



COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by MaltaPost p.l.c. pursuant to the Malta Financial Services Authority Listing Rules 8.7.4, 8.7.21, 8.7.23 and 9.35.2.

QUOTE

The Board of Directors of MaltaPost p.l.c. has approved the attached Preliminary Statement of annual results as extracted from the Company's Financial Statements for the year ended 30th September 2009 that were audited by PricewaterhouseCoopers and approved by the Board of Directors on 21st January 2010.

The Board of Directors further resolved to recommend that the Annual General Meeting to be held on the 24th February 2010 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 8th March 2010 to shareholders who are on the Company's Register of Shareholders as at 29th January 2010.

The Board of Directors further resolved to recommend that the aforesaid Annual General Meeting will also approve that shareholders be given the option of receiving this dividend either in cash or by the issue of new shares. The Attribution Price, at which the number of new shares to be issued will be determined, has been established at €0.66 per nominal €0.25 share.

UNQUOTE

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

Graham A. Fairclough
Company Secretary

21st January 2010

These financial statements have been extracted from the audited financial statements of MaltaPost p.l.c. for the financial year ended 30 September 2009. They were prepared in accordance with the Companies Act, 1995, audited by PricewaterhouseCoopers and approved by the Directors on 21 January 2010. They are being published in terms of MFSA Listing Rule 9.35. The following is a review of the performance of the Company.

Review of Performance

For the year ended 30 September 2009, MaltaPost p.l.c. registered a Profit before tax of €3.19 million as compared to €2.90 million last year, representing an increase of 10.0%. Earnings per share at €0.07 remained at the same level of last year.

- Revenue decreased by 1.4% from €20.48 million to €20.19 million which was mainly attributable to lower volumes of domestic mail and lower philatelic sales. The decline was compensated by an increase in cross border mail;
- Costs decreased, by 3.4% from €17.93 million to €17.33 million mainly as a result of the ongoing review of operational processes;
- Cost-to-Income ratio improved to 85.9% from 87.6%;
- Total Assets increased by 3.1% to €22.07 million;
- Shareholders' funds increased by 20.9% to €10.88 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 24 February 2010. Once approved the dividend will be paid on the 8 March 2010 to shareholders who are on the Company's Register of Shareholders as at 29 January 2010. 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 number of new shares to be issued will be determined, has been set at €0.66 per nominal of €0.25 share.

During the past year, the Company achieved an increase in its profitability despite the general subdued economic situation prevailing worldwide. The Company remains committed to make efficient use of its resources in order to meet the ever changing demands of both the local and international markets. The Board of Directors is also confident that the commitment of its management and staff will enable the Company overcome the challenges that the market in general and the postal sector in particular will be presenting.

The audited financial statements of MaltaPost p.l.c. for the year ended 30 September 2009 and which will be presented to the Annual General Meeting to be held on the 24 February 2010, may be viewed on the Company's web site at www.maltapost.com.

MaltaPost p.l.c.
Preliminary Statement of Annual Results
For the year ended 30 September 2009

Statement of financial position
As at 30 September 2009

| | 2009 | 2008 |
|--|---------------|---------------|
| | €'000 | €'000 |
| ASSETS | | |
| Non-current assets | | |
| Intangible asset | 278 | 355 |
| Property, plant and equipment | 2,327 | 2,549 |
| Available-for-sale financial assets | 4,896 | 3,832 |
| Deferred income tax asset | 442 | 340 |
| Total non-current assets | 7,943 | 7,076 |
| Current assets | | |
| Inventories | 424 | 481 |
| Trade and other receivables | 6,652 | 5,902 |
| Cash and cash equivalents | 7,046 | 7,950 |
| Total current assets | 14,122 | 14,333 |
| Total assets | 22,065 | 21,409 |
| EQUITY AND LIABILITIES | | |
| Capital and reserves | | |
| Share capital | 7,282 | 7,000 |
| Other reserves | 750 | 3 |
| Retained earnings | 2,845 | 1,991 |
| Total equity | 10,877 | 8,994 |
| Non-current liabilities | | |
| Provision for liabilities and charges | 1,600 | 1,569 |
| Total provision for liabilities and charges | 1,600 | 1,569 |
| Current liabilities | | |
| Trade and other payables | 9,028 | 10,003 |
| Current income tax liabilities | 560 | 843 |
| Total current liabilities | 9,588 | 10,846 |
| Total equity and liabilities | 22,065 | 21,409 |

Income statement
For the year ended 30 September 2009

| | 2009 | 2008 |
|---------------------------------------|---------------|----------|
| | €'000 | €'000 |
| Revenue | 20,192 | 20,477 |
| Employee benefits expense | (9,637) | (10,069) |
| Depreciation and amortisation expense | (838) | (869) |
| Other expenses | (6,852) | (6,991) |
| | <hr/> | <hr/> |
| Operating profit | 2,865 | 2,548 |
| Finance income | 322 | 349 |
| | <hr/> | <hr/> |
| Profit before tax | 3,187 | 2,897 |
| Tax expense | (1,213) | (1,016) |
| | <hr/> | <hr/> |
| Profit for the year | 1,974 | 1,881 |
| | <hr/> | <hr/> |
| Earnings per share | €0.07 | €0.07 |

**Statement of changes in equity
For the year ended 30 September 2009**

| | Attributable to equity shareholders | | | |
|---|--|--------------------------------|-----------------------------------|-----------------------|
| | Share capital €'000 | Other reserves €'000 | Retained earnings €'000 | Total €'000 |
| Balance at 1 October 2007 | 6,522 | 424 | 1,508 | 8,454 |
| Fair value gains on available-for-sale financial assets | - | 57 | - | 57 |
| Net income recognised directly in equity | - | 57 | - | 57 |
| Capitalisation of reserves | 478 | (478) | - | - |
| Profit for the year | - | - | 1,881 | 1,881 |
| Dividends | - | - | (1,398) | (1,398) |
| Balance at 30 September 2008 | 7,000 | 3 | 1,991 | 8,994 |
| Balance at 1 October 2008 | 7,000 | 3 | 1,991 | 8,994 |
| Fair value gains on available-for-sale financial assets | - | 159 | - | 159 |
| Net income recognised directly in equity | - | 159 | - | 159 |
| Allotment of shares | - | 588 | - | 588 |
| Increase in share capital | 282 | - | - | 282 |
| Profit for the year | - | - | 1,974 | 1,974 |
| Dividends relating to 2009 | - | - | (1,120) | (1,120) |
| Balance at 30 September 2009 | 7,282 | 750 | 2,845 | 10,877 |

Statement of cash flows
For the year ended 30 September 2009

| | 2009 | 2008 |
|---|----------|----------|
| | €'000 | €'000 |
| Cash flows from operating activities | | |
| Cash from customers | 84,915 | 83,467 |
| Cash paid to suppliers and employees | (82,824) | (80,406) |
| | <hr/> | <hr/> |
| Cash from operating activities | 2,091 | 3,061 |
| Income tax paid | (1,598) | (812) |
| | <hr/> | <hr/> |
| Net cash from operating activities | 493 | 2,249 |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Finance income | 343 | 322 |
| Purchase of property, plant and equipment | (561) | (481) |
| Purchase of financial assets | (937) | (200) |
| Proceeds on maturity/disposal of financial assets | 7 | - |
| | <hr/> | <hr/> |
| Net cash used in investing activities | (1,148) | (359) |
| | <hr/> | <hr/> |
| Cash flow used in financing activities | | |
| Dividends paid | (249) | (1,398) |
| | <hr/> | <hr/> |
| Net movement in cash and cash equivalents | (904) | 492 |
| Cash and cash equivalents at beginning of year | 7,950 | 7,458 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at end of year | 7,046 | 7,950 |
| | <hr/> | <hr/> |