



14th September 2012

KAML MEDIA STATEMENT

KAML Produces strong investment return

Kina Assets Management Limited (KAM) has announced a NPAT of K289,000 for the 6 months ending 30th June 2012 this compared with a Net Loss of K3.52 million for the corresponding period in 2011. The portfolio reflected an investment return of 2.5% for the half-year period ending 30 June 2012 compared to an investment return of a negative (6.3%) in the corresponding period last year.

Sir Rabbie said that the results were very pleasing given the continuing global uncertainty in the Northern hemisphere economies, which continued to perform poorly.

Sir Rabbie commented that global markets still remained volatile reflected in the portfolio over the period which saw an increase in the portfolio value for the first quarter of 2012 to K37.37m driven by gains in listed equities and offshore assets, however these gains were undone in late June resulting in an overall 0.88% rise to the half year ended 30 June 2012.

“This was as a result of following adverse news from the Euro zone which triggered a selloff in global markets and the continued appreciation of the PGK against its major trading partners as the PNG Central Bank continued its policy measures to reduce inflation and curtail excess liquidity stemming from domestic demand from the ongoing constructions of the PNG LNG project and private and public spending in relation to the national elections, “he said.

However the beginning of the third quarter saw a greater uplift in the investment portfolio as banks and resource exposures in the portfolio returned a marked improvement.

As a result Sir Rabbie advised “KAM has recorded an investment gain of K3.61m for the 8 month period ending 31st August 2012 which represents a 9.0% return YTD”. Sir Rabbie also commented that to the eight months ended August, the KAM performance of domestic listed equities, international listed equities, and exchange traded fund exceeded and Global ex Australia outperformed their respective benchmarks. The ASX index has shown a return of 7.9% with the POMSoX indices KSi showing a negative (20.1%) and the KSHi showing a (0.1%)

Sir Rabbie and the Board of KAM were also pleased to announce that the portfolio would increase its target allocation from 30% to 40% domestic investments in order to further pursue exciting opportunities that were becoming available.



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Further Information:

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