



Press Release

For the six months ended 31 March 2009 MaltaPost p.l.c. registered a profit before taxation of €1.92m as compared to €2.60m for the same period last year. This represents a decrease of 26% over the six months ended 31 March 2008.

Last year's profitability had been enhanced by two specific non-recurring events: the increased volumes generated during the National General Elections and the issue of philatelic material commemorating the introduction of the euro.

The main factors influencing this period's performance are set out below:

- Turnover decreased by 4% over the same period last year from €10.96m to €10.50m. This was principally due to a decrease in local mail volumes and philatelic material partly offset by an increase in inbound mail;
- The increase in Operating Costs is mainly attributed to an increase in foreign letter mail volumes together with increases in indirect costs such as water and electricity charges;
- A one-off credit was registered in 2008 resulting from the release of a provision that was no longer required following the reversion of a number of employees to Government employment;
- Shareholders' funds increased by 11.3% to €10.01m during the six month period;
- In March 2009, the Company paid a net dividend of €0.04 per share. A number of shareholders opted for the scrip dividend, as a result of which the share capital of the Company was increased by €282k to €7.28m.

The competitive environment and outlook for the Company continues to be determined, to a substantial degree by the effect that e-substitution is having on traditional mail volumes and the impact on its main source of revenue. The future of the traditional mail market is being substituted by increases in international inbound mail as a result of growth in internet mail-order. It is the intention of the Company to further diversify the business into low cost financial services and back office processes.

The Board has cautiously taken into consideration the present market situation when setting this year's targets and to date the directors do not envisage any occurrence which could prevent the Company from achieving these. Furthermore, it believes that the Company continues to have a sound balance sheet which enables it to move forward with its plans from a position of strength.