31st August 2011

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 31st August 2011, the Board of Directors of the Company approved the attached Group Interim Unaudited Financial Statements for the six-month period ended 30 June 2011.

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

GO p.l.c.

Condensed Consolidated
Interim Financial Statements

For the Period 1 January 2011 to
30 June 2011

Company Registration Number: C 22334

GO p.l.c.

Condensed Consolidated Interim Financial Statements

For the Period 1 January 2011 to 30 June 2011

Contents

GO p.l.c.

Directors' Report pursuant to Listing Rule 5.75.2

For the period 1 January 2011 to 30 June 2011

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 2011 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 2010.

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 TV and data centre operations. 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 their electronic communications operations are concerned, the Company and certain of its subsidiaries and associated 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

During the first six months of the current financial year the Group achieved an operating profit of €9.2 million, a reduction of €2.0 million over an operating profit of €11.2 million in 2010. However, the results of both periods were negatively impacted by voluntary retirement costs and increased pension obligations, items considered to be of an unusual nature, size or incidence. Normalised results before such items show that in 2011 the Group's operating profit amounted to €12.4 million, an increase of 8.9% over the corresponding period last year, during which the Group registered an operating profit of €11.4 million.

The encouraging improvement in the operating performance of the Group is due to improved revenues and continued efforts to control costs.

The Group's revenue amounted to €65.2 million as against €64.2 million in 2010 representing growth of 1.6%. The Group has experienced sustained growth in broadband, data and TV services which have continued to compensate for the decline the Group is experiencing in traditional fixed-voice services, although the rate of decline has continued to slow down. However, the intense competition in the mobile market during the first half of 2011 has led to a decline in revenue from mobile operations, even though the subscriber base continued to grow. Whilst revenue from mobile operations was further impacted by reduced mobile termination rates as a result of regulatory intervention, as a Group such reduction in mobile termination rates had an overall positive impact. Revenue from the data centre operations and related activities amounted to €5.6 million representing growth of 14.4% over the comparable period last year.

Cost of sales and administration costs excluding costs of an unusual nature, size or incidence amounted to €53.3 million, and although at a level equivalent to the comparable period they represent savings in payroll and various discretionary cost items, but were however offset by an increase in costs directly related to increased sales activity, primarily TV content.

The Group's earnings before interest, tax, depreciation and amortisation (EBITDA) and before costs of unusual nature, size or incidence amounted to €26.1 million as against €23.1 million in the comparative period, an increase of 12.9%.

The Group's encouraging operating performance was negatively impacted by GO's investment in Forthnet, through Forgendo Limited. Forthnet's results during the first half of 2011 continued to be negatively impacted by the Greek economic situation and the financial measures being implemented by Greece to address the financial crisis. Despite facing a deteriorating financial environment, Forthnet has maintained a leading position both in the telecommunications and in the PayTV business. Forthnet's efforts were focused on achieving better operating performance from investments the company made in TV content rights and in telecommunications related infrastructure. Forthnet continued its efforts to expand the customer base with joint sell offerings of PayTV and telecommunications by fully utilising the commercial synergies of its product range. As a result of this strategy, during the first half of 2011 Forthnet's LLU customer base reached 472K, whilst active PayTV subscribers amounted to 358K. The increase in the overall subscriber base had a positive impact on revenue which amounted to €206.3 million, an increase of 3.8% over the comparative period, whilst the company also achieved a reduction of €6.3 million, equivalent to 9.0%, in cost of sales, advertising, payroll and other discretionary cost items. These initiatives resulted in an EBITDA of €40.3 million reflecting an increase of 14.9%. However, the prevailing economic environment in Greece negatively impacted Forthnet's valuation of its investment in Nova and lead Forthnet to recognise a charge for impairment of goodwill amounting to €38.2 million.

After providing for net finance costs amounting to €1.2 million and an overall charge of €22.2 million on the value of its investment in and loans advanced to Forgendo, the Group registered a loss before taxation of €14.1 million, compared to a loss of €0.7 million in the comparative period. The net loss after tax amounted to €17.3 million compared to a net loss of €5.2 million for the six-month period to 30 June 2010.

During the period under review, the Group maintained a healthy generation of free cash flows from its operations, which funds were utilised to finance further investments in the Group's telecommunications infrastructure.

Commentary on performance

During 2011 the Group continued to pursue a strategy of providing its customers with the best possible customer experience. This strategy is delivering results as the Group continues to register strong performance in customer retention and acquisition across all its products. During the period under review customer connections have reached 530K as a result of growth in broadband, TV and mobile connections, while the Group maintained a strong market share in traditional fixed-voice connections.

GO p.l.c.

Directors' Report pursuant to Listing Rule 5.75.2

For the period 1 January 2011 to 30 June 2011

Despite relentless competition in the local telecommunications market, the Group has grown its customer base and regularly invests in modern infrastructure which will enable the provision of new services, thus ensuring that it will be well-placed to meet the future demands of the market with a superior offering.

The Group's technical strategy includes the continuing investment in and upgrading of its telecommunications infrastructure to enable it to offer innovative products in the coming years. The ongoing investments in the fixed-line network are directed at further improving the broadband and TV experience of the Group's customers. June 2011 also saw the launch of an IPTV service over the Group's high-speed broadband network, offering the possibility of a wider channel suite, which also includes HD (high-definition) as well as interactivity features. Furthermore, after the successful implementation of a new mobile core network at the end of 2010, a new mobile radio access network will start to be rolled out during the second half of 2011 which will ensure that the Group's mobile customers will have access to the fastest and most reliable mobile network in Malta.

During the first half of 2011 the Group continued to pursue the rightsizing of its operations and headcount levels are now below 1,000. Whilst reductions in headcount have continued, these are at a slower rate than in previous years. These reductions, coupled with ongoing improvements in the Group's business processes, are helping to contain costs. It is inevitable that the Group continues to pursue restructuring of its operations in order to align its cost structures and operations to reflect market conditions.

Related party transactions

During the period under review, the Group advanced funds to the jointly-controlled entity amounting to €0.3 million, while the jointly-controlled entity repaid loans advanced amounting to €0.7 million. In addition, the Group acquired services amounting to €0.5 million from entities ultimately controlled by Dubai Holdings LLC, the ultimate parent company. Dividends paid to the parent company amounted to €3.0 million.

Dividends

The Board of Directors has resolved to determine the extent of dividend distribution for 2011 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 2011.

Approved by the Board of Directors on 31 August 2011 and signed on its behalf by

Deepak S Padmanabhan Chairman	Michael Warrington Director

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of financial position

As at 30 June 2011

	Notes	**As at 30.06.11 €000**	As at 31.12.10 €000
ASSETS			
Non-current assets			
Property, plant and equipment	7	**116,167**	120,752
Investment property		**1,219**	1,219
Intangible assets		**28,027**	31,426
Investment in jointly-controlled entity	8	**-**	5,275
Loans receivable from jointly-controlled entity	8	**41,112**	56,583
Other investments and related instruments		**1,347**	1,347
Deferred tax assets		**4,029**	3,330
Trade and other receivables		**1,045**	1,335
Total non-current assets		**192,946**	221,267
Current assets			
Inventories		**8,292**	7,856
Trade and other receivables		**43,364**	43,665
Current tax assets		**2,526**	1,872
Cash at bank and in hand		**10,919**	11,228
Total current assets		**65,101**	64,621
Total assets		**258,047**	285,888
EQUITY AND LIABILITIES			
EQUITY			
Share capital		**58,998**	58,998
Reserves		**20,362**	20,047
Retained earnings		**42,142**	65,043
Total capital and reserves attributable to owners of the Company		**121,502**	144,088
Non-controlling interests		**5,940**	5,391
Total equity		**127,442**	149,479

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Condensed Consolidated Interim Financial Statements

Statement of financial position (continued)

As at 30 June 2011

	Notes	**As at 30.06.11 €000**	As at 31.12.10 €000
LIABILITIES			
Non-current liabilities			
Borrowings		**67,000**	68,000
Derivative financial instruments		**851**	1,335
Deferred tax liabilities		**463**	979
Trade and other payables		**612**	3,753
Provisions for pensions	6	**3,016**	3,915
Total non-current liabilities		**71,942**	77,982
Current liabilities			
Trade and other payables		**46,404**	50,215
Current tax liabilities		**4,890**	1,294
Borrowings		**4,826**	5,025
Provisions for pensions	6	**2,543**	1,893
Total current liabilities		**58,663**	58,427
Total liabilities		**130,605**	136,409
Total equity and liabilities		**258,047**	285,888

The notes on pages 12 to 23 are an integral part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements set out on pages 4 to 23 were approved by the Board of Directors on 31 August 2011 and were signed on its behalf by:

Deepak S Padmanabhan
Chairman

Michael Warrington
Director

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Income statement

For the period 1 January 2011 to 30 June 2011

	Notes	Six months ended 30.06.11 €000	Six months ended 30.06.10 €000
Revenue		**65,199**	64,189
Cost of sales		**(38,139)**	(38,057)
Gross profit		**27,060**	26,132
Administrative and other related expenses		**(18,275)**	(15,346)
Other income		**466**	690
Other expenses		**(5)**	(236)
Operating profit	9	**9,246**	11,240
Analysed as follows:			
Operating profit before non-recurring items		**12,356**	11,350
Non-recurring items presented within 'Administrative and other related expenses'		**(3,110)**	(110)
Operating profit after non-recurring items		**9,246**	11,240
Finance income		**178**	75
Finance costs		**(1,334)**	(1,340)
Losses attributable to investment in jointly-controlled entity	8	**(22,229)**	(10,628)
Loss before income tax		**(14,139)**	(653)
Income tax expense		**(3,147)**	(4,566)
Loss for the period		**(17,286)**	(5,219)
Attributable to:			
Owners of the Company		**(17,835)**	(5,686)
Non-controlling interests		**549**	467
Loss for the period		**(17,286)**	(5,219)
Earnings per share (cents)		**(17c6)**	(5c6)

The notes on pages 12 to 23 are an integral part of these condensed consolidated interim financial statements.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of comprehensive income

For the period 1 January 2011 to 30 June 2011

	Six months ended 30.06.11 €000	Six months ended 30.06.10 €000
Loss for the period	**(17,286)**	(5,219)
Other comprehensive income		
Change in fair value of derivative designated as hedging instrument in cash flow hedge	**484**	(888)
Income tax relating to other comprehensive income	**(169)**	311
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Other comprehensive income for the period, net of tax	**315**	(577)
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Total comprehensive income for the period	**(16,971)**	(5,796)
	=====	=====
Attributable to:		
Owners of the Company	**(17,520)**	(6,263)
Non-controlling interests	**549**	467
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Total comprehensive income for the period	**(16,971)**	(5,796)
	=====	=====

The notes on pages 12 to 23 are an integral part of these condensed consolidated interim financial statements.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of changes in equity

For the period 1 January 2010 to 30 June 2010

	Attributable to the owners of the Company					
	Share capital €000	**Reserves** €000	**Retained earnings** €000	**Total** €000	**Non-controlling interests** €000	**Total equity** €000
Balance at 1 January 2010	58,998	20,283	94,447	173,728	4,404	178,132
Comprehensive income						
Profit or loss	-	-	(5,686)	(5,686)	467	(5,219)
Other comprehensive income:						
Cash flow hedges, net of deferred tax	-	(577)	-	(577)	-	(577)
Total other comprehensive income	-	(577)	-	(577)	-	(577)
Total comprehensive income for the period	-	(577)	(5,686)	(6,263)	467	(5,796)
Transactions with owners in their capacity as owners						
Contributions by and distributions to owners:						
Dividends to equity holders relating to the preceding financial year	-	-	(10,131)	(10,131)	-	(10,131)
Total transactions with owners	-	-	(10,131)	(10,131)	-	(10,131)
Balance at 30 June 2010	**58,998**	**19,706**	**78,630**	**157,334**	**4,871**	**162,205**

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of changes in equity (continued)

For the period 1 January 2011 to 30 June 2011

	Attributable to the owners of the Company					
	Share capital €000	**Reserves** €000	**Retained earnings** €000	**Total** €000	**Non-controlling interests** €000	**Total equity** €000
Balance at 1 January 2011	58,998	20,047	65,043	144,088	5,391	149,479
Comprehensive income						
Profit or loss	-	-	(17,835)	(17,835)	549	(17,286)
Other comprehensive income:						
Cash flow hedges, net of deferred tax	-	315	-	315	-	315
Total other comprehensive income	-	315	-	315	-	315
Total comprehensive income for the period	-	315	(17,835)	(17,520)	549	(16,971)
Transactions with owners in their capacity as owners						
Contributions by and distributions to owners:						
Dividends to equity holders relating to the preceding financial year	-	-	(5,066)	(5,066)	-	(5,066)
Total transactions with owners	-	-	(5,066)	(5,066)	-	(5,066)
Balance at 30 June 2011	**58,998**	**20,362**	**42,142**	**121,502**	**5,940**	**127,442**

The notes on pages 12 to 23 are an integral part of these condensed consolidated interim financial statements.

GO p.l.c.

Condensed Consolidated Financial Statements

Statement of cash flows

For the period 1 January 2011 to 30 June 2011

	Six months ended	Six months ended
	30.06.11	30.06.10
	€000	€000
Cash flows from operating activities		
Operating profit	**9,246**	11,240
Adjustments for:		
Depreciation	**13,771**	11,783
Net gain on disposal of plant and equipment	**(2)**	(11)
Net increase in provisions and write-offs relating to receivables	**815**	1,028
Voluntary retirement costs	**559**	92
Movement in provisions for pensions	**2,551**	18
Other items	**(15)**	5
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	26,925	24,155
Changes in working capital		
Inventories	**(630)**	221
Trade and other receivables	**(1,451)**	(10,272)
Trade and other payables	**(4,847)**	5,578
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Cash generated from operations	**19,997**	19,682
Interest received	**3**	2
Interest paid on bank overdrafts	**(18)**	(96)
Payments in relation to pension obligations	**(2,800)**	(127)
Payments under voluntary retirement scheme	**(559)**	(741)
Net current taxation paid	**(1,550)**	(1,831)
VAT refund	**-**	3,435
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Net cash from operating activities	**15,073**	20,324
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Condensed Consolidated Interim Financial Statements

Statement of cash flows (continued)

For the period 1 January 2011 to 30 June 2011

	Six months ended 30.06.11 €000	Six months ended 30.06.10 €000
Cash flows from investing activities		
Payments to acquire property, plant and equipment and intangible assets	**(8,257)**	(6,391)
Proceeds from disposal of property, plant and equipment	**-**	11
Payments to acquire investment in jointly-controlled entity	**-**	(2,343)
Advances to jointly-controlled entity	**(322)**	-
Repayments received in relation to advances to jointly-controlled entity	**730**	-
Net cash used in investing activities	**(7,849)**	(8,723)
Cash flows from financing activities		
Repayments of borrowings	**(1,000)**	(1,000)
Dividends paid	**(5,066)**	(10,110)
Loan interest paid	**(1,307)**	(1,456)
Net cash used in financing activities	**(7,373)**	(12,566)
Net movement in cash and cash equivalents	**(149)**	(965)
Cash and cash equivalents at beginning of period	**8,109**	4,992
Exchange gains on cash and cash equivalents held	**45**	88
Movement in cash pledged as guarantees	**(3)**	57
Cash and cash equivalents at end of period	**8,002**	4,172

The notes on pages 12 to 23 are an integral part of these condensed consolidated interim financial statements.

GO p.l.c.

Notes to the condensed consolidated interim financial statements

For the period 1 January 2011 to 30 June 2011

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 2011 and for the six-month period then ended comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in Forgendo Limited (the "jointly-controlled entity"), a company registered in Cyprus. 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 2010 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 31 August 2011.

This 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 Developments in connection with the Group's investment in jointly-controlled entity

GO p.l.c. controls 50.0% of the share capital of its jointly-controlled entity, Forgendo Limited. The jointly-controlled entity's sole activity is holding investments in its associated undertaking, Hellenic Company for Telecommunications and Telematic Applications S.A. (Forthnet S.A.), a Greek company listed on the Athens Stock Exchange. Forthnet S.A. provides fixed-line telephony services and broadband services in Greece and Cyprus. Forthnet S.A. controls the entire issued share capital in NetMed NV and Intervision (Services) BV, that are incorporated in the Netherlands. These companies provide satellite pay TV in Greece and Cyprus. As at 30 June 2011, the ownership interest of the jointly-controlled entity in Forthnet S.A. was 41.27% (31 December 2010: 40.99%). The carrying amount of GO's exposures to Forgendo, at 30 June 2011, amounted to €41.1 million, constituting investments originally amounting to €119.7 million adjusted by GO's share of losses incurred by Forgendo in relation to Forthnet over the years. Further information on the Group's investments can be found in Note 8 to the condensed consolidated interim financial statements.

During the six-month period ended 30 June 2011, Forthnet S.A. and its subsidiaries incurred a consolidated net loss of €59.9 million and, as of this date, their consolidated current liabilities exceeded their consolidated current assets by €364.6 million. Forgendo Limited incurred a loss of €47.3 million during the interim period under review and as at 30 June 2011, its total liabilities exceeded its total assets by €29.6 million.

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Notes to the condensed consolidated interim financial statements

For the period 1 January 2011 to 30 June 2011

2 Developments in connection with the Group's investment in jointly-controlled entity (continued)

During the six-month period under review, Forthnet's debt renegotiation process with its lending banks with respect to bond loan facilities, including modification of financial covenants on existing bond loans so as to align them with those of the new bond loans was underway. The renegotiation of Forthnet Group's outstanding stock of debt involved three distinct phases:

- issuance of new bond loans ("NBL") for the financing of growth prospects over the period 2011-2012
- prepayment of principal instalments under the existing bond loans ("EBL")
- alignment of the EBL contractual documents (including financial covenants) with those of the NBL.

In July 2011 Forthnet concluded two long-term, secured bond facilities for €40 million (maturing December 31, 2014) and €50 million (maturing June 30, 2017), respectively. The NBL have been issued and subscribed in full by Forthnet Group's existing banking syndicates. The proceeds have been applied towards the payment of the entire principal repayment obligations, totalling €90 million, for the period 1 January 2011 to 31 December 2012 under the EBL.

The conclusion of the debt renegotiation process (through the contractual alignment of the EBL to the legal terms and financial covenants of the NBL) is underway but, to date, remains pending. To date there is no modification of the financial loan covenants of Forthnet Group's existing bond loans and as such no assurance can be provided that the alignment process will be successfully completed. Consequently, as at 30 June 2011, Forthnet Group was not in compliance with certain of its financial covenants on its EBL and, accordingly, has reclassified the outstanding balance of its bond loans as of such date to current liabilities.

The new bond loans that the Forthnet Group has concluded include financial covenants which reflect the decelerated pace of debt repayment over the next two years. As further discussed above, the process of contractual alignment of the old bond loans to the financial covenants of the new ones is still in progress. Once this process is completed, the balance of the bond loans of €331.7 million will be reclassified to long-term liabilities.

These matters have been extensively described and disclosed in the consolidated interim financial statements of Forthnet S.A., which have been authorised for issue on 30 August 2011. These conditions and disclosures indicate the existence of a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern. The auditor's report on the review of Forthnet S.A.'s consolidated interim financial information also dated 30 August 2011 includes an emphasis of matter highlighting the facts and circumstances giving rise to this material uncertainty in relation to the going concern assumption underlying the preparation of the interim financial statements.

2 Developments in connection with the Group's investment in jointly-controlled entity (continued)

As stated above, Forgendo's only asset is its investments in Forthnet S.A. Accordingly the interim financial statements of Forgendo Limited, which have been authorised for issue on 31 August 2011, include significant disclosures with respect to the material uncertainty that may cast significant doubt on Forthnet's ability to continue as a going concern, which has been referred to above, and that consequently may also cast significant doubt on Forgendo's ability to continue as a going concern. The auditor's report on the review of Forgendo's interim financial statements, issued on 31 August 2011, includes an emphasis of matter highlighting the material uncertainty in relation to the going concern assumption underlying the preparation of the interim financial statements of both Forgendo and Forthnet.

GO's investment in Forgendo is accounted for in the consolidated financial statements of GO p.l.c. using the equity method of accounting. Similarly Forgendo's investment in Forthnet is also accounted for using the equity method.

The income statement of Forgendo Limited for the six-month period ended 30 June 2011 reflects the company's share of consolidated losses incurred by Forthnet S.A., amounting to €27.5 million, and an impairment charge amounting to €17 million which adjusts the carrying amount of the equity investment in Forthnet, post Forgendo's share of consolidated losses, to its recoverable amount. The investment's recoverable amount is determined by Forgendo's management on the basis of Forthnet's value in use taking cognisance of advice from independent valuation specialists. The investment's market value, based on the quoted price of its equity on the Athens Stock Exchange, is significantly lower than its value in use. The value in use of the investment in Forthnet is based on cash flow projections for the period covered by the most recent forecasts reflected in the five year business plan approved by Forthnet's board of directors.

The review of Forthnet's value in use requires significant judgement, made in the process of applying the respective entity's accounting policies, that has the most significant effect on the amounts recognised in the respective interim financial information. The value in use computation utilised is applicable in the context that the going concern assumption for the preparation of Forthnet's interim financial information has been deemed appropriate. This is a key judgemental area taking cognisance of the factors and circumstances referred to above. Should the going concern assumption for the preparation of interim financial information of Forthnet not be appropriate, the value in use would no longer be relevant and valuation on a break-up basis would be required. This is expected to be substantially lower than the value in use.

Key assumptions underlying the value in use computation with respect to the five year cash flow projections include the projected growth rates in subscriber numbers, projected ARPU levels for the different services provided and EBITDA margin levels. These assumptions have been principally based on the future strategic objectives of Forthnet taking into account the company's intended plans, rather than past experience. The growth rate used to extrapolate cash flow projections beyond the period covered by the business plan is 1.0% and an overall post-tax discount rate of 11.6% has been applied to the cash flow projections.

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Notes to the condensed consolidated interim financial statements

For the period 1 January 2011 to 30 June 2011

2 Developments in connection with the Group's investment in jointly-controlled entity (continued)

The assumptions relating to the projected growth rates in subscribers and projected ARPU levels have a significant bearing on the value in use. However, Forgendo's management, on the basis of expert advice obtained, and after having consulted Forthnet's management, view the value in use calculation as principally sensitive to potential shifts in specific parameters as disclosed in the table below:

	Absolute change	Effect on GO's interests in Forgendo
Change in discount rate	+0.25%	-€3.3 million
	-0.25%	+€3.5 million
Change in perpetuity growth rate	+0.25%	+€2.5 million
	-0.25%	-€2.4 million
	Relative change	Effect on GO's interests in Forgendo
Change in perpetuity EBITDA margin level	+2.2%	+€2.8 million
	-2.2%	-€2.8 million

Review of the carrying amount of GO's investment in Forgendo comprises a process which is essentially identical to the process referred to above with respect to impairment of Forgendo's investment in Forthnet. Accordingly, the value in use computation with respect to Forthnet determined for the purposes of Forgendo's interim financial statements is also applied to the interim financial statements of GO p.l.c.

The consolidated income statement of GO p.l.c. for the six-month period ended 30 June 2011 reflects GO's 50.0% share of Forgendo's results, which comprise the effects in its income statement of the share of Forthnet's losses and the impairment charge on the carrying amount of the investment in Forthnet. 50.0% share of Forgendo's interim losses amounts to €22.2 million. However since the carrying amount of the equity investment in Forgendo amounted to €3.8 million, GO had to recognise only this amount as GO's share of the results of Forgendo, bringing the carrying amount of the equity investment in Forgendo to nil. The remaining amount of €18.4 million in substance represent, and have been reflected as, impairment losses on the advances to Forgendo as a result of the value in use estimation process referred to above and of Forgendo's net liability position as at 30 June 2011.

3 Basis of preparation

The condensed consolidated interim financial information for the six-month period ended 30 June 2011 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 2010, which have been prepared in accordance with IFRSs as adopted by the EU.

4 Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those annual financial statements.

(a) Standards, interpretations and amendments to published standards effective in 2011

In 2011, the Group adopted revised standards, amendments and interpretations to existing standards that are mandatory for the Group's accounting period beginning on 1 January 2011. 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.

(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 2011 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 financial statements in the period of initial application.

5 Operating segments

(a) Description of segments

The Group has three reporting segments, as described below, which are the Group's strategic business units. The strategic business units offer different services, and are managed separately because they require different technology and marketing strategies. 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:

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

Mobile Communication Services (Mobile) comprise the Group's mobile telephony services.

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

The Group's internal reporting to the Board of Directors and senior executives is analysed according to the above segments. The segment results are based on results from operations adjusted for attributable finance costs.

GO p.l.c.

Notes to the condensed consolidated interim financial statements

For the period 1 January 2011 to 30 June 2011

5 **Operating segments** (continued)

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

	Fixed-line		**Mobile**		**Data Operations**		**Total**	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010
	€000	€000	**€000**	€000	**€000**	€000	**€000**	€000
External revenues	**37,292**	36,476	**22,307**	22,819	**5,600**	4,894	**65,199**	64,189
	======	======	=====	======	======	======	======	======
Inter-segment revenues	**2,776**	1,779	**2,777**	3,514	**-**	-	**5,553**	5,293
	======	======	=====	======	=====	======	======	======
Reportable segment results	**178**	6,608	**7,373**	3,698	**2,666**	2,186	**10,217**	12,492
	======	======	=====	======	=====	======	======	======
Reportable segment assets	**252,807**	277,874	**41,869**	48,981	**15,332**	11,987	**310,008**	338,842
	======	======	=====	======	======	======	======	======

GO p.l.c.

Notes to the condensed consolidated interim financial statements

For the period 1 January 2011 to 30 June 2011

5 Operating segments (continued)

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

Reconciliation of reportable segment results

	Six months ended 30.06.11	Six months ended 30.06.10
	€000	€000
Total results for reportable segments	**10,217**	12,492
Elimination of inter-segment profits	**(2,127)**	(2,517)
Share of results of equity-accounted jointly-controlled entity	**(3,827)**	(7,033)
Adjustment to carrying amount of investment in jointly-controlled entity attributable to capitalisation of interest free loan	**-**	(3,595)
Impairment loss on loans receivable from jointly-controlled entity	**(18,402)**	-
Loss before income tax	**(14,139)**	(653)

6 Provisions for pensions

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. Until 30 June 2011, 155 beneficiaries had taken up this offer.

As at 31 December 2010, the Company deemed that, based on legal advice obtained, payments due in relation to pension liabilities included an element which was time-barred, and that interest on amounts outstanding should not accrue. In this respect, a number of beneficiaries have taken legal action against the Company's position on time-barring and payment of interest on arrears. On 29 March 2011 the Court determined in favour of the beneficiaries with respect to prescription but awarded interest on arrears only as of 27 November 2009.

Accordingly, during the interim period under review provisions for pensions were increased by €2.6 million, which increase was reflected in profit or loss (see Note 9), and the Company made payments of €2.8 million to the Pension Scheme Administrator for the benefit of beneficiaries. As at 30 June 2011, the Company's obligations towards the remaining potential beneficiaries amounted to €5.6 million (31 December 2010: €5.8 million).

7 Property, plant and equipment

(a) Acquisitions and disposals

During the six months ended 30 June 2011, the Group acquired assets, primarily plant and equipment, with a cost of €5.1 million (six months ended 30 June 2010: €4.7 million).

(b) Capital commitments

The following are capital commitments of the Group:

	30.06.11	31.12.10
	€000	€000
Contracted for	**2,120**	2,451
Authorised but not yet contracted for	**11,977**	12,531
	---------	--------
	14,097	14,982
	=====	=====

8 Investment in jointly-controlled entity

(a) Equity investment

As outlined in Note 2, the Group has a 50% interest in Forgendo Limited, the jointly-controlled entity, which in turn has an investment in an associate, Forthnet S.A.

During the interim period to 30 June 2011, the carrying amount of GO's equity investment in the jointly-controlled entity has been reduced to nil as a result of the partial recognition of GO's share of the interim financial results of Forgendo in accordance with the requirements of equity accounting. The unrecognised share of losses amounting to €18,402,000 has in substance necessitated an impairment loss on the loans receivable from Forgendo (see Note b below). GO is committed to make available funds and other financial support as may be required, to the extent of its interest, to enable Forgendo to cover any deficiency in equity and any liquidity requirements that may arise to meet its liabilities, as and when they fall due.

GO p.l.c.

Notes to the condensed consolidated interim financial statements

For the period 1 January 2011 to 30 June 2011

8 Investment in jointly-controlled entity (continued)

(b) Loans receivable

Loans advanced to the jointly-controlled entity were subject to the following terms and conditions:

	Interest	Repayable by	30.06.11	31.12.10
	%		€000	€000
Loan 2	4.75	June 2013	**597**	912
Loan 3	4.75	August 2013	**54,882**	54,882
Loan 4	6 months Euribor +2.00%	July 2011	**466**	566
Loan 5	4.75	January 2014	**3,569**	223
Impairment loss			**(18,402)**	-
			----------	----------
Carrying amount			**41,112**	56,583
			======	=====

The above loans are considered to be in substance part of the net investment in the jointly-controlled entity. As a result of the developments highlighted in Note 2 to these interim financial statements, the loans receivable were deemed impaired and the impairment loss of €18,402,000 was determined on the basis disclosed in the said Note.

The change in the gross loan amounts is attributable to the net movements arising from further advances of €283,000, repayments of €707,000 and capitalisation of interest amounting to €3,354,000.

8 Investment in jointly-controlled entity (continued)

(c) Financial information relating to the jointly-controlled entity

The following represents the Group's share of the assets and liabilities of the jointly-controlled entity as at 30 June 2011 and 31 December 2010, respectively, together with the Group's share of the jointly-controlled entity's results for the six-month periods ended 30 June 2011 and 2010:

	30.06.11	31.12.10
	€000	€000
Assets		
Non-current assets	**46,635**	69,310
Current assets	**520**	57
	----------	----------
Total assets	**47,155**	69,367
	=====	=====
Liabilities		
Non-current liabilities	**60,623**	56,015
Current liabilities	**1,337**	4,480
	----------	----------
Total liabilities	**61,960**	60,495
	=====	=====

Amounts recognised in profit or loss in respect of the jointly-controlled-entity are as follows:

	Six months ended 30.06.11	Six months ended 30.06.10
	€000	€000
Share of results of equity-accounted jointly-controlled entity	**(3,827)**	(7,033)
Adjustment to carrying amount of investment in jointly-controlled entity following capitalisation of interest free loan	**-**	(3,595)
Impairment loss on loans receivable from jointly-controlled entity	**(18,402)**	-
	======	=====

9 Operating profit

The following items of unusual nature, size or incidence have been charged to operating profit within Administrative and other related expenses during the interim period:

	Six months ended 30.06.11	Six months ended 30.06.10
	€000	€000
Voluntary retirement costs (see note below)	**559**	92
Movement in provisions for pensions (see Note 6)	**2,551**	18
	======	=====

The Company continued with its right-sizing programme by offering voluntary retirement schemes to its employees.

10 Contingencies

There were no major changes in the contingencies of the Company, its subsidiaries and the associate of the jointly-controlled entity from those disclosed in the consolidated financial statements of the Group for the year ended 31 December 2010, except for the developments referred to in Note 6 with respect to contingencies relating to pension liabilities as at 31 December 2010.

11 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 43, 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 2010, the Group has a related party relationship with its ultimate controlling party and entities ultimately controlled by it (see below); key management personnel 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:

GO p.l.c.

Notes to the condensed consolidated interim financial statements

For the period 1 January 2011 to 30 June 2011

11 Related parties (continued)

	Six months ended 30.06.11 €000	Six months ended 30.06.10 €000
Ultimate controlling party and related entities		
Services provided to	**230**	53
Services provided by	**527**	1,152
Payments on behalf of the Company by	**382**	40
Dividends paid to	**3,040**	6,079
	=====	====
Jointly-controlled entity		
Finance interest receivable from	**1,410**	1,648
Loans advanced to	**283**	2,343
Capitalisation of loan interest	**3,354**	3,060
Amounts paid on behalf of	**17**	52
Repayments of loans advanced to	**707**	-
	=====	====

(c) Related party balances

The principal balances with related parties are analysed as follows:

	30.06.11 €000	31.12.10 €000
Ultimate controlling party and related entities		
Amount receivable from	**48**	-
Amount payable to	**423**	916
	====	====
Jointly-controlled entity		
Amount receivable from	**2,562**	4,451
Loans receivable from	**41,112**	56,583
	=====	=====

Loans receivable from the jointly-controlled entity are stated net of provisions for impairment as disclosed in Note 8 to these interim financial statements.

12 Events occurring after the reporting period

On 1 July 2011, the Company exercised the outstanding call option for the acquisition of the remaining forty per cent (40%) of the issued share capital of BM IT Limited, BM Support Services Limited and Bellnet Limited and entered into a share purchase agreement for a total cost of €8,000,000. The aggregate of the purchase consideration and the carrying amount of the call option as at 30 June 2011 exceeds the amounts attributable to the non-controlling interests as at 30 June 2011. The difference of €2.8 million will be reflected as a deduction from shareholders' equity subsequent to 30 June 2011.

GO p.l.c.

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 2011, 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

31 August 2011

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 2011, 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 interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

Independent auditor's report - continued

Emphasis of matter

Without qualifying our conclusion, we draw attention to Note 2 to the condensed consolidated interim financial statements which addresses developments in connection with the Group's investment in its jointly-controlled entity. This matter is considered to be of fundamental importance to the users' understanding of the financial information because of the nature of these developments and the potential impact they may have on the value of the Group's investment, which at 30 June 2011 was carried at €41.1 million.

PricewaterhouseCoopers

167 Merchants Street
Valletta
Malta

Simon Flynn
Partner

31 August 2011

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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.