



## COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by GO plc. (the “**Company**”) pursuant to Malta Financial Services Authority Listing Rules. This statement is based on the unaudited management accounts of the Company up to 30th September 2015 and other financial information.

### Quote

#### INTERIM DIRECTORS' STATEMENT

In August, GO published its half yearly results, ending 30<sup>th</sup> June 2015 in which the Company reported increased profitability, in spite of stable revenue, when compared to 2014. Positive trends were maintained throughout the third quarter as the Company anticipates closing the current financial year with increased profitability when compared with the previous year.

On 22<sup>nd</sup> July 2015, GO shareholders approved the spin-off of GO's property arm, Malta Properties Company plc. On 19<sup>th</sup> October the Board of Directors approved the distribution of all the shares in Malta Properties Company plc to GO shareholders on a 1 for 1 basis, equivalent to an interim dividend of €0.3313 per share (gross €0.5097 per share). This is, by far, the largest payout in the history of GO and offers all shareholders the opportunity to hold two investments, rather than just one, each with its respective risk profile and growth opportunities.

The spin-off of the property division allows GO to focus on its telecommunications business. Despite the fact that the telecoms market remains highly competitive, the Group continues to maintain market share, stable revenues, healthy levels of profitability and cash generation. This successful performance and strong results encourage the Group to maintain its targeted investments in technology, systems, software and processes to enhance customer experience and achieve greater operational efficiency. Investments in Fibre-to-the-Home (FTTH) and 4G are an integral part of this strategy aimed at providing GO customers with unparalleled seamless broadband and multimedia experience across both fixed and mobile solutions.

Concurrently, the Group continues to pursue an intensive efficiency program. It has recently embarked upon a transformation strategy aimed at revamping its product portfolio, simplifying its networks and further improving service delivery and support over the next few years. This strategy will lead to a leaner more focused organization well positioned to meet future challenges to ensure that GO remains the leading provider of sustainable telecommunication services in Malta.





In 2014, GO completed the acquisition of a 25% shareholding in Cablenet Communication Systems Limited, a cable company operating in Cyprus. GO also negotiated a path which, at GO's sole discretion, can lead to the acquisition of an additional 26% shareholding. The operating performance of Cablenet is in line with expectations as it continues to grow its subscriber base and improve profitability. At the same time the Cypriot economy is improving and expected to return to full growth in 2016. These positive trends augur well for the future of this investment.

With regards to its investment in Greece, together with its immediate parent, Emirates International Telecommunications (Malta) Limited (EITML), GO continues to monitor developments in this market, and at Forthnet in particular, and will evaluate any potential binding offers.

On 23<sup>rd</sup> July 2015, EITML announced its intention to sell its 60% shareholding in GO plc. The Board of Directors took note of this request and is currently evaluating how best to pursue this sale with a view of maximizing value for all shareholders of GO. As part of this process an Extraordinary General Meeting is scheduled for 29<sup>th</sup> October during which shareholders are being requested to vote on the following two resolutions:

- (1) It is hereby resolved that the Board of Directors of the Company be authorized to seek bids from bona fide offerors for the Company's entire issued share capital and to take all steps as may be necessary or expedient to seek such bids;
- (2) It is hereby resolved that the Board of Directors of the Company be authorized to make such disclosures, including disclosure of unpublished price sensitive information, as the Directors may consider appropriate to enable prospective bona fide offerors and their advisers to make, confirm, withdraw or modify any bona fide offer for the shareholding in the Company.

In conclusion, the Board of Directors is satisfied that the Group maintains the momentum required for it to implement its strategy of protecting profitability from core telecommunication operations whilst pursuing new growth opportunities, both locally and internationally, in the interest of shareholder value.

#### **Unquote**

**Dr. Francis Galea Salomone LL.D.**  
**Company Secretary**

**21 October 2015**

