

**Wirecard AG**  
**Full Year Results 2013**  
**Press- and Analyst Conference**

Aschheim, 9 April 2014

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# 1. Key Figures / Highlights 2013

## Key Figures 2013

			2013	2012	Change in %
Results	Transaction volume	EUR bn	26.7	20.8	28%
	Revenues	EUR mn	481.7	394.6	22%
	EBITDA	EUR mn	126.0	109.2	15%
	EBITDA (adjusted)*	EUR mn	135.9	109.2	24%
	Earnings after taxes	EUR mn	82.7	73.3	13%
	Operating Cash Flow**	EUR mn	107.5	94.9	13%
	Earnings per share (undiluted)	EUR	0.74	0.67	10%

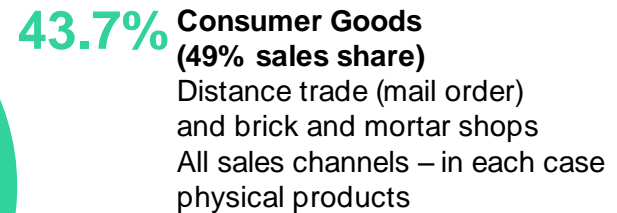
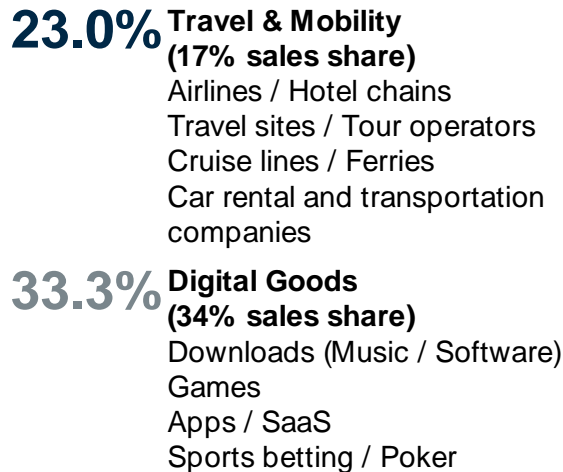
\* Adjusted by 2013 additional personnel and other operating expenses with an amount of approx. EUR 9.9 million to expand the existing mobile payments infrastructure

\*\* Consolidated cash flow from operating activities (adjusted)

## Diversified Customer Portfolio – Target Industries

In fiscal year 2013 the transaction volume\* amounted to EUR 26.7 billion (+28.4% yoy). Thereof EUR 4.5 billion (~16.8% annual average) was generated in Asia.

On average, the break-down according to our target industries in the course of fiscal year 2013 was as follows:



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

## Operative Highlights

### 2013:

- **Lidl:** Wirecard Bank mandated to issue and process new Lidl gift vouchers.
- **Payment Configurator:** Automated solution to rapidly configure and accept online payments enables easy setup for merchants.
- **SAP:** Wirecard joined SAP PartnerEdge program, cooperating in Payment Services.
- **Burda Digital:** Wirecard concludes extensive master agreement with Burda Digital.
- **UATP:** Wirecard offers and processes payment solutions for all UATP customers such as airlines, hotels, railway and travel companies.
- **SriLankan Airlines:** Wirecard assumes payment services in credit card processing and acquiring areas, as well as risk management, for this state-owned airline.
- **AFRAA:** Wirecard joins partner program of African Airlines Association (AFRAA) as first payment-provider.

### 2014:

- **Sky:** Wirecard assumes processing and acquiring of credit card payments for Sky's new online videotec Snap.
- **Amadeus IT Group:** Wirecard and Amadeus IT Group, a leading technology partner for the global travel sector, to cooperate immediately in payments area.

## Mobile Payment Highlights

### 2013:

- **Telefónica Germany:** Wirecard develops new solutions for Telefónica Germany's mobile O2 Wallet mpass Card (P2P payments).
- **Orange:** France's largest mobile telephony provider opts for Wirecard as partner to launch new "Orange Cash" Visa-based mobile payment service in France. Wirecard provides technical platform for mobile payment application, and is card-issuing bank.
- **Vodafone:** Vodafone Group launches its Vodafone SmartPass mobile payment service in Spain and Germany, with support from Wirecard Group over entire payment process. (Successful launch in the Netherlands early 2014)
- **EZ-Link:** Wirecard supports EZ-Link in launching NFC-based payments service in Singapore.
- **Loyalty & Couponing:** With couponing and loyalty system integrated into its issuing platform, Wirecard enables voucher and customer loyalty programs on mobile devices directly connected with card transactions.

### 2014:

- **Bluetooth Low Energy (BLE):** Integration of BLE technology with integrated loyalty and couponing into Mobile Wallet Platform under "Bluetooth BLE Smart Payment".
- **Host Card Emulation (HCE):** Wirecard integrates HCE technology into its Mobile Wallet platform.



## Overview of M&A Activities in Asia 2013



### **Trans Infotech Pte. Ltd.**

Singapore, Laos, Vietnam  
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 2013

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



### **PT Aprisma Indonesia**

Jakarta, Indonesia  
Acquired; November 2013  
Consolidation; February 2014

Leading regional payment service providers. Client portfolio with 20 leading banks and tele-communication companies in Indonesia, Malaysia, Singapore and Thailand.





## 2. Products and Solutions

## WIRECARD PLATFORM

### MULTI-CHANNEL PAYMENT GATEWAY

- 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

- Global payment strategy advisory
- Multi-lingual helpdesk 24/7
- Case management and exception handling
- Payment guarantee

### PAYMENT ACCEPTANCE SOLUTIONS

- 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

- 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

### RISK AND FRAUD MANAGEMENT

- Automated fraud pattern detection
- Address verification
- Credit rating agency gateway
- Device fingerprinting
- Real-time rule-engine
- Bespoke decision logic
- Score cards
- Hotlists (black/white/grey)

- Credit risk and fraud management advisory
- Case management and exception handling
- Anti-money-laundry monitoring

### ISSUING SOLUTIONS

- Card issuing processing
- Multiple card types (credit, debit and prepaid cards)
- Multiple form factors: plastic, virtual, mobile, sticker, dual-interface
- MIFARE and CEPAS stored value cards
- Instant card creation
- SP-TSM\* gateway

- 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

### WALLET SOLUTIONS

- 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)

- Multi-lingual helpdesk 24/7
- Consumer banking services
- eMoney institution
- Managed know-your-customer (KYC) service
- Marketing and merchant enrolment support

### PAYMENT INNOVATIONS

- 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, ...)
- NFC, BLE, QR ...

- Management of multi-channel payment products for financial institutions and mobile operators
- Merchant and consumer acquisition for payment products with outbound callcenter

\*Service Provider – Trusted Service Manager

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

- Online / PoS / Mobile / Mail order / Telephone order (Moto)
- White-Label / Co-Branded / Wirecard-Branded

- TECHNOLOGY
- SERVICES

## WIRECARD PAYMENT SCHEMES

The Wirecard Group offers merchants various national and international payment schemes



### PAYMENT METHOD TYPES

- **PAYMENT CARDS:** International and domestic card brands
- **ELECTRONIC FUNDS TRANSFER:** Direct Debit
- **ONLINE BANKING PAYMENTS:** Real-time bank transfer
- **ALTERNATIVE PAYMENT SCHEMES:** Wallet, Cash/Voucher, Online/Offline
- **MOBILE SERVICES:** Mobile payments

### NORTH AMERICA

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

### LATIN AMERICA

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

### Brazil

- Hipercard, Aura, Sorocred
- Transferencia Bradesco, Debito Bradesco
- Boleto Bancário, Mercado Pago

### Mexico

- Visa Electron (domestic card brands)

### AFRICA

- 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, EBICS
- PayPal, paysafecard, cashicket, Skrill/Moneybookers Wallet

### Austria

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



### Belgium

- Sofortüberweisung.de, Bancontact/Mister Cash

### Czech Republic

- eKonto

### Denmark

- Dankort

### Estonia

- InstantBank

### Finland

- InstantBank

### France

- Carte Bleue, Carte Bancaire
- Sofortüberweisung.de

### Germany

- Direct Debit
- giropay, Sofortüberweisung.de
- RatePay Payment by Installments, RatePay Direct Debit, RatePay Payment on Invoice, Wire Transfer\*

### Ireland

- Laser

### 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

- Cabcharge cards
- Sofortüberweisung.de

### ASIA/PACIFIC, MIDDLE EAST

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

### Australia

- Cabcharge cards
- POLi

### China

- 42 domestic card brands
- Alipay

### Japan

- Wire Transfer\*

### Korea

- Wire Transfer\*

### Malaysia

- Maybank2u, CIMB Clicks

### New Zealand

- POLi

### Philippines

- Payment cards (8 domestic card brands)
- Maybank2u, CIMB Clicks

### Singapore

- Cabcharge cards, Ez-Link payments
- eNets, Online Banking, Maybank2u, CIMB Clicks

### Taiwan

- Wire Transfer\*

\*to virtual bank accounts



## 3. Growth Drivers, Strategy and Outlook

# Omni Channel: Combination of all business processes and sales channels

**Europe continues to comprise Wirecard AG's core market. European e-commerce expected to grow by around 12 percent across all sectors in 2014.** (Forrester Research, eMarketer,

PhoCusWright, German E-Commerce and Distance Selling Trade Association (BEVH), German Retailers Association (HDE))

- European online travel market is expected to grow by around 8% up to 2015. (PhoCusWright 2013)
- Share of e-commerce transactions realised via tablets and smartphones to grow to almost 50% of total volume within EU-7 by 2018. (Forrester 2013)
- Share of online travel bookings in APAC via Internet-enabled mobile devices could grow from 24% to 31% by as early as 2015. (PhoCusWright 2013)
- Technology sector growth (Software as a Service – SaaS, mobile services, Business Intelligence and Analytics) of 5.5% in 2014. (Forrester 2014)

## Business Field Mobile Payment

- Visa Europe had already registered 1.3 million contactless acceptance points by early 2014. (Visa Europe 2014)
- Growth in annual number of mobile contactless transactions up to 9.9 billion by 2018. (Juniper 2014)
- NFC technology integrated as standard in 64% of all smartphones by 2018 (2013: 18%). (IHS Technology 2014)
- Annual average growth potential of 30% for mobile gaming market due to strong distribution of smartphones and tablets. (Gartner 2013)

**Wirecard: innovative solutions  
for a mobile, cashless future**



## Loyalty and Couponing



**Loyalty and Couponing – Innovative Technology for Mobile Wallets**

**Added Value – like sales-promotions, bonus points or combined multi-channel-campaigns**

## Bluetooth Low Energy



Combined with beacons, this technology provides innovative, location-specific services.

**BLE in combination with beacon technology:  
Convergence of PoS and mobile services**

Wirecard Mobile Wallet communicates directly with cashier systems via BLE, thereby offering not only mobile payments, but also a large number of personalised added value services from areas of loyalty, couponing.



# Host Card Emulation / HCE



NFC-based transactions for payments and services in mobile applications possible with HCE – irrespective of availability of physical secure element (SE) on mobile phone.

## Wirecard Mobile Wallet platform now also with HCE technology

- Rapid entry into mobile payment market based on Near Field Communication (NFC)
- Secure environment with tokenisation server

## Outlook

**FY 2014: EBITDA between EUR 160 million and EUR 175 million**

### Forecast based on:

- E-commerce market growth ~12%
- Increase in transaction volume processed with existing and new customers for Wirecard Group
- First sales revenue contributions from new Mobile Payment business areas
- Economies of scale from transaction-oriented business model
- Cross-selling effects with existing customers
- Expanding issuing and bank services
- Earnings contributions from M&A transactions realised in 2013

**Proposed dividend:** AGM on 18 June 2014  
EUR 0.12 per share (previous year: EUR 0.11)



## 4. Financial Data

## Key Figures 2013/2012

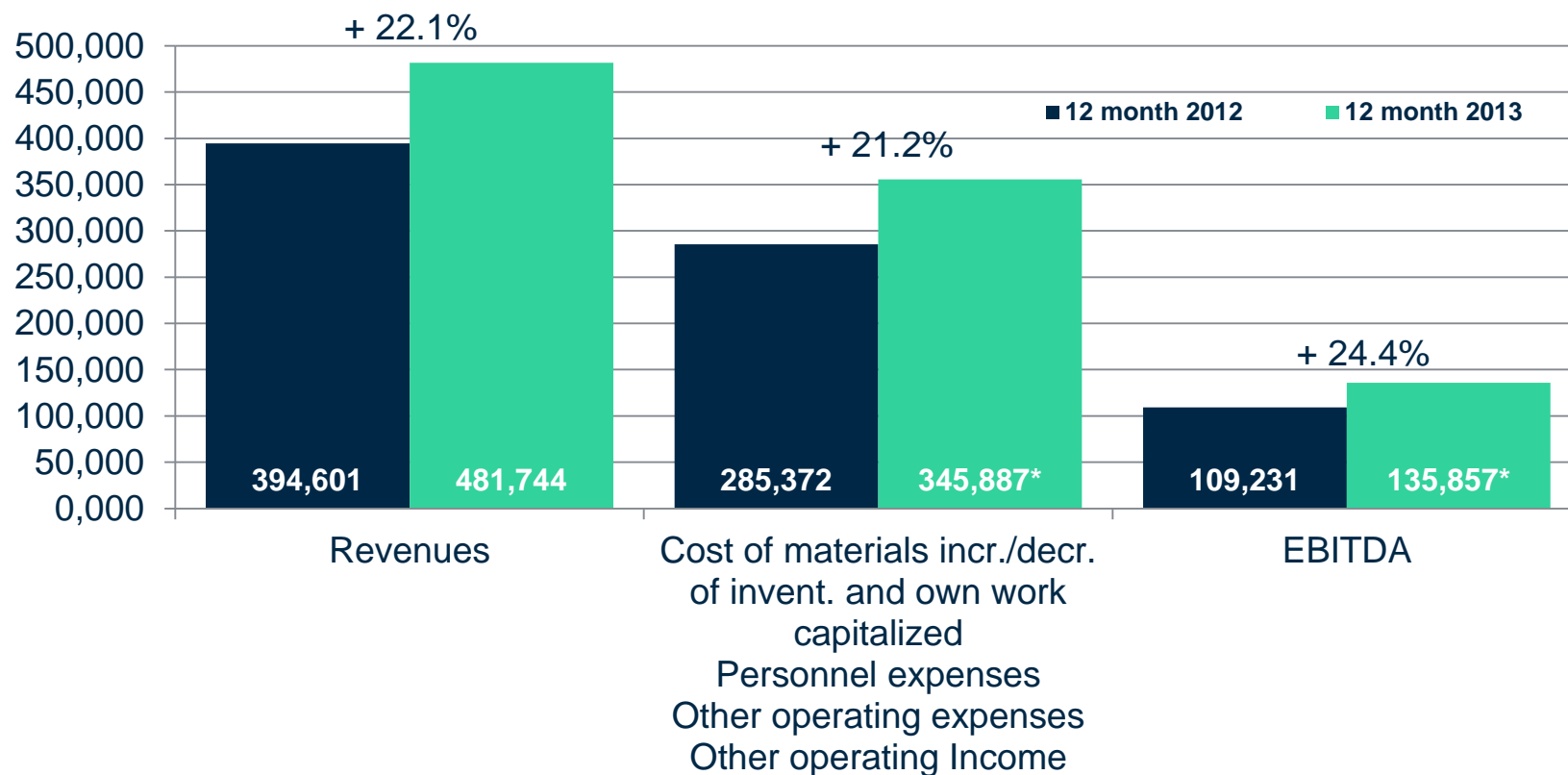
in kEUR	2013	2012	Change in %
Revenues	481,744	394,601	22%
EBITDA	125,957	109,231	15%
EBIT	98,548	93,582	5%
Taxes	11,595	17,839	(35%)
Profit after Taxes	82,729	73,297	13%
EPS (undiluted) in EUR	0.74	0.67	10%
Operating cash flow*	107,452	94,900	13%
Shareholders' equity	608,411	541,730	12%
Total equity and liabilities	1,430,520	1,127,884	27%
Employees as of 31.12.2013** / 31.12.2012	1,180	899	31%
thereof full-time employees	1,004	760	32%
thereof part-time employees	176	139	27%

\* Consolidated cash flow from operating activities (adjusted)

\*\* Thereof 140 employees from M&A transactions 2013 (Trans Infotech, Payment Link)

# Revenues, Costs & EBITDA Growth 2012/2013 adjusted by Mobile Payment Expenses

In kEUR



\* Adjusted by 2013 additional personnel and other operating expenses amounting to approx. EUR 9.9 million to expand the existing mobile payments infrastructure

## Development Acquiring & Issuing Segment 2013

in kEUR

2013	Revenues	EBITDA
Acquiring & Issuing Segment	169,928	27,752
Acquiring	130,719	16,210
Issuing	39,209	11,542

## Consolidated Income Statement 2013/2012

in kEUR	2013*	of revenues	2012	of revenues
<b>Revenues</b>	<b>481,744</b>		<b>394,601</b>	
Own work capitalized	20,727		10,260	
Cost of materials	(288,111)	59.8%	(229,785)	58.2%
Personnel expenses*	(48,190)	10.0%	(37,076)	9.4%
Other operating expenses*	(47,387)	9.8%	(33,104)	8.4%
Other operating income	7,174		4,333	
<b>EBITDA</b>	<b>125,957</b>	<b>26.1%</b>	<b>109,231</b>	<b>27.7%</b>
Amortization and depreciation	(27,410)	5.7%	15,649	4.0%
<b>EBIT</b>	<b>98,548</b>	<b>20.5%</b>	<b>93,582</b>	<b>23.7%</b>
Financial results	(4,223)		(2,446)	
Income tax	(11,595)		(17,839)	
<b>Profit after Taxes</b>	<b>82,729</b>		<b>73,297</b>	
<b>EPS (undiluted) in EUR</b>	<b>0.74</b>		<b>0.67</b>	

\* Including additional personnel and other operating expenses with an amount of approx. EUR 9.9 million to expand the existing mobile payments infrastructure in 2013

## Income taxes 2013/2012

in kEUR	2013	in % of earnings before taxes	2012	in % of earnings before taxes
<b>Earnings before taxes</b>	<b>94,324</b>		<b>91,136</b>	
<b>Taxes on income and profit</b>	<b>(11,595)</b>	<b>12.3%</b>	<b>(17,839)</b>	<b>19.6%</b>
thereof impact from deferred taxes*	1,816	(1,9%)	(1,628)	1,8%
thereof taxes to be paid	(13,411)	14.2%	(16,212)	17.8%
<b>Paid taxes on income</b>	<b>(13,349)</b>		<b>(11,608)</b>	
thereof income taxes	(8,491)		(10,462)	
thereof capital gain tax on dividends	(4,858)		(1,146)	

\* Deferred tax assets were formed for significant portions of the investment in the Mobile Payment projects, as the investments exert a tax-reducing effect



## Financial Data

# Balance Sheet as of December 31. 2013/2012

in kEUR

<b>Assets</b>	<b>31.12.2013</b>	<b>31.12.2012</b>	<b>Equity and liabilities</b>	<b>31.12.2013</b>	<b>31.12.2012</b>
<b>Non-current assets</b>	<b>591,057</b>	<b>459,875</b>	<b>Shareholders' equity</b>	<b>608,411</b>	<b>541,730</b>
Goodwill	145,795	142,149	<b>Liabilities</b>	<b>822,108</b>	<b>586,154</b>
Deferred tax assets	5,435	1,112	Current provisions	1,225	1,298
Internally gen. intangible assets	44,308	28,797	Tax provisions	6,580	6,236
Other intangible assets	33,375	25,607	Trade payables	259,334	187,249
Customer relationships	220,509	151,279	Interest-bearing bank loans	233,051	94,970
Other property, plant & equipm.	14,220	11,802	Deferred income taxes	17,723	13,232
Fin. Assets/int. bearing securities	127,415	99,128	Other non-current liabilities	12,375	12,305
<b>Current assets</b>	<b>839,462</b>	<b>668,009</b>	Other current liabilities	31,588	28,971
Trade receivables	278,989	215,496	Customer deposits	260,231	241,893
Cash and cash equivalents	479,095	358,172			
Interest-bearing securities	68,104	84,332			
Other	13,274	10,010			
<b>Total assets</b>	<b>1,430,520</b>	<b>1,127,884</b>	<b>Total equity and liabilities</b>	<b>1,430,520</b>	<b>1,127,884</b>

## Changes in Shareholders' Equity 2012/2013

in kEUR

<b>As of 31 December 2012</b>	<b>541,730</b>
Profit after Taxes	82,729
Dividends paid	(12,341)
Capital Increase	1,357
Changes due to currency translation	(5,064)
<b>As of 31 December 2013</b>	<b>608,411</b>

## Capital Increase as of 28 February 2014

The capital increase in the first quarter 2014 has generated net proceeds of approx. EUR mn 361 to the company.

	28.02.2014	31.12.2013
<b>Number of shares</b>	123,490,586	112,292,241
<b>Share capital in EUR</b>	123,490,586.00	112,292,241.00
<b>Capital reserve in EUR</b>	491,601,376.94	141,682,882.97

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<http://www.wirecard.com/investor-relations>

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