

“Making Mobile Payments Work” Digital Money Forum 10 April 2002



Creating the Future of Global Payments, Today.

Presented by:
Garen K. Staglin, President and CEO
eONE Global, LP
gstaglin@eoneglobal.com

eONE Global Overview: Founded in October 2000



- Merchant Processing
- Card Issuing Services
- Western Union

- Boston Consulting Group
- Goldman Sachs
- General Atlantic Partners

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Who is First Data? A Global Payments Leader



Fortune 500 (NYSE: FDC)

Enabled over 89 million Western Union transfers

1,400 card issuer clients

More than 300 million cardholder accounts

Market leader in payment processing

Processed over 7B transactions for card issuers

Nearly 3 million merchant locations

Global in scale and scope

28,000 employees worldwide

Processed over \$425B in sales volume

120,000 Western Union agent locations in 185 countries and territories

Captured over 8.8B POS transactions



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eONE Global Overview: Subsidiaries



The Mobile Opportunity: Current 'M' Payment Trends



Micropayments

Mobile-Enabled Vending Machines

Embedded Barcodes

Mobile Ordering

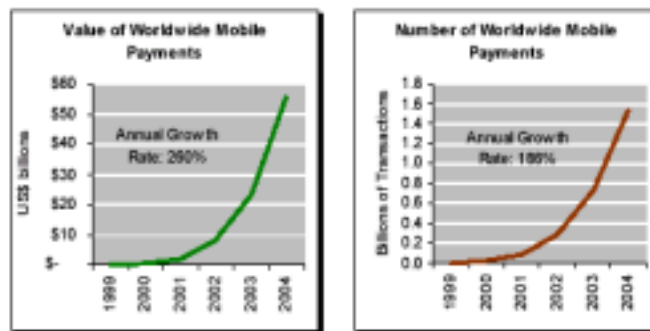


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The Mobile Opportunity: 'M' Payments are Ripe for Growth



Figure 4: Number and Value of Wireless Payment Transactions



Source: Celent Communications



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Market Drivers: Success Factors for Mobile Payment



- The long-term success of mobile payments depends on a variety of factors (Durlacher Report):
 - Satisfy consumer security concerns
 - Resolve international billing capabilities and acceptance issues
 - Ensure user-friendly navigation
 - Implement attractive pricing schemes

As with all payments systems, a critical mass of merchants and consumers must be established



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Telco Approach to M-Commerce



- ARPU revenue growth with minimal capital
- Customer retention with financial services
- Billing systems for payments
- CRM opportunities
- Control of wireless infrastructure
- Offer a wide variety of data services

A Strategic Imperative

By 2007, consumers worldwide will use cell phones and wireless devices to conduct between (USD 150 billion, to USD 300 billion) in micropayments

–The Nilson Report

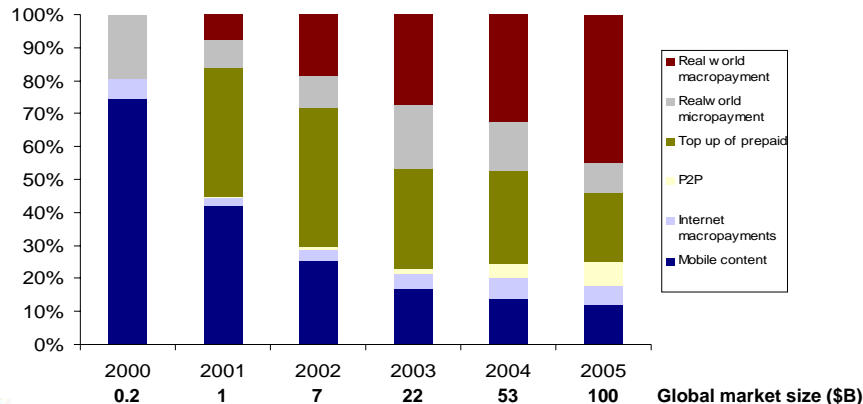


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The Mobile Opportunity: 'M' Payments will Expand to POS



Breakdown Of Mobile Payments By Type



Source: Forrester, Strategy Analytics, Goldman Sachs

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POS Systems As "Point of Service"



- Retail today requires more than current POS delivers
- Stand-alone POS systems will give way to points of service that connect devices throughout the enterprise with services like
 - Transaction processing
 - CRM
 - Inventory management
- Increased security in wireless networks will require retailers to upgrade their networks
- POS systems will link multiple devices to business applications via wireless networks
- Optimize transactions in enabling customers to access any application from any device

Long term potential of macropayments for retail POS is enormous and represents the largest potential



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POS Systems As “Point of Service”



Saks Fifth Avenue

deployed a wireless network in its New York City store and piloted POS applications that connect applications to optimize transactions

K-Mart

using wireless hand-helds as “linebuster” to prevent customers abandoning shopping carts in long lines

Pepsi

is testing wireless card payments at its vending machines



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Encorus Technologies Overview



Mission

To develop, commercialize and operate technologies which become the global standard for convenient, secure and open mobile payment, personalization and trust services for mobile operators, merchants and consumers worldwide

- Assets include
 - Two key customer contracts with Vodafone Group and T-Mobile...pipeline in progress
 - Industry leading technology in PaymentWorks™ Mobile (Feb. 2001)
 - Significant capital and technology infrastructure in place



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Our Goal: Create a Global Standard to Make Mobile Payments Work



- How will we accomplish it?
 - Connect mobile operators and merchants with a **universal payment infrastructure**
 - Provide consumers with a more **convenient**, cashless payment alternative
 - Build an **open standard** merchant acceptance network for mobile payments
 - Build a **processing network** to enable routing, clearing and settlement for mobile payments



On track to launch in Q4 2002

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Encorus Strengths



Software: PaymentWorks™ 2.5

- Key features to include currency conversion, parent-child accounts, PIN validation
- Will support traditional payments (credit, debit, etc) and alternative payments (charges to MNO bill, stored value, EBPP, etc)

Payments Platform

- Utilizing Twister™ payment server to develop scalable processing platform
- Real-time transaction switching and routing, clearing & settlement, and fee management and billing

Merchant Network

- Distribution to nearly 3 million merchant locations via First Data Merchant Services



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Making it Happen



| | |
|--|---|
| Front-end Components | Extend Encorus software <ul style="list-style-type: none">▪ Look-up Tables▪ Real-time switching/routing▪ Transaction log/history |
| Backend Components | Extend First Data software <ul style="list-style-type: none">▪ Fee billing and collections▪ Clearing & settlement▪ FX tables |
| Back office Operations | Leverage First Data operations <ul style="list-style-type: none">▪ Credit initiation and risk management▪ Customer service▪ Compliance management▪ 24/7 Global processing |



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Traction: The Momentum is Underway



Press Release: March 14th, 2002

Vodafone & T-Mobile Announce Interoperable Mobile Payment Platform Initiative

“Encorus Technologies, owned by eONE Global, is working with the operators on this initiative by combining its PaymentWorks™ software with the payments expertise of First Data Corp (NYSE: FDC), the world's largest payment processor and eONE Global's largest investor.”



“An open, interoperable platform for mobile payments will be a significant enabler of m-commerce, enhancing the array of content, services and commerce options available to customers...”



- Thomas Geitner, Chief Executive Global Products & Services, Vodafone

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Questions and Answers



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