

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.

1 March 2016

Quote

The Board of Directors of Malita Investments p.l.c. has approved the audited financial statements for the financial year ended 31 December 2015 on the 1 March 2016. 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 Tuesday, 26 April 2016. 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 Thursday 24 March 2016 (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 2015.

The Board of Directors further resolved to recommend for the approval of the Annual General Meeting, the payment of a final gross dividend of €3,258,377 or €0.0220 per share equating to a final net dividend of €2,117,945 or €0.0143 per share to all shareholders on the register. The final net dividend will be paid on Friday 29 April 2016 to the Shareholders on the Company’s share register at close of business at the Malta Stock Exchange on Thursday 24 March 2016.

Unquote

By Order of the Board



Dr Astrid May Grima
Company Secretary

PRELIMINARY STATEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

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 2015, as approved by the Board of Directors on 1 March 2016, which have been audited by PricewaterhouseCoopers. These financial statements will be laid before the members at the general meeting to be held on 26 April 2016. The Company's financial statements have been prepared in accordance with International Accounting Standards as adopted by the European Union.

REVIEW OF PERFORMANCE

In May 2015, the Parliament Building was officially inaugurated and the Company is currently waiting for the completion certificate to be issued. 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 €16,859,728 (2014: €20,859,621), while revenue for the year amounted to €6,935,891 (2014: €6,754,537). 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 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 €11,609,000 (2014: €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 2015. 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 of €3,258,377 or €0.0220 per share (December 2014: €3,110,269 or €0.0210 per share), equating to a final net dividend of €2,117,945 or €0.0143 per share (December 2014: €2,021,675 or €0.01365 per share).

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

| | As at 31 December | |
|-------------------------------------|--------------------|--------------------|
| | 2015 | 2014 |
| | € | € |
| Assets | | |
| Non-current assets | 149,530,007 | 137,916,721 |
| Current assets | 4,909,517 | 4,850,358 |
| Total assets | 154,439,524 | 142,767,079 |
| Equity and Liabilities | | |
| Capital and reserves | 108,248,337 | 95,079,251 |
| Non-current liabilities | 45,313,126 | 46,604,233 |
| Current liabilities | 878,061 | 1,083,595 |
| Total liabilities | 46,191,187 | 47,687,828 |
| Total equity and liabilities | 154,439,524 | 142,767,079 |

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

| | Year ended 31 December | |
|---|------------------------|-------------------|
| | 2015 | 2014 |
| | € | € |
| Revenue | 6,935,891 | 6,754,537 |
| Administrative expenses | (387,705) | (362,621) |
| Change in fair value of investment property | 11,609,000 | 15,685,686 |
| Operating profit | 18,157,186 | 22,077,602 |
| Net finance costs | (1,297,458) | (1,217,981) |
| Profit before tax | 16,859,728 | 20,859,621 |
| Tax expense | (282,676) | (7,138,991) |
| Profit for the year | 16,577,052 | 13,720,630 |
| Earnings per share (cents) | 11.19 | 9.26 |

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

| | Share capital | Retained earnings | Non-distributable reserves | | Total |
|------------------------------------|-------------------|-------------------|----------------------------|------------------|--------------------|
| | | | Fair value gains | Other | |
| | € | € | € | € | € |
| Balance at 1 January 2014 | 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 |
| Balance at 1 January 2015 | 73,295,143 | 6,092,159 | 14,854,368 | 837,581 | 95,079,251 |
| Comprehensive income | | | | | |
| Profit for the year | - | 16,577,052 | - | - | 16,577,052 |
| Transactions with owners | | | | | |
| Transfer within owners' equity | - | (12,903,480) | 12,903,480 | - | - |
| Transfer within owners' equity | - | (367,357) | - | 367,357 | - |
| Dividends to equity shareholders | - | (3,407,966) | - | - | (3,407,966) |
| Balance at 31 December 2015 | 73,295,143 | 5,990,408 | 27,757,848 | 1,204,938 | 108,248,337 |

CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015

| | Year ended 31 December | |
|---|------------------------|--------------------|
| | 2015 | 2014 |
| | € | € |
| Net cash flow generated from operating activities | 5,084,231 | 3,789,519 |
| Net cash flow used in investing activities | (303,627) | (9,445,016) |
| Net cash flow used in financing activities | (4,724,266) | (2,001,472) |
| Net movement in cash and cash equivalents | 56,338 | (7,656,969) |
| Cash and cash equivalents at beginning of year | 4,477,934 | 12,134,903 |
| Cash and cash equivalents at end of year | 4,534,272 | 4,477,934 |