



MONITISE™

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Monitise plc

Preliminary Results for the year to 30 June 2008

Monitise plc (“Monitise” or the “Group”; LSE: MONI.L), the leaders in mobile banking & payments, announces its preliminary results for the year ended 30 June 2008.

Monitise has invested five years in the development of a highly scalable technology platform for the fast growing mobile money market. The focus on building a platform which leverages the existing banking & payments infrastructure, and ensuring that it meets or exceeds the security protocols and regulatory environment in the UK and US, means that the business is extremely well positioned. Early successes in these markets are driving strong global interest in Monitise's technology with a healthy pipeline of commercial opportunities.

Following the period end, the Group raised £11.8m (before expenses) of new capital through a subscription for shares by new and existing investors to underpin the continued development of the business. The Group, which remains in investment phase, has achieved a number of key developments since it reported its full year results last year.

Financial Highlights

- Year-on-year revenues trebled to £1.5m (2007: £0.5m), with second half revenues up strongly, rising from £0.4m in the first half to £1.1m in the second half
- Loss before tax of £14.0m (2007: £8.7m)
- Development and deployment costs of £8m in the year
- Year end cash position of £9.7m (2007: £20.4m) moving to £21.2m following completion of the subscription in July 2008

Operational Highlights

- Strong progress in existing operations
 - Significant enhancements to the consumer interface and core platform
 - In the UK, service coverage now exceeds 50% of all current account customers, up from 37% in January 2008
 - Consumer registration and usage in the UK is developing positively
 - Discussions with device manufacturers and mobile operators around the deployment of a pre-seeded Monitise application on handsets progressing well
 - In the US, 38 financial institutions have now contracted to the Monitise Americas service, an increase of 100% from January 2008
 - Well positioned to become a leading mobile provider for the payments industry in Europe
- Successful fundraising
 - £11.8m (before expenses) raised at a price of 15p per share
 - Standard Chartered and PCCW, our new strategic investors bring a unique position and knowledge of Asia and the emerging markets,

which will strengthen and assist with potential new commercial opportunities for the business

- Unique opportunity in developing and emerging markets
 - Bank-grade platform with vital security and regulatory protocols in place
 - Continued assessment of opportunities in markets such as Africa and India
 - New opportunities opened up by fundraising partners and investment focus will be on markets with strongest commercial potential

Alastair Lukies, Chief Executive, Monitise plc, said: “We are seeing global acceleration in the inevitable convergence between mobile devices and financial services. We have established ourselves in an excellent position to become the trusted service partner of choice.

“We have the experience and infrastructure to run secure mass market, bank grade mobile payments systems, a unique position in a market place that has, to date, been largely occupied by mobile software vendors.

“Our goal, over the coming year, is to at least maintain the current rate of revenue growth. Overall cash overheads are anticipated to be in the region of £14m, subject to potential additional investment in new territories during the year. There are a number of new opportunities opened up by the partners participating in our fundraising, and our investment focus will be on those markets with the strongest commercial potential.”

Duncan McIntyre, Chairman, Monitise plc, added: “In the year since demerger, Monitise has continued to develop. Building a long term, sustainable technology platform requires focus and tenacious energy, particularly in the current economic environment. We have continued to invest in our products and have also made considerable enhancements to the functionality and capability of our technology in readiness for the natural evolution from mobile banking to payments and commerce in mature and emerging markets.

“In addition to a strong year of operational progress, we were delighted with the endorsement of the recent subscription; the quality of investors we have attracted is testament to the quality and potential of our business. We enter the new financial year energised and focused on further developing our market-leading position.”

Enquiries

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About Monitise plc

Monitise plc (MONI.L) is a specialist in mobile banking, payments and commerce technology. It has engineered the world's first mobile banking ecosystems, which allow customers of multiple banks and mobile operators to perform banking and payment transactions directly from their mobile handset.

With live services in the UK and the USA, where it has delivered the MONILINK and Monitise networks in partnership with VocaLink and Metavante Corporation respectively, the Company is currently working with international partners to deliver similar safe, secure mobile banking & payment services in territories worldwide. Current key partners include VocaLink, Metavante, HSBC, first direct, Alliance & Leicester, Royal Bank of Scotland, NatWest, Vodafone, Orange, O2, T-Mobile and Hutchison 3G.

Monitise was recognised as a 'Technology Pioneer' by the World Economic Forum in 2006; 'Mobile Innovation of the Year' by The Banker Magazine in 2007 and awarded the Innovation in Messaging Award 2007 by the Mobile Messaging Association.
www.monitisegroup.com

Business Update

Overview

We are pleased to report the preliminary results for Monitise plc. The macro-economic environment has changed significantly from last year and we have responded to this by focusing on the UK, North America and a limited number of developing territories, while continuing to develop our product roadmap, enhance our current platform and improve the overall performance of our service.

The Company has reported a threefold increase in revenue to £1.5m (2007: £0.5m), and a loss before tax, in line with management's expectations, of £14.0m (2007: £8.7m).

The recent fundraising after the period end, which demonstrated the support of our institutional investors for the business, generated £11.8m (before expenses) and provides us with the necessary funds required to capitalise on the near term global opportunity that exists for our services. It has also brought us the expertise of Jan Verplancke, Chief Information Officer of Standard Chartered Bank, who joins the board as Non-Executive Director. It is anticipated that the support of Standard Chartered Bank and PCCW, the Hong Kong based telecommunications provider and information technologies specialist, both of which command strong positions in the emerging markets, will assist Monitise in the international development of the business.

Our business model is based on a central technology hub, which acts as the central development, sales, marketing and strategy organisation, creating compelling products and services which meet the needs of our clients and their customers in markets across the globe. In turn, we work with our partners in individual markets to deliver long term, sustainable joint ventures that meet the needs of local consumers. This delivers initial revenue opportunities for Monitise Group in terms of integration and license fees and long term upside in terms of per user and transaction driven income. Furthermore, it creates a substantial asset base for the business in multiple markets through their position as the 'industry platform' for mobile money in each market.

The leverage and replication of the existing ATM and payments infrastructure is a core component and differentiator of our offering. This approach has enabled us to develop a robust, secure and scalable platform which meets the rigorous security protocols and regulatory requirements that are vital for any banking industry service. It also ensures that we are able to scale quickly upon entering a territory, with minimum barriers to entry for financial institutions, as has been demonstrated in the US in particular. With the market for mobile banking & payments continuing to mature rapidly, we are confident that our platform based model is the most sustainable in terms of delivering on our vision of providing low-cost mobile money services to the mass market of consumers in both developed and emerging markets.

Our Market

The mobile money industry is growing rapidly, with many predicting that the mobile phone will become people's primary 'money management' tool. In the developed world, mobile banking & payments is a continuation of the service evolution (branch, ATM, telephone and internet) that the banking industry has pioneered over the past 30 years. In emerging markets, mobile banking & payments is likely to be the first experience that many individuals have with any structured form of financial services.

However, in all markets it is expected that simple information enquiries and basic payment services delivered over the mobile phone will act as a precursor to a wider range of payment transactions. Our technical grounding in the existing payments infrastructure and our strategy of establishing ourselves early in new markets and developing a market leading product roadmap positions us strongly to benefit from significant long term value as services such as peer to peer, remittance and 'beep and go' (Near Field Communication) payments become mass-market.

Product Development

During the year we have spent approximately £8m on product development and deployment. Our technology model, which utilises the existing ATM switches and payments processors in each live territory, enables Monitise to act as a central gateway for mobile banking, payments and commerce services and allows the service to be evolved on an ongoing basis without impacting on the live services of our partner banks.

Over the past year we have further enhanced our product roadmap. We now have a unique range of services which allows our banking, payments and operator partners to evolve their consumer services as the overall marketplace develops. In particular it is important that, as payment innovations mature, our partners can continue to use the same platform and infrastructure to develop these services. Our launched services are attracting interest across a number of industries, including the international money transfer market, the broader payments industry as well as security and authentication providers. We are also investing in the development of products that will meet the needs of future payment channels and our thought leadership with regards to the implementation of 'beep & go' Near Field Communication services from the handset is now well recognised.

We have also made significant enhancements, improving the registration process, considerably expanding the range of services available, extending the technology so it is now compatible with CDMA networks (through the delivery of a BREW client) and adding new handsets, including BlackBerry smartphones, to our services in the UK and North America. Alongside this, we have maintained an ongoing security testing and improvement programme to ensure that our service remains ahead of the market in terms of security protocols.

UK Operations

Our MONILINK joint venture with VocaLink has cemented its position as the leading UK mobile banking & payments platform over the past twelve months. With our contracted banks, over half of all UK banking customers can access their bank accounts using our service. Furthermore, the addition of SMS alerts demonstrates our ability to 'up sell' new services to financial institutions once they have experienced the benefits of the core service.

Currently Alliance & Leicester, Alliance & Leicester Commercial Bank, first direct, HSBC, NatWest, Royal Bank of Scotland and Ulster Bank have live services with their customers, with an additional leading UK bank launching MONILINK services in the coming weeks. Our discussions with device manufacturers and mobile operators regarding the deployment of a pre-seeded Monitise application on handsets are progressing well and we continue to enjoy the support of all major UK networks, including 3, O₂, Orange, Tesco Mobile, T-Mobile, Virgin Mobile and Vodafone, with

our service seen as a valuable lifestyle tool which helps drive adoption of other mobile data services.

Consumer registrations during the first half of the financial year (July – December 2007) were slower than previously expected, due, in the main, to planned marketing programmes being delayed. However, consumer interest has been building throughout the second half and usage is being driven up, with an average of six sessions per month undertaken by our partner banks' premium account customers, similar to the patterns seen during the development of the internet banking and ATM channels.

The MONILINK team is focused on increasing the number of financial institutions using our service, while also increasing the range of Monitise services offered to consumers. We have already signed over half the UK banking high street (in terms of current account coverage) to our service and with demand for mobile money services expected to grow over the coming year, we are confident of our future progress.

Monitise Americas

Monitise Americas, our joint venture with Metavante Corporation, has made significant progress. The service is now live and currently 38 financial institutions have contracted to offer the service to their customers.

We are expanding the service into Canada, through our partnership with Everlink Payments Network, opening up a significant new marketplace without extensive further investment. Discussions with key processors across North America are also continuing as we seek to deliver a service which is as universal in terms of its accessibility to financial institutions as that of our UK operation.

Over the past twelve months we have embedded our technology in the payments environments of Metavante and NYCE Payments Network, ensuring the service is easy to integrate for over 8,600 financial institutions across the US. As such, the service requires minimal technical integration before they can launch mobile money services to their customers. We have also devoted significant effort to ensuring that our service is optimised to the needs of the North American consumer. As a result, we will be launching bill payments on our platform during the first half of the 2008/9 financial year and have already expanded our proposition in the United States to include text alerts, a service which H&R Block, the world's largest tax preparation company, has plans to offer to its 2.6 million Emerald Prepaid MasterCard® cardholders from later this calendar year.

Card Schemes and Issuers

The payment card market is growing rapidly, driven by the significant increase in prepaid card products, from simple payroll cards and reloadable cards for under 18s for gift usage, to more sophisticated products, such as Visa PayWave, and transport cards, such as London's Oyster scheme, designed to replace cash transactions with 'beep and go' contactless cards.

One of the longest running issues affecting the card industry, especially the gift and loyalty card market, has been that consumers are unable to see the value on the card. Despite the mainstream acceptance of internet banking services for primary bank accounts, card issuers have struggled to deliver a similar adoption rate in their own segment. The rise of mobile management and payment services offers an

answer to one key part of this issue, since it provides an 'at a glance' enquiry or reload service which can be used just prior to point of sale.

We believe that the adoption of our technology offers significant benefits by improving the overall consumer transparency of card products, as well as offering a route to acquire customers for our services. Over the year to 30 June 2008 we put in place deals with Visa Europe, Tuxedo Money Solutions and Carphone Warehouse to deliver mobile management and payment services to support their card products. All three of these are expected to be live to consumers during the course of the financial year to 30 June 2009.

During the current financial year we will continue to expand our relationships with card schemes and issuers, with the aim of becoming a leading global player in the provision of mobile management of card products.

Other Emerging and Developing Market Opportunities

The mobile phone is predicted by many industry analysts, including Tower Group and Juniper Research, to become the primary financial services interface in the majority of the world's emerging economies. Monitise believes that, while simple remittance services can act as a 'gateway' to financial inclusion, there is a larger market opportunity which lies in the requirement to deliver access to more sophisticated financial products. The Monitise industry platform model, which has been developed under the rigour of the regulatory and compliance environments in the UK and US, offers a long term framework for financial inclusivity by enabling access to a full range of financial services products such as current accounts, loans and business banking facilities, providing a genuinely sustainable route to long term financial inclusion in emerging markets.

Through our recent fundraising we gained a number of key strategic partners and met with other leading companies across the mobile and banking industries. These organisations endorsed our technology and approach and we are in ongoing partnership discussions with a number of them. In light of this, we will continue our assessment of opportunities in markets such as Africa and India, whilst looking to align ourselves with the strategies of our partners in order to generate the most rapid results.

Authentication Services

The market for authentication services is growing rapidly, driven particularly by the rise in card fraud through online shopping outlets as well as email viruses such as phishing and trojan attacks targeted at consumers to encourage them to reveal their internet banking details. Monitise's secure platform allows the mobile device to be used to deliver highly secure, second factor authentication services to the mass market of consumers. This is delivered by Monitise in financial environments as a core component of our platform and in the Enterprise market as Accode.

People

On 30 June 2008, Monitise employed 105 people (2007:72 people) and we would like to take this opportunity to thank all of our staff for the significant contribution to the business over the past year.

Since we reported last year we have promoted Tom Spurgeon, our Chief Financial Officer, to the Board. In addition, we welcomed John Brougham, former Finance

Director of BT Transformation as a Non-Executive Director and Jan Verplancke, CIO of Standard Chartered Bank, also as a Non-Executive Director.

Our Board now consists of three Executive Directors (including an Executive Chairman) and five Non-Executive Directors. We also benefit from a strong, stable and proven management team and an Advisory Board with substantial banking, telecommunications, technology and public markets experience.

Awards

In the year to 30 June 2008 Monitise was awarded the 'Mobile Payment Award 2008' from The Banker Magazine, 'Most Innovative New Product Award 2007' from the European Banking Technology Awards, 'AIM New Business of the Year' from the Fast Growth Business Awards and 'Most Promising New Entrant' for our Monitise Americas platform from the Cards International Global Awards.

These are in addition to the Technology Pioneer Award from the World Economic Forum in 2006, 'Mobile Innovation of the Year' from The Banker Magazine in 2007 and the 2007 'Innovation in Messaging Award' at the Mobile Messaging Awards.

Strategy and Outlook

Our strategy for growth remains as stated when we listed on AIM in June 2007 and rests on three key areas:

- Sign up the world's leading financial institutions, card schemes and ATM/payment switches to the Monitise platform
- Attract the appropriate partners to deliver sustainable 'industry platforms' in individual markets
- Develop a compelling and customer-centric product roadmap ahead of the market

We are pleased with the progress of the business in meeting these objectives over the past year. Our deployments in the UK and North America are progressing well. We are competitively positioned to meet the growing mobile management requirements of card schemes and our products have positioned us as 'thought leaders' in terms of the ongoing development of global 'mobile money' services.

Our goal, over the coming year, is to at least maintain the current rate of revenue growth. Overall cash overheads are anticipated to be in the region of £14m, subject to potential additional investment in new territories during the year. There are a number of new opportunities opened up by the partners participating in our fundraising, and our investment focus will be on those markets with the strongest commercial potential.

Financial Review

This set of results represents the Group's first full year of trading as a standalone entity following the demerger from our former parent company, Morse plc, and admission to AIM on 28 June 2007.

The Group remains in investment phase and, following conclusion of the recent subscription agreements, is well placed to consolidate its existing position and implement its growth plans, continuing to take advantage of the increasing demand for mobile banking and payment services worldwide.

Financial Performance

Year-on-year revenues have trebled to £1.5m (2007: £0.5m) and represent income from deployment and integration of our platform both in the UK and US, recognition of our first recurring licence fee for overseas mobile banking and payments (payable by the US joint venture), and the gradual build-up of consumer revenues.

Second half revenues increased strongly, rising from £0.4m in the first half through to £1.1m in the second half.

Overhead costs for the year, excluding share based payments and 2007 exceptional costs, amounted to £13.6m (2007: £8.1m). The increase in costs, seen predominately in the first half of the year in line with the plans at demerger, was driven by the scaling up of headcount in our central technology hub and investment in our new US joint venture.

The adjusted operating loss for the year (excluding non-cash share based payments and 2007 exceptional item) has increased to £12.8m (2007: £7.9m) as a reflection of the increase in overhead costs.

In line with the requirements of IFRS 2, we have recognised a non-cash charge of £2.1m for share based payments (2007: £0.2m pre-exceptional charge). The majority of charges arise from the Performance Share Plan and Rollover Option grants to the senior management team at the time of demerger, details of which were included in the 2007 AIM Admission document. Ongoing charges will reflect the fact that share based payments remain a key part of the retention plan for executives and other staff.

The retained loss for the year has increased to £14.0m (2007: £5.9m). Prior year retained loss included benefit from a £2.8m tax credit, realised as part of the 2007 demerger arrangements, with the remainder of the increase in loss reflecting ongoing growth in operating activities.

Taxation

No income tax credits have been recognised in 2008 (2007: £2.8m). In 2007, all accumulated tax credits were surrendered to Morse plc, the Group's former parent, and settled as part of the demerger agreement. In 2008, all losses have been retained within the Group and form part of the Group's unrecognised deferred tax asset.

Loss Per Share

The basic and diluted loss per share was 5.5p (2007: 3.8p). Details can be found in note 2.

Cash Flow and Funds

The Group utilised total cash of £10.7m during the year (2007: £9.3m), resulting in a year end cash balance of £9.7m (2007: £20.4m). The cash outflow from operating activities, including the Group's share of joint venture activities, was £10.1m (2007: £8.7m). The cash outflow from capital expenditure was £0.5m during the year, as in the prior year, reflecting spend on operating platforms across the joint ventures and scaling of the Group's internal IT infrastructure.

New funds were generated from a subscription for new equity which was completed in July 2008 and, as a result, the Group raised £11.8m of funds (before expenses). Taken together with the year end cash position of £9.7m, the total cash available post-subscription amounted to £21.2m.

Treasury Activities and Policies

The Board formulates the Group's treasury policy objectives and policies which are designed to manage the Group's financial risk and secure cost-effective funding for the Group's operations. These objectives include the requirement to minimise risk on investment funds but maintain flexibility. The majority of funds are currently held in a mix of term deposits. Other financial instruments are comprised principally of trade receivables and payables arising from the Group's operating activities.

Hedging of known future foreign cash investments or income flows will be undertaken, as deemed appropriate, to mitigate the Group's exposure to foreign exchange risk going forward. It is, and will continue to be, the Group's policy that no speculative trading in derivatives shall be undertaken.

Consolidated Income Statement

	Year ended 30 June 2008 £'000	Year ended 30 June 2007 £'000
Revenue	1,492	472
Cost of sales	(630)	(327)
Gross profit	862	145
Distribution costs	(2,169)	(912)
Administrative expenses before share based payments and exceptional costs	(11,479)	(7,142)
Share based payments	(2,107)	(183)
Exceptional salary costs	-	(596)
Total administrative expenses	(13,586)	(7,921)
Operating loss	(14,893)	(8,688)
Finance income	923	8
Finance costs	(4)	-
Loss before income tax	(13,974)	(8,680)
Income tax credit	-	2,775
Loss for the year	(13,974)	(5,905)
Attributable to:		
Equity holders of the Company	(13,974)	(5,905)
Loss per share for loss attributable to the equity holders of the Company during the year (expressed in pence per share):		
– basic & diluted	(5.5)	(3.8)

Consolidated Balance Sheet

	As at 30 June 2008 £'000	As at 30 June 2007 £'000
ASSETS		
Non-current assets		
Property, plant and equipment	465	357
Intangible assets	793	790
	<u>1,258</u>	<u>1,147</u>
Current assets		
Trade receivables	642	185
Prepayments and other receivables	2,895	1,936
Cash and cash equivalents	9,681	20,373
	<u>13,218</u>	<u>22,494</u>
Total assets	<u>14,476</u>	<u>23,641</u>
LIABILITIES		
Current liabilities		
Trade payables	(432)	(199)
Other payables	(2,441)	(1,212)
Financial liabilities	(2,377)	(1,294)
	<u>(5,250)</u>	<u>(2,705)</u>
Non-current liabilities		
Financial liabilities	(91)	-
Total liabilities	<u>(5,341)</u>	<u>(2,705)</u>
Net assets	<u>9,135</u>	<u>20,936</u>
EQUITY		
<i>Capital and reserves attributable to equity holders of the Company</i>		
Ordinary shares	2,545	2,540
Share premium	19,334	19,261
Merger reserve	32,952	32,952
Reverse acquisition reserve	(25,321)	(25,321)
Share-based payments reserve	2,540	433
Foreign exchange translation reserve	(12)	-
Retained loss	(22,903)	(8,929)
	<u>9,135</u>	<u>20,936</u>
Total shareholders' equity	<u>9,135</u>	<u>20,936</u>

Consolidated Statement of Changes in Equity

	Share Capital	Share Premium	Merger Reserve	Reverse Acquisition Reserve	Share- Based Payment Reserve	Retained Earnings	Forex Reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 July 2006	-	-	-	-	-	(3,024)	-	(3,024)
Capital reorganisation on demerger through dividend in specie	1,569	-	32,952	(25,321)	-	-	-	9,200
Issue of shares on flotation	971	19,261	-	-	-	-	-	20,232
Recognition of share based payments	-	-	-	-	433	-	-	433
Total recognised income and expense for the year	-	-	-	-	-	(5,905)	-	(5,905)
Balance at 30 June 2007	2,540	19,261	32,952	(25,321)	433	(8,929)	-	20,936
Balance at 1 July 2007	2,540	19,261	32,952	(25,321)	433	(8,929)	-	20,936
Issue of shares	5	73	-	-	-	-	-	78
Recognition of share based payments	-	-	-	-	2,107	-	-	2,107
Total recognised income and expense for the year	-	-	-	-	-	(13,974)	(12)	(13,986)
Balance at 30 June 2008	2,545	19,334	32,952	(25,321)	2,540	(22,903)	(12)	9,135

Consolidated Statement of Cash Flow

	Year ended 30 June 2008 £'000	Year ended 30 June 2007 £'000
Cash flows utilised in operating activities		
Cash utilised in operations	(10,999)	(8,680)
Interest received	824	8
Income tax paid	-	(56)
Net cash utilised in operating activities	<u>(10,175)</u>	<u>(8,728)</u>
Cash flows utilised in investing activities		
Purchases of property, plant and equipment	(257)	(104)
Capitalisation and purchases of intangible assets	(260)	(437)
Net cash utilised in investing activities	<u>(517)</u>	<u>(541)</u>
Cash flows provided by financing activities		
Proceeds from issuance of ordinary shares (net of expenses)	-	20,232
Loan to/from joint venture parties and subsidiaries	-	499
Loan/funding from related party	-	8,751
Net cash provided by financing activities	<u>-</u>	<u>29,482</u>
Net (decrease)/increase in cash and cash equivalents	<u>(10,692)</u>	<u>20,213</u>
Cash and cash equivalents at beginning of the year	20,373	160
Cash and cash equivalents at end of the year	<u>9,681</u>	<u>20,373</u>

Notes to the Consolidated Financial Statements for the period ended 30 June 2008

1. Basis of Preparation

The financial information presented in this Preliminary Announcement is extracted from, and is consistent with, the Group's audited financial statements for the year ended 30 June 2008.

The preliminary announcement for the year ended 30 June 2008 was approved by the Board of Directors on 20 August 2008. The financial information set out above does not constitute the Company's statutory accounts for the year ended 30 June 2008 or 2007 but is derived from those accounts. Statutory accounts for 2008 will be delivered following the Company's annual general meeting. The auditors have reported on those accounts; their report was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985.

The Group's results have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

2. Loss per Share

Basic & Diluted

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. As the Group is loss-making, any share options in issue are considered to be "anti-dilutive". As such, there is no separate calculation for diluted loss per share.

Reconciliations of the loss and weighted average number of shares used in the calculation are set out below:

	2008 Losses (£'000)	2008 Weighted Average number of shares (thousands)	2008 loss per share amount (pence)	2007 Losses (£'000)	2007 Weighted average number of shares (thousands)	2007 loss per share amount (pence)
Losses attributable to ordinary shareholders	(13,974)	254,429	(5.5)	(5,905)	157,368	(3.8)

3. Post Balance Sheet Events

Equity transactions

On 14 July 2008, the Group issued 78.6 million new ordinary shares as part of a subscription agreement with new and existing investors. Standard Chartered Bank, a subsidiary of Standard Chartered plc the FTSE 100 UK Bank, was the largest subscriber, taking 33.3 million shares (10% of the share capital post-subscription).

As a result, £11.8 million (before expenses) has been raised and taken together with year end cash provides the Group with a total cash position of £21.2 million on receipt of funds in July 2008. The Directors believe that this new subscription will provide sufficient flexibility for the Group to continue to implement its development strategy and grow its business in a number of new territories.

Warrants

The Company has granted Fleming Family and Partners Advisory Limited ("FF&P") the right to subscribe for up to 5,745,025 Ordinary Shares in Monitise Plc in cash at a price of 13.5p. This grant is in consideration for the provision of ongoing strategic financial advice over a three year term.

FF&P may subscribe for those shares at any time during the exercise period which runs between 11 July 2010 (or earlier if agreed with the Company) and 10 July 2011. Any subscription rights with regard to the shares that have not been exercised by 10 July 2011 shall automatically lapse and cease to be exercisable at that time.