



17 September 2009

KAML records K529,765 profit for June half year

MEDIA STATEMENT

Listed Investment company Kina Asset Management Limited (KAML) announced a Net Profit after Tax of K529,765 for the half year ending 30th June, 2009.

The company has reported a gross investment return of 2.17% for the same period.

Solid economic forecasts for the PNG and Australian economies indicate the investment strategies will continue to be successful following the latest quarterly report, chairman Sir Rabbie Namaliu said today.

“The latest report has again been very positive in terms of our investment strategy and the investments we have made in key companies and funds,” Sir Rabbie said.

“We exceeded our performance benchmarks in all markets, apart from domestic equities

“The share price declines in Bank of South Pacific and Credit Corporation impacted on our benchmark performance, but both organizations have positive growth strategies, although the market is yet to see the benefits of these strategies in the share price,” he said.

Sir Rabbie said that since the report had been completed, further updated information indicated there were improving trends in the world’s major markets and these outcomes would flow through to the PNG and Australian markets for the benefit of investors.

“Moving forward KAML plans to increase its investment in stock dual listed on POMSoX and other securities exchanges and also continue to increase its exposure in both Australian and International equities, “ Sir Rabbie said.

Commenting on the global economy, Sir Rabbie said while the International Monetary Fund downgraded forecast for every major country and reports a global output decline by 1.3% this year to a revised estimate, growth is expected to recover to 2.5% in 2010, higher than previously forecast.

He said Australia became the only major western country to avoid recession as increased exports helped improve the growth rate and this was further upgraded in April 2009.

Sir Rabbie said the PNG economy continued to show positive growth and remained relatively cushioned from the impact of the global financial crisis with domestic demand and sentiments remaining strong.



KINA

**ASSET MANAGEMENT
LIMITED**

“The KAML report indicated the construction boom and the optimism of PNG’s LNG project’s going ahead will help sustain the growth and development,” Sir Rabbie said.

“Despite the general feeling of cautious optimism there still remains an unforeseen internal and external risk that may have a downside effect on the economy.

“However KAML remained well positioned to benefit from the global recovery,” he said.

The report warns the challenge remains in fiscal discipline and whether the LNG project materializes as planned. There continued to be encouraging news in the energy industry as the northern hemisphere continued to predict increased demand and the need for long term energy certainty.

Sir Rabbie said KAML’s first annual general meeting has been called for Wednesday 30th September 2009.

Sir Rabbie Namaliu GCL CSM KCMG
Chairman

Ends

Please contact Syd Yates on phone 3083810 or 76835050 for any enquires in relation to this press release.