



6 November 2009

## COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by GO p.l.c. pursuant to Malta Financial Services Authority Listing Rules 9.51 and 9.53. This statement is based on the unaudited management accounts of GO p.l.c. up to 30<sup>th</sup> September 2009 and other financial information.

### Quote

#### INTERIM DIRECTORS' STATEMENT

In August GO p.l.c. issued the results of the group for the six months ended 30<sup>th</sup> June 2009. These results showed a reduction in the group's revenue and profitability levels when compared to last year. This trend continued during the third quarter, however at a lower rate of decline.

The group continues to register growth in the overall customer connections with growth in TV, broadband and mobile more than making up for the marginal reduction in traditional fixed-line voice connections. The reduction in revenue is in fact due to the prevailing economic situation, the effect of increased competition which has led to lower ARPU levels and the impact of regulation at both the wholesale and retail levels. The group is also registering growth in its co-location and related services business following the acquisition of a majority shareholding in BM IT Limited and related companies earlier this year.

During the third quarter the group started to benefit from reduced payroll charges as a direct result of the reduction in staff levels following the conclusion of the voluntary retirement scheme. The full benefit of payroll reduction will materialize next year. The group continues to address the headcount issue. Whilst experiencing a significant reduction in most administrative costs, the group is also sustaining increased levels of expenditure primarily in areas which are a direct result of its success in growing the overall number of client connections. The ability to retain clients coupled with the overall increase in both the number of clients and the amount of new services provisioned will ultimately sustain the group's ability to maintain revenue levels in the medium term.

Forgendo Limited, the joint venture company between GO and Emirates International Telecommunications (Malta) Limited, has this year acquired a further 2.5% shareholding in Forthnet SA. Forgendo's shareholding in Forthnet currently stands at 37.1%. Forthnet will be releasing its results for the third quarter by the end of November.

### Unquote

A blue ink signature of Dr. Francis Galea Salomone LL.D.

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

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