

29 November 2011



**BANGO PLC ("Bango")
Interim Results for 6 months ending 30 September 2011**

Bango (AIM:BGO), the mobile web payments and analytics company, today announces results for the 6 months ended 30 September 2011.

**Operational and Financial Highlights
(under IFRS, comparative data for 6 months to 30 Sept 2011 except where indicated)**

- Good commercial progress in implementing smartphone strategy:
 - 17 mobile operators connected to the Blackberry App Store via Bango at the period end (1), rising to more than 20 at 29 November 2011
 - Integration process underway with over 40 more mobile operators
 - Second App Store relationship announced with Opera – progressing to plan
 - Third major App Store expected to be signed before end of 2011
- Continued product development to broaden the types of transactions passing through the Bango Payments platform, including optimization for the Android platform, development of a Cloud based offering and the launch of HTML5 based products
- Three-fold increase in Analytics transaction volumes driven by activity from Turner, Telefonica, Thomson Reuters and others
- High margin Content Provider revenue increased 13% to £0.92m (£0.81m)
- Low margin End User revenue decreased 21% to £7.75m (£9.80m) but increased by 1.1% compared to H2 FY2011 (£7.66m)
- Total revenue £8.66m (£10.61m)
- Adjusted EBITDA* deficit reduced 95% to £0.01m (£0.26m)
- Net cash balances at 30 September 2011 of £2.81m up from £2.71m at 31 March 2011 and up from £1.16m at 30 September 2010 with no borrowings during the half year

* Adjusted EBITDA is operating profit / loss before depreciation, amortisation and share based payments

Ray Anderson, CEO, commented:

“With the proliferation of smartphones and the growth in demand from consumers for mobile applications, mobile App Stores are becoming increasingly strategic for many of the world’s largest mobile network operators, internet and content companies. Bango’s unique billing and analytics technology provides us with a central position in this growth market.

“Bango is demonstrating the successful momentum of its smartphone strategy, by growing overall business while managing the decline of the legacy business. The agreements with RIM and Opera to provide mobile operator billing for the App Stores are developing well and importantly, we are also seeing a growing pipeline of other App Stores and portals.

“The positive progress made in cash generation and profitability is a solid foundation for accelerating growth as further App Stores are deployed and we believe we are well placed to accelerate our growth in future periods.”

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About Bango

Bango (AIM: BGO) provides technology that enables commerce on the mobile web. Businesses of all sizes use Bango to sell their music, games, applications, videos and services to internet connected mobile phone users. Bango is able to charge payments to mobile phone bills or use other billing

methods such as credit card based on intelligence about the consumer. Bango also provides an analytics service that provides accurate information about visitors and the effectiveness of marketing activities for mobile web sites. Visit www.bango.com.

Introduction

Bango is focussed on enabling commerce on the mobile web. Businesses of all sizes use Bango as the most efficient means to sell their music, games, applications, videos and services to internet connected mobile phone users. Bango also provides reliable and accurate tools for measuring real consumer behaviour and returns on marketing investment.

We have built a powerful payments system, able to provide a common connection point to dozens of diverse billing systems from mobile operators around the world, coupled with the automated settlement, currency and tax management, risk management and reporting systems to deliver payments to thousands of content providers.

During the previous financial year, Bango re-focussed its activities on the fast growing smartphone opportunity, which now makes up a large and growing part of the overall mobile device market, and on developing relationships to provide the payment platform for leading App Stores.

App Stores can use any of the more than 50 active Bango mobile operator billing integrations and Bango integrates new mobile operators as required for our App Store customers. The processes for cash collection, tax treatments and reconciliation are also set up in Bango's automatic systems to ensure high volumes of transactions can be processed at low cost.

Bango technology handles pay per download for the current generation of apps, has the capability to collect payments during the use of apps and can power subscription charged services. Bango technology also works with newer HTML5 web technology which is expected to become more important in the coming years.

The first half ended with positive results, showing growth from the smartphone segment. Both the volume of transactions and amount of money spent by end users started to grow from a low point reached in May 2011. This is higher margin revenue and more than compensated for the decline in the traditional low margin "featurephone" business. As a result, gross margin increased to 15.3% (11.4%).

Cash increased compared with the position at the beginning of the year to £2.81m on 30 September 2011.

We have been extremely encouraged by the interest being shown in Bango's payment platform by the large industry players; this leads us to be confident that a number of these opportunities will turn into additional business in the coming months.

Smartphone Applications Market and BlackBerry

During the last financial year Bango was selected as the payment platform for all mobile operator billing for applications in the BlackBerry AppWorld. This represents a significant opportunity for Bango. Offered in more than 175 countries, through over 595 operators and distribution partners, BlackBerry is the number 1 selling smartphone brand in the United States, Canada, Latin America and the United Kingdom. (Source: IDC, GfK R&T Q4 2010)

A small connection fee is received by Bango for each mobile operator integrated by Bango to the BlackBerry AppWorld, with each mobile operator providing the platform for more end user revenue. At 30 September 2011, the number of mobile operators connected via Bango to the Blackberry App Store had increased from the first connection that was live at 30 September 2010 to 17, and at the date of this report has subsequently increased to more than 20 with over 40 more in the planning stages. While the progress in this area was slightly slower than anticipated, many of the barriers to the integration process have now been removed. As a result, Bango has seen acceleration in both the process of integration and revenues in the first half.

In addition, the BlackBerry Messenger Music service has now been released. Revenues from this subscription music service are expected to contribute in financial Q4, after the initial 60 day free period when registered users convert into paying subscribers.

While Bango is focussed on ensuring the success of BlackBerry AppWorld, there are other opportunities for Bango's technology. Revenues from the Opera App Store commenced in the period and are now accelerating, with mobile operator billing activated in North America and the UK.

Bango is actively progressing significant opportunities with additional App Store providers, which will also have benefits for our other App Store customers, including RIM and traditional content providers, as Bango scales out into other territories with these new prospects. Bango payment technology has recently been connected to new markets such as Indonesia and into Latin America, markets where mobile content is a passion for the young smartphone users and Blackberry devices are the number one smartphone.

Bango looks forward to being able to update the market as these relationships develop.

Analysis of First Half Financials

Financial highlights

	H1 FY2012	H2 FY2011	H1 FY2011
	Six months to 30 September 2011	Six months to 31 March 2011	Six months to 30 September 2010
	Unaudited	Unaudited split	Unaudited
	£m	£m	£m
Revenue			
End user activity	7.75	7.66	9.80
Other fees	0.91	1.06	0.81
Total revenue	8.66	8.72	10.61
Gross profit			
End user	0.41	0.23	0.41
Other fees	0.91	1.06	0.80
Total gross profit	1.32	1.29	1.21
Margin %			
<i>End use activity</i>	5.3%	3.0%	4.2%
<i>Other fees</i>	100.0%	100.0%	98.6%
<i>Total margin %</i>	15.3%	14.8%	11.4%
Operating costs	1.33	1.43	1.47
Adjusted EBITDA	(0.01)	(0.14)	(0.26)
Depreciation & amortisation	(0.23)	(0.17)	(0.15)
Share based payment charge	(0.08)	(0.07)	(0.05)
Loss before tax	(0.32)	(0.38)	(0.46)
Loss after tax	(0.22)	(0.27)	(0.43)
Cash in/(out) flow from operations	0.66	(0.13)	(1.10)
Cash net of borrowings	2.81	2.71	1.16
Basic loss per share	(0.57) pence	(0.72) pence	(1.18) pence

Gross profit increased to £1.32m, up from £1.29m in the previous six months and up from £1.21m in H1 FY2011.

Gross profit on end user activity was £0.41m and showed a 75% increase on the previous half (£0.23m), on revenue up 1%, mainly as a result of changes in the mix of content providers using the Bango system. Similarly, the gross profit was at the same level as that achieved in H1 FY2011 (£0.41m) despite the H1 FY2012 revenue being 21% lower.

Gross profit from other fees, including package fees, and other services including analytics, was £0.91m, down 13% on H2 FY2011 (£1.06m) because H2 FY2011 included one-off income from a large App Store. Compared with H1 FY2011, gross profit from other fees was up 15% reflecting the general increase in activity.

Operating costs were slightly lower than in previous halves mainly as a result of an increased focus in sales and marketing effort towards significant commercial relationships.

Adjusted EBITDA, excluding the share based payment charge showed a significant improvement, being close to breakeven with a deficit of £0.01m compared with a deficit of £0.14m in H2 FY2011 and a deficit of £0.26m in H1 FY2011.

Charges for depreciation and amortisation increased as more benefits came on stream from capitalised R&D.

The loss after tax reduced from £0.43m to £0.22m in H1 FY2012.

Cash flow generated from operations showed a significant improvement as a result of the increased levels of end user activity during the later part of H1 FY2012, generating £0.66m compared with consumption of £0.13m in H2 FY2011 and £1.1m in H1 FY2011.

As a result of the improved cash flow generated from operations during H1 FY2012, the closing cash position on 30 September 2011 was up by £0.1m on the year-end position at 31 March 2011, and the Company had no borrowings during the half year.

Expectations for End User spending

Bango's end user revenues are shifting now from the legacy "Content Aggregator" business which was driven by tactical marketing activity and subscription promotion models, towards the sale of applications for smartphones.

The sales of applications by Bango powered App Stores are based on sales volumes and prices of Apps which in turn depend on a number of factors:

- The number of smartphones supporting that App Store
- The visibility of the App Store on those devices
- Marketing programs to promote the App Store
- The quality and popularity of apps
- The version of the operating system on a specific device
- The end user buying an downloading experience in the App Store
- In-application upselling
- Promotions to users after sale to drive upgrades
- Marketing programs by app developers

Mobile operator payment is a foundation for success, and Bango has seen the addition of mobile operator billing increasing revenues immediately as it becomes available in a country. The other factors then drive growth in revenues which in turn feeds more marketing activity.

Predicting the growth rate of a specific App Store is very difficult, especially since the App Store developers are continually working to improve the user experience and bring on attractive new applications. In some cases initial free trials are used to drive long term adoption.

Bango has a strategy of powering several App Stores across many different platforms to expand the opportunities for growth on several smartphone platforms. Bango also ensures that App Stores can be operated efficiently and profitably after their start-up phase, so that sales growth drives directly through to net margin.

Bango Analytics

Bango Analytics is an accurate and independent tool which measures visitor activity on mobile websites and within Apps, including advertising impressions, click through rates and campaign effectiveness. Precise information allows content providers to make better marketing investment decisions. Bango believes its product delivers a higher level of accuracy than any competitor and continues to win new customers for its analytics service by demonstrating the capabilities of Bango Analytics in competitive situations.

The continued rapid growth in analytics transaction volumes provides a growing high margin revenue stream. It also provides information which allows Bango to improve the user experience and increases end user spending on premium content.

Product Development

With previous investment having ensured the Bango platform is able to process significant volumes of business at a stable operating cost, product development is now focussed on activities which enable additional types of payment or analytics transactions.

Bango has improved its "In-Application Payment" for Android to simplify the integration process and benefit from the HTML5 capabilities in the Android browser.

A number of Bango App Store customers and prospects are very interested in the ability of the Bango Platform to handle significant volumes of transactions and also event driven peaks in activity.

A project to enable Bango to deploy parts of the Bango Platform into cloud based services such as Amazon Elastic Compute Cloud is underway. This will allow Bango to provide for surges in demand on a pay-as-you-go basis. This will enable the core Bango systems to be optimized for standard volumes, ensuring that operating cost base is low while meeting the potential needs of high volume content providers.

HTML5

To provide a sophisticated user experience on smartphones it has until recently been necessary to develop applications that are specific to each phone operating system. Recent rapid progress in browser technology, under the banner of "Hyper Text Markup Language version 5" (HTML5) has started to enable applications to be written as a web application, to be delivered into the browser rather than being downloaded.

Organizations like Facebook, Zynga, Twitter and Google are starting to exploit HTML5 to allow faster and easier deployment of their services. Bango Payment and Analytics are designed to work with HTML5 and several HTML5 based services using Bango have recently been launched.

Apple operates a "walled garden" model to force all commerce through its own iTunes sales and payment process. HTML5 enables applications to be offered to Apple users, together with Bango Payment, opening up new opportunities for the existing Bango technology in the future.

Outlook

Bango is demonstrating the successful momentum of its smartphone strategy, by growing overall business while managing the decline of the legacy business. The positive progress made in cash generation and profitability is a solid foundation for accelerating growth as further App Stores are deployed.

We are seeing continued positive momentum in carrier connections and in marketing activity around our App Store customers to drive volumes in the coming months.

Bango is also in discussions with a number of prospective leading App vendors, with a view to providing them the Bango platform to power their businesses. We anticipate announcing a third major App Store customer before the end of the calendar year and are confident in our ability to capitalise on the significant market opportunity.

*A presentation to be given to analysts on 29th November 2011 will be available at:
www.bangoinvestor.com*

Consolidated Income Statement

	Note	Six months ended 30 Sept 2011 Unaudited £	Six months ended 30 Sept 2010 Unaudited £	Year ended 31 March 2011 Audited £
Revenue		8,663,660	10,608,516	19,324,857
Cost of sales		(7,339,020)	(9,400,631)	(16,829,874)
Gross profit		1,324,640	1,207,885	2,494,983
Administrative expenses		(1,647,530)	(1,665,885)	(3,332,761)
Operating loss		(322,890)	(458,000)	(837,778)
Adjusted EBITDA		(12,385)	(259,863)	(403,200)
Depreciation		(82,505)	(78,498)	(152,939)
Amortisation		(145,644)	(67,940)	(164,073)
Share based payments		(82,356)	(51,699)	(117,566)
		(322,890)	(458,000)	(837,778)
Finance income		277	34	413
Loss before taxation		(322,613)	(457,966)	(837,365)
Income tax for the period		104,503	114,600	141,280
Income tax relating to previous periods		-	(82,333)	-
Profit/(loss) for the period		(218,110)	(425,699)	(696,085)
Attributable to equity holders of the Company		(218,110)	(425,699)	(696,085)
Loss per share attributable to the equity holders of the Company				
Basic loss per share	5	(0.57)p	(1.18)p	(1.90)p
Diluted loss per share	5	(0.57)p	(1.18)p	(1.90)p

All of the activities of the group are classified as continuing.

Consolidated Balance Sheet

As at:		30 Sept 2011 Unaudited £	30 Sept 2010 Unaudited £	31 March 2011 Audited £
	Note			
ASSETS				
Non-current assets				
Property, plant and equipment		269,731	253,954	240,620
Intangible assets		2,395,835	1,580,151	2,030,918
		2,665,566	1,834,105	2,271,538
Current assets				
Trade and other receivables		3,549,137	4,053,748	3,354,033
Cash and cash equivalents		2,809,704	1,160,202	2,713,226
		6,358,841	5,213,950	6,067,259
Total assets		9,024,407	7,048,055	8,338,797
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	7	7,614,030	7,196,892	7,580,482
Share premium account		8,943,955	7,016,922	8,917,009
Merger reserve		1,236,225	1,236,225	1,236,225
Other reserve		1,181,158	1,032,935	1,098,802
Accumulated losses		(13,289,230)	(12,800,734)	(13,071,120)
Total equity		5,686,138	3,682,240	5,761,398
LIABILITIES				
Current liabilities				
Trade and other payables		3,338,269	3,365,815	2,577,399
Total liabilities		3,338,269	3,365,815	2,577,399
TOTAL EQUITY AND LIABILITIES		9,024,407	7,048,055	8,338,797

Consolidated Cashflow Statement

	Six months ended 30 Sept 2011 Unaudited £	Six months ended 30 Sept 2010 Unaudited £	Year ended 31 March 2011 Audited £
Note			
Net cash generated/(used) by operations	6 657,884	(1,105,945)	(1,228,970)
Cash flows generated from / (used by) investing activities			
Purchases of property, plant and equipment	(111,616)	(16,661)	(77,767)
Addition to intangible assets	(510,561)	(484,500)	(1,031,400)
Interest received	277	34	516
Net cash generated used by investing activities	(621,900)	(501,127)	(1,108,651)
Cash flows generated from financing activities			
Proceeds from issue of ordinary shares	60,494	31,814	2,315,490
Interest payable	-	-	(103)
Net cash generated from financing activities	60,494	31,814	2,315,387
Net increase/(decrease) in cash and cash equivalents	96,478	(1,575,258)	(22,234)
Cash and cash equivalents at beginning of period	2,713,226	2,735,460	2,735,460
Net cash and cash equivalents at end of period	2,809,704	1,160,202	2,713,226

Consolidated Statement of Changes in Equity

	Share capital	Share premium account	Merger reserve	Other reserve	Retained earnings	Total
	£	£	£	£	£	£
Balance at 1 April 2011	7,580,482	8,917,009	1,236,225	1,098,802	(13,071,120)	5,761,398
Share-based payments	-	-	-	82,356	-	82,356
Exercise of share options	33,548	26,946	-	-	-	60,494
Transactions with owners	7,614,030	8,943,955	1,236,225	1,181,158	(13,071,120)	5,904,248
Loss for the period	-	-	-	-	(218,110)	(218,110)
Total comprehensive income for the period	-	-	-	-	(218,110)	(218,110)
Balance at 30 September 2011	7,614,030	8,943,955	1,236,225	1,181,158	(13,289,230)	5,686,138
Balance at 1 April 2010	7,176,989	7,005,012	1,236,225	981,236	(12,375,035)	4,024,427
Share-based payments	-	-	-	51,699	-	51,699
Exercise of share options	19,903	11,910	-	-	-	31,813
Transactions with owners	7,196,892	7,016,922	1,236,225	1,032,935	(12,375,035)	4,107,939
Loss for the period	-	-	-	-	(425,699)	(425,699)
Total comprehensive income for the period	-	-	-	-	(425,699)	(425,699)
Balance at 30 September 2010	7,196,892	7,016,922	1,236,225	1,032,935	(12,800,734)	3,682,240
Balance at 1 April 2010	7,176,989	7,005,012	1,236,225	981,236	(12,375,035)	4,024,427
Share-based payments	-	-	-	117,566	-	117,566
Exercise of share options	43,649	39,547	-	-	-	83,196
Issue of new shares	359,844	1,872,450	-	-	-	2,232,294
Transactions with owners	7,580,482	8,917,009	1,236,225	1,098,802	(12,375,035)	6,457,483
Loss for the period	-	-	-	-	(696,085)	(696,085)
Total comprehensive income for the period	-	-	-	-	(696,085)	(696,085)
Balance at 31 March 2011	7,580,482	8,917,009	1,236,225	1,098,802	(13,071,120)	5,761,398

1. General information

Bango plc (“the Company”), a United Kingdom resident, and its subsidiaries (together “the Group”) provide services to facilitate activity in the mobile internet. The Company’s shares are listed on AIM on the London Stock Exchange. The address of the Company’s registered office is 5, Westbrook Centre, Milton Road, Cambridge CB4 1YG.

2. Basis of preparation

The condensed interim financial information for the half year ended 30 September 2011 has been prepared using the recognition and measurement principles of International Accounting Standards, International Financial Reporting Standards and Interpretations adopted for use in the European Union (collectively EU IFRS). The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 March 2011.

The consolidated financial information has been prepared under the historical cost convention.

3. Principal accounting policies

The principal accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 March 2011.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these condensed consolidated interim financial statements.

4. Segment information

(a) The Group identifies two operating segments. Management reporting is based principally on the type of customer and strategic decisions are made on the basis of gross profit generated from each segment. The segments are not separately managed and therefore the Group's headquarters and its research and development activity are considered group operations and are not allocated to any operating segment. Segment information can be analysed as follows for the reporting periods under review.

Six months ended 30 September 2011

	End user activity £	Other fees £	Group £	Total £
Segment revenue	7,746,821	916,839	-	8,663,660
Segment gross profit	407,801	916,839	-	1,324,640
Segment assets	2,399,414	456,402	6,168,591	9,024,407
Segment liabilities	(2,923,860)	(70,885)	(343,524)	(3,338,269)
Net assets	(524,446)	385,517	5,825,067	5,686,138

Six months ended 30 September 2010

	End user activity £	Other fees £	Group £	Total £
Segment revenue	9,800,015	808,501	-	10,608,516
Segment gross profit	410,781	797,104	-	1,207,885
Segment assets	3,202,385	472,756	3,372,913	7,048,055
Segment liabilities	(2,692,199)	(59,658)	(613,958)	(3,365,815)
Net assets	510,186	413,098	2,758,956	3,682,240

Year ended 31 March 2011

	End user activity £	Other fees £	Group £	Total £
Segment revenue	17,461,790	1,863,067	-	19,324,857
Segment gross profit	643,316	1,851,667	-	2,494,983
Segment assets	2,095,037	508,221	5,735,539	8,338,797
Segment liabilities	(2,136,865)	(35,116)	(405,418)	(2,577,399)
Net assets	(41,828)	473,105	5,330,121	5,761,398

End user activity arises from revenues paid to Bango by end users for accessing chargeable content provided by content providers. Cost of sales for this segment includes both content provider and payment provider charges. Assets for this segment are amounts due from payment providers. Liabilities for this segment are mainly fees due to payment providers for provision of services and fees payable to content providers for provision of content sold by Bango to end users.

There are many variations in the contract arrangements between the different parties and hence the risks and rewards taken by each. Management have taken the view that revenue as the amounts received for content from end users provides the clearest and most consistent presentation to enable readers of the financial statements to understand Bango's End user business.

Other fees are the amounts paid to Bango by content providers and others for package fees and other services including analytics. Assets for this segment are amounts due for package fees and other services. Liabilities for this segment represent deferred income for package fees.

Group assets include non-current assets and cash and cash equivalents Group liabilities relate to administrative expenses.

(b) The Group's revenues from external customers are divided into the following geographical areas:

Six months ended 30 September 2011

	United Kingdom £	Rest of EU £	USA £	Rest of World £	Total £
Revenue	1,456,298	312,409	6,783,621	111,332	8,663,660

Six months ended 30 September 2010

	United Kingdom £	Rest of EU £	USA £	Rest of World £	Total £
Revenue	1,423,465	262,423	8,569,748	352,880	10,608,516

Year ended 31 March 2011

	United Kingdom £	Rest of EU £	USA £	Rest of World £	Total £
Revenue	3,185,826	452,077	15,120,714	566,240	19,324,857

Revenue is reported based on the location of the customer. All non-current assets are based in the UK.

5. Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average of ordinary shares in issue during the period.

	Six months ended 30 Sept 2011 Unaudited £	Six months ended 30 Sept 2010 Unaudited £	Year ended 31 March 2011 Audited £
(Loss)/profit attributable to equity holders of the Company	(218,110)	(425,699)	(696,085)
Weighted average number of ordinary shares in issue	37,999,744	35,911,356	36,564,487
Basic loss per share	(0.57)p	(1.18)p	(1.90)p

6. Cash used by operations

	Six months ended 30 Sept 2011 Unaudited £	Six months ended 30 Sept 2010 Unaudited £	Year ended 31 March 2011 Audited £
Loss after taxation	(218,110)	(425,699)	(696,085)
Depreciation & amortisation	228,149	146,438	317,012
Taxation in income statement	(104,503)	(32,267)	(141,280)
Investment income	(277)	(34)	(516)
Interest payable	-	-	103
Share-based payment expense	82,356	51,699	117,566
(Decrease)/increase in receivables	(252,188)	79,819	884,365
Increase/(decrease) in payables	760,870	(843,568)	(1,631,984)
	496,297	(1,023,612)	(1,150,819)
Income tax rebate/(paid)	161,587	(82,333)	(78,151)
Net cash inflow/(outflow) by operations	657,884	(1,105,945)	(1,228,970)

7. Share capital

During the period 167,741 share options were exercised at exercise prices ranging between 23 pence and 82.5 pence with a par value of 20 pence. The total proceeds were £60,494 of which £33,548 was recognized as share capital and £26,946 as share premium.

During the period 287,625 options were granted to employees, including 31,250 to Peter Saxton, a director.

At the period end 3,591,206 share options were outstanding.

8. Publication of non-statutory accounts

The condensed consolidated interim financial information was approved by The Board of Directors on 28 November 2011. They are unaudited but have been reviewed by the auditors and their report is included within this note.

The financial information set out in this interim report does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. The figures for the year ended 31 March 2011 have been extracted from the Statutory Financial Statements of Bango plc, which have been filed with the Registrar of Companies. The auditor's report on those financial statements is unqualified and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006. The financial information for the six months to 30 September 2011 and for the six months to 30 September 2010 is unaudited.

The interim report together with an analysts briefing presentation will be distributed to all shareholders shortly and will be available on the Company's investor blog at www.bangoinvestor.com.

INDEPENDENT REVIEW REPORT TO BANGO PLC

INTRODUCTION

We have been engaged by the company to review the financial information in the half-yearly financial report for the six months ended 30 September 2011 which comprises the Consolidated Income Statement, Consolidated Balance Sheet, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity and the related notes (1 to 8). We have read the other information contained in the half yearly financial report which comprises only the Consolidated Income Statement, Consolidated Balance Sheet, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity and the related notes (1 to 8) and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with guidance contained in ISRE (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. Our review work has been undertaken so that we might state to the company those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusion we have formed.

DIRECTORS' RESPONSIBILITIES

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The AIM rules of the London Stock Exchange require that the accounting policies and presentation applied to the financial information in the half-yearly financial report are consistent with those which will be adopted in the annual accounts having regard to the accounting standards applicable for such accounts.

As disclosed in Note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The financial information in the half-yearly financial report has been prepared in accordance with the basis of preparation in Note 2.

OUR RESPONSIBILITY

Our responsibility is to express to the Company a conclusion on the financial information in the half-yearly financial report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information 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 International Standards on Auditing (UK and Ireland) 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.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the financial information in the half-yearly financial report for the six months ended 30 September 2011 is not prepared, in all material respects, in accordance with the basis of accounting described in Note 2.

GRANT THORNTON UK LLP
Chartered Accountants
Registered Auditor
Cambridge
28 November 2011