

Medserv p.l.c.

Malta Freeport Port of Marsaxlokk, Birzebbugia BBG07, Malta Tel: (00356) 2220 2000

Fax: (00356) 2220 2328 Email: info@medservmalta.com

COMPANY ANNOUNCEMENT

The following is a company announcement issued by Medserv p.l.c. pursuant to the MFSA Listing Authority Listing Rule 8.7:

QUOTE

Medserv p.l.c., (the "Company") makes reference to the preliminary profit statement issued on the 30 March 2007 (the "PPS").

The Company announces that the PPS has been amended as follows: -

- Corrigendum
 The "Earnings per Share" was incorrectly stated to be Lm0.02c5 per share this has been amended to refer to an "Earnings per Share" of Lm0.25c per share.
- 2. Actual number of Shares in Issue as at 31 December 2006

 The "Earnings per Share" of Lm0.25c per share is based on the weighted average number of shares in issue. The Company, in addition to this basis of calculation, has included an "Earnings per Share" calculated on the actual number of shares in issue as at 31 December 2006 (that is ten million ordinary shares) resulting in an "Earnings per Share" of Lm0.06c56.

An updated preliminary profit statement is being attached hereto.

UNQUOTE

Louis de Gabriele Company Secretary

02 April 2007



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Preliminary Profit Statement for the year ended 31 December 2006

This Statement is published pursuant to the Malta Financial Services Authority Listing Rules 8.7.4,8.7.21,9.35 and Article 4(2)(b) of the prevention of Financial Markets Abuse (Disclosure and Notification) Regulations, 2005. The financial information has been extracted from Medserv p.l.c.'s audited financial statements for the year ended 31 December 2006.

Review of performance

Total equity and liabilities

Medserv p.l.c.'s turnover for the year ended 31 December 2006 was Lm2,932,013 (forecast Lm3,054,000) whilst profit before tax amounted to Lm515,288 (forecast Lm474,000). Profit after tax amounted to Lm655,995 (forecast Lm694,000).

Condensed income statement for the year ended 31 December 2006		
V and a second and	2006	2005
	Lm	Lm
Turnover	2,932,013	4,207,429
Cost of sales	(1,925,898)	(2,710,766)
Gross profit	1,006,115	1,496,663
Other operating income	83,787	26,394
Administrative expenses	(568,148)	(492, 326)
Other operating expenses	(3,220)	(192,862)
Results from operating activities	518,534	837,869
Net finance expense	(3,246)	(48,625)
Profit before tax	515,288	789,244
Tax income	140,707	1,153,748
Profit for the year	655,995	1,942,992
Earnings per share *	6c56	19c43
* Based on 10,000,000 ordinary shares		
Earnings per share (weighted average)	<u>25c</u>	74c
Condensed balance sheet account as at 31 December 2006		
	2006	2005
	Lm	Lm
Assets		
Property, plant and equipment	1,354,672	1,319,567
Other investment	3,287	3,287
Deferred tax assets	1,436,150	1,295,442
Current assets	1,291,457	1,570,707
Total assets	4,085,566	4,189,003
Equity and liabilities		
Capital and reserves		
Share capital	1,000,000	1,020
Retained earnings and reserves	1,724,405	2,767,390
Total equity	2,724,405	2,768,410
Total non-current liabilities	652,490	17,287
Total current liabilities	708,671	1,403,306
Total liabilities	1,361,161	1,420,593

4,189,003

4,085,566



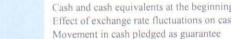
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Condensed changes in equity for the year ended 31 December 2006

	Total Lm	Share capital Lm	Fair value reserve Lm	Other reserve Lm	Retained earnings Lm
Balance as 1 January 2005	1,174,152	1,020	1,853	135,650	1,035,629
Profit for the year	1,942,992		500	-	1,942,992
Transfer to other reserve:					
Unrealised gain recognised		-	5.86	1,145,759	(1,145,759)
Changes in fair value of equity securities available-for-sale	1,332	-	1,332	-	-
Deferred taxation	(66)	-	(66)		(4)
Interim dividend	(350,000)		19	2	(350,000)
Balance as 31 December 2005	2,768,410	1,020	3,119	1,281,409	1,482,862
Balance as 1 January 2006	2,768,410	1,020	3,119	1,281,409	1,482,862
Profit for the year	655,995	(7)	-		655,995
Transfer to other reserve	-	2	-	155,235	(155, 235)
Issue of shares in lieu of dividends	-	998,980	-	-	(998,980)
Interim dividend	(700,000)		-	**	(700,000)
Balance as 31 December 2006	2,724,405	1,000,000	3,119	1,436,644	284,642
Condensed cash flow statement for the year ended 31 December 2006	2006		2005		



Net cash from operating activities Net cash used in investing activities Net cash used in financing activities

Net increase in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate fluctuations on cash held Movement in cash pledged as guarantee Cash and cash equivalents at 31 December

2006	2005
Lm	Lm
543,006	754,638
(114,395)	(229, 234)
(264,342)	(461,976)
164,269	63,428
52,491	(1,485)
(2,489)	(9,452)
(28,000)	-
186,271	52,491