



MELITA CAPITAL PLC

Gasan Centre, Imriehel By-Pass, Birkirkara
C-47318

Date	29 April 2011
Company	Melita Capital plc
Description	Approval of financial statements for the financial period ended 31 December 2010, and announcement of registration of revised Memorandum & Articles of Association of the Company
Announcement Code	MLT07

This is a company announcement being issued by Melita Capital plc (the "Company") in accordance with Chapter 5 of the Listing Rules:

QUOTE

Financial Statements of the Company

At a meeting held on the 29 April 2011, the Board of Directors of Melita Capital plc approved the Company's Annual Report and Financial Statements for the financial period ended 31 December 2010, available for viewing at the registered office of the Company and on the Company's website www.melitapl.com.

Highlights of the period ended 31 December 2010 included:

- Revenues of EUR4.4m
- Gross margin of EUR2.4m
- Operating profit of EUR0.6m
- Retained losses of EUR0.5m

During the period, the Company successfully raised EUR25.9m of bonds on the Second Tier Market of the Malta Stock Exchange in September 2009 and EUR4.5m of equity from its shareholders in December 2010 which was used primarily to fund the development of Melita Mobile Limited, in which the Company has a 30% equity interest.

In addition, its 100% owned subsidiary, Melita Infrastructure Limited, which owns a submarine cable between Sicily and Malta, made strong progress following the launch of its services in 2009.

Company CEO Andrei Torriani commented:

“We are very pleased with the performance of Melita Capital plc which is highlighted by the investment of EUR 4.5m of shareholder funds in December 2010. The primary focus remains supporting the development of the Melita Mobile Limited business in conjunction with the Melita Mobile shareholders and we expect further announcements in this area over the course of 2011 as further fund raisings for Melita Mobile Limited are completed. In addition we will continue to meet the growing appetite of Melita plc for our IP Transit services reflecting its growing customer base and their increasing demands for high speed internet.”

In accordance with the Listing Rules, the Company has prepared a comparison of the actual results to those set out in the Bond Prospectus dated 4 September 2009.

The comparison is set out in the following table and the main reasons for the variances discussed below.

	Prospectus €000	Actual €000	Variance €000
Revenue	4,748	4,113	(634)
Cost of Sales	(2,872)	(2,789)	84
Gross Profit	1,875	1,324	(551)
Administrative Expenses	(621)	(941)	(319)
Other Income	215	210	(5)
Operating Profit / (Loss)	1,469	594	(875)
Finance Income	2,125	1,577	(547)
Finance Costs	(3,453)	(2,637)	816
Profit / (Loss) before tax	140	(467)	(607)
Tax Expense	(75)	(9)	66
Profit / (Loss) after tax	65	(476)	(541)

- The variance in revenue primarily reflects lower than forecasted purchases of bandwidth by Melita plc in the second half of 2010, reflecting the implementation by Melita plc of a number of initiatives to optimize its use of bandwidth. The Company has now had confirmation from Melita plc that it will be increasing its use of bandwidth during the first half of 2011 driven by growth in subscriber numbers and the migration of its customer base towards higher speed packages. This is expected to continue in the second half of 2011 on the back of Melita plc's launch of its FibreSpeed product range.

- The variance in gross margin primarily reflects the revenue variance.

- The variance in administrative expenses reflects an under accrual in the Prospectus.

- The variance in finance income primarily reflects the fact that the Prospectus assumed that bonds to a total of EUR30m would be subscribed for. The actual amount was EUR25.9m. As a

result, fewer funds were available to be loaned than originally forecast, resulting in lower finance income.

- The variance in finance expense reflects the fact that fewer bonds were subscribed for than originally forecast as well as the fact that interest on shareholder related loans was less than forecast during 2009 and the first half of 2010.

- The variance in tax expense reflects the fact that actual taxes were less than forecast.

Note for editors: Melita Capital Group comprises Melita Capital plc and Melita Infrastructure Limited. In addition, it owns 30% of Melita Mobile limited.

Replacement of the Memorandum & Articles of Association of the Company

It is further announced that pursuant to an extraordinary resolution of the shareholders of the Company dated 27 April 2011, the Memorandum & Articles of Association of the Company were replaced in full following approval of the amendments thereto by the Listing Authority, and are available for inspection at the registered office of the Company and at the Registry of Companies.

UNQUOTE

By order of the Board.

A handwritten signature in black ink, appearing to read 'Henri Mizzi', with a long horizontal stroke extending to the left.

Henri Mizzi
Company Secretary
Melita Capital plc