



COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by MaltaPost p.l.c. pursuant to the Malta Financial Services Authority Listing Rules.

QUOTE

Further to Company Announcement 27/2010, wherein it was stated “The Board of Directors further resolved to recommend that the Annual General Meeting to be held on the 31st January 2011 approves the payment of a final ordinary net dividend of €0.04 per nominal €0.25 share. Once approved by the General Meeting, this will be paid on the 11th February 2011 to shareholders who are on the Company’s Register of Shareholders as at 7th February 2011.” This should be replaced by “The Board of Directors further resolved to recommend that the Annual General Meeting to be held on the 31st January 2011 approves the payment of a final ordinary net dividend of €0.04 per nominal €0.25 share. Once approved by the General Meeting, this will be paid on the 11th February 2011 to shareholders who are on the Company’s Register of Shareholders as at 7th January 2011.”

UNQUOTE

A handwritten signature in black ink, appearing to read "G. Fairclough", written over a horizontal line.

Graham A. Fairclough
Company Secretary

5th January 2011

These financial statements have been extracted from the audited financial statements of MaltaPost p.l.c. for the financial year ended 30 September 2010. They were prepared in accordance with the Companies Act 1995, audited by PwC and approved by the Directors on 5 January 2011. They are being published in terms of MFSA Listing Rule 5.54.

Review of Performance

Profit before tax for the year ended 30 September 2010, at €3.2 million, was maintained at last year's record level, thus providing Earnings per Share of €0.07.

- Increased cross border mail, combined with higher philatelic sales, compensated for lower volumes in traditional mail, resulting in an increase of 1.0% in Revenue from €20.2 million to €20.4 million;
- Re-engineering of processes provided cost savings so that even though labour costs were higher, overall costs were capped at €17.5 million (2009: €17.3 million);
- Cost-to-Income ratio at 86% continued to compare well with industry standards;
- Total Assets decreased by 4.7% to €21.0 million, reflecting the application of cash for better management of trade creditors;
- Shareholders' funds increased by 18.9% to €12.9 million;

The Board of Directors is proposing a final net dividend of €0.04 per nominal €0.25 share for approval at the Annual General Meeting which is due to be held on 31 January 2011. Once approved the dividend will be paid on the 11 February 2011, to shareholders appearing on the Company's Register of Shareholders as at 7 January 2011. The Board is also recommending offering shareholders the option of receiving their dividend in cash or by taking new shares of an equivalent value. The Attribution Price (at which the new shares to be issued will be determined) has been set at €0.92 per nominal of €0.25 share.

The Board of Directors and Management are well aware of the challenges that face the postal industry. MaltaPost p.l.c. shall continue to streamline and update its strategy so as to ensure that it remains innovative, efficient and competitive.

MaltaPost p.l.c.
Preliminary Statement of Annual Results
For the Year Ended 30 September 2010

Statement of Financial Position
As at 30 September 2010

	2010	2009
	€'000	€'000
ASSETS		
Non-current assets		
Intangible asset	201	278
Property, plant and equipment	2,678	2,327
Available-for-sale financial assets	5,231	4,896
Deferred income tax asset	501	442
Total non-current assets	8,611	7,943
Current assets		
Inventories	571	424
Trade and other receivables	7,232	6,652
Current income tax assets	306	-
Cash and cash equivalents	4,302	7,046
Total current assets	12,411	14,122
Total assets	21,022	22,065
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	7,643	7,282
Other reserves	1,493	750
Retained earnings	3,792	2,845
Total equity	12,928	10,877
Non-current liabilities		
Provision for liabilities and charges	1,683	1,600
Total provision for liabilities and charges	1,683	1,600
Current liabilities		
Trade and other payables	6,411	9,028
Current income tax liabilities	-	560
Total current liabilities	6,411	9,588
Total equity and liabilities	21,022	22,065

Income Statement
For the Year Ended 30 September 2010

	2010	2009
	€'000	€'000
Revenue	20,401	20,192
Employee benefits expense	(10,061)	(9,637)
Depreciation and amortization expense	(917)	(838)
Other expenses	(6,510)	(6,852)
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Operating profit	2,913	2,865
Finance income	287	322
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Profit before tax	3,200	3,187
Tax expense	(1,088)	(1,213)
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Profit for the year	2,112	1,974
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Earnings per share	€0.07	€0.07

Statement of Comprehensive Income

	2010	2009
	€'000	€'000
Comprehensive income		
Profit for the year	2,112	1,974
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Other comprehensive income		
Fair value gains on available-for-sale financial assets	152	159
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Total comprehensive income for the year	2,264	2,133
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**Statement of Changes in Equity
For the Year Ended 30 September 2010**

	Attributable to equity shareholders			
	Share capital €'000	Other reserves €'000	Retained earnings €'000	Total €'000
Balance at 1 October 2008	7,000	3	1,991	8,994
Comprehensive income				
Profit for the year	-	-	1,974	1,974
Other comprehensive income				
Fair value gains on available-for-sale financial assets	-	159	-	159
Total comprehensive income	-	159	1,974	2,133
Transactions with owners				
Increase in share capital	282	-	-	282
Allotment of shares	-	588	-	588
Dividends	-	-	(1,120)	(1,120)
Total transactions with owners	282	588	(1,120)	(250)
Balance at 30 September 2009	7,282	750	2,845	10,877
Balance at 1 October 2009	7,282	750	2,845	10,877
Comprehensive income				
Profit for the year	-	-	2,112	2,112
Other comprehensive income				
Fair value gains on available-for-sale financial assets	-	152	-	152
Total comprehensive income	-	152	2,112	2,264
Transactions with owners				
Increase in share capital	361	-	-	361
Allotment of shares	-	591	-	591
Dividends	-	-	(1,165)	(1,165)
Total transactions with owners	361	591	(1,165)	(213)
Balance at 30 September 2010	7,643	1,493	3,792	12,928

Statement of Cash Flows
For the Year Ended 30 September 2010

	2010	2009
	€'000	€'000
Cash flows from operating activities		
Cash from customers	106,748	84,915
Cash paid to suppliers and employees	(106,645)	(82,824)
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Cash from operating activities	103	2,091
Income tax paid	(2,013)	(1,598)
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Net cash (used in)/from operating activities	(1,910)	493
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Cash flows used in investing activities		
Finance income	332	343
Purchase of property, plant and equipment	(760)	(561)
Purchase of financial assets	(193)	(937)
Proceeds on maturity/disposal of financial assets	-	7
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Net cash used in investing activities	(621)	(1,148)
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Cash flow used in financing activities		
Dividends paid	(213)	(249)
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Net movement in cash and cash equivalents	(2,744)	(904)
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Cash and cash equivalents at beginning of year	7,046	7,950
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Cash and cash equivalents at end of year	4,302	7,046
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