



31 August 2009

MobileActive Posts 27% Increase in Full-Year Net Profit

MobileActive Limited (ASX: MBA), Australia's leading independent mobile phone entertainment content and services company, today announced 27% growth in full-year earnings, following up its maiden profit a year earlier.

MobileActive Chief Executive Officer Chris Thorpe said the result reflects growth initiatives undertaken by the company to diversify its revenue base as well as the ongoing strength and resilience of the mobile entertainment market in a challenging economic environment.

"This is a very strong result. It vindicates the strategic investments we made last November in launching new divisions. These new business units have had an immediate and positive impact on income."

Financial Highlights for the fiscal year ended 30 June 2009

- Revenue up 11% to \$13.28 million
- EBITDA profit up 24% to \$1.44 million
- Net Profit after Tax up 27% to \$0.26 million
- Cash Balance of \$1.24 million at 30 June 2009
- Net asset balance of \$3.35 million (2008: \$2.69 million)

MobileActive's business is to enable consumers to experience quality entertainment on their mobile phones. Consumers are serviced directly or through business channels and partnerships.

In November 2008, MobileActive started two new divisions: Mobile Embrace (Business-to-Business leveraging core infrastructure); and RingRing Studios (in-house mobile content production and global inbound and outbound licensing and distribution). The new divisions have been integrated with the company's existing MER (Mobile Entertainment Retail) operation.

Mr Thorpe said revenue in the six months to June 30 2009 rose 14.5% to \$7.1 million from the same period a year earlier. "This clearly demonstrates the positive impact of the new divisions we launched and other initiatives," he said.

On 22 June 2009, MobileActive also launched GetUpGo, a strategic play in the growing social networking and user generated content (UGC) space.

"We continue to identify new growth areas and we have the management talent to rapidly execute on these opportunities," said Mr Thorpe. "Our distribution network is now 85 countries through 643 channels."

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During the year investments totaling \$1.42 million in capital assets were made, the bulk of which related to billing and content management platforms development, GetUpGo, RingRing Studios and Mobile Embrace.

Net assets as at 30 June 2009 increased to \$3.35 million from \$2.69 million 12 months ago. Cash at bank was \$1.24 million compared to \$1.66 million. "Our balance sheet is very sound. We have no debt." said Mr Thorpe.

Mr Thorpe said the focus for MobileActive in the current year would be:

- Grow the group's current suite of businesses;
- Further enhance operations for optimum building, profitable monetisation and retention of databases of mobile customers; and
- Continue to expand into new markets and territories with exciting new product lines that address untapped market segments.

Outlook

MobileActive is extremely well placed to take advantage of the growth in the mobile entertainment industry and maintain its leading market position.

Mr Thorpe said MobileActive was very focused on the benefits flowing from the consumer uptake of 3G high speed mobile networks, the rapid evolution of mobile handsets and the increasing awareness and usage of the internet via mobile devices.

"Our resilient business model and experienced management team built up over the past six years places us in a strong position to continue to grow the company," said Mr Thorpe. "We will also remain responsive to new potential growth opportunities."

About MobileActive Limited

MobileActive Limited (ASX: MBA) is Australia's leading independent mobile phone entertainment, content and services company.

The company builds brands, customer value and loyalty through mobile entertainment for its customers, and the customers of its business partners utilising its core Digital Asset Management, Digital Media Merchandising and Mobile Membership Services infrastructure.

The company develops, aggregates, markets and distributes a large and diverse range of mobile phone entertainment and services including content such as games, video, music, graphics, information and applications and services including loyalty and reward, user generated content, quiz and challenge, mobile marketing and social networking systems.

MobileActive operates three divisions: **Mobile Entertainment Retail MER** – direct to consumer marketing and distribution; **Mobile Embrace** – B2B services leveraging core infrastructure; **RingRing Studios** - in-house mobile content production and global inbound and outbound licensing and distribution. MobileActive has 68 global partners across 85 countries and 643 channels.

For more information see www.mobileactivecorporate.com

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