interest rate on its one year fixed term deposits for a limited period. This offer will be valid until the 30th April 2016.

Easisave is an online savings platform that offers a range of deposit products in Euro and US Dollars to its customers, giving a choice between savings or fixed term deposits in different tenors.

Commenting on the special offer, Chris Trapani, Head of Cash Management, stated that Easisave has gained popularity among local consumers and "continues to maintain a high level of traction mainly due to its simple and secure design. Apart from the market leading 2.0% per annum on the 1 year fixed term deposit, all Easisave customers who choose to open or renew any new fixed term deposit during the next 60 days, will also automatically participate in a competition with a chance to win one of 5 Samsung Galaxy tablets".

Mr Trapani also announced that going forward FIMBank "will be introducing new product features, ensuring we stick to the same principles based on a simple and secure offer, and supported by an accessible and customer-friendly helpdesk".

Easisave is available exclusively on the Internet, and is designed to the highest standards, offering a secure environment in which customers can control and manage their savings. For further information, please visit www.easisave.com or call the Easisave Helpdesk on telephone 21322102.

The image is a promotional graphic for Easisave.com. At the top left, it says 'easisave.com Powered by FIMBank'. The main text reads 'Euro One Year Fixed Term Deposit 2.00% p.a. Minimum Deposit €1000'. Below this, it says 'Open a Fixed Term Deposit by the 30th April and you could WIN One of Five Tablets'. At the bottom right, it says 'Offer Valid until 30th April 2016'. At the bottom left, there is a small disclaimer: 'FIMBank p.l.c. is a licensed credit institution regulated by the Malta Financial Services Authority and listed on the Malta Stock Exchange. The Bank is a participant in the Depositor Compensation Scheme in Malta. Terms and conditions apply.' The graphic features a red arrow pointing upwards and to the right, and several Samsung Galaxy tablets arranged in a row, with the text 'One of Five Tablets' overlaid on them.

Terms and Conditions

- To participate in the Easisave Special Competition, customers must open or renew a fixed term deposit between the following dates - 1st March 2016 and the 30th April 2016.
- Five winners will win one Samsung Galaxy Tab E (9.6 inch). Winners will be chosen by a random draw of entries and the draw will be performed by a computer process supervised by the Bank's Legal Department. The draw will take place on Monday, 9th May 2016 and winners will be announced on www.easisave.com within the same week.
- Winners will be required to attend a presentation which may be covered by the press. The Bank may choose to publish the customer's name and photo on the website.
- Winners will be notified by email. S/he will be required to answer a simple product related question correctly in order to claim the prize. Only one prize per person and the prize cannot be exchanged into cash or any alternative product.
- Bank employees and their relatives are not eligible to participate in this competition.

Children Christmas Party

Once again, in early December, FIMBank organised the Children Christmas party for its local employees. Over 90 children attended this popular event which was held at FIMBank premises in St Julians. Juniors were entertained by Queen Elsa, Elf and Buzz Light Year whilst older children by Elfs. Curtain Raiser, the entertaining company organised games and dance activities, and face/hand painting activity for the juniors.

The older children enjoyed Junior Olympic Games, dance activities, and also face/hand painting activity. This was followed by scrumptious snacks. The pinnacle of this event was the present giving by Father Christmas. Kids' faces glowed whilst he distributed the gifts. The photos below capture these precious moments.



Corporate Social Responsibility

FIMBank CSR focuses on the beauty of the Maltese language

FIMBank plc has partnered with Public Broadcasting Services Ltd (PBS) in an initiative which has seen the broadcast of a series of 30-second video-spots, focusing on Malta's linguistic heritage. The series of 100 videos, the production of which was also sponsored by the Bank, traces the meaning of specific words in the Maltese language. The words selected for this series, which is entitled 'Kelma Kuljum' (or 'A Word Everyday'), include both those used every-day, as well as others the use of which has become less frequent.

Commenting on this initiative, FIMBank Chairman Dr John C. Grech stated that "As a Malta-based institution we feel we owe it to the people of Malta to help raise awareness of the Islands' rich cultural heritage. This consideration has always been a mainstay of our Corporate Social Responsibility programme. The Maltese language is recognised as being an essential part of the Maltese DNA. Its uniqueness, derived from its eclectic mix of Semitic and Romance influences, is appreciated by linguists worldwide. It is also a reflection of Malta's long and chequered history, and the Islands' strategic location at the centre of the Mediterranean. We are proud to be in a position to highlight the beauty of this language."

Maltese (or Malti in Maltese) is the national language of Malta and a co-official language of the country alongside English, while also serving as an official language of the European Union, the only Semitic language so distinguished. Maltese is descended from Siculo-Arabic, the Arabic dialect that developed in Sicily and later in Malta, between the end of the ninth century and the end of the twelfth century. Maltese itself is therefore linguistically classified as a unique branch of Arabic that has evolved independently of its source into a standardized language over the past 800 years in a gradual process of Latinisation.

About half of the vocabulary is derived from standard Italian and Sicilian; English words make up between 6% and 20% of the Maltese vocabulary, according to different estimates. The original Semitic base (Siculo-Arabic) comprises around one-third of the Maltese vocabulary, and typically includes words that denote basic ideas and the function words. Maltese has always been written in the Latin script, the earliest surviving example dating from the late Middle Ages. It remains the only Semitic language written in the Latin script in its standard form.

Jason Zammit, FIMBank's Head of Marketing & Administration, said that the video spots, which are being broadcast five times daily on national TV station TVM, have proven to be very popular with Maltese viewers. He also said that "very positive and encouraging feedback was received after the spots were posted on Facebook and Youtube, where they have been shared extensively by users". Zammit thanked all those who have collaborated in the project, including PBS as the main partners, as well as Dr Michael Spagnol who acted as the linguistic consultant for the series.

Public Broadcasting Services CEO Anton Attard expressed his satisfaction with this collaboration between the national broadcaster and FIMBank: "These short and straight-to-the-point features are an innovative way of promoting a greater appreciation of Malta's linguistic heritage. By choosing TVM as the principal platform for this project, FIMBank has ensured that this educational campaign gets the highest exposure possible."



Our Controlling Shareholders

Kuwait's KIPCO plans \$5 bln real estate project

Source: Reuters, 13 September 2015

Kuwait Projects Co (KIPCO), the country's largest private sector investment firm, is planning a \$5 billion real estate scheme on the outskirts of Kuwait City, the company's vice chairman told a local newspaper on Sunday.

The 380,000-square-metre project is planned for the al-Daiya area where several foreign embassies are located, Faisal al-Ayyar said in an interview with al-Qabas newspaper. It is set to include both residential and commercial spaces, as well as infrastructure such as roads, parks, walkways and electricity.

United Real Estate, a unit of KIPCO, will be responsible for implementation, along with other unnamed entities, he said. KIPCO aims to present its plans to regulators in the coming days and to begin implementation this year.

"The project is considered the largest and most important in Kuwait, especially in the real estate sector," he told al-Qabas. Ayyar acknowledged concerns about bureaucracy, noting that KIPCO's successful bid to develop Abdullah al-Ahmed Street a decade ago was later cancelled by parliament.

The company was hoping for the best from national authorities given the size of the al-Daiya project, he said. Beyond Kuwait, Ayyar said the majority of KIPCO's investments are on track, including in high-risk markets Egypt, Syria and Iraq.

"Even in Iraq, with severe turbulence, our companies are profitable," he said. He expressed optimism that subsidiary Burgan Bank would continue turning profits in Turkey, despite uncertainty over parliamentary elections and a declining Turkish lira.

In July, KIPCO reported a 17.5 percent rise in second-quarter net profit to 13.4 million dinars (\$44.2 million).

KIPCO Q4 net profit rises 10.7pc

Source: Trade Arabia, 15 February 2016

Kuwait Projects Company (Kipco), the Gulf state's largest investment company, reported a 10.7 per cent rise in fourth-quarter net profit on Monday.

Kipco made a net profit of KD15.8 million (\$52.9 million) in the three months to December 31, up from KD14.3 million in the year earlier period, according to a statement.

The regional investment house, with stakes in industrial, media, financial and real estate companies, will pay a cash dividend for 2015 of 25 per cent, equivalent to KD0.025 per share, it added. This is in line with the payout for 2014.





KIPCO completes \$500 million bond issue despite challenges

Source: www.arabtimesonline.com, 9th March 2016

2.5 fold oversubscription reflects global financial community's confidence in company.

The Kuwait Projects Company – has announced that it has successfully completed the issue of a US\$ 500 million (KD 151.8 million) bond under its US\$ 3 billion Euro Medium Term Note (EMTN) Program. The issue was 2.5 times oversubscribed.

The seven year fixed rate notes are listed on the London Stock Exchange and carry a fixed rate coupon of 5%. The issue extends the maturity profile of KIPCO's debt, reduces its cost of funds and provides flexibility to execute its business strategy. This issue also builds on KIPCO's strategy of regularly raising money in the local and international debt markets to diversify its investor base.

In a volatile market backdrop, KIPCO was able to capitalize on positive investor feedback to swiftly execute an intra-day trade. The transaction serves as a leading reference point for the region, being the first corporate bond transaction in 2016 out of CEEMEA and the first from the Middle East since October 2015.

Commenting on the issue, KIPCO's Vice Chairman (Executive), Mr Faisal Al Ayyar said that the success of the transaction reflects the strong reputation that KIPCO enjoys in the global financial community and its confidence in the company's sound business model despite the difficult economic circumstances across the world:

"Despite challenging market conditions, the demand for our bonds has been overwhelming. The 2.5 fold oversubscription reflects the confidence that the global financial community has in KIPCO's strategy and ability to deliver on it." "While KIPCO's liquidity remains strong, the proceeds from this bond issue will serve to provide the company with further financial flexibility so that we can continue to pursue our strategic plans."

The issue attracted a wide range of investors, including leading fixed income global institutions. The bond order book closed at US\$ 1.25 billion. The bonds were allocated across a wide range of quality investors. The distribution profile was very well balanced, with European investors allocated for 32% of the transaction, while Asian, UK, Middle East, and US (offshore) investors accounted for 28%, 23%, 14% and 3% respectively.

The joint lead managers on the transaction were BNP Paribas, Citi, HSBC and J. P. Morgan. KIPCO launched its EMTN Program in 2006. This is the sixth issue under this flexible arrangement. Since inception, KIPCO has raised over US\$ 2.5 billion in US dollars and Euros, and kept an impeccable record of payment and repayment of interest and principal.

Annual General Meeting 2016

The following is a Company Announcement issued by FIMBank p.l.c. ("FIMBank" or the "Bank") pursuant to the Malta Financial Services Authority Listing Rules.

FIMBank announces that its Annual General Meeting (or "Meeting") is scheduled for Tuesday 10 May 2016. Pursuant to the Malta Financial Services Authority Listing Rules, a Shareholder or Shareholders holding not less than 5% of the voting issued share capital of the Bank may: (i) Request the Bank to include items on the agenda of the Meeting, provided that each item is accompanied by a justification or a draft resolution to be adopted at the same Meeting; and (ii) Table draft resolutions for items included in the agenda of the Meeting. The request to put items on the agenda of the Meeting or the draft resolution shall be submitted to the Bank in hard copy form or in electronic form to csec@fimbank.com by Thursday 24 March 2016 and shall be authenticated by the person or persons making it. The Bank shall not be obliged to entertain any requests by shareholders after 24 March 2016.

Further information relating to the Meeting will be announced at a later date and published in the Investor Relations section of the Bank's website at <http://www.fimbank.com/shareholder-services>.

ISIN	FIM
Company	FIMBank p.l.c.
Total Shares issued (as at 1 June 2015)	298,536,643
Currency	US Dollar
Share Price (as at 11 March 2016)	0.65c

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