

Recommendation: **BUY** (BUY) Risk: **MEDIUM** (Medium) Fair Value: **EUR 3.95** (3.95)

27 March 2009

Top-line in FY 2008 beats our estimates, but FY 2009 will be difficult for getmobile

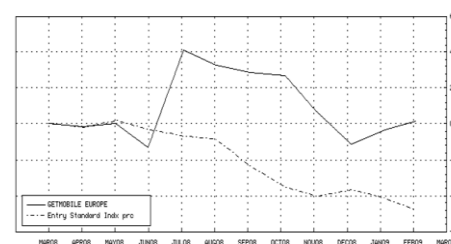
- getmobile released on 27th March 2009 its financial figures for FY 2008. Group revenues amounted to EUR 101.46m, which were higher than expected (2008E: 88.7m), resulting from an increase by 25% of mobile phone contracts. Another driver results from higher than estimated trading turnover amount to EUR 24.4m. The bottom-line figures were slightly below our forecasts: EBITDA amounted to EUR 3.23m (2008E: EUR 3.55m). Excluding exceptional costs EBITDA was at EUR 3.87m. Therefore, net profit was under our expectation (2008E: EUR 2.90m) generating EUR 2.37m, whereas net profit adjusted for deferred taxes totalled to EUR 2.76m. Despite the fact that the operational business of getmobile performed slightly below our estimates, the figures are still convincing in the current market environment.
- According to the company, the prospect for 2009 is very conservative as a result of increasing pressure on margins affected by the big telecommunication companies. The suspension of the wholesale business will also burden the top line. This development could lead to a clear slowdown in revenues, sharper than previously estimated by us. Premingo and PaulDirekt are not able to compensate this clouding so far.
- By reviewing these figures and the probably ongoing pressure on margins, sales and earnings in FY 2009 will be below our recent estimates. We estimate sales revenues within the range of EUR 50m – EUR 60m from a present-day perspective. This decline in revenues will burden the EBITDA in 2009E which we now expect to range between EUR 1.5m to EUR 2.0m.
- In combination with our estimates for 2011E, we will promptly adjust our forecasts for 2009E and 2010E. In short-term view, the figures could slightly burden the share price, but in the long-term perspective getmobile can still convince. The cheap valuation (EV close to zero) remains a reason to buy the share. We will reduce the fair value in the next update, but stick to our recommendation to BUY the share.

Key data

Y/E 31.12., EUR m	2006	2007	2008	2009E	2010E
Sales revenues	63.6	100.8	101.5	50-60	-
Gross profit	5.9	9.1	11.3	-	-
EBITDA	1.6	2.8	3.2	1.5-2.0	-
EBIT	-54.1	2.5	3.1	-	-
Net income/loss	-54.5	2.2	2.4	-	-
EPS	-5.77	0.24	0.27	-	-
CPS	0.49	0.04	0.49	-	-
DPS	0.00	0.10	0.11	-	-
Gross margin	9.3%	9.0%	11.1%	-	-
EBITDA margin	2.6%	2.8%	3.2%	-	-
EBIT margin	-85.0%	2.5%	3.0%	-	-
EV/EBITDA	0.1	0.1	0.1	-	-
EV/EBIT	neg.	0.1	0.1	-	-
P/E	neg.	4.5	3.9	-	-

Source: getmobile europe plc; CBS Research AG

Share price (dark) vs. Entry Standard



Sources: CBS Research AG, Bloomberg

Change	2008		2009E		2010E	
	new	old	new	old	new	old
Sales	101.5	-	50-60	85.1	-	100.4
EBITDA	3.2	-	1.5-2.0	4.5	-	5.9
EPS	0.27	-	-	0.33	-	0.43

Internet: www.getmobile.ag Sector: Internet
WKN: A0QZ0E ISIN: GB00B2QTYX55
Reuters: GETM.DE Bloomberg: GZQA GY

Share data:

Share price (EUR):	1.04
Shares outstanding (m):	9.4
Market capitalisation (EURm):	9.7
Enterprise value (EURm):	0.8
Ø daily trading volume (no. of shares):	10,222

Performance data:

High 52 weeks:	2.30
Low 52 weeks:	0.82
Absolute performance (12 months):	-25.63%
Relative performance (vs. Entry Standard):	
1 month	-11.7%
3 months	11.9%
6 months	1.1%
12 months	13.7%

Shareholders:

Tiburon Unternehmensaufbau GmbH:	15.8%
Pierce Casey:	9.9%
Mountain Partners AG:	6.9%
Dexia Asset Management AG:	6.5%
Others:	60.9%

Financial calendar:

Annual General Meeting May 2009

Analysts: Roger Peeters, CEFA
Marcus Silbe

Close Brothers Seydler Research AG
Phone: +49 (0)69 - 977 84 56 0
E-Mail: research@cbseydlerresearch.ag

Institutional Sales:

Close Brothers Seydler Bank AG
Germany: Uwe Gerhardt
Phone: +49 (0)69 - 920 54 168
France: Bruno de Lencquesaing
Phone: +49 (0)69 - 920 54 116

Close Brothers Seydler Ltd.
United Kingdom: Ernie Ferriday
Phone: +44 2076 55 34 80

www.cbseydlerresearch.ag

Disclaimer and statement according to § 34b German Securities Trading Act (“Wertpapierhandelsgesetz”) in combination with the provisions on financial analysis (“Finanzanalyseverordnung” FinAnV)

This report has been prepared independently of the company analysed by Close Brothers Seydler Research AG and/ or its cooperation partners and the analyst mentioned on the front page (hereafter all are jointly and/or individually called the ‘author’). None of Close Brothers Seydler Research AG, Close Brothers Seydler Bank AG or its cooperation partners, the Company or its shareholders has independently verified any of the information given in this document. Section 34b of the German Securities Trading Act in combination with the FinAnV requires an enterprise preparing a security analysis to point out possible conflicts of interest with respect to the company that is the subject of the analysis.

Close Brothers Seydler Research AG is a majority owned subsidiary of Close Brothers Seydler Bank AG (hereafter ‘CBS’). However, Close Brothers Seydler Research AG provides its research work independent from CBS. CBS is offering a wide range of Services not only including investment banking services and liquidity providing services (designated sponsoring). CBS may possess relations to the covered companies as follows (additional information and disclosures will be made available upon request):

- CBS may hold more than 5% interest in the capital stock of the company that is subject of the analysis.
- CBS may have been a participant in the management of a (co)consortium in a selling agent function for the issuance of financial instruments, which themselves or their issuer is the subject of this financial analysis within the last twelve month.
- CBS may have been providing investment banking and/or consulting services during the last 12 months for the company analyzed for which compensation has been or will be paid for.
- CBS may act as designated sponsor for the company's securities on the basis of an existing designated sponsorship contract. The services include the provision of bid and ask offers.
- Due to the designated sponsoring service agreement CBS may regularly possess shares of the company and receives a compensation and/ or provision for its services.
- The designated sponsor service agreement may include a contractually agreed provision of research services.
- The company that is subject of the analysis may agree on a research service agreement with CBS.
- CBS may have significant financial interests in relation to the company that is subject of this analysis.

CBS and/or its employees or clients may take positions in, and may make purchases and/ or sales as principal or agent in the securities or related financial instruments discussed in this analysis. CBS may provide investment banking, consulting, and/ or other services to and/ or serve as directors of the companies referred to in this analysis. No part of the authors compensation was, is or will be directly or indirectly related to the recommendations or views expressed.

CBS Research AG and getmobile Europe plc have a contractual agreement about the preparation of research reports. CBS Research AG receives a compensation in return.

Recommendation System:

Close Brothers Seydler Research AG uses a 3-level absolute share rating system. The ratings pertain to a time horizon of up to 6 months:

BUY: The expected performance of the share price is above +10%.

NEUTRAL: The expected performance of the share price trend is between +5% and +10%.

SELL: The expected performance of the share price is below 5%.

Recommendation history for the company analysed in this report:

Date	Recommendation	Price at change date	Target Price
06 November 2008	BUY	EUR 1.54 (Initiating Coverage)	EUR 3.95
27 January 2009	BUY	EUR 1.05	EUR 3.95
27 March 2009	BUY	EUR 1.04	EUR 3.95

Risk-scaling System:

Close Brothers Seydler Research AG uses a 3-level risk-scaling System. The ratings pertain to a time horizon of up to 6 months:

LOW: The volatility is expected lower than the volatility of the benchmark

MEDIUM: The volatility is expected equal to the volatility of the benchmark

HIGH: The volatility is expected higher than the volatility of the benchmark

The following valuation methods are used when valuing companies: Multiplier models (price/earnings, price/cash flow, price/book value, EV/revenues, EV/EBIT, EV/EBITA, EV/EBITDA), peer group comparisons, historical valuation approaches, discounting models (DCF, DDM), break-up value approaches or asset valuation approaches. The valuation models are dependent upon macroeconomic measures such as interest, currencies, raw materials and assumptions concerning the economy. In addition, market moods influence the valuation of companies.

The figures taken from the statement of income, the cash flow statement and the balance sheet upon which the evaluation of companies is based are estimates referring to given dates and therefore subject to risks.

These may change at any time with prior notice.

The opinions and forecasts contained in this report are those of author alone. Material sources of information for preparing this report are publications in domestic and foreign media such as information services (including but not limited to Reuters, VWD, Bloomberg, DPA-AFX), business press (including but not limited to Börsenzeitung, Handelsblatt, Frankfurter Allgemeine Zeitung, Financial Times), professional publications, published statistics, rating agencies as well as publications of the analysed issuers. Furthermore, discussions were held with the Management for the purpose of preparing the company study. Potentially parts of the analysis have been provided to the issuer prior to going to press; no significant changes were made afterwards, however. Any information in this report is based on data considered to be reliable, but no representations or guarantees are made by author with regard to the accuracy or completeness of the data. The opinions and estimates contained herein constitute our best judgment at this date and time, and are subject to change without notice. Possible errors or incompleteness of the information do not constitute grounds for liability, neither with regard to indirect nor to direct or consequential damages. The views presented on the covered company accurately reflect the personal views of the author. All Employees of the author's company who are involved with the preparation and/or the offering of financial analyzes are subject to internal compliance regulations.

The report is for information purposes, it is not intended to be and should not be construed as a recommendation, offer or solicitation to acquire, or dispose of, any of the securities mentioned in this report. Any reference to past performance should not be taken as indication of future performance. The author does not accept any liability whatsoever for any direct or consequential loss arising from any use of material contained in this report. The report is confidential and it is submitted to selected recipients only. The report is prepared for professional investors only and it is not intended for private investors. Consequently, it should not be distributed to any such persons. Also, the report may be communicated electronically before physical copies were available. It may not be reproduced (in whole or in part) to any other investment firm or any other individual person without the prior written approval from the author. The author is not registered in the United Kingdom nor with any U.S. regulatory body.

It has not been determined in advance whether and in what intervals this report will be updated. Unless otherwise stated current prices refer to the closing price

of the previous trading day. Any reference to past performance should not be taken as indication of future performance. The author maintains the right to change his opinions without notice, i.e. the opinions given reflect the author's judgement on the date of this report.

This analysis is intended to provide information to assist institutional investors in making their own investment decisions, not to provide investment advice to any specific investor.

By accepting this report the recipient accepts that the above restrictions are binding. German law shall be applicable and court of jurisdiction for all disputes shall be Frankfurt am Main (Germany).

This report should be made available in the United States solely to investors that are (i) "major US institutional investors" (within the meaning of SEC Rule 15a-6 and applicable interpretations relating thereto) that are also "qualified institutional buyers" (QIBs) within the meaning of SEC Rule 144A promulgated by the United States Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Securities Act") or (ii) investors that are not "US Persons" within the meaning of Regulation S under the Securities Act and applicable interpretations relating thereto. The offer or sale of certain securities in the United States may be made to QIBs in reliance on Rule 144A. Such securities may include those offered and sold outside the United States in transactions intended to be exempt from registration pursuant to Regulation S. This report does not constitute in any way an offer or a solicitation of interest in any securities to be offered or sold pursuant to Regulation S. Any such securities may not be offered or sold to US Persons at this time and may be resold to US Persons only if such securities are registered under the Securities Act of 1933, as amended, and applicable state securities laws, or pursuant to an exemption from registration.

This publication is for distribution in or from the United Kingdom only to persons who are authorised persons or exempted persons within the meaning of the Financial Services and Markets Act 2000 of the United Kingdom or any order made thereunder or to investment professionals as defined in Section 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and is not intended to be distributed or passed on, directly or indirectly, to any other class of persons.

This publication is for distribution in Canada only to pension funds, mutual funds, banks, asset managers and insurance companies.

The distribution of this publication in other jurisdictions may be restricted by law, and persons into whose possession this publication comes should inform themselves about, and observe, any such restrictions. In particular this publication may not be sent into or distributed, directly or indirectly, in Japan or to any resident thereof.

Responsible Supervisory Authority:

Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, Federal Financial Supervisory Authority)

Graurheindorferstraße 108
53117 Bonn

and

Lurgiallee 12
60439 Frankfurt

 Close Brothers Seydler
Research AG

Hamburger Allee 26 -28
60486 Frankfurt am Main
www.cbseidlerresearch.ag
Tel.: 0049 - (0)69 - 97 78 45 60