



LOMBARD

Lombard Bank Malta p.l.c.

Income Statements for the period 1 January 2011 to 30 June 2011

	Group		Bank	
	01.01.11 to 30.06.11 € 000	01.01.10 to 30.06.10 € 000	01.01.11 to 30.06.11 € 000	01.01.10 to 30.06.10 € 000
Interest receivable and similar income				
- on loans and advances, balances with Central Bank of Malta and treasury bills	11,579	12,082	11,567	12,081
- on debt and other fixed income instruments	1,014	1,289	912	1,160
Interest expense	(5,345)	(5,200)	(5,348)	(5,219)
Net interest income	7,248	8,171	7,131	8,022
Fee and commission income	1,092	971	619	583
Fee and commission expense	(39)	(31)	(37)	(31)
Net fee and commission income	1,053	940	582	552
Postal sales and other revenues	10,214	10,203	8	54
Dividend income	88	86	1,195	1,255
Net trading income	144	379	154	174
Net gains on disposal of non-trading financial instruments	1,174	2	877	2
Other operating income/(expenses)	19	(55)	19	15
Operating income	19,940	19,726	9,966	10,074
Employee compensation and benefits	(7,462)	(7,278)	(2,386)	(2,128)
Other operating costs	(4,626)	(4,389)	(985)	(1,073)
Depreciation and amortisation	(639)	(565)	(202)	(125)
Provisions for liabilities and other charges	(28)	(93)	(11)	(12)
Net impairment losses	(188)	(645)	(188)	(645)
Profit before taxation	6,997	6,756	6,194	6,091
Income tax expense	(2,463)	(2,426)	(2,175)	(2,152)
Profit for the period	4,534	4,330	4,019	3,939
Attributable to:				
Equity holders of the Bank	4,170	3,936	4,019	3,939
Non-controlling interests	364	394	-	-
	4,534	4,330	4,019	3,939
Earnings per share	11.6c	11.0c		

Lombard Bank Malta p.l.c.

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Licensed to conduct Investment Services Business by the Malta Financial Services Authority • Regulated by the Malta Financial Services Authority & listed on the Malta Stock Exchange

Registered Office: 67 Republic Street Valletta Malta • Company Registration Number: C 1607



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Statements of Comprehensive Income for the period 1 January 2011 to 30 June 2011

	Group		Bank	
	01.01.11 to 30.06.11 € 000	01.01.10 to 30.06.10 € 000	01.01.11 to 30.06.11 € 000	01.01.10 to 30.06.10 € 000
Profit for the period	4,534	4,330	4,019	3,939
Other comprehensive income				
Fair valuation of available-for-sale financial assets:				
Net changes in fair value arising during the period, before tax	451	(19)	610	(100)
Reclassification adjustments - net amounts reclassified to profit or loss, before tax	-	(4)	-	(4)
Income tax relating to components of other comprehensive income	(214)	36	(214)	36
Other comprehensive income for the period, net of income tax	237	13	396	(68)
Total comprehensive income for the period, net of income tax	4,771	4,343	4,415	3,871
Attributable to:				
Equity holders of the Bank	4,459	3,922		
Non-controlling interests	312	421		
	4,771	4,343		



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Statements of Financial Position at 30 June 2011

	Group		Bank	
	30.06.11 € 000	31.12.10 € 000	30.06.11 € 000	31.12.10 € 000
ASSETS				
Balances with Central Bank of Malta, treasury bills and cash	140,397	109,314	139,790	108,774
Cheques in course of collection	966	750	966	750
Investments	27,686	46,332	23,956	41,101
Loans and advances to banks	48,971	44,975	46,836	43,477
Loans and advances to customers	300,078	333,731	300,402	334,012
Investment in subsidiaries	-	-	8,502	8,034
Intangible assets	1,614	1,295	260	3
Property, plant and equipment	15,900	14,740	12,441	12,299
Investment property	745	745	745	745
Assets classified as held for sale	109	109	109	109
Current tax assets	94	2,683	58	2,378
Deferred tax assets	1,447	1,585	948	1,084
Inventories	859	714	248	143
Trade and other receivables	8,232	7,503	450	385
Accrued income and other assets	3,164	3,324	3,123	3,247
Total assets	550,262	567,800	538,834	556,541
EQUITY AND LIABILITIES				
Equity				
Share capital	9,023	9,023	9,023	9,023
Share premium	17,746	17,746	17,746	17,746
Property revaluation reserve	2,043	2,043	2,043	2,043
Investment revaluation reserve	855	566	756	360
Other reserves	2,397	2,397	2,397	2,397
Retained earnings	41,303	39,932	40,212	38,891
Equity attributable to equity holders of the Bank	73,367	71,707	72,177	70,460
Non-controlling interests	4,503	4,336	-	-
Total equity	77,870	76,043	72,177	70,460
Liabilities				
Amounts owed to banks	16	149	16	149
Amounts owed to customers	452,775	472,697	455,906	475,085
Provisions for liabilities and other charges	2,789	2,652	605	636
Other liabilities	7,837	7,907	5,734	5,679
Accruals and deferred income	8,975	8,352	4,396	4,532
Total liabilities	472,392	491,757	466,657	486,081
Total equity and liabilities	550,262	567,800	538,834	556,541
Memorandum items				
Contingent liabilities	6,858	7,067	6,858	7,067
Commitments	83,833	82,246	83,833	82,246

These condensed financial statements were approved by the Board on 23 August 2011 and were signed on its behalf by:

Christian Lemmerich
Chairman

Joseph Said
Chief Executive Officer



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Lombard Bank Malta p.l.c.

Statements of Changes in Equity for the period 1 January 2011 to 30 June 2011

Group	Attributable to equity holders of the Bank								
	Share Capital € 000	Share Premium € 000	Property Revaluation Reserve € 000	Investment Revaluation Reserve € 000	Other Reserves € 000	Retained Earnings € 000	Total € 000	Non-Controlling Interests € 000	Total Equity € 000
At 1 January 2010	8,903	16,409	2,288	290	-	36,395	64,285	3,917	68,202
Comprehensive income									
Profit for the period	-	-	-	-	-	3,936	3,936	394	4,330
Other comprehensive income									
Fair valuation of available-for-sale financial assets:									
Net changes in fair value arising during the period	-	-	-	(11)	-	-	(11)	27	16
Reclassification adjustments - net amounts reclassified to profit or loss	-	-	-	(3)	-	-	(3)	-	(3)
Total other comprehensive income for the period	-	-	-	(14)	-	-	(14)	27	13
Total comprehensive income for the period	-	-	-	(14)	-	3,936	3,922	421	4,343
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Dividends to equity holders relating to the preceding financial year	-	-	-	-	-	(2,315)	(2,315)	(406)	(2,721)
Rights issue of ordinary shares	120	1,337	-	-	-	-	1,457	-	1,457
Changes in ownership interests in subsidiaries that do not result in a loss of control									
Change in non-controlling interests in subsidiary	-	-	-	-	-	(109)	(109)	65	(44)
Total transactions with owners	120	1,337	-	-	-	(2,424)	(967)	(341)	(1,308)
At 30 June 2010	9,023	17,746	2,288	276	-	37,907	67,240	3,997	71,237



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Statements of Changes in Equity for the period 1 January 2011 to 30 June 2011

Group	Attributable to equity holders of the Bank								
	Share Capital € 000	Share Premium € 000	Property Revaluation Reserve € 000	Investment Revaluation Reserve € 000	Other Reserves € 000	Retained Earnings € 000	Total € 000	Non-Controlling Interests € 000	Total Equity € 000
At 1 January 2011	9,023	17,746	2,043	566	2,397	39,932	71,707	4,336	76,043
Comprehensive income									
Profit for the period	-	-	-	-	-	4,170	4,170	364	4,534
Other comprehensive income									
Fair valuation of available-for-sale financial assets:									
Net changes in fair value arising during the period	-	-	-	289	-	-	289	(52)	237
Total other comprehensive income for the period	-	-	-	289	-	-	289	(52)	237
Total comprehensive income for the period	-	-	-	289	-	4,170	4,459	312	4,771
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Dividends to equity holders relating to the preceding financial year	-	-	-	-	-	(2,697)	(2,697)	(404)	(3,101)
Changes in ownership interests in subsidiaries that do not result in a loss of control									
Change in non-controlling interests in subsidiary	-	-	-	-	-	(102)	(102)	259	157
Total transactions with owners	-	-	-	-	-	(2,799)	(2,799)	(145)	(2,944)
At 30 June 2011	9,023	17,746	2,043	855	2,397	41,303	73,367	4,503	77,870



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Statements of Changes in Equity for the period 1 January 2011 to 30 June 2011

Bank	Share Capital € 000	Share Premium € 000	Property Revaluation Reserve € 000	Investment Revaluation Reserve € 000	Other Reserves € 000	Retained Earnings € 000	Total Equity € 000
At 1 January 2010	8,903	16,409	2,288	186	-	35,860	63,646
Comprehensive income							
Profit for the period	-	-	-	-	-	3,939	3,939
Other comprehensive income							
Fair valuation of available-for-sale financial assets:							
Net changes in fair value arising during the period	-	-	-	(65)	-	-	(65)
Reclassification adjustments - net amounts reclassified to profit or loss	-	-	-	(3)	-	-	(3)
Total other comprehensive income for the period	-	-	-	(68)	-	-	(68)
Total comprehensive income for the period	-	-	-	(68)	-	3,939	3,871
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends to equity holders relating to the preceding financial year	-	-	-	-	-	(2,316)	(2,316)
Rights issue of ordinary shares	120	1,337	-	-	-	-	1,457
Total transactions with owners	120	1,337	-	-	-	(2,316)	(859)
At 30 June 2010	9,023	17,746	2,288	118	-	37,483	66,658



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Statements of Changes in Equity for the period 1 January 2011 to 30 June 2011

Bank	Share Capital € 000	Share Premium € 000	Property Revaluation Reserve € 000	Investment Revaluation Reserve € 000	Other Reserves € 000	Retained Earnings € 000	Total Equity € 000
At 1 January 2011	9,023	17,746	2,043	360	2,397	38,891	70,460
Comprehensive income							
Profit for the period	-	-	-	-	-	4,019	4,019
Other comprehensive income							
Fair valuation of available-for-sale financial assets:							
Net changes in fair value arising during the period	-	-	-	396	-	-	396
Total other comprehensive income for the period	-	-	-	396	-	-	396
Total comprehensive income for the period	-	-	-	396	-	4,019	4,415
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends to equity holders relating to the preceding financial year	-	-	-	-	-	(2,698)	(2,698)
Total transactions with owners	-	-	-	-	-	(2,698)	(2,698)
At 30 June 2011	9,023	17,746	2,043	756	2,397	40,212	72,177



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Statements of Cash Flows for the period 1 January 2011 to 30 June 2011

	Group		Bank	
	01.01.11 to 30.06.11 € 000	01.01.10 to 30.06.10 € 000	01.01.11 to 30.06.11 € 000	01.01.10 to 30.06.10 € 000
Cash flows from operating activities				
Interest and commission receipts	12,163	12,494	12,167	12,499
Receipts from customers relating to postal sales and other revenue	55,439	45,545	9	57
Interest and commission payments	(5,304)	(6,054)	(5,308)	(6,073)
Payments to employees and suppliers	(57,803)	(49,187)	(3,786)	(3,587)
Cash flows from operating profit before changes in operating assets and liabilities	4,495	2,798	3,082	2,896
<i>Decrease/(Increase) in operating assets:</i>				
Treasury bills	20,478	25,707	20,478	25,706
Deposits with Central Bank of Malta	677	(746)	677	(746)
Loans and advances to banks and customers	33,366	(2,584)	33,323	(2,710)
Other receivables	(387)	(1,173)	(387)	(1,181)
<i>(Decrease)/Increase in operating liabilities:</i>				
Amounts owed to banks and to customers	(19,921)	23,234	(19,179)	23,181
Other payables	56	(2,369)	56	(2,369)
Net cash from operations	38,764	44,867	38,050	44,777
Income tax refunded/(paid)	50	(1,048)	361	(734)
Net cash from operating activities	38,814	43,819	38,411	44,043
Cash flows from investing activities				
Dividends received	88	86	88	86
Interest received from investments	1,779	2,298	1,564	2,076
Proceeds on maturity/disposal of investments	20,141	3,671	18,781	3,979
Purchase of investments	-	(1,737)	-	(1,542)
Purchase of property, plant and equipment	(1,515)	(911)	(601)	(577)
Proceeds from liquidation of subsidiary	-	-	117	-
Acquisition of non-controlling interests	(42)	(133)	-	-
Net cash flows from investing activities	20,451	3,274	19,949	4,022
Cash flows from financing activities				
Dividends paid to equity holders of the Bank	(2,698)	(858)	(2,698)	(858)
Dividends paid to non-controlling interests	(201)	(213)	-	-
Cash used in financing activities	(2,899)	(1,071)	(2,698)	(858)
Net increase in cash and cash equivalents	56,366	46,022	55,662	47,207
Cash and cash equivalents at beginning of period	95,515	69,426	93,477	65,139
Cash and cash equivalents at end of period	151,881	115,448	149,139	112,346



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Statement pursuant to Listing Rule 5.75.3 issued by the Listing Authority

I confirm that to the best of my knowledge:

- the condensed interim financial information, prepared in accordance with IAS 34 gives a true and fair view of the financial position of the Group and the Bank as at 30 June 2011 and of their financial performance and cash flows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting, IAS 34, '*Interim Financial Reporting*'; and,
- the commentary includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.

Joseph Said
Chief Executive Officer

23 August 2011