

LOMBARD BANK CONVENES 2004 ANNUAL GENERAL MEETING

Lombard Bank Chairman Christian Lemmerich explained to the Annual General Meeting of shareholders how the Bank reaped “a good harvest” in 2003, with a strong all-round performance and improvements in operating income, profitability and balance-sheet growth. Lombard Bank achieved a record pre-tax profit of Lm2.16 million for the fifteen month period ended 31 December, 2003, an increase of 53% on the 12 month-financial year ended 30 September 2002 or 24% if taken on an annualised basis.

Mr Lemmerich was addressing the Meeting which was convened this evening at the Malta Chamber of Commerce Buildings, Valletta. Amongst its usual business, the Meeting approved the Directors' recommendation to pay a final dividend of 9c0 per share, which is in addition to the interim gross dividend of 6c0 per share approved in October 2003. The Meeting also passed the resolution which called on the members to approve the option of receiving the dividend either in cash or by the issue of new shares. The Bank had announced some weeks back that the attribution price for the purpose of determining the new share allocation had been established at Lm3.705. The shareholders also approved the appointment of KPMG as auditors of the Bank, and the remuneration of the directors for the holding of their office.

The Meeting was presented with a detailed overview of the financial and operating performance of the Bank for the period. The overview outlined how, in spite of the challenging economic conditions prevailing in 2003, the Bank succeeded in achieving significant all-round growth in its activities, as reflected in increased revenue streams, operating income and the main balance-sheet headings. In particular, the Chairman highlighted how the Bank continued to raise its profile more prominently in the corporate banking sector, in line with its strategy of customer segmentation which also aims to provide more bespoke financial services to private and high net worth clients.

Amongst the Bank's financial highlights, Mr Lemmerich singled out the growth in profitability, the low cost/income ratio, a return on equity of 15% and a solvency ratio of 19% - all of which represent significant achievements, even by international standards.

At the end of the meeting, Dott Gianfilippo Maria Maiga and Mr Michael Zammit were elected as directors.