

Recommendation: **BUY** (BUY) Risk: **HIGH** (HIGH) Price Target: **EUR 1.75** (1.50)

04 February 2010

The fantasy is back

Founder takes the matter back in his own hands

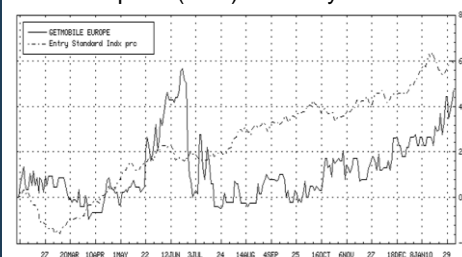
- Yesterday, the CEO Daniel Wild held a presentation at the Close Brothers Seydler Small- & Mid Cap Conference in Frankfurt. He mentioned his plans for getmobile and the general strategy for the mid-term prospective. First of all, the company will change its name, after the group sold its mobile phone segment as well as the name rights for "getmobile". According to Mr. Wild, the group should incorporate a new corporate name within the next two months.
- Besides the name change he also noted that the management team will be downsized to reduce the overhead costs. However, up to now, it is not certain which amount the group could save through this downsizing process. Assuming that the group will reduce costs for at least one board member, the group could accomplish the turnaround already in 2010E, according to our estimates. However, as long as we cannot evaluate the overhead costs with tangible figures we will not change our estimates.
- At the conference Mr. Wild also specified the targets of getmobile for 2010
 - Quick growth (both organic and anorganic)
 - Majority share of Shirtinator AG
 - Internationalisation and product extension in the area of mass customisation
 - Streamlining of overhead structures
- Summing up all these targets, we think that the new strategic focus hit the spot and likewise will finally support the share price development. The actual ecommerce holdings (Pauldirekt, Premingo, Shirtinator) and the service companies (getperformance, getlogics) combined with the strong strategic targets should help getmobile to overcome the transition period shortly.
- After the conference presentation of getmobile's new strategic path we currently see new positive upside potential for the share. As soon as the financial figures become more visible we will also adjust our estimates for the company. We reiterate our BUY recommendation with a new price target of EUR 1.75.

Key data

Y/E 31.12., EUR m	2007	2008	2009E	2010E	2011E
Sales revenues	100.8	101.5	27.5	23.0	30.6
EBITDA	2.7	3.2	-1.0	0.0	1.1
EBIT	2.5	3.1	-13.0	-0.2	0.9
Net income/loss	2.2	2.5	-13.0	-0.1	0.8
EPS	0.24	0.27	-1.38	-0.01	0.09
CPS	0.04	0.49	0.04	0.03	0.12
DPS	0.10	0.11	0.00	0.02	0.03
EBITDA margin	2.7%	3.2%	-3.8%	-0.1%	3.6%
EBIT margin	2.5%	3.0%	-47.3%	-0.7%	3.0%
EV/EBITDA	1.1	0.9	neg.	n.m.	2.7
EV/EBIT	1.2	1.0	neg.	neg.	3.2
P/E	1.3	1.2	neg.	neg.	3.6

Source: getmobile europe plc; CBS Research AG

Share price (dark) vs. Entry Standard



Sources: CBS Research AG, Bloomberg

Change	2009E		2010E		2011E	
	new	old	new	old	new	old
Sales	-	27.5	-	23.0	-	30.6
EBITDA	-	-1.0	-	0	-	1.1
EPS	-	-1.38	-	-0.01	-	0.09

Internet: www.getmobile-europe.com
WKN: A0QZ0E
Reuters: GETM.DE

Sector: Internet
ISIN: GB00B2QTYX55
Bloomberg: GZQA GY

Share data:

Share price (last closing price):	EUR 1.45
Shares outstanding (m):	9.4
Market capitalisation (EURm):	13.7
Enterprise value (EURm):	3.0
Ø daily trading volume (3m, no. of shares):	22,717

Performance data:

High 52 weeks:	1.59
Low 52 weeks:	0.87
Absolute performance (12 months):	33.8%
Relative performance (vs. Entry Standard):	
1 month	25.8%
3 months	19.7%
6 months	46.5%
12 months	8.5%

Shareholders:

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

Financial calendar:

FY2009 report March 2010

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Profit and loss account

	IFRS	EUR 1,000	2007	2008	2009E	2010E	2011E
Sales			100,766	101,458	27,489	22,985	30,625
YoY growth			145.7%	59.5%	-69.0%	-16.4%	33.2%
Cost of sales			-91,692	-90,192	-27,187	-21,394	-27,379
as % of sales			-91.0%	-88.9%	-98.9%	-93.1%	-89.4%
Gross profit			9,074	11,266	302	1,591	3,246
as % of sales			9.0%	11.1%	1.1%	6.9%	10.6%
Administrative expenses excl. depreciation, amortisation and goodwill impairments			-6,344	-8,042	-1,924	-1,609	-2,144
as % of sales			-6.3%	-7.9%	-7.0%	-7.0%	-7.0%
Other operating income			0.0	0.0	700.0	0.0	0.0
as % of sales			0.0%	0.0%	2.5%	0.0%	0.0%
Other operating expenses			0.0	0.0	-110.0	0.0	0.0
as % of sales			0.0%	0.0%	-0.4%	0.0%	0.0%
EBITDA			2,730	3,224	-1,032	-18	1,103
as % of sales			2.7%	3.2%	-3.8%	-0.1%	3.6%
Depreciation and amortisation			-238	-248	-281	-202	-261
as % of sales			-0.2%	-0.2%	-1.0%	-0.9%	-0.9%
Goodwill impairments			0	0	-11,742	0	0
as % of sales			0.0%	0.0%	-42.7%	0.0%	0.0%
Share of post tax profit of associates			53	101	60	70	75
EBIT			2,545	3,077	-12,995	-150	916
as % of sales			2.5%	3.0%	-47.3%	-0.7%	3.0%
Net financial results			136	268	100	110	120
EBT (Earnings before income taxes)			2,681	3,345	-12,895	-40	1,036
as % of sales			2.7%	3.3%	-46.9%	-0.2%	3.4%
Income taxes			-468	-972	-155	-30	-207
as % of EBT			-17.5%	-29.1%	1.2%	74.2%	-20.0%
Group net income including minorities			2,213	2,373	-13,050	-70	829
Minority interests			-16	-140	-4	-3	-2
Net income attributable to shareholders			2,229	2,513	-13,046	-67	831
as % of sales			2.2%	2.5%	-47.5%	-0.3%	2.7%
Shares outstanding (in thousands)			9,447	9,447	9,447	9,447	9,447
Basic earnings per share (EUR)			0.24	0.27	-1.38	-0.01	0.09

Source: getmobile europe plc, CBS Research AG

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

HOLD: The expected performance of the share price is between 0% and +10%.

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Recommendation history over the last 12 months for the company analysed in this report:

Date	Recommendation	Price at change date	Price Target
27 March 2009	BUY	EUR 1.04	EUR 3.95
09 April 2009	BUY	EUR 0.98	EUR 2.94
30 June 2009	BUY	EUR 1.11	EUR 1.50
29 September 2009	BUY	EUR 1.00	EUR 1.50
27 November 2009	BUY	EUR 1.17	EUR 1.50
04 February 2010	BUY	EUR 1.45	EUR 1.75

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