wirecard

WIRECARD AG

INTERIM REPORT AS AT SEPTEMBER 30, 2009

KEY FIGURES

WIRECARD GROUP

		9M 2009	9M 2008
Sales revenues	TEUR	163.694	141.085
EBITDA	TEUR	43.645	37.591
EBIT	TEUR	40.688	35.212
Earnings per share (diluted and basic)	EUR	0,33	0,29
Shareholders' equity	TEUR	232.560	193.983
Total assets	TEUR	493.200	409.631
Cash flow on ordinary trading activity (adjusted for transaction volumes of a transitory nature)	TEUR	33.888	25.021
Employees		472	424
of which part-time		123	106

SEGMENTS

			9M 2009	9M 2008
Payment Processing & Risk Management	Sales revenues	TEUR	155,886	131,157
	EBIT	TEUR	27,417	24,621
Acquiring & Issuing	Sales revenues	TEUR	50,694	28,496
	EBIT	TEUR	13,276	10,452
Call Center & Communication Services	Sales revenues	TEUR	3,305	3,316
	EBIT	TEUR	(5)	(266)
Consolidation	Sales revenues	TEUR	(46,191)	(21,884)
	EBIT	TEUR	0	405
Total	Sales revenues	TEUR	163,694	141,085
	EBIT	TEUR	40,688	35,212

CONTENT

LETTER FROM THE CEO

Dear Shareholders,

In the first nine months of this year, Wirecard AG managed to continue along its stable growth path. Group sales revenues in this period amounted to 163.7 million euros, equivalent to an increase of 16 percent year-on-year. EBITDA was up by 16.1 percent, reaching 43.6 million euros. Earnings before interest and taxes increased by 15.6 percent to 40.7 million euros.

In this context, Wirecard Bank AG represents an essential element of our positive business development, complementing the core business model of payment processing and risk management services through associated banking services. In the first nine months of the current fiscal year, we managed to increase our transaction volume processed via our platform by 25 percent year-on-year, to 7.5 billion euros.

The Internet as a distribution channel tends to benefit from the trend away from brick & mortar business towards online offerings, especially during economically challenging times. The growth forecasts released for 2009 by various market research institutes – including all industry segments of relevance to eCommerce – are in the region of 8 to 12 percent – in spite of a decline in aggregate economic output in Europe. The EU Commission forecasts a recovery for 2010.

New customer business is conspicuous for a constant number of new accounts opened. In addition to the further expansion in Europe, in the first nine months of the year emphasis was placed on extending the Asian business considerably. Our indirect distribution channel was also strengthened by numerous new partnerships in our European core market and Asia.

For 2009 as a whole, the Management Board of Wirecard AG expects earnings before interest and taxes (EBIT) of 55 to 60 million euros, compared with 49 million euros in fiscal 2008.

Sincerely,

Grasbrunn, November 2009

Dr. Markus Braun
CEO

1. BUSINESS ACTIVTIES AND PRODUCTS

The Wirecard Group provides customers with products and services for all forms of electronic payment transactions. Our objective is to enable businesses and consumers around the world to conveniently make and receive electronic payments securely and efficiently.

SOLUTIONS FOR CORPORATE CUSTOMERS

Our business activities focus on payment solutions for companies distributing their products primarily over the Internet or through call centers. Compared with brick-and-mortar businesses, merchants selling products online or via call centers are confronted with a large number of new challenges: different time zones, a range of foreign currencies, the risk of fraud or payment default – all of which raise issues that most merchants will be able to resolve only by working with a competent, experienced partner specializing in this field.

When selecting a suitable payment processing system, every merchant must start by considering and evaluating a number of requirements:

- What are the specific requirements in terms of internationality, anonymity and the widespread use of the payment method, and the regular nature of payments?
- What is the order of magnitude of payments to be processed, and what cost structure is involved when it comes to payment processing and settlement?
- How high is the risk of a default in payment? Is there scope for the consumer to dispute payment after the fact? Is the system open to misuse (are there any counterparty and reputation risks)?
- What is the cost of integrating the payment system and associated processes into the merchant's IT structure and business processes?
- What is the degree of portability of the payment system across different sales channels (Internet, call centers, mobile)?

Depending on the target markets in which an online merchant wants to sell products, an analysis is initially performed to determine which payment methods predominate in the relevant country, and to identify the risk associated with that particular payment method in the country in question. Credit cards are the leading means of payment in electronic commerce around the world. In an effort to reach a more extensive buyer base, a merchant should include local payment methods such as direct debits and invoicing.

We offer our customers the opportunity to accept a wide range of national and international payment methods. Numerous complementary products and services afford far-reaching protection against payment defaults and render even complex international payment flows transparent and comprehensible. The core of the Wirecard portfolio of services is a platform combining all distribution channels. This offers advantages to the merchant in terms of cost and processing effort. It allows our customers to focus on the main game: running their own businesses.

THE WIRECARD PAYMENT PLATFORM

Integration through a single technical interface provides merchants with immediate access to more than 85 different payment and risk management methods. These include traditional payment methods such as credit card, direct debits and invoicing, as well as systems developed specifically for use over the Internet, such as CLICK2PAY, eps, giropay, iDeal and paysafecard, all of which offer consumers additional payment alternatives.

Our products and services are provided to merchants in the form of outsourcing solutions, which means there is no need to install our software in the merchant's IT infrastructure. The interface between our customers' systems and our payment platform is usually via a simple link over the Internet. It goes without saying that we deploy state-of-the-art encryption technologies to safeguard the exchange of data. Transmission protocols such as XML, SOAP, SFTP, HTTPS and VPN ensure data security and flexibility in terms of the connection using the very latest technologies. The Wirecard Enterprise Portal (WEP) is an application for managing transactions, statistics and reports for use by merchants.

Compared with the acquisition and local operation of a payment processing software package, working with Wirecard reduces operating expenses substantially, making a proactive contribution toward lowering costs for merchants. Our services include advice on how to structure billing and bookkeeping procedures, as well as support in choosing the best risk management process, based on both an evaluation of the individual risk profiles of the various payment methods and on the merchant's target markets.

Moreover, merchants have the option to outsource parts of order acceptance processes that are critical for security to our call center or to a secure Internet page provided by us. Doing so eliminates the need for merchants to continually upgrade their own IT infrastructure to keep pace with increasingly demanding data protection and security requirements.

RISK MANAGEMENT FOR SECURE COMMERCE

There are two main risk categories relating to payment defaults in online commerce: the credit risk and the risk of fraud. In the case of the credit risk, the customer actually makes contact with the merchant, but the payment fails due to the customer's inadequate credit status. The risk of fraud, on the other hand, pertains to cases where customers are not who they pretend to be, resulting in an uncollectible debt. To minimize payment defaults due to insufficient credit in online commerce, the merchant must be in a position to find out as much as possible about the creditworthiness of the virtual counterparty. This is referred to as the "know-your-customer" (KYC) principle. The Wirecard Group offers a range of automated "KYC" services:

- Verification and validation of customer data such as address and payment data;
- Data consolidation via credit reference agencies (credit rating inquiries);
- Comparison with negative lists (e.g. black lists and sanction lists) based on names/addresses or other personal characteristics;
- Checking of account data with respect to return debits;
- Review of payment history for existing customers;

By combining various risk management tools, Wirecard arrives at the best decision based on the end customer data and the merchant's risk profile. Merchants are able to define this outcome themselves. A possible result of strategy might be the determination of the payment methods to be offered (invoice, direct debit, credit card, cash in advance, cash on delivery), combined with a suitable limit. This approach allows a merchant to implement risk-optimized cash management for new and portfolio customers.

As well as the risk of payment default described above, merchants engaging in online commerce also face the constant risk of fraud. In these cases, the buyer acts with fraudulent intent, for example by providing a false identity when making a purchase. Unlike the stationary, brick-and-mortar retail trade, identifying characteristics such as a signature on a credit card cannot be verified over the Internet. In eCommerce, the customer remains anonymous, a fact that lowers the inhibition threshold for fraud further still.

Wirecard AG employs a wide range of methods for detecting whether a transaction is fraudulent:

- Reconciliation of negative lists based on payment transaction data such as account details and credit card numbers;
- Pattern recognition designed to detect suspicious data and/or behavior patterns;
- IP/BIN check – a means to investigate potentially fraudulent patterns in connection with a credit card transaction;
- Address Verification Service (AVS), a risk check carried out by VISA or MasterCard in which the numerical address data supplied by the end customer is compared with the data held by the credit card organization;
- 3D-Secure is an authentication protocol developed by VISA (Verified by Visa) and MasterCard (MasterCard SecureCode) designed to protect card payments over the Internet.

With its payment guarantee, the new *PAYShield* product takes another step beyond simple credit status checks. In the German market, *PAYShield* is offered by Wirecard in collaboration with CEG Creditreform Consumer GmbH. It is a combined credit information and collection service, supplemented with services in the field of payments (direct debits, billing accounts).
The consumer is checked and then approved for a specific payment method (invoice, direct debits). *PAYShield* provides small and medium-sized merchants with a highly differentiated risk management system of the kind previously only affordable to large mail-order operations.

WIRECARD BANK PRODUCTS

Wirecard Bank AG offers businesses a comprehensive package of corporate banking services. Options include business accounts and the allocation of credit card acceptance agreements as well as the issue of payment cards within the scope of co-branding and projects to boost customer loyalty.

To be able to accept payments by credit card, the merchant requires a credit card acceptance agreement from a bank licensed by the credit card organization (known as an acquiring bank). As a Principal Member of VISA and MasterCard and a full member of the largest Asian credit card organization JCB International (Japan Credit Bureau), not only does the Wirecard Bank have the license to conclude credit card acceptance agreements; it is also entitled to issue card products (in its role as an issuing bank).

Moreover, the Wirecard Bank's membership of SWIFT (Society for Worldwide International Financial Telecommunication) enables it to provide its corporate customers operating with a global reach a large number of supplementary services in the field of foreign payment transactions and forex management services.

Furthermore, the Wirecard Bank's license to trade as an issuing bank and the technological expertise of the Wirecard Group are the basis for additional offers to business customers:

- The *Supplier and Commission Payments (SCP)* product is an industry-specific automated solution for tourism operators for speedy, secure processing and settlement of global payouts at exact, pre-agreed costs. A virtual MasterCard on a non-borrowing basis (prepaid) is created real-time for each individual booking transaction.
- A further development of the virtual credit card for business customers are *payout cards*. This provides employers with an alternative solution for payouts to temporary, seasonal or auxiliary workers or for payouts of commissions. *Payout cards* are MasterCards on a non-borrowing basis (prepaid), which are cheap and convenient for the disbursing companies to load. They can then be immediately used for payouts to workers. The product is available throughout the SEPA (Single Euro Payments Area).
- *Co-branded cards* are not only interesting as a means of payment but are deployed by corporations more and more frequently as a marketing instrument. Wirecard Bank AG ensures the sustained success of each and every card project, from individual conceptualization and relationship management of credit card projects, through innovative software solutions for electronic management of customer loyalty programs to all-embracing services from a single source.

As a result of the options available to the Group's own bank in the field of issuing, the Wirecard Group has been able to develop and market its product portfolio also with regard to consumer products to complement the Group's core business activities.

This produces synergy effects in the field of corporate customer products, as in the case of the *Wirecard* Internet payment service. Online merchants can extend their customer base in the SEPA region without this entailing technical integration or any additional costs.

- The *Wirecard* Internet payment service (www.mywirecard.com) is positioned as a convenient prepaid payment solution for the Internet, since consumers use *Wirecard* to pay anywhere on the Internet where MasterCards are accepted, without having to possess a regular credit card at all. The virtual prepaid MasterCard from Wirecard Bank AG meets all the relevant security criteria: as with any conventional MasterCard, all the relevant card data are available to the user. Optionally, users of the payment system can also order a prepaid MasterCard in the form of a plastic card. This enables them not only to shop on the Internet but also at more than 24 million MasterCard acceptance points at brick & mortar retail outlets across the globe. A precondition for payment processes, both for the virtual and the physical MasterCard in its classic format, is that the *Wirecard* online account must reflect a credit balance.
- The credit balance principle also applies to the *Prepaid-Trio*. The *Prepaid-Trio* offered by the Wirecard Bank offers private customers an online current account on a non-borrowing basis, including an ec/Maestro card and a VISA prepaid card. Thanks to the credit balance function, not only can users conveniently make secure payments; they also have their finances under control at all times.

2. GENERAL ECONOMIC CONDITIONS AND BUSINESS TRENDS

2.1. General economic conditions

According to the latest forecasts presented by the International Monetary Fund (IMF) on October 1, 2009, global economic growth is expected to decline by 1.1 percent year-on-year in 2009. For next year, a growth rate of 3.1 percent has meanwhile been predicted. In the euro zone, the IMF has forecast a 3.4 percent decline in economic growth this year, and slight growth of 0.3 percent for the year 2010. The EU Commission assumes there will be a decline of 4 percent for 2009, followed by a further 0.1 percent decline for the year 2010. The German government has forecast a 5 percent decline in Germany's Gross Domestic Product this year, with an outlook for 1.2 percent growth for the year 2010.

INDUSTRY-SPECIFIC FUNDAMENTALS

The overall economic downturn was also reflected in purchasing patterns. While consumers are spending less on the whole, their spending is more targeted. Online trade benefits from this general change in purchasing behavior.

European eCommerce market growth is essentially being boosted by the following trends:

- The further extension of broadband technology is leading to an increasing number of people being online more frequently.
- The experience of online purchasing is becoming increasingly better in terms of quality, tending to encourage impulse buying.
- Services such as a simple, targeted search for products and making price comparisons on the Internet are convenient to use.
- Consumer behavior is leading to a shift in sales revenues from stationary, brick & mortar trading to the Internet.
- Cross-channel purchases are increasing, and distribution channels are converging with one another.

From a company perspective, complexity and cost reasons tend to back or underpin decisions in favor of outsourcing payment transactions and integrated risk management services.

According to the latest edition of the annual IDC Internet Report "Worldwide Internet Usage and Commerce 2009–2013", eCommerce is booming in spite of the economic crisis, and its prospects for the future are considered highly positive. The growth targets forecast for the European online market for the year as a whole, consolidated into industry segments and by market research institute (e.g. Forrester, CRT Denmark), remain unchanged in the range of 8 to 12 percent. As already reported in the first half of the year, the Federal Association of the German Mail-Order Trade (Bundesverband des deutschen Versandhandels – bvh) has forecast an increase of 15 percent for online trading in consumer goods in Germany in 2009, to reach 15.4 billion euros (previous year: 13.4 billion euros).

TARGET INDUSTRY SEGMENTS OF WIRECARD AG

Business activities of the Wirecard Group are classified into three key target industries, and these are addressed by means of cross-platform solutions and services. The key segments are:

- Consumer goods
- Digital goods
- Tourism

CONSUMER GOODS

Among the elementary issues of online trading is the need to meet the requirements of ever higher data protection standards as well as a constant need for improvement in the presentation of merchandise offered by online shops. Consumers want a positive shopping experience, and their loyalty as customers can be established on a sustained basis only if online trading is accompanied by a good security/privacy policy and convenient processing and settlement, including delivery. In principle, merchants need to address and deal with the following question: how can the customer – acquired on the Internet at high opportunity costs – be motivated through the best possible range of payment methods to make a purchase at the virtual cash desk of a given shop, and at the same time how can the associated risks of default in payment and the potential loss of merchandise can remain at the lowest level possible?

A further key issue for online trading is the need to address the potential purchasers available across Europe who also place cross-border orders. In addition to international and regional methods of payment, a key component in this regard is the level of risk management, which is geared to country-specific privacy policies. The Forrester market research institute recently canvassed six trading organizations operating in Europe with a strong online presence across several countries. Among other things, the study revealed that 39 percent of European Internet users first search for merchandise online before buying and that the Internet is increasingly becoming the distribution channel of choice. One of three Europeans makes alternating purchase decisions, i.e. buying both online and offline. According to the Forrester study, the group consisting of cross-channel consumers is also considered a highly lucrative clientele.

DIGITAL GOODS

Wirecard AG considers digital goods to include Internet portals with a range of business models:

- Download platforms for music, software, or video games;
- Entertainment portals (sports betting, online poker/casino, online games);
- Service platforms for ticketing, conference bookings, telecommunication services (DSL, VoIP);
- Social communities – subject to charges – such as online dating.

The market research institute DFC Intelligence, specializing in the interactive gaming industry, estimates that the global online gaming market will reach a sales revenue volume of 13 billion U.S. dollars as early as 2011. Last year's forecast was still at 11.8 billion U.S. dollars by the year 2013. This growth is being underpinned by various factors that are also stimulating eCommerce in general: the number of consumers who are online is growing, and there are more and more PCs and households with broadband access. Apart from leading online role plays (MMOGs), casual or browser games, the market also includes Internet-linked console games.

According to H2 Gambling Capital, in 2009 Europe accounts for almost half of the worldwide online gaming market (online sports betting, poker and casino) with a volume of 6.4 billion euros.

TOURISM

In Germany, consumer behavior is moving from reservations at travel agencies and cross-channel reservations toward pure online booking services, as documented by the study "Crisis & Beyond: Multichannel Dynamics in Tourism 2009-2015" (GfK, Google Germany, iProspect and Sempora). The basis for this is an evaluation carried out by GfK-Travelscope, in which 20,000 private German households (random sample) are questioned on a regular basis on their planned and booked holiday travel arrangements.

According to the data for the first (tourism-sector) half-year 2008 / 2009 (November 2008 through April 2009), there was a disproportionately high increase in travel reservations processed completely online. A third of all travel arrangements were made and purchased online during this period. As a result, the forecast shift of the information and purchasing process into the Internet has already been reached. The Internet continues to gain further importance: 30 percent of all households book at least one trip online each year, with a further 29 per-cent carrying out online searches at least once before making a reservation. Within the next five years, the share of online reservations is to increase from the current 28 percent to 43 percent.

This study also refers for the first time to hybrid consumers (who book online and offline on a case-by-case basis). Nevertheless, the "Research Online, Purchase Offline" (ROPO) buyer segment will remain a force to be reckoned with in the market: in 2009, 73 percent of all trips are still reported to be reserved with travel agencies.

2.3. Business trends in the period under review

In the course of the third quarter of 2009, Wirecard AG succeeded in continuing its good business trends recorded in the previous quarters. Direct sales of our products and solutions benefit from our "single source" approach, a unique selling point of the Wirecard Group. New customer accounts reflect the entire bandwidth of the various Internet industries. In the case of our projects with co-branded cards on a prepaid basis, in the quarter under review we announced a cooperative venture with a new business travel reservation portal. The Supplier and Commission Payments (SCP) product again attracted a great deal of attention from other travel reservation portals and tourism operators in the reporting quarter. Moreover, additional clients were successfully integrated into live operation. In the field of cooperative ventures with business partners, additional agreements were entered into in the field of eCommerce fulfillment providers on the one hand and with European payment services providers on the other. The latter consists predominantly of collaboration in the field of acquiring services (credit card acceptance) of Wirecard Bank. With additional banking services in the acquiring division, some 120 transaction currencies and a current total of 15 payout currencies, Wirecard AG enables its international clients in particular to outsource their international payment processes completely.

The lion's share of Group sales revenues is generated from business relations with providers of merchandise or services on the Internet, who outsource their payment processes to Wirecard AG. Conventional services in relation to the settlement and risk analysis of a payment transaction performed by a payment services provider and credit card acceptance performed by Wirecard Bank AG are therefore closely linked. Fee income from the core business of Wirecard AG, namely acceptance and issuing of means of payment along with associated value added services, is generally dependent on the transaction volumes processed. In the first nine months 2009 these came to 7.5 billion euros. The diagram shows the breakdown of our target sectors at the end of the period under review. It demonstrates not only that the high level of diversification in our customer portfolio shields us against the crisis to a large extent, but also that our positive business performance persists in all our fields of activity:

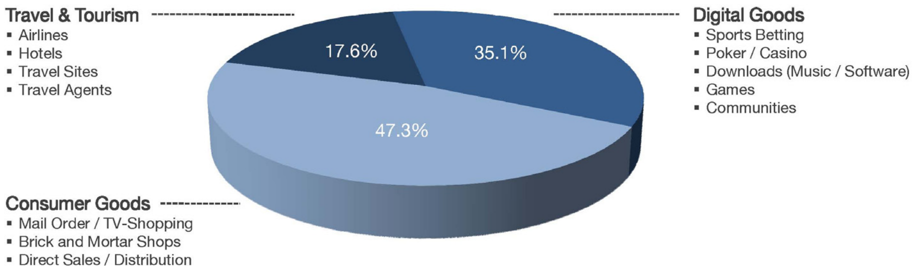


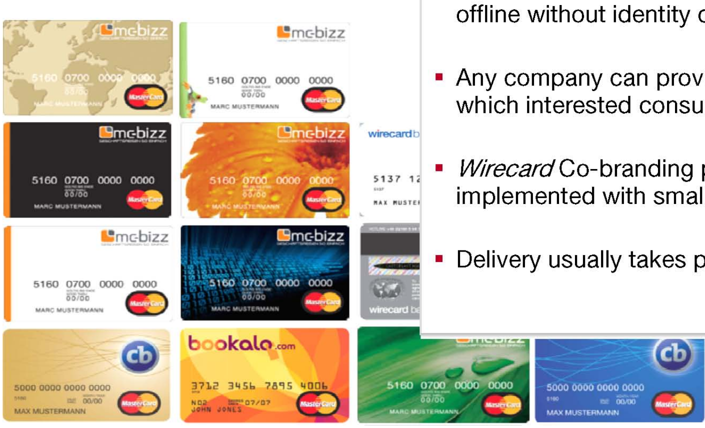
Illustration: Transaction volumes in connection with financial services as well as acceptance and issuing of means of payment by industry

CO-BRANDED CARDS

Companies are increasingly discovering co-branded cards as a marketing instrument. Customer or employee loyalty is fostered by displaying the company on the front of the relevant co-branded card alongside the well-known logo of the credit card organization (e.g. MasterCard or VISA). Revolutionary technologies facilitate less formal but speedier production processes, which also meet customers' requests for individually tailored design details.

The trend is being reinforced by a change in general conditions: while the production process used to be very time-consuming and cost-intensive in the past, new technologies today already make small production runs worthwhile, e.g. for various seasonal occasions. This development is being underpinned by the increasingly widespread occurrence of prepaid cards in the market. The same principle as is commonly known in the field of mobile telephony applies in this context: first load a credit balance, then use the card. Prepaid cards have all the security features of a conventional credit card and are used in exactly the same way. As a result, this also makes it possible to reach target groups that have not had (or have not want to have) access to conventional credit cards for various reasons in the past.

- Consumers can order and pay a card online and offline without identity card verification
- Any company can provide several designs from which interested consumers can choose
- *Wirecard* Co-branding projects can already be implemented with small quantities
- Delivery usually takes place within a week



Card examples: Co-branded cards for Wirecard Group business clients.

3. EARNINGS, FINANCIAL AND ASSET POSITION

3.1. Earnings

In the third quarter and in the first nine months of fiscal 2009, Wirecard AG managed to ramp up both sales revenues and earnings substantially compared with the corresponding previous-year period.

SALES REVENUES

Third-quarter 2009 consolidated Group sales revenues were up by 13.7 percent year-on-year, from TEUR 52,823 to TEUR 60,064. In the entire 9-month period in 2009, sales revenues increased by 16.0 percent, to reach TEUR 163,694 (9M/2008: TEUR 141,085).

Sales revenues generated in the core segment of “Payment Processing & Risk Management” by risk management services and the processing of online payment transactions increased by 19.0 percent in the third quarter of 2009, from TEUR 48,361 to TEUR 57,547. In the first nine months of fiscal 2009, this segment recorded TEUR 155,886 in sales revenues (9M/2008: TEUR 131,157), equivalent to an increase by 18.9 percent.

In the third quarter of 2009, the share of consolidated sales generated by the “Acquiring & Issuing” segment and, therefore, by Wirecard Bank AG, was up by 64.9 percent, from TEUR 11,825 in the same period a year earlier to TEUR 19,503 and by 77.9 percent in the first 9 months of 2009 year-on-year, from TEUR 28,496 to TEUR 50,694. Sales revenues of the Wirecard Bank chiefly comprised commission income from the Acquiring and Issuing division, from interest on financial investments and income earned on processing payment transactions, along with exchange rate differentials in handling transactions in foreign currencies. In the process, customer deposits to be invested by the Wirecard Bank (September 30, 2009: TEUR 105,615; September 30, 2008: TEUR 71,719) are solely held in sight deposits, overnight or fixed-term deposits with other banks assessed by rating agencies of note as subject to minimal risk (equivalent to an “Investment Grade” rating by Standard & Poor’s and Moody’s). The Wirecard Group does not invest in money market instruments, equities, financial derivatives or other speculative financial instruments. The only exceptions are forward exchange and currency options used to hedge sales revenues in foreign currencies.

The Wirecard Bank's interest income in the first nine months of 2009, amounting to TEUR 825 (9M/2008: TEUR 2,610), is reported as revenue in the financial statements of the Wirecard Bank in accordance with the IFRS accounting rules and therefore is not included in the Group's net financial income but is also reported as revenue in this context. It comprises interest income on investment of equity and customer funds (deposits and acquiring money) with external banks. Owing to the generally low level of interest rates, the income generated in this field – despite substantially higher volumes – turned out TEUR 1,784 lower than in the same period in fiscal 2008.

In the quarter under review, the “Call Center & Communication Services” segment accounted for sales revenues of TEUR 1,064 (Q3/2008: TEUR 814), and in the entire 9-month period of 2009 sales revenues came to TEUR 3,305 (9M/2008: TEUR 3,316).

Of segment revenues, in the third quarter of 2009 sales revenues amounting to TEUR 18,050 (Q3/2008: TEUR 8,177) had to be consolidated. In the 9-month period of 2009, consolidations came to TEUR 46,191 (9M/2008: TEUR 21,884).

Other own work capitalized consists primarily of development services for software components used in particular for further development of the core system for payment processing purposes. In this regard, only own work is capitalized that is subject to capitalization in accordance with the IFRS accounting principles. In the third quarter of 2009, the amounts capitalized totaled TEUR 1,161 (Q3/2008: TEUR 1,000); in the 9-month period of 2009 this amount came to TEUR 3,378 (9M/2008: TEUR 3,007).

DEVELOPMENT OF KEY EXPENDITURE ITEMS

The cost of materials in the Group amounted to TEUR 33,579 in the quarter under review (Q3/2008: TEUR 29,861); in the 9-month period of 2009, this expenditure item totaled TEUR 91,449 (9M/2008: TEUR 77,881). In particular, the cost of materials includes commissions payable to banks issuing credit cards (Interchange), charges payable to credit card companies, as well as transaction-related charges (in the field of risk management services).

At the Wirecard Bank, apart from Interchange, the cost of materials primarily comprises expenses incurred by the business divisions Acquiring, Issuing and Payment Transactions in the field of processing costs of external services providers, of production and transaction costs for prepaid cards and the payment transactions effected with them as well as account management and transaction charges for keeping customer accounts. In the third quarter of 2009, the cost of materials for the bank amounted to TEUR 13,393 (Q3/2008: TEUR 5,922), in the 9-month period of 2009 they came to TEUR 33,339 (9M/2008: TEUR 15,134).

In the third quarter of 2009, gross earnings (sales revenues incl. inventory changes and other own work capitalized less cost of materials) were increased by 15.4 percent, reaching TEUR 27,646 (Q3/2008: TEUR 23,962); in the 9-month period of 2009, gross earnings were up by 14.2 percent, from TEUR 66,212 to TEUR 75,624. Of this sum, at the Wirecard Bank – without taking consolidation effects into account – gross earnings of TEUR 6,110 were generated in the third quarter of 2009 (Q3/2008: TEUR 5,903). In the 9-month period of 2009, the bank generated TEUR 17,355 in gross earnings (9M/2008: TEUR 13,362).

Consolidated personnel expenses in the reporting quarter amounted to TEUR 6,533, up by 5.8 percent in relation to the third quarter of 2008 (Q3/2008: TEUR 6,174). In comparison with the growth of gross earnings of 15.4 percent, this reflects the high scalability of the business model of Wirecard AG. In the 9-month period of 2009, personnel expenditure came to TEUR 19,276 (9M/2008: TEUR 17,759). The consolidated personnel expense ratio declined by 0.8 percent year-on-year, to 11.8 percent. In the third quarter of 2009, personnel expenses at the Wirecard Bank amounted to TEUR 502 (Q3/2008: TEUR 585); in the 9-month reporting period of 2009, the amount came to TEUR 1,470 (9M/2008: TEUR 1,261).

Other operating expenses in the third quarter essentially comprise expenses on sales and marketing, operating equipment and leasing, consultancy and similar fees, as well as office expenses. In the Wirecard Group, these amounted to TEUR 5,963 in the third quarter of 2009 (Q3/2008: TEUR 5,013), to reach 9.9 percent (Q3/2008: 9.5 percent) of sales revenues. In the 9-month reporting period of 2009, they came to TEUR 15,719 (9M/2008: TEUR 13,978), accounting for 9.6 percent of sales revenues, compared with 9.9 percent in the same period a year earlier.

In the third quarter of 2009, other operating expenses at the Wirecard Bank amounted to TEUR 943 (Q3/2008: TEUR 747); in the 9-month reporting period of 2009, the amount came to TEUR 2,864 (9M/2008: TEUR 1,874).

Depreciation and amortization in the quarter under review totaled TEUR 1,120 (Q3/2008: TEUR 881), largely resulting from investments in products in the years from 2006 to 2009. In the 9-month period of 2009, depreciation and amortization came to TEUR 2,956 (9M/2008: TEUR 2,379). In the third quarter of 2009, depreciation and amortization at the Wirecard Bank came to TEUR 20 (Q3/2008: TEUR 10); in the 9-month reporting period of 2009, the amount was TEUR 56 (9M/2008: TEUR 22).

Other operating income, amounting to TEUR 3,016, chiefly resulted from income on contractual arrangements with suppliers in the field of payment transactions and from the revaluation of liabilities and non-cash remuneration netted (9M/2008: TEUR 3,117). In the third quarter of 2009, this came to TEUR 1,099 (Q3/2008: TEUR 1,070). Of this sum, the Wirecard Bank accounted for TEUR 88 (Q3/2008: TEUR 96) in the third quarter; in the 9-month reporting period of 2009, the amount came to TEUR 310 (9M/2008: TEUR 247).

EBIT DEVELOPMENT

Group earnings before interest and taxes (EBIT) were up by 16.7 percent in the third quarter of 2009, rising from TEUR 12,965 in the previous-year quarter to TEUR 15,128. The EBIT margin, at 25.2 percent in the quarter under review, was slightly higher than the previous-year figure of 24.5 percent. In the 9-month reporting period of 2009, EBIT amounted to TEUR 40,688, up by 15.6 percent on the same period a year earlier (9M/2008: TEUR 35,212).

Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) were up by 17.3 percent in the third quarter of 2009, to reach TEUR 16,248 (9M/2008: TEUR 13,846) and in the first nine months of 2009 by 16.1 percent, to TEUR 43,645 (9M/2008: TEUR 37.591).

In the third quarter of 2009, EBIT generated in the "Payment Processing & Risk Management" segment amounted to TEUR 10,384 (Q3/2008: TEUR 8,262) and in 9-month reporting period of 2009 to TEUR 27,417 (9M/2008: TEUR 24,621). In the third quarter of 2009, EBITDA in this segment rose from TEUR 9,108 in the previous-year period to TEUR 11,464 and in the 9-month period of 2009 from TEUR 26,906 to TEUR 30,257.

The EBIT contribution generated by the Wirecard Bank and, therefore, in the "Acquiring & Issuing" segment, amounted to TEUR 4,732 in the third quarter of 2009 (Q3/2008: TEUR 4,656) and in the 9-month reporting period of 2009 to TEUR 13,276, up by 27.0 percent year-on-year (9M/2008: TEUR 10,452). This increase is primarily attributable to the Acquiring division, in which numerous new customers continued to be gained and in which the fast-growing market for online products is having a positive impact in the field of portfolio customers. In the Issuing division, the Group benefited from an increased number of prepaid cards being issued as well as a positive trend recorded for virtual prepaid cards, both in the B2B and in the B2C segments. In the third quarter of 2009, EBITDA in this segment rose to reach TEUR 4,752 (Q3/2008: TEUR 4,667) and was up by 27.3 percent in the 9-month period of 2009, to reach TEUR 13,332 (9M/2008: TEUR 10,474).

In the quarter under review, the "Call Center & Communication Services" segment produced EBIT of TEUR 12 (Q3/2008: TEUR (98)) and EBIT of TEUR (5) in the 9-month reporting period of 2009 (9M/2008: TEUR (266)). In this segment, EBITDA in the third quarter of 2009 rose to TEUR 32 (Q3/2008: TEUR (74)) and to TEUR 56 in the 9-month reporting period of 2009, compared with TEUR (194) in the same period a year earlier.

FINANCIAL RESULT

After the first nine months of 2009, the financial result amounted to TEUR (526) (9M/2008: TEUR 58). In the same period, financial expenditure came to TEUR 1,365 (9M/2008: TEUR 503). This included currency-related expenses due to the currency options deployed to hedge foreign currency positions amounting to TEUR 624, compared with gains of TEUR 404, as well as expenses due to loans taken out for corporate acquisitions in the past. In the third quarter of 2009, financial expenditure totaled TEUR 488, compared with TEUR 60 in the same quarter a year earlier. The Group's net financial income does not include interest income generated by the Wirecard Bank, which is required to be reported as revenue of the Wirecard Bank in accordance with IFRS accounting principles.

TAXES

Owing to the international orientation of the business and the utilization of the loss carry-forward of Wirecard Bank AG, the cash-to-taxes ratio for the 9-month period (excluding deferred taxes) amounted to 9.9 percent (9M/2008: 10.3 percent). Due to tax refunds from previous years, this ratio – at 8.1 percent – is lower than in the previous-year period (11.7 percent). Including deferred taxes, the cash-to-taxes ratio for 9-month reporting period came to 17.2 percent (9M/2008: 16.4 percent).

SURPLUS IN 9-MONTH REPORTING PERIOD

Earnings after taxes in the third quarter of 2009 rose to TEUR 13,001 (Q3/2008: TEUR 10,707) and in the 9-month reporting period of 2009 from TEUR 29,484 in the previous-year period to TEUR 33,259. In the third quarter of 2009, the share generated by Wirecard Bank AG according to IAS accounting principles amounted to TEUR 3,427 (Q3/2008: TEUR 3,050); in the 9-month reporting period of 2009, the amount was TEUR 9,746 (9M/2008: TEUR 7,331).

EARNINGS PER SHARE

The number of shares issued increased with the third quarter of 2008 due to a capital increase from company funds in August 2008.

Earnings per share (basic) in the third quarter of 2009 amounted to EUR 0.13 (Q3/2008: EUR 0.11). In the 9-month reporting period of 2009, earnings per share rose from EUR 0.29 to EUR 0.33, up by 13.8 percent.

3.2. Financial and asset position

PRINCIPLES AND OBJECTIVES OF FINANCE MANAGEMENT

The primary objectives of finance management are to secure a comfortable liquidity situation at all times along with operational control of financial flows. The Treasury department is responsible for monitoring currency hedges. Following individual inspections, risks are restricted by additional deployment of financial derivatives. As in the previous year, forward exchange transactions and currency options were deployed as financial derivatives to hedge sales in foreign currencies in the year under review. It has been stipulated throughout the Group that no speculative transactions are entered into with financial derivatives.

CAPITAL AND FINANCING ANALYSIS

As at the September 30, 2009 reporting date the level of equity at Wirecard AG amounted to TEUR 232,560, compared with TEUR 193,983 as at September 30, 2008. This also takes account of the reduction of equity due to the dividend payout amounting to TEUR 8,144 adopted at the Annual General Meeting of June 18, 2009. The equity ratio amounted to 47.2 percent (September 30, 2008: 47.4 percent). The Company's subscribed capital as at September 2009 amounted to EUR 101,803,139.00, divided up into 101,803,139 no-par-value bearer shares based on a notional capital stock of EUR 1.00 per share.

INVESTMENT ANALYSIS

Criteria for investment decisions in the Group of Wirecard AG in principle include capital employed, the securing of comfortable cash flow availability, the results of an intense analysis of potential risks as well as of the opportunity/risk profile and the type of financing (purchase or leasing). Depending on the type and size of the investment, the chronological course of investment return flows is taken into account extensively.

LIQUIDITY ANALYSIS

The Treasury Management responsible for the Group as a whole ensures timely availability of liquidity for all corporate divisions in order to avoid taking out loans and paying interest falling due on borrowed funds.

In the period under review, the cash flow from financing activities declined from TEUR (244) in the previous-year period by TEUR 8,204, to TEUR (8,447). This is essentially attributable to the dividend payout amounting to TEUR 8,144.

Thanks to positive business trends, customer deposits with the Wirecard Bank as at September 30, 2009 increased to TEUR 105,615 (September 30, 2008: TEUR 71,719). The increased deposits and a higher level of acquiring volumes at the Wirecard Bank also had a positive impact on the item of cash and cash equivalents. At the Wirecard Bank, compared with September 30, 2008 these increased from TEUR 133,589 to TEUR 222.352.

Group liabilities to banks amounted to TEUR 9,002 as at September 30, 2009 (September 30, 2008: TEUR 11,855).

RATIO OF CURRENT ASSETS TO CURRENT LIABILITIES

The ratio of current assets to current liabilities of Wirecard AG is as follows:

09/30/2009	current assets	TEUR 323,491	=	1.29
	current liabilities	TEUR 250,571		
12/31/2008	current assets	TEUR 255,756	=	1.25
	current liabilities	TEUR 203,852		

ASSET POSITION

In addition to the assets reported in the balance sheet in Wirecard Group, there is also a substantial volume of unreported intangible assets, such as software components, customer relationships, human and supplier capital and others. It is corporate policy to value long-lived assets conservatively and to capitalize them only if this is required in accordance with IAS/IFRS.

4. GROUP STRUCTURE AND ORGANIZATION

4.1. Subsidiaries

The Group is structured into various subsidiaries. The parent company, Wirecard AG, is headquartered in Grasbrunn near Munich, Germany. This also serves as the head office of Wirecard Bank AG, Wirecard Technologies AG, Wire Card Beteiligungs GmbH, Wirecard Retail Services GmbH, Click2Pay GmbH, Pro Card Kartensysteme GmbH and Trustpay International AG. Wirecard Communication Services GmbH is headquartered in Leipzig, Germany.

Wirecard Technologies AG and Wirecard (Gibraltar) Ltd. based in Gibraltar develop and operate the software platform that represents the central element of our portfolio of products and services and of our internal business processes.

Click2Pay GmbH, using the alternative Internet payment system of the same name (CLICK2PAY), generates sales revenues particularly in the market for portals, digital media and online games.

The operating business of the Trustpay International AG-subsidiaries Wirecard Payment Solutions Holdings Ltd., Wirecard Payment Solutions Ltd., Herview Ltd., all domiciled in Dublin (Ireland), Qenta paymentsolutions Beratungs und Informations GmbH, Klagenfurt (Austria) and webcommunication EDV Dienstleistungs- und Entwicklungs GmbH headquartered in Graz (Austria) is based on sales and processing services for the Group's core business activities, "Payment Processing & Risk Management".

Wirecard Retail Services GmbH and Pro Card Kartensysteme GmbH complement the range of services of Wirecard Technologies AG to include the distribution and operation of Point-of-Sale (PoS) payment terminals. As a result, our customers are able to accept payments both in the field of Internet and mail-order services and electronic payments for their stationary, brick-and-mortar business via Wirecard.

Wirecard Communication Services GmbH bundles the knowhow of virtual and physical call center solutions in a hybrid structure and can therefore meet the growing requirements relating to quality with comprehensive, flexible services, focusing chiefly on business-to-business and private customers of the Wirecard Group, especially Wirecard Bank AG.

The cardSystems FZ-LLC company, based in Dubai, focuses on sales of affiliate products along with related value-added services.

Wirecard Asia Pacific Inc., established at the end of 2007 in Manila (Philippines), is not yet included in the group of companies required to be consolidated. It focuses on sales of payment processing services in the Asian region.

An overview of the consolidation perimeter is provided in the notes to the Consolidated Financial Statements.

4.2. Segments of reporting

Wirecard AG reports on its business development in three segments:

PAYMENT PROCESSING & RISK MANAGEMENT (PP&RM)

Business activities of the companies of the Wirecard Group included in the "Payment Processing & Risk Management" reporting segment include only products and services associated with the acceptance and execution of downstream processing of electronic payment transactions as well as related processes.

By means of a uniform technical platform that covers our various products and services, we use a standardized interface to provide our customers with access to a large number of payment and risk management schemes.

ACQUIRING & ISSUING (A&I)

This reporting segment comprises the entire current business activities of Wirecard Bank AG and, in addition to acceptance (acquiring) and issuing of credit and prepaid cards, it also includes account and payment transaction services for business and private clients.

The "Acquiring and Issuing" segment also accounts for interest earned on financial investments and gains made from exchange rate fluctuations when processing transactions in foreign currencies.

CALL CENTER & COMMUNICATION SERVICES (CC&CS)

This reporting segment comprises all products and services of Wirecard Communication Services GmbH dealing with call center-supported relationship management of corporate and private customers. Apart from its primary function to support the two main segments mentioned above, this reporting segment also has an independent customer portfolio.

4.3. Board of Management, Supervisory Board and Company by-laws

In the period under review, the composition of the Board of Management of Wirecard AG was unchanged as follows:

- Dr. Markus Braun, CEO, Chief Technology Officer
- Burkhard Ley, Chief Financial Officer
- Rüdiger Trautmann, Chief Sales Officer

The composition of the Supervisory Board of Wirecard AG was unchanged as follows:

- Wulf Matthias, Chairman
- Alfons W. Henseler, Deputy Chairman
- Paul Bauer-Schlichtegroll, Member

The remuneration system of the Board of Management and Supervisory Board consists of fixed and variable components. Further particulars in this regard are documented in the Notes to Consolidated Financial Statements of the year 2008 (Annual Report 2008).

Directors' Dealings:
No transactions took place in the period under review.

The statutory rules and regulations apply to amendments to the Articles of Incorporation.

4.4. Employees

As at September 30, 2009, Wirecard Group had a workforce of 472 employees (September 30, 2008: 424) of which 123 employees were engaged part-time (September 30, 2008: 106). Compared with the previous year period the number of full-time employees increased from 318 by 31 to 349.

At the shareholders´ meeting in 2008, which took place on June 24 in Munich, the authorization to grant subscription rights to the employees and members of the Management Board of Wirecard AG as well as the employees and members of the Management Board of related companies (Stock Option Program 2008) and the creation of contingent capital to service the Stock Option Program 2008 as well as corresponding amendments to the Company by-laws was approved.

The program adopted at the General Meeting of July 15, 2004 to grant convertible bonds to members of the Management Board, consultants, employees of Wirecard AG as well as employees of related companies came to an end on December 31, 2006.

To be able to continue offering executives and employees of Wirecard AG and its related companies a variable remuneration component with a long-term incentive effect to foster their future loyalty to the Wirecard Group, the 2008 AGM has approved to create the possibility of issuing subscription rights to the Company's shares to employees and members of the Company's Management Board as well as to employees and members of the management of its related companies.

With this approval the Management Board is authorized, with the consent of the Supervisory Board, to issue up to 3,053,700 subscription rights to up to 3,053,700 no-par-value bearer shares of Wirecard AG by June 24, 2012 in accordance with the provisions approved by the shareholders' meeting. To the extent that members of the Management Board are affected, only the Supervisory Board of the Company will be authorized accordingly on its own.

5. SUBSEQUENT REPORT

AD HOC FROM OCTOBER 28, 2009

Publication of preliminary results: Sales, EBITDA and EBIT for the third quarter and the first nine months 2009.

RELEASES ACCORDING ARTICLE 26, SECTION 1 OF THE WPHG (THE GERMAN SECURITIES TRADING ACT)

No disclosures were made at the end of the reporting period until November 19, 2009.

For more details on disclosures please visit http://ir.wirecard.com “Investor News”.

6. RESEARCH & DEVELOPMENT / RISK REPORT

6.1. Research & Development

In the period under review expenses in the field of R&D are included predominantly under personnel expenses of programmers/developers and in other operating expenses with a view to continually adjusting the platform technology.

6.2. Risk report

In the interest of securing the Company´s success on a long-term, sustainable basis, it is indispensable to effectively identify analyze and assess dangerous trends and risks unfolding at an early stage, to control and monitor these on an ongoing basis and to document them accordingly. The Board of Management has complied with the duty to establish a suitable early risk detection system by ensuring that appropriate guidelines for suitable control and monitoring instruments are in place for all strategic and operational management functions.

These instruments serve to secure the Company's ongoing business operations and show any dangerous developments at an early stage so that appropriate countermeasures can be taken to correct such trends. The Board of Management monitors risk management activities and reports to the Supervisory Board on a regular basis.

Please refer to the risk report in the Annual Report for 2008 for more details as there have been no changes in the intervening period of time. We wish to advise that no risks are present that could endanger the Group as a going concern.

7. OUTLOOK

For the fourth quarter of the current fiscal year, we are also optimistic in view of the upcoming Christmas season that fiscal 2009 will be another successful year for us. If the current economic recovery continues next year, then it can be assumed that the eCommerce market on the whole will benefit from fresh growth stimuli.

Wirecard AG plans to further extend its range of products and solutions in the field of electronic payment processing and supplementary Wirecard Bank services. Fresh potential is generated by the increasing trend toward cross-border trade in consumer goods and rising demand for international risk management solutions. The objective is to guarantee our business clients optimum support so that they can ramp up their sales revenues and minimize their payment defaults at the same time.

As far as our growth strategy is concerned, we remain firmly focused not only on the European but also on the Asian market. We will continue to boost the level of organic growth in both of these markets. In principle, acquisitions cannot be ruled out, provided they meet our strict criteria.

In the field of our innovative products in the prepaid card division, such as our supplier and commission payments solution and co-branded cards, we expect to make further progress.

For the year 2009 as a whole, the Management Board of Wirecard AG expects earnings before interest and taxes (EBIT) of 55 to 60 million euros, compared with 49 million euros in fiscal 2008.

Grasbrunn, November 2009

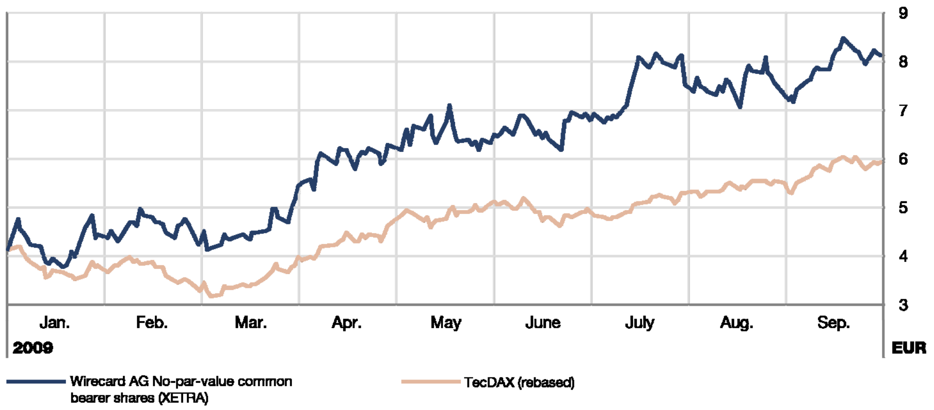
WIRECARD AG
The Board of Management

Dr. Markus Braun | Burkhard Ley | Rüdiger Trautmann

WIRECARD STOCK

Stock market prices continued to grow within the third quarter. The DAX closed at 5,675 points on September 30, 2009. The TecDAX, the benchmark index for Wirecard stock, reached 757 points at the end of the quarter, compared with 508 points at the beginning of the year.

Compared with the second quarter, the average price of Wirecard stock increased from EUR 6.37 to EUR 7.68. At the beginning of the quarter under review, Wirecard stock was trading at EUR 6.91. A high of EUR 8.51 was reached toward the end of the quarter. On September 30, Wirecard stock closed at a price of EUR 8.14; the average trading volume in the third quarter amounted to 416,000 shares. Since beginning of the year, Wirecard has achieved a price performance of approximately 97 percent. The TecDAX benchmark index grew by roughly 49 percent in the same period.



KEY FIGURES WIRECARD STOCK Q3/2009:

		Q3 2009	Q3 2008
Number of shares		101,803,139	101,800,539
Capital stock	EUR	101,803,139.00	101,800,539.00
Market capitalization (09/30)	mn EUR	827	522
Stock market price (09/30)	EUR	8.14	5.13
Stock market price high	EUR	8.51	6.94
Stock market price low	EUR	6.78	3.40

Stock data: XETRA closing price

INVESTOR RELATIONS

The Management Board maintains continuous contact with numerous institutional investors. In the third quarter of 2009 numerous roadshows and one-on-ones (visits and telephone conferences) were held.

As at September 30, 2009 eleven analysts of renowned banks were monitoring Wirecard's share price. The Board of Management and the Supervisory Board of Wirecard AG undertake to comply with the principles of the German Corporate Governance Code and endorse the principles of transparent and sustained corporate governance. Special measures in this regard are the listing on the Prime Standard and reporting according to IAS/IFRS.

Private investors can obtain all the relevant information on the Internet at http://ir.wirecard.com.

BASIC INFORMATION ON WIRECARD STOCK

Year established:	1999
Market segment:	Prime Standard
Index:	TecDAX
Type of Equity:	No-par-value common bearer shares
Stock exchange ticker symbols:	WDI; Reuters: WDIG.DE; Bloomberg: WDI@GR
WKN:	747206
ISIN:	DE0007472060
Authorized capital No. of shares:	101,803,139
Group accounting category:	Exempting consolidated financial statements in accordance with IAS/IFRS
End of fiscal year:	December, 31
Total common stock as at September 30, 2009:	EUR 101,803,139.00
Beginning of stock market listing:	October 25, 2000
Board of Management:	Dr. Markus Braun CEO
	Burkhard Ley CFO
	Rüdiger Trautmann COO
Supervisory Board:	Wulf Matthias (Chairman)
	Alfons W. Henseler (Deputy Chairman)
	Paul Bauer-Schlichtegroll (Member)
Shareholders' structure as at September 30, 2009:	7.60 % MB Beteiligungsgesellschaft mbH
(Shareholders with more than 3% of voting rights)	5.00 % Alken Fund SICAV (vormals: VAUBAN Fund), LU)
	4.97 % Artisan Partners (US)
	3.11 % Jupiter Asset Management Ltd. (UK)
	3.10 % Wasatch Holdings Inc. (US)
	92.4 % Freefloat
	(Alken, Artisan, Jupiter und Wasatch are assigned to the freefloat according to the rules of Deutsche Börse)

GROUP-BALANCE ASSETS

in EUR	09/30/2009	12/31/2008
ASSETS		
I. Non-current assets		
1. Intangible assets		
Goodwill	90,289,025.39	90,289,025.39
Self-provided intangible assets	11,973,435.60	9,580,000.00
Other intangible assets	9,804,390.24	10,275,093.19
Customer-relationships	47,238,469.94	44,675,049.94
	159,305,321.17	**154,819,168.52**
2. Tangible assets		
Property, plant and equipment	1,537,353.49	1,642,279.78
3. Financial assets	3,929,174.38	1,785,066.15
4. Tax assets		
Deferred tax assets	4,937,094.25	6,946,737.83
Total non-current assets	**169,708,943.29**	**165,193,252.28**
II. Current assets		
1. Inventories	208,177.06	62,939.52
2. Trade receivables and other current financial assets	91,129,202.64	56,684,402.10
3. Tax assets		
Tax refunds	1,842,626.69	3,070,040.43
4. Cash and cash equivalents	230,311,126.97	195,938,594.25
Total current assets	**323,491,133.36**	**255,755,976.30**
Total assets	**493,200,076.65**	**420,949,228.58**

GROUP-BALANCE EQUITY AND LIABILITIES

In EUR	09/30/2009	12/31/2008
EQUITY AND LIABILITIES		
I. Shareholders' equity		
1. Subscribed capital	101,803,139.00	101,803,139.00
2. Capital reserve	11,207,017.49	10,722,517.49
3. Consolidated accumulated profits	119,568,187.19	94,453,905.44
4. Currency translation adjustment	(18,280.47)	(24,443.14)
Total shareholders' equity	**232,560,063.21**	**206,955,118.79**
II. LIABILITIES		
1. Non-current payables		
Non-current interest bearing bank loans	4,500,000.00	5,500,000.00
Other non-current payables	0.00	0.00
Deferred tax liabilities	5,568,660.68	4,642,133.26
	10,068,660.68	**10,142,133.26**
2. Current liabilities		
Trade payables	131,429,186.43	113,820,765.57
Current interest bearing bank loans and overdrafts	4,501,661.95	3,500,000.00
Other current provisions	1,604,347.48	1,526,723.74
Other current payables	4,959,144.47	4,534,330.17
Customer deposits from banking operations	105,615,275.03	78,738,777.72
Tax provisions	2,461,737.40	1,731,379.33
	250,571,352.76	**203,851,976.53**
Total liabilities	**260,640,013.44**	**213,994,109.79**
Total shareholders' equity and liabilities	**493,200,076.65**	**420,949,228.58**

CONSOLIDATED INCOME STATEMENT

in EUR		07/01/2009 - 09/30/2009		07/01/2008 - 09/30/2008
I. Sales revenues		**60,063,955.77**		**52,823,464.88**
II. Increase or decrease in inventories of finished goods, work-in-process, other own work capitalized		**1,160,927.52**		**999,600.00**
1. Other own work capitalized	1,160,927.52		999,600.00	
III. Operating expenses		**41,232,029.17**		**36,915,723.07**
1. Cost of materials	33,578,664.99		29,860,649.84	
2. Personnel expenses	6,533,440.60		6,174,360.25	
3. Amortization and depreciation	1,119,923.58		880,712.98	
IV. Other operating income and expenses		**(4,864,847.96)**		**(3,942,382.19)**
1. Other operating income	1,098,539.19		1,070,129.67	
2. Other operating expenses	5,963,387.15		5,012,511.86	
Net operating income		**15,128,006.16**		**12,964,959.62**
V. Financial result		**91,630.36**		**63,988.21**
1. Other interest and similar income	579,931.93		124,384.47	
2. Financial cost	488,301.57		60,396.26	
VI. Profit before taxes		**15,219,636.52**		**13,028,947.83**
VII. Income tax		**2,219,099.79**		**2,321,592.09**
VIII. Profit after taxes		**13,000,536.73**		**10,707,355.74**
IX. Profit carry forward		**106,567,650.46**		**70,924,903.44**
X. Profit capital decrease		**0.00**		**0.00**
XI. Consolidated accumulated profits		**119,568,187.19**		**81,632,259.18**
Earnings per share (basic)		0.13		0.11
Earnings per share (diluted)		0.13		0.10
Weight average shares outstanding (basic)		101,803,139		101,790,882
Weight average shares outstanding (diluted)		102,083,598		102,018,532

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in EUR	07/01/2009 - 09/30/2009	07/01/2008 - 09/30/2008
Profit after taxes	**13,000,536.73**	**10,707,355.74**
Exchange differences on translation of operations outside the euro zone	**(3,652.28)**	**1,525.72**
Recognized in profit or loss	0.00	0.00
Changes recognized outside profit or loss (exchange differences)	(3,652.28)	1,525.72
Total comprehensive income	**12,996,884.45**	**10,708,881.46**

	01/01/2009 - 09/30/2009		01/01/2008 - 09/30/2008	
	163,694,359.74		**141,084,847.75**	**I. Sales**
	3,378,311.48		**3,007,256.00**	**II. Increase or decrease in inventories of finished goods, work-in-process, other own work capitalized**
3,378,311.48		3,007,256.00		1. Other own work capitalized
	113,681,256.92		**98,018,552.21**	**III. Operating expenses**
91,448,922.81		77,880,505.43		1. Cost of materials
19,276,048.45		17,759,297.29		2. Personnel expenses
2,956,285.66		2,378,749.49		3. Amortization and depreciation
	(12,703,198.55)		**(10,861,161.79)**	**IV. Other operating income and expenses**
3,015,952.70		3,117,291.18		1. Other operating income
15,719,151.25		13,978,452.97		2. Other operating expenses
	40,688,215.75		**35,212,389.75**	**Net operating income**
	(526,008.77)		**58,010.80**	**V. Financial result**
838,701.09		560,948.50		1. Other interest and similar income
1,364,709.86		502,937.70		2. Financial cost
	40,162,206.98		**35,270,400.55**	**VI. Profit before taxes**
	6,903,674.11		**5,786,626.25**	**VII. Income tax**
	33,258,532.87		**29,483,774.30**	**VIII. Profit after taxes**
	86,309,654.32		**52,148,484.88**	**IX. Profit carry forward**
	0.00		**0.00**	**X. Profit capital decrease**
	119,568,187.19		**81,632,259.18**	**XI. Consolidated accumulated profits**
	0.33		0.29	Earnings per share (basic)
	0.33		0.29	Earnings per share (diluted)
	101,803,139		101,790,094	Weight average shares outstanding (basic)
	102,083,598		102,017,744	Weight average shares outstanding (diluted)

	01/01/2009 - 09/30/2009		01/01/2008 - 09/30/2008	
	33,258,532.87		**29,483,774.30**	**Profit after taxes**
	6,162.67		**(3,146.52)**	**Exchange differences on translation of operations outside the euro zone**
	0.00		0.00	Recognized in profit or loss
	6,162.67		(3,146.52)	Changes recognized outside profit or loss (exchange differences)
	33,264,695.54		**29,480,627.78**	**Total comprehensive income**

CONSOLIDATED CASH FLOW FROM OPERATING ACTIVITIES (ADJUSTED FOR TRANSACTION VOLUMES OF A TRANSITORY NATURE)

in EUR	01/01/2009 - 09/30/2009	01/01/2008 - 09/30/2008
Net operating income	**40,688,215.75**	**35,212,389.75**
Gains/losses from disposal of consolidated companies	0.00	0.00
Gains/losses on plant and equipment	51,548.84	4,100.16
Amortization/depreciation/write-ups of non-current assets	2,956,285.66	2,378,749.49
Changes due to currency translation	(1,125.03)	2,046.84
Changes in inventories	(145,237.54)	(514,339.85)
Changes in trade receivables (adjusted for transaction volume of a transitory nature)	(8,629,818.00)	4,172,782.96
Changes in other assets	(817,922.32)	(192,246.70)
Changes in provisions	807,981.81	(2,050,982.06)
Changes in trade payables (adjusted for transaction volume of a transitory nature)	2,327,723.36	(4,823,129.40)
Changes in other current liabilities	424,814.30	(10,852,421.06)
Other non-cash income/expenses	(1,716,054.75)	(184,352.62)
Income taxes paid	(2,289,598.18)	(2,978,988.62)
Interest paid (excl. interest for loans)	(398,594.10)	(129,327.86)
Interest received	600,870.48	465,928.66
Elimination of purchase price liabilities	29,324.34	4,510,442.48
Cash flow from operating activities	**33,888,414.62**	**25,020,652.17**

In accordance with the business model, the transaction volumes from the Acquiring business are reported under the item of Trade receivables as receivables from credit card organizations and banks. At the same time, these business transactions give rise to liabilities to merchants, amounting to the transaction volume (less our commissions and charges). Receivables and liabilities (less our commissions and charges) are transitory in nature and subject to substantial fluctuations from one reference date to another.

Only our charges and commissions reported under the “Sales revenues” line item have an impact on our Income Statement, not the total amount receivable. Against this backdrop, Wirecard has decided to present a further statement in addition to the usual cash flows from operating activities in order to eliminate those items that are merely transitory in nature. This is intended to facilitate a simpler identification and reporting of the cash-relevant portion of the Company’s results.

CONSOLIDATED CASH FLOW STATEMENT

in EUR	01/01/2009 - 09/30/2009	01/01/2008 - 09/30/2008
Net operating income	**40,688,215.75**	**35,212,389.75**
Gains/losses from disposal of consolidated companies	0.00	0.00
Gains/losses on plant and equipment	51,548.84	4,100.16
Amortization/depreciation/write-ups of non-current assets	2,956,285.66	2,378,749.49
Changes due to currency translation	(2,128,820.97)	2,046.84
Changes in inventories	(145,237.54)	(514,339.85)
Changes in trade receivables	(34,097,030.42)	3,028,417.80
Changes in other assets	(817,922.32)	(192,246.70)
Changes in provisions	807,981.81	(2,050,982.06)
Changes in trade payables*	19,337,082.55	(35,907,476.50)
Changes in other current liabilities	424,814.30	(10,852,421.06)
Other non-cash income/expenses	(1,716,054.75)	(184,352.62)
Income taxes paid	(2,289,598.18)	(2,978,988.62)
Interest paid (excl. interest for loans)	(398,594.10)	(129,327.86)
Interest received	600,870.48	465,928.66
Elimination of purchase price liabilities	29,324.34	4,510,442.48
Cash flow from operating activities	**23,302,865.45**	**(7,208,060.09)**
Cash paid for investments in intangible assets and property, plant and equipment	(7,367,260.17)	(6,565,786.12)
Cash received from sale of intangible assets and property, plant and equipment	0.00	0.00
Cash paid for investments in financial assets	0.00	(2,680.00)
Cash received from sale of financial assets	0.00	0.00
Cash paid for the acquisition of consolidated entities less cash acquired	0.00	(1,910,442.48)
Cash received for the sale of entities and shares of consolidated entities	0.00	0.00
Cash flow from investing activities	**(7,367,260.17)**	**(8,478,908.60)**
Proceeds from issue of shares	0.00	129,733.87
Payments for costs incurred in issuing shares	0.00	0.00
Cash received from finance liabilities	0.00	0.00
Payments for costs incurred in financial liabilities	0.00	0.00
Cash paid for financial liabilities	0.00	0.00
Dividends paid	(8,144,251.12)	0.00
Interest paid	(303,143.37)	(373,609.84)
Cash flow from financing activities	**(8,447,394.49)**	**(243,875.97)**
Net change in cash and cash equivalents	**7,488,210.79**	**(15,930,844.66)**
Adjustments due to currency translation	6,162.67	(3,146.52)
Adjustments due to consolidation items	0.00	(1,394.64)
Cash and cash equivalents as of beginning of period	117,199,816.53	115,306,880.20
Cash and cash equivalents as of end of period	**124,694,189.99**	**99,371,494.38**
Non-cash related increase in equity hereof	490,662.67	481,353.48
Changes in currency translation	6,162.67	(3,146.52)
Changes in capital reserve due to personnel expenses SOP	484,500.00	484,500.00

* With regard to the comparability, reference is made under 1.2. Principles and valuation methods

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Common stock	
	Number of shares issued	Nominal value
		EUR
Balance as of December 31, 2007	**81,429,915**	**81,429,915.00**
Profit after taxes		
Capital increase from company funds	20,357,967	20,357,967.00
Contingent capital increase (convertibles)	12,657	12,657.00
Changes due to currency translation		
Balance as of September 30, 2008	**101,800,539**	**101,800,539.00**
Balance as of December 31, 2008	**101,803,139**	**101,803,139.00**
Profit after taxes		
Dividends paid		
Contingent capital increase (convertibles)	0	0.00
Changes due to currency translation		
Balance as of September 30, 2009	**101,803,139**	**101,803,139.00**

Capital reserve	Consolidated accumulated profit and losses	Currency translation adjustment	Total Shareholders' Equity
EUR	EUR	EUR	EUR
30,313,960.02	**52,148,484.88**	**(4,232.77)**	**163,888,127.13**
	29,483,774.30		**29,483,774.30**
(20,357,967.00)			**0.00**
601,576.87			**614,233.87**
		(3,146.52)	**(3,146.52)**
10,557,569.89	**81,632,259.18**	**(7,379.29)**	**193,982,988.78**
10,722,517.49	**94,453,905.44**	**(24,443.14)**	**206,955,118.79**
	33,258,532.87		**33,258,532.87**
	(8,144,251.12)		**(8,144,251.12)**
484,500.00			**484,500.00**
		6,162.67	**6,162.67**
11,207,017.49	**119,568,187.19**	**(18,280.47)**	**232,560,063.21**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2009

1. Disclosures relating to the Company and its valuation principles

1.1. Company operations and legal situation

Wirecard AG, Bretonischer Ring 4, 85630 Grasbrunn (hereafter referred to as "Wirecard" or "the Company") was established on May 6, 1999.

CONSOLIDATION PERIMETER

As at September 30, 2009 16 companies were fully consolidated (September 30, 2008: 16 companies).

SUBSIDIARIES OF WIRECARD AG	Shares
Click2Pay GmbH, Grasbrunn (Germany)	100%
InfoGenie Ltd., Windsor, Berkshire (United Kingdom)	100%
Wirecard (Gibraltar) Ltd., (Gibraltar)	100%
Trustpay International AG, Grasbrunn (Germany)	100%
Wirecard Payment Solutions Holdings Ltd., Dublin (Ireland)	100%
Wirecard Payment Solutions Ltd., Dublin (Ireland)	100%
Herview Ltd., Dublin (Ireland)	100%
Qenta paymentsolutions Beratungs und Informations GmbH, Klagenfurt (Austria)	100%
webcommunication EDV Dienstleistungs und Entwicklungs GmbH, Graz (Austria)	100%
Wirecard Technologies AG, Grasbrunn (Germany)	100%
Wirecard Communication Services GmbH, Leipzig (Germany)	100%
Wirecard Retail Services GmbH, Grasbrunn (Germany)	100%
cardSystems FZ-LLC, Dubai (United Arabian Emirates)	100%
Pro Card Kartensysteme GmbH, Grasbrunn (Germany)	100%
Wire Card Beteiligungs GmbH, Grasbrunn (Germany)	100%
Wirecard Bank AG, Grasbrunn (Germany)	100%

For the consolidation perimeter the same accounting and valuation principles were applied. Shares and voting rights are identical.

1.2. Principles and valuation methods

PRINCIPLES

The quarterly and nine months financial statements as at September 30, 2009, like the consolidated Annual Financial Statements as at December 31, 2008, were prepared in accordance with IAS/IFRS as applicable in the EU. The notes to the consolidated annual financial statements as at December 31, 2008 also apply accordingly to the present quarterly and nine months financial statements. Any departures from the above are explained below. In addition, IAS 34 "Interim Financial Reporting" was applied.

PRESENTATION

In September 2007, the IASB published changes to IAS 1 (Presentation of Financial Statements). These comprise proposals on renaming individual components of the financial statements, the duty to disclose an opening balance sheet for the preceding year in certain circumstances, a separate presentation of equity capital transactions with shareholders and non-shareholders, as well as the duty to report income tax effects per component separately in the “List of income and expenses recorded”. This amendment is to be applied for the first time to fiscal years beginning on or after January 1, 2009.

For this reason, the disclosures and presentation were changed accordingly. As a result, an overall Group income statement has been added to the consolidated income statement.

In November 2008 the European Parliament enacted the adoption of IFRS 8 (Operating Segments). IFRS 8 supersedes IAS 14 (Segment Reporting). This standard calls on companies to disclose financial and descriptive information on their segments subject to mandatory reporting. Segments subject to mandatory reporting are segments or summaries of operating segments that meet certain criteria. Operating segments are those components of a company for which separate financial information is available, which the company’s chief operating decision-maker inspects on a regular basis to determine the company’s commercial success and to decide how resources are to be allocated or distributed. In general, financial information needs to be disclosed on the basis of internal control activities. This allows management to assess the commercial success of the operating segments and to decide how resources are to be assigned to the operating segments. IFRS 8 is to be applied to fiscal years beginning on or after January 1, 2009.

For this reason, in the nine months report as well as in the 1st quarter and half-year financial report 2009, the disclosures and presentation were changed accordingly. While the same segments on which reports were disclosed in accordance with IAS 14 are also reported in

accordance under IFRS 8, due to the changed requirements the presentation is not identical to that of the consolidated financial statements as at December 31, 2008.

COMPARABILITY

Owing to changes in the contractual terms and conditions between Wirecard and a third-party acquirer, outstanding payments to merchants in this field are no longer to be reported as trade payables since they are no longer to be assigned to Wirecard and any liability on the part of Wirecard must be ruled out for such amounts. Against this backdrop, the comparability of the items cash & cash equivalents and trade payables is restricted. If these funds were to continue to be accounted for by Wirecard, the balance sheet items would be up by TEUR 24,149 (December 31, 2008: TEUR 26,323). The same applies to the cash flow from current business activities that have not been adjusted for transaction volumes. This cash flow for 2009 would be improved by this amount. The cash flow from current business activities (adjusted for transaction volumes of a transitory nature) is comparable without any restrictions whatsoever.

ACCOUNTING AND VALUATION METHODS

In the course of preparing the quarterly and nine months financial statements as at September 30, 2009, the same accounting and valuation principles were used as for the last consolidated annual financial statements (December 31, 2008) and in the previous-year period under review (January 1, 2008 through September 30, 2008). For more detailed information please refer to the Annual Statement as per December 31, 2008.

PROFIT TRANSFER AGREEMENTS

In the nine months financial statements as at September 30, 2009, the profit transfer agreements in place between Click2Pay GmbH and Wirecard Technologies AG as dependent companies, and of Wirecard AG as the controlling company were taken into account. These profit transfer agreements were entered into the companies´ register in 2004 (Click2Pay GmbH) and 2005 (Wirecard Technologies AG).

2. Notes to the Group-Balance assets
2.1. Intangible assets

Intangible assets include goodwill, self-provided intangible assets, other intangible assets and Customer-relationships.

GOODWILL

In accordance with the Group's accounting policies, goodwill is assessed at least once a year for possible impairments (the last occasion being December 31, 2008). The determination of the achievable amount of a business area to which goodwill was assigned is based on estimates by management. The Company determines these values using valuation methods based on discounted cash flows. These discounted cash flows are in turn based on periodical forecasts based on financial budgets approved by management. The cash flow forecasts take account of past experience and are based on the best estimates by management of future trends.

Goodwill amounting to TEUR 90,289 (December 31, 2008: TEUR 90,289) is reported in the following cash-generating units:

GOODWILL

in TEUR	09/30/2009	12/31/2008
Payment Processing & Risk Management	65,984	65,984
Acquiring & Issuing	24,017	24,017
Call Center & Communication Services	288	288
	90,289	**90,289**

SELF-PROVIDED INTANGIBLE ASSETS

In the first nine months 2009, software worth TEUR 3,378 was developed in-house and capitalized. The software was programmed for the "Payment Processing & Risk Management"-segment. It will be written off using the straight-line method over the course of its useful economic life. The period in question is ten years.

OTHER INTANGIBLE ASSETS

Other intangible assets, in addition to the software for the individual workstations, essentially consist of software acquired for and used by the "Payment Processing & Risk Management" and "Acquiring & Issuing" segments. This will be written off using the straight-line method over the course of its useful economic life. The relevant period ranges from three to ten years. In the period under review, Wirecard received software that had been ordered and partially paid for the Asia/Pacific region. Accordingly, there was only a remaining advance payment for software of TEUR 15 (December 31, 2008: TEUR 2,510).

CUSTOMER-RELATIONSHIPS

Customer-relationships refer to acquired customer portfolios and those resulting from companies being consolidated. Subject to an indefinite useful life are customer-relationships in the amount of TEUR 42,775. These are therefore subjected to regular impairment testing (the last occasion being December 31, 2008). The remaining customer-relationships (September 30, 2009: TEUR 4,463) are written off using the straight-line method over the course of ten years. This sum includes European customer-relationships newly acquired in the third quarter, consisting in particular of 200 small to medium-sized eCommerce merchants in the amount of TEUR 2,180. Moreover, ancillary acquisition costs of TEUR 82 and expenses for implementation of TEUR 463 were taken into account. For fiscal 2010, a contribution to operating profit before interest, taxes, depreciation and amortization (EBITDA) of 0.3 to 0.5 million euros is anticipated.

2.2. Tangible assets

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment include office and business equipment. Office equipment is stated at cost and depreciated using the straight-line method over its estimated useful life. For computer hardware this period is three to five years, and generally up to ten years for office equipment and furniture.

Any gains and losses on disposal of fixed assets are recorded as other operating income and expenses, respectively. Maintenance and minor repairs are reported with an impact on profit and loss.

2.3. Financial assets

Financial assets refer to loans, holdings and shares in non-consolidated companies. The major loan relates to a non-interest bearing customer loan to a sales partner (TEUR 3,054 after discounting). Due to a change in the term to maturity of an existing receivable, this item increased in the period under review.

2.4. Tax assets

DEFERRED TAX ASSETS

Tax assets/deferred taxes refer to loss carry-forwards and their realizability as well as temporary differences between the tax balance sheet figures and Group earnings in accordance with IFRS. Deferred tax assets are recognized in accordance with IAS 12.15-45. The Company utilizes the balance-sheet-oriented liability method of accounting for deferred taxes in accordance with IAS No. 12. Under the liability method, deferred taxes are determined according to the temporary differences between the valuation rates of asset and liability items in the consolidated financial statements and the tax balance sheets, as well as taking account of the tax rates in effect at the time the aforesaid differences were reversed. Valuation allowances to deferred tax assets are made if the probability of a tax benefit being realized is below 50 percent (IAS 12, Paragraph 24).

2.5. Inventories

The inventories reported TEUR 208 (December 31, 2008: TEUR 63) referred to goods, particularly such as terminals and debit cards. The valuation was made in accordance with IAS 2.

2.6. Trade receivables and other current financial assets

Trade receivables are non-interest-bearing and are measured at their nominal amount or the lower value as at the balance sheet date. The transaction volume of the Wirecard Group is also reported under trade receivables as a receivable from credit card organizations and banks. At the same time, this business transaction gives rise to liabilities to our merchants, amounting to the transaction volume less our charges.

Only our charges included in sales revenues have an impact on profit and loss, not the entire amount receivable.

Depending on the age structure of receivables, uniform valuation adjustments are made to receivables throughout the Group.

2.7. Cash and cash equivalents

The Cash and cash equivalents item (September 30, 2009: TEUR 230,311; December 31, 2008: TEUR 195,939) lists cash in hand and credit balances with banks (sight and time deposits and overnight call money). These also include resources from current customer deposits of Wirecard Bank AG (September 30, 2009: TEUR 105,615; December 31, 2008: TEUR 78,739) and the major part of funds derived from the Bank's acquiring business (September 30, 2009: TEUR 95,620; December 31, 2008: TEUR 35,662). With regard to the comparability, reference is made to the relevant passage under 1.2. Principles and valuation methods.

3. Notes to the Group-Balance equity and liabilities
3.1. Subscribed capital

The level of subscribed capital amounted to EUR 101,803,139.00 as at September 30, 2009 and is divided up into 101,803,139 no-par value-bearer shares with a value based on a notional common stock of EUR 1.00 each.

CONTINGENT CAPITAL

Contingent capital 2004/I did not change in the period under review and thus remains at EUR 997,927.25.

Contingent capital 2008/I, amounting to EUR 3,053,700.00, likewise remained unchanged.

3.2. Capital reserve

The change in the capital reserve of TEUR 10,723 by TEUR 485 to TEUR 11,207 is attributable to the convertible bonds issued in 2007, which also increased the level of capital reserves in 2009. In line with this issue of new convertible bonds, personnel expenditure also increased by TEUR 485 in the period under review.

With regard to the consolidated equity movements for the first nine months 2009, reference is made to the table “Consolidated Statement of Changes in Equity”.

3.3. Non-current payables

Non-current payables are classified into Non-current interest bearing bank loans, other non-current payables and deferred tax liabilities.

NON-CURRENT INTEREST BEARING BANK LOANS

Non-current interest-bearing bank loans, amounting to TEUR 4,500 serve to finance the customer portfolio acquired in 2006 and 2007. According to agreements entered into, repayment is scheduled to be made in annual installments by the year 2012. Repayments due in the short term are reported under current interest-bearing liabilities

DEFERRED TAX LIABILITIES

Deferred tax liabilities, amounting to TEUR 5,569, relate to temporary differences between tax balance sheet figures and the consolidated financial statements according to IFRS and are reported under non-current liabilities.

3.4. Current liabilities

Current liabilities are classified into trade payables, current interest bearing bank loans and overdrafts, other current provisions, other current payables, customer deposits from banking operations and tax provisions.

TRADE PAYABLES

Trade payables are owed chiefly to merchants/online traders. In consideration of payables in the acquiring segment Wirecard Bank AG accounts for TEUR 96,441 of such trade payables. With regard to the comparability, reference is made to the relevant passage under 1.2. Principles and valuation methods.

CURRENT INTEREST BEARING BANK LOANS AND OVERDRAFTS

Interest-bearing loans and overdrafts, amounting to TEUR 4,502 (December 31, 2008: TEUR 3,500) with a share of TEUR 4,500, represent the current portion of the financing relating to the customer portfolios acquired in 2007 and 2006 as well as short-term current account overdraft facilities (TEUR 2).

OTHER CURRENT PROVISIONS

The main other non-current provisions (TEUR 1,604) essentially concerned process risks (TEUR 226) and costs associated with the financial statements and auditing (TEUR 955). Wirecard Bank AG accounted for TEUR 98 of these provisions.

OTHER CURRENT PAYABLES

Other liabilities (TEUR 4,959) essentially consist of deferred liabilities (TEUR 3,094), the convertible bonds from the employee stock option program (TEUR 572), suspense accounts and payroll liabilities. In addition, TEUR 750 were carried as liabilities as part of an income-dependent component from the sale of the customer portfolio.

CUSTOMER DEPOSITS FROM BANKING OPERATIONS

This line item includes customer deposits amounting to TEUR 105,615 (December 31, 2008: TEUR 78,739) with Wirecard Bank AG.

TAX PROVISIONS

Tax provisions essentially relate to provisions set up for income taxes of Wirecard Bank AG (TEUR 493), Wirecard AG (TEUR 1,355) and of Wirecard Payment Solutions Holdings Ltd. (TEUR 614).

4. Notes to the consolidated income statement
4.1. Sales revenues

Sales revenues of the Group (TEUR 163,694) are generated by the segments "Call Center & Communication Services", "Payment Processing & Risk Management" as well as the proceeds generated from commission payments of the "Acquiring & Issuing" business division of Wirecard Bank AG. Moreover, the interest income generated by Wirecard Bank AG (TEUR 825) is reported under revenues in accordance with IAS 18.5 (a). A detailed breakdown of revenues is shown under segment reporting.

4.2. Cost of materials

The cost of materials essentially consists of charges of the credit card issuing banks (Interchange), charges to credit card companies (e.g. MasterCard and Visa) as well as transaction-related charges (e.g. in the field of risk management services).

The cost of materials of Wirecard Bank AG includes expenditure incurred by the Acquiring, Issuing and Payment Transactions business divisions. This includes the production costs of credit cards and the transaction costs for payment processes executed.

4.3. Personnel expenses

Expenditure on personnel in the first nine months of 2009 amounts to TEUR 19,276 (9M/2008: TEUR 17,759).

At the reporting reference date (September 30, 2009), the Group employed 349 full-time staff members, including the Management Board, (September 30, 2008: 318) and 123 part-time workers (September 30, 2008: 106). The Group also employs one trainee treated as full-time employee.

The employees were engaged in the following functions:

EMPLOYEES

	09/30/2009	09/30/2008
Board of Management	3	3
Distribution	93	82
Administration	87	81
Customer Service	172	153
Research and Development and IT	117	105
Total	*** 472**	****424**

* thereof 123 part-time employees   * thereof 106 part-time employees

4.4. Other operating income

Other operating income (TEUR 3,016) essentially consists of income from contractual arrangements with suppliers for financial services, of revaluation adjustments to liabilities and of the compensation of benefits in kind.

4.5. Other operating expenses

Breakdown of other operating expenses:

OTHER OPERATING EXPENSES

in TEUR	9M 2009	9M 2008
Legal and Audit expenses	1,713	2,265
Consulting expenses	3,657	2,609
Office expenses	1,835	1,714
Equipment and Leasing	2,515	2,149
Sales and Marketing	3,541	2,997
Other	2,458	2,244
Total	**15,719**	**13,978**

4.6. Financial result

The financial result is TEUR (526) (9M/2008: TEUR 58). Consolidated financial expenditures in the first nine months of 2009, amounting to TEUR 1,365 (9M/2008: TEUR 503) comprised currency-related expenses incurred in deploying currency options to hedge TEUR 624 in positions denominated in foreign currency, offset by TEUR 404 in gains, as well as expenses arising from loans taken out for corporate acquisitions in the past.

In accordance with IAS 18.5 (a), interest income recorded by Wirecard Bank AG is not reported under net financial income but under sales revenues. We refer you to the chapter 4.1. Sales revenues as well as to chapter 6. Segment reporting.

4.7. Taxes on income and deferred taxes

On balance, the consolidated income statement for the period from January 1, 2009 through September 30, 2009 includes an income tax expense item of TEUR 6,904. Of this sum TEUR 926 essentially pertains to additions to deferred tax liabilities and TEUR 2,010 pertains to the utilization of deferred tax assets and the income tax burdens determined for the Group member companies on the basis of the tax calculations from the first nine months 2009. The cash-relevant tax quote (without deferred taxes) amounts to 9.9 percent (September 30, 2008: 10.3 percent). Due to tax refunds from previous years, this ratio – at 8.1 percent – is lower than in the previous-year period (11.7 percent).

5. Notes to the consolidated cash flow statements

The Group's cash flow account is prepared in accordance with IAS 7 (Cash flow statements). It discloses the payment flows in order to determine the source and application of cash and cash equivalents. In the process it distinguishes between changes in funding based on current business, investment and financing activities.

METHOD USED TO DETERMINE CASH AND CASH EQUIVALENTS

For purposes of the cash flow statement, a cash fund is used, consisting of cash and cash equivalents. Cash includes cash in hand and sight deposits with banks.

Cash equivalents consist of current, extremely liquid financial investments that can be converted at any time into certain amounts of cash and are subject to only negligible fluctuations in value.

As at September 30, 2009 and September 30, 2008 (previous year), respectively, no cash equivalents were held, only cash.

RECONCILIATION STATEMENT TO THE BALANCE OF FINANCIAL RESOURCES ACCORDING TO IAS 7.45

The balance of financial resources at the end of the period includes cash in hand and bank balances included in the cash and cash equivalents line item (September 30, 2009: TEUR 230,311; September 30, 2008: TEUR 171,446), less current (immediately due and payable) liabilities to banks (September 30, 2009: TEUR 2; September 30, 2008: TEUR 355) included in the current, interest-bearing liabilities line item.

In addition, current customer deposits from banking operations (September 30, 2009: TEUR 105,615; September 30, 2008: TEUR 71,720) were deducted or taken into account in the balance of financial resources (IAS 7.22).

Current customer deposits are fully due and payable on a daily basis and are reported under other liabilities (customer deposits) on the liabilities side of Wirecard’s consolidated annual financial statements. These customer funds are comparable in economic terms with short-term (bank) current account loans or overdraft facilities.

On the assets side, separate accounts have been set up for these funds, which may not be used for any other business purposes. Against this backdrop, deposits are held with the central bank and sight or short-term deposits are maintained with banks in the total amount of these customer deposits. These are reported both in the Wirecard Group and at the Wirecard Bank under cash and cash equivalents line item in the balance sheet.

The effects of currency translation and changes to the consolidation perimeter are adjusted in the course of the calculation.

FINANCIAL RESOURCES

in TEUR	09/30/2009	09/30/2009	09/30/2008	09/30/2008
Cash and cash equivalents	230,311		171,446	
of which, cash (cash in hand and bank balances)		230,311		171,446
of which, cash equivalents		0		0
Current, interest-bearing liabilities	(4,502)		(3,855)	
of which, current liabilities to bank		(2)		(355)
Reconciliation with the balance of financial resources		**230,309**		**171,091**
Cash and cash equivalents				
of which, current customer deposits from banking operations		(105,615)		(71,720)
Acquiring deposits in Wirecard Bank AG	95,620		39,711	
Balance of financial resources at end of period		**124,694**		**99,371**

5.1. Cash flow from operating activities

Due to the special system involved in Acquiring, which is essentially characterized by business model-inherent effects attributable to the reference dates in question, Wirecard presents a further statement in addition to the usual cash flows from operating activities to eliminate those items that are merely transitory in nature. These addenda will make it easier to identify and depict the cash-relevant portion of the Company's business figures.

The cash flow from current business operations is determined according to the indirect method by initially adjusting Group earnings to take account of transactions, with no impact on payments, accruals, deferrals or provisions relating to past or future deposits or disbursements as well as income and expenditure items to be allocated to the field of investments or finance.

After taking the changes to net current assets into account, this results in an inflow/outflow of funds from current business operations. The inflow/outflow of funds from current business operations is determined by augmenting the company's interest and tax payments.

The essential reasons for the development of changes in relation to the previous year:

In the first nine months of 2009 the cash flow from current business activities (adjusted for transaction volumes of a transitory nature) improved by TEUR 8,868 from TEUR 25,021 to TEUR 33,888. Without making adjustments for transaction volumes of a transitory nature, this would result in a notional cash flow of TEUR 23,303, which improved by TEUR 30,511 in relation to the previous nine months (TEUR (7,208)). Especially the previous year´s cash flow was impacted by reference date-related effects and delayed payouts due to public holidays between the fourth quarter 2007 and the 1st quarter 2008.

Owing to changes in the contractual terms and conditions between Wirecard and a third-party acquirer, outstanding payments to merchants in this field are no longer to be reported as trade payables since they are no longer to be attributed to Wirecard. Accordingly, the cash flow from current business activities that has not been adjusted for transaction volumes is comparable only to a limited extend and would be up by TEUR 24,149 if given the same treatment in accounting terms. The cash flow from current business activities (adjusted for transaction volumes of a transitory nature) is comparable without any restrictions whatsoever. For further details, reference is made to the section on comparability under 1.2. Principles and valuation methods.

INTEREST RECEIVED/PAID IN ACCORDANCE WITH IAS 7.31

Interest received in the first nine months 2009 came to TEUR 601 (previous year: TEUR 466). Interest paid in 2009, excluding interest on loans, amounted to TEUR 399 (previous year: TEUR 129). Both were recognized in the cash flow in current business activities.

Respective cash flows from interests received and interests paid are classified as operating activity.

Interests paid for loans in the first nine months 2009 amounted to TEUR 303 (previous year: TEUR 374) and are reported under cash flow from investment activities.

CASH FLOW FROM INCOME TAXES IN ACCORDANCE WITH IAS 7.35 UND 7.36

Income taxes paid in the first nine months of 2009 (cash flows from income taxes and disbursement balance of income tax payments and income tax receipts) amounted to TEUR 2,290 (previous year period: TEUR 2,979). The cash flows from income taxes received and from income taxes paid were each consistently classified as operating activities.

5.2. Cash flow from investment activities

The cash flow from investment activity is the result of the inflow of funds from non-current assets (excluding deferred taxes) and the outflow of funds for investments in non-current assets (excluding deferred taxes). The outflow of funds arising from investment activities amounted to TEUR 7,367 in the first nine months of 2009 (9M/2008: TEUR 8,479). Thereof TEUR 3,378 are related to self-provided intangible assets and for the investment in customer-relationships in the third quarter TEUR 1,807.

5.3. Cash flow from financing activities

In the nine month period under review, the cash flow from financing activities decreased from TEUR (244) by TEUR 8,204, to TEUR (8,447).

The cash flow from financing activities in the amount of TEUR 8,144 resulted from the dividends paid due to the resolution of the shareholders' meeting June 18, 2009.

5.4. Financial resource at end of period

Taking account of these inflows and outflows (9M/2009: TEUR 7,488; 9M/2008: TEUR (15,931)), of the changes to the financial resource fund due to exchange rate–consolidation perimeter and valuation related factors (9M/2009: TEUR 6; 9M/2008: TEUR (3)); and of the financial resource fund at the beginning of the period (December 31, 2008: TEUR 117,200; December 31, 2007: TEUR 115,307), the financial resource fund at the end of the period amounted to TEUR 124,694 (9M/2008: TEUR 99,371).

6. Segment reporting

Since first quarter of 2009, accounting standard IFRS 8 (Operating segments) was applied for the first time. The same valuation principles used in the consolidated annual and interim financial statements are applied to the calculation and measurement of all items of the balance sheet and income statement. Accordingly, reference is made to Section 1.2. Principles and valuation methods.

Segments subject to mandatory disclosure are also determined in accordance with internal reporting, in addition to such scale categories as sales revenues and segment earnings. Next to sales revenues, other internal measurement criterion is the EBIT contribution, which is why EBIT is also reported as part of segment results. The settlement of services between the segments is made on the basis of third-party comparisons. Within the scope of internal reporting to the main decision-makers, balance-sheet assets, interest and taxes are not reported at segment level.

Sales revenues are segmented into the following operating divisions: Distinctions are drawn here between the Payment Processing & Risk Management, Acquiring & Issuing and Call Center & Communication Services divisions. The Acquiring & Issuing segment comprises all business divisions of Wirecard Bank AG and is reported separately on account of its increasing significance for the Wirecard Group.

Payment Processing & Risk Management (PP&RM) is the largest segment for the Wirecard Group. All products and services from the comprehensive portfolio of financial services are listed in this division.

The **Acquiring & Issuing** (A&I) segment completes and extends the value added chain of the Wirecard Group with the financial services provided via Wirecard Bank AG. In the Acquiring business segment, merchants are offered statements of credit card sales revenues for online and terminal payments.

In addition, traders can process their transaction-oriented payment transactions in numerous currencies via accounts kept with Wirecard Bank AG. In the field of Issuing, prepaid cards are issued to end customers and to business clients, with end customers also being offered current (giro) accounts combined with prepaid cards and ec-/Maestro cards.

Call Center & Communication Services (CC&CS) is the segment in which we report the complete value-added depth of our call center activities, with the other products such as after-sales service to our customers and mailing activities included as sub-categories.

Sales revenues are also reported geographically by production sites. The Europ" segment includes Wirecard (Gibraltar) Ltd., InfoGenie Ltd. (UK), the Marielle Invest Business Corp (until final consolidation in 2008) and the companies Wirecard Payment Solutions Holdings Ltd., Dublin (Ireland), together with its subsidiaries; Qenta paymentsolutions Beratungs- und Informations GmbH, Klagenfurt (Austria), and webcommunication EDV Dienstleistungs und Entwicklungs GmbH, Graz (Austria). The Other countries segment includes CardSystems FZ-LLC. All other group companies are accounted for under Germany.

BREAKDOWN OF TOTAL REVENUES BY OPERATING DIVISIONS

in TEUR	9M 2009	9M 2008	Q3 2009	Q3 2008
Payment Processing & Risk Management	155,886	131,157	57,547	48,361
Acquiring & Issuing	50,694	28,496	19,503	11,825
Call Center & Communication Services	3,305	3,316	1,064	814
	209,885	**162,969**	**78,114**	**61,000**
Consolidations	*(46,191)	**(21,884)	***(18,050)	****(8,177)
	163,694	**141,085**	**60,064**	**52,823**

* thereof PP&RM TEUR 1,021; A&I TEUR 43,783; CC&CS TEUR 1,387; ** thereof PP&RM TEUR 0; A&I TEUR 21,365; CC&CS TEUR 519; *** thereof PP&RM TEUR 355; A&I TEUR 17,249; CC&CS TEUR 446;**** thereof PP&RM TEUR 0 A&I TEUR 8,038; CC&CS TEUR 139;

EBITDA BY OPERATING DIVISIONS

in TEUR	9M 2009	9M 2008	Q3 2009	Q3 2008
Payment Processing & Risk Management	30,257	26,906	11,464	9,108
Acquiring & Issuing	13,332	10,474	4,752	4,667
Call Center & Communication Services	56	(194)	32	(74)
	43,645	**37,186**	**16,248**	**13,701**
Consolidations	0	405	0	145
	***43,645**	****37,591**	*****16,248**	******13,846**

thereof: with no impact on cash flow: *TEUR (485) from SOP; TEUR 3,378 own work capitalized; **TEUR (485) from SOP; TEUR 3,007 own work capitalized; ***TEUR (161) from SOP; TEUR 1,161 own work capitalized; ****TEUR (161) from SOP; TEUR 1,000 own work capitalized

EBIT BY OPERATING DIVISIONS

in TEUR	9M 2009	9M 2008	Q3 2009	Q3 2008
Payment Processing & Risk Management	27,417	24,621	10,384	8,262
Acquiring & Issuing	13,276	10,452	4,732	4,656
Call Center & Communication Services	(5)	(266)	12	(98)
	40,688	**34,807**	**15,128**	**12,820**
Consolidations	0	405	0	145
	***40,688**	****35,212**	*****15,128**	******12,965**

thereof: with no impact on cash flow: *TEUR (485) from SOP; TEUR 3,378 own work capitalized; **TEUR (485) from SOP; TEUR 3,007 own work capitalized; ***TEUR (161) from SOP; TEUR 1,161 own work capitalized; ****TEUR (161) from SOP; TEUR 1,000 own work capitalized

REGIONAL REVENUE BREAKDOWN

in TEUR	9M 2009	9M 2008	Q3 2009	Q3 2008
Germany	106,615	81,738	38,431	32,043
Europe	80,959	67,992	32,406	24,409
Other countries	0	5	0	4
	187,574	**149,735**	**70,837**	**56,456**
Consolidations	*(23,880)	**(8,650)	***(10,773)	****(3,633)
	163,694	**141,085**	**60,064**	**52,823**

* thereof G TEUR 23,747; E TEUR 133
** thereof G TEUR 8,650; E TEUR 0;
*** thereof G TEUR 10,700; E TEUR 73
**** thereof G TEUR 3,633; E TEUR 0;

EBITDA BY REGIONS

in TEUR	9M 2009	9M 2008	Q3 2009	Q3 2008
Germany	19,817	13,137	6,756	4,445
Europe	23,890	24,528	9,512	9,420
Other countries	(62)	(74)	(20)	(19)
	43,645	**37,591**	**16,248**	**13,846**
Consolidations	0	0	0	0
	***43,645**	****37,591**	*****16,248**	******13,846**

thereof: with no impact on cash flow: *TEUR (485) from SOP; TEUR 3,378 own work capitalized; **TEUR (485) from SOP; TEUR 3,007 own work capitalized; ***TEUR (161) from SOP; TEUR 1,161 own work capitalized; ****TEUR (161) from SOP; TEUR 1,000 own work capitalized

EBIT BY REGIONS

in TEUR	9M 2009	9M 2008	Q3 2009	Q3 2008
Germany	17,866	11,714	5,968	3,186
Europe	22,884	23,873	9,181	9,898
Other countries	(62)	(375)	(21)	(119)
	40,688	**35,212**	**15,128**	**12,965**
Consolidations	0	0	0	0
	***40,688**	****35,212**	*****15,128**	******12,965**

thereof: with no impact on cash flow: *TEUR (485) from SOP; TEUR 3,378 own work capitalized; **TEUR (485) from SOP; TEUR 3,007 own work capitalized; ***TEUR (161) from SOP; TEUR 1,161 own work capitalized; ****TEUR (161) from SOP; TEUR 1,000 own work capitalized

7. Events after the balance-sheet date

Events after the balance-sheet date, providing additional information on the Company's position as at the balance-sheet date (events required to be taken into account) have been included in the consolidated financial statements for balance-sheet purposes. Events not to be taken into account after the balance-sheet date are reported in the Notes, if they are essential. However no events occurred as at September 30, 2009.

Grasbrunn, November 2009

WIRECARD AG
The Board of Management

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