

Appendix 4D

eServGlobal Limited

ABN 59 052 947 743

**Half-year report and appendix 4D
for the half-year ended 31 December 2008**

The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the 2008 annual financial report.

Half-year report and appendix 4D for the half year ended 31 December 2008

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eServGlobal Limited
Half year ended
31 December 2008

Results for announcement to the market

Results				A\$ '000
Revenues	Down	9%	to	83,093
Profit after tax attributable to members	Down	88%	to	602
Dividends (distributions)		Amount per security	Franked amount per security	
<i>Current period</i>				
Interim dividend declared		Nil ¢		0%
Final dividend paid		3.0 ¢		0%
<i>Previous corresponding period</i>				
Interim dividend declared		Nil ¢		0%
Final dividend paid		2.0 ¢		0%
Record date for determining entitlements to the dividend.	N/A			

Brief explanation of revenue, net profit and dividends (distributions).

The consolidated entity achieved sales revenue for the period of \$83.093 million (2007 \$91.194 million) – a decrease of 9%. The gross profit realised was \$41.533 million (gross profit margin: 50%) (2007 \$47.622 million (gross profit margin: 52%)). EBITDA for the period was \$7.065 million (2007 EBITDA \$13.192 million).

The net result of the consolidated entity for the half year ended 31 December 2008 was a profit after tax and minority interest for the period of \$0.602 million (2007 \$5.194 million). Earnings per share was 0.4 cents (2007 3.1cents).

In accordance with the Group's accounting policies, development expenditure incurred during the period of \$2.5million was capitalised in the Balance Sheet. The expenditure related to internally generated software comprising the HomeSend platform for which no revenue is forecast in the FY09 year.

During the period, the operating cash flow for the period was a net outflow of \$4.026 million. This reflects the increased work in progress which is still to be billed to customers. Also during the period a dividend of \$5.131 million was paid to shareholders. Cash at 31 December 2008 was \$10.163 million. It is anticipated that the cash balance will improve in the second half.

eServGlobal Limited
Half year ended
31 December 2008

Directors' report

The directors of eServGlobal Limited submit herewith the financial report for the half-year ended 31 December 2008. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of the directors of the company during or since the end of the half year are:

Ian Buddery	Executive Chairman & Secretary
Laurent Lafarge	Chief Executive Officer & Director
François Barrault	Non Executive Director
Anthony Gilbert	Non Executive Director
Graham Libbesson	Non Executive Director
Jim Pratt	Non Executive Director
David Smart	Non Executive Director

Review of Operations

This report is to be read in conjunction with other reports issued contemporaneously.

eServGlobal Limited is a public company listed on the Australian Stock Exchange (ASX:ESV) and the London Stock Exchange (AIM) (LSE:ESG). Along with its Head Office in Sydney, Australia, the eServGlobal group has operations worldwide.

eServGlobal develops and implements convergent charging and rating, mobile payment, network services and messaging products for over 80 operators in more than 50 countries in mobile, fixed and IMS network environments.

Our comprehensive offering enables innovative subscriber services with real-time control and improved financial performance. We help operators to grow new revenues, reduce churn and lower their costs.

eServGlobal's Convergent Charging Suite responds to increasingly sophisticated charging and billing challenges while providing advanced top up and mobile payment solutions. Our Messaging Suite enables multimedia services such as unified messaging, video blog, SMS and IM. We deliver WEB2.0, Mashup and Social Network applications, meeting customer demand for new communication experiences.

With 16 offices around the world and staff from 30 different countries, we provide flexible end-to-end solutions with ongoing product development and worldwide implementation, integration and support services.

eServGlobal Limited
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31 December 2008

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Auditor's independence declaration

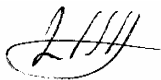
The auditor's independence declaration is included on page 4 of the half-year financial report.

Rounding off of amounts

The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the directors, made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the directors



Ian Buddery
Executive Chairman

London, 23 February 2009

The Board of Directors
eServGlobal Limited
Level 3
6 O'Connell Street
Sydney NSW 2000

Dear Board Members

eServGlobal Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of eServGlobal Limited.

As lead audit partner for the review of the financial statements of eServGlobal Limited for the half-year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Weng Ching
Partner
Chartered Accountants
Sydney, 23 February 2009

Independent Auditor's Review Report to the members of eServGlobal Limited

We have reviewed the accompanying half-year financial report of eServGlobal Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, cash flow statement, statement of recognised income and expense for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 7 to 15.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of eServGlobal Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of eServGlobal Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Weng Ching
Partner
Chartered Accountants
Sydney, 23 February 2009

eServGlobal Limited
Half year ended
31 December 2008

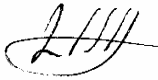
Directors' declaration

The directors declare that:

- a) in the directors' opinion, there are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable; and
- b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the directors



Ian Buddery
Executive Chairman

London, 23 February 2009

eServGlobal Limited
Half year ended
31 December 2008

Consolidated income statement
for the half-year ended 31 December 2008

	Consolidated	
	Half-Year Ended 31 December 2008 \$'000	Half-Year Ended 31 December 2007 \$'000
Revenue	83,093	91,194
Cost of sales	(41,560)	(43,572)
Gross profit	41,533	47,622
Other income	214	121
Research and development expenses	(11,060)	(14,622)
Sales and marketing expenses	(11,849)	(8,176)
Administration expenses	(11,773)	(11,753)
<i>Earnings before interest, tax, depreciation and amortisation</i>	7,065	13,192
Amortisation expense	(3,837)	(3,411)
Depreciation expense	(1,708)	(1,492)
<i>Earnings before interest and tax</i>	1,520	8,289
Finance costs	(105)	(169)
Profit before tax	1,415	8,120
Income tax expense	(689)	(2,875)
Profit for the period	726	5,245
Attributable to:		
Equity holders of the parent	602	5,194
Minority interest	124	51
	726	5,245
Earnings per share:		
Basic (cents per share)	0.4	3.1
Diluted (cents per share)	0.4	3.0

Notes to the Financial Statements are included on pages 12 to 15

eServGlobal Limited
Half year ended
31 December 2008

Consolidated balance sheet
as at 31 December 2008

	Note	Consolidated	
		31 December 2008 \$'000	30 June 2008 \$'000
Current Assets			
Cash and cash equivalents		10,163	18,288
Trade and other receivables	2	85,005	80,120
Inventories		784	1,456
Current tax assets		11,506	5,555
Total Current Assets		107,458	105,419
Non-Current Assets			
Trade and other receivables		-	5,077
Property, plant and equipment		6,623	5,855
Deferred tax assets		8,416	6,715
Goodwill		51,851	46,804
Other intangible assets	3	26,223	22,544
Total Non-Current Assets		93,113	86,995
Total Assets		200,571	192,414
Current Liabilities			
Trade and other payables		40,674	46,164
Current tax payables		405	86
Provisions		6,278	5,346
Other	4	5,336	7,432
Total Current Liabilities		52,693	59,028
Non-Current Liabilities			
Deferred tax liabilities		13,947	8,510
Provisions		1,752	1,331
Total Non-Current Liabilities		15,699	9,841
Total Liabilities		68,392	68,869
Net Assets		132,179	123,545
Equity			
Issued capital	9	115,742	115,325
Reserves	10	14,252	1,638
Retained earnings		2,007	6,536
Parent entity interest		132,001	123,499
Minority interest		178	46
Total Equity		132,179	123,545

Notes to the Financial Statements are included on pages 12 to 15

eServGlobal Limited
Half year ended
31 December 2008

Consolidated statement of recognised income and expense
for the half-year ended 31 December 2008

	Consolidated	
	Half-year ended 31 December 2008 \$'000	Half-year ended 31 December 2007 \$'000
Exchange differences arising on the translation of foreign operations	12,621	2,897
Net income recognised directly in equity	12,621	2,987
Profit for the period	726	5,245
Total recognised income and expense for the period	13,347	8,142
Attributable to:		
Equity holders of the parent	13,223	8,091
Minority interest	124	51
	13,347	8,142

eServGlobal Limited
Half year ended
31 December 2008

Consolidated cash flow statement
for the half-year ended 31 December 2008

	Consolidated	
	Half-Year	Half-Year
	Ended	Ended
	31 December	31 December
	2008	2007
	\$'000	\$'000
	<hr/>	<hr/>
Cash Flows from Operating Activities		
Receipts from customers	77,455	73,408
Payments to suppliers and employees	(83,652)	(75,004)
Interest and other costs of finance paid	(105)	(169)
Income tax refunded / (paid)	2,276	(3,162)
	<hr/>	<hr/>
Net cash used in operating activities	(4,026)	(4,927)
	<hr/>	<hr/>
Cash Flows From Investing Activities		
Interest received	214	121
Payment for property, plant and equipment	(1,561)	(2,312)
	<hr/>	<hr/>
Net cash used in investing activities	(1,347)	(2,191)
	<hr/>	<hr/>
Cash Flows From Financing Activities		
Proceeds from issues of equity securities	294	78
Dividends paid	(5,131)	(3,408)
	<hr/>	<hr/>
Net cash used in financing activities	(4,837)	(3,330)
	<hr/>	<hr/>
Net Decrease In Cash and Cash Equivalents	(10,210)	(10,448)
	<hr/>	<hr/>
Cash At The Beginning Of The Period	18,288	12,528
Effects of exchange rate changes on the balance of cash held in foreign currencies	2,085	533
	<hr/>	<hr/>
Cash and Cash Equivalents At The End Of The Period	<u>10,163</u>	<u>2,613</u>

eServGlobal Limited
Half year ended
31 December 2008

Notes to the consolidated financial statements

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The company is a company of the kind referred to in ASIC Class Order 98/010, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2008 annual financial report for the financial year ended 30 June 2008.

2. Current trade and other receivables

	Consolidated	
	31 December 2008 \$'000	30 June 2008 \$'000
Trade receivables	48,290	57,123
Work in progress	27,254	14,911
Other receivables	2,599	2,438
Deposits and prepayments	6,862	5,648
	85,005	80,120

3. Other intangible assets

	Software & Documentation \$'000	Customer Relationships \$'000	Total \$'000
Carrying value at 1 July 2008	8,502	14,042	22,544
Internal development costs capitalised	2,542	-	2,542
Amortisation expense for the period	(2,030)	(1,807)	(3,837)
Effects of foreign exchange movements	1,822	3,152	4,974
Carrying value at 31 December 2008	10,836	15,387	26,223
Carrying value at 1 July 2007	11,731	16,693	28,424
Amortisation expense for the year	(3,642)	(3,241)	(6,883)
Effects of foreign exchange movements	413	590	1,003
Carrying value at 30 June 2008	8,502	14,042	22,544

eServGlobal Limited
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4. Other Current Liabilities

	Consolidated	
	31 December 2008 \$'000	30 June 2008 \$'000
Deferred income	5,336	7,432

5. Dividends

	Half Year ended 31 December 2008		Half Year ended 31 December 2007	
	Cents per share	Total \$'000	Cents per share	Total \$'000
Fully paid ordinary shares				
<i>Recognised amounts</i>				
Final dividend paid in respect of prior financial year	3.0	5,131	2.0	3,408

6. Segment Information

Based on the risks and rewards associated with the company's business, organisational structure and system of internal financial reporting to the Board of Directors, management considers that the Group operates in one business segment, the telecommunications software solutions business, and in the following geographical segments.

Revenue in the table below has been calculated based on the geographical location of the group company deriving the revenue:

Segment Revenues

GEOGRAPHICAL	EXTERNAL SALES		INTER SEGMENT		TOTAL	
	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asia Pacific	8,245	3,717	2,022	3,459	10,267	7,176
Europe	74,848	87,477	292	-	75,140	87,477
Total of all segments					85,407	94,653
Eliminations					(2,314)	(3,459)
Unallocated					214	121
Consolidated					83,307	91,315

eServGlobal Limited
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6. Segment Information (cont.)

The Group also captures revenue by the geographical segment, based on the location of the ultimate customer:

Segment Revenues

GEOGRAPHICAL	EXTERNAL SALES		INTER SEGMENT		TOTAL	
	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Middle East	44,690	52,317	-	-	44,690	52,317
Asia Pacific	17,599	16,571	-	-	17,599	16,571
Europe	12,026	18,436	-	-	12,026	18,436
Africa	4,388	3,073	-	-	4,388	3,073
Central and South America	4,390	797	-	-	4,390	797
Total of all segments					83,093	91,194
Unallocated					214	121
Consolidated					83,307	91,315

7. Issuances, repurchases and repayment of securities

During the half-year eServGlobal Limited issued 1,026,000 ordinary shares for \$294 thousand on exercise of 1,026,000 share options issued under its executive and employee share option plans. As a result of this share issue, \$123 thousand was transferred from the equity-settled employee benefits reserve of \$1,035 thousand to issued capital. There were no other movements in the ordinary share capital or other issued share capital of the company in the current half-year.

eServGlobal Limited issued no share options (6 months to 31 December 2007: 660,000) over ordinary shares under its executive and employee share option plan during the half-year reporting period. The share options issued in the 6 months to December 2007 had an average fair value at grant date of \$0.44 per share option.

8. Facilities

The company has a \$5 million bill facility secured by a debenture charge over the assets of the company in favour of the bank. This facility was undrawn at 31 December 2008.

eServGlobal Limited
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9. Issued Capital

	Consolidated	
	31 December 2008	30 June 2008
	\$'000	\$'000
172,035,598 fully paid ordinary shares (30 June 2008: 171,009,598)	115,742	115,325

	31 December 2008		30 June 2008	
	No. '000	\$ '000	No. '000	\$ '000
Fully Paid Ordinary Shares				
Balance at the beginning of the financial period	171,009	115,325	170,076	115,005
Shares issued in the period	1,026	294	933	228
Transfer from employee equity-benefit reserve	-	123	-	92
Balance at the end of the financial period	172,035	115,742	171,009	115,325

In accordance with the executive and employee share option plan employees are entitled to purchase shares in the company. The exercise of such share options in the period resulted in the ordinary share capital increasing by 1,026,000 (note 7).

10. Reserves

	Consolidated	
	31 December 2008	30 June 2008
	\$'000	\$'000
Employee equity-benefit	1,035	1,042
Foreign currency translation	13,217	596
	14,252	1,638

eServGlobal Limited
Half year ended
31 December 2008

Other information required to be given to ASX under listing rule 4.2A.3

Net tangible assets per security	Current period	June 2008	December 2007
Net tangible assets per security	31.4 cents	31.7 cents	26.8 cents

Dividends

	Amount	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend	Date paid/ payable
Interim dividend: Current year	Nil	N/A	N/A	N/A	N/A
Previous year	Nil	N/A	N/A	N/A	N/A
Final dividend paid in respect of previous financial year:					
<i>Current period:</i> Final dividend	5,131,068	3.0c	Unfranked	N/A	N/A
<i>Previous corresponding period:</i> Special dividend Final dividend	3,408,285	2.0c	Unfranked	N/A	N/A

The dividend or distribution plans shown below are in operation.

N/A.

The last date(s) for receipt of election notices for the
 †dividend or distribution plans

N/A

Details of associates and joint venture entities

Name of entity	Percentage of ownership interest held at end of period		Aggregate share of net profit (loss) contributed to the reporting entity	
	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
Total	N/A	N/A	N/A	N/A