COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by GO p.l.c. ("**the Company**") pursuant to Malta Financial Services Authority Listing Rules.

Quote

In a meeting held earlier today the 11th August 2015, the Board of Directors of the Company approved the attached Group reviewed (not audited) condensed consolidated interim financial statements for the six-months ended 30 June 2015.

The Interim Financial Statements are available for viewing on the Company's website www.go.com.mt

Unquote

Dr. Francis Galea Salomone LL.D.
Company Secretary

11 August 2015

GO p.l.c.

Condensed Consolidated Interim Financial Statements

For the Period 1 January 2015 to 30 June 2015

Company Registration Number: C 22334

GO p.l.c.

Condensed Consolidated Interim Financial Statements

For the period 1 January 2015 to 30 June 2015

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GO p.l.c.

Directors' Report pursuant to Listing Rule 5.75.2
For the period 1 January 2015 to 30 June 2015

This Half-Yearly Report is being published in terms of Chapter 5 of the Listing Rules of the Listing Authority – Malta Financial Services Authority and the Prevention of Financial Markets Abuse Act, 2005. The Half-Yearly Report comprises the reviewed (not audited) condensed consolidated interim financial statements for the six months ended 30 June 2015 prepared in accordance with International Financial Reporting Standards adopted for use in the EU for interim financial statements (International Accounting Standard 34, 'Interim Financial Reporting'). The condensed consolidated interim financial statements have been reviewed in accordance with the requirements of ISRE 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. The comparative statement of financial position has been extracted from the audited financial statements for the year ended 31 December 2014.

Principal activities

The Group is Malta's leading telecommunications and ancillary services provider. The services provided by the Group include fixed-line and mobile telephony services, broadband and internet services, digital terrestrial television, IPTV and data centre operations. The Company holds 25% of the share capital of Cablenet Communications Systems Limited, registered in Cyprus which provides broadband, cable tv and telephony services in Cyprus. The Company also has an interest in a jointly-controlled entity (Forgendo Limited), a company registered in Cyprus. Forgendo Limited currently holds an investment in an associate (Forthnet S.A.) registered in Greece, which provides fixed-line telephony, broadband and satellite TV services in Greece.

Insofar as the electronic communications operations are concerned, the Company and certain of its subsidiary companies are regulated by and are subject to the provisions of the Electronic Communications (Regulation) Act, 2004 and regulations issued thereunder.

Review of financial performance

The Group reports stable revenue but improved profitability for the six months period ended 30 June 2015 as it achieves revenue of €60.7 million and an operating profit of €13.7 million, an increase of €4.0 million (41.4%) over the comparative period. This performance is the result of various successful initiatives aimed at growing retail revenues and reducing costs.

The Group's revenue amounted to €60.7 million compared to €60.8 million in 2014 as the Group experienced a marginal decline in revenue from its telecommunications business which was compensated for by growth in its data centre business. The reduction in revenue from telecommunications is entirely due to a decline in wholesale activity, a direct consequence of regulatory decisions. Revenue from retail activities remained stable as GO continued to revamp its product portfolio, strengthening GO's position in the retail market through growth in the overall client base representing more than 500,000 connections across the main retail products. The investments that GO made in mobile networks are being well received by clients as this product line represents the main growth area and fills the Company with confidence as prepares to launch 4G later this year. In spite of fierce competition, Broadband and TV also delivered marginal growth as the Company gears up to connect more clients to its fibre network as the reach of Fibre To The Home (FTTH) continues to extend to new towns and villages. Growth in these three product lines compensate for the continued decline in revenue from traditional fixed-voice services. The positive performance of retail revenues, in particular the strong take up of Limitless mobile plans and Limitless Homepack, fills the Group with confidence to maintain its strategy to invest in 4G and extend the reach of FTTH. Limitless mobile plans and Limitless Homepack, the Group's new and highly successful bundle of services aimed at satisfying all telecommunication needs of a household, are expected to remain popular as the Group continues to improve these offerings.

Cost of sales and administration costs excluding costs of an unusual nature, size or incidence amounted to €47.4 million, which represents a decrease of €2.3 million over the comparative period. Whilst the Group successfully pursued cost reductions in most areas, it also experienced increased incidence of costs in certain areas directly related to sales activity.

The results of 2015 and the comparative period were both negatively impacted by voluntary retirement costs and to a lesser extent by pension obligations, items considered to be of an unusual nature, size or incidence. Operating profit before such items amounted to €14.1 million, an increase of €2.3 million (19.7%) over the operating profit of €11.8 million achieved in the comparative period. Profit before tax increased by €4.5 million (53.0%) from €8.5 million in 2014 to €13.0 million in the first half of 2015.

Cash generation from operations remains healthy and amounted to €22.7 million (2014: €18.4 million) whilst as at 30 June 2015 the Group's borrowings net of cash holdings amounted to €43.5 million, an increase in net debt of €2.1 million over December 2014. An increase in net debt is normal during the first half of the year and is directly related to the payment of a net dividend of €7.0 million.

Commentary on performance

The telecommunications sector is generally under pressure as a result of regulation, extensive competition and predatory technology and applications. Only few operators report growth and most report declining revenue and profitability. The Group's performance, is exceptional by comparison to trends in the sector and confirm GO as the leading telecommunications service provider in Malta.

These results have been achieved as the Group benefits from having embarked on a clear strategy focused on enhancing customer experience and driving efficiency across its various operations. Improved customer experience is pursued through a four pronged strategy aimed at (i) appropriate investments in technology; (ii) investments in solutions, applications and processes to serve clients more efficiently and effectively; (iii) investments in content, particularly premium sports content ensuring that GO remains the undisputed leader in the provision of quality premium TV and (iv) revamping its offers to consumers.

Various significant investments have been made in the areas of mobile internet and in the next few months GO will also launch 4G on a nationwide basis. Furthermore, investments in an FTTH network are gaining momentum as deployment extends to new towns and villages. The take up of fibre services is encouraging as these services see customers able to experience speeds and quality of service no other technology can make available. These significant investments are all part of a major programme being implemented over a number of years having as its primary objective the delivery to GO's clients an unparalleled quality of service seamlessly over mobile and fixed-line technologies.

In the Business segment, GO remains the undisputed leader in providing Total Communications solutions. The GO infrastructure servicing the Business community is unmatched in terms of the capabilities, resiliency and redundancy provided.

Beyond technology, GO also invests in systems and processes. During the period under review GO has been working on the replacement of various core systems and applications. These projects are expected to be completed in the next few months and will improve GO's ability to serve its customers better. Concurrently GO continues to update its offers to consumers, a process which is aimed at ensuring that consumers get the best possible value for their spend with the Group. These initiatives, together with investments in 4G, next generation fibre network and in IPTV are aimed to enhance the overall customer experience beyond the availability of a robust infrastructure.

As a result of this focused strategy, in spite of significant and intense competition and shrinking profitability in the telecommunications sector, GO managed to outperform trends as it increased its total customer connections and is reporting significantly improved levels of profitability. GO remains grateful for the confidence and trust that its customers continue to place in GO's product portfolio.

This confidence is also translated in significant increases in Customer Satisfaction Metrics and NPS (Net Promoter Score). This confidence and trust continue to encourage GO to maintain its focus and actively continue to pursue a strategy which is giving value to customers and which will allow it to remain the service provider of choice, ensuring long term sustainability of its operations.

Related party transactions

During the period under review, the Group acquired services amounting to €0.3 million from entities ultimately controlled by Dubai Holdings LLC, the ultimate parent company. Dividends paid to the parent company amounted to €4.3 million.

Dividends

The Board of Directors has resolved to determine the extent of dividend distribution for 2015 on the basis of the full results for the year. Accordingly, no dividends are declared upon issue of the results for the six-month period ended 30 June 2015.

Approved by the Board of Directors on 11 August 2015 and signed on its behalf by

Deepak S Padmanabhan
Chairman

Nikhil Patil
Director

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of financial position
As at 30 June 2015

	Notes	As at 30.06.15 Unaudited €000	As at 31.12.14 Audited €000
ASSETS			
Non-current assets			
Property, plant and equipment	5	**133,393**	133,640
Investment property		**2,199**	2,199
Intangible assets		**15,618**	13,526
Investment in associate	6	**1,681**	1,681
Loans receivable from associate	6	**7,560**	3,673
Deferred tax assets		**7,852**	8,497
Trade and other receivables		**3,992**	3,770
Total non-current assets		**172,295**	166,986
Current assets			
Inventories		**8,526**	7,468
Trade and other receivables		**30,566**	30,311
Cash and cash equivalents		**8,623**	12,509
Total current assets		**47,715**	50,288
Non-current assets classified as held for sale	7	**6,592**	6,592
Total assets		**226,602**	223,866
EQUITY AND LIABILITIES			
EQUITY			
Share capital		**58,998**	58,998
Reserves		**18,063**	15,640
Retained earnings		**36,012**	35,379
Total equity		**113,073**	110,017

Statement of financial position (continued)
As at 30 June 2015

	Notes	**As at 30.06.15 Unaudited €000**	As at 31.12.14 Audited €000
LIABILITIES			
Non-current liabilities			
Borrowings		**41,363**	44,573
Deferred tax liabilities		**5,829**	7,178
Provisions for pensions	8	**3,579**	3,667
Trade and other payables		**4,635**	3,437
Total non-current liabilities		**55,406**	58,855
Current liabilities			
Borrowings		**10,808**	9,425
Provisions for pensions	8	**3,018**	2,834
Derivative financial instruments		**-**	91
Trade and other payables		**41,882**	42,522
Current tax liabilities		**2,415**	122
Total current liabilities		**58,123**	54,994
Total liabilities		**113,529**	113,849
Total equity and liabilities		**226,602**	223,866

The notes on pages 11 to 20 are an integral part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements set out on pages 4 to 20 were approved by the Board of Directors on 11 August 2015 and were signed on its behalf by:

Deepak S Padmanabhan
Chairman

Nikhil Patil
Director

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Income statement
For the period 1 January 2015 to 30 June 2015

	Note	**Six months ended 30.06.15 Unaudited €000**	Six months ended 30.06.14 Unaudited €000
Revenue		**60,714**	60,766
Cost of sales		**(34,483)**	(36,381)
Gross profit		**26,231**	24,385
Administrative and other related expenses		**(13,291)**	(15,393)
Other income		**656**	745
Other expenses		**82**	(62)
Operating profit	9	**13,678**	9,675
Analysed as follows:			
Operating profit before non-recurring items		**14,079**	11,758
Non-recurring items presented within 'Administrative and other related expenses'		**(401)**	(2,083)
Operating profit after non-recurring items		**13,678**	9,675
Finance income		**358**	26
Finance costs		**(1,015)**	(1,190)
Profit before tax		**13,021**	8,511
Tax expense		**(4,137)**	(2,610)
Profit for the period		**8,884**	5,901
Earnings per share (euro cents)		**8c8**	5c8

The notes on pages 11 to 20 are an integral part of these condensed consolidated interim financial statements.

Statement of comprehensive income
For the period 1 January 2015 to 30 June 2015

	Six months ended 30.06.15 Unaudited €000	Six months ended 30.06.14 Unaudited €000
Comprehensive income		
Profit for the period	**8,884**	5,901
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit obligations	**(122)**	(321)
Income tax relating to components of other comprehensive income:		
- Remeasurements of defined benefit obligations	**42**	112
Items that may be subsequently reclassified to profit or loss		
Change in fair value of derivative designated as hedging instrument in cash flow hedge	**169**	247
Income tax relating to components of other comprehensive income	**(110)**	(86)
Net impact of the application of the changed tax regime attributable to the fair valuation of property	**1,285**	-
Total other comprehensive income for the period, net of tax	**1,264**	(48)
Total comprehensive income for the period	**10,148**	5,853

The notes on pages 11 to 20 are an integral part of these condensed consolidated interim financial statements.

Statement of changes in equity
For the period 1 January 2015 to 30 June 2015

Unaudited	**Share capital €000**	**Reserves €000**	**Retained earnings €000**	**Total equity €000**
Balance at 1 January 2014	58,998	16,536	27,961	103,495
Comprehensive income				
Profit for the period	-	-	5,901	5,901
Other comprehensive income:				
Cash flow hedge, net of deferred tax	-	161	-	161
Remeasurements of defined benefit obligations, net of deferred tax	-	(209)	-	(209)
Total other comprehensive income	-	(48)	-	(48)
Total comprehensive income	-	(48)	5,901	5,853
Transactions with owners in their capacity as owners				
Distributions to owners:				
Dividends to equity holders	-	-	(7,092)	(7,092)
Total transactions with owners	-	-	(7,092)	(7,092)
Balance at 30 June 2014	**58,998**	**16,488**	**26,770**	**102,256**
Balance at 1 January 2015	58,998	15,640	35,379	110,017
Comprehensive income				
Profit for the period	-	-	8,884	8,884
Other comprehensive income:				
Transfer of deferred tax	-	1,159	(1,159)	-
Net impact of the application of the changed tax regime attributable to the fair valuation of property	-	1,285	-	1,285
Cash flow hedge, net of deferred tax	-	59	-	59
Remeasurements of defined benefit obligations, net of deferred tax	-	(80)	-	(80)
Total other comprehensive income	-	2,423	(1,159)	1,264
Total comprehensive income for the period	-	2,423	7,725	10,148
Transactions with owners in their capacity as owners				
Distributions to owners:				
Dividends to equity holders	-	-	(7,092)	(7,092)
Balance at 30 June 2015	**58,998**	**18,063**	**36,012**	**113,073**

The notes on pages 11 to 20 are an integral part of these condensed consolidated interim financial statements.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of cash flows
For the period 1 January 2015 to 30 June 2015

	Six months ended 30.06.15 Unaudited €000	Six months ended 30.06.14 Unaudited €000
Cash flows from operating activities		
Operating profit	**13,678**	9,675
Adjustments for:		
Depreciation and amortisation	**11,436**	12,570
Net increase in provisions and write-downs in relation to receivables and inventories	**(662)**	198
Voluntary retirement costs	**396**	2,079
Provisions for pensions	**5**	4
	24,853	24,526
Changes in working capital:		
Inventories	**(1,075)**	(21)
Trade and other receivables	**(244)**	(6,097)
Trade and other payables	**891**	3,316
Cash generated from operations	**24,425**	21,724
Interest received	**1**	5
Interest paid on bank overdrafts	**(72)**	(97)
Tax paid	**(1,306)**	(1,117)
Tax refund received	**53**	30
Payments under voluntary retirement scheme	**(396)**	(2,079)
Payments in relation to pension obligations	**(50)**	(50)
Net cash generated from operating activities	**22,655**	18,416

Statement of cash flows (continued)
For the period 1 January 2015 to 30 June 2015

	Six months ended 30.06.15 Unaudited €000	Six months ended 30.06.14 Unaudited €000
Cash flows from investing activities		
Payments to acquire property, plant and equipment and intangible assets	**(12,183)**	(10,069)
Loans advanced to associate	**(4,500)**	-
Loans advanced to joint venture	**(22)**	(6,024)
Net cash used in investing activities	**(16,705)**	(16,093)
Cash flows from financing activities		
Proceeds from bank loans	**-**	589
Repayments of bank loans	**(3,293)**	(14,770)
Dividends paid	**(6,961)**	(6,971)
Loan interest paid	**(886)**	(1,115)
Net cash used in financing activities	**(11,140)**	(22,267)
Net movement in cash and cash equivalents	**(5,190)**	(19,944)
Cash and cash equivalents at beginning of period	**11,604**	24,762
Exchange gains on cash and cash equivalents	**(51)**	(3)
Movement in cash pledged as guarantees	**(102)**	(75)
Cash and cash equivalents at end of period	**6,261**	4,740

The notes on pages 11 to 20 are an integral part of these condensed consolidated interim financial statements.

1 General information

GO p.l.c. ("the Company") is a limited liability company domiciled and incorporated in Malta. The condensed consolidated interim financial statements of the Company as at 30 June 2015 and for the six-month period then ended comprise the Company and its subsidiaries (together referred to as the "Group"). The Group operates in Malta and is primarily involved in the provision of telecommunications services (both fixed and mobile), internet related services, digital terrestrial television in Malta and in the operation of data centres.

The consolidated financial statements of the Group as at and for the year ended 31 December 2014 are available upon request from the Company's registered office at Fra Diegu Street, Marsa, MRS 1501, Malta. They are also available for viewing on its website at www.go.com.mt.

This condensed consolidated interim financial information was approved for issue by the Board of Directors on 11 August 2015.

The condensed consolidated interim financial information has been reviewed, not audited, in accordance with the requirements of ISRE 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

2 Basis of preparation

The condensed consolidated interim financial information for the six-month period ended 30 June 2015 has been prepared in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, 'Interim Financial Reporting'). The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with IFRSs as adopted by the EU.

3 Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2014, as described in those annual financial statements.

(a) Standards, interpretations and amendments to published standards effective in 2015

In 2015, the Group adopted new standards, amendments and interpretations to existing standards that are mandatory for the Group's accounting period beginning on 1 January 2015. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in changes to the Group's accounting policies impacting the Group's financial performance and position.

3 Accounting policies (continued)

(b) Standards, interpretations and amendments to published standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards which are mandatory for accounting periods beginning after 1 January 2015 have been published by the date of authorisation for issue of this financial information. The Company's directors are of the opinion that there are no requirements that will have a possible significant impact on the Company's consolidated interim financial statements in the period of initial application.

4 Operating segments

The Group has two reportable segments, which are effectively the Group's strategic business units and cash-generating units. The strategic business units offer different services, and are managed separately because they require different technology and marketing strategies. The Group's internal reporting to the Board of Directors and Senior Management is analysed according to these segments. For each of the strategic business units, the Board of Directors reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

Telecommunication Services (Telecommunications CGU) comprise the Group's fixed-line telephony services, mobile telephony services, digital television services, sale of broadband, internet services and other business communication solutions.

Data Centre Services (Data Centre CGU) comprise the Group's data centre activities including co-location services.

4 Operating segments (continued)

(b) Information about reportable segments for the six-month periods ended 30 June

	Telecommunication		Data Operations		Total	
	2015	2014	**2015**	2014	**2015**	2014
	€000	€000	**€000**	€000	**€000**	€000
External revenues	**53,418**	54,544	**7,295**	6,222	**60,713**	60,766
Inter-segment revenues	**544**	523	**186**	149	**730**	672
Reportable segment profit before tax	**9,794**	5,752	**3,231**	2,759	**13,025**	8,511
Information about items presented within reportable segment results:						
Non-recurring items impacting operating profit (Note 9)	**(401)**	(2,083)	**-**	-	**(401)**	(2,083)
Reportable segment assets	**245,316**	238,039	**6,308**	5,913	**251,624**	243,952

5 Property, plant and equipment

(a) Acquisitions and disposals

During the six months ended 30 June 2015, the Group acquired assets, primarily plant and equipment, with a cost of €7.4 million (six months ended 30 June 2014: €5.8 million).

(b) Capital commitments

The following are capital commitments of the Group:

	30.06.15	31.12.14
	€000	€000
Contracted for	**9,682**	4,725
Authorised but not yet contracted for	**17,152**	10,391
	26,834	15,116

6 Investment in associate

On 28 March 2014, GO entered into a share purchase agreement with (i) Cablenet Communications Systems Limited ("Cablenet"), a limited liability company incorporated under the Laws of Cyprus, and (ii) Mr Nicolas Shiacolas (being the legal, registered and beneficial owner of the entire issued share capital in Cablenet), for the purchase by GO from Mr. Shiacolas of an initial stake of 25% of the issued share capital (with an equivalent amount of voting rights) of Cablenet in exchange for a convertible loan of €12 million to be granted in instalments on pre-established dates to Cablenet. The loan will bear no interest until 31 December 2017.

The instalments of the loan advanced to Cablenet till 30 June 2015, with a nominal value of €9 million, are carried at €7.6 million in these financial statements, at fair value, reflecting the discount attributable to the fact that the advances will not be subject to interest. The initial 25% equity stake in the company, is measured at €1.7 million as at 30 June 2015, representing the estimated fair value of this stake. This amount reflects a portion of the discount on the €9 million advances effected by period end, amounting to €1.4 million (with the remaining portion of the discount being attributable to the initial measurement of the derivatives embedded within the share purchase agreement as at 30 June 2015), together with the discount in relation to the remaining committed loan drawdowns of €3 million. This latter amount is also reflected as a financial liability at the end of the reporting period, which is to be settled through the discount element on the loan drawdowns to be effected post 30 June 2015.

The Group's associate is not deemed material to GO as a reporting entity in terms of the requirements of IFRS 12 'Disclosure of interest in other entities' and the disclosure of summarised financial information of the associate is accordingly not deemed necessary. The effects of applying the equity method of accounting as at 30 June 2015 were insignificant.

7 Non-current assets classified as held for sale

GO p.l.c. controls 50% of the share capital and voting rights of a joint venture, Forgendo Limited ("Forgendo"), a company registered in Cyprus. Furthermore Forgendo and Massar Investments LLC each control 50% of Giradena Limited ("Giradena"), a company also registered in Cyprus. The sole activity of both Forgendo and Giradena is that of holding investments in an undertaking, Hellenic Company for Telecommunications and Telematic Applications S.A. ("Forthnet S.A." or "Forthnet"), a Greek company listed on the Athens Stock Exchange which is treated as an associated undertaking of Forgendo. At 30 June 2015, GO has an equity investment in Forgendo with a carrying amount of €6.6 million.

On 9 July 2014 GO's Board of Directors resolved that the equity investment in Forgendo actually reflected an investment which was held for sale as at that date. Accordingly, the investment has been classified as an asset held for sale in accordance with the requirements of IFRS 5, 'Non-current Assets Held for sale and Discontinued Operations'. Whilst Forthnet has put in place a formal process intended to lead to formal binding offers by each of OTE and Wind/Vodafone, the disposal process has experienced certain delays due to the political, economic and market conditions in Greece.

In accordance with the requirements of IFRS 5, 'Non-current Assets Held for Sale and Discontinued Operations', the Company's investment in Forgendo has been classified as an asset held for sale on the basis of the following criteria:

- the investment was available for immediate sale in its present condition at date of classification; and
- its sale is deemed to be highly probable, i.e. there is evidence of Board commitment; there is an active programme to locate a buyer and complete the plan; the asset is actively marketed for sale at a reasonable price compared to its fair value; the sale is expected to be completed within 12 months of the date of classification; and actions required to complete the plan indicate that it is unlikely that there will be significant changes to the plan or that it will be withdrawn.

The current economic and political situation in Greece has resulted in certain delays; however a scenario where delays are attributable to reasons not within the seller's control is contemplated by the IFRS 5 classification criteria.

Classification of the equity investment in Forgendo as an investment held for sale effected on 9 July 2014, the date on which the equity investment originated, has suspended the application of equity accounting. The investment classified as held for sale is carried at the amount of €6.6 million, subject to impairment testing. The listed price of the equity of Forgendo's associate (Forthnet) as at 30 June 2015, notwithstanding movements subsequent to the end of the reporting period, remains an indicator that the carrying amount of the investment is deemed recoverable and accordingly no impairment issues arise in respect of this carrying amount.

As at 30 June 2015, the market price of Forthnet's equity quoted on the Athens Stock Exchange, within the Companies under Surveillance segment was €0.80 per ordinary share. Accordingly, the value of GO's interest in Forgendo's investment in this associate, based on the quoted market price of the associate's equity, at the end of the reporting period was €19 million.

8 Provisions for pensions

As disclosed in the annual financial statements, GO p.l.c. was required to set up a pension scheme in favour of ex-Cable and Wireless employees following a judgement by the Court of Appeal on 7 July 2008. Subsequently the Company also received other claims for pension rights from a number of employees and former employees. The Company established the scheme on 1 July 2009 with effect from 1 January 1975. Subsequent to the setting up of the scheme, the Company offered a number of beneficiaries a one-time lump sum settlement in lieu of joining the scheme.

As at 30 June 2015, the Company estimated that its obligations towards the remaining potential beneficiaries amounted to €6.6 million (31 December 2014: €6.5 million).

9 Operating profit

During the interim period the following items of unusual nature, size or incidence have been charged to operating profit:

	Six months ended 30.06.15 €000	Six months ended 30.06.14 €000
Administrative and other related expenses:		
Voluntary retirement	**396**	2,079

The Company continued with its restructuring programme by offering voluntary retirement schemes to its employees.

10 Dividends paid

A dividend in respect of the year ended 31 December 2014 of €0.07 per share, amounting to €7,092,000, was proposed by the Board of Directors and paid during the interim period ended 30 June 2015.

11 Contingencies

There were no major changes in the contingencies of the Company and its subsidiaries from those disclosed in the consolidated financial statements of the Group for the year ended 31 December 2014.

12 Related parties

(a) Parent and ultimate controlling party

The Company's ultimate controlling party and ultimate parent is Dubai Holding LLC, the registered office of which is situated at Emirates Towers, Level 49, Office Block, Sheikh Zayed Road, Dubai, UAE. The immediate parent of the Company, with a 60% holding, is Emirates International Telecommunications (Malta) Limited, a company which is ultimately controlled by Dubai Holding LLC as it forms part of the same group of companies of which Dubai Holding LLC is the ultimate parent. Dubai Holding LLC is owned by H.H. Sheikh Mohammed Bin Rashid Al Makhtoum, Vice President and Prime Minister of the UAE and Ruler of Dubai.

(b) Related party transactions

Consistent with the disclosures in the audited financial statements for the year ended 31 December 2014, the Group has a related party relationship with its ultimate controlling party and entities ultimately controlled by it (see above); key management personnel (group companies' directors) together with close members of their family and entities controlled by them; and the Group's jointly-controlled entity.

The principal related party transactions during the six month period under review comprise:

	Six months ended 30.06.15 €000	Six months ended 30.06.14 €000
Ultimate controlling party and related entities		
Services provided to	**114**	151
Services provided by	**319**	604
Expenses paid on behalf of	**22**	65
Expenses paid on behalf of the Company by	**3**	16
Dividends paid to	**4,255**	4,255

(c) Related party balances

The principal balances with related parties are analysed as follows:

	30.06.15 €000	31.12.14 €000
Ultimate controlling party and related entities		
Loans receivable	**7,560**	3,673
Amounts payable to	**2**	1,188

Loans receivable from the jointly-controlled entity are disclosed in Note 6 to these interim financial statements.

13 Fair values of financial instruments

The Group is required to disclose fair value measurements by level of a fair value measurement hierarchy for financial instruments that are measured in the statement of financial position at fair value (Level 1, 2 or 3). The different levels of the fair value hierarchy are defined as fair value measurements using:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly i.e. as prices, or indirectly i.e. derived from prices (Level 2).
- Inputs for the asset or liability that are not based on observable market data i.e. unobservable inputs (Level 3).

The fair value of the investment in associate and the loans receivable has been determined utilising a discounted cash flow model as a valuation technique. The key assumption used, in respect of these non-recurring fair value measurements as a result of the acquisition, is the discount rate estimated at 7%. This is deemed to be a significant unobservable input.

The fair value of the interest rate swap designated as a hedging instrument, is determined by use of a valuation obtained from a financial institution and verified with observable market data. The fair value of interest rate swap is calculated as the present value of the estimated future cash flows based on observable yield curves. Accordingly, it has been categorised since inception as a level 2 instrument.

As a result of the share purchase agreement with Cablenet Communications Systems Limited and Mr Nicolas Shiacolas, GO acquired an interest in an associate. Upon acquisition, the fair values of the Group's investment in the associate, loans receivable from the associate and derivative instruments, comprising options, embedded in the share purchase agreement have been determined on the basis of a professional valuation report by an independent firm of professional valuers. This valuation report was reviewed and assessed by the Group's management and Board of Directors.

The fair value of the investment in associate and the loans receivable has been determined utilising a discounted cash flow model as a valuation technique. The key assumption used, in respect of these non-recurring fair value measurements as a result of the acquisition, is the discount rate estimated at 7%. This is deemed to be a significant unobservable input. The loans advanced to the associate till 30 June 2015, with a nominal value of €9 million, are measured at €7.6 million reflecting the discount attributable to the fact that the advances will not be subject to interest. The initial 25% equity stake in the company, is measured at €1.7 million, representing the estimated fair value of this stake. This amount reflects a portion of the discount on the €9 million advances effected by period end, amounting to €1.4 million (with the remaining portion of the discount being attributable to the initial measurement of the derivatives embedded within the share purchase agreement), together with the discount in relation to the remaining committed loan drawdowns of €3 million.

13 Fair values of financial instruments (continued)

The fair value of the embedded options has been determined through the use of an option valuation model. In view of the terms and conditions of the embedded derivatives, considered as European-styled options for valuation purposes, Monte Carlo simulations were utilised by the independent experts to determine the probability distribution of the derivatives' value as at 31 December 2017 (expiry date of key embedded derivative). For each trial, the Black Scholes model was used to value the options; with the estimated value of the derivatives constituting the average of all the trials, discounted to present value. The value of the derivatives is also derived from the estimated enterprise value of the acquiree as at 31 December 2017, which is based on the enterprise value at 31 December 2014 and the simulated 2014 – 2017 average rate of returns.

The fair values of the embedded options comprise financial assets amounting to €2.4 million and financial liabilities amounting to €2 million. The key assumptions used in respect of these recurring fair value measurements comprise the WACC, at 13.3%, and the asset volatility measure, at 22%. Both are deemed to be significant unobservable inputs. An increase in asset volatility measure of 5% would result in an increase in the net fair value of the derivatives of 26.3%; whereas a decline of 5% would give rise to a decline in the net fair value of 23.1%. An increase of 0.5% in the WACC level would give rise to an increase the net fair value of 43.7%; whilst a decrease of 0.5% would result in a decrease of 43.4%. No interrelationships between unobservable inputs used in the fair valuation has been identified.

The valuation techniques referred to above make use of significant unobservable inputs and accordingly the respective fair values are classified as level 3. The fair values are recognised in whole or in part, using valuation techniques based on assumptions that are not supported by prices or other inputs from observable current market transactions in the same instrument.

At 30 June 2015 and 31 December 2014, the carrying amounts of certain financial instruments not carried at fair value comprising cash at bank, receivables, payables, accrued expenses and short-term borrowings reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation. The fair value of advances to related parties and other balances with related parties, which are short-term or repayable on demand, is equivalent to their carrying amount.

The fair value of non-current financial instruments for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of the Group's non-current floating interest rate bank borrowings at the end of the reporting period is not significantly different from the carrying amounts. The current market interest rates utilised for discounting purposes, which were almost equivalent to the respective instruments' contractual interest rates, are deemed observable and accordingly these fair value estimates have been categorised as Level 2.

14 Events after the end of the reporting period

GO held an Extraordinary General Meeting on 22 July 2015, approving an extraordinary resolution for amendments to parts of specific Articles of the Memorandum and Articles of Association of the Company.

An ordinary resolution was also approved at the same meeting, allowing for the Spin-Off of the Company's shareholding in Malta Properties Company Limited ("MPL") to be effected through the payment, by the Company to its shareholders, of an interim dividend in kind by way of a distribution of the Company's shareholding in MPL (to be distributed pro-rata to shares held by the Shareholders in the Company) and to authorise the board of directors of the Company to take all measures that may be necessary or expedient to implement the Spin-Off.

Accordingly, as at 30 June 2015 the assets and liabilities attributable to MPL, mainly comprising property with a carrying amount of €53.5 million, borrowings amounting to €16 million and deferred tax liabilities for the amount of €4.9 million, were earmarked for distribution to owners as highlighted above. However these assets and liabilities have not been classified as held for distribution to owners in accordance with the requirements of IFRS 5 as the Company was not yet committed to distributing the net assets to the owners as at 30 June 2015. The probability, as at 30 June 2015, of significant changes to the contribution being effected and of shareholders' approval of this distribution has been considered by the Company in the assessment of determining whether the 'highly probable' criterion was met .

Subsequently on 23 July 2015, the Company announced that its majority shareholder, Emirates International Telecommunications Malta Limited ("EITML"), expressed to the Board of Directors of the Company its (EITML's) intention to seek to dispose of its (EITML's) 60% shareholding in the Company.

Statement pursuant to Listing Rule 5.75.3

I hereby confirm that to the best of my knowledge:

- the condensed consolidated interim financial statements give a true and fair view of the financial position of the Group as at 30 June 2015, and of its financial performance and cash flows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, 'Interim Financial Reporting');

- the Interim Directors' report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.

Deepak S Padmanabhan
Chairman

11 August 2015

pwc

Independent auditor's report

To the Board of Directors of GO p.l.c.
Report on Review of Condensed Consolidated Interim Financial Information

Introduction
We have reviewed the accompanying condensed consolidated statement of financial position of GO p.l.c. as at 30 June 2015, the related condensed consolidated income statement and statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and the explanatory notes ('the interim financial information'). The directors are responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 'Interim Financial Reporting'). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review
We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

This report, including its conclusion, has been prepared for the Company for the purpose of the Listing Rules of the Malta Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

PricewaterhouseCoopers

78 Mill Street
Qormi
Malta

Simon Flynn
Partner

11 August 2015

a) The maintenance and integrity of the GO p.l.c. website is the responsibility of the Directors of the Company; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the condensed consolidated interim financial information since this was initially presented on the website.
b) Legislation in Malta governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.