



**First International
Merchant Bank p.l.c.**

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Company Registration No : C 17003

COMPANY ANNOUNCEMENT

The following is a Company Announcement by First International Merchant Bank p.l.c. (the “Company”) pursuant to Malta Financial Services Authority Listing Rule 8.6.15:

Quote

The Annual General Meeting of First International Merchant Bank p.l.c. was held at The Hilton Malta, Portomaso, St. Julian’s on 5th May 2005.

The members approved the Profit and Loss Account and Balance Sheet for the financial period ended 31st December 2004, as well as the Report of the Directors and the Report of the Auditors.

The members also approved that no dividend be paid in respect of the year under review.

The members approved the reappointment of Messrs. KPMG Certified Public Accountants & Auditors as the Auditors of the Company and that the Board of Directors be authorised to fix the Auditors’ remuneration.

The members also approved that the maximum aggregate emoluments of the Directors for the financial period ending 31st December 2005 be fixed at US\$200,000.

At the Meeting, the following persons were automatically elected to the Board of Directors in terms of Article 101(b) of the Articles of Association of the Company:

Mr. Najeeb Hamad Musaad Al-Saleh
Mr. Mohammed Ibrahim Husain Marafie
Mr. Mehdi Ouazzani Hassani
Mr. Fouad M.T. Alghanim
Mr. Duco Reinout Hoofft Graafland

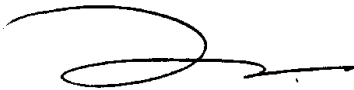
Mr. Hamad Musaed Bader Mohammed Al-Sayer
Mr. Francis J. Vassallo
Mr. Tareq M. Al-Saleh
Dr. John C. Grech
Mr. Jacques Leblanc

At the Meeting, the members also approved six Extraordinary Resolutions in relation to the following:

- (i) Change of name of the Company
- (ii) Increase of authorised share capital
- (iii) Directors' authority to issue equity securities
- (iv) Directors' authority to restrict or withdraw statutory pre-emption rights
- (v) Amendments to the current Executive Share Option Scheme Rules
- (vi) New Executive Share Option Scheme Rules & New Scheme for the years 2006-2009.

The full text of these resolutions is presented as an Annex to this announcement.

End Quote



Francesco Apap Bologna
Company Secretary

6th May 2005

ANNEX 1

EXTRAORDINARY RESOLUTIONS APPROVED AT THE 2005 ANNUAL GENERAL MEETING OF FIRST INTERNATIONAL MERCHANT BANK P.L.C.

1. Change of Name

Purpose

The Board of Directors is proposing to change the name of the Company from First International Merchant Bank p.l.c. to FIMBank p.l.c.

Proposal

That with immediate effect:

(a) Clause 1 of the Memorandum of Association be hereby deleted and substituted as follows:

“1. The name of the company is FIMBank p.l.c.”

(b) For the words “First International Merchant Bank p.l.c.” in: (i) the heading of the Memorandum of Association, (ii) the heading of the Articles of Association and (iii) Article 86 of the Articles of Association, there shall be substituted the words “FIMBank p.l.c.”

2. Increase of Authorised Share Capital

Purpose

In order to enable the Company to raise further share capital as the need may arise from time to time, the Board of Directors is proposing to increase the authorised share capital of the Company *from* fifty million US Dollars (USD 50,000,000) divided into one hundred million (100,000,000) Ordinary shares of fifty US cents (USD 0.50c) each *to* one hundred million US Dollars (USD 100,000,000) divided into two hundred million (200,000,000) Ordinary shares of fifty US cents (USD 0.50c) each.

The proposed increase represents a one hundred per cent. (100%) increase in the authorised share capital of the Company.

Proposal

That with immediate effect the first paragraph in Clause 6 of the Memorandum of Association be hereby deleted and substituted as follows:

“6. The Authorised Share Capital of the Company is one hundred million US Dollars (USD 100,000,000) divided into two hundred million (200,000,000) Ordinary shares of fifty US cents (USD 0.50c) each.”

3. Directors' Authority to Issue Equity Securities

Purpose

In order to give flexibility to the Company in connection with the issuing of Equity Securities (an “Equity Security” is defined in Article 2 of the Articles of Association as “a share in the Company of whatever class or a right or option to subscribe for, or to convert securities into shares of whatever class in the Company”), the Board of Directors is proposing that the Company in general meeting extend the authority, given to the Board of Directors by the Company in the Extraordinary General Meeting held on the 28 April, 2001, to issue Equity Securities up to the maximum value of the Authorised Share Capital.

The maximum amount of Equity Securities which the Board of Directors will have authority to allot in terms of this proposed authority represents approximately a two hundred and three per cent. (203%) increase of the total ordinary share capital in issue at the date hereof.

Such general authority will be used when the Board of Directors shall deem it in the best interests of the Company as a whole to issue such Equity Securities, including in the following instances, if and when they arise: (a) Equity Securities are issued to a strategic partner, or (b) the Company makes an acquisition and pays in whole or in part by the issue of Equity Securities, or (c) to implement a scrip dividend mechanism whereby a shareholder elects to receive shares in lieu of all or part of a cash dividend, or (d) generally in the implementation of any employee share scheme.

Proposal

That pursuant to Article 85 of the Companies Act (Cap. 386, Laws of Malta), and in virtue of the powers vested in the Company by Article 5 of the Articles of Association, the Board of Directors (with full powers of delegation) be hereby generally authorised to issue and allot such number of Equity Securities, for the time being unissued, as may be determined by the Board of Directors up to the maximum value of one hundred million US Dollars (USD 100,000,000). This authorisation is valid for a maximum period of five years from the date of this extraordinary resolution, that is to say up to and including 4 May, 2010.

4. Directors' Authority to Restrict or Withdraw Statutory Pre-Emption Rights

Purpose

The Board of Directors is proposing that it be granted the authority by the Company in general meeting to restrict or withdraw the statutory pre-emption rights of the Company's Equity Securities holders.

Accordingly, the Board of Directors is proposing that the Company in general meeting extend the authority, given to the Board of Directors by the Company in the Extraordinary General Meeting held on the 28 April, 2001, to restrict or withdraw the statutory pre-emption rights of the Company's Equity Securities holders.

Proposal

That pursuant to Article 18 of the Articles of Association of the Company, the Board of Directors be hereby generally authorised (with full powers of delegation) to restrict or withdraw the statutory pre-emption rights of the Company's Equity Securities holders for as long as the Board of Directors remains authorised to issue and allot Equity Securities in terms of Article 85 of the Companies Act.

5. Amendments to the Current Executive Share Option Scheme Rules

Purpose

In order to better reflect the recent acquisition by the Company of London Forfaiting Company Ltd., the Board of Directors is proposing to the Company in general meeting that, in so far as concerns any share options to be awarded for the year 2005 under the Executive Share Option Scheme 2002 - 2005, the Scheme be widened so as to include qualifying executives in the employ of London Forfaiting Company Ltd., a fully owned subsidiary of the Company, and that the definition of earnings be widened so as to refer to the consolidated earnings of the FIMBank Group.

Proposal

a) That limitedly for the purposes of any share options to be awarded for the year 2005, under the Executive Share Option Scheme 2002 – 2005, the Executive Share Option Scheme Rules dated 28 April, 2001 shall be construed as follows:

- (i) the definition of "Bank" be amended so as to read First International Merchant Bank p.l.c. and London Forfaiting Company Ltd.; and
- (ii) the definition of "Earnings" be amended so as to read the Bank's consolidated earnings before tax but after all provisions.

(b) That the Company hereby ratifies any and all steps and proceedings taken to date by the Board of Directors (or the Executive Committee of the Board of Directors) which conform to the aforesaid amendments.

6. New Executive Share Option Scheme Rules & New Scheme for the Years 2006-2009

Purpose

In line with the Company's policy to incentivise senior executives of the Company on the achievement of certain targets, the Board of Directors is proposing that the Company in general meeting approve the new Executive Share Option Scheme Rules for the years 2006 - 2009 ("ESOS Rules 2006 - 2009"), as well as the scheme for the years 2006 - 2009 to be issued under the said ESOS Rules 2006 - 2009.

Proposal

(a) That pursuant to Listing Rule 10.5 of the Listing Rules issued by the Malta Financial Services Authority, the Company hereby approves:

- (i) the Executive Share Option Scheme Rules for the years 2006 - 2009; and
- (ii) the scheme for the years 2006 - 2009 issued under the said Executive Share Option Scheme Rules.

(b) That the Board of Directors be hereby authorised (with full powers of delegation) to do all that is necessary to implement the Executive Share Option Scheme for the years 2006 - 2009.