



# **Investor Presentation**

## **Wirecard AG: Acquisition of global Citi Prepaid Card Services**

29 June 2016

## Highlights

### Acquisition of global Citi Prepaid Card Services



Global expansion with market entry U.S.



Growth opportunities due to cross-selling effects



Leading position in institutional funded prepaid card issuing with more than 2,500 client programs launched



Segment leading corporate clients



Highly experienced management team with extensive industry network



120 employees



Closing expected as early as Q4 2016



Estimated EBITDA margin 2017 approx. 20%

Estimated EBITDA contribution 2017 > USD 20 mn (before integration costs)

Estimated one-off integration costs in 2017 of USD 5 mn

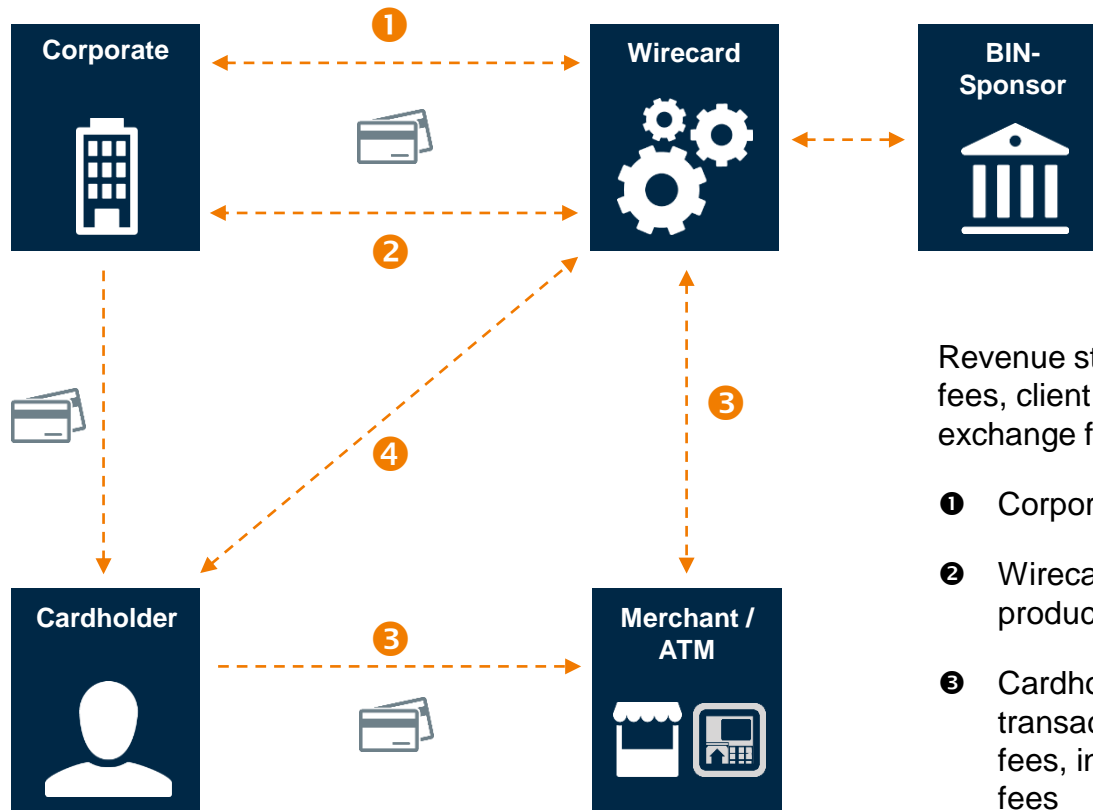


Financing through cash and committed bank loans

## Business and segment overview

Segment	Purpose	Typical uses	Revenue share
Compensation	Enhanced "all-access account" payments delivered in real-time	<ul style="list-style-type: none"> <li>• Payroll</li> <li>• Employee rewards</li> <li>• Sales incentives</li> <li>• Direct selling</li> <li>• Compensation payments</li> <li>• Donor payments</li> </ul>	56%
Incentives	Incentive programs to boost customer acquisition and retention	<ul style="list-style-type: none"> <li>• Customer incentives</li> <li>• Consumer rebates</li> <li>• Consumer refunds</li> <li>• Private label prepaid card programs</li> </ul>	40%
Other	Economical and secure public benefits transfer	<ul style="list-style-type: none"> <li>• Social security</li> <li>• Welfare benefits</li> </ul>	4%

## Simplified example of business model



Revenue streams are driven by cardholder fees, client fees, interchange and foreign exchange fees.

- ❶ Corporate client funds the card
- ❷ Wirecard realises client fees for card production and account funding
- ❸ Cardholder spends and Wirecard realises transaction-based revenue for cardholder fees, interchange and foreign exchange fees
- ❹ Wirecard realises cardholder fee revenue for account maintenance fees and other account based fees

# Key trends in global prepaid card market

**3.1tr**

USD in global prepaid card  
volume through 2022\*

**200bn**

USD in U.S. merchant sales  
with prepaid cards in 2014 =  
5% of U.S. retail  
spendings\*\*

**23%**

of the population of the U.S.  
hold a prepaid card\*\*

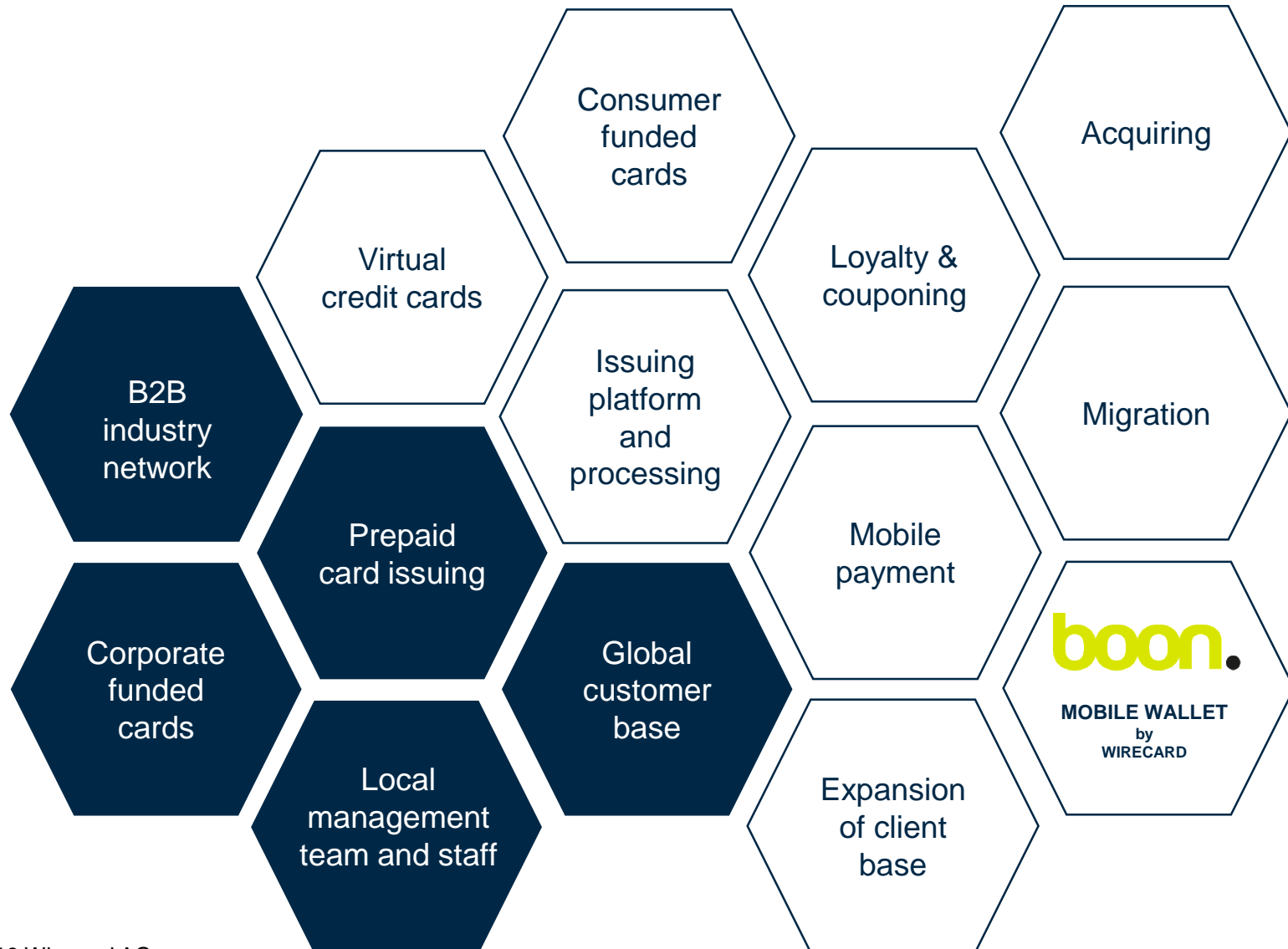
Growing...

- shift to non-cash payments
- shift to virtual prepaid cards and mobile payments
- demand for open loop prepaid cards
- need for prepaid-payout-card
- demand for financial inclusion of unbanked consumers

\*) Global Industry Analysts, April 2016

\*\*\*) Forbes, April 2014

## What's next?



## Contact

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