Globo plc
Press Announcement

GLOBO plc

INTERIM RESULTS FOR THE 6 MONTHS ENDED 30 JUNE 2008

Globo plc ("Globo", the "Group" or the "Company"; LSE-AIM: GBO), a leader in the Information and Communications Technology market in Greece, is pleased to announce its interim unaudited results for the 6 months ended 30 June 2008.

Key points:

- These are the first interim results to be announced since Globo's Admission to AIM in December 2007.
- Traditionally, the first 6 months is the slower half of the year.
- Revenues increased by 76% to €7.21m (H1, 2007: €4.09m).
- Profit before tax increased by 115% to €0.86m (H1, 2007: €0.40m), in line with the Company's expectations.
- Solid progress achieved in all segments of the business including both public and private sectors, with the first meaningful contribution to revenue from Software as a Service.
- Progress in international expansion achieved in Romania, Cyprus and Bulgaria.
- Strong order intake achieved across the business with forward order book standing at €9.3m at 30 June 2008 (31 December 2007: €3.6m).

Outlook:

"The second half of 2008, traditionally the stronger trading period, has started with the benefit of a significant order book and good visibility of revenues through to the year end. We are confident of achieving good results for 2008 as a whole."

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About Globo

GLOBO plc was admitted to AIM in December 2007. Founded in 1997 by Konstantinos Papadimitrakopoulos and headquartered in Halandri (a suburb of Athens), Globo has established itself as one of the market leaders in the Greek ICT market. It provides e-business and telecom software products and related services to the private and governmental sectors in Greece as well as developing and operating broadband wired and wireless networks. It has developed to become one of the largest e-business software and S.a.a.S. vendors in Greece. For further information please go to www.globoplc.com.

CHAIRMAN & CHIEF EXECUTIVE OFFICER'S STATEMENT

Introduction

We are pleased to present Globo's interim financial results for the six months to 30 June 2008. These results show that the momentum gained within the business in 2007 has been sustained in the first half of 2008 with strong growth in revenue, profits and order book.

As Globo's Admission to AIM was effected by way of a reverse takeover of Israeli Acquisitor I plc, the results for the six months ended 30 June 2008 are consolidated whereas the comparative numbers for the six months ended 30 June 2007 are for Globo Technologies S.A. and Profitel S.A, the principal operating businesses of the Group.

Results and Finance

Revenue for the six months to 30 June 2008 increased by 76% to €7.21 million (H1, 2007: €4.09 million) with strong growth being achieved in all segments of the business. Operating profit grew by 72% to €1.36 million (H1, 2007: €0.79 million) and an increase in the pre-tax margin to 11.9% (H1, 2007: 9.8%) resulted in profits before tax increasing by 115% to €0.86 million (H1, 2007: €0.40 million).

Reflecting the significant growth of the business, an increase in working capital resulted in net debt (excluding long-term finance leases) of €8.44 million as at 30 June 2008 (30 June 2007: €6.08 million; 31 December 2007: €4.55 million).

Operations

During the period under review, traditionally the slower half of the year, each segment of Globo's business has made solid progress.

Total revenues from software products and services (government, public and corporate sectors) increased 92% to €6.42 million (H1, 2007: €3.31 million).

Within the government and public sector, order intake was strong with a number of substantial digitalisation contracts being secured for delivery during the course of the current year. These included projects for the Greek Ministry of Mercantile Marine, the Greek Ministry of National Education and Religious Affairs and the Parliament of Greece.

Corporate sector revenues are based on Globo's suite of CITRON branded e-business applications and broadband access technologies including Internet Hotel and WiPLUS from customers such as Lambrakis Press Organization S.A., Publicis Hellas S.A., E – Shop.gr S.A., Euroxx Securities, Newsphone S.A, Angelicoussis Shipping Group, Istron Bay Hotel and Philippion Hotel. New customers such as Pfizer Hellas and Wilo Hellas have been added to the Group's clientele since the period end and will contribute to revenue in the second half of the year.

These results include the first meaningful contribution to revenue from Profitel, Globo's S.a.a.S. (Software as a Service) division at €0.16 million (H1, 2007: €nil). Although still modest, this represents a 43% increase on the S.a.a.S. revenues achieved in the second half of 2007.

During the first half of 2008, progress has been made in developing the Company's international presence. An operating subsidiary has been established in Romania. Planning for additional operating subsidiaries in Cyprus and Bulgaria is also under way. Globo has been operating in Cyprus since 2007 through a reseller network and expects to achieve a stronger market presence by forming a wholly owned operating subsidiary.

New product development continues to be given a high priority. Total investment in product and service development during the period was €2.19 million (H1, 2007: €1.71 million) which was capitalised in accordance with International Financial Reporting Standards ("IFRS"). Globo continues to invest in the development of its existing software platforms such as the Citron Business Operating System and the WiPLUS Broadband Access platform in order to enhance more functionality and to better serve our customer needs. In the meantime significant effort has been made to transform these systems to support the S.a.a.S business model which the Company is aggressively developing. This, together with establishing our technological footprint on the mobilisation of our e-Business products in order to encourage the 'ubiquitous computing' needs of modern enterprises, sets a solid cornerstone of future commercial development based on the current global market trends and customer needs.

The significant growth of the business has led to an increase in the number of employees to 103 persons (H1, 2007: 55) and the appointment of some experienced new management and business development personnel including:

> Mr Sotirios Issaias: appointed as Profitel's Sales Manager in February 2008, Sotirios graduated from the Lycee Leonin and also holds degrees from the University of Indianapolis (USA) and Concordia University (Canada), and a graduate diploma from McGill University (Canada). He has been working in the telecommunications field in corporate sales in the Greek market where he has gained extensive expertise with Eurolink SA and Net One SA.
>
> Mr Nikos Giannakakos: appointed as Value Added Services & Mobile Business Development Manager in July 2008. Nikos graduated in Computer Systems Engineering from Sussex University and holds Masters degrees from Brunel University and the National University of Finance and Economics in Greece. He has worked in the telecommunications industry since 1996, beginning his career at Epsilon Software S.A., OTE and Vodafone Greece where he led the team responsible for the commercialisation and business strategy of all mobile Value Added Services.
>
> Mr Stathis Vovos: appointed as SaaS & Value Added Services Business Development Manager in September 2008. Stathis has a degree in Electrical Engineering from the National Technical University of Athens and an MBA from the City Business School in London. Stathis has held positions at Research International, OTE Hellas Online and Lannet Communications..

Appointment of joint broker

In June 2008, we were pleased to announce the appointment of St Helen's Capital Plc as the Company's joint broker, alongside NCB Stockbrokers Limited who continued to act as the company's Nominated Adviser and joint broker.

Strategy

Globo's stated strategy to date has been to expand its operations within the public and corporate markets in Greece and also internationally. Solid progress with these objectives has been achieved during the period. During recent months, it has become clear to the Board that Globo's investment in its proprietary technologies will offer opportunities for expanding both the scope and range of the business in the future. Our future strategy will be to fully exploit these potential opportunities.

Outlook

The strong order intake during the first half means that Globo started the second half with a forward order book of €9.3 million (31 December 2007: €3.6 million), the bulk of which is expected to be delivered during the current year. The order book currently stands at €8.5 million.

The second half of 2008, traditionally the stronger trading period, has started with the benefit of this significant order book and good visibility of revenues through to the year end. We are confident of achieving good results for 2008 as a whole.

Brett Miller	**Costis Papadimitrakopoulos**
Chairman	Chief Executive Officer

Financial Review

In the first half of 2008 the Group has produced an excellent financial performance, driven in particular by continued strong growth in software services but also reflecting strong contributions from all main business areas.

In the six months ended 30 June 2008 revenue reached €7.21 million, a 76% increase on the same period in 2007 (€4.09 million). The increase in revenue came from organic growth in both private and public sector segments of the Group.

Gross profit increased by 87% to €3.08 million (H1 2007: €1.65 million) delivering a margin of 43% (40% in 2007).

Operating profit excluding depreciation and amortization increased 56% to €3.0 million (H1 2007: €1.92 million) delivering a margin of 41% (H1 2007: 46%). Depreciation and amortization of the non-current assets reached €1.62 million (H1 2007: €1.13 million) reflecting the significant product development. Operating profit increased by 71.3% to €1.36 million (H1 2007: €0.79 million) which despite the increase of 43% in the depreciation and amortization charge, delivered an operating margin of 18.9%, slightly below the same period of 2007 (H1 2007: 19.4%).

Profit before tax reached €0.86 million, an increase of 115% over the same period of 2007 (€0.40 million).

The taxation charge for the period was €0.28 million (H1 2007: €0.06 million).

Consistent with previous accounting periods, the profits of the Group are expected to be higher in the second half of the year than the first half, due to the increased volume of sales of the Group's own products and services to large private sector customers rather than to public sector customers, producing higher profit margins for the Group.

Basic earnings per share grew by 33% to €0.004 (H1 2007: €0.003).

Globo plc's balance sheet, as at 30 June 2008, reflects a net asset position of €12.16 million. Total assets were €30.88 million (H1 2007: €19.97 million). Of total assets, €11.4 million were held in non-current assets, €16.98 million were held in inventories, trade debtors, prepayments and other current assets and €2.50 million were held in cash and cash equivalents. Total liabilities increased by 36.1% to €18.72 million.

Accounts receivables and prepayments increased by €4.93 million primarily because of the higher volume of trading and the lengthy duration of large public projects that the Group gained in the last 12 months. However, the Group expects that the majority of the outstanding amounts will be fully recovered within 2008.

Cash used in operations was €0.12 million due to the increase in receivables, while net cash used in investing activities was €2.97 million reflecting the significant investment in product development and infrastructure.

CONSOLIDATED INCOME STATEMENT
For the 6 months ended 30 June 2008

	Six months ended 30 June 2008 €'000 (unaudited)	Six months ended 30 June 2007 €'000 (unaudited)	Year ended 31 December 2007 €'000 (audited)
Continuing Operations			
Revenue (Note 3)	**7,208**	4,093	11,029
Cost of sales	**(4,124)**	(2,440)	(5,885)
Gross Profit	**3,084**	1,653	5,144
Other operating income	**102**	76	155
Distribution expenses	**(540)**	(298)	(715)
Administrative expenses	**(1,234)**	(619)	(1,547)
Other operating expenses	**(52)**	(18)	(76)
Operating Profit	**1,360**	794	2,961
Finance costs (net)	**(502)**	(394)	(858)
Profit before Tax	**858**	400	2,103
Taxation (Note 4)	**(284)**	(64)	(101)
Profit for the period / year from continuing operations attributable to the equity holdings of the parent	**574**	336	2,002

	Six months ended 30 June 2008 (unaudited)	Six months ended 30 June 2007 (unaudited)	Year ended 31 December 2007 (audited)
Basic earnings per share (€ per share) (Note 5)	**0.004**	0.003	0.018
Diluted earnings per share (€ per share) (Note 5)	**0.004**	0.003	0.018

CONSOLIDATED BALANCE SHEET
At 30 June 2008

	As at 30 June 2008 €'000 (unaudited)	As at 30 June 2007 €'000 (unaudited)	As at 31 December 2007 €'000 (audited)
ASSETS			
Non–Current Assets			
Property, plant and equipment	**3,711**	3,148	3,339
Intangible assets	**6,508**	5,029	5,508
Goodwill	**194**	67	194
Deferred tax assets	**973**	1,195	1,157
Other receivables	**14**	19	7
Total Non-Current Assets	**11,400**	9,458	10,205
Current Assets			
Inventories	**1,181**	1,143	379
Trade receivables	**11,861**	6,933	9,930
Other receivables	**171**	87	84
Other current assets	**3,772**	1,476	2,322
Cash and cash equivalents	**2,498**	872	3,696
Total Current Assets	**19,483**	10,511	16,411
TOTAL ASSETS	**30,883**	19,969	26,616
EQUITY AND LIABILITIES			
Shareholders' Equity			
Ordinary shares	**1,781**	3,211	1,781
Share premium	**3,894**	700	3,894
Other reserves	**5,708**	4,153	5,708
Reverse acquisition reserve	**351**	-	351
Translation reserve	**34**	-	-
Retained earnings	**395**	(1,849)	(179)
Total Equity - Capital and Reserves	**12,163**	6,215	11,555
Non–Current Liabilities			
Borrowings	**1,950**	1,750	1,500
Retirement benefit obligations	**99**	44	99
Finance lease liabilities	**1,662**	1,949	1,838
Provisions	**137**	37	37
Total Non - Current Liabilities	**3,848**	3,780	3,474
Current Liabilities			
Trade and other payables	**4,375**	3,349	3,548
Taxes payable	**219**	427	331
Borrowings	**8,983**	5,199	6,843
Accrued liabilities	**1,295**	999	865
Total Current Liabilities	**14,872**	9,974	11,587
TOTAL EQUITY AND LIABILITIES	**30,883**	19,969	26,616

CONSOLIDATED CASH FLOW STATEMENT
For the 6 months ended 30 June 2008

	Six months ended 30 June 2008 €'000 (unaudited)	Six months ended 30 June 2007 €'000 (unaudited)	Year ended 31 December 2007 €'000 (audited)
Cash Flows from Operating Activities			
Cash (used in)/generated from operations (Note 6)	**(116)**	1,195	1,563
Interest paid	**(523)**	(401)	(877)
Income tax paid	**(100)**	(7)	(7)
Net Cash from Operating Activities	**(739)**	787	679
Cash Flow from Investing Activities			
Acquisition of subsidiaries	**-**	(63)	(516)
Purchases of tangible and intangible assets	**(2,991)**	(2,314)	(4,525)
Sales of tangible and intangible assets	**4**	5	90
(Increase)/decrease in other long term assets	**(8)**	(1)	12
Interest received	**22**	7	19
Net Cash from Investing Activities	**(2,973)**	(2,366)	(4,920)
Cash Flows from Financing Activities			
Proceeds from issue of share capital	**-**	456	4,604
(Decrease)/increase in long term liabilities	**(75)**	6	(51)
Increase in long term loans	**450**	250	-
Increase in current loans	**2,283**	796	2,619
Repayments of obligations under finance leases	**(144)**	(134)	(312)
Net Cash from Financing Activities	**2,514**	1,374	6,860
Net Increase/(Decrease) in Cash and Cash Equivalents	**(1,198)**	(205)	2,619
Movement in Cash and Cash Equivalents			
Cash and cash equivalents at the beginning of the period	**3,696**	1,077	1,077
Net increase/(decrease) in cash and cash equivalents	**(1,198)**	(205)	2,619
Cash and Cash Equivalents at the End of the Period	**2,498**	872	3,696

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share Capital €'000	Share Premium €'000	Shares to be issued €'000	Merger Reserve €'000	Other Reserves €'000	Reverse Acquisition Reserve €'000	Translation Reserve €'000	Retained Earnings €'000	Total €'000
Balance as at 1 January 2007	3,211	700	-	-	4,153	-	-	(2,	5,879
Profit for the period	-	-	-	-	-	-	-	336	336
Total changes for the period	-	-	-	-	-	-	-	336	336
Balance as at 30 June 2007	3,211	700	-	-	4,153	-	-	(1,	6,215
Balance as at 1 July 2007	3,211	700	-	-	4,153	-	-	(1,	6,215
Increase in capital	1,713	4,	-	1,500	-	-	-	-	7,252
Costs of issue	-	(1,	-	-	-	-		-	(1,266)
Reverse acquisition	(3,143)	421	15	-	-	351	-	-	(2,356)
Share based payments	-	-	40	-	-	-	-	-	40
Profit for the period	-	-	-	-	-	-	-	1,	1,670
Total changes for the period	(1,430)	3,	55	1,500	-	351	-	1,	5,340
Balance as at 31 December 2007	1,781	3,	55	1,500	4,153	351	-	(179)	11,555
Exchange differences	**-**	**-**	**-**	**-**	**-**	**-**	**34**	**-**	**34**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**574**	**574**
Balance as at 30 June 2008	**1,781**	**3,**	**55**	**1,500**	**4,153**	**351**	**34**	**395**	**12,163**

NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the 6 months ended 30 June 2008

1 Basis of preparation

This condensed consolidated interim financial information for the 6 months ended 30 June 2008 has been prepared in accordance with IAS 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 2007, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

The financial information contained in this report does not constitute statutory accounts as defined by section 240 of the Companies Act 1985.

The 2008 interim financial report of the Company has not been audited but has been reviewed by the Company's auditor, Littlejohn Chartered Accountants, whose independent review report is included in this Interim Report.

2 Accounting policies

The condensed consolidated interim financial information has been prepared under the historical cost convention. The same accounting policies, presentation and methods of computation are followed in this condensed consolidated financial information as were applied in the preparation of the Group's annual financial statements for the year ended 31 December 2007. Comparative figures for the year ended 31 December 2007 and the 6 months ended 30 June 2007 have been extracted from the statutory financial statements which carried an unqualified audit report, did not contain a statement under section 237(2) or (3) of the Companies Act and have been delivered to the Registrar of Companies.

This condensed consolidated financial information has been approved for issuance by the Board of Directors on 19 September 2008.

3 Segmental analysis of revenue

	Six months ended 30 June 2008 €'000	**Six months ended 30 June 2007 €'000**	**Year Ended 31 December 2007 €'000**
	(unaudited)	(unaudited)	(audited)
Revenue from software products & services	**6,425**	3,309	9,428
Revenue from telecom services	**157**	-	110
Revenue from sales of third party goods	**626**	784	1,491
Total	**7,208**	4,093	11,029

Revenue is mainly derived from sales of Group's software products and services to private and public sector customers based upon contractual agreements. Sales of third party goods which are treated as a complement to the Group's software products and services are recognized according to the relevant contractual obligations.

4 Taxation

As the Group has unused tax losses no current tax charge has been provided. The charge in the period arises from movements in deferred tax and provisions for future tax in accordance with Greek Law.

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 2008 (unaudited)	**Six months ended 30 June 2007** (unaudited)	**Year ended 31 December 2007** (audited)
Profit attributable to equity holders of the Company (€000's)	**574**	336	2,002
Weighted average number of ordinary shares in issue	**130,589,530**	110,000,000	110,857,897

Diluted earnings per share assumes that options and warrants outstanding at 30 June 2008 were exercised at 1 July 2008, 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 131,089,530 (six months ended 30 June 2007:110,500,000; year ended 31 December 2007:11,357,897) ordinary shares.

6 Consolidated Cash used in Operations

	Six months ended 30 June 2008 €'000 (unaudited)	**Six months ended 30 June 2007 €'000** (audited)	**Year Ended 31 December 2007 €'000** (audited)
Profit for the period before tax	**858**	400	2,103
Adjustments for:			
Depreciation of property, plant and equipment	**343**	236	483
Amortisation of intangible assets	**1,272**	893	2,057
Share-based payments	**-**	-	40
Work in progress	**(961)**	(639)	(203)
Recognition of government grants	**(102)**	(23)	(71)
Exchange differences	**34**	-	-
Interest income/expenses	**502**	394	858
Adjustments for changes in working capital			
Decrease in inventory	**158**	456	784
Increase in trade receivables	**(2,018)**	(606)	(3,516)
Increase in other current assets	**(1,450)**	(1,108)	(1,954)
Increase/(decrease) in liabilities (except bank and tax)	**1,360**	1,544	1,430
Decrease in tax liabilities	**(112)**	(352)	(448)
Cash (used in) / generated from Operations	**(116)**	**1,195**	**1,563**

7 Property, plant and equipment

During the period the Group spent €719,000 on IT equipment and fixtures & fittings for its additional office premises in Athens, Greece.

8 Intangible assets

During the period the Group spent €2,272,000 on licences and software development.

9 Related Party Transactions

a. Profitel Communications S.A. ("Profitel")

In the first half of 2008, Globo Technologies S.A. realized sales to Profitel S.A. for the Wiplus service amounting to €99,657 (30 June 2007 - €71,674). Globo Technologies received €3,000 from Profitel for office rent. Additionally Globo Technologies S.A. has bought telephony, internet bandwidth services, Wiplus network services as well as related support communication services from Profitel at a total value of €103,075 (30 June 2007 - €2,032). The outstanding debtor balance at 30 June 2008 was €564,530 (30 June 2007 - €258,776). There is no outstanding creditor balance at 30 June 2008 between Globo Technologies S.A. and Profitel (30 June 2007 - €17,981).

b. 3nSold S.A.

Mr Costis Papadimitrakopoulos and his wife hold 27.5% of 3nSold S.A. ("3nSold"). In first half of 2008, there were no transactions between the 3nSold and the Group (30 June 2007 – €Nil). The outstanding debtor balance at 30 June 2008 was €90,222 (30 June 2007 - €86,189).

c. Globo Technologies S.A.

In the first six months of 2008 Globo plc provided consultancy services to Globo Technologies S.A for a total value of €20,000. The outstanding debtor balance at 30 June 2008 was €447,981.

10 Post Balance Sheet Events

No material events have occurred after the balance sheet date.

Independent Review Report to Globo Plc

Introduction

We have been engaged by Globo Plc to review the condensed set of Financial Statements in the half-yearly financial report for the six months ended 30 June 2008 which comprises the consolidated income statement, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and related condensed notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules for Companies.

The annual Financial Statements of the Group are prepared in accordance with IFRS as adopted by the European Union. The condensed set of Financial Statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of Financial Statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the AIM Rules for Companies and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose 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.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, 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 (UK and Ireland) 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of Financial Statements in the half-yearly financial report for the six months ended 30 June 2008 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the AIM Rules for Companies.

Littlejohn
Chartered Accountants and Registered Auditors
19 September 2008