



Malta International Airport plc,
Luqa LQA 05, Malta.

Tel: (356) 2124 9600, 2169 7800.
Direct dialing-in: (+356) 2369+ext.
Fax: (356) 2124 9563.

e-mail: mia@maltairport.com
www.maltairport.com

24th May 2005

COMPANY ANNOUNCEMENT

The following is a Company Announcement by Malta International Airport plc pursuant to the Malta Financial Services Authority Listing Rules 8.6.2 and 8.6.19:

The Board of Directors is proposing that the Annual General Meeting approves the payment of a gross dividend of Lm0.03384615. Upon such approval, all shareholders of Malta International Airport plc registered as at close of business on Tuesday, 5th July 2005, shall be entitled to a payment of a net dividend of Lm0.022 per share, which shall be paid by not later than the 30th July 2005.

The Board of Directors of Malta International Airport plc has today approved the financial statements for the year ended 31st March 2005 and resolved that they be submitted for the approval of the shareholders at the forthcoming Annual General Meeting. A preliminary profits statement is being attached herewith in terms of Listing Rules 8.6.2 and 8.6.19.

The Board of Directors has also decided that the Annual General Meeting shall be held on the 4th July 2005. Shareholders on the Company's Register, at the Central Securities Depository of the Malta Stock Exchange as at close of business on Monday, 6th June 2005 will receive notice of the Annual General Meeting together with a copy of the Annual Report and Financial Statements.

A handwritten signature in blue ink, appearing to read "Louis de Gabriele", is written over a printed name and title.

Louis de Gabriele
Company Secretary

Enc:

DIRECTORS:
Michael Höferer (Chairman),
Jean Depasquale (Deputy Chairman),
Peter Bolech, Austin Calleja,
John Ellul Vincenti, Louis M. St. Maurice,
Winston J. Zahra.
Company Registration No.: C12663

Malta International Airport p.l.c.

Preliminary statement of annual results

Profit and loss account

Year ended 31st March, 2005

	2005	2004
	Lm	Lm
Operating income	16,578,001	14,302,327
Operating costs	(10,653,184)	(10,744,130)
Operating profit	5,924,817	3,558,197
Realised exchange loss	(742)	(4,129)
Loss on disposal of tangible fixed assets	(1,542)	(1,164)
Release of deferred income arising on the sale of the terminal building and fixtures	123,720	123,720
Gain on disposal of current asset investment	-	1,760
Interest receivable and similar income	50,935	46,921
Income from financial assets	58,692	-
Interest payable and similar charges	(1,022,077)	(1,074,712)
Profit on ordinary activities before taxation	5,133,803	2,650,593
Tax on profit on ordinary activities	(1,911,649)	(1,039,922)
Profit for the year	3,222,154	1,610,671
Earnings per share	4.76 c	2.38 c

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Balance sheet

31st March, 2005

	2005 Lm	2004 Lm
Fixed assets		
Tangible assets	40,447,672	40,929,914
Financial assets	366,800	124,666
	<u>40,814,472</u>	<u>41,054,580</u>
Non-current asset		
Deferred taxation	2,332,017	2,423,831
	<u>2,332,017</u>	<u>2,423,831</u>
Current assets		
Stock	417,127	403,508
Debtors	2,987,345	2,418,456
Taxation	124,300	1,327,074
Treasury bills	992,671	-
Cash at bank and in hand	1,635,954	2,525,884
	<u>6,157,397</u>	<u>6,674,922</u>
Creditors: amounts falling due within one year	(4,892,232)	(3,536,824)
	<u>(4,892,232)</u>	<u>(3,536,824)</u>
Net current assets	1,265,165	3,138,098
	<u>1,265,165</u>	<u>3,138,098</u>
Total assets less current liabilities	44,401,654	46,616,509
	<u>44,401,654</u>	<u>46,616,509</u>
Creditors: amounts falling due after more than one year	(3,472,229)	(3,595,949)
Non-current interest bearing liabilities	(17,467,300)	(20,000,000)
Provisions for liabilities and charges	(1,776,994)	(1,930,478)
	<u>21,685,131</u>	<u>21,090,082</u>
	<u><u>21,685,131</u></u>	<u><u>21,090,082</u></u>
Capital and reserves		
Called up issued share capital	13,530,000	13,530,000
Revaluation reserve	772,600	793,481
Dividends payable reserve	1,488,300	947,100
Profit and loss account	5,894,231	5,819,501
	<u>21,685,131</u>	<u>21,090,082</u>
	<u><u>21,685,131</u></u>	<u><u>21,090,082</u></u>

Malta International Airport p.l.c.

Preliminary statement of annual results

Statement of changes in equity

Year ended 31st March, 2005

	Share capital Lm	Revaluation reserve Lm	Dividends payable reserve Lm	Profit and loss account Lm	Total Lm
Balance at 1st April, 2003	13,530,000	814,362	1,353,000	6,070,904	21,768,266
Difference between historical depreciation charge and actual depreciation for the year calculated on the revalued amount	-	(32,126)	-	32,126	-
Deferred tax liability on revaluation	-	11,245	-	-	11,245
Net gains and losses not recognised in the profit and loss account	-	(20,881)	-	32,126	11,245
Profit for the year	-	-	-	1,610,671	1,610,671
Dividends paid	-	-	(1,353,000)	(947,100)	(2,300,100)
Dividends proposed	-	-	947,100	(947,100)	-
	-	-	(405,900)	(283,529)	(689,429)
Balance at 31st March, 2004	13,530,000	793,481	947,100	5,819,501	21,090,082
Difference between historical depreciation charge and actual depreciation for the year calculated on the revalued amount	-	(32,126)	-	32,126	-
Deferred tax liability on revaluation	-	11,245	-	-	11,245
Net gains and losses not recognised in the profit and loss account	-	(20,881)	-	32,126	11,245
Profit for the year	-	-	-	3,222,154	3,222,154
Dividends paid	-	-	(947,100)	(1,691,250)	(2,638,350)
Dividends proposed	-	-	1,488,300	(1,488,300)	-
	-	-	541,200	42,604	583,804
Balance at 31st March, 2005	13,530,000	772,600	1,488,300	5,894,231	21,685,131

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Condensed cash flow statement

Year ended 31st March, 2005

	2005	2004
	Lm	Lm
Net cash flows from operating activities	<u>5,143,568</u>	<u>4,425,665</u>
Net cash flows from investing activities	<u>(1,402,477)</u>	<u>(637,745)</u>
Net cash flows from financing activities	<u>(3,638,350)</u>	<u>(2,849,415)</u>
Net movement in cash and cash equivalents	102,741	938,505
Cash and cash equivalents at the beginning of the year	<u>2,525,884</u>	<u>1,587,379</u>
Cash and cash equivalents at the end of the year	<u><u>2,628,625</u></u>	<u><u>2,525,884</u></u>

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Preliminary statement of annual results

Explanatory notes

31st March, 2005

Basis of preparation

These financial results are being published in terms of the MFSA Listing Rules 8.6.19 and 9.53. They have been extracted from the Company's audited financial statements for the year ended 31st March, 2005.

The accounting policies have been consistently applied by the Company and are consistent with those used in previous years.

Principal activities

The Company's principal activities are the development, operation and management of Malta International Airport. The Company, through a 10.9% shareholding interest, is also involved in VISET Malta p.l.c., a company set up to develop an area known as Valletta Waterfront and to operate a cruise liner terminal in Grand Harbour.

Performance review

The directors consider the results of the Company for the financial year ended 31st March, 2005 as good.

The results of the Company for the financial year show a profit on ordinary activities before taxation of *Lm5,133,803* (2004 – *Lm2,650,593*). The operating income of the Company increased from *Lm14,302,327* to *Lm16,578,001*. The volume of passengers using Malta International Airport increased by 5.8% over last year. Revenue from aeronautical charges also increased because of changes in the rates applicable with effect from 1st April, 2004 following recommendations made by the Airport Charges Regulatory Board and in particular an increase in security fees (from *Lm0.55* to *Lm0.90* per departing passenger).

Notwithstanding an increase in security fees incurred by the Company of just over *Lm466,000* with effect from 1st April, 2004, the operating costs decreased by *Lm90,946*. This was mainly due to a reduction in the depreciation charge for the year by *Lm397,417* as compared to the previous year, as well as stringent control on the operating costs of the Company throughout the year.

During the year the total number of passengers making use of the Airport facilities amounted to 2.83 million compared to the 2.68 million of the previous year. The Company had significant increases in passenger traffic during the summer months, June to October 2004 with a peak increase of almost 14% over last year in the month of October 2004. However, traffic was rather weak during the winter months with an average increase of only 2% higher over last year for the months November 2004 to March 2005, giving an overall passenger increase for the year of 5.8% (2004 – 0.9%).

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31st March, 2005

The Company continues to pursue its long-term strategic objectives and is actively looking for new business opportunities within the aviation sector. An airline marketing division was set up last year to attract new airlines to Malta and negotiations with various airlines interested to operate to and from Malta were conducted during the year. The increase in the volume of passenger traffic as outlined above is substantially the result of these efforts and we are committed to continue in this regard.

A new cargo shed was built in the third quarter of the financial year. This was handed over to the second ground handler company and another company engaged in self-handling in March 2005. The Company has continued with its efforts to encourage the carriers and the local air freight community stakeholders to explore the possibility of using the Airport as an air cargo hub. An Air Cargo Development Committee was created as one of the tools to help facilitate this initiative and in an effort to establish a customer and business development oriented environment for cargo business. The Company is also actively engaged in promoting the cargo hub concept abroad at various international air cargo industry events.

The Company remains actively involved in the development of the cruise and fly segment. The Company, in association with VISET Malta p.l.c., participated once again in the Miami Sea Trade Fair to promote this business. The first operation involving a cruise liner home porting in Malta commenced in May 2004 and although the Company is not expecting to have the same volume of cruise and fly traffic in summer 2005, there are encouraging prospects for summer 2006.

The restructuring works on retail outlets at the Airport were finalised during the financial year and the facilities for the traveling public were upgraded. As expected, the Company experienced a drop in revenue from the sale of alcohol and tobacco products following the abolition of tax-free goods to EU destinations. The Company feels that this drop in sales will be compensated in the long term by increases in the sales of other products and from further expansion and upgrading of the existing facilities.

Another area of interest to the Company is the development of its surrounding land. The development of a Mediterranean Business Park is still at a concept stage and the project is being presented to prospective investors with the aim of concluding a deal or separate deals with one or more interested parties.