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## Buongiorno Starts Skill Games Service, Targets Higher Revenue

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By Chiara Remondini

March 17 (Bloomberg) -- **Buongiorno SpA**, the world's biggest mobile entertainment company, is entering the digital skill games market in Italy as it seeks opportunities in businesses such as cell phone-based poker and bingo.

The company forecasts revenue of about 10 million euros (\$13.7 million) from gaming services in its first year, according to a statement today. Buongiorno aims to become one of the "leading" mobile skill gaming operators after securing a license in its domestic market. The company will offer online and mobile casinos, poker and bingo by the end of the second quarter, it said.

"We see major opportunities opening up at the international level," Chief Executive Officer **Andrea Casalini** said in an interview in Milan today. "After Italy, we're looking at the developments in gaming regulations in Europe, and we'll be active in other countries."

Italy ranks first among regulated digital gaming markets, based on net revenue for operators, with more than 400 million euros last year, Buongiorno said. It forecasts that the country's mobile gaming market will reach a value of 2.2 billion euros in 2012.

Buongiorno will maintain full ownership of its gaming platform, called WINGA, and is ready to evaluate possible partnerships, Casalini said.

### Mobile Companies

The company operates in 57 countries working with more than 130 mobile-phone companies including **Vodafone Group Plc**, Telefonica SA and AT&T Inc.'s Cingular.

Buongiorno expects revenue to rise this year from about 259.5 million euros in 2009. Casalini projects "at least high single-digit growth."

"We're counting on the organic growth of the existing business to generate visible, material top-line growth this year," the CEO said.

The "majority" of the increase in 2010 revenue will come from emerging markets such as Russia, Brazil, Mexico, South Africa and Nigeria, Casalini said. Buongiorno doesn't plan to enter China in the near future because of the country's regulatory and business environment, he said.

"The past two years have been a consolidation period for us," the CEO said. "The top priority is to develop organic business growth and new opportunities."

**News Corp.** may seek to sell its Fox Mobile Group, which includes mobile content provider Jamba, the Financial Times reported March 11. Casalini said that "M&A is not our priority, but we'll look at opportunities in specific market situations." He declined to comment on whether Buongiorno is looking at Fox Mobile Group's assets.

Asked whether he foresees consolidation between mobile content providers and phone companies, Casalini said that it's "not easy to integrate a company like ours into a much larger group," adding that "we're not actively looking for anything."

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