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Montise's Revenue Triples As The Mobile-Payments Provider Grows Its Customer Base

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Monitise PLC more than tripled its revenue during the six months ended Dec. 31 compared with the same period a year earlier as the mobile-payments company worked to expand its customer base.

United Kingdom-based Monitise reported revenues of £5.3 million (US\$8.5 million or 6.3 million euros) for the period, up 212% from £1.7 million. However, the company reported an operating loss of £7.9 million, up from £6.9 million a year earlier.

Monitise attributes the increased loss to efforts to maintain its global platform and to investments in developing new business opportunities, including funding its Mobile Money Network joint venture and investing in its India and Asia operations, the company said in a new release announcing its earnings.

The Mobile Money Network is a joint venture between Best Buy Europe and Charles Dunstone, founder of Carphone Warehouse. It provides European retailers, banks and advertisers with a mobile phone-based payment service for shopping, banking and marketing.

“We are operating in a very exciting space and have continued to extend our footprint, signing critical commercial partnerships. We firmly believe that the era of connected commerce is upon us,” Monitise CEO Alastair Lukies said in the company’s interim earnings news release

In the next six months, “we expect revenue to substantially increase from our current partnerships and also sign new partnerships to strengthen our global footprint,” Lukies said.

Monitise’s customer base reached 3.5 million as of the end of 2010, up 95% from 1.8 million a year earlier. The company also signed 10 financial institutions to its Mobile Money Manager platform, bringing the total to 250, up 4.2% from 240. The platform

enables financial institutions to offer consumers a variety of mobile-banking and payment services.

As part of its efforts to expand last year, Monitise in May announced plans to form a joint venture with Visa. Inc. to provide mobile financial services in India.

Monitise also formed several partnerships both in Europe and the United States.

The company's most recent partnership is with Visa Europe to develop mobile-payment services for the card association's member financial institutions.

In December, the company partnered with Santa Clara, Calif.-based contactless and Near Field Communication payment software provider Vivotech Inc. to deliver mobile-payment services to U.S.-based banks, enabling consumers to turn their handsets into a mobile wallet linked to their bank accounts and credit and debit cards.

Also in the U.S, Monitise teamed with U.S. Bancorp to offer mobile-banking services to the bank's Visa-branded AccelaPay reloadable prepaid payroll card. The bank will use DeviceFidelity Inc.'s In2Pay technology to transform smart phones with microSD slots into mobile-payment devices