

## **eServGlobal Reports 33% Annual Revenue Growth and Announces Dividend**

### **Key highlights:**

- Won convergent billing project at India's largest and fastest growing national mobile network, cementing eServGlobal's position as the leader for real-time billing control in large scale and high-growth mobile networks.
- Achieved new OEM channel with world's largest messaging software supplier.
- Revenue of \$38.4 million, exceeding guidance of \$37.6 million
- Diluted EPS of \$0.01
- Dividend of \$0.01 per share, fully franked
- Fiscal 2005/2006 guidance: eServGlobal is confident of continuing growth in the FY05/06 year.

*Sydney, Australia – 29 August, 2005* – **eServGlobal Limited** (ASX:ESV & LSE:ESG), a specialised supplier of large-scale telecoms network software and services to telecommunications carriers, today announced a profit after tax of \$1.112 million for the year to 30 June 2005. The company will pay a fully-franked dividend of \$0.01 per share.

Sales revenue for the year was \$38.427 million, compared with \$28.951 million in the previous year, a growth of 32.7%.

Gross Profit performance was strong at 43.6% (39.5% in FY04). This growth reflects the continuing focus on quality revenue and predictable project deliveries to customers around the world.

The results for the full year include a one-off non-recurring charge of \$0.587 million, being the costs incurred in the London Stock Exchange AIM listing.

Mr Ian Buddery, Executive Chairman, said: "We are proud to have achieved an outstanding result in FY05, producing strong revenue and profit growth. The growth was produced not only from our established customers, but also from major new customers, bringing a corresponding increase in our long-term contracted support revenue. We thus enter FY06 with a large order book of recurring revenue and a record pipeline of new opportunities.

"We have made great progress with our partner strategy, developing new channels to market. We believe that this will be a key component of our growth in future years, as we consolidate our position as the telecoms service-control supplier of choice, for leading billing and messaging vendors.

“Last but not least, our listing on the London Stock Exchange AIM market has been an outstanding success, with over 22% of shares now traded in London and more than 200% share-price growth achieved. We now believe that we have the right platform for shareholder value and liquidity well into the future.

## Sales Highlights

During the fiscal year, our results included the following significant events:

- Established sales & support operation in India, to service the world’s fastest growing mobile telephony market.
- Delivered our first NGN deployment with a tier one carrier in Europe, establishing eServGlobal in the next generation networks and IP/VoIP fields.
- Engaged in the CALA (Central and Latin Americas) market with major billing and infrastructure partners, first sales contract now in negotiation.

## Financial Summary

Results for the year to 30 June 2005	6 months to Dec 2004	6 months to 30 June 2005	Full year to June 30 2005
<b>Sales Revenue</b>	<b>17,446</b>	<b>20,981</b>	<b>38,427</b>
Gross Profit	7,826	8,920	16,746
Other Revenue	223	196	419
Sales & Marketing Costs	3,213	3,391	6,604
Administration Costs (incl forex)	2,949	3,481	6,430
<b>EBITDA (before non-recurring)</b>	<b>1,887</b>	<b>2,244</b>	<b>4,131</b>
Non-recurring charges	587	-	587
<b>EBITDA</b>	<b>1,300</b>	<b>2,244</b>	<b>3,544</b>
Depreciation	399	442	841
Amortisation	786	785	1,571
<b>EBIT</b>	<b>115</b>	<b>1,017</b>	<b>1,132</b>
Interest Expense	1	1	2
<b>Profit before Tax</b>	<b>114</b>	<b>1,016</b>	<b>1,130</b>
Tax Expense / (Benefit)	83	(65)	18
<b>Profit after Tax</b>	<b>31</b>	<b>1,081</b>	<b>1,112</b>

## About eServGlobal

eServGlobal Limited (ASX: ESV & LSE: ESG) provides independent and flexible network intelligence systems to telecommunications carriers worldwide, specialising in large-scale, high performance telecoms service control environments, supporting voice and data services, for fixed-line, mobile and IP carriers.

eServGlobal's solutions provide **more capacity** with **more function**, at **lower cost** and enable customers to drive subscriber revenue whilst reducing the cost to serve.

Headquartered in Sydney, Australia, eServGlobal has operations in Belgium, India, Indonesia, the Netherlands, New Zealand, Poland and the UK. More information can be found at: <http://www.eservglobal.com>

## **Cautionary statements**

Statements in this document expressing the beliefs and expectations of management regarding future performance are "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. These statements are based on management's expectations as of the date of this document and are subject to uncertainty and changes in circumstances. Actual results may differ materially from these expectations due to risks and uncertainties including, but not limited to, uncertainty in communications spending, the implementation of the Company's strategic repositioning and market acceptance of the Company's new solutions strategy, six-monthly fluctuations in financial results, the Company's ability to exploit fully the value of its technology and its strategic partnerships and alliances, the availability of products from product component vendors and other risks. In addition, while management may elect to update forward-looking statements at some point in the future, management specifically disclaims any obligation to do so, even if its estimates change. Any reference to our website in this press release is not intended to incorporate the contents thereof into this press release or any other public announcement.

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