

Bango Preliminary results for 12 months to 31st March 2011

June 2011 www.bangoinvestor.com

- Highlights**
- Business Progress**
- Financials**
- Outlook**

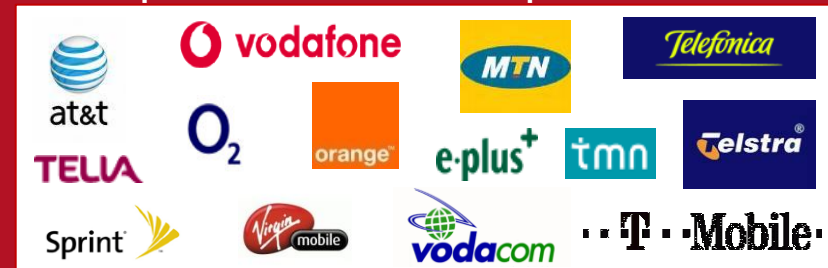
- Supplementary**

- Founded in 1999 to enable effective collection of payments from mobile device users
- Focussed on collection of payments for content and services targeted at smartphone users
- Bango technology, relationships and user data enable the highest billing conversion rates and accurate analysis
- On London Stock Exchange since 2005 (AIM: BGO.L)
- Offices in Cambridge, UK and New York, USA

Bango customers include:



Operator relationships include:



Award winning technology:





User Histories:
Dynamic generation and history / data on 100M+ users

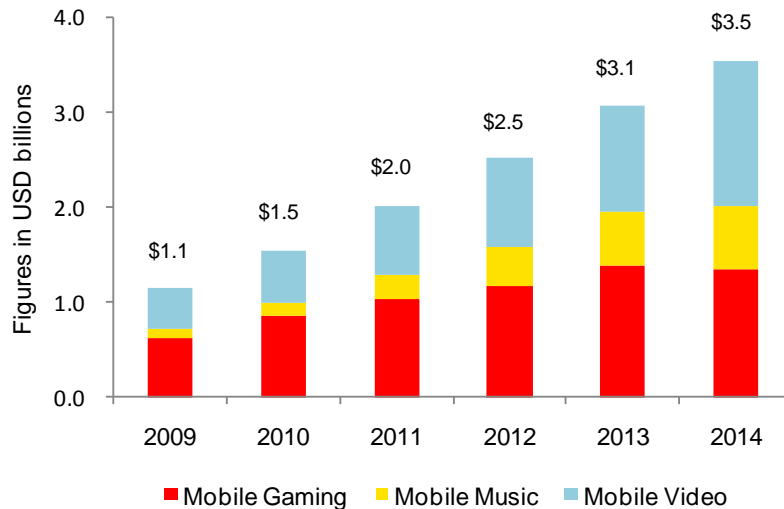
Accurate Analytics:
Revenues & Refunds, Campaigns,, Insight, Effectiveness



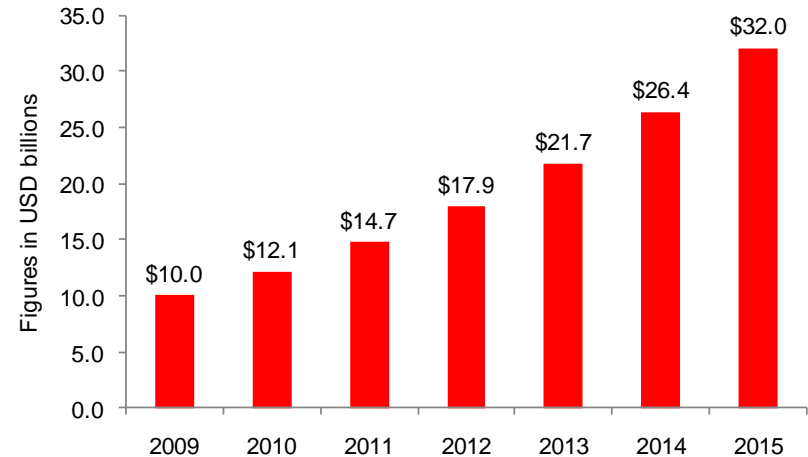
**Collect payments from mobile devices:
Single technical and commercial integration**



US Mobile Content Market



Mobile Apps Market



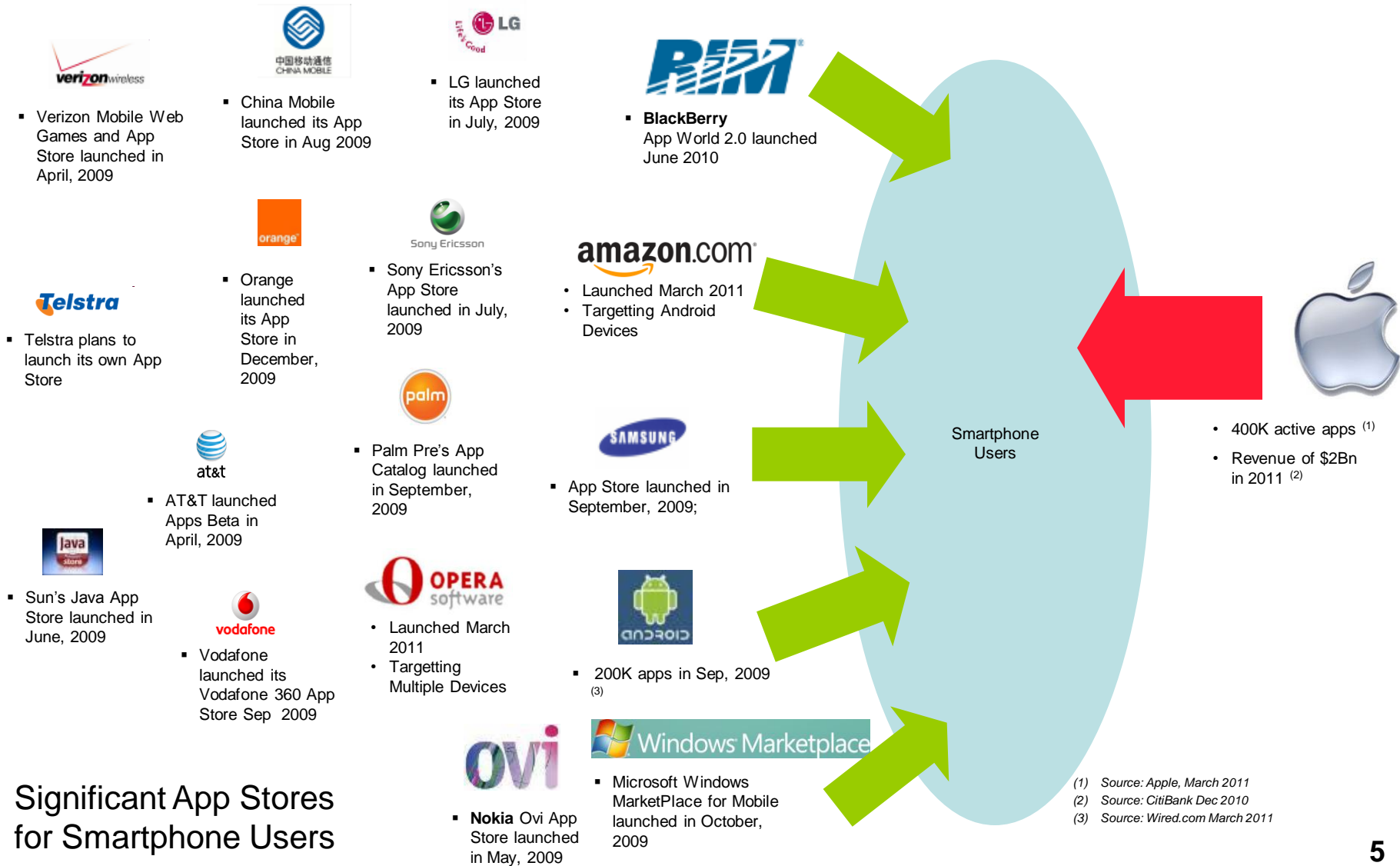
The mobile content market in the US alone is expected to grow from \$1.1 billion in 2009 to \$3.5 billion in 2014, representing a 25.3% CAGR

- Mobile gaming is expected to increase from \$600 million in 2009 to \$1.3 billion in 2014, representing a 16.5% CAGR
- Mobile video is expected to increase from \$450 million in 2009 to \$1.5 billion in 2015, representing a 28.3% CAGR
- Mobile music is expected to increase from \$82 million in 2009 to \$677 million in 2014, representing a 52.5% CAGR

The mobile applications gone from essentially non-existent (before the iPhone) to a major revenue producing market...and is expected to scale rapidly

- The mobile app market is expected to grow from \$10.0 billion in 2009 to \$32.0 billion in 2015, representing a 21.4% CAGR
- The number of app downloads are expected to reach 25 billion by 2015, up from approximately 2.6 billion in 2009

App Stores becoming strategic



- Technology to enable Mobile Operator billing (enables greater reach than credit cards alone)
- Interfaces (API's) and Analytics for Developers
- Automated “back-office” processes
- Extensive analysis and anti-fraud tools for the App Store operator
- Clearing & settlement to developers world-wide

Standard Bango Model:

Small share of end user revenues

Monthly operating fee

Additional capabilities:

Special mobile operator integration work
(accelerate new ones or dedicated connections)

Customisation to meet Customer needs

Powerful Leader:

- BlackBerry is highest volume US smartphone*
- 55% market share in North America*
- >161 mobile operator partners*
- >104m installed base*

- App World downloaded by >35m users
- >1.5m app downloads per day
- Available in over 70 countries*

- Number of transactions flowing through App World now greater than top 3 Bango clients combined

Chose Bango:

- Bango serves as the “Merchant of Record” for all carrier transactions on the BlackBerry App World, including app purchases and in-app billing (April 2010 announcement)

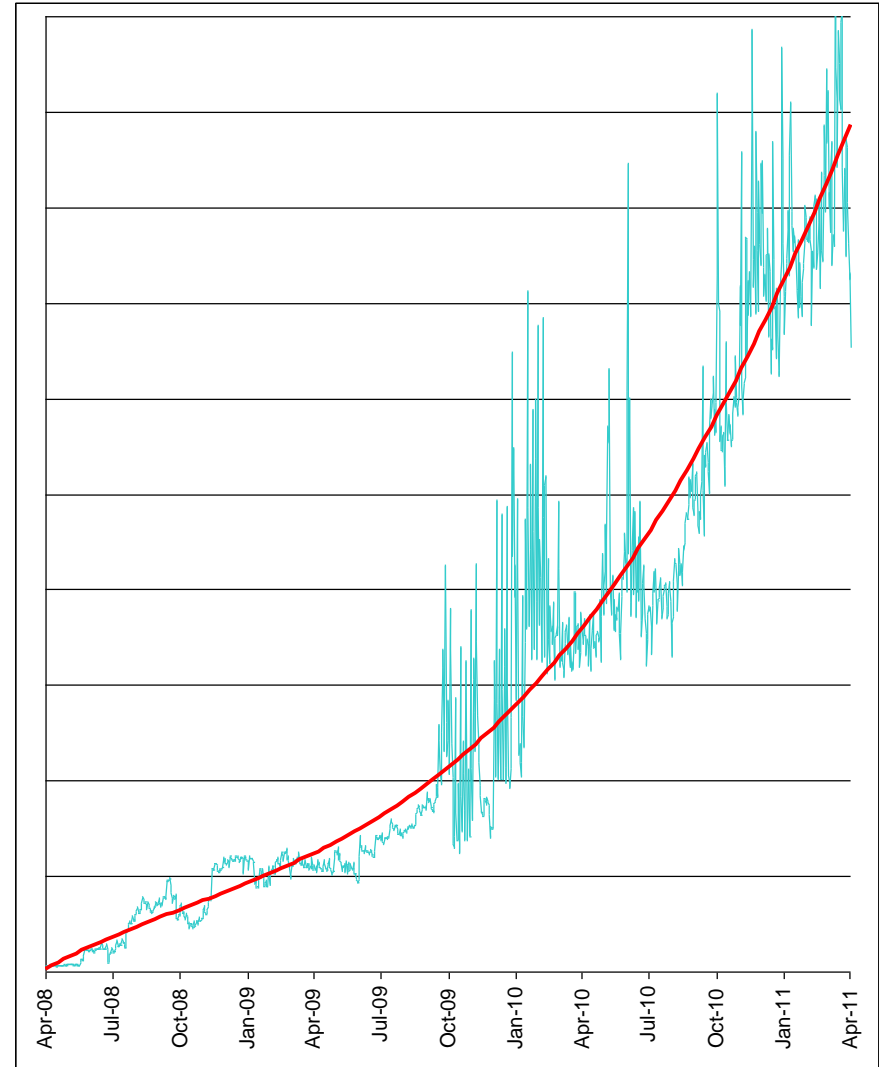
Already deploying:

- AT&T first to go live via Bango, August 2010
- Others now live in USA, Canada, UK & other countries in Europe, including Vodafone UK and T-Mobile USA



- Created team to focus on BlackBerry App World
 - ensure success of BlackBerry App World
 - in-depth technical and developer support
 - ability to integrate ~100 new carriers in 2011
 - ensure security, privacy, scalability
- Strengthen Payment and Analytics “in Applications”
 - BlackBerry, Android, iPhone, Windows, Nokia
- Offer “App Store” capabilities to others
 - Large games providers creating app stores
 - EA and Gameloft integrated with Bango
 - Other App Stores / portals in pipeline for 2011

- March 2011 volume was 4.3 times higher than March 2010
- Revenues driven by customer sign-ups and transaction volumes
- In App analytics developed and launched in October 2010
- Turner, Yahoo, Telefonica and others
- Highly relevant to App Stores as they start to mature

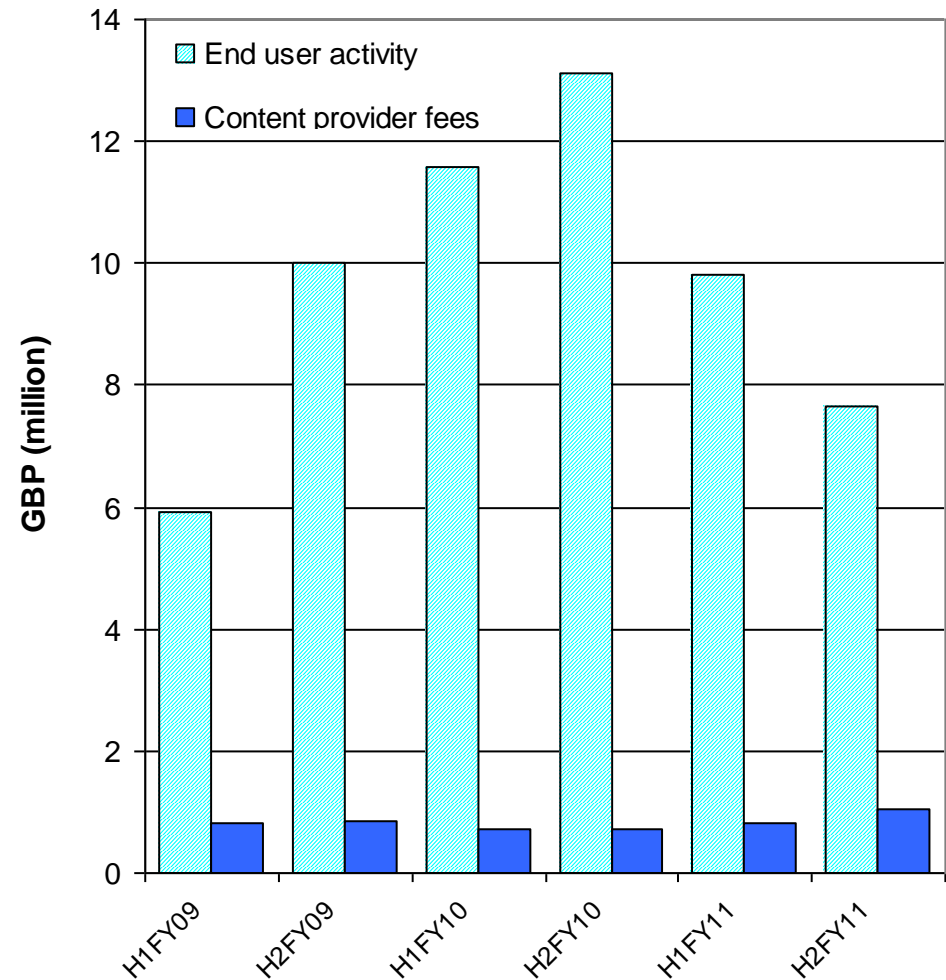


- **Operational Scalability**
 - Handle 100+ mobile operator billing integrations at low operational cost
 - Improvements to Risk Management and Refund Processing
- **Smartphone In-Application Technology**
 - Identification and authentication of Android and other devices
 - Open source application analytics toolkit to enable rapid deployment
 - Support for Tablet devices (iPad, Android, Playbook)
- **Bango Platform**
 - Allow “mass onboarding” of content providers for App Stores
 - Upgrades to collection architecture to allow much higher transaction rates (with very low system costs)

FY11: Revenue by type

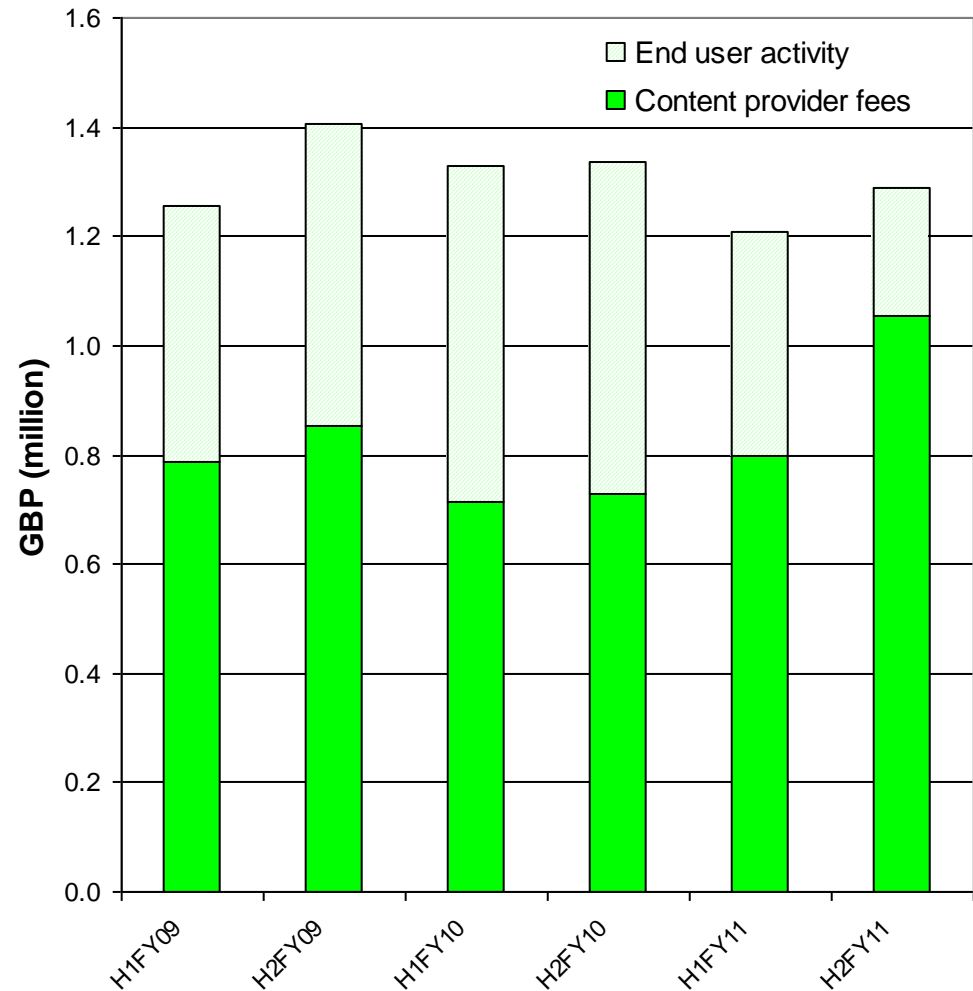
	FY11 £m	FY10 £m
End user activity	17.46	24.69
<i>% of total</i>	90%	94%
Content provider fees	1.86	1.44
<i>% of total</i>	10%	6%
Total revenue	19.32	26.13

- Increased High Margin Revenues
- Decrease in end user activity but growth returned in May 2011 as App Store volumes rose

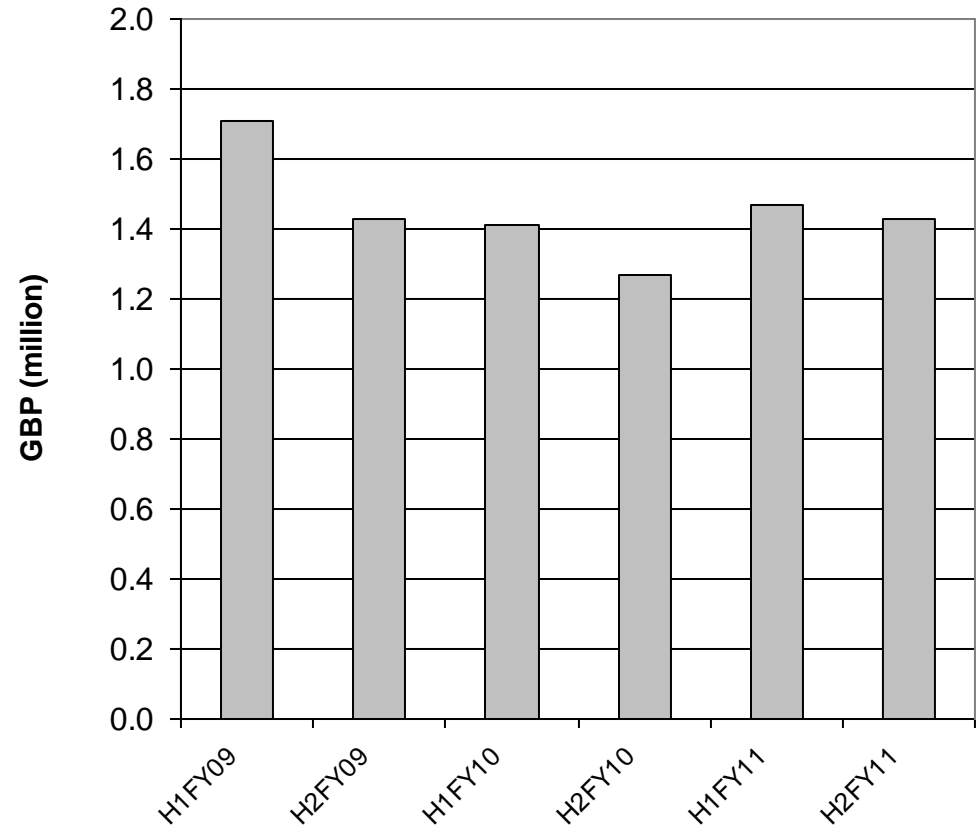


	FY11 £m	FY10 £m
End user activity	0.64	1.23
<i>% of total</i>	26%	46%
Content provider fees	1.85	1.44
<i>% of total</i>	74%	54%
Total gross profit	2.49	2.67

- High margin earnings improved significantly
- Small contribution from BlackBerry App World

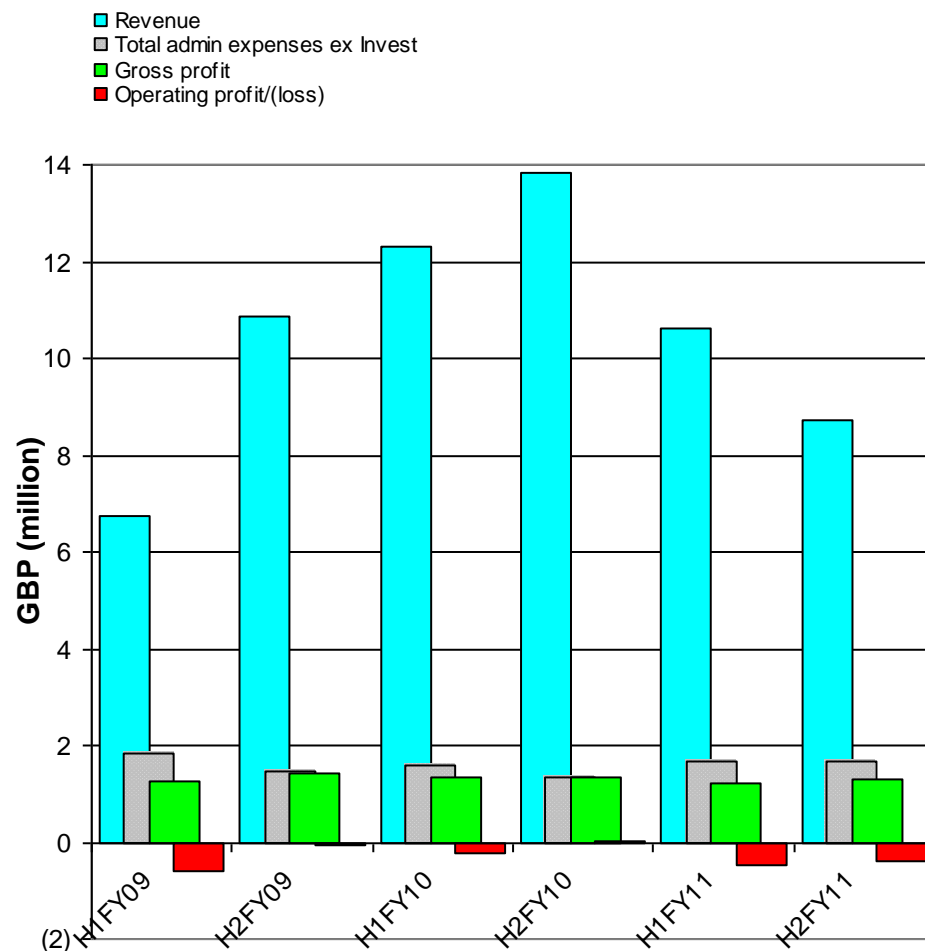


- Opex includes spend on RIM task-force / start-up
- P&L opex expected to remain at present levels in FY2012
- Capitalized £1.03m for:
 - Operational Scalability
 - In-App Technology
 - Emerging market project



Opex excludes SBP & depn

	FY11	FY10
	£m	£m
Revenue	19.32	26.13
Cost of Sales	(16.83)	(23.47)
Gross profit	2.49	2.66
Operating expenses	2.89	2.67
Dep'n and amortisation	0.32	0.17
Share based payments	0.12	0.06
Interest payable	-	0.01
Loss before taxation	(0.84)	(0.25)
Income tax	0.14	0.26
Profit / (loss) for year	(0.70)	0.10
Basic and diluted earnings per share (pence)	(1.90)	0.03



		FY11	FY10
		£m	£m
Net cash used by operating activities		(1.16)	(0.03)
Cash flows from/ (used by) investing activities			
Purchase of property, plant and equipment		(0.08)	(0.16)
Addition to intangible assets		(1.03)	(0.88)
Net cash from/(used by) investing activities		(1.11)	(1.04)
Proceeds from issuance of Ordinary Shares		2.32	3.00
Net increase / (decrease) in cash		0.05	1.93
Cash at beginning of period (after exchange differences)		2.66	0.81
Cash at end of period		2.71	2.74

- Bango sees a big and exciting pipeline of prospective business ahead
- Project to provide carrier billing for BlackBerry App World presents a significant business opportunity
- App Stores promise to be new and increasingly important channels, and success with BlackBerry positions Bango well for further App store sign-ups
- Mobile web payment and analytics products have now been augmented by mobile application equivalents
- Our market positioning, the “blue chip” customers we have won, and encouraging industry trends give Bango confidence in continuing to grow revenues and profits

Supplementary Slides

Optimum Web or App user experience



User browses site

Bango collects the payment

Confirmation and download

→ **bango** →

App running on device

In-app "Pay now" button

Confirmation of payment

→ **bango** →

→ **bango** →

Choose how to pay for Just Take My Heart - A Novel by Mary Higgins Clark from Gospoken for \$8.00

Buy with credit/debit card
Pay with PayPal
Cancel

Msg&Data Rates May Apply
Terms and Conditions

Shop Helpline: (888)-891-4949
You must have the account holder's permission

Just Take My Heart - A Novel by Mary Higgins Clark with credit card.

Card number: 473472046442495
Exp. date (MMYY): 0214
Last 3 digits on back of card: 249
ZIP code of registered card address: 10017

Payment of \$8.00 accepted. Your card has been billed as "8779272036.com Purchase"

Get a receipt
Enter your email address if you would like us to send you a receipt for this payment. And we'll send you a password so you can pay with one click.

Email: john20142015@gmail.com

Help
Sold by Bango

BILLING

Identify / Locate

BillRank™

Age Verification

Risk / Fraud

Currency

Taxes

Technical API

Web Services

Native Language Support

Analytics

User Support Tools

COLLECTION

Basics:

- Reporting
- Reconciliation
- Refunds
- Chargebacks
- Missing items

Added Value:

- Anti Fraud
- Refund prevention
- Rates
- Anti-Laundering

Cross border:

- User taxes (eg VAT)
- Withholding taxes
- Currency conversion
- Currency risk
- Banking rules

OUTPAYMENT

Basics:

- Calculation
- Reconciliation
- Refunds
- Chargebacks
- Fees / fines
- Incentives

Added Value:

- Reporting
- Refund management
- Authentication/ KYC

Cross border:

- Vendor taxes (eg VAT)
- Withholding taxes
- Currency convert
- Currency risk
- Bank transfers

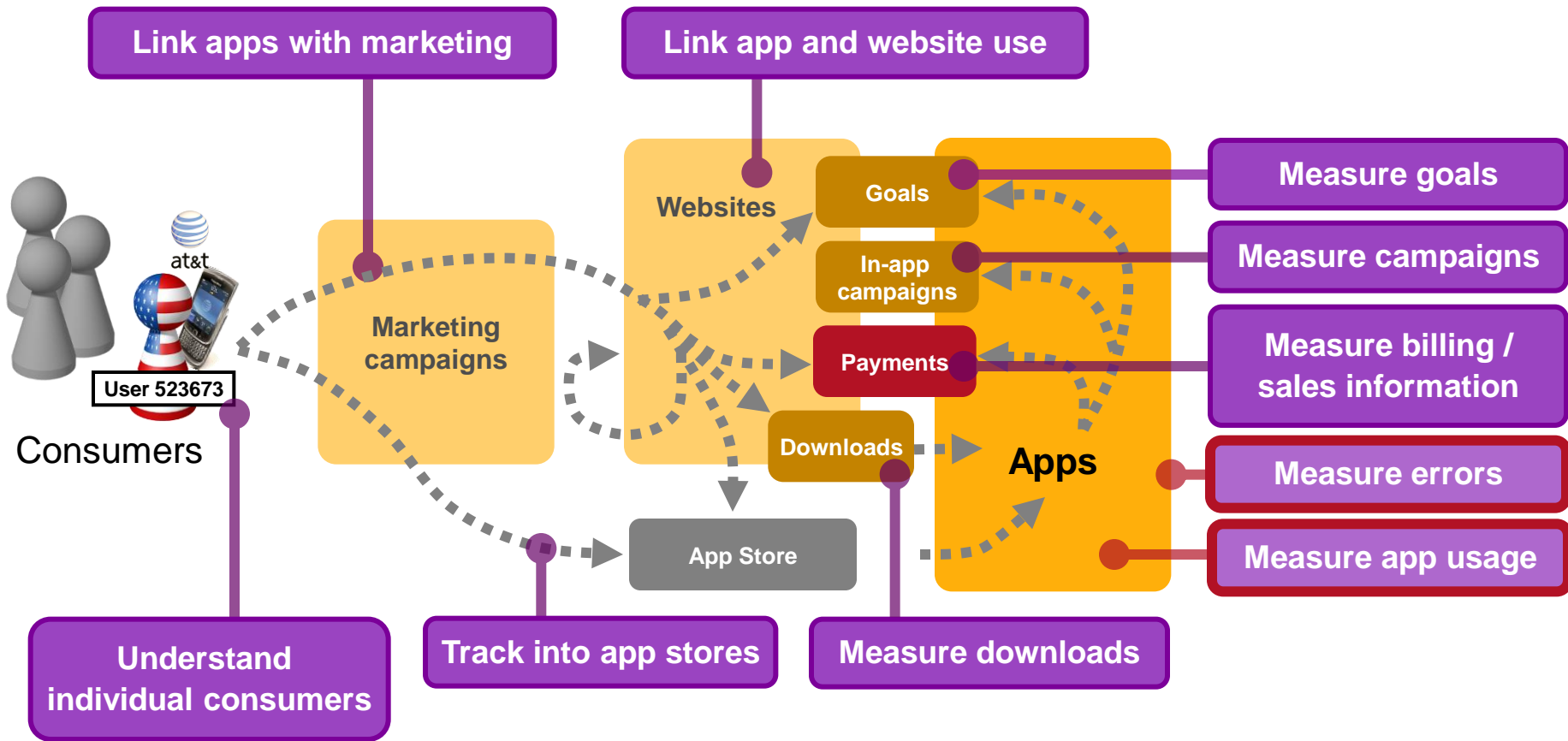
Efficiency
Security
Profitability

Accuracy
Analysis
Insight



Analytics:
Campaigns,
Engagement

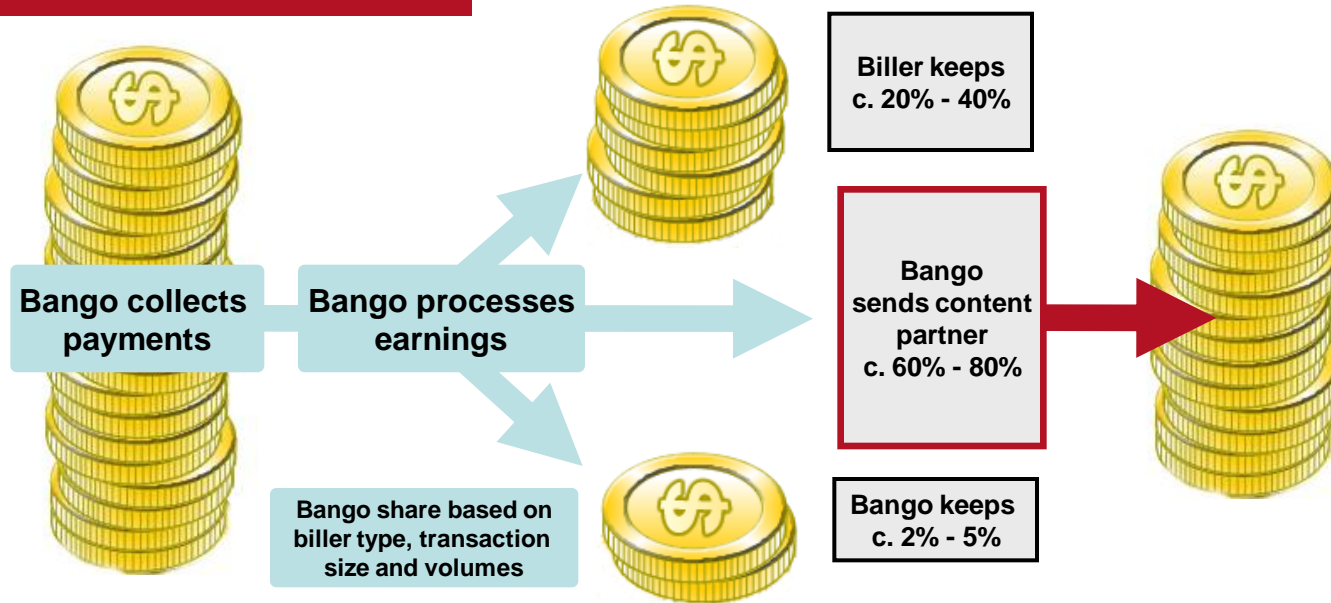




 Standard app analytics solution

Business Model: Fee + Percent of Transaction **bango**

Revenue flow



Settlement

