



Media Release

KAML delivers strong profit in 2009

Despite the challenges of the past year from managing the ongoing effects of the global financial crisis, Papua New Guinea's first publicly listed investment company Kina Asset Management Limited (KAML) has reported a net profit after tax of K4.26 million for 2009.

KAML's End of Year report also shows its investment portfolio increased by K3.84 million, or 9.38 per cent, from K40.89 million at the end of December 2008 to K44.72 million at the end of December 2009.

KAML Chairman Sir Rabbie Namaliu described 2009 as a landmark year for the investment management company and a significant turnaround after recording a net loss of K4.14 million in the launch year, 2008 with all the adversities of the global financial crisis.

"KAML's performance figures for 2009 are very positive for our shareholders and they continue to reflect the increased opportunities for investment and business development that now exist within Papua New Guinea," Sir Rabbie said.

During 2009 KAML's investments increased by K1.51 million exclusive of exchange rate and K5.39 million inclusive, representing returns of 3.67 per cent and 12.59 per cent respectively.

Sir Rabbie said KAML was continuing its expansion strategy and looking at increasing its exposure to international markets including the United States and Asia.

Last year the performance results of the International Equities, Asia Fund and the global (Ex Australia) Index Fund all met or exceeded their respective benchmarks.

With regards to the global economy, Sir Rabbie said there continued to be strong indicators flowing down from the global markets which suggested that an economic recovery was imminent.

He said the International Monetary Fund had recently forecast the global economy would achieve growth of 3.1 per cent in 2010, and PNG's gross domestic produce was also anticipated to rise in the coming 12 months.

Moving forward, Sir Rabbie said KAML would continue to adopt a proactive, yet measured, investment strategy designed to build upon its current portfolio and maximise growth opportunities in the current economic climate.

"The Board of KAML will continue to pursue a range of strategic investment opportunities with the aim of maximising long-term benefits for our shareholders," he said.



“Whilst the key financial indicators are promising moving forward, it is important to note that the global economy is still fragile after the worst recession in more than half a Century.

“There will no doubt be opportunities for growth and development in the subsequent economic recovery process, however the challenge remains to ensure that KAML is both financially and strategically well placed to take advantage of these opportunities when they arise,” Sir Rabbie said.

Sir Rabbie said KAML would continue to provide shareholders with direct and up-to-date information about the fund’s shareholdings and investments through its recently launched website.

“The website will provide a crucial source of information for PNG investors at all levels, particularly as the global economic recovery continues to unfold and investor confidence begins to grow once again. I urge all shareholders to visit our new website and register their details online,” he said.

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