FOR IMMEDIATE RELEASE Friday, 21 September 2012

GLOBO plc

INTERIM RESULTS FOR THE 6 MONTHS ENDED 30 JUNE 2012

Globo plc (LSE-AIM: GBO), the international mobile solutions and S.a.a.S provider, is pleased to announce its interim unaudited results for the 6 months ended 30 June 2012.

Financial Highlights for the first half of 2012:

- Revenues **UP** 29% to €25.22 million (H1 2011: €19.61 million)
- EBITDA **UP** 48% to €10.87 million (H1 2011: €7.35 million)
- Profit before tax **UP** 85% to €5.86 million (H1 2011: €3.18 million)
- Earnings per share **UP** 56% to € 0.014 (H1 2011: €0.009)
- International revenues **UP** 124% to €17.04 million (H1 2011: €7.59 million) representing 68% of total revenues
- Positive free cash flow of €0.30m (H1 2011: €6.23m negative)

Operational Highlights for the first half of 2012:

- Established US presence via the acquisition of Dialect Technologies Inc, a New York-based specialist provider of IP telecom technologies
- Successful roll-out of **GO!Enterprise Server** following launch in November 2011, with numerous contracts won from partners, distributors and a European MNO
- Expanded sales, marketing and support teams in the US, UK and Western Europe
- International mobile services generated revenues in 25 countries
- On track with disposal of Greek business with completion expected in Q4 2012
- Successfully raised £9.63 million via a share placing in April 2012 supported by existing and new institutional shareholders

Performance Drivers for the first half of 2012:

- Subscriber base for **CitronGO!** and **GO!Social** increased by 29% to 1.8 million active users (2011: 1.4 million) during the first half
- Revenues from **GO!Enterprise Server** increased by 120% to €4.4m (H2 2011: €2m) driven by the BYOD trend
- Mobile segment contributed 76% of total Group revenues
- Continuous investments in technology, products and expansion of global footprint

Globo's non-executive Chairman, Barry Ariko stated on outlook:

"Globo's international mobile products and services are offering a substantial opportunity for profitable growth over the coming years. This period's positive free cash flow shows that Globo is on the right track of synchronizing substantial growth with cash generation.

Globo has succeeded in building a significant international mobile business over recent years and competes at the highest level of the mobile applications market.

Through continuous and focused investments, we are developing new products that meet current and future mobility needs and at the same time generating significant recurring revenues with high gross profit margins.

We are confident that our strategy will yield continuous growth and profitability."

CONTACTS

Globo plc +44 207-378-8828
Costis Papadimitrakopoulos, CEO
Dimitris Gryparis, Finance Director

RBC Capital Markets +44 20-7653-4000
(Nominated Adviser and Broker)
Stephen Foss / Pierre Schreuder / Daniel Conti

Bankside +44 20-7367-8888
Simon Bloomfield
James Irvine-Fortescue

CHAIRMAN & CHIEF EXECUTIVE OFFICER'S STATEMENT

Introduction

We are pleased to present Globo's financial results for the six months to 30 June 2012 during which we achieved strong, profitable growth in the international mobile market in a challenging worldwide economic environment.

The driver of Globo's successful international expansion is our commitment to producing innovative, robust and secure solutions, which has particularly benefited our financial performance as we have entered Western enterprise markets where competition is significant but growth prospects are substantial.

During the period, we accelerated our international expansion in both the consumer and enterprise mobility markets. As a result, Globo's products and services are today generating revenues in more than 25 countries and we are now planning to launch into the US enterprise market, which offers significant opportunities for future growth.

The opportunity for Globo, from enterprises seeking to provide their people with mobile access to data and files, is enormous. This is because, unlike traditional players, Globo is delivering solutions that mobilise enterprises across any mobile device, technology or network. As a result, Globo's customers are able to realise all the benefits of enterprise mobility whilst responding to both demand for smartphones and the "Bring Your Own Device".

Globo is at the cutting edge of enterprise mobility and our strategy is to build on this competitive advantage by expanding internationally and rolling out**GO!Enterprise Server** in our target markets as rapidly as our available resources permits. At the same time, we are continuously enriching our mobile offering with new products and functionalities.

As a result, we have experienced strong growth in our subscriber and user base with a significant impact on recurring revenues and profit margins.

We are pleased that our shareholders are supporting our strategy. In April 2012 the Group raised £9.63 million, through a placing with new and existing UK investors, to fund further international expansion. This, together with a free cash flow positive performance for the period, has strengthened our balance sheet, providing the necessary funds for the planned investments to support further international growth.

Results and Finance

Revenue for the period was €25.22 million, a 29% increase on the same period in 2011 (H1 2011: €19.61 million), reflecting strong growth in international revenue, mainly from mobile products and services with the traditional private sector business also performing well. International revenues were €17 million, representing 68% of total revenues for the period, compared to €7.59 million, or 39% of total revenues, for the first half of 2011.

Operating margins have increased to 25%, (H1 2011: 19%). Operating profit increased by 71% to €6.32 million (H1 2011: €3.69 million) with profit before tax reaching €5.9 million, an increase of 85% (H1 2011: €3.18 million). Profit after tax increased by 83% to €4.4 million (H1 2011: €2.4 million).

Operating cash flow for the period, after an increase in working capital of €4.9 million, was €6.79 million (H1 2011: €1.53 million) with net cash from operating activities after interest and income tax of €6.22 million (H1 2011: €0.94 million).

Improved collections driven by growth in international and recurring mobile revenues, combined with reduced investment, have resulted in a positive free cash flow for the period of €0.30 million (H1 2011: €6.23m negative).

At 30 June 2012, Globo had a net cash position of €12.3 million (net cash position of €2.0 million at 30 June 2011), with total cash and cash equivalents of €25.9 million.

Operations

· ***Mobile Solutions***

During the period, mobile solutions delivered a 137% increase in revenues to €19.12 million (H1 2011: €8.07 million).

A significant contributor to this success is the continuing demand for **CitronGO!** and **GO!Social** services through Value Added Service Providers and Mobile Network Operators and through their subscription application and content offerings. As a result, **CitronGO!** and **GO!Social** are now being offered in more than 25 countries in Europe, Africa, Latin America, Asia and the Middle East, with Globo receiving a fixed service fee per month per active user. Globo's subscriber base for the consumer products of CitronGO! and GO!Social was 1.8 million users at 30 June 2012, which is 29% higher than at the beginning of the year and continues to grow rapidly.

Mobile revenues were further strengthened by **GO!Enterprise Server** sales, which were €4.4 million for the period, an increase of 120% over H2 2011 when the product was commercially launched.

GO!Enterprise Serveris targeting the enterprise mobility market through two main channels: MNOs and Value Added Resellers such as System Integrators, Software Vendors and Consultants.

The licensing model for **GO!Enterprise Server** is based on three different licensing options, namely a Monthly recurring license, a Yearly renewable license or a Perpetual license provided with Software assurance service contracts. This licensing structure enables the Group to offer the best possible tools to its partners in order to match their invoicing policies and the end customer's requirements.

GO!Enterprise Serveris offered in three product categories: a) **GO!Enterprise Office**, for secure email, messaging, file access and collaboration; b)**GO!Enterprise Mobilizer**, for the development and deployment of secure Enterprise mobile apps; and c) **GO!Enterprise Reach**, for large scale deployments such as m-commerce, m-banking and m-government deployments.

To date, Globo has mainly sold yearly licenses of **GO!Enterprise Server** to customers through its partner network, which includes a significant number of high quality partners, such as ATOS, Fujitsu, Bull, Artezzio (part of Lanit Group), Mobylla, Ethnodata, Atlantis Research and Metis. In addition, Globo has recently announced the commercial launch of **GO!Enterprise** with the first MNO (Globul in Bulgaria), as well as a major distribution agreement with one of the largest IT distributors in Eastern Europe (ASBIS). Business development continues with a focus on signing further partnership agreements with MNOs and distributors worldwide.

The global mobile market continued to grow significantly during 2012, with new entrants targeting all aspects of mobile provisioning, from games to mobile applications and mobile advertising networks.

Globo's positioning within the Mobile Applications Development Platform (MADP) providers is becoming more and more visible in the market resulting in strong growth in demand for its products and services.

The key driver of this growth is the "Bring Your Own Device" (BYOD) trend whereby employees want to use their own mobile devices with their own data plans, sometimes subsidised by enterprises. This can substantially reduce cost for enterprises whilst providing additional services and applications not currently available. Competitors primarily focus on email, contacts and calendars mobile offering, whilst Globo's **GO!Enterprise Server** adds mobile access to office files and folders and the **GO!Development Studio** enables numerous applications to be mobilised.

This, combined with the rollout of new products and services such as **GO!Enterprise Cloud,** (secure Enterprise mobility through a centralised cloud-based service offering) and **GO!Enterprise Voice** (secure Enterprise PBX telephony integration on all smartphones) by the end of 2012, will result in a continuing strong financial performance during the second half of this year.

We are currently planning the US commercial launch of **GO!Enterprise Server** at the **CTIA-MobileCon™** event in San Diego, taking place on 9-11 October followed by several participations in Gartner Symposiums in Orlando and Barcelona. We believe that success in the US market will lead to Globo becoming one of the global industry leaders in Enterprise Mobility.

We are very excited about the upside potential for **GO!Enterprise Server** which we believe provides the opportunity to achieve substantial profitable growth over the coming years.

· ***Telecom - S.a.a.S Solutions***

During the first half of 2012, Telecom - S.a.a.S Solutions revenues were strengthened by the contribution from the Group's mobile VAS business, ReachFurther Communications, and the recent acquisition of New York based Dialect Technologies Inc.

Overall Telecom - S.a.a.S Solutions revenues grew by 53% to €2.01 million (H1 2011: €1.31 million).

The key services in this segment are:

- The WiPLUS WiFi Service consists of a fully managed service provided to hotels, airports, marinas and similar locations, with Globo receiving revenues from venue owners;
- The MVAS Services provided to MNOs and other VASPs by Reach Further Communications, and
- The telecom services provided to international telecom carriers from Dialect Technologies.

Globo has continued to invest in expanding its product offering within this segment and is confident that its S.a.a.S activities are supporting the Group's overall mobile offering whilst increasing market footprint.

· ***Software products and project services***

During the first half of 2012 the Group won and delivered several projects, all for private sector clients. Revenues generated from software products and services fell by 63% to €3.7 million (H1 2011: €10.06 million) as a result of the impact of the economic crisis and market slowdown in Greece.

So far in 2012, this business has continued to win new contracts with private sector customers and, given improved market conditions and stability following the Greek elections in July, we believe that the business has strong potential for future growth.

The planned divestment of this business is on schedule for completion by the end of 2012 and a further announcement will be made in due course.

Strategy

Globo's strategic goal is to become a global leader in the field of enterprise and consumer mobility.

Our goal is to sustain growth for our consumer **CitronGO!** and **GO!Social solutions** and to accelerate the commercialisation of **GO!Enterprise Server** in developed enterprise markets.

In the short and medium term, commercial launch and expansion of **GO!Enterprise Server** in the US market represents a major priority for which we will dedicate significant resources.

Much of our focus will continue to be on expanding our global footprint, by establishing both Globo offices and partnerships in our target markets.

We will also continue to seek acquisition opportunities that will accelerate entry into certain markets, or provide access to key technologies, expertise or people.

Outlook

Globo's mobile products and services are continuing to experience strong growth in demand in both the consumer and enterprise mobility markets.

In the enterprise market, this is the result of Globo's flexible business models and ability to offer significant functionalities that are not generally available to address modern business needs such as BYOD.

Positive trading so far in the normally stronger second half, with our international business continuing to grow strongly, gives us confidence in achieving market forecasts for the year.

Barry Ariko
Non-executive Chairman

Costis Papadimitrakopoulos
Chief Executive Officer

Financial Review

In the six months ended 30 June 2012, the Group delivered a strong financial performance, with all main business areas contributing.

Revenue increased by 29% to €25.22 million (H1 2011: €19.61 million), reflecting strong growth in international revenues, mainly from mobile products and services.

Gross profit increased by 75% to €11.2 million (H1 2011: €6.41 million) with gross margin increasing to 44.4% (H1 2011: 32.7%).

Operating profit, excluding depreciation and amortisation, increased 48% to €10.87 million (H1 2011: €7.35 million) with operating margin increasing to 25% (H1 2011: 19%).

Depreciation and amortisation of non-current assets was €4.54 million (H1 2011: €3.66 million), reflecting the significant investment in and utilisation of product development over the past two years. Operating profit increased by 71% to €6.3 million (H1 2011: €3.69 million) which, after a 24% increase in the depreciation and amortisation charge, reflects a 38.9% improvement in operating margin to 25% (H1 2011: 19%).

Profit before tax was €5.86 million, an increase of 84% over the same period (H1 2011: €3.18 million).

The taxation charge for the period was €1.49 million (H1 2011: €0.8 million).

Basic earnings per share grew by 56% to €0.014 (H1 2011: €0.009).

Globo plc's balance sheet, as at 30 June 2012, reflects a net asset position of €71.92 million. Total assets were €105.34 million (H1 2011: €75.28 million). Total assets included €26.7 million in non-current assets, €4.7 million in inventories and work in progress, € 48 million in trade receivables, prepayments and other current assets, and €25.9 million in cash and cash equivalents. Total liabilities increased by 17% to €33.4 million.

The Group was free cash flow positive for the period, reflecting strong net operating cash flow which rose to €6.22 million (H1 2011: €0.94 million).

During the period a total of €5.83 million was invested in product development and infrastructure, mainly for the mobile products and services of the Group, taking the total investment since the beginning of 2011 to €20.35 million.

On 24 April 2012 the Group raised £9.63 million, before expenses, via a placing with new and existing shareholders of 36,339,623 new ordinary shares each at a price of 26.5 pence per share. In addition, the Group increased net borrowings by €5.09 million during the period.

At 30 June 2012 cash and cash equivalents totalled €25.88 million (30 June 2011: €9.86 million) and net cash was €12.30 million.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the 6 months ended 30 June 2012

	Six months ended 30 June 2012 €'000 (unaudited)	Six months ended 30 June 2011 €'000 (unaudited)	Year ended 31 December 2011 €'000 (audited)
Continuing Operations			
Revenue (Note 3)	**25,217**	**19,614**	**45,311**
Cost of sales	(14,021)	(13,202)	(24,497)
Gross Profit	**11,196**	**6,412**	**20,814**
Other operating income	132	1,184	963
Distribution expenses	(999)	(1,307)	(2,401)
Administrative expenses	(3,088)	(2,350)	(5,035)
Other operating expenses	(919)	(250)	(1,173)
Operating Profit	**6,322**	**3,689**	**13,168**
Finance income	84	78	161
Finance costs	(548)	(592)	(1,275)
Profit before Tax	**5,858**	**3,175**	**12,054**
Taxation (Note 4)	(1,490)	(812)	(3,174)
Profit for the period	**4,368**	**2,363**	**8,880**
Other comprehensive income			
Exchange differences on translating foreign operations	857	(1,412)	545
Other comprehensive income for the period, net of tax	**857**	**(1,412)**	**545**
Total comprehensive income for the period	**5,225**	**951**	**9,425**
Attributable to :			
Equity holders of the Company	4,368	2,307	8,800
Non-controlling interests	-	56	80
	4,368	**2,363**	**8,880**
Total comprehensive income attributable to:			
Equity holders of the Company	**5,225**	895	9,345
Non-controlling interests	-	56	80
	5,225	**951**	**9,425**

Earnings per share for profit from continuing

operations attributable to the equity holders of the Company			
Basic earnings per share (€ per share) (Note 5)	**0.014**	0.009	0.032
Diluted earnings per share (€ per share) (Note 5)	**0.014**	0.009	0.032

CONSOLIDATED BALANCE SHEET
At 30 June 2012

	As at 30 June 2012 €'000 (unaudited)	**As at 30 June 2011 €'000** (unaudited)	**As at 31 December 2011 €'000** (audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	3,832	3,432	4,237
Intangible assets	21,834	18,060	19,793
Goodwill	980	742	742
Other receivables	81	69	66
Total Non-Current Assets	**26,727**	**22,303**	**24,838**
Current Assets			
Inventories and work in progress	4,722	4,146	4,900
Trade receivables	26,837	23,588	25,002
Other receivables	265	401	452
Other current assets	20,902	14,988	18,036
Cash and cash equivalents	25,882	9,858	9,338
Total Current Assets	**78,608**	**52,981**	**57,728**
TOTAL ASSETS	**105,335**	**75,284**	**82,566**
EQUITY AND LIABILITIES			
Shareholders' Equity			
Ordinary shares	4,161	3,654	3,710
Share premium	37,978	26,332	27,231
Other reserves	5,555	6,029	5,480
Reverse acquisition reserve	351	351	351
Translation reserve	1,239	(1,575)	382
Retained earnings	22,632	11,828	18,265
	71,916	46,619	55,419
Non-controlling interest in equity	-	107	-
Total Equity - Capital and Reserves	**71,916**	**46,726**	**55,419**
Non-Current Liabilities			
Borrowings	7,506	2,832	3,224
Retirement benefit obligations	282	214	278

Finance lease liabilities	1,410	1,605	1,509
Other liabilities	223	-	-
Provisions for other liabilities and charges	55	64	59
Deferred tax liabilities	2,720	410	2,319
Taxes payable	7	190	7
Total Non - Current Liabilities	**12,203**	**5,315**	**7,396**

CONSOLIDATED BALANCE SHEET
At 30 June 2012 (cont.)

Current Liabilities			
Trade and other payables	11,275	16,211	10,716
Income tax payable	1,402	-	331
Taxes payable	490	495	343
Borrowings	6,075	5,063	5,271
Finance lease liabilities	96	202	188
Other liabilities	1,878	1,272	2,902
Total Current Liabilities	**21,216**	**23,243**	**19,751**
TOTAL EQUITY AND LIABILITIES	**105,335**	**75,284**	**82,566**

CONSOLIDATED CASH FLOW STATEMENT
For the 6 months ended 30 June 2012

	Six months ended 30 June 2012 €'000 (unaudited)	Six months ended 30 June 2011 €'000 (unaudited)	Year ended 31 December 2011 €'000 (audited)
Cash Flows from Operating Activities			
Cash generated from operations (Note 6)	6,789	1,529	6,480
Interest paid	(548)	(592)	(1,275)
Income tax paid	(18)	-	(195)
Net Cash from Operating Activities	**6,223**	**937**	**5,010**
Cash Flow used in Investing Activities			
Acquisition of subsidiary, net of cash acquired	(203)	-	-
Purchases of tangible and intangible assets	(5,831)	(7,194)	(14,518)
Proceeds from sale of tangible and intangible assets	29	4	1,400
Increase in non-current assets	-	(52)	-
Interest received	84	78	161
Net Cash used in Investing Activities	**(5,921)**	**(7,164)**	**(12,957)**
Cash Flows from Financing Activities			
Proceeds from issue of share capital	11,952	20,347	20,586
Share issue expenses	(679)	(1,067)	(1,135)
Decrease in long term liabilities	-	(46)	-
Proceeds from borrowings	6,827	3,888	4,981
Repayment of borrowings	(1,741)	(9,230)	(9,776)
Repayments of obligations under finance leases	(191)	(156)	(266)
Net Cash from Financing Activities	**16,168**	**13,736**	**14,390**
Net Increase in Cash and Cash Equivalents	**16,470**	**7,509**	**6,443**
Movement in Cash and Cash Equivalents			
Cash and cash equivalents at the beginning of the period	9,338	2,895	2,895
Exchange gain / (loss) on cash and cash equivalents	74	(546)	-
Net increase in cash and cash equivalents	16,470	7,509	6,443
Cash and Cash Equivalents at the End of the Period	**25,882**	**9,858**	**9,338**

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2012

	Attributable to equity holders of the Company								
	Share Capital	Share Premium	Other Reserves	Reverse Acquisition Reserve	Currency Translation Reserve	Retained Earnings	Total	Non Controlling Interest	Total Equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 1 January 2011	**2,296**	**8,499**	**5,788**	**351**	**(163)**	**9,465**	**26,236**	**51**	**26,287**
Profit for the period	-	-	-	-	-	2,307	2,307	56	2,363
Other comprehensive income of the period	-	-	-	-	(1,412)	-	(1,412)	-	(1,412)
Total comprehensive income of the period	**-**	**-**	**-**	**-**	**(1,412)**	**2,307**	**895**	**56**	**951**
Increase in Capital	1,358	18,989	-	-	-	-	20,347	-	20,347
Share issue costs	-	(1,156)	89	-	-	-	(1,067)		(1,067)
Movement in the period	-	-	152	-	-	56	208	-	208
Total contributions by and distributions to owners of the Company	1,358	17,833	241	-	-	56	19,488	-	19,488
Balance at 30 June 2011	**3,654**	**26,332**	**6,029**	**351**	**(1,575)**	**11,828**	**46,619**	**107**	**46,726**
Balance at 1 January 2012	**3,710**	**27,231**	**5,480**	**351**	**382**	**18,265**	**55,419**	**-**	**55,419**
Profit for the period	-	-	-	-	-	4,368	4,368	**-**	**4,368**
Other comprehensive income for the period	-	-	-	-	857	-	857	**-**	**857**
Total comprehensive income for the period	-	-	-	-	857	4,368	5,225	**-**	**5,225**
Increase in Capital	451	11,501	-	-	-	-	11,952	**-**	**11,952**
Share issue costs	-	(754)	75	-	-	-	(678)	**-**	**(678)**
Total contributions by and distributions to owners of the Company	451	10,747	75	-	-	-	11,272	-	11,272
Balance at 30 June 2012	**4,161**	**37,978**	**5,555**	**351**	**1,239**	**22,632**	**71,916**	**-**	**71,916**

NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the 6 months ended 30 June 2012

1 Basis of preparation

The condensed consolidated interim financial information for the 6 months ended 30 June 2012 has been prepared in accordance with 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 2011, which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The condensed consolidated interim financial information contained in this report does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of IFRSs as adopted by the European Union.

The 2012 condensed consolidated interim financial information of the Company has not been audited but has been reviewed by the Company's auditor, Littlejohn LLP.

Critical accounting estimates

The preparation of condensed consolidated interim financial information requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 3(z) of the Group's 2011 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

2 Accounting policies

Except as described below, the same accounting policies, presentation and methods of computation are followed in this condensed consolidated interim financial information as were applied in the preparation of the Group's annual financial statements for the year ended 31 December 2011. Those financial statements have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006.

Standards, amendments and interpretations to existing standards effective in 2012 but not relevant to the Group

(a) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2012 but not currently relevant to the Group.

The following standards and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2012 or later periods, but not currently relevant to the Group:

· Amendments to IFRS 7 "Financial Instruments: Disclosures" are designed to help users of financial statements evaluate the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position.

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2012 and not early adopted

The Directors are assessing the possible impact of these standards on the Group's Financial Statements:

- IFRS 9 "Financial Instruments" specifies how an entity should classify and measure financial assets, including some hybrid contracts, with the aim of improving and simplifying the approach to classification and measurement compared with IAS 39. This standard is effective for periods beginning on or after 1 January 2015, subject to EU endorsement.

- Amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards" require that first-time adopters apply the requirements in IFRS 9 "Financial Instruments" and IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance" prospectively to government loans existing at the date of transition to IFRSs. Entities may choose to apply the requirements retrospectively if the information needed to do so had been obtained at the time of initially accounting for the loan. The amendments are effective for periods beginning on or after 1 January 2013, subject to EU endorsement.

- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" require entities to apply IFRS 9 for annual periods beginning on or after 1 January 2015 instead of on or after 1 January 2013, subject to EU endorsement. Early application continues to be permitted. The amendments also require additional disclosures on transition from IAS 39 "Financial Instruments: Recognition and Measurement" to IFRS 9.

- Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities" clarify the IASB's intention when first issuing the transition guidance in IFRS 10, provide similar relief in IFRS 11 and IFRS 12 from the presentation or adjustment of comparative information for periods prior to the immediately preceding period, and provide additional transition relief by eliminating the requirement to present comparatives for the disclosures relating to unconsolidated structured entities for any period before the first annual period for which IFRS 12 is applied. The amendments are effective for periods beginning on or after 1 January 2013, subject to EU endorsement.

- Amendments to IAS 12 "Income Taxes" introduce a presumption that recovery of the carrying amount of an asset measured using the fair value model in IAS 40 "Investment Property" will normally be through sale. The amendments are effective for periods beginning on or after 1 January 2012, subject to EU endorsement.

- "Annual Improvements 2009 - 2011 Cycle" sets out amendments to various IFRSs and provides a vehicle for making non-urgent but necessary amendments to IFRSs:
  - An amendment to IFRS 1 "First-time Adoption of International Financial Reporting Standards" clarifies whether an entity may apply IFRS 1:

    (a) if the entity meets the criteria for applying IFRS 1 and has applied IFRS 1 in a previous reporting period; or

    (b) if the entity meets the criteria for applying IFRS 1 and has applied IFRSs in a previous reporting period when IFRS 1 did not exist.

    The amendment also addresses the transitional provisions for borrowing costs relating to qualifying assets for which the commencement date for capitalisation was before the date of transition to IFRSs.
  - An amendment to IAS 1 "Presentation of Financial Statements" clarifies the requirements for providing comparative information:

(a) for the opening statement of financial position when an entity changes accounting policies, or makes retrospective restatements or reclassifications; and

(b) when an entity provides financial statements beyond the minimum comparative information requirements.

- o An amendment to IAS 16 "Property, Plant and Equipment" addresses a perceived inconsistency in the classification requirements for servicing equipment.
- o An amendment to IAS 32 "Financial Instruments: Presentation" addresses perceived inconsistencies between IAS 12 "Income Taxes" and IAS 32 with regard to recognising the consequences of income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction.
- o An amendment to IAS 34 "Interim Financial Reporting" clarifies the requirements on segment information for total assets and liabilities for each reportable segment.

The amendments are effective for periods beginning on or after 1 January 2013, subject to EU endorsement.

3 Segment information

The operating segments are based on the management reports received by the Board of Directors who are the chief operating decision makers and which are used to make strategic decisions. The Directors consider the business from a product perspective. The main segments are:

Third party goods: The Group resells third party goods, to its customers, mainly comprising hardware to complement a software project.

Software products and services: The Group sells its own software products and related services to its clients both in the private and public sector.

Telecom services (S.a.a.S): The Group combines telecom services with its own software products (e-business and WiFi services) that are then sold on a "software as a service" basis.

Mobile products and services: The Group sells its own mobile software products and services to its clients (mobile network operators, value added service providers, handset manufacturers etc.)

The segment information for the 6 months ended 30 June 2012 is as follows:

	Third party goods €'000	**Software products and services €'000**	**Telecom services (S.a.a.S.) €'000**	**Mobile products & services €'000**	**Total €'000**	**Inter-segment balances €'000**	**Segment Total €'000**
Total segment revenue	443	7,488	4,482	19,382	31,795	-	**31,795**
Intersegment revenue	(60)	(3,783)	(2,472)	(263)	(6,578)	-	**(6,578)**
Revenue from external customers	383	3,705	2,010	19,119	25,217	-	**25,217**
Inventory costs	(360)	-	-	(1,873)	(2,233)	-	**(2,233)**
Other expenses	-	(6,426)	(1,879)	(6,059)	(14,364)	-	**(14,364)**

Amortisation	-	(1,041)	(850)	(2,111)	(4,002)	-	**(4,002)**
Intersegment costs	-	2,791	58	3,729	6,578	-	**6,578**
Gross Profit	**23**	**(971)**	**(661)**	**12,805**	**11,196**	**-**	**11,196**
Depreciation	-	13	77	1	91	-	**91**
Expenditure on tangible fixed assets	-	-	48	4	52	-	**52**
Expenditure on intangible fixed assets	-	1,713	1,705	2,248	5,666	-	**5,666**
Disposals of intangible assets	-	-	-	26	26	-	**26**
Total segment assets	373	26,439	14,696	54,139	95,647	(20,686)	**74,961**
Total segment liabilities	43	5,501	7,551	23,417	36,512	(20,686)	**15,826**

The segment information for the 6 months ended 30 June 2011 is as follows:

	Third party goods €'000	**Software products and services €'000**	**Telecom services (S.a.a.S.) €'000**	**Mobile products and services €'000**	**Total €'000**	**Inter-segment balances €'000**	**Segment Total €'000**
Total segment revenue	249	10,057	2,869	8,065	21,240	-	**21,240**
Intersegment revenue	(70)	(1)	(1,555)	-	(1,626)	-	**(1,626)**
Revenue from external customers	179	10,056	1,314	8,065	19,614	-	**19,614**
Inventory costs	(187)	-	-	-	(187)	-	**(187)**
Other expenses	-	(9,164)	(653)	(1,657)	(11,474)	-	**(11,474)**
Amortisation	-	(1,222)	(445)	(1,500)	(3,167)	-	**(3,167)**
Intersegment costs	70	1,556	-	-	1,626		**1,626**
Gross Profit	**62**	**1,226**	**216**	**4,908**	**6,412**	**-**	**6,412**
Depreciation	-	456	38	1	495	-	**495**
Expenditure on tangible fixed assets	-	80	15	332	427	-	**427**
Disposals of tangible assets	-	(2)	(2)	-	(4)	-	**(4)**
Expenditure on intangible fixed assets	-	1,175	2,201	3,364	6,740	-	**6,740**
Total segment	558	44,321	4,852	16,903	66,634	(22,761)	**43,873**

assets							
Total segment liabilities	344	15,999	6,388	8,173	30,904	(22,761)	**8,143**

A reconciliation of gross profit to profit before taxation is provided as follows:

	Six months ended 30 June 2012 €'000 (unaudited)	**Six months ended 30 June 2011 €'000** (unaudited)
Gross profit for reportable segments	11,196	6,412
Other operating income	132	1,184
Distribution expenses	(999)	(1,307)
Administrative expenses	(3,088)	(2,350)
Other operating expenses	(919)	(250)
Finance costs (net)	(464)	(514)
Profit before tax	**5,858**	**3,175**

Revenue from external customers

	Six months ended 30 June 2012 €'000 (unaudited)	**Six months ended 30 June 2011 €'000** (unaudited)
South Europe	2,820	3,984
Western Europe	91	99
Eastern Europe	1,050	705
Asia/Middle East	6,067	1,589
Africa	1,568	1,061
Americas	5,441	154
Greece	8,180	12,022
Total	**25,217**	**19,614**

4 Taxation

Income tax expense is recognized based on the Director's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the income of the interim period.

5 Earnings per Share

Basic earnings per share are calculated by dividing the profit after tax attributable to equity holders by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June 2012 (unaudited)	**Six months ended 30 June 2011** (unaudited)	**Year ended 31 December 2011** (audited)
Profit attributable to equity holders of the Company (€000's)	**4,368**	2,307	8,800
Weighted average number of ordinary shares in issue	**307,198,073**	258,660,102	275,937,451

Diluted earnings per share assumes that options and warrants outstanding at 30 June 2012 were exercised at 1 July 2012, for options and warrants where the exercise price was less than the average price of the ordinary shares during the period. On this basis, the calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders divided by 309,697,497 (six months ended 30 June 2011: 258,700,940; year ended 31 December 2011: 277,668,873) ordinary shares.

6 Cash generated from Operations

	Six months ended 30 June 2012 €'000 (unaudited)	**Six months ended 30 June 2011 €'000** (unaudited)	**Year Ended 31 December 2011 €'000** (audited)
Profit for the period before tax	5,858	3,175	12,054
Adjustments for:			
Profit on disposal of tangible/intangible assets	-	-	(425)
Depreciation of property, plant and equipment	513	495	1,003
Amortisation of intangible assets	4,032	3,167	6,471
Movement in provisions	(1)	2	61
Share-based payments	-	152	256
Foreign exchange on operating activities	784	(866)	545
Finance costs (net)	464	514	1,114
Adjustments for changes in working capital			
Decrease in inventory and work in progress	178	1,349	595

Increase in trade receivables	(1,610)	(2,378)	(3,844)
Increase in other current assets	(2,881)	(4,224)	(7,320)
(Decrease)/increase in trade and other payables	(548)	405	(4,030)
Decrease in other tax liabilities	-	(262)	-
Cash generated from Operations	**6,789**	**1,529**	**6,480**

7 Intangible assets

During the period the Group spent € 5.676 million (6 months ended 30 June 2011: € 6.741 million) on licences and software development of existing products of the Group as well as new mobile products.

8 Related Party Transactions

a. Key management personnel

i. Directors and Managers Remuneration and Service Fees

Directors and key management personnel received total compensation during the 6 months ended 30 June 2012 of €598,336 (6 months ended 30 June 2011: €473,734).

9 Share capital and share premium

On 24 April 2012, Globo announced that it had raised £9.63 million before expenses, by means of placing with new and existing investors, of a total of 36,339,623 new ordinary shares of 1 pence each at a price of 26.5 pence per new ordinary share.

10 Business Combinations

The Group acquired 100% of the share capital of Dialect Technologies Inc. ("Dialect", www.godialect.com), a New York based specialist provider of IP telecom technologies and services to international telecom operators and businesses in the US, for a total cash and deferred consideration of US$800,000 on 8 February 2012.

Details of net assets acquired and goodwill are as follows (stated in US$):

Purchase consideration:	
- Cash paid	273,436
- Deferred and contingent consideration	526,564
Total purchase consideration	800,000
Fair value of assets acquired (see below)	479,396
Goodwill	US $ 320,604

An amount of US$300,000 within deferred and contingent consideration is payable in 2014 upon Dialect achieving certain contractual targets. The above goodwill is attributable to Dialect's trading and market position in Voice Over IP (VOIP) technologies and gaining access to the US market. None of the goodwill is expected to be deductible for tax purposes.

The assets and liabilities arising from the acquisition, determined in US$, are as follows:

	Fair Value
Cash and cash equivalents	76
Property, plant and equipment	7,701
Intangible fixed assets	501,653
Trade and other receivables	50,733
Trade and other payables	(80,767)
Net assets acquired	US$ 479,396

Since 8 February 2012, revenues of €1.505 million and a loss of €0.1 million have been consolidated in respect of Dialect.