

Buongiorno sees slight revenue growth in 2010-INTERVIEW-UPDATE 1



BUONGIORNO/ (INTERVIEW, UPDATE 1)

- * Sees low single-digit growth in revenues in 2010
- * Sees 2010 EBITDA stable, adjusted EBITDA down slightly
- * Q3 in line with forecasts

(Adds quotes and details)

By Deepa Babington

ROME, Sept 23 (Reuters) - Buongiorno, which provides mobile content services, expects revenue growth this year but core earnings will see a small drop due to higher marketing and investment expenses, its chief executive said.

Revenues at the Italian company -- which sells mobile content like games, music and video in 57 countries -- are expected to show single digit growth despite faster than expected decline in a segment related to some television services, CEO Andrea Casalini said on Thursday.

"It's a good year for us, we see quite solid business for us in most of our lines of business," Casalini told Reuters in a telephone interview.

"The market is not buoyant but it's good enough." Earnings in 2010 before interest, taxes, depreciation and amortisation are expected to be stable or higher, but on an adjusted basis are expected to fall slightly as Buongiorno hikes spending on marketing and investment to boost its customer base.

The company's performance in the third quarter is in line with forecasts, he said.

Buongiorno, which on Wednesday announced a partnership with credit card group CartaSi over online payment services, expects the deal to boost earnings starting next year, Casalini said.

"It's something we believe can generate -- in the relatively short-term -- a positive impact on the profit and loss (statement)," he said. "It probably won't be this year. We expect some impact on the P&L for next year."

Casalini said the company was investing heavily in the mobile advertising business, and continued to tap opportunities in the mobile Internet market on the expectation that consumers will increasingly access the Internet from mobile phones.

"We will keep providing consumers with entertainment content of all the varieties -- that's been our bread and butter, but we will also make some changes to the way we deliver it," he said.

Buongiorno is more interested in focusing on its current initiatives rather than scouting opportunities for new acquisitions, Casalini said.

"Right now, mergers & acquisitions are not a priority," he said. "The priority is growing the new line of business." (Editing by Jon Loades-Carter)