



Medserv p.l.c.
Malta Freeport
Port of Marsaxlokk,
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COMPANY ANNOUNCEMENT

The following is a company announcement issued by Medserv p.l.c. pursuant to the MFSA Listing Authority Listing Rule 8.7:

QUOTE

Medserv p.l.c., (the “Company”) makes reference to the preliminary profit statement issued on the 30 March 2007 (the “PPS”).

The Company announces that the PPS has been amended as follows: -

- 1. Corrigendum**
The “*Earnings per Share*” was incorrectly stated to be Lm0.02c5 per share – this has been amended to refer to an “*Earnings per Share*” of Lm0.25c per share.
- 2. Actual number of Shares in Issue as at 31 December 2006**
The “*Earnings per Share*” of Lm0.25c per share is based on the weighted average number of shares in issue. The Company, in addition to this basis of calculation, has included an “*Earnings per Share*” calculated on the actual number of shares in issue as at 31 December 2006 (that is ten million ordinary shares) resulting in an “*Earnings per Share*” of Lm0.06c56.

An updated preliminary profit statement is being attached hereto.

UNQUOTE



Louis de Gabriele
Company Secretary

02 April 2007

Med Serv



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Preliminary Profit Statement for the year ended 31 December 2006

This Statement is published pursuant to the Malta Financial Services Authority Listing Rules 8.7.4, 8.7.21, 9.35 and Article 4(2)(b) of the prevention of Financial Markets Abuse (Disclosure and Notification) Regulations, 2005. The financial information has been extracted from Medserv p.l.c.'s audited financial statements for the year ended 31 December 2006.

Review of performance

Medserv p.l.c.'s turnover for the year ended 31 December 2006 was Lm2,932,013 (forecast Lm3,054,000) whilst profit before tax amounted to Lm515,288 (forecast Lm474,000). Profit after tax amounted to Lm655,995 (forecast Lm694,000).

Condensed income statement for the year ended 31 December 2006

	2006 Lm	2005 Lm
Turnover	2,932,013	4,207,429
Cost of sales	<u>(1,925,898)</u>	<u>(2,710,766)</u>
Gross profit	1,006,115	1,496,663
Other operating income	83,787	26,394
Administrative expenses	(568,148)	(492,326)
Other operating expenses	<u>(3,220)</u>	<u>(192,862)</u>
Results from operating activities	518,534	837,869
Net finance expense	<u>(3,246)</u>	<u>(48,625)</u>
Profit before tax	515,288	789,244
Tax income	<u>140,707</u>	<u>1,153,748</u>
Profit for the year	<u><u>655,995</u></u>	<u><u>1,942,992</u></u>
Earnings per share *	<u><u>6c56</u></u>	<u><u>19c43</u></u>

* Based on 10,000,000 ordinary shares

Earnings per share (weighted average)

25c

74c

Condensed balance sheet account as at 31 December 2006

	2006 Lm	2005 Lm
Assets		
Property, plant and equipment	1,354,672	1,319,567
Other investment	3,287	3,287
Deferred tax assets	1,436,150	1,295,442
Current assets	<u>1,291,457</u>	<u>1,570,707</u>
Total assets	<u><u>4,085,566</u></u>	<u><u>4,189,003</u></u>
Equity and liabilities		
Capital and reserves		
Share capital	1,000,000	1,020
Retained earnings and reserves	<u>1,724,405</u>	<u>2,767,390</u>
Total equity	<u><u>2,724,405</u></u>	<u><u>2,768,410</u></u>
Total non-current liabilities	652,490	17,287
Total current liabilities	<u>708,671</u>	<u>1,403,306</u>
Total liabilities	<u><u>1,361,161</u></u>	<u><u>1,420,593</u></u>
Total equity and liabilities	<u><u>4,085,566</u></u>	<u><u>4,189,003</u></u>



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Condensed changes in equity for the year ended 31 December 2006

	Total	Share capital	Fair value reserve	Other reserve	Retained earnings
	Lm	Lm	Lm	Lm	Lm
Balance as 1 January 2005	1,174,152	1,020	1,853	135,650	1,035,629
Profit for the year	1,942,992	-	-	-	1,942,992
Transfer to other reserve:					
Unrealised gain recognised	-	-	-	1,145,759	(1,145,759)
Changes in fair value of equity securities available-for-sale	1,332	-	1,332	-	-
Deferred taxation	(66)	-	(66)	-	-
Interim dividend	(350,000)	-	-	-	(350,000)
Balance as 31 December 2005	2,768,410	1,020	3,119	1,281,409	1,482,862
Balance as 1 January 2006	2,768,410	1,020	3,119	1,281,409	1,482,862
Profit for the year	655,995	-	-	-	655,995
Transfer to other reserve	-	-	-	155,235	(155,235)
Issue of shares in lieu of dividends	-	998,980	-	-	(998,980)
Interim dividend	(700,000)	-	-	-	(700,000)
Balance as 31 December 2006	2,724,405	1,000,000	3,119	1,436,644	284,642

Condensed cash flow statement for the year ended 31 December 2006

	2006	2005
	Lm	Lm
Net cash from operating activities	543,006	754,638
Net cash used in investing activities	(114,395)	(229,234)
Net cash used in financing activities	(264,342)	(461,976)
Net increase in cash and cash equivalents	164,269	63,428
Cash and cash equivalents at the beginning of the year	52,491	(1,485)
Effect of exchange rate fluctuations on cash held	(2,489)	(9,452)
Movement in cash pledged as guarantee	(28,000)	-
Cash and cash equivalents at 31 December	186,271	52,491