

PRESS RELEASE

E-Commerce Trend 2010: Micropayments

Munich, 19. January 2010 – mopay, one of the leading mobile payment solutions worldwide, recorded double the number of transactions in the past fiscal year in the region of up to ten euros. This development is congruent to the current megatrend of micropayments. Market researchers are forecasting a further doubling of the market segment for this year. In the USA, according to Reuters, the number of micropayments in 2010 will increase to over two billion US dollars.

With micropayments, we're talking about a payment process for small and smallest amounts amounting to up to ten euros. Currently, these offers are deployed on online offers which are subject to a charge, such as online games, communities and video downloads. Lots of renowned operators from this sector had still been hoping for sole financing via online advertising until recently. Not least the world-wide economic slump and the restrictions on advertising budgets connected with it have led to changes in thinking. The introduction of premium offers in exchange for a low charge seems to be the solution to the dilemma and is shown by the clear increase in mopay transactions.

"The online world is currently in a transitional phase" said Ingo Lippert, CEO of Mindmatics PLC, the provider of the mopay payment platform. "Lots of business models are looking for new financing options because of this. In the gaming sector, for example, micropayments have successfully replaced the topic of in-game advertising. We can already now see that other industries are following this trend."

However, particular requirements are imposed for the payment process of small amounts. The three most important aspects are the profitability, simplicity and availability of the means of payment. The smaller the amounts, the higher the costs of the transactions on a percentage basis. For this reason, micropayment transactions are being neglected by a large proportion of providers of established methods of payment. In addition, the time-consuming data entry of account or card information for the purchase of an item amounting to a single figure in euros is less attractive to the purchaser. Lastly, the fact that not every customer has

a credit card or another means of payment other than cash available shows the essentialness of a simple and universally available payment method – the mobile phone, respectively the credit on it.

This is exactly where mopay (www.mopay.com) gets involved. Each person who owns a mobile can carry out pay transactions by entering their mobile phone numbers. In theory, mobile payment is the most wide-spread payment method in the world. According to an investigation by Gartner, by 2013, 70 percent of the world's population will have a mobile phone – far more than the number of all the bank accounts worldwide. In addition to the classic methods of payment, mobile payment offers a safe and simple payment process and opens up a target group – “unbanked” or “underbanked individuals”, i.e. end customers with restricted access to banks.

Lippert continued: “mopay is a mobile payment solution which fulfils all the requirements of micropayments and in doing so, guarantees unsurpassed propagation. The rate of over 70 percent of concluded payment processes after choosing mopay as a method of payment is 10 times above the rate of other common payment alternatives. We're delighted by the acceptance and growth of mopay and are looking forward to an exciting year in 2010.”

About mopay:

mopay, a MindMatics AG brand, is the worldwide leading solution for network provider based billing of small amounts. The company is providing just under 3.1 billion people in 60 countries a platform with which mobile customer relations and campaigns can be organised, and also small amounts can be billed by SMS. In addition, mopay offers a world-wide SMS sending infrastructure which is optimised to the highest reliability and performance. Among MindMatics' customers are renowned portals from the gaming, community and contents sectors. MindMatics AG was founded in March 2000 and employs more than 100 staff at the locations Munich, Cologne, Vienna and London.

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