

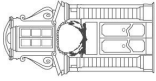


LOMBARD

Lombard Bank Malta p.l.c.

Income Statements for the period 1 January 2010 to 30 June 2010

	Group		Bank	
	01.01.10 to 30.06.10 € 000	01.01.09 to 30.06.09 € 000	01.01.10 to 30.06.10 € 000	01.01.09 to 30.06.09 € 000
Interest receivable and similar income				
- on loans and advances, balances with Central Bank of Malta and treasury bills	12,082	12,890	12,081	12,828
- on debt and other fixed income instruments	1,289	1,400	1,160	1,343
Interest expense	(5,200)	(7,399)	(5,219)	(7,446)
Net interest income	8,171	6,891	8,022	6,725
Fee and commission income	971	710	583	700
Fee and commission expense	(31)	(34)	(31)	(34)
Net fee and commission income	940	676	552	666
Postal sales and other revenues	10,203	10,005	54	-
Dividend income	86	68	1,255	926
Net trading income	379	262	174	127
Net gains/(losses) on disposal of non-trading financial instruments	2	(53)	2	(53)
Other operating (expenses)/income	(55)	526	15	54
Operating income	19,726	18,375	10,074	8,445
Employee compensation and benefits	(7,278)	(6,938)	(2,128)	(2,038)
Administrative expenses	(4,389)	(4,547)	(1,073)	(982)
Depreciation and amortisation	(565)	(520)	(125)	(113)
Provisions for liabilities and other charges	(93)	(34)	(12)	(10)
Net impairment (losses)/gains	(645)	104	(645)	104
Profit before taxation	6,756	6,440	6,091	5,406
Income tax expense	(2,426)	(2,354)	(2,152)	(1,718)
Profit for the period	4,330	4,086	3,939	3,688
Attributable to:				
Equity holders of the Bank	3,936	3,690	3,939	3,688
Non-controlling interests	394	396	-	-
	4,330	4,086	3,939	3,688
Earnings per share	11.0c	10.4c	11.0c	10.4c



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Lombard Bank Malta p.l.c.

Statements of Comprehensive Income for the period 1 January 2010 to 30 June 2010

	Group		Bank	
	01.01.10 to 30.06.10 € 000	01.01.09 to 30.06.09 € 000	01.01.10 to 30.06.10 € 000	01.01.09 to 30.06.09 € 000
Profit for the period	4,330	4,096	3,939	3,688
Other comprehensive Income				
Investment revaluation reserve (available-for-sale financial assets):				
Net amount reclassified to profit or loss	(4)	30	(4)	(56)
Net change in fair value	(19)	85	(100)	46
Income tax relating to other comprehensive income	36	3	36	3
Other comprehensive Income for the period, net of income tax	13	118	(68)	-7
Total comprehensive Income for the period, net of income tax	4,343	4,204	3,871	3,681
Attributable to:				
Equity holders of the Bank	3,922	3,764		
Non-controlling interests	421	440		
	4,343	4,204		



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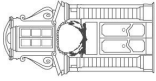
Lombard Bank Malta p.l.c. Statements of Financial Position at 30 June 2010

	Group		Bank	
	30.06.10 € 000	31.12.09 € 000	30.06.10 € 000	31.12.09 € 000
Assets				
Balances with Central Bank of Malta, treasury bills and cash	118,508	116,357	118,061	115,993
Cheques in course of collection	1,209	811	1,209	811
Investments	43,064	45,025	37,899	39,357
Loans and advances to banks	41,251	22,383	38,596	18,460
Loans and advances to customers	330,287	327,802	330,568	327,956
Investment in subsidiaries	-	-	7,274	7,634
Intangible assets	1,190	1,238	2	3
Property and equipment	14,170	13,878	12,107	11,654
Investment property	745	745	745	745
Assets held for sale	109	109	109	109
Current tax assets	-	1,171	741	1,731
Deferred tax assets	2,035	1,993	1,567	1,551
Inventories	832	671	238	247
Trade and other receivables	7,640	6,545	823	31
Prepayments and accrued income	3,098	4,113	3,796	4,622
Total assets	564,138	542,841	553,735	530,904
Liabilities				
Amounts owed to banks	77	3,675	77	3,675
Amounts owed to customers	473,001	446,209	476,176	449,436
Current tax liabilities	214	-	-	-
Provisions for liabilities and other charges	2,963	2,520	673	577
Other liabilities	8,683	12,596	6,225	8,594
Accruals and deferred income	7,963	9,649	3,926	4,975
Total liabilities	492,901	474,639	487,077	467,257
Equity				
Called up share capital	9,023	8,903	9,023	8,903
Share premium	17,746	16,409	17,746	16,409
Property revaluation reserve	2,288	2,288	2,288	2,288
Investment revaluation reserve	276	290	118	186
Retained earnings	37,907	36,395	37,483	35,861
Equity attributable to equity holders of the Bank	67,240	64,285	66,658	63,647
Non-controlling interests	3,997	3,917	-	-
Total equity	71,237	68,202	66,658	63,647
Total liabilities and equity	564,138	542,841	553,735	530,904
Memorandum items				
Contingent liabilities	6,295	10,484	6,295	10,484
Commitments	77,081	98,611	77,081	98,611

These condensed financial information were approved by the Board on 24 August 2010 and were signed on its behalf by:

Christian Lemmerich
Chairman

Joseph Said
Chief Executive Officer

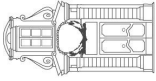


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Lombard Bank Malta p.l.c.

Statements of Changes in Equity for the period 1 January 2010 to 30 June 2010

Group	Called Up Issued Share Capital € 000	Share Premium € 000	Property Revaluation Reserve € 000	Investment Revaluation Reserve € 000	Retained Earnings € 000	Total € 000	Non- controlling Interests € 000	Total Equity € 000
At 1 January 2009	8,762	15,137	2,288	(16)	31,518	57,689	3,401	61,090
Comprehensive income	-	-	-	-	3,690	3,690	396	4,086
Profit for the period	-	-	-	-	3,690	3,690	396	4,086
Other comprehensive income	-	-	-	-	-	-	-	-
Investment revaluation reserve (available-for-sale financial assets):	-	-	-	6	-	6	44	50
Net amount reclassified to profit or loss, net of tax	-	-	-	68	-	68	-	68
Net change in fair value, net of tax	-	-	-	74	-	74	44	118
Total other comprehensive income for the period	-	-	-	74	-	74	44	118
Total comprehensive income for the period	-	-	-	74	3,690	3,764	440	4,204
Transactions with owners, recorded directly in equity	-	-	-	-	(2,277)	(2,277)	(406)	(2,683)
Contributions by and distributions to owners	141	1,272	-	-	-	1,413	-	1,413
Dividends to equity holders	-	-	-	-	-	-	-	-
Rights issue of ordinary shares	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	(268)	(268)	172	(96)
Change in non-controlling interests in subsidiary	-	-	-	-	(268)	(268)	172	(96)
Total transactions with owners	141	1,272	-	-	(2,545)	(1,132)	(234)	(1,366)
At 30 June 2009	8,903	16,409	2,288	58	32,663	60,321	3,607	63,928



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Lombard Bank Malta p.l.c.

Statements of Changes in Equity for the period 1 January 2010 to 30 June 2010

Group	Called Up Issued Share Capital € 000	Share Premium € 000	Property Revaluation Reserve € 000	Investment Revaluation Reserve € 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	-	-	-	-	3,936	3,936	394	4,330
Profit for the period	-	-	-	-	3,936	3,936	394	4,330
Other comprehensive income	-	-	-	(3)	-	(3)	27	24
Investment revaluation reserve (available-for-sale financial assets):	-	-	-	(3)	-	(3)	27	24
Net amount reclassified to profit or loss, net of tax	-	-	-	(11)	-	(11)	-	(11)
Net change in fair value, net of tax	-	-	-	(14)	-	(14)	27	13
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	-	-	-	-	(2,315)	(2,315)	(406)	(2,721)
Contributions by and distributions to owners	-	-	-	-	(2,315)	(2,315)	(406)	(2,721)
Dividends to equity holders	120	1,337	-	-	-	1,457	-	1,457
Rights issue of ordinary shares	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	(138)	(138)	196	58
Change in non-controlling interests in subsidiary	-	-	-	-	(138)	(138)	196	58
Total transactions with owners	120	1,337	-	-	(2,453)	(996)	(210)	(1,206)
Other changes	-	-	-	-	29	29	(131)	(102)
Disposal of subsidiary	-	-	-	-	29	29	(131)	(102)
At 30 June 2010	9,023	17,746	2,288	276	37,907	67,240	3,987	71,227



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Lombard Bank Malta p.l.c.

Statements of Changes in Equity for the period 1 January 2010 to 30 June 2010

Bank	Called Up Issued Share Capital € 000	Share Premium € 000	Property Revaluation Reserve € 000	Investment Revaluation Reserve € 000	Retained Earnings € 000	Total Equity € 000
At 1 January 2009	8,762	15,137	2,288	(17)	30,658	56,828
Comprehensive income						
Profit for the period	-	-	-	-	3,688	3,688
Other comprehensive income						
Investment revaluation reserve (available-for-sale financial Net amount reclassified to profit or loss, net of tax	-	-	-	(36)	-	(36)
Net change in fair value, net of tax	-	-	-	29	-	29
Total other comprehensive income for the period	-	-	-	(7)	-	(7)
Total comprehensive income for the period	-	-	-	(7)	3,688	3,681
Transactions with owners, recorded directly in equity - Contributions by and distributions to owners						
Dividends to equity holders	-	-	-	-	(2,280)	(2,280)
Rights issue of ordinary shares	141	1,272	-	-	-	1,413
Total transactions with owners	141	1,272	-	-	(2,280)	(867)
At 30 June 2009	8,903	16,409	2,288	(24)	32,066	59,642
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						
Investment revaluation reserve (available-for-sale financial Net amount reclassified to profit or loss, net of tax	-	-	-	(3)	-	(3)
Net change in fair value, net of tax	-	-	-	(65)	-	(65)
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	-	-	-	-	(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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Lombard Bank Malta p.l.c.

Statement of cash flows for the period 1 January 2010 to 30 June 2010

	Group		Bank	
	01.01.10 to 30.06.10 € 000	01.01.09 to 30.06.09 € 000	01.01.10 to 30.06.10 € 000	01.01.09 to 30.06.09 € 000
Cash flows from operating activities				
Interest and commission receipts	12,494	11,634	12,499	11,681
Cash receipts from customers	45,545	36,297	57	140
Interest and commission payments	(6,054)	(6,506)	(6,073)	(6,552)
Payments to employees and suppliers	(49,187)	(38,284)	(3,587)	(3,493)
Operating profit before changes in operating assets and liabilities	2,798	3,141	2,896	1,776
(Increase)/decrease in operating assets:				
Treasury bills	25,707	(19,001)	25,706	(19,001)
Deposits with Central Bank of Malta	(746)	(992)	(746)	(992)
Loans and advances to banks and customers	(2,584)	287	(2,710)	141
Other receivables	(1,173)	1,615	(1,181)	1,615
Increase/(decrease) in operating liabilities:				
Amounts owed to banks and to customers	23,234	39,521	23,181	40,079
Other payables	(2,369)	971	(2,369)	971
Net cash from operations	44,867	25,542	44,777	24,589
Income tax paid	(1,048)	(1,012)	(734)	(1,006)
Net cash from operating activities	43,819	24,530	44,043	23,583
Cash flows from investing activities				
Dividends received	86	69	86	926
Interest received from investments	2,298	2,536	2,076	2,340
Proceeds on maturity/disposal of investments	3,671	5,168	3,979	5,168
Purchase of investments	(1,737)	(557)	(1,542)	(271)
Investment in subsidiary	-	-	-	(715)
Purchase of property and equipment	(911)	(707)	(577)	(453)
Acquisition of non-controlling interests	(133)	(156)	-	-
Net cash flows from investing activities	3,274	6,353	4,022	6,995
Cash flows from financing activities				
Dividends paid to non-controlling interests	(213)	(249)	-	-
Dividends paid to equity holders of the Bank	(858)	(865)	(858)	(865)
Cash used in financing activities	(1,071)	(1,114)	(858)	(865)
Net increase in cash and cash equivalents	46,022	29,769	47,207	29,713
Cash and cash equivalents at beginning of period	69,426	64,770	65,139	59,752
Cash and cash equivalents at end of period	115,448	94,539	112,346	89,465



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Statement pursuant to Listing Rule 9.44k.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 2010 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 Rule 9.

Joseph Said
Chief Executive Officer

24 August 2010