

- >> BOOST PERFORMANCE
- >> REDUCE COST
- >> INCREASE AGILITY
- >> ENHANCE CRM
- >> SHORTEN TIME TO MARKET
- >> DRIVE INNOVATION
- >> IMPROVE EFFICIENCY
- >> INCREASE ADAPTIVITY
- >> ENABLE BUSINESS TRANSPARENCY
- >> ENSURE REGULATORY COMPLIANCE



CONSULTING > SOLUTIONS > OUTSOURCING

‘Breakthroughs in the European Mobile Payments Market’ Conference Call and White Paper Launch

6th July 2007

Introduced by Cees de Jong

Welcome and introduction



Cees de Jong

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Atos Origin

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Agenda



- » **Welcome and introduction**

Cees de Jong, Senior Vice President, Global Markets, Atos Origin

- » **Outlook and opportunities for remote mobile payments**

Bernard van der Lande, Head of e/m Payment, Atos Worldline, Belgium

- » **m-Payment in action – Mobistar case study**

Véronika Colucci, Product Manager, Reload and m-payment, Mobistar

- » **Analysing the proximity payment landscape**

Laurent Bailly, Telecom and Media Offerings Director, Atos Worldline, France

- » **How the UK is embracing mobile payments**

Paul Hunt, m-payment Chief Architect, Atos Origin UK

- » **Conclusion**

Cees de Jong, Senior Vice President, Global Markets, Atos Origin

- » **Questions and answers**

Time is right for m-payment

Market maturity

- » Mobile phone is now part of everyday life
- » Network and handset capacity and new generation of handsets.

Impact of regulation

- » Legal Framework for Payments and Single Euro Payment Area enables non-banking organisations to become regulated issuers of e-money.

Contactless technology is disruptive

- » Near Field Communication is now widely spread in Asia, with many trials across the rest of the world.

Atos Origin is at the forefront of some ground-breaking new developments in mobile payment

Outlook and opportunities for remote mobile payment



Bernard van der Lande

Head of e/m Payment, Atos Worldline, Belgium

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Outlook and opportunities for remote mobile payment

Remote versus proximity payment solutions

- » Focus on proximity payments.... which are still not mature!
- » Opportunities to harness remote mobile payment have never been better and are mostly tackled by non-traditional players.

Opportunities for remote mobile payment

- » Macro-payment:
 - » mPOS could capture cash transactions in markets where the traditional electronic payment aren't economically viable
 - » Mobile shopping: a lot of ticketing initiatives in pilot phase
 - » Top up prepaid accounts
 - » Mobile banking operations
 - » Bill payments.
- » Micro-payment: dominated by network operators with new players arriving

Outlook and opportunities for remote mobile payments

Business case for mobile operators and banks:

- » Propose a single, secure solution addressing all business opportunities
- » Mobile operators:
 - » Remote payments generate traffic both at point of purchase and point of payment authentication
 - » Potential to share revenues by leveraging control over networks, SIM, handsets and customer base.
- » Banks:
 - » Opportunity to claim fees from new electronic transactions based on their traditional payments methods
 - » New channel for banking operations.

Key success factors:

- » User experience + single, simple and secure registration
- » Definition of right business model built on collaboration between mobile operators and financial institutions
- » Marketing and communication.

Mobile payment in action

Case study: Mobistar

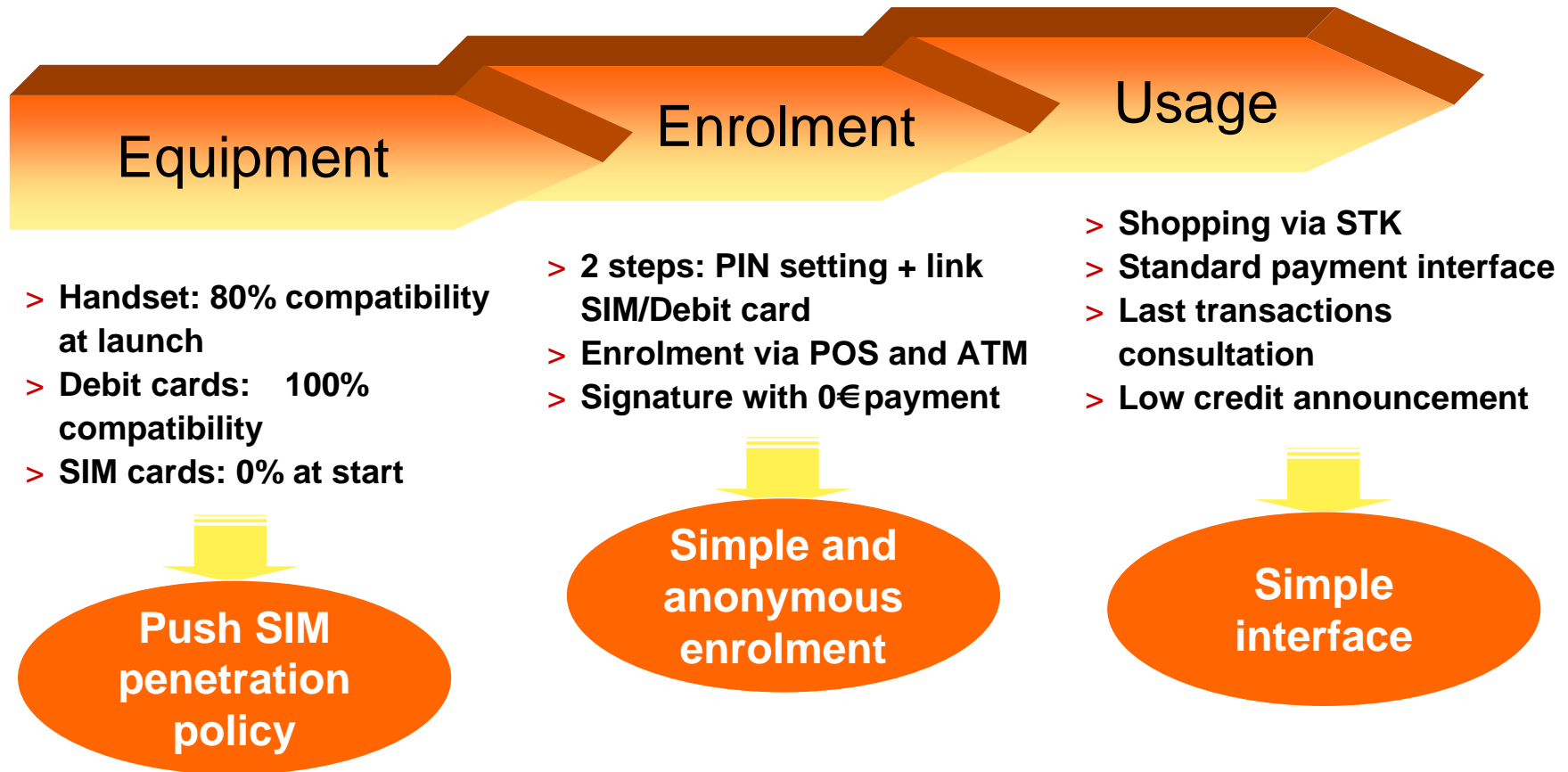


Véronika Colucci

Product manager reload and m-payment, Mobistar

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A solution that uses the SimTooKit application on the SIM to enable secure payment and banking services via the GSM instead of using the bank card on a payment terminal.



Enrolment: 1st step BPIN setting

STK interface

My reference
Start service
Last payments

Secure SMS trigger

BPIN hosted
on the SIM

Enter your new
m-banxafe code

OK

Secure SMS exchange

Re-enter same
m-banxafe code

OK

Notification

Next step: go
to your
Mobistar shop

OK

Standard SMS

Banksys
Remote
Wallet
Server

Enrolment: 2nd Step- link SIM/Bank card



Banksys' ATM network



Mobistar POS network

- > Insert Bank card
- > Input MSISDN
- > Input m-banxafe reference number (available in SIM menu)
- > Sign with the bank card PIN



0 Euro transaction is an
electronic banking
signature authenticating
the user

No paper contract for the customer

Benefits m-banxafe benefits

Top-up

- » Increase in share of electronic top-ups
 - » First automated reload
 - » Cannibalisation of RT
- » High customer satisfaction with reduced churn
- » Easy to use as it is accessible directly from the SIM menu.

M-Banking

- » High usage
- » Traffic increasing each month
- » Important up-lift after the SIM OTA update (transactions multiplied by 3).

The Future

- » Improve m-banxafe enrolment process
- » Develop Internet payment
- » Investigate F2F shopping devices connected to Internet
- » Capitalise on m-banxafe solution to develop new mobile payment services.

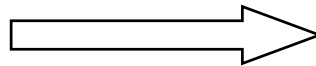
Usage

```
Tempo reload
m-banxafe
...
```

```
10 EUR
15 EUR
25 EUR
50 EUR
```

```
Wait for
m-banxafe
```

Easy STK shopping



Standard Payment Interface

```
m-banxafe
with Mobistar
Continue ?
OK
```

```
Pay 15 EUR
to Mobistar
for reload of
0496/123456
with DEXIA
BANCONTACT
OK
```

```
Enter your
m-banxafe code
****
OK
```

```
Wait ...
Contacting
centre
```

```
Tempo reload
15 EUR
successful
OK
```

Complex project with great potential

Customer innovation through technical innovation:

- » Increase usage and revenues
- » Increase customer satisfaction
- » Reduce costs
- » Open door to m-commerce
 - » A successful alliance of two industries : banks and telecoms operators
 - » A technical partnership : Mobistar, Banksys & Gemalto.

The product answers explicit customer needs and was heavily supported:

- » Reload instantly and directly from the mobile in Belgium and in foreign countries
- » No specific access code with service available directly from the SIM menu
- » Secure – complies with banking security standards
- » Supported by strong communication campaigns.



Analysing the proximity payment landscape

Laurent Bailly

Telecom and media offerings director, Atos Worldline
France

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The mobile phone turns into a wallet

- » Why mobile contactless ?
 - » Dematerialisation
 - » Interactivity
 - » Flexibility for service providers



Contactless technology relies on NFC

- » Near Field Communication protocol
- » Key applications
 - » Connect electronic devices
 - » Access digital content
 - » Make contactless transactions
- » From a technical viewpoint
 - » Works till about 5 cm
 - » Compatible with Mifare & FeliCa
 - » Standardization : ECMA, ETSI, ISO18092, NFC Forum



Source: www.nfc-forum.org



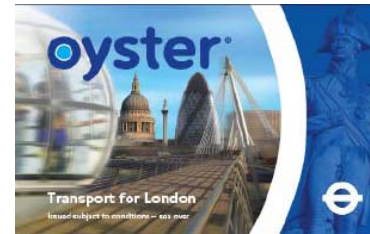
*Atos Worldline
Associate Member*

Contactless payment: it's pilot time in Europe!



» Contactless cards

- » American market took off in 2005
 - 10M+ contactless payment cards by end 2005
- » First roll-out in Asia in 2006
 - South Korea, Malaysia, Taiwan
- » Pilots in Europe in 2007
 - France, the UK



» Mobile contactless

- » Asia far away
 - Japan NTT DoCoMo Osaifu-Keitai (« mobile wallet »): 30 % equipped base (15 millions handsets)
- » Pilots in Europe (and RoW) in 2006-2007
 - France, Nederland, Spain, Germany



Business case & success factors



Business case

- » **Mobile operators**
- » **Service providers**
 - » Banks
 - » Merchant
 - » Transport companies
 - » Ticket vendors
- » **Technology vendors**
 - » Handsets, chipsets, readers

Key factors of success

- » **Collaboration !**
 - » A clear business model to share investments
- » **Trust between stakeholders**
 - » The role of a Trusted Third Party
- » **Standardisation**
 - » To insure interoperability and wide scale uptake
- » **Bring value to merchant and customer**

A glimpse of some disruptive strategies



- » Quintuple play offers from telcos
 - » Internet, telephony, TV, mobile + payment



- » Killer bundle from banks or retailers



Collaboration or competition ?

How the UK is embracing mobile payment



Paul Hunt

m-payment Chief Architect, Atos Origin UK

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The time is right

Why the UK?

- » Good co-operation across network operators
- » Common language
- » Enclosed geography
- » High mobile penetration.

Why now?

- » Maturing users
- » Improvement in handset capability
- » Greater acceptance by users of more advanced features
- » Undermining of trust in shortcode-based payment services
- » Increase in use of music on the move
- » Reducing of data tariffs
- » SMS volumes still growing, indicating increase in non-voice services.

Moving outside of the Walled Garden

Telegraph.co.uk

Vodafone targets mobile web users

Vodafone has unveiled its new, much-heralded mobile web service in the UK alongside a flat-rate charging structure.

Vodafone has revamped its Vodafone Live service in an attempt to complete head on with T-Mobile and its Web'n'walk service.

Collaboration in micro-payment – PayFort



- » Promotes user confidence and awareness.
- » Brand of recognition – “I can pay for this with my mobile”

Independent solutions

- » Bar codes tickets for transport – just the start!
- » Go North-East/Atos Worldline UK/Swiftpass
- » Linking purchasing to advertising



Future

- » The time is right
- » Look to Atos Origin for a depth of knowledge based on valuable experience across the mobile payments spectrum.



Conclusion



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Atos Origin and mobile payment



A key player at the forefront of European m-Payment projects

- » SIPS Mobile – leading solution developed by Atos Worldline for mobile internet payment (WAP /iMode)
- » MOVO – developed with Caisse d'Epargne, it is the first French solution for transferring money by SMS in Person to Person (P2P) mode
- » m-banxafe – implemented first with Mobistar, it enables anyone using a Bancontact/Mister Cash bank and a GSM phone on one of three Belgian mobile networks to carry out secure financial transactions with their mobile phone, as if they are using their own bank cards.
- » Mobipay – a joint venture formed by Atos Origin that includes all Spanish current mobile operators and 80% of the financial institutions. It enables subscribers to perform a variety of face-to-face and remote financial transactions using their current mobile phones.
- » MOTESPay - a new contact-less payment system built on NFC technology in collaboration with NXP, Caisse d'Epargne, Banques Populaires, Groupement des Cartes Bancaires, Ensicaen (School Engineer) and Caen-Basse Normandie University.

M-ticketing services

- » SNCF Tikefone – system enables passengers to buy their train ticket on a WAP site, and then receive the m-ticket (2D barcode) by MMS
- » Go North-East - implementation of first m-ticketing service for a UK bus operator, built on the new Atos Worldline white-label mobile payment service using software created by Swiftpass.



Thank You

» ENABLE BUSINESS
TRANSPARENCY
» ENSURE REGULATORY
COMPLIANCE