

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 2015

Quote

The Board of Directors of Malita Investments p.l.c. has approved the audited financial statements for the financial year ended 31 December 2014 on the 26 February 2015. 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, 22 April 2015. 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 23 March 2015 (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 2014.

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 holders of Ordinary ‘A’ and Ordinary ‘B’ shareholders in accordance with the Company’s Articles of Association, the amount of €3,110,269 or €0.0210 per share equating to a final net dividend of €2,021,675 or €0.01365 per share. The final net dividend will be paid on Friday 24 April 2015 to the Shareholders on the Company’s share register at close of business at the Malta Stock Exchange on Monday 23 March 2015.

Unquote

By Order of the Board



Dr Astrid May Grima
Company Secretary

PRELIMINARY STATEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014, as approved by the Board of Directors on 26 February 2015, which have been audited by PricewaterhouseCoopers. These financial statements will be laid before the shareholders at the general meeting to be held on 22 April 2015. The Company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Maltese Companies Act, 1995.

REVIEW OF PERFORMANCE

During the year, works on the Parliament Building progressed further and are now in their final stages of completion. In the meantime, the Board of Directors continued to consider and evaluate a number of potential projects including ones with a mix of public/private participation.

The Company registered a pre-tax profit of €20,859,621 (2013: €10,027,092),

while revenue for the year amounted to €6,754,537 (2013: €6,738,503). 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 from the Parliament Building and the Open Air Theatre as per the contractual agreements. Administrative expenses for the year were in line with the Company's expectations. The results for the year include a favourable change in fair value on MIA and VCP properties of €15,685,686 which came about due to the downward movement of interest rates. 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 2014. The fair value movement has been considered to be non-distributable and has accordingly been transferred to a non-distributable reserve.

The Directors recommend the payment of a final gross dividend to the holders of Ordinary A and Ordinary B shares of €3,110,269 or €0.0210 per share (December 2013: €604,110 or €0.0202 per share paid to the holders of Ordinary B shares only), equating to a final net dividend of €2,021,675 or €0.01365 per share (December 2013: €392,672 or €0.01309 per share paid to the holders of Ordinary B shares only).

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	As at 31 December	
	2014	2013
	€	€
Assets		
Non-current assets	137,916,721	122,227,078
Current assets	4,850,358	13,569,224
Total assets	142,767,079	135,796,302
Equity and Liabilities		
Capital and reserves	95,079,251	82,043,793
Non-current liabilities	46,604,233	40,988,152
Current liabilities	1,083,595	12,764,357
Total liabilities	47,687,828	53,752,509
Total equity and liabilities	142,767,079	135,796,302

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	Year ended 31 December	
	2014	2013
	€	€
Revenue	6,754,537	6,738,503
Administrative expenses	(362,621)	(353,498)
Change in fair value of investment property	15,685,686	4,666,825
Operating profit	22,077,602	11,051,830
Net finance costs	(1,217,981)	(1,024,738)
Profit before tax	20,859,621	10,027,092
Tax expense	(7,138,991)	(2,003,678)
Profit for the year	13,720,630	8,023,414
Earnings per share (cents)	9.26	5.42

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings	Non-distributable reserves		Total
			Fair value gains	Other	
	€	€	€	€	€
Balance at 1 January 2013	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
Comprehensive income					
Profit for the year	-	13,720,630	-	-	13,720,630
Transactions with owners					
Transfer within owners' equity	-	(10,072,979)	10,072,979	-	-
Transfer within owners' equity	-	(837,581)	-	837,581	-
Dividends to equity shareholders	-	(685,172)	-	-	(685,172)
Balance at 31 December 2014	73,295,143	6,092,159	14,854,368	837,581	95,079,251

CONDENSED STATEMENT OF CASH FLOWS

	Year ended 31 December	
	2014	2013
	€	€
Net cash flow generated from operating activities	3,789,519	5,656,567
Net cash flow used in investing activities	(9,445,016)	(18,340,682)
Net cash flow used in financing activities	(2,001,472)	(1,799,313)
Net movement in cash and cash equivalents	(7,656,969)	(14,483,428)
Cash and cash equivalents at beginning of year	12,134,903	26,618,331
Cash and cash equivalents at end of year	4,477,934	12,134,903