

A black and white photograph of a man in a white shirt, looking down at a credit card he is holding. The background shows a kitchen or cafe setting with shelves of dishes. A dark blue rectangular overlay is positioned on the left side of the image, containing the company name and presentation title.

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**Wirecard AG**

**Investor Presentation  
3rd Quarter Results 2012**

## **Content**

- 1. Key Figures / Highlights**
- 2. Products and Solutions**
- 3. Growth Drivers, Strategy and Outlook**
- 4. Financial Data**

A hand holding a pen points to a document with numbers and a bar chart. The numbers visible are 350, 371, 390, and 344. The bar chart has bars corresponding to these numbers.

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# 1. Key Figures / Highlights

## 9 Months Results of Fiscal 2012/2011

			9M 2012	9M 2011	Change in %
<b>Group results</b>	Transaction volume	EUR bn	14.9	11.2	+33%
	Revenues	EUR mn	279.5	232.4	+20%
	EBITDA	EUR mn	78.1	58.6	+33%
	EBITDA without one-offs	EUR mn	78.1	63.8	+22%
	Operating cash flow*	EUR mn	65.3	48.2	+35%
	Earnings after taxes	EUR mn	52.9	42.3	+25%
	EPS (basic)	EUR	0.48	0.42	+14%

### Outlook 2012

**EBITDA bandwidth between EUR 106 to 113 million**

\*Cash flow from operating activities (adjusted for transaction volumes of a transitory nature)

## Diversified Customer Portfolio – Target Industries

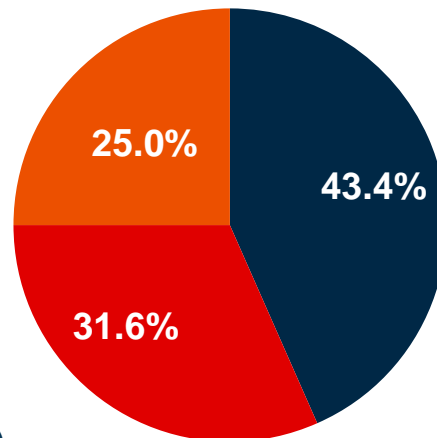
After the first 9 months in 2012 the transaction volume\* amounted to EUR 14.9 bn (+ 33% yoy). Thereof EUR 1.5 bn (~10% average YTD) was generated in Asia. The allocation as at the end of the 3rd quarter 2012 to the individual target industry segments is as follows:

### Travel & Tourism

- Airlines
- Hotels
- Travel sites
- Travel agents

### Digital Goods

- Downloads (Music / Software)
- Games
- Communities
- Sports betting
- Poker / Casino



### Consumer Goods

- Mail order / TV shopping
- Brick and Mortar shops
- Direct Sales / Distribution

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

### Highlights YTD

- **New customer relationships which include for example** Neckarsulm-based Bechtle for its B2B online shops and the “Wunderkit” application from Berlin-based 6Wunderkinder GmbH. Wirecard has implemented an innovative solution for myTaxi, allowing passengers to pay for their taxi cash-free and cross-selling with existing customers
- **Substantial positive synergies have already been recorded as part of the strategic alliance with Netrada**, since the asset deal for Netrada Payment was concluded. Existing customers have ordered additional services, furthermore Wirecard gained new customer relationships
- **Wirecard is working together with Deutsche Telekom AG** in implementing its mobile payment strategy. As part of this strategic cooperation, Wirecard is realizing the technical processes for issuing the Telekom MasterCard payment card for Deutsche Telekom
- **Téléfonica Germany is also driving the launch of its mobile payment service mpass for retail.** mpass uses contact-free NFC (near field communication) technology in stores thanks to Wirecard’s support. mpass customers can use this service at around 500,000 global PayPass acceptance points, of which 100,000 are located in Europe
- **Wirecard provides all processing and issuing services and card management for the French telecommunication company SFR**, which presented an NFC-based MasterCard in October

### Acquisitions Asia 2011/2012



#### Wirecard Processing

(formerly Procard Services)

##### Dubai

January 2011

- Local processing unit for merchants, banks and financial institutions
- 1st level support of customers within Middle East

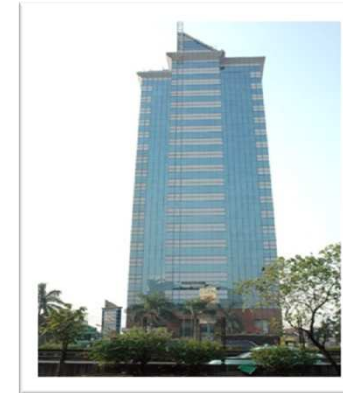


#### Systems@Work

##### Singapore

December 2011

- Established technology company
- One of the leading payment service providers for merchants and banks in the region



#### PrimaVista

##### Jakarta

Expected Closing Q4 2012

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

### Recent M&A activities

#### Wirecard acquires leading Indonesian Payment Service Provider for financial institutions and retailers

- **PT PrimaVista Solusi**, headquartered in Jakarta, Indonesia
  - Approx. 250 employees
  - Customers: leading domestic financial institutions and retailers, international banks
  - > 130,000 deployed terminals
- PrimaVista offers a variety of innovative payment solutions for emerging markets, such as mini- and mobile-ATMs, solutions for cash payment of utility bills and internet purchases as well as biometric authentication solutions
- Cash payments in an amount of approximately EUR 39.7 million and earn out-components of up to approx. EUR 4.7 million, dependant on the operational profit of the acquired company in the years 2012 to 2014
- The closing of the transaction can be expected in the fourth quarter of 2012, subject to the approval of the relevant authorities in Indonesia
- **Expected Wirecard Group EBITDA contribution 2013: approx. EUR 4.0 million**



The Wirecard logo, consisting of the word "wirecard" in a lowercase, sans-serif font. The letter "i" in "wire" has a red dot above it. The logo is positioned in the upper right corner of a dark blue rectangular overlay.

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## 2. Products and Solutions

# Wirecard Group's Merchant Services

<b>Online payment services</b>	Support of all major global payment methods
<b>Acquiring services</b>	Wirecard Bank is a Member of Visa, MasterCard, licensed acquirer for Discover/Diners, American Express, China UnionPay, JCB
<b>Payment acceptance</b>	Collection of a variety of alternative payment solutions such as: eps, giropay, iDEAL, Alipay
<b>Risk and fraud management</b>	Consumer identification and credit rating, strategy management & decision-making solutions including fraud prevention, business intelligence
<b>Issuing</b>	Prepaid cards as payout solutions, Co-branding cards, virtual or physical
<b>Banking services</b>	Forex management services, corporate and private bank accounts
<b>Point-of-Sale</b>	Support of all sales channels, including stationary retail stores
<b>Call center</b>	Operation of own call center facility, 24/7 in 16 languages



# 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

United States AGH

## 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

### Austria

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

### Belgium

- Sofortüberweisung.de
- Banccontact/Mister Cash

### Czech Republic

- eKonto

### Denmark

- Dankort

### Estonia

- InstantBank

### Finland

- InstantBank

### France

- Carte Bleue
- Carte Bancaire

### Germany

- Direct Debit
- gropay
- Sofortüberweisung.de
- Payment on Invoice
- Payment in Advance
- Wire Transfer to Virtual Bank Accounts

### Ireland

- Laser

### Italy

- CartaSi
- PostePay

### Netherlands

- Direct Debit
- IDEAL

### Poland

- InstantBank
- Przelewy24

### Russia

- Moneta.ru
- YandexMoney

### Sweden

- InstantBank

### Switzerland

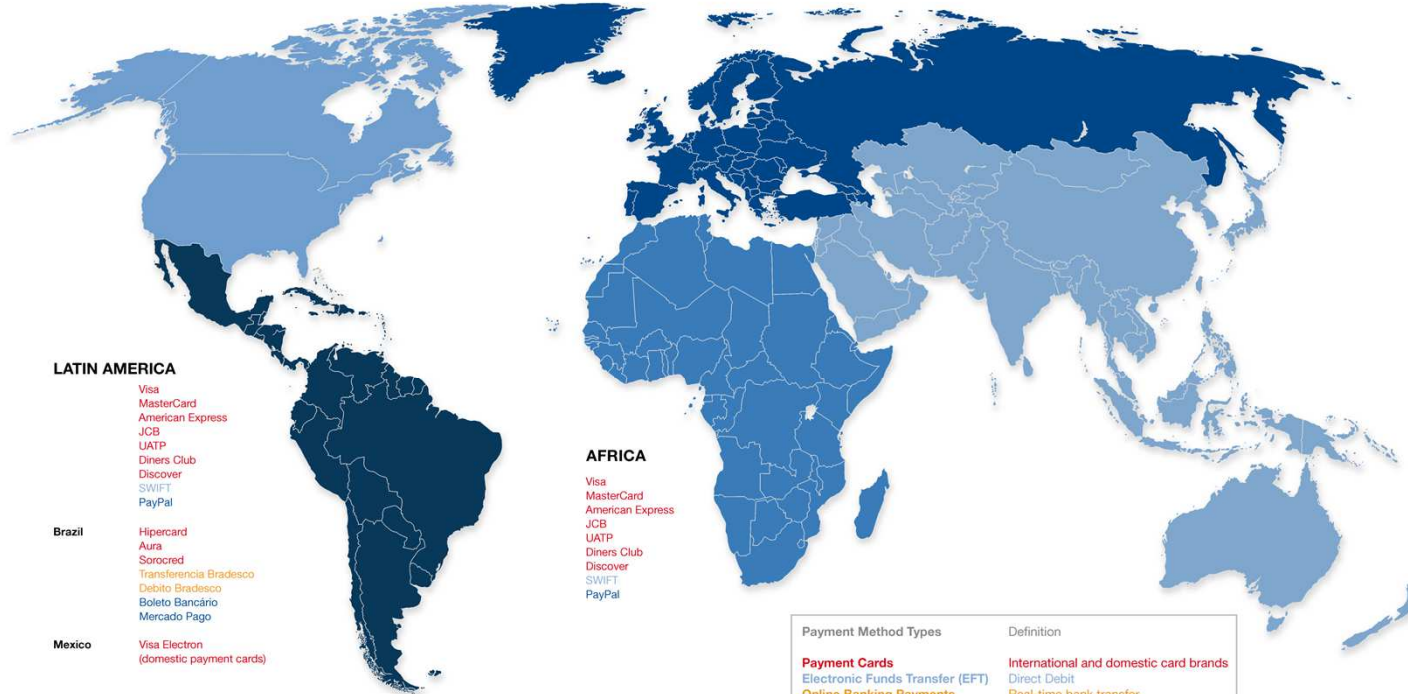
- Direct Debit
- Sofortüberweisung.de

### Ukraine

- Moneta.ru
- YandexMoney

### United Kingdom

- Sofortüberweisung.de



## LATIN AMERICA

- Visa
- MasterCard
- American Express
- JCB
- UATP
- Diners Club
- Discover
- SWIFT
- PayPal

### Brazil

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

### Mexico

- Visa Electron
- (domestic payment cards)

## AFRICA

- Visa
- MasterCard
- American Express
- JCB
- UATP
- Diners Club
- Discover
- SWIFT
- PayPal

## ASIA/PACIFIC, MIDDLE EAST

- Visa
- MasterCard
- American Express
- JCB
- UATP
- Diners Club
- Discover
- China UnionPay
- SWIFT
- PayPal

### Australia

- POLi

### China

- 42 domestic payment cards
- Alipay

### Japan

- Wire Transfer to Virtual Bank Accounts

### Korea

- Wire Transfer to Virtual Bank Accounts

### Malaysia

- Maybank2u
- CIMB Clicks

### New Zealand

- POLi

### Philippines

- Bank Cards (8 domestic payment cards)
- Maybank2u
- CIMB Clicks

### Singapore

- eNets / Online Banking
- Maybank2u
- CIMB Clicks





### Taiwan

- Wire Transfer to Virtual Bank Accounts

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

As of March 2012/subject to errors.

# Card Issuing – Support for multiple card types

Consumer Payment Cards	Co-branded consumer payment cards	Closed loop card solutions	B2B card solutions
Easy and flexible	Loyalty by bonus	Card solutions in accordance with the EU e-money guideline	Standardized real time payments worldwide
<p><b>Own branded card solutions</b>                      mywirecard 2go Visa (plastic)                      Mywirecard MasterCard (virtual)</p> <p><b>mywirecard.com</b></p>	<p><b>Co-Branded card solutions</b>                      White labeling platform for partner companies                      Plastic and virtual cards</p>	<p><b>E-money gift cards</b>                      For retailers and online merchants based on existing acceptance networks</p>	<p><b>Supplier and Commission Payments (SCP)</b>                      Virtual prepaid cards used on the internet</p> <p><b>Payout cards</b>                      Plastic prepaid cards                      Payout employees, affiliates etc. worldwide</p>
			

The Wirecard logo is displayed in white lowercase letters on a dark blue rectangular background. The background of the entire slide is a grayscale, high-contrast image of a credit card, showing embossed numbers and the Wirecard logo on the card itself.

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### **3. Growth Drivers, Strategy and Outlook**

# eCommerce is going through transition

## Online retailers have to keep pace with incredible speed of the market driven by multichannel and mobile commerce

- Europe's eCommerce market 2012 will record ~ 11% growth (based on the outlook for the individual target sectors)
- European growth in online retail: by ~12% yoy average from 2011 to 2016 (EU-17 states) (Forrester 2012)
- Online retail market in Germany to grow by ~16.5% in 2012 (bvh 2012)
- European online travel market to grow by ~10% yoy from 2011 to 2013 (PhoCusWright's 2012)

## Beyond 2012: Additional growth factors

- Eastern-Europe eCommerce Markets expected to grow steadily in the next years (yStats 2011)
- Mobile payments volume worldwide expected to reach USD 34bn by 2015 (Strategy Analytics)
- More than EUR 160bn volume on prepaid cards expected by 2017 in Europe, Russia and Turkey (PSE Consulting 2011)

## Entry Point: Dual-Interface Card or NFC-Sticker

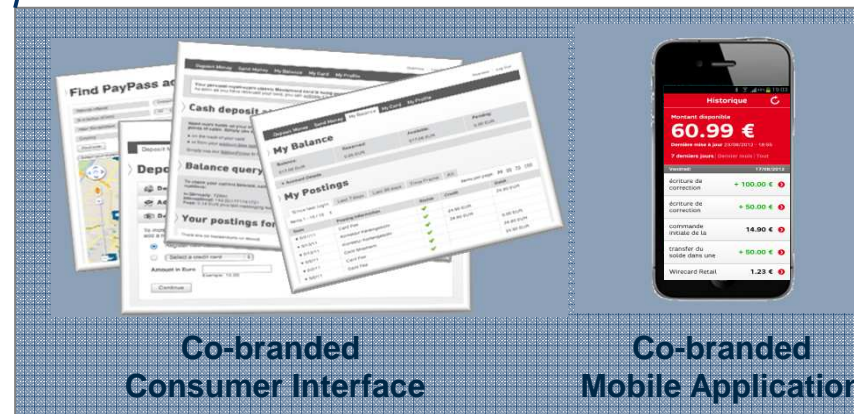
### DISCOVERY

- Buy card online or in co-brand partner store
- Pay at Point-of-Sale or Internet



### SERVICES

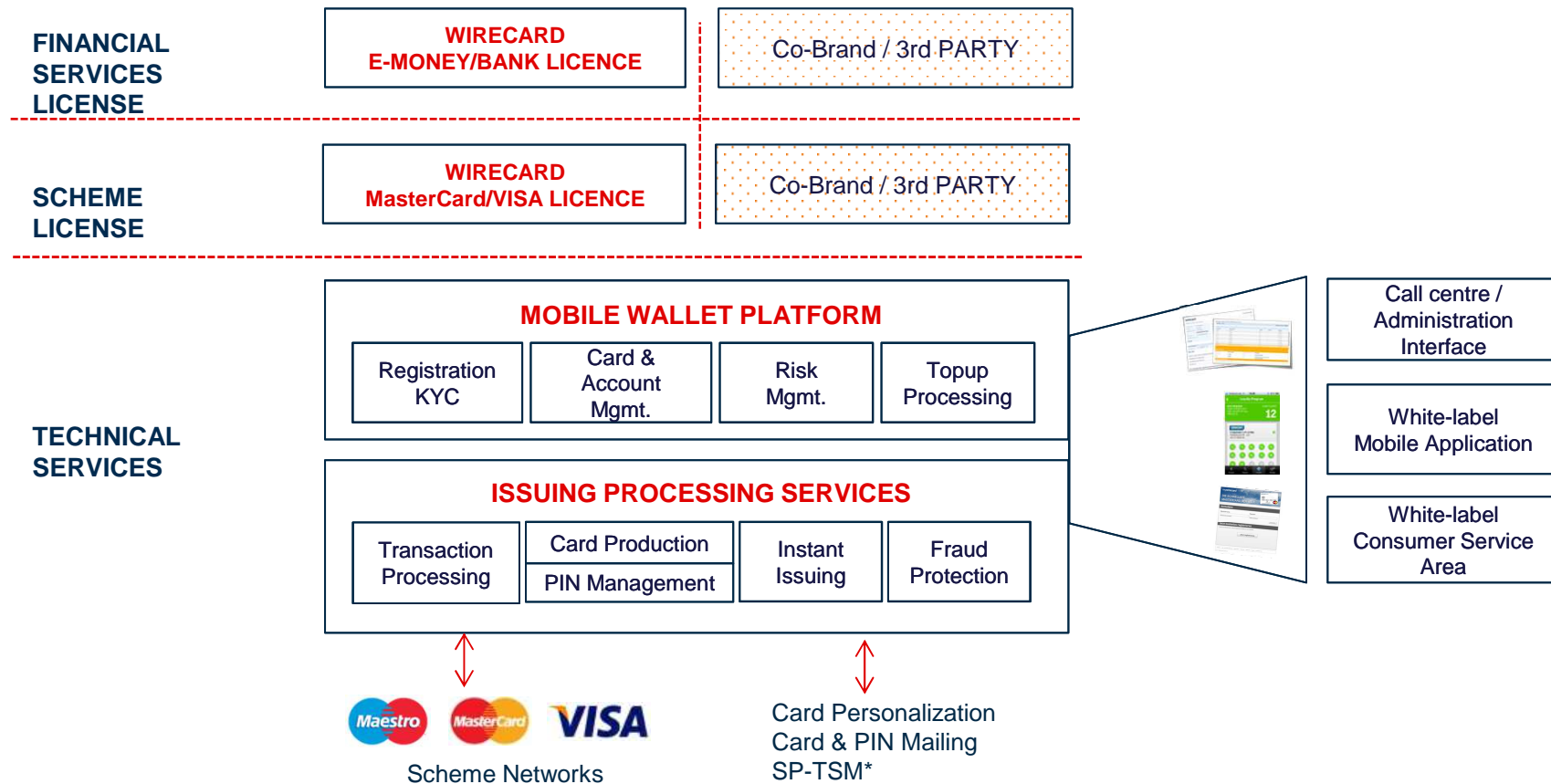
- Payment transactions & ATM withdrawals
- View balance and transactions
- Real-time notifications
- Locate next top up store
- Top up prepaid card
- Send money to other cardholders (Person-2-Person)
- Manage personal details



Co-branded Consumer Interface

Co-branded Mobile Application

## Wirecard provides all ingredients for co-branded mobile wallet programs



\*Service Provider – Trusted Service Manager



## **Top-up/reload services**

**Provision of electronic top-up infrastructure for ez-link prepaid cards**

**Support for top-up of prepaid cards and mobile NFC wallet**

- Formed by Land Transport Authority (LTA) in 2002
- Issuer of Singapore's largest contactless stored value card portfolio (>10 million cards)
- Used for payment on
  - Public buses
  - Mass Rapid Transit (MRT) trains
  - Electronic Road Pricing (ERP)
  - Electronic Payment System (EPS) for carparks
  - Selected retail merchants



### Key objectives

- to continue strategy of organic growth in conjunction with smart M&A deals
- to expand the leading position in Europe and the Asian business
- to gain new customer relationships
- to broaden the existing customer base
- to enhance the Company's value chain
- to step into new markets
- to extend prepaid card business within Europe
- to achieve a key position in the upcoming mobile payment market

# Outlook

**Fiscal Year 2012: EBITDA bandwidth between EUR 106 to 113 million**

### Guidance based on:

- Basic growth along with the eCommerce market acceleration by ~11%
- Additional growth due to new customer relationships and product innovation (cross-selling)
- 2012 EBITDA contribution by M&A > EUR 5.3mn

### Growth drivers 2012:

- Tendency towards mid- and large-scale companies as customers
- Complexity in payment processing and risk-management drives outsourcing decisions
- eBusiness as economy driver: dynamic development of pan-European retailing
- Increasing convergence of bricks-and-mortar and bricks-and-clicks trading



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## 4. Financial Data

## Development Acquiring & Issuing Segment 2012

in TEUR

9 Months 2012	Revenues	EBITDA
Acquiring & Issuing Segment	102,745	17,827
Acquiring	78,675	9,891
Issuing	24,070	7,936

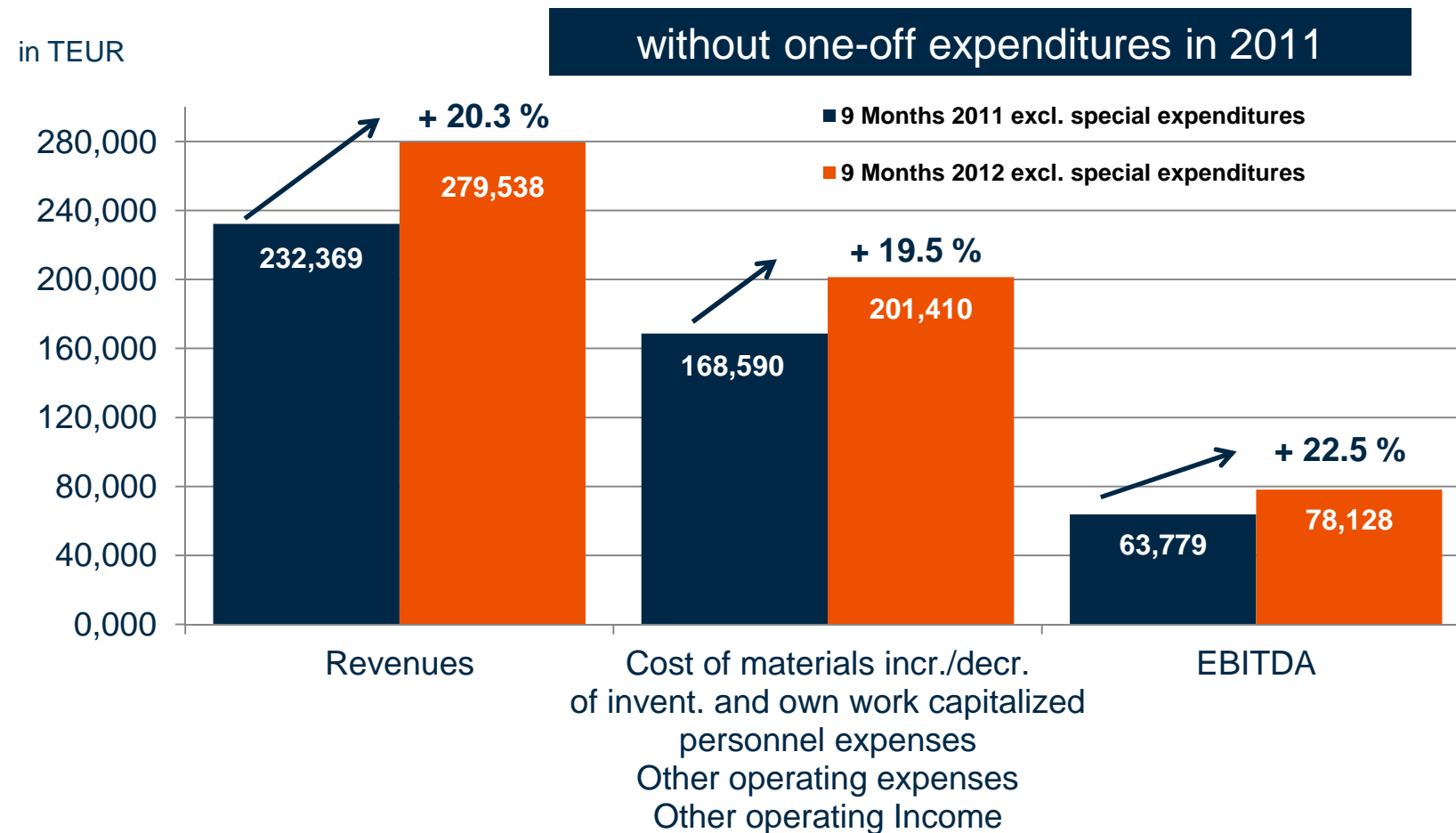
## Key Figures 9 Months 2012/2011

in TEUR	9M 2012	9M 2011
Revenues	279,538	232,369
EBITDA	78,128	58,579
EBIT	66,237	52,730
Taxes	12,326	9,304
Profit after Taxes	52,941	42,313
EPS (basic in EUR)	0.48	0.42
Operating cash flow*	65,254	48,163
Shareholders' equity	522,078	321,978
Total equity and liabilities	996,950	598,079
Employees (as of 09/30/2012 / 09/30/2011)	**599	479
thereof full-time employees	450	351
thereof part-time employees	149	128

\* Cash flow from operating activities (adjusted for transaction volumes of a transitory nature)

\*\* Thereof 61 employees from M&A transactions (Systems@Work / Newcastle Building Society)

## Revenues, Costs and EBITDA Growth 9 Months 2012/2011



## Consolidated Income Statement 9 Months 2012/2011

in TEUR	9M 2012	of Revenues	9M 2011*	of Revenues
<b>Revenues</b>	<b>279,538</b>		<b>232,369</b>	
Own work capitalized	6,317		5,271	
Cost of materials	(160,842)	(57.5%)	(135,828)	(58.5%)
Personnel expenses	(26,885)	(9.6%)	(20,759)	(8.9%)
Other operating expenses	(22,114)	(7.9%)	(23,576)	(10.1%)
Other operating income	2,114		1,102	
<b>EBITDA</b>	<b>78,128</b>	<b>27.9%</b>	<b>58,579</b>	<b>25.2%</b>
Amortization and depreciation	(11,891)	(4.3%)	(5,849)	(2.5%)
<b>EBIT</b>	<b>66,237</b>	<b>23.7%</b>	<b>52,730</b>	<b>22.7%</b>
Financial results	(0,970)		(1,113)	
Income tax	(12,326)		(9,304)	
<b>Profit after Taxes</b>	<b>52,941</b>		<b>42,313</b>	
EPS (basic)	EUR	0.48	0.42	

\*These include non-recurring special expenditures in the amount of EUR 5.2 million for relocating the company's headquarters and the even faster expansion in Asia



## Financial Comments 9 Months 2012/2011

in TEUR

Income tax expenses 2012/2011	9M 2012	in % of earnings before taxes	9M 2011	in % of earnings before taxes
<b>Earnings before taxes</b>	65,267		51,617	
<b>Taxes on income and profit</b>	(12,326)	(18.9%)	(9,304)	(18.0%)
thereof impact from deferred taxes	(1,225)		(96)	
thereof actual income taxes	(11,101)	(17.0%)	(9,208)	(17.8%)
<b>Payment balance from taxes on income (adjusted)</b>	(8,277)		(5,034)	

## Balance Sheet as of September 30, 2012 / December 31, 2011

in TEUR

<b>Assets</b>	<b>09/30/2012</b>	<b>12/31/2011</b>	<b>Equity and liabilities</b>	<b>09/30/2012</b>	<b>12/31/2011</b>
<b>Non-current assets</b>	<b>369,357</b>	<b>295,984</b>	<b>Shareholders' equity</b>	<b>522,078</b>	<b>340,887</b>
Goodwill	133,184	127,565	<b>Liabilities</b>	<b>474,872</b>	<b>366,172</b>
Deferred tax assets	1,245	936	Current provisions	1,002	992
Internally gen. intangible assets	25,589	21,748	Tax provisions	5,140	1,319
Other intangible assets	19,951	28,530	Trade payables	147,763	135,428
Customer relationships	112,359	87,570	Interest-bearing bank loans	57,048	86,024
Other property, plant & equipm.	9,512	2,921	Deferred income taxes	10,276	9,344
Fin. Assets/int. bearing securities	67,517	26,714	Other non-current liabilities	8,430	12,919
<b>Current assets</b>	<b>627,593</b>	<b>411,075</b>	Other current liabilities	23,564	15,104
Trade receivables	205,636	182,146	Customer deposits	221,649	105,042
Cash and cash equivalents	345,745	213,403			
Interest-bearing securities	67,196	9,000			
Other	9,016	6,526			
<b>Total assets</b>	<b>996,950</b>	<b>707,059</b>	<b>Total equity and liabilities</b>	<b>996,950</b>	<b>707,059</b>

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