



## COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by MaltaPost p.l.c. pursuant to the Malta Financial Services Authority Listing Rules:

### QUOTE

The Board of Directors of MaltaPost p.l.c. (the Company) has approved the attached Preliminary Statement of annual results as extracted from the Company's Financial Statements for the year ended 30 September 2015 that were audited by PwC and approved by the Board of Directors on 4 December 2015. The Board resolved that these audited Financial Statements be submitted for approval of the shareholders at the forthcoming Annual General Meeting scheduled for 15 January 2016.

The Board of Directors further resolved to recommend for the approval of the Annual General Meeting:

1. The payment of final ordinary net dividend of Euro 0.04 per nominal Euro 0.25 share.
2. The option to shareholders of receiving the 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 Euro 1.80 per nominal Euro 0.25 share.

Shareholders on the Company's share register at the Central Securities Depository of the Malta Stock Exchange, as at close of business on the 16 December 2015 will receive notice of the Annual General Meeting together with the Financial Statements for the financial year ended 30 September 2015.

The final dividend, if approved at the Annual General Meeting, will be paid on 12 February 2016 to shareholders on the Company's share register at the Central Securities Depository of the Malta Stock Exchange as at close of business on 16 December 2015.

### UNQUOTE

A handwritten signature in black ink, appearing to read "Graham A. Fairclough".

Graham A. Fairclough  
Company Secretary

4 December 2015

The following has been extracted from the audited Financial Statements of MaltaPost p.l.c. for the financial year ended 30 September 2015. These Financial Statements were prepared in accordance with the Companies Act 1995, audited by PwC and approved by the Directors on 4 December 2015.

### **Review of performance**

For the financial year ended 30 September 2015, MaltaPost registered profit before taxation of €3.38m as compared to €2.74m last year, representing an increase of 23.6%. Earnings per share stood at €0.06c (2014: €0.05).

- Turnover increased by 8.4% to €25.71m (2014: €23.72m). This growth is mainly attributed to increase in volume of international mail services, registered mail and the parcel and packets activity. Revenue from ancillary services also registered a healthy increase.
- Expenses rose by 6.2% to €22.50m (2014: €21.19m) mainly as a result of higher cross-border charges and inflationary pressures on cost.
- Cost to income ratio stood at 87.5% (2014: 89.3%).
- Total assets increased by 14.1% to €35.13m (2014: €30.78m).
- Shareholders' funds rose by 11.9% to €20.39m (2014: €18.22m).

### **Outlook**

MaltaPost will continue implementing its strategy of generating revenue in new areas so as to mitigate the impact of the global trend in declining letter volumes. By extending the reach of our core services and products and driving further efficiency improvements, we aim to improve our customers' experience by offering them cost-effective products and services while ensuring a sustainable satisfactory return to all our stakeholders.

As e-commerce continues to drive growth in the parcel and packets business, we will continue to apply our assets and skills more effectively to provide solutions that our customers expect and be leaders in this highly competitive sector.

MaltaPost prides itself on being the local leading postal operator. However, the decline in traditional letter mail threatens the economics of the universal service provision. To fulfill such obligations in a commercially viable manner without compromising on service levels, we encourage a regulatory model that effectively supports the future sustainability of the Universal Service.

The Board of Directors believes that investments undertaken in past years and that continue to be made in key areas of technology, branch network and human resources, position MaltaPost on a sound footing to address the challenges ahead.

**MaltaPost p.l.c.**  
**Preliminary Statement of Annual Results**  
**For the year ended ended 30 September 2015**

**Statement of Financial Position**  
**At 30 September 2015**

	<b>2015</b>	2014
	<b>€'000</b>	€'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	<b>13,323</b>	11,795
Available-for-sale financial assets	<b>3,781</b>	3,282
Deferred income tax asset	<b>311</b>	335
Total non-current assets	<b>17,415</b>	15,412
<b>Current assets</b>		
Inventories	<b>680</b>	653
Trade and other receivables	<b>8,483</b>	6,893
Current income tax asset	<b>-</b>	376
Deposits with financial institutions	<b>1,550</b>	1,645
Cash and cash equivalents	<b>6,998</b>	5,805
Total current assets	<b>17,711</b>	15,372
<b>Total assets</b>	<b>35,126</b>	30,784
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	<b>9,077</b>	8,820
Share premium	<b>5,244</b>	4,310
Other reserves	<b>331</b>	132
Retained earnings	<b>5,734</b>	4,956
Total equity	<b>20,386</b>	18,218
<b>Non-current liabilities</b>		
Deferred tax liability	<b>777</b>	-
Provision for liabilities and charges	<b>1,637</b>	1,592
Total non-current liabilities	<b>2,414</b>	1,592
<b>Current liabilities</b>		
Trade and other payables	<b>11,980</b>	10,974
Current tax liability	<b>346</b>	-
Total current liabilities	<b>12,326</b>	10,974
Total liabilities	<b>14,740</b>	12,566
<b>Total equity and liabilities</b>	<b>35,126</b>	30,784

**Income Statement**  
**For the year ended 30 September 2015**

	2015 €'000	2014 €'000
<b>Revenue</b>	<b>25,705</b>	23,723
Employee benefits expense	(11,534)	(11,314)
Depreciation and amortisation expense	(960)	(723)
Other expenses	(10,010)	(9,156)
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<b>Operating profit</b>	<b>3,201</b>	2,530
Finance income	181	206
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<b>Profit before tax</b>	<b>3,382</b>	2,736
Tax expense	(1,193)	(937)
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<b>Profit for the year</b>	<b>2,189</b>	1,799
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<b>Earnings per share</b>	<b>€0.06</b>	€0.05

**Statement of Comprehensive Income**

	2015 €'000	2014 €'000
<b>Comprehensive income</b>		
Profit for the year	2,189	1,799
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<b>Other comprehensive income</b>		
<i>Items that may be subsequently reclassified to profit or loss</i>		
Available-for-sale financial assets:		
Gains from changes in fair value	199	151
<i>Items that will not be reclassified to profit or loss</i>		
Surplus arising on revaluation of land and buildings	894	-
Income tax relating to revaluation of land and buildings	(777)	-
Remeasurements of defined benefit obligations	(117)	(133)
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Total other comprehensive income	199	18
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<b>Total comprehensive income for the year</b>	<b>2,388</b>	1,817

**Statement of Changes in Equity**  
**For the year ended 30 September 2015**

	Attributable to equity shareholders				
	Share capital €'000	Share premium €'000	Other reserves €'000	Retained earnings €'000	Total €'000
Balance at 1 October 2013	8,554	3,439	114	4,526	16,633
<b>Comprehensive income</b>					
Profit for the year	-	-	-	1,799	1,799
<b>Other comprehensive income</b>					
Available-for-sale financial assets:					
Gains from changes in fair value	-	-	151	-	151
Remeasurement of defined benefit obligations	-	-	(133)	-	(133)
Total other comprehensive income	-	-	18	-	18
Total comprehensive income	-	-	18	1,799	1,817
<b>Transactions with owners</b>					
Allotment of shares	266	871	-	-	1,137
Dividends	-	-	-	(1,369)	(1,369)
Total transactions with owners	266	871	-	(1,369)	(232)
<b>Balance at 30 September 2014</b>	<b>8,820</b>	<b>4,310</b>	<b>132</b>	<b>4,956</b>	<b>18,218</b>
Balance at 1 October 2014	8,820	4,310	132	4,956	18,218
<b>Comprehensive income</b>					
Profit for the year	-	-	-	2,189	2,189
<b>Other comprehensive income</b>					
Surplus arising on revaluation of land and buildings	-	-	894	-	894
Income tax relating to revaluation of land and buildings	-	-	(777)	-	(777)
Available-for-sale financial assets:					
Gains from changes in fair value	-	-	199	-	199
Remeasurement of defined benefit obligations	-	-	(117)	-	(117)
Total other comprehensive income	-	-	199	-	199
Total comprehensive income	-	-	199	2,189	2,388
<b>Transactions with owners</b>					
Allotment of shares	257	934	-	-	1,191
Dividends	-	-	-	(1,411)	(1,411)
Total transactions with owners	257	934	-	(1,411)	(220)
<b>Balance at 30 September 2015</b>	<b>9,077</b>	<b>5,244</b>	<b>331</b>	<b>5,734</b>	<b>20,386</b>

**Statement of Cash Flows**  
**For the year ended 30 September 2015**

	<b>2015</b>	2014
	<b>€'000</b>	€'000
<b>Cash flows from operating activities</b>		
Cash from customers	<b>25,563</b>	22,440
Cash paid to suppliers and employees	<b>(21,695)</b>	(20,762)
Cash flows attributable to funds collected on behalf of third parties	<b>347</b>	(1,768)
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Cash flows from operating activities	<b>4,215</b>	(90)
Income tax paid	<b>(448)</b>	(743)
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<b>Net cash generated from, (used in) operating activities</b>	<b>3,767</b>	(833)
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<b>Cash flows from investing activities</b>		
Finance income	<b>178</b>	212
Purchase of property, plant and equipment	<b>(2,326)</b>	(1,098)
Purchase of financial assets	<b>(303)</b>	(638)
Proceeds from disposals/redemptions of financial assets	<b>-</b>	578
Maturity/(placement) of deposits with financial institutions	<b>95</b>	(145)
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<b>Net cash used in investing activities</b>	<b>(2,356)</b>	(1,859)
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<b>Cash flows from financing activities</b>		
Dividends paid	<b>(218)</b>	(217)
	<hr/>	<hr/>
<b>Net cash used in financing activities</b>	<b>(218)</b>	(217)
	<hr/>	<hr/>
<b>Net movement in cash and cash equivalents</b>	<b>1,193</b>	(2,909)
<b>Cash and cash equivalents at beginning of year</b>	<b>5,805</b>	8,714
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<b>Cash and cash equivalents at end of year</b>	<b>6,998</b>	5,805
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