20th March, 2009

COMPANY ANNOUNCEMENT

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

Quote

The Board of Directors of GO p.l.c. has approved the attached Preliminary Statement of annual results for the financial year ended 31st December 2008. These audited financial statements are also available for viewing on the Company's website at www.go.com.mt.

The Board of Directors further resolved to recommend that the Annual General Meeting approves the payment of a final net dividend of € 0.12 net of taxation per share. The payment of this Net Dividend amounts to the sum of € 12,157,259. The final dividend will be paid on the 20th of May, 2009 to all shareholders who are on the shareholders' register as at Friday the 17th of April 2009.

The Annual General Meeting will be held on Friday 15th May 2009 at the Malta Hilton, St. Julians.

Unquote

Francis Galea Salomone LL.D.
Company Secretary

Preliminary Statement of Group Results and State of Affairs

At and For the Year Ended 31 December 2008

	2008	2007
	€000	€000
FINANCIAL HIGHLIGHTS		
Revenue	**130,296**	131,943
(Loss) / Profit before income tax	**(1,261)**	27,613
(Loss) / Profit for the year	**(3,070)**	16,673
Total assets	**310,157**	277,030
Shareholders' funds	**191,287**	201,421
INCOME STATEMENT		
Revenue	**130,296**	131,943
Cost of sales	**(76,085)**	(80,157)
Gross profit	**54,211**	51,786
Other income	**1,615**	1,162
Administrative and distribution expenses	**(27,959)**	(28,840)
Voluntary retirement costs	**(1,976)**	(4,288)
VAT claim refundable	**-**	9,567
Other expenses	**(1,240)**	(769)
Provision for pensions	**(12,853)**	-
	(42,413)	(23,168)
Results from operating activities	**11,798**	28,618
Finance income	**4,265**	2,206
Finance expenses	**(2,059)**	(776)
Net finance income	**2,206**	1,430
Impairment loss on equity accounted investee	**(296)**	-
Impairment loss on goodwill	**-**	(349)
Net reversal of impairment loss / (impairment loss) on equity investments	**595**	(1,670)
Revaluation of property	**12**	(13)
Share of loss of equity accounted investee (net of income tax)	**(15,576)**	(403)
	(15,265)	(2,435)
(Loss) / Profit before income tax	**(1,261)**	27,613
Income tax expense	**(1,809)**	(10,940)
(Loss) / Profit for the year	**(3,070)**	16,673
(Loss) / Earnings per share	**(3c0)**	16c5

BALANCE SHEET

	2008	2007
	€000	€000
Assets		
Property, plant and equipment	**136,083**	132,093
Intangible assets	**10,489**	11,490
Investment property	**1,350**	1,294
Investment in jointly controlled entity	**5,179**	-
Other investments	**-**	34,434
Loans receivable from jointly controlled entity	**89,415**	-
Finance lease receivables	**421**	685
Deferred tax assets	**2,526**	-
Total non-current assets	**245,463**	179,996
Inventories	**5,761**	2,453
Trade and other receivables	**49,666**	44,951
Tax recoverable	**-**	19
Cash at bank and in hand	**8,303**	47,056
Total current assets	**63,730**	94,479
Non-current assets classified as held for sale	**964**	2,555
Total assets	**310,157**	277,030
Equity		
Share capital	**58,998**	58,998
Reserves	**23,655**	19,555
Retained earnings	**108,634**	122,868
Total equity	**191,287**	201,421
Liabilities		
Loans and borrowings	**50,000**	6,131
Provisions	**10,552**	33
Deferred tax liability	**-**	2,374
Total non-current liabilities	**60,552**	8,538
Loans and borrowings	**2,912**	21,274
Trade and other payables	**53,222**	45,797
Tax payable	**2,184**	-
Total current liabilities	**58,318**	67,071
Total liabilities	**118,870**	75,609
Total equity and liabilities	**310,157**	277,030

This report has been extracted from the audited financial statements of the Group which were approved by the Board of Directors on 20 March 2009.

STATEMENT OF CHANGES IN EQUITY

	Share capital	Other reserve	Fair value reserve	Insurance contingency reserve	Revaluation Reserve	Retained earnings	Total
	€000	€000	€000	€000	€000	€000	€000
Balance at 1 January 2007	58,998	4,733	855	466	-	130,624	195,676
Prior period adjustments	-	1,081	-	-	13,794	(10,683)	4,192
Balance at 1 January 2007 (restated)	58,998	5,814	855	466	13,794	119,941	199,868
Changes in fair value of other Investments*	-	-	(939)	-	-	-	(939)
Revaluation of property*	-	-	-	-	1,191	-	1,191
Deferred taxation*	-	-	28	-	(59)	-	(31)
Profit for the year	-	-	-	-	-	16,673	16,673
Transfer to / from retained earnings:							
Unrealised gains	-	(1,664)	-	-	-	1,664	-
Transfer to insurance contingency reserve	-	-	-	116	-	(116)	-
Transfer from revaluation reserve	-	-	-	-	(47)	47	-
Dividends to equity holders:							
Dividends approved at general meeting and paid	-	-	-	-	-	(11,800)	(11,800)
Interim dividend paid	-	-	-	-	-	(3,541)	(3,541)
Balance at 31 December 2007 (restated)	58,998	4,150	(56)	582	14,879	122,868	201,421
Balance at 1 January 2008 (restated)	**58,998**	**4,150**	**(56)**	**582**	**14,879**	**122,868**	**201,421**
Changes in fair value of other Investments*	**-**	**-**	**99**	**-**	**-**	**-**	**99**
Revaluation of property*	**-**	**-**	**-**	**-**	**5,493**	**-**	**5,493**
Share of equity movement in jointly-controlled entity*	**-**	**326**	**-**	**-**	**-**	**-**	**326**
Deferred taxation*	**-**	**-**	**(43)**	**-**	**(1,137)**	**-**	**(1,180)**
Loss for the year	**-**	**-**	**-**	**-**	**-**	**(3,070)**	**(3,070)**
Transfer to / from retained earnings:							
Unrealised gains	**-**	**(754)**	**-**	**-**	**-**	**754**	**-**
Transfer to insurance contingency reserve	**-**	**-**	**-**	**116**	**-**	**(116)**	**-**
Dividends to equity holders:							
Dividends approved at general meeting and paid	**-**	**-**	**-**	**-**	**-**	**(11,802)**	**(11,802)**
Balance at 31 December 2008	**58,998**	**3,722**	**-**	**698**	**19,235**	**108,634**	**191,287**

* Net income recognised directly to equity

CASH FLOW STATEMENT

	2008	2007
	€000	€000
Cash flows from operating activities		
(Loss) / Profit for the year	**(3,070)**	16,673
Adjustments for:		
Income tax expense	**1,809**	10,940
Depreciation, amortisation and write-downs	**23,217**	26,673
Net finance income	**(2,206)**	(1,430)
Share of loss of equity accounted investees	**15,575**	403
Write-offs and net loss arising on disposal of intangible assets and plant and equipment	**566**	310
Net increase in provisions and write-offs	**490**	1,684
Reversal of unclaimed liabilities written back	**-**	23
Liabilities written back	**(180)**	-
Impairment loss on goodwill	**-**	349
Voluntary retirement costs	**1,977**	4,288
Increase in fair value to investment property	**(56)**	(56)
(Reversal) / Impairment loss on non-current assets classified as held for sale	**(595)**	1,670
VAT claim refundable	**-**	(9,567)
Provision for pensions payable	**12,853**	-
Revaluation of property	**(12)**	13
Impairment loss on equity accounted investee	**296**	-
	50,664	51,973
Change in inventories	**(1,745)**	(9)
Change in trade and other receivables	**(7,606)**	(14,566)
Change in trade and other payables	**11,698**	15,750
Cash generated from operations	**53,011**	53,148
Interest received (net of withholding tax)	**327**	1,244
Interest paid on bank overdrafts	**(55)**	(156)
Net taxation paid	**(5,340)**	(3,582)
Payments for voluntary retirement scheme	**(2,312)**	(4,934)
Refund of VAT	**3,435**	-
Net cash from operating activities	**49,066**	45,720
Cash flows from investing activities		
Payments to acquire property, plant and equipment and intangible assets	**(26,115)**	(18,134)
Payments to acquire investments	**-**	(3,503)
Payment to acquire investment in subsidiary	**-**	(2,376)
Receipts from disposal of property, plant and equipment	**1**	-
Receipts from disposal and realisation of investments	**34,677**	-
Investment income received	**250**	722
Payments to acquire jointly-controlled entity	**(10,000)**	-
Advances to jointly-controlled entity	**(99,033)**	-
Net cash used in investing activities	**(100,220)**	(23,291)
carried forward	**(51,154)**	22,429

CASH FLOW STATEMENT

	2008	2007
	€000	€000
brought forward	**(51,154)**	22,429
Cash flow from financing activities		
Loans advanced by bank	**52,428**	11,074
Repayments of long-term borrowings	**(16,698)**	(9,504)
Dividends paid	**(11,802)**	(15,341)
Loan interest paid	**(2,093)**	(643)
	---------	---------
Net cash from / (used in) financing activities	**21,835**	(14,414)
	---------	---------
Net (decrease) / increase in cash and cash equivalents	**(29,319)**	8,015
Cash and cash equivalents at 1 January	**33,851**	27,356
Cash and cash equivalents acquired upon acquisition of subsidiary	**-**	(1,209)
Effect of exchange rate fluctuations on cash held	**640**	(251)
Movement in cash pledged as guarantees	**162**	(60)
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Cash and cash equivalents at 31 December	**5,334**	33,851
	=====	=====

Review of group operations

Introduction

This Statement is published pursuant to Listing Rule 9.35 of the Malta Financial Service Authority and Article 4(2)(b) of the Prevention of Financial Markets Abuse (Disclosure and Notification) Regulations, 2005.

The financial information has been extracted from GO p.l.c.'s Annual Report and Accounts for the year ended 31 December 2008 as approved by the Board of Directors on 20 March 2009, which have been audited by KPMG. These financial statements will be laid before the members at the general meeting to be held on 15 May 2009.

The Group's financial statements have been prepared and presented in accordance with International Accounting Standards as adopted by the EU (EU endorsed International Financial Reporting Standards) by virtue of Legal Notice 19 of 2009 of the Accountancy Profession Act: Accountancy Profession (Accounting and Auditing Standards) Regulations 2009.

The change in the applicable framework from IFRS issued by the International Accounting Standards Board, in use for the comparative period, did not result in any changes in the Group's accounting policies, and, accordingly, no adjustment was required to the corresponding figures included in the current year's financial statements. In addition, this change did not impact the year-end financial position and the current year's financial performance and cash flows.

These financial statements have also been prepared and presented in accordance with the provisions of the Companies Act, 1995 enacted in Malta, to the extent that such provisions do not conflict with the applicable framework.

The Board of Directors is recommending the payment of a final dividend of €0.12c net of tax per share for the approval of the shareholders at the next Annual General Meeting to be held on 15 May 2009 which dividend will be payable on 20 May 2009. This net dividend will be payable to shareholders who will be on the register of shareholders as at 17 April 2009.

Performance

During the year, the Group has recorded a loss before taxation amounting to €1.3 million *(2007: Profit €27.6 million)*. This represents a negative return of 0.6% *(2007: positive 13.8%)* of the average shareholders' funds and a negative average total assets employed of 0.4% *(2007: positive 10.2%)*. Earnings per share for the year amounted to a negative €0.03 *(2007: positive €0.165)*. These results are a consequence of various one-off transactions as explained below. If these one-off transactions were excluded, the results for the year would reflect a strong operational performance with significant improvements over the prior year.

The Group's turnover amounted to €130.3 million (2007: €131.9 million), a decrease of 1.2% over 2007. This decrease is mainly the result of the Group's discontinuation of its international call centre business as a result of the lack of profitability of this business unit. Revenue from core services remained strong. The declining trend in traditional fixed line services continued throughout the year, which decline was mitigated by the continued growth in broadband and TV services. Mobile also continued with its growth rate, albeit at a lower rate. Overall, the Group increased turnover from its core services. This has been an encouraging performance when one considers that the year was characterised by increased competition and further regulation, both at the EU as well as at the national level, which has increased pressure on the Group's retail activities.

The gross margin for the year amounted to €54.2 million (2007: €51.8 million), equivalent to 41.6% (2007: 39.2%) of total revenues. The Group registered an operating profit of €11.8 million (2007: €28.6 million). However, results include various one-off transactions, namely a charge for pensions of €12.9 million (2007: nil), voluntary retirement costs of €2.0 million (2007: €4.3 million) and income from refundable VAT claim of €9.6 million in 2007. If these transactions were excluded, the

Group's operational performance would have improved by 14.6% from €23.3 million in 2007 to €26.7 million in 2008. This performance is the result of the Group's revenue performance, the cessation of the loss-making international call centre business, tighter control over costs and a leaner organisation.

During the year under review, the Group registered a loss before tax of €1.3 million. Whilst the Group registered improved operational performance as already explained, it was impacted by two major transactions, namely:

- Following a court judgement on 7 July 2008, the Company had to recognise a charge of €12.9 million in respect of past pension costs;
- During the year, the Company and its immediate parent jointly invested in Forgendo Limited (Forgendo), a special purpose entity incorporated in Cyprus, through which they acquired a shareholding of 34.6% in Forthnet SA (Forthnet). Forthnet is a leading telecommunications service provider in Greece offering broadband, fixed voice and pay TV services. This investee is a maturing company and in 2008 it registered a net loss of €40.9 million. This loss, which is in line with the expectations of Forgendo, resulted in a charge of €15.6 million for the Group.

The tax expense for the year amounted to €1.8 million (2007: €10.9 million).

Balance sheet

The investment in and loans advanced to Forgendo amount to €94.6 million. The Company holds 50% of the share capital of Forgendo, whilst the Company's immediate parent holds the other 50%. With a 34.6% shareholding, Forgendo is the single largest shareholder in Forthnet. The initial investment, which took place during February 2008, resulted in Forgendo acquiring almost 21% of Forthnet's share capital. This shareholding was subsequently increased to 34.6% through further acquisitions of shares on the market and participation in a rights issue process.

During 2008, the Group went through a revaluation exercise for all its property and restated their value at the revalued amounts as at 31 December 2008. This has also resulted in a prior year adjustment as at 31 December 2006 to reflect the fair value of properties as at that date in accordance with the Group's accounting policy, together with related deferred tax liabilities.

Receivables, net of impairment loss, amounted to €49.7 million *(2007: €44.9 million)*. Of these, 53.2% *(2007: 42.9%)* represent invoiced amounts receivable in respect of services rendered and goods sold by the Group. The Group's trade and other payables at the end of the year amounted to €53.2 million *(2007: €45.8 million)*.

Non-current and current bank loans amounted to €50 million *(2007: €14.5 million)*. The gearing ratio, that is, the ratio of loan finance to shareholders' equity stood at 26.1% at 31 December 2008 compared with 7.2% at 31 December 2007.

Shareholders' funds amounted to €191.3 million *(2007: €201.4 million).* They finance 61.7% *(2007: 72.7%)* of the Group's total assets. The Group's net asset value per share stands at €1.88 *(2007: €1.99).*

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Company Secretary

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20 March 2009