Report and Financial Statements

31 December

2007

Contents

Registered No: 5098197

Directors, Secretary and Advisers

Directors:	Pierce Casey, *Chairman* Tim Schwenke, *Chief Executive Officer* Sven Schreiber, *Chief Financial Officer* Patrick Bosch, *Chief Technology Officer* Daniel Wild, *Business Development Director* Maximilian Ardelt, *Non-Executive Director* Brian Stephens, *Non-Executive Director*
Company Secretary:	Dick Lynch
Registered Office:	Fourth Floor, 74 Chancery Lane, London WC2A 1AD, United Kingdom.
Auditors:	Ernst & Young LLP, 1 More London Place, London SE1 2AF, United Kingdom.
Nominated Adviser, IEX Adviser and Broker:	Davy, Davy House, 49 Dawson Street, Dublin 2, Ireland.
Solicitors to the Company:	Matheson Ormbsy Prentice, Third Floor, Pinnacle House, 23-26 St Dunstan's Hill, London EC3R 8HN, United Kingdom.
Registrars:	Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom.
Principal Bankers:	Allied Irish Bank (GB), City Office, 9/10 Angel Court, London EC2R 7AB, United Kingdom.

Chairman's Statement

I am pleased to report much improved trading results for getmobile europe plc ("getmobile" or the "Company") for the year to 31 December 2007 with sales, profit before taxation and earnings per share all significantly ahead of 2006.

A detailed review of trading and the financial outcome for 2007 along with a description of the Group's (the Company, its subsidiary and associated companies) activities and background is included in the Executive Directors Operating and Financial Review.

Results for the year

With effect from 1 January 2007, in accordance with AIM and IEX listing rules, the Group is preparing financial statements under International Financial Reporting Standards ("IFRS"). The first time adoption notes, accounting policies and statements are included at Note 25 to the Group Financial Statement.

Sales increased to €100.8 million, up from €63.6 million last year, an increase of 58.5%. Profit before taxation increased to €2.7 million, compared to €1.6 million last year (before goodwill write-off of €55.6 million) an increase of 68.8%.

Basic earnings per share (and adjusted earnings per share) were 2.36 cents in 2007 as compared to 57.73 cents loss per share and adjusted earnings of 1.16 cents per share in 2006. This is a 103% increase in adjusted earnings per share. The 57.73 cents loss per share in basic earnings per share in 2006 reflected the €55.6 million goodwill write off referred to above.

The number of mobile phone contracts sold increased to 138,700 from 105,000 in 2006. Our internet business sales grew by over 100% and we are now the largest independent online seller of mobile phone contracts in Germany.

Financial position and cash flow

As at 31 December 2007 net assets amounted to €21.5 million (2006: €19.2 million) with net cash on hand of €5.72 million. (2006: €6.82 million). The reduction in cash reflected, inter alia, payment for the completion of the acquisition of KK Media, our initial investment in Premingo GmbH ("Premingo") and higher year end working capital reflecting strong December sales.

Cancellation of share premium account

Following the vote of shareholders at last years AGM approving the proposal to cancel the Company's share premium account the High Court made an order confirming the cancellation for the Company's Share Premium Account and as a result €71.33 million has been credited to distributable reserves at 31 December 2007 which now stand at €20.1 million.

Business development and strategy

The acquisition of KK Media GmbH in November 2006 has been satisfactorily integrated and continues to meet our expectations at the time of acquisition.

In early December we announced that the Company had taken a 65% stake in Premingo, a start up open internet platform which will give consumers access to a wide variety of household contracts such as insurance, electricity contracts, internet broadband, mobile phone contracts, bank accounts, credit cards, Pay TV and others in conjunction with a wide variety of bundled consumer goods at zero cost, similar in concept to our existing core product offering.

Chairman's Statement

Our minority partners, a specialist software development company, have worked with our subsidiary, KK Media for some years and have demonstrated a high level of competence, accordingly we are pleased to share the risk / reward in this start up

We continue to seek low cost acquisition and development opportunities, concentrating on our core competence in online and direct sales and product bundling. The Group's strategy is discussed further in the Executive Directors' Operating and Financial Review.

Trading and liquidity of getmobile shares

When the Company's shares were re-admitted to AIM (London) and admitted to IEX (Dublin) following the 2005 acquisition of getmobile AG, the share register was heavily weighted towards UK and Irish institutional shareholders with limited participation from the German market where the Group's activities were based.

The Company's shares are also traded on the open market in Germany on an over the counter basis. More than 53% of the Company's shares are now held in Germany and continental Europe and the degree of interest in the shares in Germany was reflected in the appointment in December of Concord Investment Bank AG as the Company's broker in Germany.

This interest in the shares in Germany is, we believe, due in large measure to the strong brand awareness of getmobile.de, our principal internet mobile phone contract site with over 3 million unique visitors in March 2008 alone.

Accordingly, the Directors are of the view that overall shareholder value is likely to be enhanced by proactive marketing and increased trading of the shares in Germany. As our AIM and IEX admission document is not deemed to be a prospectus and therefore can not be passported into Germany, financial regulations restrict the marketing of the shares in Germany. The Board and its advisers are examining ways of addressing this issue.

Reverse share split

In Germany a share with a trading value of less than 1 Euro is widely perceived as a "penny share" and some potential investors are prohibited from investing in such shares.

In order to take account of this perception the directors are proposing a special resolution at the AGM to be held on 9 May 2008 that a reverse share split of 10 to 1 take place so holders will receive one new share for every 10 shares currently held. If passed it is anticipated that new share certificates will be posted to holders of certificated shares by the end of May.

Proposed dividend

The Board recommends the payment of a final dividend for the year ended 31 December 2007 of 10 cents per each new 10 pence ordinary share payable on 25 July 2008 to shareholders on the register on 4 July 2008. In the event that the special resolution approving the reverse share split was not passed the recommended dividend will be 1 cent per 1 pence Ordinary Share.

Subject to continued satisfactory trading the Board anticipates maintaining a progressive annual dividend policy.

Chairman's Statement

Current trading and outlook

Trading in the year to date has been satisfactory and in line with expectations. We are budgeting for an increase in profits in 2008.

Pierce Casey
Chairman
7 April 2008

Executive Directors’ Operating and Financial Review

Introduction

The Group’s operating business is carried on via getmobile AG and its subsidiaries and associated companies and Premingo GmbH.

getmobile AG, which is head quartered in Munich, was established in 1999 and acquired by getmobile in August 2005 by way of a reverse IPO. getmobile AG is a wholly owned subsidiary.

Revenues are generated from the direct marketing sales of post paid mobile phone contracts on behalf of German mobile telephone network operators and service providers (“the Mobile Telcos”). Sales are primarily made via internet and home television shopping. The Group also sells mobile phone handsets to other German distributors.

Premingo GmbH (Premingo), a 65% subsidiary was incorporated in November 2007 to expand the range of contracts offered to customers. Its main minority shareholder is the IT Company which is developing its software platform.

The getmobile AG business model

The majority of post paid mobile phone contracts in Germany are for a period of 24 months. Contracts sold by the Group are generally bundled with a mobile phone handset and/or other consumer goods and are typically sold at nil upfront cost to the end consumer with the Group’s revenue coming from the commissions paid by the Mobile Telcos. Other revenue streams are airtime fees from Mobile Telcos, marketing co-ops from hardware manufacturers and Mobile Telcos as well as wholesale sales of mobile phones and other consumer electronics.

A key strength of the operation is the Group’s ability to identify and source in a cost effective manner mobile phone handsets and attractive consumer goods for bundling with the mobile phone contracts. For example in 2007 the Group was the largest direct consumer sales channel for scooters in Germany, a highly ranked channel for sale of Sony Entertainment’s PS3 in Germany and is regarded by notebook manufacturers as a high volume sales channel in Germany.

As the Group sells the end consumer the handset, it has a direct relationship with its customer which is separate from the customer’s relationship with the Mobile Telco that provides the service contract. This relationship is leveraged by cross selling, e.g. mobile phone and other insurances.

getmobile AG is the market leading home television brand selling mobile phone contracts in Germany and is steadily growing its position in the internet space. As anticipated in last years annual report our internet brands getmobile.de and preiswerthandy.de (operated by KK Media) have made major competitive strides in 2007. Our analysis is that getmobile.de is the No.1 independent e-commerce store for mobile phone contracts in Germany and preiswerthandy.de is among the top 3 sites. This positions the Group as being twice as large as the next independent e-commerce competitor for mobile phone contracts in Germany. We are confident of further strengthening this position in the future.

Given our direct sales model the Group does not carry the fixed costs associated with the operation of a physical chain of stores. From the perspective of a Mobile Telco the group represents a sales channel equivalent to a chain of approximately 250 stores.

Warehousing is located in Trier, a low cost location in western Germany, and operated by getlogics GmbH (“getlogics”), a 39% associate of getmobile AG.

The booking and optimisation of direct response TV advertising is carried out via getonTV GmbH (“getonTV”), a wholly owned subsidiary. Both getlogics and getonTV also provide services to third parties on an arms length basis.

Executive Directors' Operating and Financial Review

The operation of a sophisticated in-house fulfilment software platform and outsourcing of all physical delivery and the majority of call centre activity to third parties underpins getmobile's policy of operating on a variable cost basis. Where possible, payments to media providers are also negotiated on cost per item sold basis.

In addition to its own branded sales, getmobile AG provides a white label based service to international sales and marketing organisations.

Where profitable opportunities arise getmobile AG purchases and sells mobile phone handsets to other reputable distributors and wholesalers operating in the German market. This activity enhances the Group's purchasing power with its handset suppliers enabling it to secure availability of handsets for inclusion in its consumer bundles.

The Premingo business model

getmobile AG and KK Media's business model provides the Group with extensive experience of e-commerce in the German market and detailed know how and expertise in the area of contract sales with bundled products. Premingo has been established to expand the Group's activities into a much wider range of consumer contracts.

Premingo, which will operate as an open market place, will give consumers access to a wide variety of household contracts such as insurance, electricity contracts, internet broadband, mobile phone contracts, bank accounts, credit cards, Pay TV and others in conjunction with a wide variety of bundled consumer goods at zero cost.

The specially developed software platform will enable consumers to create their own personal offer for a wide variety of contracts and consumer goods. These individually created bundles will offer extremely good value for money since the consumer goods are free of charge for the consumer.

Premingo is currently operating a Beta version of the site and commercial activity is scheduled to commence in Q2 of 2008. As a start up operation Premingo is budgeted to be loss making for a period.

Review of 2007 trading and financial outcome

Background to Trading

The Group operates in the post paid contract segment of the German mobile phone market which is estimated at 42 million subscribers. With current churn levels of circa 22%, there is a market for approximately 9 million new contracts every year. The post paid market has continued to be adversely affected by price cutting of the cost per minute in the prepaid market by mobile virtual network operators (MVNOs) competing vigorously for market share in that market.

This adverse trend has been offset from the Group's point of view by substantial growth in e-commerce for mobile phone contracts and increased numbers of consumers seeking the Group's offering of free bundled consumer goods when purchasing a post paid contract.

Contract sales grew by 32% from 105,000 in 2006 to 138,700 in 2007. Over 90% of these contract sales were made via the Group's own branded sales channels, reflecting the massive reduction in our reliance on white label channels which had accounted for over 70% of sales at the time of the acquisition of getmobile AG in 2005.

Executive Directors' Operating and Financial Review

Results and Taxation

Turnover of €100.8 million, all of which arose in Germany, grew by 58.5% on an annualised basis in getmobile AG. The increased turnover was a result of the KK Media acquisition at the end of 2006, increased contract sales and substantially increased third party distribution of handsets.

The breakdown of revenues was as follows:

	2007	*2006*
	€ m	*€ m*
Sales of mobile phone contracts and ancillary income	58.7	41.2
Sales of hand sets to third party distributors	42.1	22.4
	100.8	63.6

The directors consider the sale of hand sets to third party distributors to be an integral part of the business.

Group EBITDA grew by 68.5% from €1.62 million in 2006 to €2.73 million in 2007. The tax charge of €0.47 million includes a deferred tax charge of €0.14 million and a UK tax credit of €0.07 million. The actual cash tax charge in Germany amounted to €0.33 million reflecting the availability of tax losses forward.

Cash on hand at 31 December 2007 was €5.7milion a reduction of €1.1 million on the previous year. The reduction in cash reflects the completion of the KK Media Acquisition in 2007, the initial investment in Premingo and higher working capital arising from strong sales in December 2007. In the first week of January 2008 cash inflows were very strong.

Acquisition of KK Media

The acquisition on 30 November 2006 of KK Media GmbH which operates preiswerthandy.de has met our expectations in 2007 regarding revenue, EBIT, contract sales and synergies.

Strategy 2008

It is currently estimated that the overall level of sales of post paid contracts in Germany are circa 9 million units per annum. At 138,700 units our market share of the post paid contract market is approximately 1.5% providing substantial room for organic growth.

The Group continues to receive attractive commissions from network operators and service providers. Terms with hardware manufacturers are also favourable. This enables the Group to bundle very attractive offers, e.g. two phones with two contracts and a Macbook at nil upfront cost to the consumer. The competition appears to have difficulty matching these offers.

Taking account of this, the Group plans to distribute its offers via any available channel which does not incur a material fixed cost, this includes continued emphasis on our own branded television and a particular focus on the internet. During 2007 our internet sales grew by more than 100%. Our focus in the internet area in 2008 will be primarily on search engine optimisation, affiliate programs, search engine marketing, eBay powerselling and newsletter marketing.

A 2007 pilot for the distribution of our bundled offers to retail stores indicated that store operators need an online distribution system for this business to be attractive to them. We plan to develop an additional distribution module for our software in 2008 to address the market. This will enable us to access customers who have seen our offers on TV but do not wish to purchase on line or via direct marketing.

Executive Directors' Operating and Financial Review

The opportunity for the profitable sales of handsets to other distributors can be significantly affected by manufacturer's pricing policy in the German market and international exchange rates and may thus fluctuate in 2008.

We will continue to develop a multi channel strategy to leverage our purchasing capabilities across all channels employed on the basis of our continuously improving IT platform. Our goal is to reach a materially increased market share in the mobile phone contract market and gain a foothold in other contract markets via Premingo.

In addition to this core strategy we will look at selectively investing in new promising business areas which are closely related to getmobile's core strengths as shown by the incorporation of Premingo in 2007.

In summary, our strategy is to leverage our excellent purchasing capabilities via any sales channel that does not incur significant fixed cost to getmobile and to carefully launch new projects closely related to our core strengths.

Tim Schwenke, Sven Schreiber and Patrick Bosch
Chief Executive Officer, Chief Financial Officer and Chief Technology Officer

7 April 2007

Directors

Pierce Casey, *age 52* – Chairman

Pierce Casey, a chartered accountant, is an entrepreneur and private equity specialist who chairs his own family investment office and is Chairman / Director of several public and private companies. He has been the founder of several successful business in Europe and the UK since 1989. He was previously chairman and a founder shareholder of Imprint plc, a recruitment company and computer distributor Fayrewood plc both of which are quoted on AIM and was chairman of the supervisory board of ComputerLinks AG which is quoted on the main market in Frankfurt. He is a past director of both Apax Partners and Alchemy Venture Partners Ltd.

Tim Schwenke, *age 37* - Chief Executive Officer

Tim Schwenke was a founding director of getmobile AG. Prior to joining getmobile AG, he worked as a management consultant at the Mitchell Madison Group, a McKinsey spin-off, in their e-commerce practice. He holds a Masters Degree in Business Administration from the University of Hamburg, Germany.

Sven Schreiber, *age 37* - Chief Financial Officer

Prior to joining getmobile in 1999, Sven Schreiber was a management consultant for the Boston Consulting Group in Germany and Austria, where he focused on the e-commerce and financial services sectors. He holds a Masters Degree in Management and Technology from the University of Karlsruhe, Germany.

Patrick Bosch, *age 36* - Chief Technology Officer

Patrick Bosch is the main architect of getmobile AG's sophisticated technology platform. He is also responsible for getmobile's operational logistics and fulfilment functions. Patrick Bosch joined getmobile AG from the German IT service provider T-Systems, a Deutsche Telekom Group subsidiary, where he was involved in projects in Germany and the US. He holds a Masters Degree in Computer Science from the University of Bonn, Germany.

Daniel Wild, *age 36* - Business Development Director

Daniel Wild is a founding director of getmobile AG. He previously worked as a management consultant at the Mitchell Madison Group where he worked in the services and private banking sectors. He holds a Masters Degree in Business Administration from the University of Trier, Germany and a MBA from East Carolina University, USA.

Brian Stephens, *age 52* – Non-Executive Director

Brian Stephens, a chartered accountant, has wide-ranging experience in private equity and mergers and acquisitions. He was previously a director of Alchemy Venture Partners Limited and NCB Corporate Finance and spent six years with Allied Irish Banks' private equity arm in Dublin and London.

Maximilian Ardelt, *age 67* - Non-Executive Director

Maximilian Ardelt is one of the founding figures of the German mobile phone industry. As a member of the board at Preussag (today TUI) and from 1994 onwards Viag AG (today EON) he was a driver for the foundation of a number successful companies i.e. Talkline and Viag Interkom (today O2 Germany) in Germany as well as licensed MNOs in Austria (One), Switzerland (Orange) and Lichtenstein. Since the successful sales of these companies he has been a non executive member of various boards with emphasis on ITC and science including Tech Data in the US and Funkwerk in Germany.

The directors present their report together with the audited financial statements for the year ended 31 December 2007.

The Company is public limited company incorporated in England and Wales under the number 5098197.

Directors' Report

Results and dividends

The results of the Group for the year are set out on page 18 and show a profit of €2.21 million (2006: loss of €54.54 million). The Group loss for the year end to 31 December 2006 included the impact of a €55.63 million goodwill impairment charge. There is no impairment charge in the results to 31 December 2007.

With effect from 1 January 2007, in accordance with AIM listing rules, the group is preparing financial statements under International Financial Reporting Standards ("IFRS"). The first time adoption notes, accounting policies and statements are included at Note 25 to the Group Financial Statements.

The Board recommends the payment of a final dividend for the year ended 31 December 2007 of 1 cent payable on 25 July 2008 to shareholders on the register on 4 July 2008.

Principal activities, review of business and future developments

The Group's principal activity is the sale in Germany of mobile phone services and devices via electronic and direct sales channels. Sales channels include the internet, home television shopping and printed media.

An analysis of the key performance indicators for the Group for the period shows turnover of €100.77 million, a gross profit of €9.07 million (9%) and EBITDA of €2.73 million. Further information is contained in the Chairman's Statement and Executive Directors Operating and Financial Review.

Section 234 ZZB of the Companies Act requires directors to provide a description of the principal risks and uncertainties facing a company.

The principal risks and opportunities for the Group arise from the fact that it is a medium sized group operating in a large, dynamic and competitive market place.

In particular the maintenance of its relationships with network operators, service providers and handset suppliers and the commission and margin available from them are important to the Group. The Group's profitability and growth rate would be affected by general market developments including the rate of growth of the German mobile phone market, the churn rate and general demand level from customers. The business is also dependent on maintaining relationships and terms with existing partners and / or consummating new relationships. It was the failure to consummate new relationships that led to the impairment of goodwill in 2006 as the Group did not achieve the level of trading that was expected by the directors and shareholders.

The directors believe that there has been no material change to the risk factors outlined in the admission document issued on the acquisition of getmobile AG.

The Group has enjoyed a satisfactory start into the year to 31 December 2008 with trading in line with board expectations and the board anticipates growth in contract numbers and profitability in 2008.

Charitable and political contribution

There were no political or charitable donations paid during the year.

Directors' Report

Corporate governance

The directors recognise the value of the Principles of Good Governance and Code of Best Practice (the "Combined Code") and, although as an AIM and IEX quoted company it is not required to comply with the Combined Code, getmobile europe plc is taking appropriate measures to ensure that the Group adopts principles of good governance. While the Group does not operate in total compliance with the principles laid down in the Combined Code the board believes that the governance policies are appropriate for a group of its size.

Substantial shareholdings

As of 2 April 2008 the following had notified the Company that they held a notifiable interest:

	No.	*%*
Tiburon Unternehmensaufbau GmbH ("Tiburon")	13,299,364	14.08%
Pierce Casey	8,964,771	9.49%
Dexia Asset Management SA	6,171,579	6.53%
Mountain Partners AG	5,376,596	5.69%
Bulvos Vergmögensverwaltung GbR	5,245,000	5.55%
ZA Capital LLP	4,300,000	4.55%
Kappa Alpha Limited	3,500,000	3.70%
AIM Realisation Fund Limited	3,250,000	3.44%
Thore Sauerland	3,250,000	3.44%

Policy on the payment of creditors

The Group's payment terms and conditions with individual suppliers vary according to the commercial relationship and the terms of the agreements reached. It is the policy of the Group that whenever possible payments to suppliers are made in accordance with the terms agreed. The average number of days' purchases included within trade creditors at the year end was 24.

Employment policy

The Group continues to give full and fair consideration to applications for employment made by disabled persons, having regard to their respective aptitudes and abilities. The Group has a policy of employee involvement by making information available to employees on matters of concern to them.

Directors' Report

Directors

The directors of getmobile europe plc during the period and their beneficial interests in the ordinary share capital of the parent company at 31 December 2007 and at the date of approval of these accounts were as follows:

	As at Date of approval	*As at 31 December 2007*	*As at 31 December 2006*
Tiburon*	13,299,364	11,483,364	11,013,364
Pierce Casey	8,964,771	8,214,771	7,974,771
Sven Schreiber**	2,560,754	2,430,754	2,390,754
Patrick Bosch***	1,608,256	1,529,256	1,489,256
Maximilian Ardelt****	786,792	486,792	446,792
Brian Stephens	334,415	334,415	314,415

**Tiburon is jointly owned by Tim Schwenke and his spouse (together 46%) and Daniel Wild and his spouse (together 46%).*

***1,847,363 shares (2006: 1,807,363) are held directly by Sven Schreiber, 583,391 shares (2006: 583,391) are held by Schreiber Verm GbR, a company owned 26% by Sven Schreiber and 74% by other members of his family. Sven Schreiber's Spouse held 130,000 shares at the date of approval of the accounts (2006: nil).*

****472,347 shares are directly held by Patrick Bosch or his spouse (2006: 353,347) and the balance of 1,135,909 (2006: 1,135,909) is held via Bosch Verm.GbR, a company owned 40% by Patrick Bosch and his spouse in aggregate and 60% by other members of Patrick Bosch's family.*

*****715,792 shares are directly held by Maximilian Ardelt (2006: 375,792) and the balance is held by Condigit Consult GmbH, a company 100% owned by him.*

The Company provides directors and officers' indemnity insurance for all directors.

Options awarded under Executive Share Option scheme

	Number of Options 31 December 2007	*Number of Options 31 December 2006*
Patrick Bosch	500,000	500,000
Sven Schreiber	500,000	500,000
Tim Schwenke	500,000	500,000
Daniel Wild	500,000	500,000

On 21 December 2006 options over 2 million ordinary shares at an exercise price of 18 cents with a 3 year vesting period were issued to the directors listed above. The options expire on 21 December 2016.

The options are subject to a performance condition that the Company's share price on either the AIM or IEX market be at least 50 cents for 20 out of the 70 dealing days immediately prior to vesting.

There were no options issued to directors during the year ended 31 December 2007.

Directors' Report

The mid-market price of the ordinary shares of getmobile europe plc as at 31 December 2007 was 12.75 pence on AIM (14 cents on IEX). The lowest and highest prices during the period were 9.25 pence on AIM (12.6 cents on IEX) and 13.75 pence on AIM (20.5 cents on IEX).

All changes in directors' interests since 31 December 2007 are noted in the details of their holdings as at date of approval of these accounts as shown on page 12 above. There have been no share options issued since 31 December 2007.

Additional information for shareholders

The following provides the additional information required for shareholders as a result of the implementation of the Takeovers Directive into UK Law.

At 31 December 2007, the Company's issued share capital consisted of 94,472,403 Ordinary Shares with a nominal value of 1 pence (Sterling) each with each share having equal voting rights. The Company does not hold any Ordinary Shares in treasury and therefore the total number of Ordinary Shares with voting rights is 94,472,403.

On a show of hands at a general meeting of the company every holder of ordinary shares present in person and entitled to vote shall have one vote and on a poll, every member present in person or by proxy and entitled to vote shall have one vote for every ordinary share held.

There are no restrictions on the transfer of Ordinary Shares in the Company other than:

- certain restrictions may from time to time be imposed by laws and regulations (for example, insider trading laws and market requirements relating to close periods) and;

- pursuant to the Listing Rules of the Financial Services Authority whereby certain employees of the Company require the approval of the Company to deal in the company's securities.

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and for voting rights

The Company's articles of association may only be amended by a special resolution at a general meeting of the shareholders. Directors are reappointed by ordinary resolution at a general meeting of the shareholders. The Board can appoint a director but anyone so appointed must be elected by an ordinary resolution at the next general meeting. Any director who has held office for more than three years since their last appointment must offer themselves up for re-election at the annual general meeting.

Directors' statement as to disclosure of information to auditors

Each of the directors confirms that:

(1) so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(2) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Going concern

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Directors' Report

Financial Instruments

The directors set out their policies regarding financial instruments in Note 23 of the Group Financial Statements.

Auditors

A resolution to re-appoint Ernst & Young LLP as auditors will be put to members at the Annual General Meeting.

On behalf of the board.

Tim Schwenke and Sven Schreiber
Chief Executive Officer and Chief Financial Officer

7 April 2008

getmobile europe plc

Group Financial Statements

31 December 2007

Statement of Directors' Responsibilities in Relation to the Group Financial Statements

The directors are responsible for preparing the Annual Report and the Group Financial Statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards as adopted by the European Union.

The directors are required to prepare Group Financial Statements for each financial year which present fairly the financial position of the Group and the financial performance and cash flows of the Group for that period. In preparing those Group financial statements the directors are required to:

- select suitable accounting policies in accordance with IAS 8: *Accounting Policies, Changes in Accounting Estimates and Errors* and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance; and
- state that the Group has complied with IFRSs, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the Group Financial Statements comply with the Companies Act 1985 and Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report

to the members of getmobile europe plc

We have audited the Group Financial Statements of getmobile europe plc for the year ended 31 December 2007 which comprise the Group Income Statement, the Group Balance Sheet, the Group Cash Flow Statement, the Group Statement of Change in Equity and the related notes 1 to 25. These Group Financial Statements have been prepared under the accounting policies set out therein.

We have reported separately on the parent company financial statements of getmobile europe plc for the year ended 31 December 2007.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the Group Financial Statements in accordance with applicable United Kingdom law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the Group Financial Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Group Financial Statements give a true and fair view and whether the Group Financial Statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the Group Financial Statements.

In addition we report to you if, in our opinion, we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited Group Financial Statements. The other information comprises only the Directors' Report, the Chairman's Statement and the Operating and Financial Review. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the group financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Group Financial Statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the Group Financial Statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Group Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the group financial statements.

Independent Auditors' Report

to the members of getmobile europe plc
(continued)

Opinion

In our opinion:

- the Group Financial Statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Group's affairs as at 31 December 2007 and of its profit for the year then ended;

- the Group Financial Statements have been properly prepared in accordance with the Companies Act 1985; and

- the information given in the directors' report is consistent with the Group Financial Statements.

Ernst & Young LLP
Registered auditor
London
7 April 2008

Group Income Statement

for the year ended 31 December 2007

	Notes	2007 €000's	2006 €000's
Revenue	3	100,766	63,602
Cost of sales		(91,692)	(57,716)
Gross profit		9,074	5,886
Administrative expenses - other		(6,344)	(4,271)
Earnings before interest, tax, depreciation and amortisation		2,730	1,615
Administrative expenses depreciation and amortisation		(238)	(89)
Administrative expenses - impairment of goodwill		-	(55,629)
Total administrative expenses		(6,582)	(59,989)
Share of post tax profit of associates	*16*	53	12
Group operating profit / (loss) from continuing operations	*5*	2,545	(54,091)
Finance revenue	*10*	144	212
Finance costs	*11*	(8)	(11)
Profit / (loss) from continuing operations before taxation		2,681	(53,890)
Tax expense	*12*	(468)	(645)
Profit / (loss) for the year from continuing operations		2,213	(54,535)
Profit/(loss) for the year attributable to:			
Equity holders of the parent		2,229	(54,535)
Minority interest		(16)	-
		2,213	(54,535)
		Euro Cents	*Euro Cents*
Earnings/(loss) per share:			
Basic	*13*	2.36	(57.73)
Diluted	*13*	2.36	(57.73)
Adjusted earnings per share:			
Basic	*13*	2.36	1.16
Diluted	*13*	2.36	1.16

All operations above are continuing.

Notes 1 to 25 form part of these Group Financial Statements.

Group Statement of Changes in Equity

for the year ended 31 December 2007

	Share capital €000's	*Share premium €000's*	*Shares to be issued €000's*	*Warrant reserve €000's*	*Distributable reserves €000's*	*Shareholder equity €000's*	*Minority interest €000's*	*Total equity €000's*
At 31 December 2005	1,360	71,155	179	16	1,018	73,728	–	73,728
Loss for the year	–	–	–	–	(54,535)	(54,535)	–	(54,535)
Other movements:								
Issue of shares	4	175	(179)	–	–	–	–	–
Release of warrant reserve	–	–	–	(16)	16	–	–	–
Share based payments				–	2	2		2
At 31 December 2006	1,364	71,330	–	–	(53,499)	19,195	-	19,195
Profit / (loss) for the year	–	–	–	–	2,229	2,229	(16)	2,213
Other movements:								
Transfer	–	(71,330)	–	–	71,330	–	–	–
Group equity attributable to minority interest							34	34
Share based payments	–	–	–	–	66	66	–	66
At 31 December 2007	1,364	–	–	–	20,126	21,490	18	21,508

Share capital

The balance classified as share capital is the nominal value of 1 pence Sterling per share for all of the shares in issue at the year end (2007 & 2006: 94,472,403) converted to Euro at the exchange rate on date of issue.

Share premium account

This was the premium paid on the issue of shares. During the year a court order was obtained cancelling the Share Premium Account enabling its balance of €71.33 million to be transferred to distributable reserves.

Shares to be issued reserve

As at 31 December 2005 there was an obligation to issue 207,738 ordinary shares at 86 cents in settlement of the final consideration due to the vendors of getmobile AG. These shares were issued in the year ended 31 December 2006 and the reserve was cancelled.

Warrant reserve

Under a warrant instrument dated 25 June 2004, a warrant was granted to Davy in respect of 175,000 ordinary shares exercisable at 40 pence Sterling per share at any time up to 2 July 2006. The warrant expired unexercised and accordingly the credit standing to the warrant reserve has been transferred to distributable reserves.

Distributable reserves

Distributable reserves consist of the balance of retained losses to date offset by the transfer of €71.33 million on the cancellation of the share premium account and share based payments.

Minority interest

The balance is the total of minorities share of equity.

Group Balance Sheet

at 31 December 2007

	Notes	2007 €000's	2006 €000's
Non current assets			
Intangible assets	*14*	11,662	11,515
Property, plant and equipment	*15*	209	157
Investment in associates	*16*	137	34
Deferred tax assets	*12*	352	494
		12,360	12,200
Current assets			
Inventories	*17*	1,709	1,995
Trade and other receivables	*18*	12,978	5,947
Overseas tax paid in advance		256	0
Cash and short term deposits	*19*	5,724	6,816
		20,667	14,758
Total assets		33,027	26,958
Current liabilities			
Trade and other payables	*20*	11,217	7,491
Corporation and overseas taxes		302	272
		11,519	7,763
Net Assets		21,508	19,195
Equity attributable to equity holders of the parent			
Called up share capital	*21*	1,364	1,364
Share premium account		–	71,330
Distributable reserves		20,126	(53,499)
Group shareholders' equity		21,490	19,195
Minority interest		18	–
Total equity		21,508	19,195

The financial statements were approved and authorised for issue by the board on 7 April 2008.

Tim Schwenke
Director

Sven Schreiber
Director

Group Cash Flow Statement

at 31 December 2007

	Notes	*2007* *€000's*	*2006* *€000's*
Operating activities			
Profit for the year		2,213	(54,535)
Adjustments to reconcile profit for the year to net cash inflow from operating activities			
Tax on continuing operations		468	645
Net finance costs		(142)	(187)
Silent partner cost/(revenue)		6	(14)
Share of post tax profits of associates		(53)	(12)
Depreciation and impairment of property, plant and equipment		127	89
Amortisation and impairment of intangible assets		111	55,634
Share-based payments		66	2
Decrease/(increase) in inventories		286	(976)
(Increase)/decrease in trade and other receivables		(7,031)	5,699
Increase/(decrease) in trade and other payables		3,816	(3,011)
Cash generated from operations		(133)	3,334
Income taxes paid		(552)	(637)
Net cash flow from operating activities		(685)	2,697
Investing activities			
Interest received		144	197
Sale of property, plant and equipment		–	1
Investment in associates net of cash acquired		(50)	(22)
Acquisition of subsidiary undertakings		(36)	(1,907)
Payments to acquire property, plant and equipment		(163)	(127)
Payments to acquire intangibles		(203)	–
Payments to silent partners		(95)	(602)
Net cash flow from investing activities		(403)	(2,460)
Financing activities			
Interest paid		(3)	(11)
Net cash flow from financing activities		(3)	(11)
(Decrease)/increase in cash and cash equivalents		(1,091)	226
Cash used to repay silent partners		95	602
(Increase)/decrease in liability to silent partner		(6)	14
Cash and cash equivalents at the beginning of the year		6,726	5,884
Cash and cash equivalents at the year end		5,724	6,726

Notes to the Group Financial Statements

at 31 December 2007

1. Authorisation of financial statements and statement of compliance with IFRSs

The financial statements of getmobile plc and its subsidiaries (the “Group”) for the year ended 31 December 2007 were authorised for issue by the board of directors on 7 April 2008 and the balance sheet was signed on the board’s behalf by Tim Schwenke and Sven Schreiber. getmobile europe plc is a public limited company incorporated and domiciled in England and Wales. The Company’s ordinary shares are traded on the Alternative Investment Market, IEX Market and OTC Market in Germany.

The Group’s financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union as they apply to the financial statements of the Group for the year ended 31 December 2007.

For all periods up to and including the year ended 31 December 2006 the Group prepared its financial statements in accordance with UK generally accepted accounting principles (“UK GAAP”). This is the first year in which the Group has prepared its group financial statements under IFRS and the comparatives have been restated from UK GAAP accordingly. The Group issued within its interim results on 27 September 2007 the impact of transition to IFRS including a detailed reconciliation from UK GAAP to IFRS of the 2006 income statement and balance sheet.

In order to explain how the Group’s reported performance and financial position are affected by this change, the following financial information is provided at note 25:

- Reconciliation of consolidated balance sheets under IFRS to UK GAAP as at 1 January 2006 and 31 December 2006.

- Reconciliation of consolidated income statement under IFRS to UK GAAP for the year to 31 December 2006.

Transitional arrangements and transition date

The rules for first-time adoption of IFRS are set out in IFRS *1 First-time Adoption of International Financial Reporting Standards.* Since the financial statements for the year to 31 December 2007 include comparatives for the year to 31 December 2006, the Group’s date of transition to IFRS was 1 January 2006. As required by IFRS 1, estimates carried forward at the transition date, including but not limited to assessments of provisions and contingent liabilities (and, where applicable, adjusted to comply with IFRS) are consistent with estimates made prior to transition. In accordance with IFRS 1, the Group must define accounting policies compliant with IFRS at its first reporting date and apply these policies retrospectively to each period presented. IFRS 1 allows a number of optional exemptions and also contains certain mandatory exceptions to this principle in order to ease the transition requirements of first-time adoption.

The Group has applied the following exemptions available under IFRS 1:

- IFRS 3 *Business Combinations* has not been applied to acquisitions of subsidiaries or of interests in associates that occurred before 1 January 2006.

- The Group reported property, plant and equipment on the historical cost basis under UK GAAP and has treated depreciated historical cost as deemed cost on transition to IFRS.

- Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 January 2006.

- The transitional provisions in IFRIC 4 *Determining whether an Arrangement contains a Lease* have been applied. This means that the Group has assessed whether arrangements contain a lease based on the facts and circumstances existing at 1 January 2006 rather than at the inception of the lease.

Notes to the Group Financial Statements

at 31 December 2007

2. Accounting policies and judgements

Basis of preparation

The group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 1985. The principal accounting policies adopted by the group are set out below.

Significant judgements and estimates

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Goodwill impairment
- Measurement of charge for share based payments

The calculation of the charge for share based payments is based on the Black Scholes and binominal pricing models which require judgement on the volatility of the group's share price, dividend yield and the risk free interest rate.

New standards and interpretations not applied

The IASB and IFRIC have issued the following standards and interpretations to be applied to financial statements with periods commencing on or after the following dates:

International Accounting Standards	***Effective date***
IFRS 2 Amendment to IFRS 2 – Vesting Conditions and Cancellations	1 January 2009
IFRS 3 Business Combinations (revised January 2008)	1 July 2009
IFRS 8 Operating Segments	1 January 2009
IAS 1 Presentation of Financial Statements (revised September 2007)	1 January 2009
IAS 23 Borrowing Costs (revised March 2007)	1 January 2009
IAS 27 Consolidated and Separate Financial Statements (revised January 2008)	1 July 2009
IAS 32 and IASI – Puttable financial instruments and obligations arising on liquidation	1 January 2009
International Financial Reporting Interpretations Committee (IFRIC)	
IFRIC 12 Service Concession Arrangements	1 January 2008
IFRIC 13 Customer Loyalty Programmes	1 July 2008
IFRIC 14 / IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2008

Whilst the revised IAS 1 and IAS 27 will have no impact on the measurement of the Group's results or net assets it is likely to result in certain changes in the presentation of the Group's financial statements from 2009 onwards.

The Directors do not anticipate that the adoption of the remaining standards and interpretations will have a material impact on the Group's financial statements in the period of initial application.

Presentation currency

The Group uses the Euro as its presentation currency in light of the fact that its revenues and expenses are Euro denominated.

Notes to the Group Financial Statements

at 31 December 2007

2. Accounting policies and judgements (continued)

Basis of consolidation

The Group Financial Statements consolidate the financial statements of getmobile europe plc and its subsidiary undertakings drawn up to 31 December each year.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities and is achieved through direct or indirect ownership of voting rights; currently exercisable or convertible potential voting rights; or by way of contractual agreement. The financial statements of subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting year as the parent company and are based on consistent accounting policies. All inter-company balances and transactions, including unrealised profits arising from them, are eliminated.

Entities other than subsidiary undertakings, in which the group has a participating interest and over whose operating and financial polices the group exercises a significant influence are treated as associates.

Interests in associates

The Group's interests in its associates, being those entities over which it has significant influence and which are neither subsidiaries nor joint ventures, are accounted for using the equity method of accounting. Under the equity method, the investment in an associate is carried in the balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associate, less distributions received and less any impairment in value of individual investments. The group income statement reflects the share of the associate's results after tax.

Any goodwill arising on the acquisition of an associate, representing the excess of the cost of the investment compared to the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities, is included in the carrying amount of the associate and is not amortised. To the extent that the net fair value of the associate's identifiable assets, liabilities and contingent liabilities is greater than the cost of the investment, a gain is recognised and added to the Group's share of the associate's profit or loss in the period in which the investment is acquired.

Financial statements of associates are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies used into line with those of the Group; to take into account fair values assigned at the date of acquisition and to reflect impairment losses where appropriate. Adjustments are also made in the Group's financial statements to eliminate the Group's share of unrealised gains and losses on transactions between the Group and its associates.

Goodwill and acquisitions

Goodwill is the difference between the cost of an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities. Goodwill arising on acquisitions is capitalised and up to 31 December 2005 was amortised over the period of its estimated useful life, which the directors considered to be 20 years. From 1 January 2006 capitalised goodwill has been tested annually for impairment.

Notes to the Group Financial Statements

at 31 December 2007

2. Accounting policies and judgements (continued)

The cost of acquisitions includes the fair value of the consideration paid, the fair value of loan notes, the market value of shares issued as consideration on the date the offer became unconditional, plus expenses. The amount of contingent consideration which will become payable in the future if certain performance criteria are met is also included in cost of acquisitions based on directors' projections. The cash element of contingent consideration is included at its discounted value. Acquisitions are accounted for using the purchase method. If a subsidiary, associate or business is subsequently sold or closed any capitalised goodwill arising on acquisition that has not been impaired through the income statement is taken into account in determining the profit or loss on sale or closure. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

It is reviewed annually for impairment and if events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible fixed assets

Intangibles acquired separately are recognised at cost and then subsequent to initial recognition carried at cost less accumulated amortisation and impairment. Amortisation is provided on all intangible assets using the cost model at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life.

Amortisation rates are as follows:

Computer software	-	33% per annum
Domain name	-	10% per annum
Customer list	-	25% per annum

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the balance sheet date, of each asset evenly over its expected useful life as follows:

Furniture, fixtures and fittings, and office equipment	-	10%-33% per annum
Computer equipment	-	33% per annum

The residual values, useful lives and methods of depreciation are reviewed and adjusted, if appropriate, at each financial year end.

Leasing

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases and rentals payable are charged in the income statement on a straight line basis over the lease term.

Assets held under finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease, with a corresponding liability being recognised for the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Lease payments are apportioned between the reduction of the lease liability and finance charges in the income statement so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term.

Notes to the Group Financial Statements

at 31 December 2007

2. Accounting policies and judgements (continued)

Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Finished goods – purchase invoice cost on a first in first out basis.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to disposal.

Trade and other receivables

Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the Group will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Notes to the Group Financial Statements

at 31 December 2007

2. Accounting policies and judgements (continued)

Interest bearing loans and borrowings

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance income and finance expense.

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and

- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised:

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Income tax is charged or credited directly to equity if it relates to items that are credited or charge to equity. Otherwise income tax is recognised in the income statement.

Provisions

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance policy, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. Where discounting is used, the increase in the provision due to unwinding the discount is recognised as a finance cost.

Notes to the Group Financial Statements

at 31 December 2007

2. Accounting policies and judgements (continued)

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Share based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by an external valuer using an appropriate pricing model which incorporates market volatility.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (‘the vesting date'). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods

The group is involved in the direct sale to consumers of mobile phone contracts on behalf of leading mobile telephone network operators and service providers. The contracts are typically bundled with a mobile phone and/or other consumer electronic goods.

Revenue represents commissions and share of airtime revenues receivable from mobile telephone network operators and service providers, the sale of mobile telephone and consumer electronics to end consumers and the sale of mobile phones to wholesalers. Revenue in relation to commissions and the sale of phones and goods is recognised when the goods are dispatched from the warehouse. Share of airtime revenue is recognised as earned from the mobile telephone network operators and service providers.

Interest income

Revenue is recognised as interest accrues (using the effective interest method-that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Notes to the Group Financial Statements

at 31 December 2007

2. Accounting policies and judgements (continued)

Foreign currencies

The Group's presentation currency is the Euro.

Transactions in currencies other than the Euro ("foreign currencies") are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Borrowing costs

Borrowing costs are recognised as an expense when incurred.

3. Revenue

Revenue, which is stated net of value added tax arises from the activities described in Note 2 above.

4. Segmental analysis

The Group's turnover, operating profit and loss and net assets by destination and source, were all derived from external customers in the European Union. The directors are of the opinion that Group's activities constitute a single class of business in one geographic region.

5. Operating profit /(loss)

This is stated after charging:

		2007	*2006*
		€000's	*€000's*
Depreciation of property, plant and equipment		111	62
Amortisation of intangibles		127	27
Cost of inventories recognised as an expense (included in cost of sales)		91,692	57,716
Provision for impairment		-	55,629
Operating lease rentals	- land and buildings	284	190
	- plant and machinery	85	57
Share based payments to employees		66	2

6. Auditors' remuneration

		2007	*2006*
		€000's	*€000's*
Auditors' remuneration	- audit of the financial statements	99	55
Other fees to auditors	- local statutory audits for subsidiaries	109	78
	- other services	11	9
		219	142

Other services in 2007 related to taxation services (2006: acquisition review).

Notes to the Group Financial Statements

at 31 December 2007

7. Directors' remuneration

The emoluments of the individual directors were as follows:

	Salary €000's	*Benefits €000's*	*Bonus €000's*	*Fees €000's*	*2007 Total Emoluments €000's*
Pierce Casey	-	-	-	120	120
Tim Schwenke	190	25	10	-	225
Daniel Wild	111	9	-	41	161
Sven Schreiber	190	18	10	-	218
Patrick Bosch	190	26	10	-	226
Brian Stephens	-	-	-	80	80
Maximilian Ardelt	-	-	-	25	25
	681	78	30	266	1,055

	Salary €000's	*Benefits €000's*	*Bonus €000's*	*Fees €000's*	*2006 Total emoluments €000's*
Pierce Casey	–	–	–	120	120
Tim Schwenke	190	24	–	–	214
Daniel Wild	190	17	–	–	207
Sven Schreiber	190	17	–	–	207
Patrick Bosch	190	21	–	–	211
Brian Stephens	–	–	–	80	80
Maximilian Ardelt	–	–	–	25	25
David Kleeman (resigned 30/09/2006)	–	–	–	17	17
	760	79	–	242	1,081

8. Staff costs

	2007 €000's	*2006 €000's*
Wages and salaries	3,387	2,286
Social security costs	499	238
	3,886	2,524

The Group does not operate a Group pension scheme for the benefit of directors.

Notes to the Group Financial Statements

at 31 December 2007

8. Staff costs (continued)

The average monthly number of employees, including directors with service contracts, during the period was as follows:

	2007 *No.*	*2006* *No.*
Administrative	32	29
Sales and warehouse	25	21
	57	50

9. Key management costs

Compensation of key management personnel (including directors)

	2007 *€000's*	*2006* *€000's*
Short term employee benefits	1,195	1,081

10. Finance revenue

	2007 *€000's*	*2006* *€000's*
Bank interest and similar income receivable	144	198
Gain on settlement of liabilities to silent partners	-	14
	144	212

11. Finance Costs

	2007 *€000's*	*2006* *€000's*
Bank Interest	3	11
Loss on settlement of liabilities to silent partners	5	-
	8	11

Notes to the Group Financial Statements

at 31 December 2007

12. Taxation

(a) Tax on profit
Tax charged in the income statement

	2007 €000's	2006 €000's
Current income tax:		
UK corporation tax – continuing operations	3	58
Foreign tax – continuing operations	333	78
Current income tax charge	336	136
Amounts over provided in previous years	(10)	(4)
Total current income tax	326	132
Deferred tax:		
Origination and reversal of temporary differences	142	513
Tax charge in the income statement	468	645
Tax charge in the income statement is disclosed as follows:		
Income tax expense on continuing operations	468	645
	468	645

(b) Reconciliation of the total tax charge

The tax expense in the income statement for the year is lower than the standard rate of corporation tax in the UK of 30% (2006 - 30%). The differences are reconciled below:

	2007 €000's	2006 €000's
Group accounting profit/(loss) before income tax	2,681	(53,890)
Group accounting profit / (loss) multiplied by the UK standard rate of corporation tax of 30% (2006: 30%)	804	(16,167)
Expenses not deductible for tax purposes	20	16,686
Differences in foreign tax rates	347	193
Unrecognised tax losses	14	–
Previously unrecognised tax losses	(707)	(63)
Tax over provided in prior years	(10)	(4)
Total tax expense reported in the income statement	468	645

(c) Unrecognised deferred tax assets

As at 31 December 2007 the unrecognised deferred tax assets relating to tax losses forward amounted to €0.88 million (2006: €2.9 million).

Notes to the Group Financial Statements

at 31 December 2007

12. Taxation (continued)

(d) Temporary differences associated with Group investments

At the balance sheet date, there was no recognised deferred tax liability (2006: nil) for taxes that would be payable on un-remitted earnings of certain of the Group's subsidiaries or in connection with investments in subsidiaries or associates.

Management does not intend to distribute these un-remitted profits in the foreseeable future and do not expect there to be any additional tax to pay in the event of a disposal of a subsidiary or investments. The temporary differences associated with investment in subsidiaries and associates for which deferred tax liability has not been recognised aggregate to €700,000 (2006; € 300,000)

(e) Deferred tax

The deferred tax included in the Group balance sheet is as follows:

	2007	*2006*
	€000's	*€000's*
Deferred tax asset		
Tax losses carried forward	352	494
Deferred tax asset	352	494

The deferred tax included in the Group income statement

	2007	*2006*
	€000's	*€000's*
Deferred tax in the income statement		
Tax losses carried forward	142	513
	142	513

13. Proposed Dividend and Earnings / (Loss) per share

The calculation of basic and diluted earnings / (loss) per share is based on profit attributable to equity holders of the parent of €2,229,000 (year end to 31 December 2006: loss €54,535,000) and on a weighted average number of ordinary shares in issue of 94,472,403 (year end to 31 December 2006: 94,472,403).

The maximum number of shares which could be issued pursuant to the existing grants under the executive share option scheme and which could dilute earnings per share is 4,150,000 (2006: 4,100,000). As at 31 December 2006 and 2007 none of these options met the conditions for inclusion in the calculation of diluted earnings per share. Details of the executive share option scheme are set out in Note 21.

The calculation of adjusted earnings per ordinary share is based on the attributable profit to equity holders of the parent of €2,229,000 (year end to 31 December 2006: €1,093,000) being the profit attributable to the equity holders of the parent before charges for goodwill impairment of €nil (year end to 31 December 2006: €55,629,000) giving adjusted earnings of €2,229,000 (2006: €1,094,000) as the directors believe that this is an appropriate measure of underlying performance.

Notes to the Group Financial Statements

at 31 December 2007

13. Proposed Dividend and Earnings / (Loss) per share (continued)

	Shares 2007 Nos	*Profit per share 2007 Cents*	*Shares 2006 Nos*	*(Loss) / Profit per share 2006 Cents*
Basic EPS	94,472,403	2.36	94,472,403	(57.73)
Dilution for shares to be issued	-		–	
Diluted EPS	94,472,403	2.36	94,472,403	(57.73)
Adjusted EPS	94,472,403	2.36	94,472,403	1.16
Diluted adjusted EPS	94,472,403	2.36	94,472,403	1.16

The Board has recommended the payment of a final dividend for the year ended 31 December 2007 of 1 cent per share totalling €944,724 payable on 25 July 2008 to shareholders on the register on 1 July 2008 (2006: nil). If the Special Resolution proposing a 10 for 1 reverse share split is passed at the AGM the dividend will be payable as 10 cents per each 10 pence New Ordinary Share with no change in total amount payable.

14. Intangible assets

	Domain name €000's	*Customer base* €000's	*Software €000's*	*Goodwill €000's*	*Total €000's*
Cost:					
At 1 January 2006	–	–	71	66,208	66,279
Additions	–	–	32	–	32
Reduction in cost of getmobile AG	–	–	–	(22)	(22)
Acquisition of subsidiary	374	67	31	1,833	2,305
At 31 December 2006 and 1 January 2007	374	67	134	68,019	68,594
Additions	–	–	203	-	203
Acquisition of subsidiary	–	–	–	71	71
At 31 December 2007	374	67	337	68,090	68,868
Amortisation and impairment:					
At 1 January 2006	–	–	44	1,379	1,423
Amortisation during the year	3	1	23	–	27
Impairment loss	–	–	–	55,629	55,629
At 31 December 2006 and 1 January 2007	3	1	67	57,008	57,079
Amortisation during the year	37	17	73	–	127
At 31 December 2007	40	18	140	57,008	57,206
Net book value at 31 December 2007	334	49	197	11,082	11,662
Net book value at 31 December 2006	371	66	67	11,011	11,515
Net book value at 1 January 2006	-	-	27	64,829	64,856

Notes to the Group Financial Statements

at 31 December 2007

14. Intangible assets (continued)

During the year the group acquired 65% of Premingo GmbH which resulted in additional goodwill of €71,000. In 2006 the Group acquired KK Media GmbH which gave rise to additional goodwill of €1,181,000.

Impairment of goodwill

At June 30 2006 an impairment provision of €55,629,000 was made against the carrying value of goodwill allocated to the getmobile AG cash generating unit. This provision was made in light of the failure of getmobile AG to achieve the levels of profitability and growth rates anticipated at the time of its acquisition in August 2005. The recoverable amount of the unit is its value in use and the discount rate used to estimate the value in use was 15%.

Goodwill acquired through business combinations has been assessed for impairment testing purposes as all belonging to one cash-generating unit, the getmobile AG operating sub-Group which for this purpose includes Premingo.

This represents the lowest level within the Group at which goodwill is monitored for internal management purposes.

The recoverable amount of this unit has been determined based on a value in use calculation using cash flow projections based on financial budgets approved by the board covering a 3 year period. The discount rate applied to cash flow projections is 15% (2006: 20%) and cash flows beyond the 3 year budget are extrapolated in both years using a flat growth rate assumption.

Sensitivity to changes in assumptions

With regard to the assessment of this unit, management believes that following the write-down of goodwill in 2006, no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to exceed its recoverable amount.

Notes to the Group Financial Statements

at 31 December 2007

15. Property, plant and equipment

	Furniture, fixtures and fittings €000's	*Office equipment €000's*	*Computer equipment €000's*	*Total €000's*
Cost:				
At 1 January 2006	60	23	54	137
Additions	15	13	74	102
At 31 December 2006	75	36	128	239
Additions	-	38	125	163
At 31 December 2007	75	74	253	402
Depreciation:				
At 1 January 2006	18	2	-	20
Provided during the year	7	6	49	62
At 31 December 2006	25	8	49	82
Provided during the year	8	14	89	111
At 31 December 2007	33	22	138	193
Net book value:				
At 31 December 2007	42	52	115	209
At 31 December 2006	50	28	79	157
At 1 January 2006	42	21	54	117

16. Investments

In associates:	*2007 €000's*	*2006 €000's*
At 1 January	34	-
Cost of investments	50	22
Share of profits after tax	53	12
At 31 December	137	34

The Group's investments in associates are all held via getmobile AG and are incorporated in Germany. These are:

Name and % shareholding		*Nature of business*
Getlogics GmbH	39%	Provision of e-commerce logistic services
MBIS GmbH	50%	VOIP telephoning services
Visual Acting GmbH	25.11%	IPTV consulting services

Notes to the Group Financial Statements

at 31 December 2007

16. Investments (continued)

The following table illustrates summarised financial information of the group's principal investment in associates – getlogics GmbH:

	2007	*2006*
	€000's	*€000's*
Share of the associate's balance sheet:		
Non-current assets	27	17
Current assets	139	78
Share of gross assets	166	95
Current liabilities	81	71
Non-current liabilities	–	–
Share of gross liabilities	81	71
Share of net assets	85	24

	2007	*2006*
	€000's	*€000's*
Share of the associate's results:		
Revenue	292	178
Profit for the year	61	15

The Group's share of net assets and results of the other associates is not material.

In group undertakings:

Name and % shareholding			*Country of incorporation*	*Nature of business*
Getmobile AG	100%	directly	Germany	Sales of mobile phones and contracts
Premingo GmbH	65%	directly	Germany	Open platform for sale of household contracts
GetonTV GmbH	100%	via getmobile AG	Germany	Placement of television advertising
KK Media GmbH	100%	via getmobile AG	Germany	Sales of mobile phones and contracts

Notes to the Group Financial Statements

at 31 December 2007

16. Investments (continued)

Acquisition of KK Media in November 2006

The following table sets out the book values of the identifiable assets and liabilities acquired and fair value adjustment made:

	Book Value	Adjustment	Fair value
	€000's	€000's	€000's
Fixed assets			
Tangible fixed assets	14		14
Intangibles	14	458	472
	28		486
Current assets			
Stock	163		163
Debtors	913		913
Cash	253		253
	1,329		1,329
Creditors	735		735
Corporation tax	140		140
	875		875
Net assets	482		940
Gross cost			2,773
Goodwill			1,833

17. Inventories

	2007	2006
	€000's	€000's
Goods for resale	1,709	1,995

18. Trade and other receivables

	2007	2006
	€000's	€000's
Trade receivables	12,570	5,123
Prepayments and other receivables	399	799
VAT repayment due	9	25
	12,978	5,947

Trade receivables are all denominated in Euros.

5 major customers represent €6,626,000 of the trade receivables of €12,570,000 (2006: €4,256,000) of trade receivables of €5,123,000).

Notes to the Group Financial Statements

at 31 December 2007

18. Trade and other receivables (continued)

Trade receivables are non-interest bearing and are generally on 0-45 days' terms and are shown net of a provision for impairment.

As at 31 December 2007, trade receivables at nominal value of €232,000 (2006: €103,000) were impaired and fully provided for. Movements in the provision for impairment of receivables were as follows:

	2007	*2006*
	€000's	*€000's*
At 1 January	103	141
Charge for the year	192	63
Amounts written off	(63)	(101)
	232	103

As at 31 December, the analysis of trade receivables that were past due but not impaired is as follows:

		Current	*Past due but not impaired*			
	Total	*unimpaired*	*<30 days*	*30-60 days*	*60-90 days*	*90 days*
	€000's	*€000's*	*€000's*	*€000's*	*€000's*	*€000's*
2007	12,570	11,076	729	118	45	602
2006	5,123	4,515	297	48	18	245

The credit quality of trade receivables that are neither past due nor impaired is assessed by a combination of external and internal ratings and historical performance.

19. Cash and short term deposits

	2007	*2006*
	€000's	*€000's*
Cash at bank and in hand	860	1,656
Short term deposits	4,864	5,160
	5,724	6,816

20. Trade and other payables

	2007	*2006*
	€000's	*€000's*
Trade creditors	5,866	3,957
Other taxes and social security costs	416	199
Other creditors and accruals	4,935	3,245
Financial liability to silent partners	–	90
	11,217	7,491

Notes to the Group Financial Statements

at 31 December 2007

21. Share capital

	Authorised		Allotted, called up and fully paid	
	No.'000's	*Stg£000's*	*No.'000's*	*€000's*
Ordinary shares of 1p each				
At 1 January 2006	200,000	2,000	94,264	1,361
Issued 2006	–	–	208	3
At 31 December 2006	200,000	2,000	94,472	1,364
Issued 2007	–	–	–	–
At 31 December 2007	200,000	2,000	94,472	1,364

The shares are denominated as 1p Sterling. The Euro value of the allotted, called up and fully paid share capital has been calculated at the Euro / Sterling exchange rate ruling on the date of issue.

Executive share option scheme 2006 (the "Scheme")

Under the Scheme, which was adopted on 21 December 2006, the Remuneration Committee of the Board is authorised to issue share options to eligible employees up to the maximum of 5% of the nominal value of the issued share capital of the Company at the time of issue. The options can be issued subject to such objective conditions as the Remuneration Committee may determine.

The following table sets out the number of and weighted average exercise prices (WAEP) of, and movements in, share options during the year.

	2007 No.	*2007 WAEP*	*2006 No.*	*2006 WAEP*
Outstanding at 1 January	4,100,000	18c	–	–
Granted during year	350,000	15c	4,100,000	18c
Expired during year	300,000	18c	–	–
Outstanding at 31 December	4,150,000	17.75c	4,100,000	18c
Exercisable at 31 December	Nil	–	Nil	–

The amount charged to the income statement in respect share based payments for employee share options was €66,000 (2006: €2,000).

The weighted average fair value of options issued during the year was 5.27 cents (2006: 5.12 cents).

With the exception of 300,000 of the options issued in 2007 all options are subject to a market condition that the Company's share price on the AIM or IEX market be at least 50 cents for 20 out of the 70 dealings days immediately prior to vesting. All options are subject to the condition that holders remain employees of the Group as at the vesting date.

The vesting and expiry dates of the outstanding options are as follows:

No.	*Vesting*		*Expiry*	
3,800,000	21 December	2009	21 December	2017
50,000	25 May	2010	25 May	2018
300,000	2 October	2010	2 October	2008

Notes to the Group Financial Statements

at 31 December 2007

21. Share capital (continued)

The fair value of all options subject to the 50 cent share price condition on vesting has been calculated using a binominal model. The fair value of other options has been calculated using the Black Scholes model. In all cases the calculation has taken into account the terms and conditions upon which the options were granted. The assumptions used were as follows:

	2007	*2006*
Dividend yield	0%	0%
Expected volatility	50%	50%
Risk free interest rate	4.39%	4.63%
Share price at date of grant and exercise	15-18 cents	18 cents

The share price used at the date of grant was the mid market price on IEX. The risk free rate of interest has been approximated to the average yield on government gilt edged stock.

The volatility rate adopted by the directors reflects their expectations that the historic volatility applicable to the shares will reduce over time.

22. Other financial commitments

Future minimum rentals payable under non-cancellable operating leases are as follows:

	Land and buildings		*Other*	
	2007	*2006*	*2007*	*2006*
	€000's	*€000's*	*€000's*	*€000's*
Operating leases which expire:				
Within 1 year	268	4	6	-
Between 2 and 5 years	601	186	22	67

The principal operating leases are on office premises and motor vehicles.

23. Treasury policy

The Group operates treasury policies, which include the ongoing assessment of interest rate management. Cash surpluses are invested in short-term deposits which are generally repayable on demand. The Group's financial risk management objective is to maintain a balance between continuity of funding and flexibility. The Board approves all decisions on treasury policy.

The Group does not trade financial instruments, nor hedge any financial exposures. The directors consider that the group does not have any significant exposure to price risk or cash flow risk.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Group policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Where considered appropriate credit insurance is sought for debtor balances. Details of the Group's debtors are shown in Note 18 to the financial statements. The maximum credit risk exposure relating to financial assets is represented by the carrying value at the balance sheet date.

Notes to the Group Financial Statements

at 31 December 2007

23. Treasury policy (continued)

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The group aims to mitigate liquidity risk by managing cash generation by its operations. At 31 December 2007 the Group's net current assets were €9,148,000 (2006: €6,995,000).

At 31 December cash at bank and deposits amounted to €5,724,000 (2006: €6,816,000) of which €62,000 (2006: €92,000) was held in Sterling. Interest is earned on Euro and Sterling denominated amounts at rates linked to the banks floating rates. No other financial assets earn interest. All financial assets are repayable to the group within one year.

None of the financial liabilities are subject to interest charges and all the financial liabilities are repayable by the group within one year.

The directors consider that the carrying value of all of the Group's financial assets and liabilities is representative of their fair value.

The main functional currency of the group is Euro though a number of expenses are incurred in Sterling. The Group does not have material transactional currency exposures nor is there a material exposure to foreign-denominated monetary assets and liabilities.

The Group has an unsecured bank overdraft facility of €2 million all of which was unused at the end of the year.

24. Related parties transactions

The Company was charged €260,000 (2006: €250,000) by Adelaide Capital Limited, a company controlled by Pierce Casey, and of which both Pierce Casey and Brian Stephens are directors. The charge was made up as follows: fee for provision of services of Pierce Casey, €120,000 (2006: €120,000) and Brian Stephens €80,000 (2006: €80,000), and for accounting, office and administrative services €60,000 (2006: €50,000).

The Company was charged €25,000 by Condigit Consult GmbH, a company controlled by Maximilian Ardelt for the provision of his services as non-executive director (2006: €25,000 charged to getmobile AG re services to its Supervisory Board).

At 31 December 2007 the company owed Adelaide Capital Limited €10,000 (2006: nil).

The Company was charged €41,000 (2006; nil) by Tiburon Unternehmensaufbau GmbH ("Tiburon") a company jointly owned by Tim Schwenke and his spouse (together 46%) and Daniel Wild and his spouse (together 46%). The charge was for the provision of the services of Daniel Wild to getmobile europe plc subsequent to his resignation as a member of Vorstand of getmobile AG. Tiburon holds a 3% interest in Premingo GmbH.

Notes to the Group Financial Statements

at 31 December 2007

25. Reconciliation of UK GAAP financial information to IFRS

Key changes in accounting policies

The following notes highlight the main differences between UK GAAP and IFRS that have a material effect on the financial statements of the Group.

(a) *Goodwill*

i) Amortisation - Under UK GAAP, goodwill which arose on acquisitions was capitalised as an intangible asset in the Consolidated Balance Sheet and amortised over its estimated economic life of 20 years up to 31 December 2005 and 10 years for the year to 31 December 2006. Under IFRS, capitalised goodwill is no longer amortised but is tested annually for impairment. Accordingly the amortisation previously charged against the Consolidated Income Statement for the year to 31 December 2006, €2,134,000, has been reversed and added back to goodwill. This results in an increase in income of €479,000 in respect of reversal of goodwill amortisation for the year to 31 December 2006.

ii) As perscribed under IFRS 1, the Group has elected to deemed the UK GAAP net book value of goodwill at 1 January 2006 as the IFRS cost of goodwill at transition date.

(b) *Intangible assets*

Under UK GAAP, software assets were included as part of the cost of computer equipment and software whereas under IFRS, unless they are integral to another fixed asset, they are classified as intangible assets. In the balance sheet, a reclassification of €53,000 from computer equipment and software to intangible assets was reflected under IFRS at 31 December 2006 (01 January 2006: €27,000). There was no impact on either profit before taxation or total net assets under IFRS.

On the acquisition of KK Media on 30 November 2006 an amount of €457,000 has been reallocated from goodwill to other intangibles (domain name, customer list and software). These are amortised over their estimated useful lives resulting in a charge in the income statement of €6,000 for the year ended 31 December 2006.

(c) *Taxation*

There is no difference in accounting for current taxation between UK GAAP and IFRS.

In respect of deferred taxation, under UK GAAP, the Group recognised deferred taxation only on timing differences that arose from the inclusion of gains and losses in tax assessment in periods different from those in which they were recognised in the financial statements. Under IAS 12 *Income taxes*, deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax under both UK GAAP and IFRS is measured on a non-discounted basis.

There is no impact on the tax charge for the year ended 31 December 2006 relating to the tax effect of other adjustments from UK GAAP to IFRS that do not impact the current tax liability.

(d) *Cashflow*

There is no material difference in accounting for cashflow between UK GAAP and IFRS.

Notes to the Group Financial Statements

at 31 December 2007

25. Reconciliation of UK GAAP financial information to IFRS (continued)

Consolidated Balance Sheet as at 1 January 2006

	Reported under UK GAAP	*Software classification*	*Reported under IFRS*
	€000's	*€000's*	*€000's*
Non current assets			
Intangible fixed assets - goodwill	64,829		64,829
- other		27	27
Property, plant and equipment	144	(27)	117
Investment in associates			
Deferred tax assets	1,007		1,007
	65,980	-	65,980
Current assets			
Inventories	855		855
Trade and other receivables	10,732		10,732
Cash and cash equivalents	6,590		6,590
	18,177	-	18,177
Total Assets	84,157	-	84,157
Current liabilities			
Trade creditors	4,609		4,609
Corporation and overseas taxes	636		636
Other taxes and social security costs	62		62
Other creditors	4,416		4,416
Silent partners	705		705
	10,428	-	10,428
Net Assets	73,729	-	73,729
Equity attributable to equity holders of the parent			
Called up share capital			
Share premium account	1,360		1,360
Shares to be issued	71,155		71,155
Other reserves	179		179
Retained earnings	16		16
	1,019		1,019
Total equity	73,729	-	73,729

Notes to the Group Financial Statements

at 31 December 2007

25. Reconciliation of UK GAAP financial information to IFRS (continued)

Consolidated balance sheet at 31 December 2006

	Reported under UK GAAP €000's	*Goodwill €000's*	*Software classification €000's*	*Acquisition of intangibles €000's*	*Reported under IFRS €000's*
Non current assets					
Intangible fixed assets - goodwill	10,989	479		(457)	11,011
- other			53	451	504
Property, plant and equipment	210		(53)		157
Investment in associates	34				34
Deferred tax assets	494				494
	11,727	479	-	(6)	12,200
Current assets					
Inventories	1,995				1,995
Trade and other receivables	5,947				5,947
Cash and cash equivalents	6,816				6,816
	14,758		-		14,758
Total Assets	26,485	479	-	(6)	26,958
Current liabilities					
Trade creditors	3,957				3,957
Corporation and overseas taxes	272				272
Other taxes and social security costs	199				199
Other creditors	3,245				3,245
Silent partners	90				90
	7,763				7,763
Net Assets	18,722	479	-	(6)	19,195
Equity attributable to equity holders of the parent					
Called up share capital	1,364				1,364
Share premium account	71,330				71,330
Shares to be issued	-				-
Other reserves	2				2
Retained earnings	(53,974)	479		(6)	(53,501)
Total equity	18,722	479	-	(6)	19,195

Notes to the Group Financial Statements

at 31 December 2007

25. Reconciliation of UK GAAP financial information to IFRS (continued)

Consolidated Income Statement for the year to 31 December 2006

	Reported under UK GAAP	*Reclassify goodwill*	*Reclassify associates*	*Acquisition of intangibles*	*Reported under IFRS*
	€000's	*€000's*	*€000's*	*€000's*	*€000's*
Revenue	63,602				63,602
Cost of sales	(57,716)				(57,716)
Gross profit	5,886				5,886
Administrative expenses	(4,355)			(6)	(4,361)
Operating profit before goodwill amortisation and impairment	1,531			(6)	1,525
Amortisation of goodwill	(2,134)	2,134			
Impairment of goodwill	(53,973)	(1,655)			(55,628)
Operating loss	(54,576)	479		(6)	(54,103)
Finance revenue	212				212
Finance costs	(11)				(11)
Share of profits in associates	21		(9)		12
Loss before tax	(54,354)	479	(9)	(6)	(53,890)
Income tax expense	(654)		9		(645)
Loss for the period from continuing operations	(55,008)	479	-	(6)	(54,535)

getmobile europe plc

Company Financial Statements

31 December 2007

Statement of Directors' Responsibilities

at 31 December 2007

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The financial statements are required by law to give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors' Report

to the members of getmobile europe plc

We have audited the Company Financial Statements of getmobile europe plc for the year ended 31 December 2007 which comprise the Balance Sheet and the related notes 1 to 9. These Company Financial Statements have been prepared under the accounting policies set out therein.

We have reported separately on the Group Financial Statements of getmobile europe plc for the year ended 31 December 2007.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the Company Financial Statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the Company Financial Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Company Financial Statements give a true and fair view and whether the Company Financial Statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Company Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited Company Financial Statements. The other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the parent company financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the parent company financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the Company Financial Statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the parent company financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Company Financial Statements.

Independent Auditors' Report

to the members of getmobile europe plc

Opinion

In our opinion:

- the Company Financial Statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2007;

- the Company Financial Statements have been properly prepared in accordance with the Companies Act 1985; and

- the information given in the Directors' Report is consistent with the Company Financial Statements.

Ernst & Young LLP
Registered auditor
London
7 April 2008

Company Balance Sheet

for the year ended 31 December 2007

	Notes	2007 €000's	2006 €000's
Fixed assets			
Investment in subsidiaries	3	9,400	9,200
Current assets			
Loan to Group undertaking due in greater than 1 year		3,911	4,000
Debtors	4	294	378
Cash at bank and in hand	5	1,191	1,166
		5,396	5,544
Total assets		14,796	14,744
Creditors – amounts falling due within 1 year			
Creditors	6	182	141
Corporation tax		3	59
		185	200
Net Assets		14,611	14,544
Capital and reserves			
Called up share capital	7	1,364	1,364
Share premium account		-	71,330
Distributable reserves	8	13,247	(58,150)
Shareholders' Funds		14,611	14,544

The financial statements were approved and authorised for issue by the board on 7 April 2008.

Tim Schwenke
Director

Sven Schreiber
Director

Notes to the Company Financial Statements

at 31 December 2007

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounts standards. A profit and loss account is not presented as permitted by Section 230 of the Companies Act 1985.

Fixed asset investments

Fixed asset investments are carried at cost less any appropriate provision for diminution in value. The carrying values of unlisted investments and investments in subsidiaries are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:-

- Provision is made for deferred tax that would arise on remittance of the retained earnings of subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable.

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Share based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by an external valuer using an appropriate pricing model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (‘the vesting date'). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

2. Auditors’ remuneration

The amount relating to the company is €13,000 (2006: €13,000).

Notes to the Company Financial Statements

at 31 December 2007

3. Investment in subsidiaries

Costs:	*Investment in Subsidiary undertakings €000's*
Written down cost as at 31 December 2006	9,200
Investment in Premingo GmbH	134
Share based payments	66
At 31 December 2007	9,400

In the opinion of the directors, the aggregate value of the investments in subsidiary undertakings is not less than the amount at which they are stated in the balance sheet.

On 27 November 2007, the Company subscribed €134,000 for 16,250 shares (representing 65% of the voting rights) of ordinary shares of Premingo GmnH, a newly incorporated company.

Subsidiary undertakings

Name and % shareholding		*Country of incorporation*	*Nature of business*
Getmobile AG	100% directly	Germany	Sales of mobile phones and contracts
Premingo GmbH	65% directly	Germany	Open platform for sale of household contracts
GetonTV GmbH	100% via getmobile AG	Germany	Placement of television advertising
KK Media GmbH	100% via getmobile AG	Germany	Sales of mobile phones and contracts

4. Debtors

	2007 €000's	*2006 €000's*
Amounts owed due by group undertakings in greater than 1 year	264	365
Prepayments and other debtors	21	10
VAT repayment due	9	3
	294	378

All of debtors fall due in less than one year.

5. Cash at bank and in hand

Cash at bank and in hand	103	134
Short term deposits	1,088	1,032
	1,191	1,166

Notes to the Company Financial Statements

at 31 December 2007

6. Creditors: amounts falling due within one year

	2007	*2006*
	€000's	*€000's*
Trade creditors	3	20
Amounts owed to group undertakings	24	52
Other creditors and accruals	155	69
	182	141

7. Share capital

		Authorised		*Allotted, called up and fully paid*
	No.'000's	*Stg£000's*	*No.'000's*	*€000's*
Ordinary shares of 1p each				
At 1 January 2006	200,000	2,000	94,472	1,364
Issued 2006	–	–	208	3
At 31 December 2006	200,000	2,000	94,472	1,364
Issued 2007	–	–	–	–
At 31 December 2007	200,000	2,000	94,472	1,364

		Authorised		*Allotted, called up and fully paid*
	No.'000's	*Stg£000's*	*No.'000's*	*€000's*
Ordinary shares of 1p each				
At 1 January 2006	200,000	2,000	94,264	1,361
Issued 2006	–	–	208	3
At 31 December 2006	200,000	2,000	94,472	1,364
Issued 2007	–	–	–	–
At 31 December 2007	200,000	2,000	94,472	1,364

The shares are denominated as 1p Sterling. The Euro value of the allotted, called up and fully paid share capital has been calculated at the Euro / Sterling exchange rate ruling on the date of issue.

Shares issued 2006

207,738 Ordinary Shares were issued at 86 cents in settlement of the final consideration due to the vendors of getmobile AG.

Executive share option scheme 2006 (the "Scheme")

Under the Scheme, which was adopted on 21 December 2006, the Remuneration Committee of the Board is authorised to issue share options to eligible employees up to the maximum of 5% of the nominal value of the issued share capital of the Company at the time of issue. The options can be issued subject to such objective conditions as the Remuneration Committee may determine.

All share options issued to date have been to employees of subsidiary companies and have been accounted for at Company level as an increase in investment in subsidiaries.

Notes to the Company Financial Statements

at 31 December 2007

8. Reconciliation of shareholders' funds and movements on reserves

Profit / (Loss) attributable to members of the parent company

The profit dealt with in the financial statements of the parent Company is 1,000 (2006: loss €58,134,000).

	Share capital €000's	*Share premium €000's*	*Shares to be issued €000's*	*Other reserves €000's*	*Distributable reserves €000's*	*Totals €000's*
At 31 December 2005	1,361	71,154	179	15	(31)	72,678
Loss for the year	–	–	–	–	(58,134)	(58,134)
Other movements:						
Proceeds of issue of shares	3	176	(179)	–	–	–
Release of warrant reserve	–	–	–	(15)	15	–
As at 31 December 2006	1,364	71,330	–	–	(58,150)	14,544
Profit for the year	–	–	–	–	1	1
Transfer	–	(71,330)	–	–	71,330	-
Share based payments	–	–	–	–	66	66
At 31 December 2007	1,364	–	–	–	13,247	14,611

During the year the company obtained a court order cancelling the share premium account enabling its balance to be transferred to distributable reserves.

9. Proposed dividend

The Board has recommended the payment of a final dividend for the year ended 31 December 2007 of 1 cent per share totalling €944,724 payable on 25 July 2008 to shareholders on the register on 1 July 2008 (2006: nil). If the Special Resolution proposing a 10 for 1 reverse share split is passed at the AGM the dividend will be payable as 10 cents per each 10 pence New Ordinary Share with no change in the total amount payable.

10. Related parties transactions

The Company was charged €260,000 (2006: €250,000) by Adelaide Capital Limited, a company controlled by Pierce Casey, and of which both Pierce Casey and Brian Stephens are directors. The charge was made up as follows: fee for provision of services of Pierce Casey, €120,000 (2006: €120,000) and Brian Stephens €80,000 (2006: €80,000), and for accounting, office and administrative services €60,000 (2006: €50,000). At 31 December 2007 the company owed Adelaide Capital Limited €10,000 (2006: nil).

The Company was charged €25,000 by Condigit Consult GmbH, a company controlled by Maximilian Ardelt for the provision of his services as non-executive director (2006: €25,000 charged to getmobile AG re services to its Supervisory Board).

The Company was charged €41,000 (2006; nil) by Tiburon Unternehmensaufbau GmbH ("Tiburon") a company jointly owned by Tim Schwenke and his spouse (together 46%) and Daniel Wild and his spouse (together 46%). The charge was for the provision of the services of Daniel Wild to getmobile europe plc subsequent to his resignation as a member of Vorstand of getmobile AG. Tiburon holds a 3% interest in Premingo GmbH.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Buchanan Communications, 6th Floor, 45 Moorfields, London EC2Y 9AE, on 9 May 2008 at 11am for the transaction of the following business:

1. To receive and adopt the financial statements of the Company for the year ended 31 December 2007 together with the directors' report and the auditor's report on those financial statements.

2. To declare a final dividend for the ordinary shares for the year ending 31 December 2007 of:

   a) Subject to the special resolution number 8 below being passed, a dividend of 10 Euro cents per 10p share be paid on 21 July 2008 to those members whose names appear on the register of members at close of business on 4 July 2008 or, in the alternative

   b) If the special resolution number 8 below is not passed a dividend of 1 Euro cent per share to be paid on 21 July 2008 to members whose names appear on the register of members at the close of the business on 4 July 2008."

3. To re-elect Patrick Bosch, a director retiring by rotation, as a director of the Company.

4. To re-elect Sven Schreiber, a director retiring by rotation, as a director of the Company.

5. To re-elect Daniel Wild, a director retiring by rotation, as a director of the Company.

6. To re-appoint Ernst & Young LLP as auditor of the Company to hold office from the conclusion of the meeting to the conclusion of the next annual general meeting at which financial statements are laid before the Company.

7. To authorise the directors to determine the auditor's remuneration.

Special business

To consider, and if thought fit, pass the following resolutions as ordinary resolutions:

8. THAT, every ten of the 200,000,000 existing issued and unissued ordinary shares of 1 pence each in the capital of the Company be and is hereby consolidated into 1 ordinary share of 10 pence each ranking pari passu, with any resulting fractional entitlements being dealt with in accordance with the articles of association.

9. THAT, in substitution for all existing authorities, the directors be generally and unconditionally authorised for the purpose of Section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £314,000 for a period expiring at the expiry of the date which is 15 months after the date of passing of this Resolution or if earlier, at the conclusion of the next annual general meeting of the Company, save that the Company may before expiry of this authority make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

Notice of Annual General Meeting

To consider and, if thought fit, pass the following resolutions as a special resolution:

10. THAT, subject to the passing of resolution 9, the directors be generally empowered pursuant to Section 95 of the Companies Act 1985 ("CA 1985") to allot equity securities (within the meaning of Section 94(2) of the CA 1985) for cash as if Section 89(1) of the CA 1985 did not apply to the allotment, provided that the power conferred by this resolution:

    (a) will expire at the expiry of the date which is 15 months after the date of the passing of this Resolution or if earlier, at the conclusion of the next annual general meeting of the Company, save that the Company may before expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the power conferred by this resolution has expired; and

    (b) is limited to:

        (i) an allotment of equity securities in connection with a Rights Issue. For the purpose of this resolution 10, a "Rights Issue" means an offer of securities, open for acceptance for a period fixed by the directors, to holders of ordinary shares or other equity securities of any class made in proportion (as nearly as practicable) to their respective existing holdings of ordinary shares or other equity securities of the class concerned (so that any offer to holders of other equity securities of any class shall be on the basis of their rights to receive that offer, or in the case of securities convertible into ordinary shares, proportionate to the number of ordinary shares which would be allocated upon the exercise in full of the attached conversion rights) but subject to the directors having a right to make such exclusions or other arrangements as they consider necessary or expedient in relation to fractional entitlements or legal or practical problems arising in any overseas territory, by virtue of the shares being represented by depositary receipts or by the requirements of any regulatory body or stock exchange; and

        (ii) the allotment (otherwise than pursuant to (i) above) of equity securities for cash having, in the case of relevant shares, a nominal amount or, in the case of other equity securities, giving the right to subscribe for or convert into relevant shares having a nominal amount not exceeding in aggregate £94,472.

    and the power conferred by this resolution 10 shall also apply to a sale of treasury shares, which is an allotment of equity securities by virtue of Section 94(3A) of the CA 1985, but with the omission of the words "pursuant to the authority conferred by resolution 9".

Dated 7 April 2008
By order of the Board

Dick Lynch
Secretary

Notice of Annual General Meeting

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company.

2. A form of proxy is enclosed and to be valid it must be lodged at the registrars, Capita Registrars, the Registry, 34 Beckenham Road, Beckenham, Kent BR3 4BR so as to be received not later than 11am on 7 May 2008. Completion and return of a form of proxy will not prevent a member from attending and voting at the meeting in person if he/she so wishes.

3. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered in the register of members at the close of business on 7 May 2008 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after this time shall be disregarded in determining the right of any person to attend and vote at the meeting.

4. Copies of each director's service contract or letter of appointment will be available for inspection at the registered office of the Company during normal business hours on any weekday (public holidays excepted) from the date of this notice until the conclusion of the Annual General Meeting and at Buchanan Communications, 45 Moorfields, London, EC2Y 9AE for 15 minutes prior to and during the meeting.

5. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives - *www.icsa.org.uk* - for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above. A letter in this form would be acceptable to the Company and its registrars.

6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) of the meeting by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

   CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

   The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.