CELTIC plc (the "Company")

INTERIM REPORT FOR THE SIX MONTHS TO 31 DECEMBER 2014

Operational Highlights

- Progression to the knock-out stages of the UEFA Europa League
- Currently top of the SPFL Premiership
- Continued participation in the Scottish Cup and Scottish League Cup
- Successful hosting of the Commonwealth Games opening ceremony and SFA International matches
- Completion of the final phase of development of The Celtic Way
- 18 home fixtures (2013: 16)

Financial Highlights

- Revenue decreased by 30.1% to £31.3m (2013: £44.8m)
- Operating expenses decreased by 18.2% to £28.1m (2013: £34.3m)
- Profit from trading of £3.2m (2013: £10.5m)
- Profit on disposal of intangible assets £7.1m (2013: £16.5m)
- Profit before taxation of £6.6m (2013: £21.3m)
- Period end net cash at bank of £5.3m (2013: £5.7m)
- Investment in football personnel of £5.7m (2013: £5.0m).
- New long term bank facility agreement.

Celtic plc

CHAIRMAN'S STATEMENT

I am pleased to report on our financial results for the six months ended 31 December 2014. The introductory page to these interim results summarises the main highlights.

Since the appointment of our new football management team led by Ronny Deila, we have embarked upon a period of transition, with the implementation of new ideas, methods and processes. We moved on from the disappointment of failing to qualify for the group stages of the UEFA Champions League to qualify for the last 32 of the UEFA Europa League and a tie against Inter Milan. As the football team develops on and off the field, we are pleased to be competing in four competitions.

The Opening Ceremony of the Commonwealth Games took place at Celtic Park with great success, leading to worldwide exposure for our brand, while the stadium also played host to the Scottish national team in two high profile international matches.

A key factor influencing these results is the participation in the UEFA Europa League, as opposed to the UEFA Champions League. Revenue dropped for the period to £31.3m (2013: £44.8m). Operating expenses for the period decreased to £28.1m (2013: £34.3m), leading to a profit from trading, before asset transactions and exceptional operating expenses of £3.2m (2013: £10.5m). This trading performance, together with a lower gain on disposal of player registrations of £7.1m from £16.5m in 2013 are the main causes of the reduction in Profit before Taxation for the half year to £6.6m from £21.3m last year.

Given the difficult economic climate and the challenging sector, it is pleasing that our business model allows us to report net cash of £5.3m as at 31 December 2014, compared to £5.7m in 2013, especially given the capital investment in projects including the Celtic Way.

Each season, our overwhelming priorities are to win the SPFL Premiership and to qualify for the group stages of the UEFA Champions League. The strategy of the Board is to aim to achieve this objective with prudent investment in the playing squad and by the continued creation of value through development of players, both from our youth academy and those identified by our football development operations.

During the period under review, the registrations of Fraser Forster and Tony Watt were transferred, while the registrations of Craig Gordon and Stefan Scepovic were acquired permanently to build the first team squad, in addition to the loan signings of John Guidetti, Aleksandar Tonev, Mubarak Wakaso, Jason Denayer and Jo Inge Berget.

During the January transfer window (after the period end), the Company successfully attracted three exciting young international players, Stuart Armstrong, Gary Mackay-Steven and Michael Duffy. In addition, Beram Kayal, Jo Inge Berget and Filip Twardzik left us during the window and in thanking them for their service we wish them well for the future.

In addition to the transfer activity, the contracts of first team players Scott Brown, Callum McGregor and Darnell Fisher were all extended during the period, with the contracts of Kris Commons and Eoghan O'Connell being extended after the period end.

As in previous years, the second half is expected to be more challenging in terms of financial performance with fewer home matches scheduled and no certainty on any further gains on the disposal of player registrations.

Our strategy remains to live within our means. The football environment in Scotland continues to be challenging and we must operate within it in a fashion that does not unduly risk the long term future of this great Club.

Our key focus for the remainder of the year will be to build on the progress we have made in the first half of the season and to deliver silverware from competing in the three domestic competitions and remain competitive in the UEFA Europa

League. Furthermore, we will continue to develop our squad for the challenges of qualifying for European competition in the summer.

After another busy spell for the Club, I extend my thanks and appreciation to Ronny Deila and his backroom staff, all of the players, executive management and staff, who, together, are committed to the success of Celtic. Above all, I thank our fans on whose support the Club relies.

Ian P Bankier **6 February 2015**
Chairman

Celtic plc

INDEPENDENT REVIEW REPORT TO CELTIC PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 December 2014 which comprises the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and the related 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 interim report, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on AIM which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the company's annual accounts having regard to the accounting standards applicable to such annual accounts.

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.

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on AIM and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 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 31 December 2014 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

BDO LLP
Chartered Accountants and Registered Auditors
Glasgow
United Kingdom

Date 6 February 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	6 months to 31 December 2014 Unaudited Operations excluding player trading £000	6 months to 31 December 2014 Unaudited Player trading £000	6 months to 31 December 2014 Unaudited Total £000	6months to 31 December 2013 Unaudited Operations excluding player trading £000	6months to 31 December 2013 Unaudited Player trading £000	6months to 31 December 2013 Unaudited Total £000
CONTINUING OPERATIONS:							
REVENUE	2	**31,293**	**-**	**31,293**	**44,798**	**-**	**44,798**
OPERATING EXPENSES		**(28,077)**	**-**	**(28,077)**	**(34,344)**	**-**	**(34,344)**
PROFIT FROM TRADING BEFORE ASSET TRANSACTIONS AND EXCEPTIONAL OPERATING EXPENSES		**3,216**	**-**	**3,216**	**10,454**	**-**	**10,454**
EXCEPTIONAL OPERATING EXPENSES		**-**	**-**	**-**	**-**	**(2,256)**	**(2,256)**
AMORTISATION OF INTANGIBLE ASSETS		**-**	**(3,449)**	**(3,449)**	**-**	**(3,037)**	**(3,037)**
PROFIT ON DISPOSAL OF INTANGIBLE ASSETS		**-**	**7,121**	**7,121**	**-**	**16,489**	**16,489**
PROFIT BEFORE FINANCIAL EXPENSES AND TAXATION		**3,216**	**3,672**	**6,888**	**10,454**	**11,196**	**21,650**
FINANCE INCOME	3			**55**			**36**
FINANCE EXPENSE	3			**(342)**			**(373)**
PROFIT BEFORE TAX				**6,601**			**21,313**
TAXATION	4			**-**			**-**
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS				**6,601**			**21,313**
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT				**6,601**			**21,313**
BASIC EARNINGS PER ORDINARY SHARE	5			**7.12p**			**23.33p**
DILUTED EARNINGS PER SHARE	5			**5.20p**			**15.84p**

Celtic plc

Registered number SC3487

CONSOLIDATED BALANCE SHEET

	Notes	31 December 2014 Unaudited £000	31 December 2013 Unaudited £000	30 June 2014 Audited £000
NON-CURRENT ASSETS				
Property plant and equipment		**55,058**	**52,893**	**55,594**
Intangible assets	6	**8,340**	**8,624**	**7,197**
		63,398	**61,517**	**62,791**
CURRENT ASSETS				
Inventories		**1,137**	**2,384**	**1,696**
Trade and other receivables	7	**15,491**	**20,051**	**17,258**
Cash and cash equivalents		**12,433**	**16,649**	**14,739**
		29,061	**39,084**	**33,693**
TOTAL ASSETS		**92,459**	**100,601**	**96,484**
EQUITY				
Issued share capital	8	**24,291**	**24,322**	**24,357**
Share premium		**14,574**	**14,529**	**14,529**
Other reserve		**21,222**	**21,222**	**21,222**
Capital reserve		**2,780**	**2,672**	**2,695**
Retained earnings		**(2,371)**	**1,171**	**(8,972)**
TOTAL EQUITY		**60,496**	**63,916**	**53,831**
LIABILITIES				
NON-CURRENT LIABILITIES				
Interest bearing loans		**6,775**	**10,032**	**9,844**
Debt element of Convertible Cumulative Preference Shares		**4,266**	**4,343**	**4,284**
Provisions		**977**	**823**	**1,047**
Deferred income		**29**	**89**	**59**
	9	**12,047**	**15,287**	**15,234**
CURRENT LIABILITIES				
Trade and other payables		**12,541**	**12,741**	**16,937**
Current borrowings		**375**	**1,042**	**485**
Provisions		**172**	**264**	**265**
Deferred income		**6,828**	**7,351**	**9,732**
		19,916	**21,398**	**27,419**
TOTAL LIABILITIES		**31,963**	**36,685**	**42,653**
TOTAL EQUITY AND LIABILITIES		**92,459**	**100,601**	**96,484**

Approved by the Board on 6 February 2015.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £000	Share premium £000	Other reserve £000	Capital reserve £000	Retained earnings £000	Total £000
EQUITY SHAREHOLDERS' FUNDS AS AT 1 JULY 2013 (audited)	**24,341**	**14,486**	**21,222**	**2,650**	**(20,142)**	**42,557**
Share capital issued	1	43	-	-	-	**44**
Transfer to capital reserve	(22)	-	-	22	-	**-**
Reduction in debt element of convertible cumulative preference shares	2	-	-	-	-	**2**
Profit and total comprehensive income for the period	-	-	-	-	21,313	**21,313**
EQUITY SHAREHOLDERS' FUNDS AS AT 31 DECEMBER 2013 (Unaudited)	**24,322**	**14,529**	**21,222**	**2,672**	**1,171**	**63,916**
Transfer to capital reserve	(23)	-	-	23	-	**-**
Reduction in debt element of convertible cumulative preference shares	58	-	-	-	-	**58**
Loss and total comprehensive loss for the period	-	-	-	-	(10,143)	**(10,143)**
EQUITY SHAREHOLDERS' FUNDS AS AT 30 JUNE 2014 (Audited)	**24,357**	**14,529**	**21,222**	**2,695**	**(8,972)**	**53,831**
Share capital issued	-	45	-	-	-	**45**
Transfer to capital reserve	(85)	-	-	85	-	**-**
Reduction in debt element of convertible cumulative preference shares	19	-	-	-	-	**19**
Profit and total comprehensive income for the period	-	-	-	-	6,601	**6,601**
EQUITY SHAREHOLDERS' FUNDS AS AT 31 DECEMBER 2014 (Unaudited)	**24,291**	**14,574**	**21,222**	**2,780**	**(2,371)**	**60,496**

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CONSOLIDATED CASH FLOW STATEMENT

	Note	6 months to 31 December 2014 Unaudited £000	6 months to 31 December 2013 Unaudited £000
Cash flows from operating activities			
Profit before tax		**6,601**	**21,313**
Depreciation		**808**	**1,049**
Amortisation		**3,449**	**3,037**
Impairment of intangible assets		**150**	**2,256**
Profit on disposal of intangible assets		**(7,121)**	**(16,489)**
Net finance costs		**287**	**337**
		4,174	**11,503**
Decrease/(increase) in inventories		**560**	**(650)**
Decrease/(increase) in receivables		**493**	**(3,424)**
(Decrease) in payables and deferred income		**(6,583)**	**(1,206)**
Cash (utilised in) / generated from operations		**(1,356)**	**6,223**
Net interest paid		**(23)**	**(65)**
Net cash flow from operating activities – A		**(1,379)**	**6,158**
Cash flows from investing activities			
Purchase of property, plant and equipment		**(2,263)**	**(888)**
Purchase of intangible assets		**(5,671)**	**(7,555)**
Proceeds from sale of intangible assets		**11,246**	**4,704**
Net cash generated/(used) in investing activities – B		**3,312**	**(3,739)**
Cash flows from financing activities			
Repayment of debt		**(3,069)**	**(192)**
Dividends paid		**(481)**	**(483)**
Net cash used in financing activities - C		**(3,550)**	**(675)**
Net (decrease)/increase in cash equivalents A+B+C		**(1,617)**	**1,744**
Cash and cash equivalents (including overdraft) at 1 July		**14,050**	**14,348**
Cash and cash equivalents (including overdraft) at period end	10	**12,433**	**16,092**

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NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

This Interim Report, comprising the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement and accompanying Notes, has been prepared in accordance with the AIM rules of the London Stock Exchange. The measurement and recognition accounting policies applied are consistent with those that will be applied in the 2015 annual accounts which will be prepared in accordance with IFRS.

The interim results do not constitute the statutory accounts within the meaning of s434 of the Companies Act 2006. The financial information in this Report for the six months to 31 December 2014 and to 31 December 2013 has not been audited. The comparative figures for the year ended 30 June 2014 are extracted from the Group's audited financial statements for that period as filed with the Registrar of Companies. They do not constitute the statutory accounts within the meaning of s434 of the Companies Act 2006 for that period. Those accounts received an unqualified audit report which did not contain any statement under sections 498 (2) or (3) of the Companies Act 2006.

The Company has considerable financial resources available to it, together with established contracts with a number of customers and suppliers. As a consequence, the Directors believe that the Company is well placed to continue managing its business risks successfully and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these interim financial results.

The auditor has reviewed this Interim Report and their report is set out on page 4.

2. REVENUE – SEGMENTAL INFORMATION

	6 months to 31 December 2014 Unaudited £000	6 months to 31 December 2013 Unaudited £000
Revenue comprised:		
Football and stadium operations	**16,550**	**16,836**
Multimedia & other commercial activities	**7,973**	**19,586**
Merchandising	**6,770**	**8,376**
	31,293	**44,798**
Number of home games	**18**	**16**

3. FINANCE INCOME AND COSTS

	6 months to 31 December 2014 Unaudited £000	6 months to 31 December 2013 Unaudited £000
Finance income:		
Interest receivable on bank deposits	**55**	**36**
Finance costs:		
Interest payable on bank and other loans	**(78)**	**(101)**
Dividend on Convertible Cumulative Preference Shares	**(264)**	**(272)**
	(342)	**(373)**

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NOTES TO THE FINANCIAL STATEMENTS

4. TAXATION

After taking account of unutilised tax losses brought forward, together with the projected performance for the next six months, no provision for taxation is required.

5. EARNINGS PER SHARE

Basic earnings per share has been calculated by dividing the profit for the period of £6.60m (2013: £21.31m) by the weighted average number of Ordinary Shares in issue 92,723,831 (2013: 91,337,562). Diluted earnings per share as at 31 December 2014 has been calculated by dividing the earnings for the period by the weighted average number of Ordinary Shares, Preference Shares and Convertible Preferred Ordinary Shares in issue, assuming conversion at the balance sheet date, and the full exercise of outstanding share purchase options, if dilutive, in accordance with IAS33 'Earnings Per Share'.

6. INTANGIBLE ASSETS

	6 months to 31 December 2014 Unaudited	6 months to 31 December 2013 Unaudited	12 months to 30 June 2014 Audited
Cost	**£000**	**£000**	**£000**
At 1 July	**27,475**	**28,473**	**28,473**
Additions	**5,702**	**5,026**	**8,070**
Disposals	**(2,159)**	**(4,024)**	**(9,068)**
At period end	**31,018**	**29,475**	**27,475**
Amortisation			
At 1 July	**20,278**	**18,675**	**18,675**
Charge for the period	**3,449**	**3,037**	**5,300**
Provision for impairment	**150**	**2,256**	**4,089**
Disposals	**(1,199)**	**(3,117)**	**(7,786)**
At period end	**22,678**	**20,851**	**20,278**
Net Book Value at period end	**8,340**	**8,624**	**7,197**

7. TRADE AND OTHER RECEIVABLES

The decrease of £4.56m in the level of receivables from 31 December 2013 to £15.49m is primarily a result of a reduction in amounts due from player sales in addition to a fall in accrued income arising from participation in the UEFA Europa League in 2014/15 compared with UEFA Champions League participation in 2013/14.

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NOTES TO THE FINANCIAL STATEMENTS

8. SHARE CAPITAL

	Authorised			Allotted, called up and fully paid					
	31 December		30 June	31 December				30 June	
	2014	2013	2014	2014	2014	2013	2013	2014	2014
	No 000	No 000	No 000	No 000	£000	No 000	£000	No 000	£000
Equity									
Ordinary Shares of 1p each	**221,914**	**221,126**	**221,393**	**92,818**	**928**	**91,487**	**915**	**91,754**	**918**
Deferred Shares of 1p each	**611,787**	**550,769**	**563,589**	**611,787**	**6,118**	**550,769**	**5,508**	**563,589**	**5,636**
Non-equity									
Convertible Preferred Ordinary Shares of £1 each	**15,171**	**15,738**	**15,620**	**13,184**	**13,184**	**13,751**	**13,751**	**13,633**	**13,633**
Convertible Cumulative Preference Shares of 60p each	**18,645**	**18,738**	**18,716**	**16,145**	**9,686**	**16,238**	**9,742**	**16,216**	**9,729**
Less reallocated to debt under IAS 32:									
Initial debt	**-**	**-**	**-**	**-**	**(2,845)**	**-**	**(2,922)**	**-**	**(2,864)**
Capital reserve	**-**	**-**	**-**	**-**	**(2,780)**	**-**	**(2,672)**	**-**	**(2,695)**
	867,517	**806,371**	**819,318**	**733,934**	**24,291**	**672,245**	**24,322**	**685,192**	**24,357**

9. NON – CURRENT LIABILITIES

Non-current liabilities reflect the non-current element of bank loans of £6.8m (December 2013: £10.0m, June 2014: £9.8m) drawn down at the end of the period as part of the Company's bank facility of £20.4m (December 2013: £32.8m, June 2014: £32.4m) and £4.3m (December 2013: £4.3m, June 2014: £4.3m) as a result of the reallocation of non-equity share capital from equity to debt following the introduction of IAS 32, £0.03m (December 2013: £0.1m, June 2014: £0.1m) of deferred income and provisions of £1.0m (December 2013: £0.8m, June 2014: £1.0m).

10. ANALYSIS OF NET CASH AT BANK

The reconciliation of the movement in cash and cash equivalents per the cash flow statement to net cash is as follows:

	31 December 2014 £000	31 December 2013 £000	30 June 2014 £000
Bank Loans due after more than one year	**(6,775)**	**(10,031)**	**(9,844)**
Bank Loans due within one year	**(375)**	**(375)**	**(375)**
Cash and cash equivalents:			
Overdrafts due within one year	**-**	**(557)**	**(689)**
Cash at bank	**12,433**	**16,649**	**14,739**
Net cash at bank at period end	**5,283**	**5,686**	**3,831**

Total net cash, including other loans of £0.1m (2013: £0.1m) and that arising from the reclassification of equity to debt following the adoption of IAS32 of £4.3m (2013: £4.3m) amounted to £0.9m (2013: £1.2m).

11. POST BALANCE SHEET EVENTS

Since the balance sheet date, we acquired the permanent registrations of Stuart Armstrong, Gary Mackay-Steven and Michael Duffy. The permanent registrations of Beram Kayal and Filip Twardzik were transferred to Brighton & Hove Albion and Bolton Wanderers respectively.