

BGLOBAL PLC

("bglobal" or "the Company" or "the Group")

Preliminary Results for the year ended 31 March 2008

Bglobal plc (AIM: BGBl), the leading provider of smart metering solutions to the energy market, announces its preliminary results for the year ended 31 March 2008.

Peter Kennedy, Chief Executive of bglobal, commented:

"The recent agreement with Npower means that bglobal now has framework contracts with six energy and utility companies, and a pipeline of orders in excess of 140,000 meters. Bglobal has been working closely with these utility companies on the proposed roll-out of meters to customers, to be implemented over the next two/three years.

"With the release of the BERR letter, a strong order pipeline, increased visibility of the rollout of meter installations and encouraging macro drivers underpinning our business model, the Board believes that the foundations are in place for significant growth."

Highlights

- Turnover increased by 60% to £4.50 million (2007: £2.81 million)
- Gross margins of 30.7% (2007: 24.4%)
- Placing and subscription of 13,275,000 new ordinary shares at 20.0 pence per ordinary share to raise £2.655 million before expenses, to augment the Group's working capital, subject to shareholder approval on 27 August 2008
- Circa 33,000 meters installed to date
- Government's BERR consultation published on 23 April 2008
- Framework supplier contracts won with Scottish and Southern, Bizz Energy, Opus, Haven Power, British Gas and Npower
- Pipeline aggregate of over 140,000 meters for meter installation, data collection and analysis
- Global Partnership with Oracle, Logica and Utilisoft for residential roll out

Chairman, James Newman said:

"It is very pleasing to note that, as anticipated, the BERR letter has led to increased demand from both utility companies and corporate customers for bglobal's services. The net proceeds of the placing and subscription announced today will allow us to support the recent increase in order pipeline, and capitalise on the growth potential of this business over the coming years."

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BGLOBAL PLC
PRELIMINARY RESULTS FOR THE YEAR ENDED 31 MARCH 2008

Statement by the Chairman, James H Newman

I am pleased to report the Group's preliminary results for the year ended 31 March 2008. The Group has made significant progress during the year, albeit at a slower pace than had been hoped at the time of flotation in April 2007, primarily as a result of electricity suppliers waiting for the outcome of the Department for Business Enterprise and Regulatory Reform's ("BERR") consultation which was announced in April 2008.

Results

Turnover increased by 60 per cent to £4.50 million (2007: £2.81 million), which is lower than expectations as a result of our contracted customers delaying installations as noted above.

Gross margins were 30.7% (2007: 24.4%). Administrative costs increased to £4.88 million (2007: £2.96 million), as the Group invested in increased data management and communication systems and the training of a sufficient number of people, which will be required when the anticipated increase in installations and data management services are achieved in 2008 and 2009.

The operating loss for the period was £3.50 million (2007: £2.28 million) and after net finance income, the loss before taxation was £3.47 million (2007: £2.38 million) and the loss per share was 4.35p (2007: 4.18p).

Dividend

In line with the statement made at the time of the flotation, the Board is not recommending a dividend as all funds are needed at this time to be invested in the development of the business.

Business and Market developments

The Government set out its plans for smart metering in the medium industrial and commercial markets (as set out in the 2008 metering and billing consultation), which was announced in April 2008 and it is expected that legislation will be enacted to make smart meters mandatory for medium size businesses from 1 January 2009. The Government also indicated that the BERR report on the roll out of smart meters to residential and small businesses raised more complex questions and that it is undertaking further work to enable a full impact assessment to be completed.

I reported at the interim results that significant progress had been made in the development of a residential/small business meter together with EDMI, our joint venture partner. We are pleased to report that we have a prototype meter which is expected to get Measuring Instruments Directive ("MID") approval in the second quarter of the current financial year.

Contracts

The major contracts signed in 2007 were behind forecast levels of installations but have just started to gather pace as the business market, under pressure from Government and the significant increase in energy costs, begins to accept the need for, and the benefits of, smart meters providing reliable energy consumption data and controlling costs.

We have already announced a number of framework supplier contracts with a number of energy and utility companies, including Scottish and Southern, Bizz Energy, Opus, Haven Power, British Gas and most recently Npower totalling, in aggregate, over 140,000 meters for meter installation, data collection and analysis.

In recent months, the newly recruited sales team has won contracts with many new retail customers and local government agencies, many of which include the full package of services, including energy management.

With more demand for energy services, following the year end the Company has started two new divisions, bglobal Energy Services ("BES") and bglobal Smart Solutions ("BSS"). BES will provide customers with additional services to smart metering, including energy management and consultancy. The first major contract for these services has already been won from tyre service supplier ATS Euromaster, who BES is assisting with electricity supply procurement, as well as smart metering installation. BSS will provide building management solutions that comply with the Energy Performance of Buildings Directive and multi-utility metering.

Board

When I was appointed to the Board as Non-Executive Chairman and the only independent Director of the Group, it was agreed that a further independent non-executive Director would be appointed during the first year, post flotation.

I am pleased to announce that the Company has appointed Tim Jackson-Smith, as a Non Executive Director from 1 September 2008. Tim is currently a partner in Halliwells LLP, solicitors, and currently works with a number of AIM and private technology companies and we welcome him to the Board.

I am also pleased to announce that the Board has appointed Tony Barnes to the Board as Chief Operating Officer from 1 September 2008 and we welcome him to the Board. Tony has spent the last few years as Managing Director of Utilisoft in Australia and has significant experience in the utility and communications industries. He will focus on managing the day to day operations of the Group as it expands its activities rapidly over the next year.

Outlook

We have also announced today a placing and subscription of 13,275,000 new ordinary shares at 20.0 pence per ordinary share to raise £2.655 million before expenses. The net proceeds of the placing and subscription will augment the Group's working capital to support the recent increase in order pipeline and the increase in installations anticipated over the coming months.

The BERR letter of 23 April 2008 marks an important step for the Company and it has already lead to increased demand from both utility companies and corporate customers for our services. The Board remains confident of the outlook for the Group particularly as a result of the recent increase in order pipeline to 140,000 meters and increased visibility of meter installations in the coming months.

James H Newman
Chairman
4 August 2008

BGLOBAL PLC
PRELIMINARY RESULTS FOR THE YEAR ENDED 31 MARCH 2008

Statement by the Chief Executive, Peter Kennedy

In our last financial year we further consolidated our position as the leading provider of automated meter readings in the UK electricity market. It was also a year of frustration as we secured additional contracts from the major energy suppliers but were unable to execute on these contracts whilst the suppliers, understandably, waited for the outcome of the BERR consultation, which was published in April 2008.

The Government's decision to include medium sized businesses in the BERR consultation, which is principally concerned with the roll out of smart meters to the residential market, was in our view unnecessary. Particularly as the Carbon Trust report in May 2007 on advanced metering for SMEs stated that, "Widespread use of advanced metering by SMEs can provide cost-effective carbon savings for the UK and significant energy savings for customers"

However, the BERR letter to stakeholders dated 23 April 2008 has resulted in a significant shift in attitude from the energy suppliers and we look forward to an accelerated roll out of the framework pipeline that has been building up over recent months.

Review of Operations

The results to 31 March 2008 show a turnover of £4.50 million with the Group installing 15,528 meters during the financial year. Included in turnover is recurring revenue of £551,000 relating to the provision of DC/DA services to our customers.

During the financial year bglobal entered into framework contracts to install smart meters with utility customers such as Opus, Bizz Energy, Haven Power and Scottish and Southern, in addition to existing contracts with British Gas and Npower. Additionally, bglobal entered into contracts to install smart meters during the year with corporate customers and Local Authorities such as Vodafone and Bristol City Council.

At 25 July 2008 the Group has installed approximately 33,798 meters with its customers and we expect to see a significant increase in this figure through the roll-out of our growth plan following recent endorsement from the Government.

The Group has recently signed a variation agreement with Npower whereby it will deliver smart meters and data services to Npower's large to medium sized customers in a phased roll-out over the next two years. The Group now has framework contracts with six energy and utility companies, being Scottish and Southern, Bizz Energy, Opus, Haven Power, British Gas and most recently Npower. The directors estimate that these utility customers have approximately 60 per cent. of the medium to large and SME market. As a result of these contracts with utility companies and corporate customers, bglobal has an order pipeline in excess of, in aggregate, 140,000 meters.

Since the release of the BERR consultation, the Group has been working closely with these utility companies on the proposed roll-out of meters to their customers over the next two/three years. As a result, bglobal now has significantly greater visibility on its anticipated installation rates over the next twelve months than it has had during the last year largely as a result of the uncertainties resulting from the delays in the BERR consultation process.

In addition to having a strong pipeline in place and increased visibility of the anticipated roll-out of meter installations, the Company has been working to ensure that it retains its position at the forefront of the smart meter market by launching two new divisions, signing a global partnership deal and continuing to develop a residential meter with EDM I.

Residential meter

Development and testing of our residential meter has gone well and we expect to move from a prototype to a fully MID approved meter by the second quarter this financial year. We are in advanced discussions to trial this meter for embedded generation for CHP boilers that will utilise the import/export capabilities of the meter. This will help suppliers understand the implications of Net Metering. Also our meter is capable of being used both as a pre-payment meter and a credit meter. We will be running trials for prepayment with one supplier to prove that we can reduce the cost of pre-payment which will help the fuel poor.

Energy Services division

As a result of the demand experienced from corporate customers with a number of smaller sites, following the year end we launched a new division, bglobal Energy Services ("BES"). BES will provide customers with additional services to smart metering, including bill validation, energy management services and consultancy. The first customer for this is tyre service supplier ATS Euromaster, who BES has assisted with electricity supply procurement, as well as smart metering installation.

Smart Solutions division

The bglobal Smart Solutions division was launched in April and provides multi-utility metering (gas, water, oil, temp etc). There is significant demand for multi-utility and sub metering from larger corporates to meet the requirements of the Energy Performance of Buildings Directive. Early wins include Canary Wharf, Greater Manchester Police, Spirit Group, Internacionale and DEFRA.

Global partnership deal

Bglobal has recently agreed a global partnership with Oracle, Logica and Utilisoft to meet demand for residential roll out when the Government announces its intentions (BERR Consultation) in December. This partnership will also roll out our Smart Grid offering throughout the world with early interest in Australia and Ireland.

Outlook and current trading

With the release of the BERR letter, an impressive pipeline in place, and encouraging macro drivers underpinning our business model, the foundations are in place for significant growth in the coming years.

Peter Kennedy
Chief Executive
4 August 2008

BGLOBAL PLC
PRELIMINARY RESULTS FOR THE YEAR ENDED 31 MARCH 2008

Statement by the Finance Director, John Atkin

Group results

Group revenue increased to £4.50 million for the year ended 31 March 2008 (2007: £2.81 million) as the Group established its presence in the market for the provision of smart metering services. The loss before taxation for the year was £3.47 million (2007: £2.38 million).

Cash and borrowings

As at 31 March 2008, the Group had cash balances of £0.77 million and financial liabilities of £0.1 million.

On 25 April 2007, the Company was admitted to the AIM market. As part of this admission process, the Company raised an amount of £6.9 million (net of expenses). The Cashflow Statement shows the movements in funds during the year.

Overheads

The Group has continued to make investment in its resources during the year in order that it can meet the anticipated demand for its services.

Business risks

Risk management is an important element of the management process throughout the Group, and internal controls have been developed to address the main business risks which are considered to be:

Strategic

The Group operates in a new market and seeks to ensure that it delivers effective solutions to its existing and potential clients.

Operational

The Group's most important assets are its employees, clients and Intellectual Property Rights ("IPR"):

- Employees are recruited carefully to address the needs of the business. Appropriate training is provided to support the development of employees.
- The needs of the Group's clients are addressed to ensure that they are appropriate.
- The Group has controls in place to safeguard the IPR that it owns. The Group also has established procedures to maintain its appropriate accreditations. The Group also recognises the importance of its IT infrastructure and back office systems to deliver its services. The Group has the appropriate controls in place to secure its data and maximise the operational efficiency of its systems.

Controls exist to ensure information is made available to enable management to monitor the performance of the Group.

These address the performance of the Group based on monthly management accounts which include details of sales, gross margin and costs. Other key statistics reported regularly include the number of installations, sales prospects and operational performance in supplying data.

Treasury policies and financial risk

The Group currently does not have any significant borrowings other than the outstanding Small Firms Loan that existed at 31 March 2008, and a facility for stock and debtor finance that the Group will use as and when appropriate to supplement its working capital needs. The Group maintains a centralised treasury function, which operates under policies and guidelines approved by the Board. These cover funding, management of foreign exchange exposure and interest rate risk. The purpose is to manage the financial risks of the business effectively and to secure the most cost effective funding. The Group does not generally enter into derivative transactions (such as interest rate swaps and forward foreign currency contracts), and it is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

John D Atkin
Finance Director
4 August 2008

BGLOBAL PLC
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2008

	Notes	2008 £	2007 £
REVENUE	3	4,498,752	2,810,382
Cost of sales		(3,117,778)	2,125,804
		<hr/>	<hr/>
Gross profit		1,380,974	684,578
Administrative expenses		(4,882,617)	2,962,936
		<hr/>	<hr/>
LOSS FROM OPERATIONS		(3,501,643)	(2,278,358)
Finance costs		(59,611)	(102,679)
Finance income		88,126	-
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LOSS BEFORE TAXATION		(3,473,128)	(2,381,037)
Taxation	4	885,097	706,272
		<hr/>	<hr/>
LOSS FOR THE FINANCIAL PERIOD		(2,588,031)	(1,674,765)
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ATTRIBUTABLE TO:			
Equity holders of the parent		(2,588,031)	(1,674,765)
Minority interest		-	-
		<hr/>	<hr/>
		(2,588,031)	(1,674,765)
		<hr/> <hr/>	<hr/> <hr/>
Basic loss per share – pence	5	(4.35p)	(4.18p)
Fully diluted loss per share – pence	5	(4.35p)	(4.18p)

BGLOBAL PLC
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2008

	2008	2007
	£	£
ASSETS		
Non-current assets		
Property, plant & equipment	298,298	145,169
Intangible assets	837,176	927,532
Deferred tax assets	2,005,014	1,119,917
	<u>3,140,488</u>	<u>2,192,618</u>
Current assets		
Inventories	1,679,863	909,317
Trade and other receivables	1,628,605	637,696
Cash and cash equivalents	773,917	315,834
	<u>4,082,385</u>	<u>1,862,847</u>
Total assets	<u><u>7,222,873</u></u>	<u><u>4,055,465</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	608,311	407,980
Share premium	8,193,072	-
Share based compensation	43,423	-
Merger reserve	792,128	792,128
Retained earnings	(5,027,968)	(2,439,937)
Minority interest	-	-
Total equity	<u>4,608,966</u>	<u>(1,239,829)</u>
Non-current liabilities		
Financial liabilities	-	100,000
Current liabilities		
Trade and other payables	2,513,907	1,991,481
Financial liabilities	100,000	3,203,813
	<u>2,613,907</u>	<u>5,195,294</u>
Total liabilities	<u>2,613,907</u>	<u>5,295,294</u>
Total liabilities and equity	<u><u>7,222,873</u></u>	<u><u>4,055,465</u></u>

BGLOBAL PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2008

	Share Capital £	Share Premium Account £	Share based compensation £	Merger Reserve £	Retained Earnings £	Total £
At 1 April 2006	400,000	-	-	800,100	(965,172)	234,928
Exercise of share options at par	7,980	-	-	(7,972)	-	8
Share based compensation	-	-	-	-	200,000	200,000
Loss for the period	-	-	-	-	(1,674,765)	(1,674,765)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2007	407,980	-	-	792,128	(2,439,937)	(1,239,829)
Issue of shares	200,331	8,193,072	-	-	-	8,393,403
Share based compensation	-	-	43,423	-	-	43,423
Loss for the period	-	-	-	-	(2,588,031)	(2,588,031)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2008	<u>608,311</u>	<u>8,193,072</u>	<u>43,423</u>	<u>792,128</u>	<u>(5,027,968)</u>	<u>4,608,966</u>

BGLOBAL PLC
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2008

	2008 £	2007 £
Cash flow from operating activities		
Loss before taxation	(3,473,128)	(2,381,037)
Share based compensation	43,423	200,000
Finance costs	59,611	102,679
Finance income	(88,126)	-
Depreciation	79,152	32,065
Amortisation	333,595	290,877
Increase in inventories	(770,546)	(881,702)
Increase in trade and other receivables	(990,910)	(472,737)
Increase in trade and other payables	522,427	1,765,598
	<hr/>	<hr/>
Cash used in operations	(4,284,502)	(1,344,257)
Finance costs	(59,611)	(102,679)
Finance income	88,126	-
	<hr/>	<hr/>
Net cash used in operations	(4,255,987)	(1,446,936)
	<hr/>	<hr/>
Investing activities		
Payments to acquire property, plant and equipment	(232,281)	(104,106)
Payments to acquire intangible assets	(243,239)	(300,331)
	<hr/>	<hr/>
Net cash used in investing activities	(475,520)	(404,437)
	<hr/>	<hr/>
Financing activities		
Proceeds on issue of ordinary shares	6,893,403	8
Net movement on short term borrowings	(1,703,813)	2,031,495
	<hr/>	<hr/>
Net cash generated from financing	5,189,590	2,031,503
	<hr/>	<hr/>
Net increase in cash and cash equivalents	458,083	180,130
Cash & cash equivalents at the beginning of the financial year	315,834	135,704
	<hr/>	<hr/>
Cash & cash equivalents at the end of the financial year	<u>773,917</u>	<u>315,834</u>

BGLOBAL PLC

NOTES TO THE PRELIMINARY STATEMENT

1 FINANCIAL INFORMATION

The preliminary financial information does not constitute full accounts within the meaning of section 240 of the Companies Act 1985 but is derived from accounts for the years ended 31 March 2008 and 31 March 2007. The figures for the year ended 31 March 2008 are audited. The preliminary announcement is prepared on the same basis as set out in the statutory accounts for the year ended 31 March 2008. While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), this announcement does not in itself contain sufficient information to comply with IFRSs.

Bglobal plc is incorporated and domiciled in the United Kingdom. The consolidated financial information of bglobal plc set out in this announcement is presented in Pounds Sterling (£). The consolidated financial information has been approved for issue by the Board of Directors on 4 August 2008.

The statutory accounts for the year ended 31 March 2008 will be delivered to the Registrar of Companies following the Company's Annual General Meeting. Statutory accounts for the year ended 31 March 2007 have been filed with the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain any statement under Section 237 (2) or (3) of the Companies Act 1985.

2 GOING CONCERN

These accounts are prepared on a going concern basis, which assumes the Group will continue in operational existence for the foreseeable future. The Group's ability to meet its future funding and working capital requirements and therefore continue as a going concern is dependent upon being able to generate significant revenues and free cash flow. The directors have prepared projected cashflow information for the period ending 12 months from the date of approval of these financial statements.

On the basis of these projections the directors have identified that, in order to meet the liabilities as they fall due, additional funding from shareholders is required and the directors have had confirmation of formal placing agreements to raise an additional amount of £2.5 million (net of expenses). There is an Extraordinary General Meeting planned to take place on 27 August 2008 at 11.00 am at the Company's registered office at which the issuance of shares is to be approved by the members. Following this, assuming that such approval is given, it is proposed that the shares will be admitted to the AIM market of the London Stock Exchange. The directors consider that sufficient funds will be secured from the placing to enable the group to continue to meet its liabilities as they fall due and the operations of the group will achieve the forecasted sales and results and therefore the financial statements have been prepared on the going concern basis.

The directors confirm that they are satisfied that the Company and Group have adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

3 SEGMENTAL INFORMATION

At this stage of the Group's development, the directors are of the opinion that there is only one business segment within the activities of the Group. All operations are carried out within the United Kingdom.

4 TAXATION ON ORDINARY ACTIVITIES

	2008 £	2007 £
Current tax:		
Corporation tax at 30% (2007: 30%)	-	-
	<u>-</u>	<u>-</u>
Total current tax	-	-
Deferred tax:		
Origination and reversal of temporary differences	(956,645)	(682,876)
Adjustments in respect of prior periods	(3,335)	(23,396)
Effect of tax rate change	74,883	-
	<u>(885,097)</u>	<u>(706,272)</u>
Income tax credit	<u>(885,097)</u>	<u>(706,272)</u>

The charge for the period can be reconciled to the loss per the Income Statement as follows:

	2008 £	2007 £
Loss for the period	(2,588,031)	(1,674,765)
Total income tax credit	(885,097)	(706,272)
	<u>(3,473,128)</u>	<u>(2,381,037)</u>
Loss on ordinary activities before tax	<u>(3,473,128)</u>	<u>(2,381,037)</u>
Tax at the UK corporation tax rate of 30% (2007: 30%)	(1,053,113)	(714,311)
Expenses not deductible for tax purposes	41,163	2,290
Capital allowances in excess of depreciation	(34,135)	5,749
Effect of change in tax rate	149,564	-
Unrelieved tax losses and other deductions arising in the period	11,424	-
	<u>(885,097)</u>	<u>(706,272)</u>
Total tax credit	<u>(885,097)</u>	<u>(706,272)</u>

5 LOSS PER SHARE

The calculation of basic loss per ordinary share is based on losses of £2,588,031 (2007: £1,674,765) and on 59,517,454 ordinary shares (2007: 40,026,236) being the weighted average number of shares in issue during the year.

The loss for the period and the weighted average number of ordinary shares for calculating the diluted loss per share for the year ended 31 March 2008 and year ended 31 March 2007 are identical to those for the basic loss per share. This is because the outstanding share options and shares arising on conversion of the other loan would have the effect of reducing the loss per ordinary share and would therefore not be dilutive under the terms of International Accounting Standard ("IAS") No 33.

6 SHARE CAPITAL

	2008 £	2007 £
Authorised: 100,000,000 Ordinary 1p shares	<u>1,000,000</u>	<u>1,000,000</u>
	No	£
Issued and fully paid:		
Balance at 31 March 2007	40,798,000	407,980
Issued shares	<u>20,033,111</u>	<u>200,331</u>
Balance at 31 March 2008	<u>60,831,111</u>	<u>608,311</u>

Ordinary shares

On 24 April 2007, the convertible loans held at 31 March 2007, totalling £1,500,000, were converted into 4,533,111 ordinary shares of 1p each, giving rise to a premium on issue of £1,454,669..

On 25 April 2007, following admission to the Alternative Investments Market of the London Stock Exchange, 15,500,000 ordinary shares of 1p each were issued for cash at a price of 50p per ordinary share, giving rise to a premium on issue of £7,595,000 before deducting expenses of the issue totalling £856,052.

7 ANNUAL REPORT AND ACCOUNTS

A copy of the Annual Report and Financial Statements for the year ended 31 March 2008 will be sent to all shareholders shortly and will be available from the Company at bglobal plc Arkwright House, 2 Arkwright Court, Blackburn Interchange, Darwen, Lancashire BB3 0FG or by visiting our web site at www.bglobalmetering.com.