

wirecard



Wirecard AG
2013 Q3/9M Results
Investor Presentation

November 2013

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1. Key Figures Q3/9M 2013 Latest Developments

Group results 9M/2013

		9M 2013	9M 2012	
Transaction volume	EUR bn	19.0	14.9	+28%
Revenues	EUR mn	341.1	279.5	+22%
EBITDA	EUR mn	89.8	78.1	+15%
EBIT	EUR mn	71.4	66.2	+8%
Operating cash flow*	EUR mn	77.9	65.3	+19%
Profit after taxes	EUR mn	56.8	52.9	+7%

Outlook: Management Board has specified the forecast to a more precise EBITDA outlook of between EUR 123 to 128 million (previous outlook: EUR 120 to 130 million)

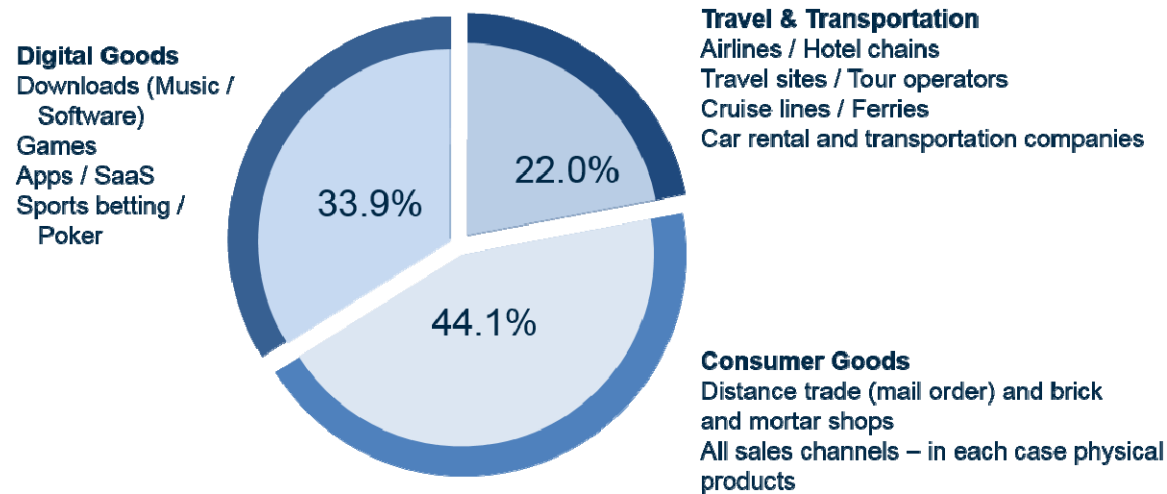
*consolidated cash flow from operating activities (adjusted)

Diversified Customer Portfolio – Target Industries

In the first 9 months of 2013 the transaction volume* amounted to EUR 19.0 billion (+ 27.5% yoy) of which EUR 3.0 billion (15.8%) was generated in Asia.

The allocation as at the end of the 3rd quarter 2013 to the individual industry verticals is as follows:

Transaction volumes

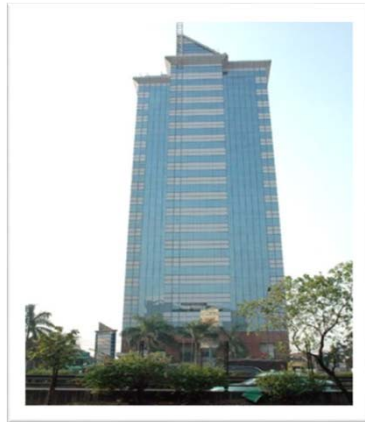


* Transaction volume: basically acceptance and issuing means of payment along with associated value added services

Highlights YTD 2013

- **payplugger:** The new Wirecard payment portal payplugger is fast and easy to use. The online-configurator allows SME merchants to sign-up in an online environment and start to receive payments from their web shop within just 48 hours.
- **SAP:** Wirecard has joined the SAP® PartnerEdge® program. A payment interface is integrated into the ordering process of the cloud solution SAP Business ByDesign.
- **Burda Digital:** Wirecard and Burda Digital concluded an umbrella agreement for payment services. This is valid for its eCommerce holdings and includes acquiring and the option for additional payment methods.
- **Vodafone Group:** Partnership with Wirecard for the introduction of its mobile payment service/creation, implementation and operation of technical Mobile Payment processes + issuing of digital and physical co-branded Visa cards.
- **E-Plus:** The German network operator E-Plus announced its E-Plus Wallet to be launched in spring 2014. E-Plus co-operates with Wirecard to launch and issue a digital maestro card for the wallet.
- **Orange:** Partnership with Wirecard for the new mobile payment service Orange Cash. Wirecard operates the technical platform for issuing and provisioning of digital Visa cards, to manage the mobile payment application and its loyalty and couponing platform.
- **Loyalty & Couponing:** Wirecard presented its latest solution for mobile couponing and loyalty. The fully automated system is based on card transactions. Customers pay and redeem coupons in one step (NFC-Single Tap).

Overview M&A activities in Asia 2012 / 2013



PrimaVista

Jakarta, Indonesia

Consolidated; December 2012

Payment solutions for emerging markets incl. POS, mini- and mobile-ATMs, internet purchases, biometric authentication solutions



Trans Infotech Pte. Ltd.

Singapore

Consolidated; April 2013

Leading Provider in the payment services sector for banks in Vietnam, Cambodia and Laos



Payment Link Pte. Ltd.

Singapore, Malaysia

Consolidated; October 31, 2013

Operator of one of the largest payment networks for local contactless payment, leading domestic acquiring processor and distributor of local prepaid cards

2. Products and Solutions

Products and Solutions



W I R E C A R D P L A T F O R M

	MULTI-CHANNEL PAYMENT GATEWAY	PAYMENT ACCEPTANCE SOLUTIONS	RISK AND FRAUD MANAGEMENT	ISSUING SOLUTIONS	WALLET SOLUTIONS	PAYMENT INNOVATIONS	
TECHNOLOGY	<ul style="list-style-type: none"> > More than 200 connections to banks, payment solutions and card networks > Tokenization of sensitive payment data > Adapters for industry software solutions > Real-time reporting and business intelligence > Subscription management > Billing and Settlement Plan (BSP) > Automated dispute management > White-label user- and system-interfaces 	<ul style="list-style-type: none"> > Card acquiring processing > Acquiring processing of alternative payment schemes > Multi-currency processing and settlement > Terminal software for payment and value added services > Terminal management solutions 	<ul style="list-style-type: none"> > Automated fraud pattern detection > Address verification > Credit rating agency gateway > Device fingerprinting > Real-time rule-engine > Bespoke decision logic and score cards > Hollists (black/white/grey) 	<ul style="list-style-type: none"> > Card issuing processing > Multiple card types (credit, debit and prepaid cards) > Multiple form factors: plastic, virtual, mobile, sticker, dual-interface > Instant card creation > SP-TSM* gateway 	<ul style="list-style-type: none"> > Multi-channel consumer enrolment and base-data management > Zero-balance and pass-through accounts > Credit facility management > Multiple top-up and funding sources > Mobile and Internet apps > Peer-to-peer funds transfer (P2P) 	<ul style="list-style-type: none"> > International money remittance > In-app payments > Mobile card reader solutions > Loyalty and couponing services > Contextual advertising and cash-back > Biometric and "mini ATM" solutions for emerging markets > Industry solutions (e.g. public transport, taxi, airline,...) 	TECHNOLOGY
SERVICES	<ul style="list-style-type: none"> > Global payment strategy advisory > Multi-lingual 24/7 merchant helpdesk > Case management and exception handling > Payment guarantee 	<ul style="list-style-type: none"> > Corporate banking services > Acquiring services for Visa, MasterCard, JCB, American Express, Discover/Diners, UnionPay and alternative payment methods > Consolidated settlement and treasury services > Terminal network deployment and operation 	<ul style="list-style-type: none"> > Credit risk and fraud management advisory > Case management and exception handling > Anti-money-laundry monitoring 	<ul style="list-style-type: none"> > Card program management > Issuing licenses from Visa, MasterCard, JCB > BIN sponsorship services > Supplier selection and management > Card personalization and data preparation > PIN-management > Hosted SP-TSM* service 	<ul style="list-style-type: none"> > Multi-lingual 24/7 helpdesk facilities > Consumer banking services > eMoney institution > Managed know your customer (KYC) service > Marketing and merchant enrolment support 	<ul style="list-style-type: none"> > Management of multi-channel payment products for financial institutions and mobile operators > Merchant and consumer acquisition for payment products with outbound callcenter 	SERVICES

END-TO-END-SOLUTIONS FOR ALL INDUSTRY-VERTICALS

ONLINE POS MOBILE MAIL ORDER/TELEPHONE ORDER (MOTO)

WHITE-LABEL CO-BRANDED WIRECARD-BRANDED

* Service Provider - Trusted Service Manager

Products and Solutions



The Wirecard Group operates an international strategy and offers merchants various national and international payment schemes



NORTH AMERICA

- Visa
- MasterCard
- American Express
- JCB
- UATP
- Diners Club
- Discover
- SWIFT
- PayPal
- Skrill / Moneybookers Wallet

EUROPE, EASTERN EUROPE, RUSSIA

- Visa
- MasterCard
- American Express
- JCB
- UATP
- Diners Club
- Discover
- China UnionPay
- Maestro (Solo)
- Visa Electron

- SWIFT
- SEPA Credit Transfer
- SEPA Direct Debit
- EPS
- PayPal
- paypalcard
- cashTicket
- Skrill / Moneybookers Wallet

Austria

- EPS
- Direct Debit
- Sofortüberweisung.de
- Quick
- paybox

Finland

- InstantBank

France

- Carte Bleue
- Carte Bancaire
- Sofortüberweisung.de

Germany

- Direct Debit
- glooper
- Sofortüberweisung.de
- RatePay Payment by Installments
- RatePay Direct Debit
- RatePay Payment on Invoice
- Wire Transfer to Virtual Bank Accounts

Belgium

- Sofortüberweisung.de
- Bancontact/Mister Cash

Czech Republic

- eKonto

Denmark

- Dankort

Estonia

- InstantBank

Ireland

- Interac

Italy

- CartaSi
- PostePay
- Sofortüberweisung.de

Netherlands

- Direct Debit
- IDEAL
- Sofortüberweisung.de

Poland

- InstantBank
- Przelewy24
- Sofortüberweisung.de

Russia

- Moneta.ru
- YandexMoney

Spain

- Sofortüberweisung.de

Sweden

- InstantBank

Switzerland

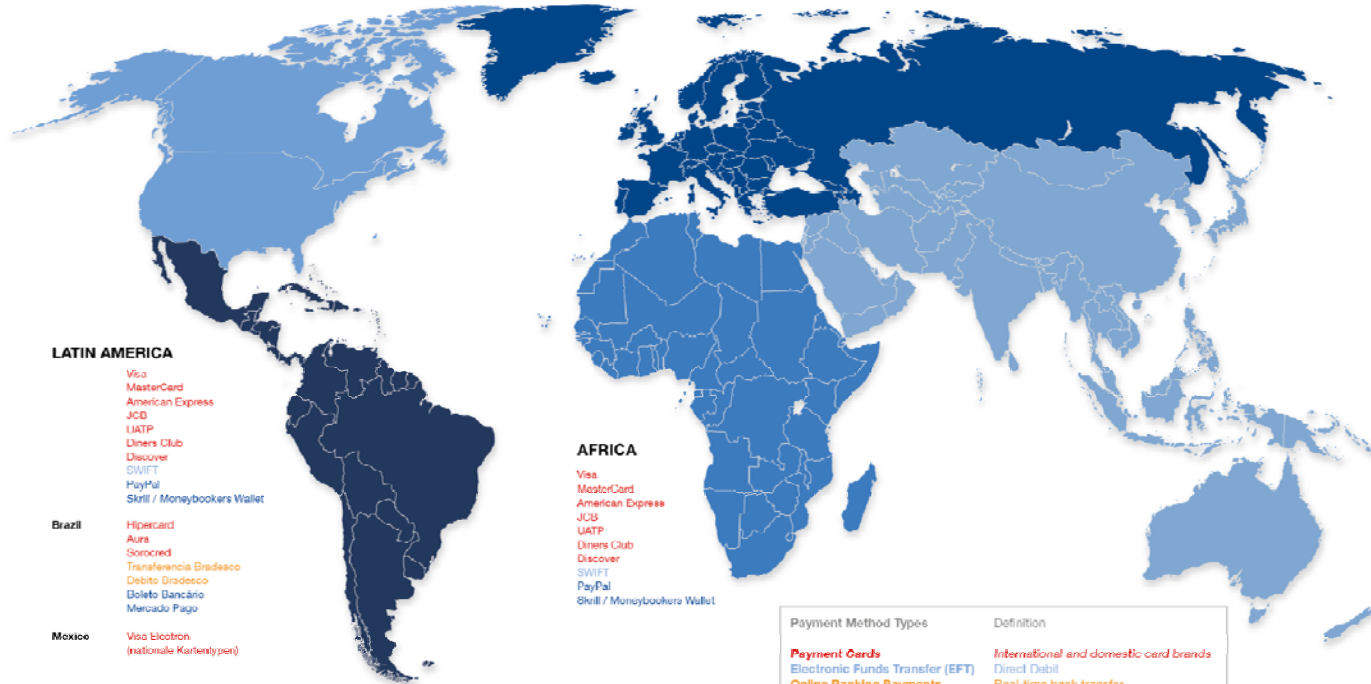
- Sofortüberweisung.de

Ukraine

- Moneta.ru
- YandexMoney

United Kingdom

- Sofortüberweisung.de
- Cardcharge cards



LATIN AMERICA

- Visa
- MasterCard
- American Express
- JCB
- UATP
- Diners Club
- Discover
- SWIFT
- PayPal
- Skrill / Moneybookers Wallet

Brazil

- HiperCard
- Aura
- Somocred
- Transferecia Bradesco
- Debito Bradesco
- Boleto Bancário
- Mercado Pago

Mexico

- Visa Electron
- (nationale Kartentypen)

AFRICA

- Visa
- MasterCard
- American Express
- JCB
- UATP
- Diners Club
- Discover
- SWIFT
- PayPal
- Skrill / Moneybookers Wallet

ASIA/PACIFIC, MIDDLE EAST

- Visa
- MasterCard
- American Express
- JCB
- UATP
- Diners Club
- Discover
- China UnionPay
- SWIFT
- PayPal
- Skrill / Moneybookers Wallet

Australia

- Cardcharge cards
- POI

China

- 42 nationale Kartentypen
- Alipay

Japan

- Wire Transfer to Virtual Bank Accounts

Korea

- Wire Transfer to Virtual Bank Accounts

Malaysia

- Maybank2u
- CIMB Clicks

New Zealand

- HOL

Philippines

- Bankkarten (8 nationale Kartentypen)
- Maybank2u
- CIMB Clicks

Singapore

- Cardcharge cards
- Cz-Link payments
- eNotes / Online Banking
- Maybank2u
- CIMB Clicks

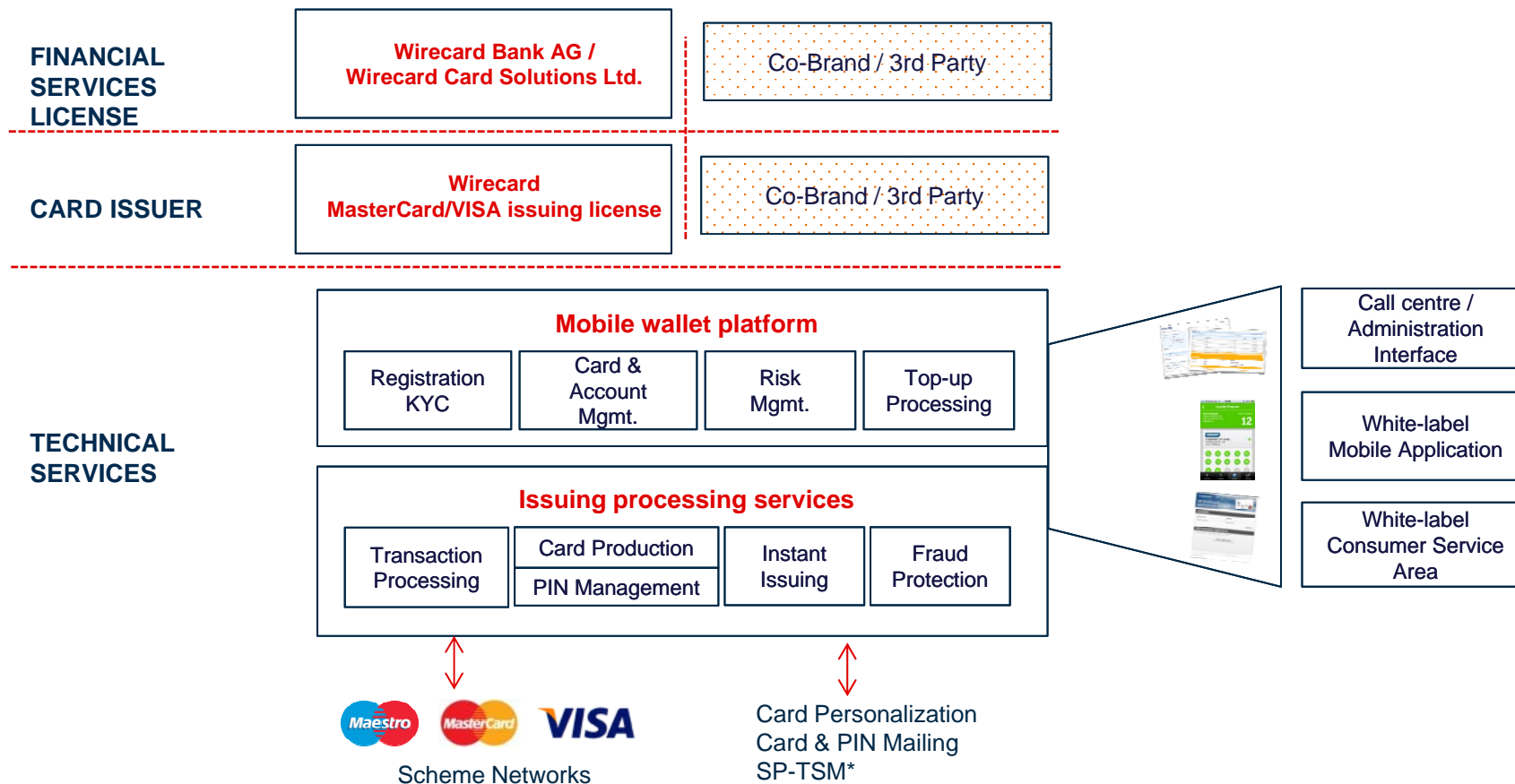
Taiwan

- Wire Transfer to Virtual Bank Accounts

Payment Method Types	Definition
Payment Cards	International and domestic card brands
Electronic Funds Transfer (EFT)	Direct Debit
Online Banking Payments	Real-time bank transfer
Alternative Payment Schemes	Wallet, Cash/Voucher, Online/Offline
Mobile Services	Mobile Payments

As of March 2013/subject to errors.

Wirecard provides all ingredients for co-branded mobile wallet programs (white-label)



*Service Provider – Trusted Service Manager

3. Growth Drivers, Strategy and Outlook

Online, offline, mobile commerce are converging – mobile internet use to accelerate

Growth in European online retail: by ~11% - 12% yoy average from 2011 to 2017 (EU-17 states) (Forrester 2013)

- European online travel market to grow by ~7% yoy (2013 to 2014) (PhoCusWright's 2013)
- The European online travel market will already account for a little more than 40% of the total travel market in 2013 (PhoCusWright's 2013)
- The number of users of paid content will increase by 8% to 12% through to 2017 (Forrester 2012)
- 38% of smartphone users download paid apps (BITKOM 2013)

Demand for M-POS solutions

- Average annual growth rate of 28.7% for contactless payment card systems until 2017 (Frost & Sullivan 2013)

New Business Field: Mobile Payment

- Mobile commerce to grow by 10.6% yoy average through to 2018 as a result of the spread of smartphones and tablets (Frost & Sullivan 2013)
- New solutions (prepaid- or online-based or mobile or contactless payments) increase the proportion of micropayments. Cash handling will become more cost intensive (Frost & Sullivan 2013)
- Payments based on NFC technology totaled (ABI Research)

2012: at around USD 4 billion

These could reach:

2016: USD 100 billion

2017: USD 191 billion



Outlook

Fiscal Year 2013: The Management Board has specified the previous forecast of EUR 120 to 130 million, to a more precise EBITDA outlook of between EUR 123 to 128 million (taking investments of EUR 25 million for mobile payment business into account)

Guidance based on:

- Basic growth along with the European eCommerce market acceleration by ~11% - 12%
- Increase of the transaction volume due to new customers / existing customers
- Economies of scale from the transaction-oriented business model
- Cross-selling effects with existing customers
- Expansion of issuing and banking Services
- Contribution to operating income through the M&A-transactions of 2012 and 2013

4. Financial Data

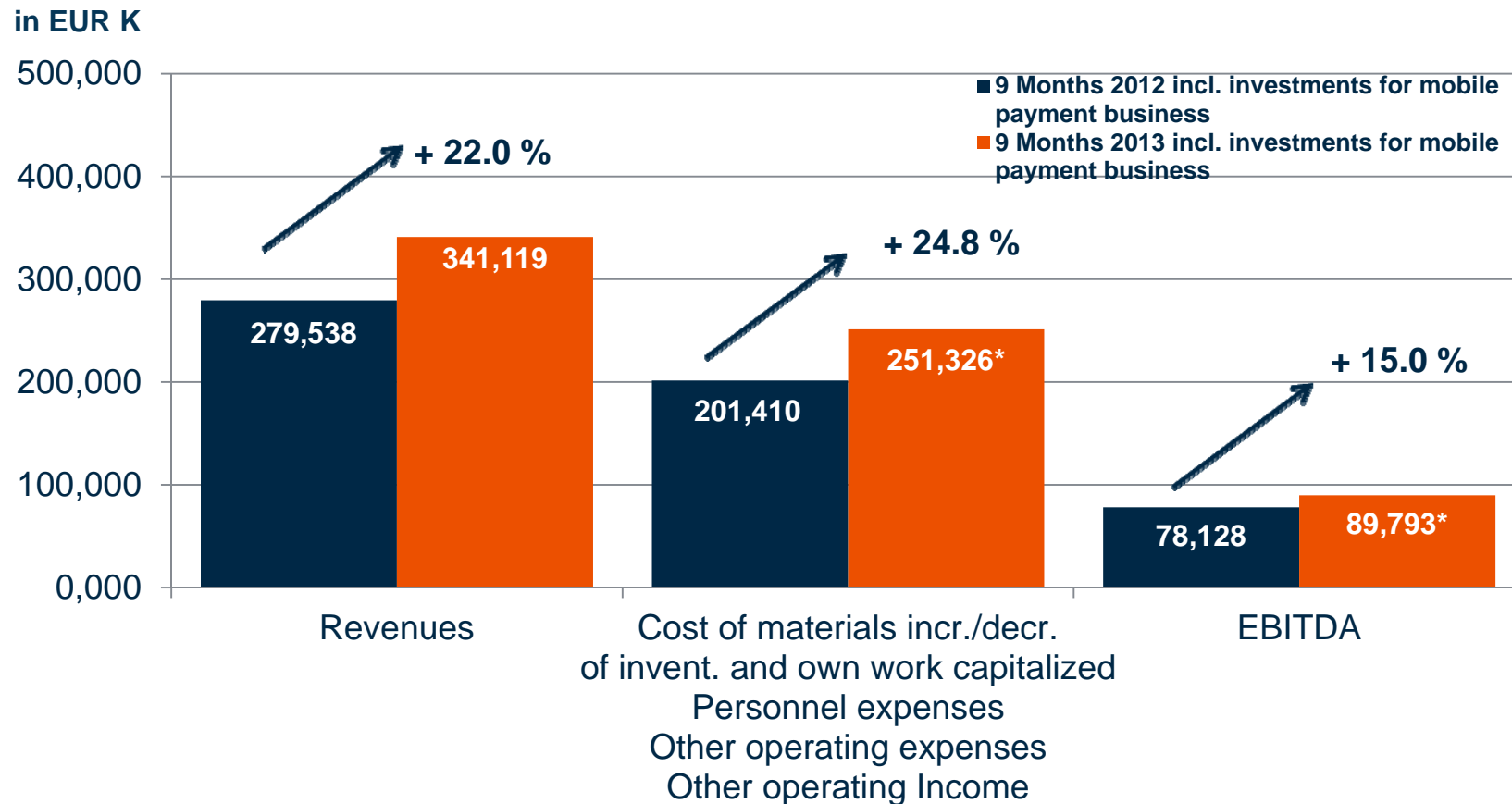
Key Figures 9M/2013

in EUR K	9M 2013	9M 2012	Change
Revenues	341,119	279,538	+22%
EBITDA	89,793	78,128	+15%
EBIT	71,400	66,237	+8%
Profit after Taxes	56,758	52,941	+7%
Operating cash flow*	77,900	65,254	+19%
Shareholders' equity	584,422	520,470	+12%
Total equity and liabilities	1,251,909	996,950	+26%
Employees (end of period September 30, 2013)	**1,039	599	+73%
thereof full-time employees	891	450	+98%
thereof part-time employees	148	149	(1%)

* Consolidated cash flow from operating activities (adjusted)

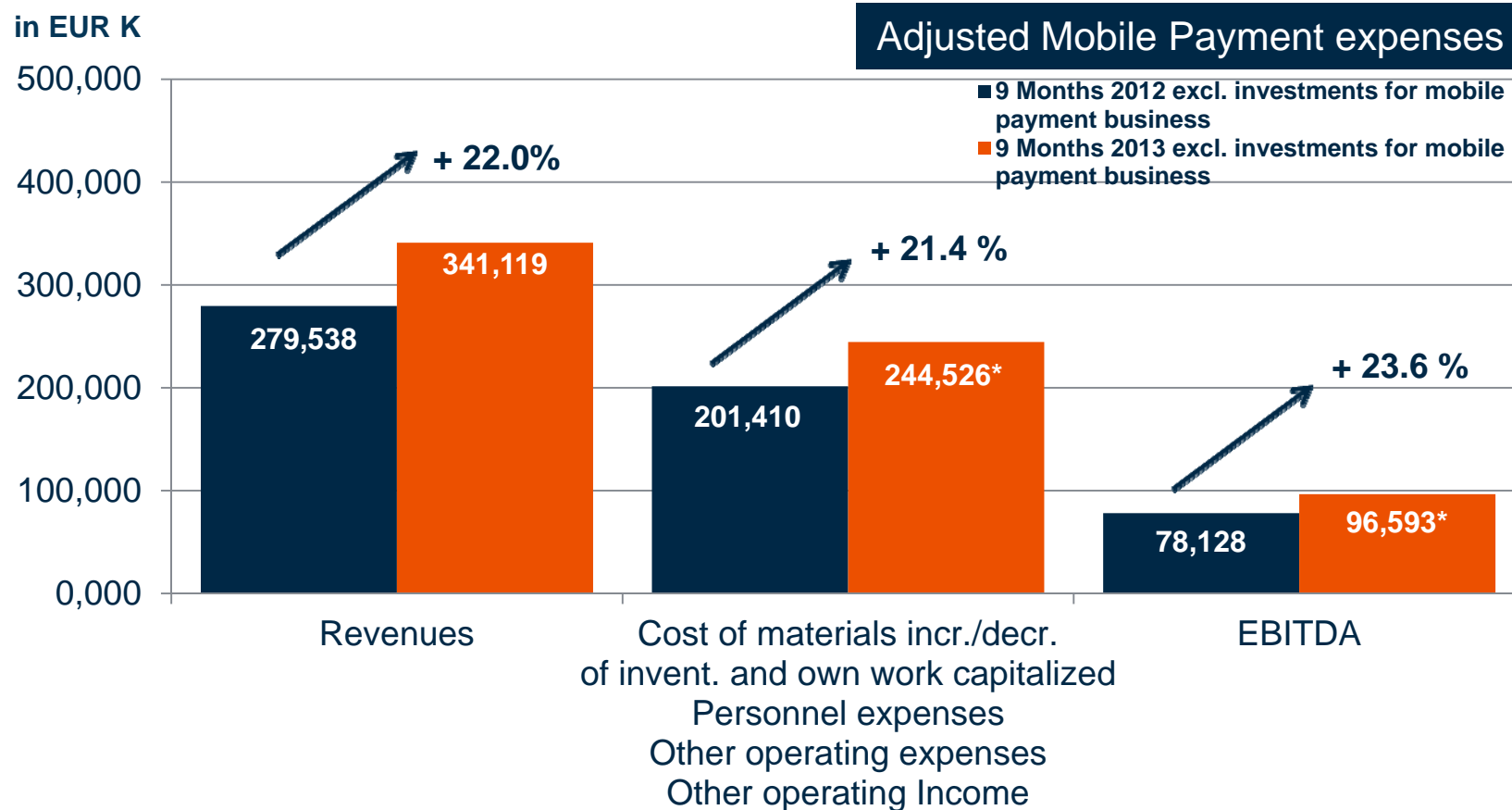
** Thereof 340 employees from M&A-transaction of PT Prima Vista Solusi and Trans Infotech Pte. Ltd.

Revenues, Costs & EBITDA Growth 9M/2013



* These include in 2013 additional personnel and other operating expenses with an amount of approx. EUR 6.8 million to expand the existing mobile payments infrastructure.

Revenues, Costs & EBITDA Growth 9M/2013



* These exclude in 2013 additional personnel and other operating expenses with an amount of approx. EUR 6.8 million to expand the existing mobile payments infrastructure.

Development Acquiring & Issuing Segment 9M/2013

in EUR K	Revenues			EBITDA		
	9M 2013	9M 2012	Change in %	9M 2013	9M 2012	Change in %
Acquiring & Issuing Segment	123,926	102,745	+21%	21,380	17,827	+20%
Acquiring	94,835	78,675	+21%	11,953	9,891	+21%
Issuing	29,091	24,070	+21%	9,427	7,936	+19%

Consolidated Income Statement 9M/2013

in EUR K	9M 2013*	of revenues	9M 2012	of revenues
Revenues	341,119		279,538	
Own work capitalized	14,781		6,317	
Cost of materials	(202,540)	(59.4%)	(160,842)	(57.5%)
Personnel expenses	(34,481)	(10.1%)	(26,885)	(9.6%)
Other operating expenses	(31,220)	(9.2%)	(22,114)	(7.9%)
Other operating income	2,134		2,114	
EBITDA	89,793	26.3%	78,128	27.9%
Amortization and depreciation	(18,393)	(5.4%)	(11,891)	(4.3%)
EBIT	71,400	20.9%	66,237	23.7%
Financial results	(3,310)		(970)	
Income tax	(11,332)		(12,326)	
Profit after Taxes	56,758		52,941	
EPS (undiluted)	EUR 0.51		0.48	

* These include in 2013 additional personnel and other operating expenses with an amount of approx. EUR 6.8 million to expand the existing mobile payments infrastructure.

Taxes on Income 9M/2013

in EUR K	9M 2013	in % of earnings before taxes	9M 2012	in % of earnings before taxes
Earnings before taxes	68,090		65,267	
Taxes on income and profit	(11,332)	(16.6%)	(12,326)	(18.9%)
thereof impact from deferred taxes	(1,746)		(1,225)	
thereof actual income taxes	(9,586)	(14.1%)	(11,101)	(17.0%)
Paid taxes on income	(11,180)		(9,423)	
thereof income taxes	(6,322)		(8,277)	
thereof capital gain tax on dividends	(4,858)		(1,146)	

Balance Sheet as of September 30, 2013 / December 31, 2012

in EUR K

Assets	09/30/2013	12/31/2012	Equity and liabilities	09/30/2013	12/31/2012
Non-current assets	536,935	459,874	Shareholders' equity	584,422	541,730
Goodwill	144,075	142,149	Liabilities	667,487	586,154
Deferred tax assets	852	1,112	Current provisions	1,045	1,298
Internally gen. intangible assets	40,808	28,797	Tax provisions	9,740	6,236
Other intangible assets	31,532	25,607	Trade payables	182,489	187,249
Customer relationships	184,178	151,279	Interest-bearing bank loans	158,832	94,970
Other property, plant & equipm.	13,664	11,802	Deferred income taxes	15,687	13,232
Fin. Assets/int. bearing securities	121,826	99,128	Other non-current liabilities	9,265	12,305
Current assets	714,974	668,010	Other current liabilities	34,563	28,971
Trade receivables	274,028	215,496	Customer deposits	255,866	241,893
Cash and cash equivalents	351,917	358,172			
Interest-bearing securities	74,414	84,332			
Other	14,615	10,010			
Total assets	1,251,909	1,127,884	Total equity and liabilities	1,251,909	1,127,884

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