

14th August, 2000


COMPANY ANNOUNCEMENT

QUOTE

The Board of Directors of Maltacom p.l.c. duly convened during Meeting No. 38 of the Company, held today the 14th of August 2000, met, discussed and approved the Financial Statements for the period ended 30th June 2000.

An extract from the above mentioned statements, accompanied by the company's financial and strategic overview are hereby being attached.

UNQUOTE



**Raymond Fava
Company Secretary**



INVESTOR NEWS

14 August 2000

MALTACOM p.l.c. (MCMDq.L) announces 2000 Interim results 10% rise in profit after taxation

Maltacom p.l.c., Malta's leading provider of telecommunications and ancillary services, announced today its Group financial results for the six months ended 30th June 2000. Following this initial overview, extracts from the financial statements are set out against the results for the six months ended 30th June 1999. The consolidated financial statements are prepared by management in accordance with International Accounting Standards (IAS) and the requirements of the Maltese Companies Act, 1995.

- Turnover up by 8% to Lm 22.4 million (US\$ 52.1 million)
- Operating profits before exceptionals up 7% to Lm 6.3 million (US\$ 14.5 million)
- Continued increase in revenue from domestic traffic (4%), mobile interconnection (domestic and international 61%), Internet and Internet related services (61%)
- Cash generation from operating activities decreased by 19%
- EPS Lm 0.048 (US\$ 0.112)
- Return on Capital Employed, 16.8%
- Domestic traffic volume up 7%; domestic and international mobile interconnection traffic up by 66% and 55% respectively

Commenting On The Results,

Maltacom's Chairman, Mr Maurice Zarb Adami said:

"The interim results auger well for Maltacom's annual results. Revenue growth points to increasing utilisation of telecom services by our subscribers, which we hope will continue to improve quality of life in line with the developed countries of Europe and indeed the world".

Maltacom's Chief Executive Officer, Mr Stephen Muscat stated:

"I am delighted to be able to report strong interim results for Maltacom. Despite increased competitive pressure from alternative telecom services, we continue to grow revenues through our improved product and service offering, and profitability through internal cash generation and focus on containing costs."

Main developments

- 7th April Mr. Stephen Muscat was appointed CEO of Maltacom p.l.c.
- 10th March, Maltacom's subsidiary company MobIsle Communications Ltd. signed an estimated US \$24 million contract with Nortel Networks for a GSM digital network designed to provide a vast array of wireless voice and data services to its customers in Malta.
- 28th June, Maltacom announced that it became the sole shareholder of Messrs Telepage Limited.
- ISDN Introduced on a nation-wide basis.

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Embargoed for Monday 14 August, 11.00 UK time

Financial Statements (Group)				
Consolidated profit and loss Account and cashflow extracts	6 months ended 30 June 00		6 months ended 30 June 99	
	Lm 000	US\$ 000	Lm 000	US\$ 000
Turnover	22,407	52,056	20,791	48,302
EBITDA (before exceptional items)	8,992	20,890	8,325	19,341
Depreciation and amortisation	(2,735)	(6,354)	(2,500)	(5,808)
EBIT before Exceptional items	6,257	14,536	5,825	13,533
Interest	(522)	(1,213)	(635)	(1,475)
Investment income	185	430	756	1,756
Associate income	733	1,703	212	492
Goodwill on consolidation	(2)	(5)	(35)	(81)
Exceptional items	78	182	180	418
Profit before tax	6,729	15,633	6,303	14,643
Tax	(1,880)	(4,368)	(1,894)	(4,400)
Profit after tax	4,849	11,265	4,409	10,243
Operating cash flow	7,617	17,696	9,359	21,743
	M/cents	US/cents	M/cents	US/cents
Earnings per share	0.048	0.112	0.044	0.102
Earnings per share before exceptional items	0.047	0.109	0.042	0.098
NAV per share	0.422	0.960	0.36	0.84
Balance sheet extracts				
As at	30 June 00		30 June 99	
	Lm 000	US\$ 000	Lm 000	US\$ 000
Net debt	14,001	32,527	15,927	37,002
Net assets	42,719	99,245	36,414	84,597
Gearing	0.33	0.33	0.44	0.44
Performance ratios				
ROCE (for 6 months)	16.8%	16.8%	18.8%	18.8%
EBITDA Margin	40.1%	40.1%	40.0%	40.0%
EBIT Margin	27.9%	27.9%	28.0%	28.0%

Rate of exchange used: Lm 1 = US\$ 2.3232