

20 March, 2009

eServGlobal Limited
("eServGlobal" or "the Company")

Update on Outlook, Formal process and New Director Appointments

eServGlobal Limited (LSE: ESG & ASX: ESV), a provider of end-to-end solutions, enabling smart communication and payment services for service providers on any generation network, today provides an update on several key topics.

Updated guidance for the full year ending 30 June, 2009.

The Company now expects to report full year revenue in the range AUD\$165 - 170million, compared to AUD\$177.9m in the corresponding period in 2008 and AUD\$153m in 2007.

This expectation is a reduction of approx AUD\$10m from our previous guidance. The change represents additional volatility in customer project schedules and some customers choosing to delay upgrades and expansion orders.

The company has continued and expanded its restructuring programme, initiated in the first half, with the objective of taking action now that will benefit profitability in the 2010 fiscal year.

Update On Formal Process.

As previously communicated, the Board received a number of preliminary approaches from parties interested in acquiring the Company. These preliminary approaches have now been investigated and considered against the intrinsic valuation of the Company, having regard to its current business activities and management's confidence in the Company's market positioning and the mid to long term prospects.

Consequently, the Board has concluded that pursuing a transaction at this time would not maximise value for shareholders and has therefore discontinued discussions with external parties.

New Director Appointment.

The Company announces that Mr Anthony Eisen has joined the board. Anthony is a chartered accountant and is currently an executive of Guinness Peat Group (LSE:GPG). Prior to joining GPG, Anthony was an investment banker in Australia and the United States, wherein he specialised in the media, technology and telecommunications industries. Anthony currently represents the interests of the GPG group on the boards of MMC Contrarian Limited, Capral Limited and Tower Limited.

In addition, Mr Michael Jefferies is appointed as an alternate for Mr Eisen. Mr Jefferies is a chartered accountant who has extensive experience in finance and investment. He is currently an executive of Guinness Peat Group, Chairman of TAFMO Limited and a non-executive director of MMC Contrarian Limited, Tower Limited, Metals X Limited, Capral Limited and Ozgrowth Limited."

Mr. Ian Buddery, Executive Chairman of eServGlobal, said: "Market conditions have continued to be challenging in the second half of our financial year, however capital expenditure by operators is being delayed, not cancelled and we are confident of the commencement of a recovery during calendar 2009."

"eServGlobal is in the position of having no debt, strong cash reserves and a strong pipeline of organic growth opportunities. The recent selection of Belgacom ICS & eServGlobal's HomeSend™ platform as a preferred Mobile Money Transfer (MMT) platform by the GSM Association, in particular underpins potential significant increases in results in coming years. In addition, the Company continues to win major new projects, such as the Egypt contract announced recently."

"eServGlobal continues to benefit from subscriber growth in emerging markets, from our rapid technical innovation and from our large customer base. We remain committed to maximising shareholder value and we are confident of the Company's prospects in the coming years."

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Cautionary Statements

Statements in this announcement 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 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 announcement is not intended to incorporate the contents thereof into this announcement or any other public announcement.