

wirecard

WIRECARD AG

I N T E R I M R E P O R T
A S A T J U N E 3 0 , 2 0 1 0

KEY FIGURES

Wirecard Group			
		6M 2010	6M 2009
Sales revenues	TEUR	123,845	103,630
EBITDA	TEUR	33,546	27,397
EBIT	TEUR	30,866	25,560
Earnings per share (diluted and basic)	EUR	0.26	0.20
Shareholders' equity	TEUR	262,720	219,402
Total assets	TEUR	517,364	472,786
Cash flow on ordinary trading activity (adjusted for transaction volumes of a transitory nature)	TEUR	26,408	22,207
Employees		509	451
of which part-time		133	115

Segments			
in EUR '000		6M 2010	6M 2009
Payment Processing & Risk Management	Sales revenues	116,529	98,339
	EBITDA	20,931	18,792
Acquiring & Issuing	Sales revenues	50,720	31,191
	EBITDA	12,509	8,581
Call Center & Communication Services	Sales revenues	2,385	2,241
	EBITDA	106	24
Consolidation	Sales revenues	(45,789)	(28,141)
	EBITDA	0	0
Total	Sales revenues	123,845	103,630
	EBITDA	33,546	27,397

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LETTER FROM THE CEO

Dear Shareholders,

In its present report on the first half of fiscal 2010, Wirecard AG once again reflects strong fundamental development.

In the first six months of 2010, Group sales revenues were up by 20 percent, reaching 124 million euros. The operating result before depreciation and amortization (EBITDA) increased by 22 percent, to 33.5 million euros. Earnings before interest and taxes (EBIT) increased by 21 percent to 30.9 million euros. After the first six months of 2010, the transaction volume processed via our platform saw an increase of 23 percent year-on-year, to 5.8 billion euros.

In the second quarter of 2010, increased demand was registered in our volume of business with new customers – particularly with medium- and large-scale enterprises. This underscores the trend toward outsourcing of non-strategic fields of business to specialized service providers.

As announced in a press release in May of this year, the Wirecard Group has entered into a cooperative venture with Lekkerland Deutschland for the purpose of marketing the Group's own prepaid cards. Accordingly, the *mywirecard 2go Visa* is the very first rechargeable Visa prepaid card available in the stationary (brick & mortar) sector that can be loaded in real time. Our prepaid card platform is exemplary for the innovative and efficient combination of technology and banking services within the Wirecard Group. Whether in purely virtual prepaid cards whose key card data is merely held in an online account or in prepaid cards for purchase at regular, stationary outlets - we have identified substantial growth opportunities in the prepaid card market and will continue to engage in targeted further cooperative ventures in this market.

According to forecasts by market research institutes, for the current fiscal year we anticipate eCommerce market growth of approximately 12 percent in the European region. And we assume that the growth of our portfolio customers, combined with our acquisition of new customers, will outperform this base value by a substantial margin.

For fiscal 2010, the Management Board of Wirecard AG affirms its forecast to reach EBITDA in a bandwidth of 70 to 75 million euros.

Sincerely,



Dr. Markus Braun
CEO

1. BUSINESS ACTIVITIES

1.1. Business activities and products

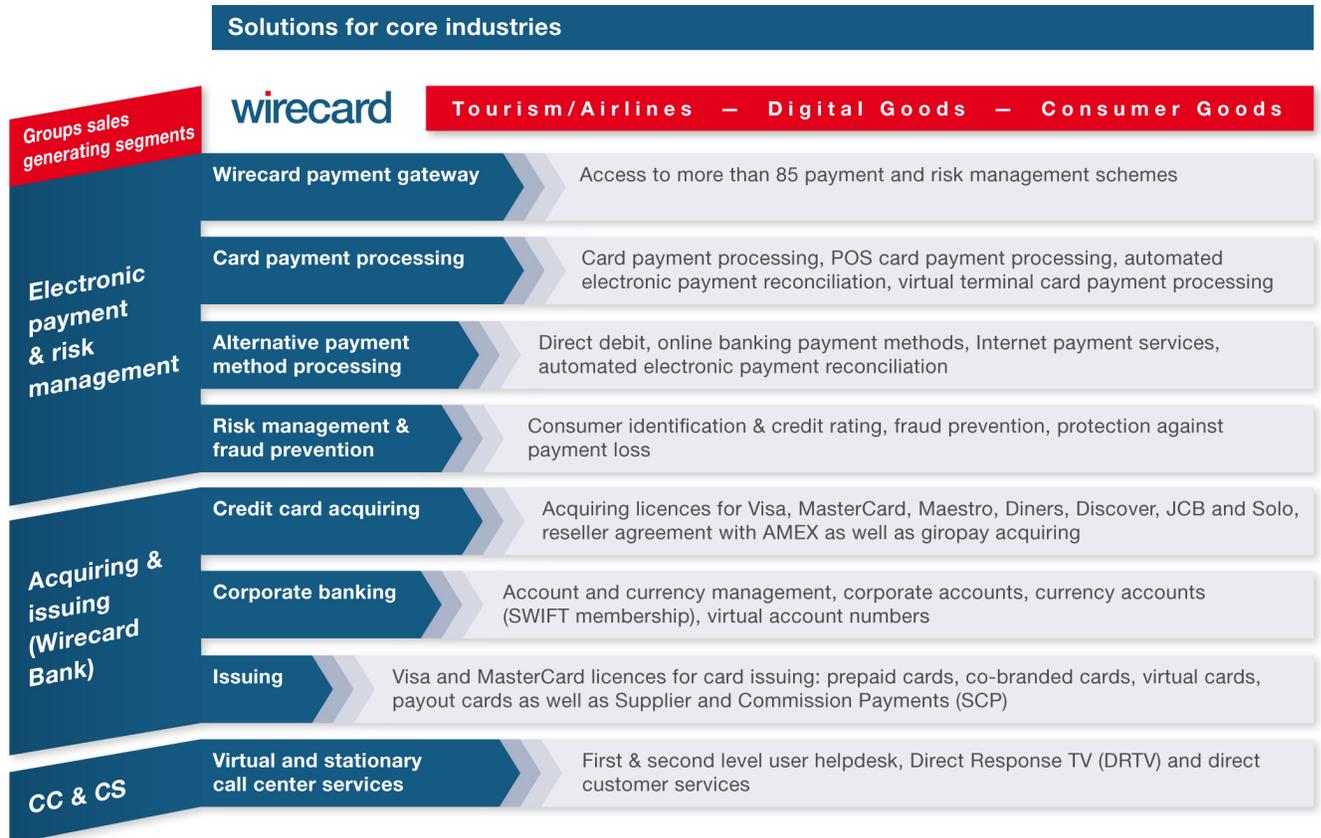
Wirecard AG is one of the world's leading technology and service companies in the fields of electronic payments, risk management and banking services. Today the Wirecard Group provides more than 11,000 businesses in various sectors of the economy with intelligent solutions from a single source.

Solutions and products for business customers

We offer our customers the means to accept of a wide range of national and international payment methods. A large number of complementary products and solutions focusing on risk management ensure extensive protection against payment defaults. The core of the Wirecard portfolio of services is a platform combining all distribution channels via a common interface. This makes cost lower and processing easier for our customers. Outsourcing their financial processes allows customers to focus on the main game: running their own businesses. To be able to meet industry and customer-specific requirements, Wirecard AG offers flexible approaches to solutions. The industry solutions that we currently provide for the consumer goods, tourism and airlines sectors as well as for digital goods are based on our holistically integrated and bundled product lines.

Through our partnerships with industry-specific service providers such as Amadeus, SITA, Accelya, Experian and e-velopment, we can provide real end-to-end industry solutions that are capable of supporting downstream business processes with interfaces to the ERP/merchandise management/logistics/debtor management or accounting systems of our customers. In addition, we also supply standardized sector-independent shop systems solutions.

Electronic payment processing is backed by customized risk management tools. Banking services like credit card acceptance or dedicated currency management complement the outsourcing of such financial processes. Additional products for point-of-sale and call-center services round off the range of solutions from a single source.



The Wirecard payment platform

Integration by means of 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 can be provided to merchants in the form of outsourcing solutions. There is no need for the merchant to install our software. We deploy state-of-the-art encryption technologies to safeguard the exchange of data. Transmission protocols such as XML, SOAP, SFTP and HTTPS ensure data security and flexibility in terms of the connection using the very latest technologies. The Wirecard Enterprise Portal (WEP) is an application for use by merchants to manage transactions, statistics and reports.

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. At the same time, we also provide merchants with advice regarding the design of their billing and accounting processes. This advisory service includes support in choosing the risk management methods to be implemented, based on the individual risk profile for the various payment methods and the merchant's specific target markets.

Moreover, merchants have the option to outsource to our call center or to a secure Internet page provided by us any security-critical aspects of their order acceptance processes. This enables merchants to avoid continually upgrading their own IT infrastructure in order to keep pace with increasingly demanding data protection and security requirements.

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 different currencies, the risk of fraud or payment default—these all raise issues that most merchants will be able to resolve only by working with a competent, experienced partner specializing in this field.

Risk management for secure commerce

There are two main risk categories that can lead to payment defaults in online commerce: the credit risk and the risk of fraud. In the case of credit risk, the customer actually makes contact with the merchant, but the payment fails due to the customer's inadequate credit status. In contrast, the risk of fraud pertains to cases where the customer is 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. The Wirecard Group offers a range of automated services that carry out consumer checks, such as verification and validation of address and payment details, reconciliation of negative lists (e.g. black lists and sanction lists) based on name, address or other personal identifiers, review of the payment history of existing customers and data consolidation via external credit reference agencies (credit inquiries).

By individually combining various risk management tools, Wirecard arrives at the best decision based on the end customer data and the merchant's risk profile. Moreover, Wirecard also offers merchants flexible models for credit limit management based on customer-specific decision trees/risk strategies. Such a strategy could be used to determine 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 existing customers.

In the German market, the product 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 payment processing (direct debits, billing accounts). Credit status and payment history of a consumer are checked before the customer is approved for a specific payment method (invoice, direct debits). Should a payment default occur in spite of these measures, the merchant will be relieved of the time-consuming and cost-intensive dunning and collection procedures. PAYShield provides small and medium-sized merchants with a highly differentiated risk management system of the kind previously only affordable for large mail-order operations.

As well as the risk of payment default described above, merchants engaging in online commerce face the constant risk of fraud. A buyer acting with fraudulent intent, for example, will make a purchase by providing a false identity. Unlike with stationary brick-and-mortar retail trade, over the internet identifying characteristics such as a signature on a credit card cannot be verified. In online commerce, the customer remains anonymous, a fact that lowers the inhibition threshold for fraud further still. Wirecard offers a wide range of fraud prevention methods. These include reconciliation with negative lists based on payment transaction data such as account details and credit card numbers; the Address Verification Service (AVS) carried out by the credit card organizations Visa, MasterCard and American Express; the 3D-Secure process (Verified by Visa and MasterCard SecureCode); and various IP/BIN and Velocity checks.

The *Fraud Prevention Suite*, an automated solution in the field of fraud pattern recognition, allows suspicious data and/or behavior patterns to be detected in real time. This development in our risk management product line is based on a highly efficient process of data analysis that enables the swift and efficient detection of fraud occurring during electronic online payment processing. This is particularly true for international credit card processing at the international level. Wirecard AG adapted its new *Fraud Prevention Suite* to suit the specific requirements of key sectors in eCommerce: consumer goods, airlines/tourism and digital goods.

Supplementary banking services

Wirecard Bank, as part of the Wirecard Group, offers innovative products and services for corporate banking. These include business and currency accounts as well as the allocation of credit card acceptance agreements and the issuing of payment cards within the scope of co-branding and customer loyalty projects (prepaid or co-branded cards).

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, a licensed acquirer for Diners Club® and Discover and a full member of the largest Asian credit card organization JCB International (Japan Credit Bureau), Wirecard Bank is licensed to conclude credit card acceptance agreements. The company operates as a credit card acquirer with more than 100 transaction currencies and 15 payout currencies in more than 69 countries around the world. Moreover, the Wirecard Bank's membership of SWIFT (Society for Worldwide Interbank Financial Telecommunication) enables it to provide its business customers operating with a global reach a large number of supplementary services in the field of foreign payment transactions and forex management services.

Through its membership in MasterCard and Visa, Wirecard Bank also holds the licenses required for issuing cards (Issuing Bank). Combined with the technological expertise of the Wirecard Group, this represents the basis for offering business customers additional innovative services:

- Our *Supplier and Commission Payments (SCP)* product is an industry-specific automated solution particularly suitable 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 is created in real-time for each individual booking transaction.
- Our Issuing product line also includes the *Payout Card*. This MasterCard on a non-borrowing basis provides employers with an alternative solution for paying wages to temporary, seasonal or casual workers. *Payout-Cards* can be loaded cheaply and quickly by companies and can then be 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 the individual conceptualization and management of credit card projects, and the provision of innovative software solutions for managing customer loyalty programs right through to comprehensive services from a single source.

Call Center services

Wirecard Communication Services GmbH provides a favorably priced customer contact center. Thanks to its hybrid structure, it is possible to achieve effective peak level management for inbound customers with spot-dependent call volumes. Wirecard Communication Services optionally extends conventional communication channels such as telephony and fax to include the provision of information by e-mail, tickets, chat rooms, forums and maintenance of knowledge databases. At present, all major communications channels are being serviced in 16 foreign languages (by native speakers). Agents are activated on demand and are thus also available to customers at short notice.

Consumer products

With the options available to the Group's own bank in the field of issuing, the Wirecard Group was able to develop and market its product portfolio in relation to consumer products that supplement the Group's core business activities. This produces synergy effects in the field of corporate customer products, as in the case of *mywirecard.com*. Online merchants can extend their customer base in the SEPA region without the need for technical integration and without incurring any additional costs.

- *mywirecard.com* is positioned as a convenient prepaid payment solution for the Internet, since consumers use *myWirecard* to pay anywhere on the Internet where MasterCard 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 is available to the user. Optionally, users of the payment system can also order a MasterCard in the form of a plastic card. A precondition for payment processes, both for the virtual card and the physical MasterCard, is that the *mywirecard* online account must show a credit balance. This enables customers to shop not only on the Internet but also at more than 24 million MasterCard acceptance points at brick & mortar retail outlets across the globe.
- Since May, consumers have also been able to purchase a prepaid card from Wirecard from stationary outlets: the *mywirecard 2go Visa* is the first prepaid card throughout Germany that can be bought at brick & mortar points of sale. The *mywirecard 2go Visa* is either reloaded real-time in some 20,000 shops that operate an e-vat terminal or via an online account upon prior registration (www.mywirecard.com/2go).
- 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 make secure payments conveniently, they also have their finances under control at all times.

The Group's portfolio of products and services

Business Customers

Wirecard payment and risk management platform

Wirecard Enterprise Portal (WEP)—administrative application for merchants: transaction management, statistics and reports

Payment services

- Credit card processing via an international banking network
- Electronic Funds Transfer (EFT)—processing and settlement of direct debits within Germany as well as of local payment methods in other countries (including 22 Chinese ones)
- Other payment schemes: e.g. CLICK2PAY, *Wirecard* Internet payment service, giropay, iDEAL, eps, paysafecard, Paybox)
- Innovative products: Payment guarantee (PAYShield), Supplier and Commission Payments (SCP), Payout-Cards

Risk management

- Decision-making strategies for cash control, fraud identification (Fraud Prevention Suite), new and existing customer evaluation, 3D Secure, etc.
- Specialized partners: Experian, Quova and others
- Credit rating checks by CEG Consumer Rating, BÜRCEL, Arvato Infoscore, Deltavista and others.

Connection of sales channels via XML and/or front end interface

- Internet/ call centers/ mail order: access to more than 85 payment and risk management methods
- Point-of-sale processing of payments via stationary and mobile terminals

Industry-specific interfaces

- Shop software (e.g. integrated into os Commerce, xt: Commerce, Sage, OXID eSales, ShopFactory, CosmoShop, ePages, Magento)
- Tourism: Integration into booking or software systems (CRS, GDS, IBE, BSP); booking systems, e.g. Sabre, Amadeus, SITA, Midoco, Bosys, AirKiosk, 2e-Systems, Partners Software GmbH, DCS GmbH, TravelTainment, ETACS, Ypsilon.Net AG

Additional services

- Credit card acceptance via Wirecard Bank: Acquiring Licenses for Visa, MasterCard, Maestro, Diners, Discover and JCB / reseller agreement with America Express as well as giropay acquiring
- Banking services (account and forex management, co-branded cards, and others)
- Provision of point-of-sales card terminals (e.g. Ingenico, Hypercom)
- Call center service (stationary, virtual and hybrid)

Private Customers

- *mywirecard.com* or *mywirecard 2go Visa*
- *Prepaid Trio* (online bank account, ec/Maestro and Visa card)
- CLICK2PAY (eWallet payment solution)

2. GENERAL GLOBAL ECONOMIC CONDITIONS AND PERFORMANCE

General global economic conditions

In the second quarter, the International Monetary Fund (IMF) again raised its forecast for global economic growth in 2010, this time by 0.4 percent, to 4.6 percent. Even though the world economic recovery is progressing, the IMF refers to persistent financial risks in parts of the euro zone, which might also impact growth in that region (2010: 1.0 percent).

Industry-specific fundamentals

The positive growth impetus of the European eCommerce market continued in the second quarter of the year 2010. According to the latest figures of the Federal Association of German Mail-Order Houses (*Bundesverband des Deutschen Versandhandels - bvh*), in the first half of 2010 some 60 percent of all mail order revenues were already generated via the Internet (2009: 53.3 percent). For the year as a whole, the bvh anticipates an increase in online trading by 12 percent.

Based on predictions by market research institutes for the various industry sectors, we continue to expect an average growth rate of 11 to 13 percent for the European eCommerce market in 2010. This estimate comprises the growth forecasts for the consumer goods industry and tourism as well as the field of digital business models.

2.1. Business trends in the period under review

With more than 11,000 merchants, Wirecard AG continues to extend its strong position on the European market.

Target industry segments of Wirecard AG

With direct sales distributed across target industries, its technological expertise and product depth, Wirecard AG continued its operational growth and simultaneously extended its international network of cooperation and distribution partners even further.

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. These key segments are:

- Consumer goods
- Digital goods
- Tourism

Consumer goods

Our clientele includes shop providers from many and various industry sizes and segments, such as clothing/footwear/sports equipment, books/DVDs, entertainment electronics, computers / IT peripherals, gifts, furniture/interior decorating, musical instruments, tickets, cosmetics, pharmaceuticals and many more.

In the field of consumer goods, merchants of note were once again integrated as new customers, including redcoon, the online discounter for electric and electronic articles, or Channel21 for instance, Germany's third-largest teleshopping TV station. Moreover, in the year under review it was possible to conclude two further major customer projects that will be integrated into the platform in the second half of the year.

Digital goods

The target industry segment of digital goods comprises business models such as Internet portals, providers of console, PC and online games, online dating platforms, telecommunications services as well as the interactive entertainment industry and games of chance, such as sport bets and poker. Among our successful customers of the entertainment and sports bets industry are renowned providers in the industry engaged in the European region with the relevant licenses; some are listed on the stock markets.

Notwithstanding the unchanged, positive development in terms of new customers acquired, in the second quarter collaboration was extended with several portfolio customers in the fields of risk management and banking services.

Tourism

What distinguishes the customer portfolio in the field of tourism is its diverse mix of industry segments. As already announced, it was possible to implement numerous new customer projects. Transhotel, one of the largest European hotel platforms, is now simplifying its disbursements to hotels via our prepaid card platform on the basis of virtual credit cards. L'Tur, the European market leader for last-minute travel, extended its long-term collaboration with Wirecard AG.

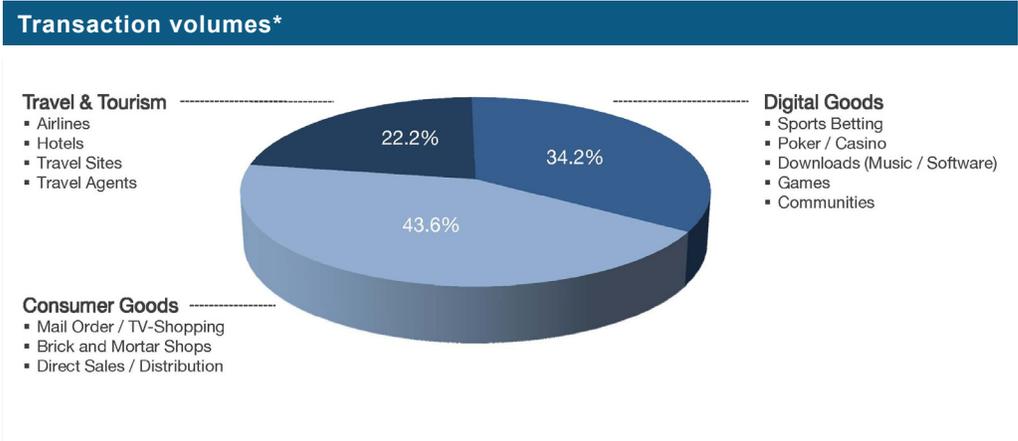
Transaction volume first half year of 2010

The lion's share of Group sales revenues is generated on the basis of business relations with providers of merchandise or services on the Internet, who outsource their payment processes to Wirecard AG. The conventional services in relation to the settlement and risk analysis of payment transactions performed by a payment services provider and the credit card acceptance performed by Wirecard Bank AG are therefore closely linked.

The essential unique selling points provided by the "single-source" spectrum of services the Wirecard Group offers its business customers are the following:

- Combination of software technology and bank products
- International orientation – all services via a single platform
- Centralization of payment transactions from many and various distribution and procurement channels to a single platform
- Depth and range of services (industry and customer-specific products and solutions)
- Online-oriented acquiring bank in the Group (e.g. in 15 payout currencies)
- Supplementary banking services such as company accounts, currency management, co-branded Visa and MasterCard
- Innovative, software-based banking products (SCP, virtual credit cards)

Fee income from the core business of Wirecard AG, namely acceptance and issuing means of payment along with associated value added services, is generally dependent on the transaction volumes processed. In the first six months of 2010 these came to 5.8 billion euros. At the end of the period under review, the following breakdown to our target industries shows that positive business trends are continuing in all fields of activity:



* Transaction volumes in connection with acceptance and issuing means of payment as well as related value added services by target industries.

2.2. Business trends relating to banking services

Having the Wirecard Bank in our Group, we are in a position to offer innovative products and services. After all, the intelligent combination of technology and banking services opens up new fields of activity and simultaneously provides broad market access in tandem with realizing economy of scale effects.

Card solutions for business and private customers

Credit cards on a non-borrowing basis are the field of activity that the Wirecard Bank focuses on in the field of issuing, i.e. as a card issuing bank. In general, prepaid cards are the ideal card product for consumers who wish to participate in cashless payment transactions without being confronted with the drawbacks of conventional credit card products—such as the risk of being over-indebted. However, they also represent an alternative for people who do not wish to use their conventional credit card for payments on the Internet for security reasons. From the merchant's point of view, prepaid cards are a secure method of payment because they are being backed by a credit balance. Payments via these cards can only be made from previously deposited credit balances, as in the case of prepaid telephone cards. Moreover, such cards are not tied to the issue of a physical, plastic card but can also be issued in purely virtual format (www.mywirecard.com).

The extension of distribution activities for co-branded products was intensified in the quarter under review. More and more companies are discovering co-branded cards as a marketing instrument. In the world of payments, "co-branding"—which really means a kind of "brand partnership"—means that a credit card organization or an authorized bank issues a card jointly with a company for cashless payment transactions. These "co-branded cards" do not only reflect information on the credit card provider in question (e.g. VISA or Mastercard). What is special about these cards is that they are strongly geared to the corporate design of the company in question.

In the second quarter of 2010, a cooperative venture with Lekkerland Deutschland GmbH & Co. KG was announced. Since May 2010, Lekkerland has included the new Visa prepaid card product *mywirecard 2go Visa* of Wirecard Bank AG in its range of products and services. Lekkerland is a European convenience wholesaler supplying more than 59,000 sales outlets in Germany alone, including service stations, department stores and kiosks. Since the introduction of innovative products in the Electronic Value (e-va) segment, the Lekkerland assortment has included a selection of pay, SIM, gift and prepaid cards issued by various providers.

In doing so, merchants are developing new customer groups, and consumers can pay conveniently and safely across the globe.

2.3. Call Center/ Communication Services Division

Wirecard Communication Services GmbH concentrates primarily on providing core services to the Wirecard Group, such as the customer service for private clients of Wirecard Bank AG.

The hybrid call center structure, i.e. the bundling of stationary call centers with virtual ones, also enables third-party customers of "premium expert services" to benefit in the following segments:

- Financial Services
- First & Second Level User Helpdesk (specifically in the field of console and PC games as well as commercial software)
- Direct Response TV (DRTV) and targeted customer service in the outbound sector

Of the services on offer, international user support in the field of console- and PC games is increasingly emerging as a core service.

2.4. Reporting segments

Wirecard AG reports on its business development in three segments:

Payment Processing & Risk Management (PP&RM)

This reporting segment comprises the business activities of Wirecard Technologies AG, Wirecard Retail Services GmbH, Wirecard (Gibraltar) Ltd., Click2Pay GmbH, QENTA payment-solutions Beratungs und Informations GmbH, Wirecard Payment Solutions Ltd., E-Credit Group as well as cardSystems FZ-LLC. The business activities of Wirecard Bank AG are reported in a separate, independent reporting segment. Branches and companies of the Wirecard Group at locations outside Germany primarily serve to promote regional sales and localization of the products and services of the Group as a whole.

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.

3. EARNINGS, FINANCIAL AND ASSET POSITION

Overview

First half year of 2009/2010 comparison:

- Group sales revenues increased by 19.5 percent
- Operating profit:
 - EBITDA increased by 22.4 percent
 - EBIT increased by 20.8 percent
- Profit after taxes (Group) increased by 32.2 percent
- Earnings per share increased from EUR 0.20 to EUR 0.26

Change: Group Balance Sheet/ Assets: Current Assets – Cash

To improve its interest income, Wirecard Bank AG, which has contributed a great deal less to Group sales and EBIT since 2009 due to the low money market interest situation, invested in 2010 in various medium- and long-term interest-bearing securities in a volume of 46.5 million euros. With an original term to maturity of three to five years, these earn interest only in line with money market conditions, with minimum and maximum interest rates being agreed (so-called collared floater). The amount invested is now reported in the balance sheet (assets) under non-current assets "Financial and other assets/interest-bearing securities" and should be taken into account with regards to the cash and cash equivalents.

3.1. Earnings position

Development of Sales

Consolidated sales revenues in the Group for the second quarter of 2010 were up by 19.8 percent from EUR 54,520K to EUR 65,333K. In the first half year of 2010 Group sales revenues grew by 19.5 percent from EUR 103,630K to EUR 123,845K

In the second quarter sales revenues generated by risk management services and the processing of online payment transactions in Europe and Asia, in the core segment Payment Processing & Risk Management, increased by 20.0 percent from EUR 51,745K to EUR 62,101K and after the first six months by 18.5 percent from EUR 98,339K to EUR 116,529K.

The proportion of Group sales generated by the Acquiring & Issuing segment and, therefore, by Wirecard Bank AG grew by 47.1 percent to EUR 25,409K in the period under review (Q2/2009: EUR 17,277K) and in the first half year of 2010 by 62.6 percent to EUR 50,720K (6M/2009: EUR 31,191K).

At the same time, the consolidation effect of the Acquiring & Issuing segment increased by more than 17 million euros to EUR 43,753K, which—in turn—confirms the close acquiring service with the core business of Payment Processing and Risk Management.

As in the preceding financial year, revenues of the Wirecard Bank chiefly comprised commission income from the Acquiring & Issuing divisions, from interest on financial investments and income earned on processing payment transactions, along with exchange rate differentials in handling transactions in foreign currencies.

The level of net interest income generated by the Wirecard Bank during the second quarter of 2010 amounted to EUR 596K (Q2/2009: EUR 257K) and after the first six months 2010 to EUR 1,043K (6M/2009: EUR 633K) and is reported as revenue in the financial statements of the Wirecard Bank. Accordingly it is not included in the Group's net financial income but is also reported as revenue in this respect. It comprises interest income on investment of own as well as customer funds (deposits and acquiring money) with external banks.

The Call Center & Communication Services segment generated EUR 1,066K in the sales revenues in the second quarter, compared with EUR 1,043K in the previous period. In the first half year of 2010 the sales revenues came to EUR 2,385K (6M/2009: TEUR 2,241K).

Other own work capitalized

Other own work capitalized consists primarily of the further development of the core system for payment processing activities. In this regard, only own work is capitalized that is subject to mandatory capitalization in accordance with the IFRS accounting principles. In the second quarter of 2010, the sum total of items capitalized amounted to EUR 1,260K (Q2/2009: EUR 1,093K), in the first half year 2010 to EUR 2,531K (6M/2009: EUR 2,217K).

Development of key expenditure items

The cost of materials within the Group rose to EUR 36,022K in the period under review (Q2/2009: EUR 29,876K) and in the first half year of 2010 to EUR 67,137K (6M/2009: EUR 57,870K). In particular, the cost of materials includes commissions payable to banks issuing credit cards (Interchange) as well as charges payable to credit card companies.

At the Wirecard Bank, apart from Interchange, the cost of materials comprises primarily expenses incurred by the Acquiring, Issuing and Payment divisions in the field of processing costs of external services providers, of production, personalization 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 second quarter of 2010 the cost of materials, not adjusted for consolidation effects, amounted to EUR 17,067K at the Wirecard Bank (Q2/2009: EUR 11,743K). In the first half year of 2010 these amounted to EUR 33,896K (6M/2009: EUR 19,945K).

Gross earnings (sales revenues including other own work capitalized less cost of materials) increased by 18.8 percent in the second quarter of 2010, amounting to EUR 30,571K (Q2/2009: EUR 25,738K). In the first half year of 2010 gross earnings increased by 23.5 percent to EUR 59,239K (6M/2009: EUR 47,978K). Of this sum, gross earnings generated by the Wirecard Bank, without taking consolidation effects into account, amounted to EUR 8,342K in the second quarter of 2010 (Q2/2009: EUR 5,535K) and EUR 16,824K in the first half year of 2010 (6M/2009: EUR 11,246K).

Group personnel expenditure in the first half year of 2010 increased to EUR 14,218K or by 11.6 percent year-on-year (6M/2009: EUR 12,743K). In comparison with the growth of gross earnings this reflects the high scalability of the business model of Wirecard AG. The consolidated personnel expense ratio declined by 0.8 percentage points to 11.5 percent in a half year comparison. In the second quarter 2010 Group personnel expenditure came to EUR 7,268K (Q2/2009: EUR 5,970K). Personnel expenditure at the Wirecard Bank amounted to EUR 696K (Q2/2009: EUR 484K) in the second quarter, and after six months 2010 to EUR 1,380K (6M/2009: EUR 967K).

Other operating expenses essentially comprise expenses on sales and marketing, operating equipment and leasing, consultancy and similar fees, as well as office expenses. In the second quarter of 2010 these amounted to EUR 5,880K (Q2/2009: EUR 5,360K). In the first half year of 2010 other operating expenses were at EUR 12,005K (6M/2009: EUR 9,756K). Of these, without taking consolidation effects into consideration, the Wirecard Bank accounted for EUR 1,736K (Q2/2009: EUR 1,149K) in the second quarter of 2010. After the first six months of 2010 other operating expenses of Wirecard Bank amounted to EUR 3,169K (6M/2009: EUR 1,921K).

Depreciation and amortization amounted to EUR 1,408K in the period under review (Q2/2009: EUR 951K) and were at EUR 2,681K after the first six months of 2010 (6M/2009: EUR 1,836K). The share of amortization and depreciation effected at the Wirecard Bank amounted to EUR 19K (Q2/2009: EUR 19K) and EUR 39K in the first half year of 2010 (6M/2009: EUR 36K).

Other operating income primarily comprised other income from contractual arrangements as well as income from the reversal of provisions and valuation adjustments, amounting to EUR 163K for the Group as a whole in the second quarter of 2010, compared with EUR 218K in the previous year period. In the first half year of 2010 these amounted to EUR 529K (6M/2009: EUR 1,917K). Of this sum, the Wirecard Bank accounted for EUR 81K in the second quarter (Q2/2009: EUR 145K) and EUR 234K in the first half year of 2010 (6M/2009: EUR 222K).

EBITDA/ EBIT development

The gratifying earnings trend is based on an increase in the volume of business transacted with existing and new customers via the Wirecard Group, economies of scale arising from our transaction-oriented business model as well as the increased use of our banking services. Group earnings before interest, taxes, depreciation and amortization (EBITDA) were up by 20.2 percent in the second quarter of 2010, from EUR 14,625K a year earlier to EUR 17,585K. After the first six months of 2010 these were up by 22.4 percent and amounted to EUR 33,546K (6M/2009: 27,397K).

Group earnings before interest and taxes (EBIT) increased by 18.3 percent to EUR 16,177K in the second quarter of 2010 (Q2/2009: EUR 13,674K) and after the first six months by 20.8 percent to EUR 30,866K (6M/2009: EUR 25,560K). The EBIT margin in the second quarter of 2010 was at 24.8 percent (Q2/2009: 25.1 percent) and at 24.9 percent in the first half year of 2010 (6M/2009: 24.7 percent).

Financial result

The financial result, or net financial income, amounted to –EUR 22K in the second quarter of 2010 (Q2/2009: –EUR 172K) and was at –EUR 321K after the first six months 2010 (6M/2009: –EUR 618K).

Group financial expenditure in the second quarter 2010 amounted to EUR 347K (Q2/2009: EUR 140K) and in the first half year of 2010 to EUR 845K (6M/2009: EUR 876K). It mainly consists of currency-related expenses. 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 the Wirecard Bank, which likely will be used within the following quarter, the cash-to-taxes ratio of the first half year of 2010 (excluding deferred taxes) amounted to 7.4 percent (6M/2009: 10.9 percent). Including deferred taxes, the tax ratio for the first half year of 2010 came to 12.3 percent (6M/2009: 18.8 percent). This was positively impacted by one-time effects, due to a reduction of deferred taxes by outside basis differences in the amount of EUR 684K. Without this effect the tax ratio would have been at 14.6 percent.

Profit after taxes

Profit after taxes increased by 31.2 percent in the second quarter of 2010 to EUR 14,514K (Q2/2009: EUR 11,064K). In a half year comparison it rose to EUR 26,776K from EUR 20,258K in the previous year period.

Earnings per share

The number of shares issued remained unchanged at 101,803,139 shares, as in the previous period. Earnings per share increased from EUR 0.11 to EUR 0.14 in the second quarter of 2010 and during the first half year of 2010 to EUR 0.26 (6M/2009: EUR 0.20).

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

Wirecard AG reports equity capital amounting to EUR 262,720K (December 31, 2009: EUR 244,882K). In business terms, the highest liabilities exist vis-à-vis merchants in the field of credit card acquiring and customer deposit-taking as part of banking operations. These have a material influence on the equity ratio. The commercial banks, which granted Wirecard AG loans amounting to EUR 4,500K as at June 30, 2010 at interest rates ranging from 4.93 to 5.66 percent, do not include these items in equity capital calculations due to the facts and circumstances associated with this particular business model. According to Wirecard AG, this calculation reflects a true and fair view of the company's actual situation. These banks determine the equity ratio of Wirecard AG by dividing the amount of liable equity by total assets. Liable equity is determined by subtracting deferred taxes and 50 percent of intangible investment assets from equity as reported in the balance sheet. If there are any receivables from shareholders or planned distributions, these should also be deducted. Total assets are determined by subtracting customer deposits, the acquiring funds of the Wirecard Bank and the reduced level of equity from the audited balance sheet total and subsequently adding back the leasing commitments. On the basis of this calculation, an equity ratio of 67.6 percent has been determined for Wirecard AG (December 31, 2009: 64.6 percent).

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 a detailed 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. In the period under review, investments were essentially made in components for the operational payment platform. An investment of EUR 2,619K was made in externally developed software and EUR 2,531K in

internally created software. To improve its interest income, Wirecard Bank AG invested in various medium- and long - term interest bearing securities (EUR 46,517K). With an original term to maturity of three to five years, these earn interest only in line with money market conditions, with minimum and maximum interest rates being agreed (so-called collared floater).

Liquidity analysis

Current customer deposits from banking operations 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 financial statements. These customer funds are comparable in economic terms with short-term (bank) current account loans or overdraft facilities. For customer deposits (June 30, 2010 amounting to EUR 101,376K; December 31, 2009 amounting to EUR 122,820K) separate accounts have been set up on the assets side which may not be used for other business purposes. Against this backdrop, the total amount of these customer deposits are held as securities (collared floaters) in the amount of EUR 46,517K, deposits with the central bank, sight or short-term deposits maintained with banks in the amount of EUR 54,859K. These deposits are reported both in the Wirecard Group and at the Wirecard Bank under the Cash and cash equivalents balance sheet line item and under non-current line item "financial and other assets". However, they are not included in the financial resource fund. This amounted to EUR 127,386K as at June 30, 2010 (Previous year: EUR 126,338K).

In addition, in considering the liquidity analysis, it should be borne in mind that liquidity is impacted by balance sheet date effects on account of the company's particular business model. The liquidity that Wirecard receives through the credit card revenues of its merchants, and which it will also pay out to these in future, is available to the Group for a transitional period. To enhance the level of transparency and illustrate the influence on cash flow, in addition to its usual presentation of cash flows in the ordinary course of business, Wirecard AG reports a further cash flow account to eliminate items that are of a merely transitory nature. These addenda will make it easier to identify and depict the cash-relevant portion of the Company's business figures.

Cash flow from operating activities, adjusted for transaction volumes of a transitory nature amounting to EUR 26,408K clearly shows that Wirecard AG had a comfortable volume in its own liquidity to meet its payment obligations at all times. The company has approved credit lines. At the balance sheet date, of these EUR 4,500K had been drawn in the form of cash loans and EUR 17,600K by guarantee credits.

Asset position

The assets reported in the balance sheet of Wirecard AG changed from EUR 540,568K as at December 31, 2009 to EUR 517,364K as at June 30, 2010. Meanwhile the non-current assets have grown, the current assets reduced from EUR 355,195K to EUR 282,212K. The change resulted from a measure that Wirecard Bank AG adopted to improve its interest income position by investing in various medium- to long-term interest-bearing securities reported under financial and other assets. This led to a decline in the Cash and cash equivalents balance sheet item by EUR 46,517K compared with December 31, 2009.

Non-current assets carried on the balance sheet amounted to EUR 235,152K at the end of period (December 31, 2009: EUR 185,373K). The essential changes are due to the investment in securities made by Wirecard Bank as described above.

In addition to the assets reported in the balance sheet in the Group of Wirecard AG, 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 assets conservatively and to capitalize them only if this is required in terms of international accounting standards.

4. GROUP STRUCTURE AND ORGANIZATION

4.1. Subsidiaries

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

Wirecard Technologies AG and Wirecard (Gibraltar) Ltd., with registered office 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 mainly in the markets for digital media, online portals and online games.

The subsidiaries, Wirecard Payment Solutions Holdings Ltd., Wirecard Payment Solutions Ltd. and Herview Ltd., all with head offices in Dublin (Ireland), Qenta paymentsolutions Beratungs und Informations GmbH in Klagenfurt (Austria) and webcommunication EDV Dienstleistungs- und Entwicklungs GmbH in Graz (Austria) provide sales and processing services for the Group's core business, namely Payment Processing & Risk Management.

Wirecard Retail Services GmbH and Pro Card Kartensysteme GmbH complement the range of services of Wirecard Technologies AG with the sale and operation of Point-of-Sale (PoS) payment terminals. As a result, our customers are able to accept payments for their Internet-based and mail-order services as well as the electronic payments made at their stationary, brick & mortar businesses via Wirecard.

Wirecard Communication Services GmbH bundles the expertise of virtual and stationary call center solutions in a hybrid structure. The resulting flexibility allows it to respond dynamically to the changing requirements of Internet-based business models. The services provided by Wirecard Communication Services GmbH are aimed mainly at business and private customers of the Wirecard Group, and especially those of Wirecard Bank AG.

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

The E-Credit Group, comprising E-Credit Plus Pte. Ltd. (E-Credit), Singapore, and its subsidiaries, work in online payment processing, predominantly on behalf of eCommerce merchants in the eastern Asian region and were included in the group of consolidated companies on January 1, 2010.

Wire Card Beteiligungs GmbH and Trustpay International AG, both headquartered in Munich/Grasbrunn, act as interim holding companies of subsidiaries within the Group and are not engaged in active operations.

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

4.2. Board of Management and Supervisory Board

The Board of Management of Wirecard AG consists unchanged of three members.

At the end of the period under review the Management Board of Wirecard AG has comprised the following members:

- Dr. Markus Braun, CEO, Chief Technology Officer
- Burkhard Ley, Chief Financial Officer
- Jan Marsalek, Chief Sales Officer

The Supervisory Board of Wirecard AG consists unchanged of three members. In the fourth quarter of 2009, Stefan Klestil was appointed by the District Court of Munich as a new member of the Supervisory Board for the period up to the end of the 2010 ordinary Annual General Meeting. At the AGM, held on June 17, 2010 in Munich, Stefan Klestil was confirmed as member of the Supervisory Board of Wirecard AG.

- Wulf Matthias, Chairman
- Alfons W. Henseler, Deputy Chairman
- Stefan Klestil, Member

The remuneration system of the Board of Management and Supervisory Board consists of fixed and variable components. For more information on this topic, please refer to the Notes to the Consolidated Financial Statements and the Corporate Governance Report (Remuneration Report) of the Annual Report 2009.

Directors' Dealings

No transactions took place in the period under review.

Company by-law

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

4.3. Employees

The success of the service-oriented business model of Wirecard AG relies to a large extent on having a highly motivated team. For this reason, the Human Resources department provides the employees with the best-possible support commensurate with their talents and qualifications. Managerial staff respects fundamental social principles, endorse an entrepreneurial approach and seek to foster team spirit in order to boost the Company's innovative strength.

At the June 30, 2010 balance sheet date, the Wirecard Group had a total workforce of 517 employees at its various locations (previous year: 455) and three members on the Board of Management. The number of full-time employees rose from 340 to 384. The number of part-time employees increased from 115 to 133.

Staff participation (option) program

In order to continue to be able to foster loyalty to the Wirecard Group by offering managerial staff and employees a variable remuneration component with a long-term incentive effect, a resolution was adopted at the Annual General Meeting of Wirecard AG on June 24, 2008 to issue subscription rights to Wirecard AG stocks to employees and members of the Board of Management. Accordingly, new contingent capital (contingent capital 2008/I) was registered at a level of EUR 3,053,700.00.

5. SUBSEQUENT REPORT

5.1. Information on events of particular importance

Ad hoc release according to Sec. 15 WpHG (The German Securities Trading Act)

On July 27, 2010, Wirecard AG published the preliminary figures of the second quarter and first half year of 2010. At the same time the Management Board of Wirecard AG has affirmed its forecast to achieve EDITDA in a bandwidth from 70 to 75 million euros for fiscal 2010.

Releases according to Sec. 26 para 1 WpHG (The German Securities Trading Act)

Date of disclosure	Date of notification	Company notified after the end of the reporting period
July 27, 2010	July 23, 2010	International Value Advisers LLC, NewYork, USA , 5.01 percent Exceedance of 5 percent threshold on July 21, 2010
July 19, 2010	July 14, 2010	International Value Advisers, LLC, NewYork, USA, 3.03 percent Exceedance of 3 percent threshold on July 21, 2010
July 13, 2010	July 12, 2010	Ameriprise Financial Inc., Minneapolis, USA, 3.04 percent Exceedance of 3 percent threshold on July 8, 2010
July 2, 2010	Correction (Attribution)	Jupiter Asset Management Ltd., London. UK, 6,267 percent Correction of the notification dated April 12 and 13, 2010
For more details on the above disclosures please visit: http://www.wirecard.com/investor-relations/financial-news		

5.2. Impact on financial, profit and asset position

After the balance sheet date until publication of the interim report for the second quarter/ first half of fiscal 2010 there were no events which had impact on the financial, profit or asset position.

6. RESEARCH AND DEVELOPMENT; RISKS AND CHANCES

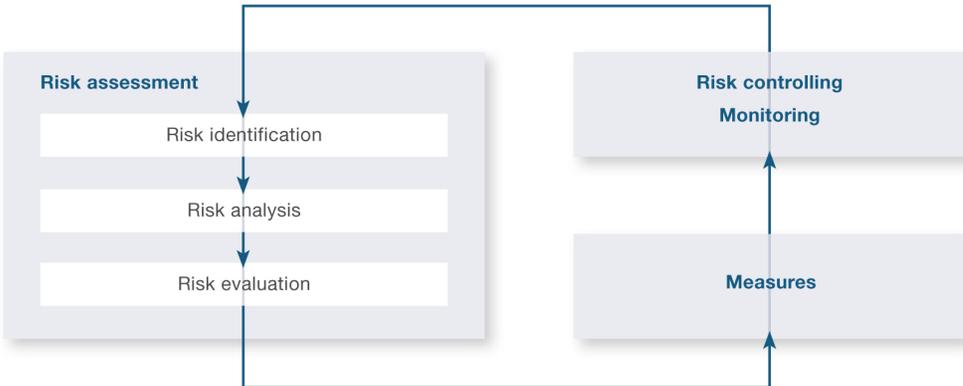
6.1. Research and Development

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. Risks and Chances

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.

Process of risk management within the Wirecard Group



As there have been no changes in the intervening period of time please refer to the Annual Report of fiscal 2009, chapter 7 Risk Report and chapter 9 Forecast Report for more details. We wish to advise that no risks are present that could endanger the Group as a going concern.

7. OUTLOOK

The overall economic fundamentals have developed more positively than had been anticipated in the same period a year earlier. At the same time, financial trends in the euro zone continue to reflect possible economic risks.

Wirecard AG operates in a market segment that witnessed double-digit growth even in the 2009 crisis year, the outlook for which continues to be assessed as highly positive for the next several years. We are very well positioned to face today's demands on international solutions for payment processing activities in eCommerce by constantly developing innovative products and solutions.

Apart from financial aspects with regard to solid liquidity, our entrepreneurial objectives continue to include boosting our profitability and extending our leading position in Europe as well as gradually acquiring additional market share in the Asian region.

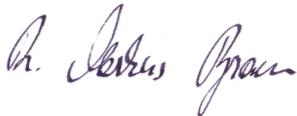
By combining technology and innovative banking activities, the Wirecard Group will strengthen its independent market position and continually extend the international orientation of its array of products and services.

While we affirm our strategy of focusing primarily on organic growth, we cannot rule out a takeover of smaller-scale payment-service providers. Some transactions are subject to an unchanged, strict catalog of criteria.

For fiscal 2010, the Management Board of Wirecard AG confirms its forecast to reach EBITDA in a bandwidth of 70 to 75 million euros.

Grasbrunn/ Munich, August 17, 2010

Wirecard AG




Dr. Markus Braun

Burkhard Ley



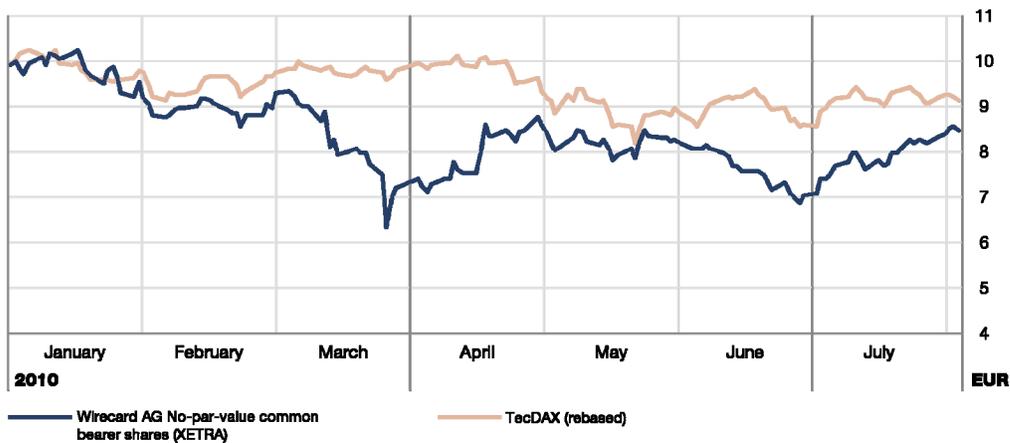
Jan Marsalek

WIRECARD STOCK

On the European stock markets, the second quarter of the year 2010 was characterized by numerous events that gave investors cause for concern. The DAX declined from 6,153.55 to 5,965.52 points. At the end of the quarter, the TecDAX, the reference index for Wirecard stock, had shed roughly 12 percent, bringing it down to 734.48 points.

At the beginning of the second quarter, Wirecard stock was trading at EUR 7.21; by May 3, 2010, its price rose to EUR 8.79, simultaneously representing the peak for the quarter. Until the end of July, its price trended sideways, falling to EUR 7.02 - the lowest price level for the relevant quarter. After the end of the reporting quarter, an upward trend became noticeable again.

The average trading volume per day came to 1,081,740 shares in the second quarter, at an average price of EUR 7.96.



Key figures Wirecard stock Q2 2010

		Q2 2010	Q2 2009
Number of shares		101,803,139	101,803,139
Capital stock	EUR	101,803,139.00	101,803,139.00
Market capitalization(06/30)	mn EUR	715	708
Stock market price (06/30)	EUR	*7.02	*6.95
Stock market price high	EUR	8.79	7.11
Stock market price low	EUR	7.02	5.17

Stock data: XETRA closing price

*ex dividend, adjusted by EUR 0.09 (2010) and EUR 0.08 (2009)

Annual General Meeting/Dividend approval

The Annual General Shareholders' Meeting was held on June 17, 2010 in Munich. Among others a resolution was adopted to use the distributable profit of EUR 13,662,170.02 for the financial year 2009 to carry forward profits in the amount of EUR 4,499,887.51 onto new accounts and to pay a dividend in the amount of EUR 9,162,282.51 in aggregate, i.e. a dividend of EUR 0.09 per each non-par value share of the 101,803,139 non-par value shares being entitled to dividends.

All items on the agenda were approved by a majority of votes. Further information is available on our Investor Relations website <http://www.wirecard.com/investor-relations/agm.html>

Investor Relations

The Management Board maintains continuous contact with numerous institutional investors. In the second quarter of 2010 one-on-ones (visits and telephone conferences) were held, and conferences and roadshows were attended.

At the end of the period under review eleven analysts of banks of note monitored Wirecard stock. 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://www.wirecard.com/investor-relations>.

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:	WDI; Reuters: WDIG.DE; Bloomberg: WDI:GR
WKN:	747206
ISIN:	DE0007472060
Authorized capital, in number of shares:	101,803,139
Group accounting category:	Exempting consolidated financial statements in accordance with IAS/IFRS
End of fiscal year:	December, 31
Total capital stock as at June 30, 2010:	EUR 101,803,139.00
Beginning of stock market listing:	October 25, 2000
Board of Management:	Dr. Markus Braun (CEO, CTO) Burkhard Ley (CFO) Jan Marsalek (COO)
Supervisory Board:	Wulf Matthias (Chairman) Alfons W. Henseler (Deputy Chairman) Stefan Klestil (Member)
Shareholder structure as at June 30, 2010:	7.60 % MB Beteiligungsgesellschaft mbH
(Shareholders with more than 3% of voting rights)	6.26 % Jupiter Asset Management Ltd, (UK) 5.00 % Alken Fund Sicav (LU) 4.97 % Artisan Partners (US) 3.44 % T, Rowe Price Group. Inc, (US) 3.10 % Wasatch Holdings. Inc, (US) 92.4 % Freefloat (Alken, Artisan, Jupiter, T. Rowe and Wasatch are assigned to the freefloat according to the rules of Deutsche Börse)

Group-Balance Sheet – Assets

in EUR	06/30/2010	12/31/2009
ASSETS		
I. Non-current assets		
1. Intangible assets		
Goodwill	101,339,875.98	90,289,025.39
Internally generated intangible assets	14,394,420.56	12,723,396.73
Other intangible assets	13,313,252.38	11,576,877.19
Customer relationships	50,007,724.29	48,649,808.94
	179,055,273.21	163,239,108.25
2. Property, plant and equipment		
Other property, plant and equipment	1,608,855.52	1,497,025.35
3. Financial and other assets / interest-bearing securities	51,435,965.06	16,285,831.22
4. Tax credits		
Deferred tax assets	3,051,982.07	4,351,455.95
Total non-current assets	235,152,075.86	185,373,420.77
II. Current assets		
1. Inventories	392,309.24	353,531.91
2. Trade receivables and other receivables	99,207,138.41	80,561,820.67
3. Tax credits		
Tax assets	322,607.70	1,750,965.38
4. Cash and cash equivalents*	182,289,540.63	272,528,622.02
Total current assets	282,211,595.98	355,194,939.98
Total assets	517,363,671.84	540,568,360.75

* Without the investment in interest-bearing securities reported under financial and other assets, the volume of cash and cash equivalents would be EUR 46.517K higher.

Group-Balance Sheet – Equity and Liabilities

In EUR	06/30/2010	12/31/2009
EQUITY AND LIABILITIES		
I. Shareholders' equity		
1. Subscribed capital	101,803,139.00	101,803,139.00
2. Capital reserve	11,261,517.49	11,261,517.49
3. Consolidated accumulated profits	149,445,320.70	131,831,808.10
4. Foreign currency translation reserve	210,004.22	(14,094.75)
Total shareholders' equity	262,719,981.41	244,882,369.84
II. LIABILITIES		
1. Non-current liabilities		
Non-current interest bearing bank liabilities	2,000,000.00	2,000,000.00
Other non-current liabilities	0.00	1,482,592.62
Deferred tax liabilities	6,863,590.94	6,314,956.86
	8,863,590.94	9,797,549.48
2. Current liabilities		
Trade payables	125,596,638.22	140,479,318.80
Current interest bearing liabilities	2,544,516.90	3,509,590.31
Other current provisions	1,405,904.43	1,241,015.59
Other current liabilities	13,125,826.21	16,739,660.63
Customer deposits from banking operations	101,376,318.29	122,819,737.38
Tax provisions	1,730,895.44	1,099,118.72
	245,780,099.49	285,888,441.43
Total liabilities	254,643,690.43	295,685,990.91
Total shareholders' equity and liabilities	517,363,671.84	540,568,360.75

Consolidated Income Statement

in EUR	04/01/2010 - 06/30/2010	04/01/2009 - 06/30/2009
I. Sales	65,332,760.44	54,520,331.50
II. Other own work capitalized	1,260,001.37	1,092,738.99
1. Other own work capitalized	1,260,001.37	1,092,738.99
III. Operating expenses	44,697,814.55	36,796,509.38
1. Cost of materials	36,022,078.42	29,875,518.26
2. Personnel expenses	7,267,974.39	5,969,848.91
3. Amortization and depreciation	1,407,761.74	951,142.21
IV. Other operating income and expenses	(5,717,617.57)	(5,142,535.81)
1. Other operating income	162,825.90	217,937.94
2. Other operating expenses	5,880,443.47	5,360,473.75
Net operating income	16,177,329.69	13,674,025.30
V. Financial result	(22,424.38)	(171,719.86)
1. Other interest and similar income	324,906.00	(31,388.85)
2. Financial cost	347,330.38	140,331.01
VI. Profit before taxes	16,154,905.31	13,502,305.44
VII. Income tax	1,640,844.21	2,438,349.71
VIII. Profit after taxes	14,514,061.10	11,063,955.73
IX. Profit carry-forward	134,931,259.60	95,503,694.73
X. Consolidated accumulated profits	149,445,320.70	106,567,650.46
Earnings per share (basic)	0.14	0.11
Earnings per share (diluted)	0.14	0.11
Weighted average shares outstanding (basic)	101,803,139	101,803,139
Weighted average shares outstanding (diluted)	102,069,023	102,067,956

Consolidated Statement of Comprehensive Income

in EUR	04/01/2010 - 06/30/2010	04/01/2009 - 06/30/2009
Profit after taxes	14,514,061.10	11,063,955.73
Change in exchange differences from translation of operations outside the euro zone	211,816.17	5,991.20
Total comprehensive income	14,725,877.27	11,069,946.93

	01/01/2010 - 06/30/2010	01/01/2009 - 06/30/2009	
	123,845,238.86	103,630,403.97	I. Sales
	2,531,069.91	2,217,383.96	II. Other own work capitalized
	2,531,069.91	2,217,383.96	1. Other own work capitalized
	84,035,361.60	72,449,227.75	III. Operating expenses
	67,137,132.46	57,870,257.82	1. Cost of materials
	14,217,582.22	12,742,607.85	2. Personnel expenses
	2,680,646.92	1,836,362.08	3. Amortization and depreciation
	(11,475,359.19)	(7,838,350.59)	IV. Other operating income and expenses
	529,238.88	1,917,413.51	1. Other operating income
	12,004,598.07	9,755,764.10	2. Other operating expenses
	30,865,587.98	25,560,209.59	Net operating income
	(320,899.48)	(617,639.13)	V. Financial result
	524,519.47	258,769.16	1. Other interest and similar income
	845,418.95	876,408.29	2. Financial cost
	30,544,688.50	24,942,570.46	VI. Profit before taxes
	3,768,893.39	4,684,574.32	VII. Income tax
	26,775,795.11	20,257,996.14	VIII. Profit after taxes
	122,669,525.59	86,309,654.32	IX. Profit carry-forward
	149,445,320.70	106,567,650.46	X. Consolidated accumulated profits
	0.26	0.20	Earnings per share (basic)
	0.26	0.20	Earnings per share (diluted)
	101,803,139	101,803,139	Weight average shares outstanding (basic)
	102,069,023	102,067,956	Weight average shares outstanding (diluted)

	01/01/2010 - 06/30/2010	01/01/2009 - 06/30/2009	
	26,775,795.11	20,257,996.14	Profit after taxes
	224,098.97	9,814.95	Change in exchange differences from translation of operations outside the euro zone
	26,999,894.08	20,267,811.09	Total comprehensive income

**Consolidated cash flow from operating activities
(Adjusted for transaction volumes of a transitory nature)**

in EUR	01/01/2010 - 06/30/2010	01/01/2009 - 06/30/2009
EBIT	30,865,587.98	25,560,209.59
Gains/Losses from the disposal of fixed assets	(51,631.01)	51,548.84
Amortization/depreciation/write-ups of non-current assets	2,680,646.92	1,836,362.08
Impact on foreign currency translation	(21,750.02)	109,365.55
Changes in inventories	(38,777.33)	(127,804.33)
Changes in trade receivables and other receivables (adjusted for transaction volumes of a transitory nature)	4,743,582.02	(7,394,511.85)
Changes in other assets	(525,549.45)	544,073.42
Changes in provisions	164,888.84	519,859.82
Increase/decrease in current liabilities excluding financial liabilities	(1,482,592.62)	0.00
Changes in trade payables (adjusted for transaction volumes of a transitory nature)	(3,142,665.18)	3,883,629.58
Changes in other current liabilities	(4,513,882.77)	(903,751.17)
Other non-cash income/expenses	0.00	(909,344.50)
Income taxes paid	(1,384,904.64)	(2,020,410.35)
Interest paid (excl. interest on loans)	(262,770.01)	(102,501.49)
Interest received	140,816.15	143,650.29
Elimination of purchase price liabilities and adjustments net working capital from first consolidation	(762,638.71)	1,016,824.34
Cash flow from operating activities	26,408,360.17	22,207,199.82

Due to the special system used in Acquiring, which is essentially characterized by balance sheet date effects inherent in the business model, Wirecard discloses a further statement in addition to the usual presentation of 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 result.

In accordance with the business model, the transaction volumes from the Acquiring business are reported under the item of Trade receivables and other 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 balance sheet date to another. 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 the identification and reporting of the cash-relevant portion of the Company's results.

Consolidated Cash Flow Statement

in EUR	01/01/2010 - 06/30/2010	01/01/2009 - 06/30/2009
EBIT	30,865,587.98	25,560,209.59
Gains/Losses from the disposal of fixed assets	(51,631.01)	51,548.84
Amortization/depreciation/write-ups of non-current assets	2,680,646.92	1,836,362.08
Impact on foreign currency translation	1,312,576.97	109,365.55
Changes in inventories	(38,777.33)	(127,804.33)
Changes in trade and other receivables	(18,172,816.27)	(17,599,153.03)
Changes in other assets	(525,549.45)	544,073.42
Changes in provisions	164,888.84	519,859.82
Increase/decrease in current liabilities excluding financial liabilities	(1,482,592.62)	0.00
Changes in trade payables	(17,127,979.37)	13,383,346.60
Changes in other current liabilities	(3,621,934.17)	(903,751.17)
Other non-cash income/expenses	0.00	(909,344.50)
Income taxes paid	(1,384,904.64)	(2,020,410.35)
Interest paid (excl. interest for loans)	(262,770.01)	(102,501.49)
Interest received	140,816.15	143,650.29
Elimination of purchase price liabilities and adjustments net working capital from first consolidation	(762,638.71)	1,016,824.34
Cash flow from operating activities	(8,267,076.72)	21,502,275.66
Cash paid for investments in intangible assets and property, plant and equipment	(6,657,660.04)	(4,027,399.00)
Cash paid for investments in financial assets and interest bearing securities	0.00	0.00
Cash received from sale of financial assets	231,643.63	0.00
Cash paid for the acquisition of entities and investments in consolidated entities less cash acquired	(440,126.28)	0.00
Cash flow from investing activities	(6,866,142.69)	(4,027,399.00)
Cash paid for repayment of financial liabilities	(1,000,000.00)	0.00
Dividends paid	(9,162,282.51)	(8,144,251.12)
Interest paid on loans	(114,236.50)	(201,810.30)
Cash flow from financing activities	(10,276,519.01)	(8,346,061.42)
Net change in cash and cash equivalents	(25,409,738.42)	9,128,815.24
Adjustments due to currency translation	224,098.58	9,814.95
Adjustments due to consolidation	2,872,241.45	0.00
Cash and cash equivalents as of beginning of period	149,699,294.33	117,199,816.53
Cash and cash equivalents as of end of period	127,385,895.94	126,338,446.72

Consolidated Statement of Changes in Equity

	Common stock Nominal value / Number of shares issued	Consolidated accumulated profits and losses	Foreign currency translation reserve	Total Shareholders' Equity	Total Shareholders' Equity
	EUR / STK	EUR	EUR	EUR	EUR
Balance as of December 31, 2008	101,803,139.00	10,722,517.49	94,453,905.44	(24,443.14)	206,955,118.79
Profit after taxes			20,257,996.14		20,257,996.14
Dividends paid			(8,144,251.12)		(8,144,251.12)
Contingent capital increase (convertible bonds)	0.00	323,000.00			323,000.00
Currency translation differences				9,814.95	9,814.95
Balance as of June 30, 2009	101,803,139.00	11,045,517.49	106,567,650.46	(14,628.19)	219,401,678.76
Balance as of December 31, 2009	101,803,139.00	11,261,517.49	131,831,808.10	(14,094.75)	244,882,369.84
Profit after taxes			26,775,795.11		26,775,795.11
Dividends paid			(9,162,282.51)		(9,162,282.51)
Contingent capital increase (convertible bonds)	0.00	0.00			0.00
Currency translation differences				224,098.97	224,098.97
Balance as of June 30, 2010	101,803,139.00	11,261,517.49	149,445,320.70	210,004.22	262,719,981.41

NOTES

Consolidated Financial Statements as at June 30, 2010

1. Disclosures related to the Company and its valuation principles

1.1. Business activities and legal background

Wirecard AG, Bretonischer Ring 4, 85630 Grasbrunn (hereafter referred to as “Wirecard”, “Group” or “the Company”) was established on May 6, 1999. The name of the Company was changed from InfoGenie Europe AG to Wire Card AG upon entry thereof in the commercial register on March 14, 2005 and to Wirecard AG upon entry in the commercial register on June 19, 2006.

Consolidation perimeter

As at June 30, 2010, 20 companies were fully consolidated. As at June 30, 2009 there were 16 such 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 Arab Emirates)	100%
Pro Card Kartensysteme GmbH, Grasbrunn (Germany)	100%
Wire Card Beteiligungs GmbH, Grasbrunn (Germany)	100%
Wirecard Bank AG, Grasbrunn (Germany)	100%
E-Credit Plus Pte. Ltd. (Singapore)	100%
E-Credit Plus Corp. (Philippines)	100%
Credence Collection SDN BHD (Malaysia)	100%
E-Payments Singapore Pte. Ltd. (Singapore)	100%

Uniform accounting and valuation methods apply to the perimeter of consolidated subsidiaries. The subsidiaries' shareholdings and quotas of voting rights are identical.

Business combinations

On December 16, 2009, Wirecard AG signed a purchase agreement for the acquisition of 100 percent of the company E-Credit Plus Pte. Ltd., Singapore, along with its subsidiaries. The final transfer of shares (closing) was effected on December 28, 2009. A business combination as contemplated by IFRS 3 took place outside the period under review, effective as of January 1, 2010. Only at this point did Wirecard AG acquire a controlling interest over the group of companies as contemplated by IFRS 3 since Wirecard had the power to govern its management and key decisions from that date. For this reason, this transaction was accounted for as at December 31, 2009 as an investment in an associated company pursuant to IAS 28. At the date of initial consolidation this position was eliminated and at January 1, 2010 the fair values were balanced.

The purchase price for the group of companies amounted to EUR 10,283K. In addition, EUR 2,477K was capitalized as an earn-out component measured according to the expected operating result of the E-Credit Group in the year 2010. The additional ancillary acquisition costs capitalized amounted to EUR 523K. Essentially, these were consultancy costs associated with the legal and financial due diligence audit, the costs of contracting and directly related travel and other expenses. The material assets of the companies taken over are customer and supplier relations in eastern Asia. The financial statements of the group of companies are now available. The valuations have been adjusted to take account of the present figures. In this connection, the values published in the quarterly report as at March 31, 2010 on revenues and earnings have likewise been adjusted accordingly.

The preliminary breakdown is as follows:

Amounts recorded and fair value per main category arising from the corporate acquisition

in EUR '000s	Carrying amount	Fair value
Cash & cash equivalents	2,872	2,872
Goodwill	0	11,051
Customer relationships	0	1,884
Other tangible assets	6	6
Receivables	474	474
Other assets	20	20
Deferred tax liabilities	1	340
Liabilities	2,684	2,684
Shareholders' equity	687	13,283
thereof, profit for the year 2009	1,178	1,178

The purchase price was funded with cash held by the Company. Neither were any equity instruments issued, nor were any funds borrowed for financing purposes.

The E-Credit Group, consisting of E-Credit Plus Pte. Ltd. and its subsidiaries is engaged in the field of online payment processing, chiefly for eCommerce merchants in the eastern Asian region. In the process, Wirecard AG is extending its existing presence in eastern Asia with its Philippine subsidiary Wirecard Asia Pacific Inc. For its operations in Asia, Wirecard expects synergy effects to be generated for the Group as a whole.

1.2. Principals and assumptions used in preparing the financial statements

Principles

The consolidated financial statements as at June 30, 2010 were prepared in accordance with IAS 34 (Interim Financial Reporting) with consideration of the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS) as adopted by EU. The notes of the consolidated financial statements as at December 31, 2009 also apply accordingly to the present quarterly financial statements and should be taken into consideration in connection with the interim financial statements. Any variations from the above are explained below.

Presentation

The presentation of the Group's Balance Sheet, Income Statement, Cash Flow Statement and Segment reporting was effected in accordance with the consolidated financial statements as at December 31, 2009.

Comparability

The comparability with the previous period is limited owing to the initial consolidation of the E-Credit Group as at January 1, 2010.

Accounting and valuation methods

In the course of preparing the quarterly/half year financial statements as at June 30, 2010, the same accounting and valuation principles were used as for the last consolidated financial statements (December 31, 2009) and in the previous-year period (January 1, 2009 through June 30, 2009). For more details please refer to the Annual Report as at December 31, 2009.

2. Notes to the Group's balance sheet - assets

2.1. Intangible assets

Intangible assets comprise goodwill, internally generated intangible assets, other intangibles and customer relationships.

Goodwill

In accordance with the Group's accounting policies, goodwill is assessed at least once a year for possible impairments or whenever the need arises (most recently on December 31, 2009). The determination of the recoverable amount of a business segment (cash-generating unit) to which goodwill was assigned is based on estimates by management. These took account of the prevailing general economic conditions. The Company determines these values using valuation methods based on discounted cash flows.

Due to the purchase of the E-Credit Group, the level of goodwill increased by EUR 11,051K in the 1st half year of 2010, to EUR 101,340K (December 31, 2009: EUR 90,289K) and is reported in the following cash-generating units:

Goodwill		
in EUR '000s	06/30/2010	12/31/2009
Payment Processing & Risk Management	77,035	65,984
Acquiring & Issuing	24,017	24,017
Call Center & Communication Services	288	288
Total	101,340	90,289

Internally generated intangible assets

In the first half year of fiscal 2010 software worth EUR 2,531K (Previous year: EUR 2,217K) was developed and capitalized. The software in question was developed for the Payment Processing & Risk Management segment. It will be amortized off using the straight-line method over the course of its useful economic life. The period in question is ten years.

Other intangible assets

In addition to the software for the individual workstations, other intangible assets, essentially relate to software acquired for and used by the "Payment Processing & Risk Management" and "Acquiring & Issuing" segments. They will be amortized using the straight-line method over their useful economic life. They will be amortized using the straight-line method over their useful economic life. The relevant period ranges from three to ten years. In the period under review other intangibles assets increased from EUR 11,577K to EUR 13,313K.

Customer relationships

Customer relationships refer to acquired customer portfolios and those resulting from companies being consolidated. Of customer relationships, an amount equivalent to EUR 42,775K has an indefinite useful life. Accordingly, these are subjected to regular impairment testing (the last occasion being December 31, 2009). They will be amortized using the straight-line method over their useful economic life. The relevant period ranges between four and ten years.

In the period under review, this item increased following the initial consolidation of the E-Credit Group, in which EUR 1,884K was assigned to customer relations within the scope of the purchase price allocation.

2.2. Property, plant and equipment

Other property, plant and equipment

Property, plant and equipment comprise 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, as a rule, 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 and other assets / Interest-bearing securities

Financial and other assets changed from EUR 16,286K to EUR 51,436K in the 1st half year, chiefly due to two effects described below:

For one thing, Wirecard Bank AG invested in various medium- and long-term interest-bearing securities. With an original term to maturity of three to five years, these earn interest solely according to conditions on the money market, with minimum and maximum interest rates being agreed (so-called collared floaters). These are reported under Financial and other assets; this is why they have the effect of reducing the Cash and cash equivalents item. Due to these circumstances, this item increased by EUR 46,517K compared with December 31, 2009, and the volume of cash and cash equivalents was thus reduced.

For another, this item was reduced by the equity interest in the E-Credit Group amounting to EUR 13,283K after assuming control of the company as of January 1, 2010. Instead, the assets and liabilities were recognized at fair value within the scope of the purchase price allocation.

2.4. Tax credits

Deferred tax assets

Tax credits/deferred tax assets 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 uses the balance sheet oriented liability method of accounting for deferred tax assets in accordance with IAS 12. Under the liability method, deferred taxes are determined according to the temporary differences between the carrying amounts of asset and liability items in the consolidated balance sheet and the tax balance sheet, as well as taking account of the tax rates in effect at the time the aforesaid differences were reversed. Valuation adjustments to deferred tax assets are made if the probability of a tax benefit being realized is below 50 percent (IAS 12.24).

2.5. Inventories

As at June, 30 2010 the inventories reported (EUR 392K; December 31, 2009: EUR 354K) related to merchandise such as terminals and debit cards. The valuation was made in accordance with IAS 2.

2.6. Trade receivables and other receivables

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 the Trade receivables item as a receivable from credit card organizations and banks. At the same time, these business operations give rise to liabilities to our merchants, amounting to the transaction volume less our charges. Receivables and liabilities (less our commissions and charges) are transitory in nature and subject to substantial fluctuations as at balance sheet dates. The increase as at June 30, 2010 is essentially due to an increase in receivables from acquiring as at the balance sheet date.

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. Tax credits

Tax assets as at June 30, 2010 comprise claims for income tax refunds of EUR 323K (December 31, 2009: EUR 566K). As at December 31, 2009 value-added tax refunds of EUR 1,185K were accounted.

2.8. Cash and cash equivalents

The Cash and cash equivalents item (June 30, 2010: EUR 182,290K; December 31, 2009: EUR 272,529K) lists cash in hand and credit balances with banks (demand and time deposits and call money). These also include resources from current customer deposits of Wirecard Bank AG (June 30, 2010: EUR 54,859K; December 31, 2009: EUR 122,820K), which are not invested in so-called collared floaters, and funds derived from the Bank's Acquiring business (June 30, 2010: EUR 73,998K; December 31, 2009: EUR 93,131K).

To improve its interest income, Wirecard Bank AG invested part of the customer deposits in various medium- and long-term interest-bearing securities (so-called collared floaters). These are reported under non-current financial and other assets. The cash and cash equivalents-item would be higher by EUR 46,517K without the purchase of these securities.

3. Notes to the Group's balance sheet – equity and liabilities

For information on consolidated equity for the first half year of 2010, please refer to the table "Consolidated Statement of Changes in Equity".

3.1. Subscribed Capital

The Company's subscribed capital as at June 30, 2010 remained unchanged year-on-year at EUR 101,803,139.00 and is divided into 101,803,139 no-par-value bearer shares based on a notional capital stock of EUR 1.00 per share.

Authorized Capital

Pursuant to a resolution adopted at the Annual General Meeting of June 18, 2009, the Board of Management was authorized to increase the capital stock with the consent of the Supervisory Board by June 18, 2014 on one or several occasions by up to a maximum total of EUR 37,299,652.00 by issuing up to 37,299,652 new no-par-value bearer shares in return for cash and/or non-cash capital contributions, including so-called "mixed contributions in-kind" (Authorized Capital 2009/I), and to determine that profit participation is to begin at a time other than that stipulated by legislation.

As at June 30, 2010 the authorized capital (Authorized Capital 2009/I) remained unchanged at EUR 37,299,652.00.

Contingent Capital

Because no conversions took place during the period under review, there was no change to the level of contingent capital and, as in the previous period, it remains at EUR 997,927.25.

The contingent capital (Contingent Capital 2008/I) also remained unchanged at EUR 3,053,700.00.

Purchase of treasury stock

By a resolution adopted at the Annual General Meeting on June 17, 2010, the Board of Management is authorized to acquire up to 10 percent of the capital stock of Wirecard AG existing at the time of the resolution. This authorization is valid until June 16, 2015.

The Board of Management did not exercise its authority to acquire and use treasury stocks in accordance with Sec. 71 (1) No. 8 AktG by June 30, 2010.

3.2. Capital reserve

The capital reserve remained unchanged as in the previous period at EUR 11,262K.

3.3. Non-current liabilities

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

Non-current interest-bearing liabilities

Non-current interest-bearing liabilities amounting to EUR 2,000K (December 31, 2009: EUR 2,000K) serve to finance the customer portfolios acquired in the years 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.

Other non-current liabilities

Other non-current liabilities included the sum of EUR 1,483K relating to the non-current shares of the earn-out component taken into account as at December 31, 2009, which are due in the 1st half of 2011 once the relevant requirements have been met. As at June 30, 2010 these are due within one year and are therefore reported under other current liabilities.

Deferred tax liabilities

Deferred tax liabilities, amounting to EUR 6,864K (December 31, 2009: EUR 6,315K) related to temporary differences between profit or loss as stated in the tax accounts and the consolidated profit or loss according to IFRS and are reported under non-current liabilities.

3.4. Current liabilities

Current liabilities are classified into trade payables, interest-bearing liabilities, other provisions, customer deposits from banking operations of Wirecard Bank AG, other liabilities, and tax provisions.

Trade payables

Trade payables are owed mainly to merchants/online traders. Including the Acquiring segment, Wirecard Bank AG accounts for EUR 104,710K of such trade payables.

Interest-bearing liabilities

Interest-bearing liabilities, amounting to EUR 2,545K (December 31, 2009: EUR 3,510K) represent in the amount of EUR 2,500K the current portion of the financing relating to the customer portfolios acquired in 2006 and 2007. In accordance with agreements entered into, repayment is to be made by 2012 in annual installments. Non-current repayments are recorded under long-term interest-bearing liabilities.

Other provisions

All provisions are short-term in nature. Other short-term provisions amounting to EUR 1,406K (December 31, 2009: EUR 1,241K) include accounting and auditing costs of EUR 977K as the largest single item (December 31, 2009: EUR 742K).

Other liabilities

Other liabilities amounting to EUR 13,126K (December 31, 2009: EUR 16,740K) comprised EUR 2,445K of liabilities from withholding tax on capital investments for the dividend paid in June 2010, deferred/accrued liabilities in the amount of EUR 4,665K (December 31, 2009: EUR 7,268K), other accrual/deferral items amounting to EUR 472K (December 31, 2009: EUR 4,971K) and EUR 2,908K (December 31, 2009: EUR 1,748K) in current purchase price commitments from variable remuneration for the acquisition of the holding and, in the previous year, purchase price commitments arising from the acquisition of customer relationships. Moreover, this item comprised EUR 572K (December 31, 2009: EUR 572K) in (convertible) bonds as well as liabilities arising in the fields of payment transactions, wages and salaries, social security and the like.

Customer deposits from banking operations

This line item included customer deposits amounting to EUR 101,376K (December 31, 2009: EUR 122,820K) with Wirecard Bank AG.

Tax provisions

Tax provisions essentially relate to provisions set up for income taxes. Due to the provisional tax payments for the period under review, provisions had to be set up only for the amount in excess.

4. Notes to the Income Statement

4.1. Sales revenues

The Group's sales revenues (EUR 123,845K) are generated in the "Call Center & Communication Services", "Payment Processing & Risk Management"-divisions as well as the proceeds generated from commission payments of the Acquiring & Issuing-division. In addition, in the "Acquiring & Issuing" division EUR 1,043K in interest income of Wirecard Bank AG is reported as revenue 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 comprises charges from the credit card issuing banks (Interchange), charges from credit card companies (e.g. MasterCard and Visa) as well as transaction-related charges from third-party providers (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

Personnel expenditure in the first half year of 2010 amounted to EUR 14,218K (previous year period: EUR 12,743K), comprising salaries amounting to EUR 12,516K and social security contributions of EUR 1,702K.

On average, the Wirecard Group had 509 employees (previous year period: 451 employees) (excluding the Board of Management and trainees), of whom 133 (previous year period: 115) were employed on a part-time basis. In the first half year, the Group also employs four trainee (previous year period: one trainee).

These employees were engaged in the following functions:

Employees		
	6M 2010	6M 2009
Distribution	92	90
Administration	88	85
Customer Service	198	156
Research and Development and IT	131	120
Total	509	451
Thereof employed part-time	133	115

4.4. Other operating income

Other operating income (EUR 529K) essentially consists of income from reversal of provisions or netted remunerations in kind. Currency gains are netted before being reported within the Group.

4.5. Other operating expenses

Breakdown of other operating expenses:

Other operating expenses		
in EUR '000s	6M 2010	6M 2009
Legal and audit expenses	1,987	1,138
Consulting expenses and consulting-related expenses	1,941	1,867
Office expenses	1,454	1,167
Equipment and leasing	2,337	1,584
Sales and marketing	2,171	1,857
Other	2,115	2,143
Total	12,005	9,756

4.6. Financial result

The financial result amounted to –EUR 321K (previous year period: –EUR 618K). Expenses amounting to EUR 845K include interest and commitment fees of EUR 385K and currency-related expenses of EUR 460K. Interest income amounted to EUR 408K. Net financial income was at EUR 525K. Interest income of Wirecard Bank AG, amounting to EUR 1,043K is not included in the financial result according to IAS 18.5 (a), but in sales revenues instead. Please refer to Chapter 4.1. Sales Revenues and to 6.1. Segment Reporting.

4.7. Income tax expense and deferred taxes

On balance, the consolidated income statement for the period January 1, 2010 through June 30, 2010 includes an income tax expense item of EUR 3,769K. Of this sum, EUR 893K relates to the accumulation of deferred tax liabilities from temporary differences; a reduction of deferred tax liabilities from outside basis differences in the amount of EUR 684K and EUR 1,297K relate to the use of deferred tax assets and the income tax burdens determined on the basis of the tax calculations from the first six months of 2010. The cash-relevant tax quota (excluding deferred taxes) amounted to 7.4 percent (June 30, 2009: 10.9 percent).

5. Notes to the consolidated cash flow statement

The Group's cash flow account is prepared in accordance with IAS 7 (Statement of Cash flows). It discloses the cash flows in order to show the source and application of cash and cash equivalents. In doing so, it distinguishes between changes in cash flows from operating, investing 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 demand deposits with banks.

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

Reconciliation to cash and cash equivalents according to IAS 7.45

Cash and cash equivalents at the end of the period include cash in hand and bank balances disclosed in the line item cash and cash equivalents (June 30, 2010: EUR 182,290K; June 30, 2009: EUR 229,252K), less current (immediately due and payable) liabilities to banks (June 30, 2010: EUR 45K; June 30, 2009: EUR 15K) included in the Current interest-bearing liabilities line item. Moreover, current customer deposits in the field of banking are deducted in accordance with IAS 7 in the amount in which they are reported under financial resources (June 30, 2010: EUR 54,859K; June 30, 2009: EUR 102,899K).

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 to short-term (bank) overdraft facilities which are also due and payable on a daily basis.

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, securities (so-called collared floaters) are kept in the total amount of customer deposits of EUR 46,517K, and deposits with the central bank, sight and current term deposits with credit institutions are maintained in the amount of EUR 54,859K. These are reported both in the Wirecard Group and at the Wirecard Bank under the balance sheet line item “cash and cash equivalents” and under the line item of the non-current “financial and other assets”.

Due to the initial consolidation of the E-Credit-Group cash and cash equivalents increased by EUR 2,872K. The effects of currency translation and changes to the consolidation perimeter were eliminated in the calculation.

Cash and cash equivalents		
in EUR '000s	06/30/2010	06/30/2009
Cash and cash equivalents	182,290	229,252
Current interest-bearing liabilities	(2,545)	(4,515)
of which, current liabilities to bank	(45)	(15)
Reconciliation to cash and cash equivalents	182,245	229,237
of which, current customer deposits from banking operations	(54,859)	(102,899)
of which, Acquiring deposits in Wirecard Bank AG	(73,998)	(58,797)
Cash and cash equivalents at the end of the period	127,386	126,338

5.1. Cash flow from operating activities

Due to the special system used in Acquiring, which is essentially characterized by balance sheet date effects inherent in the business model, Wirecard decided to present a further statement in addition to the usual presentation of cash flows from operating activities to eliminate those items that are merely transitory in nature. These addenda help to identify and present the cash-relevant portion of the Company's result.

The “Elimination of purchase price liabilities and adjustments net working capital from initial consolidation” item reflects necessary adjustments in accordance with IAS 7.43 e.g. due to investments in customer relationships and in E-Credit Plus Pte. Ltd., Singapore including subsidiaries. Among other things, this item also reflects the deduction of the relevant residual purchase price liabilities from the Increase/decrease item in other current liabilities that do not relate to the cash flow from operating activities. Moreover, the elimination of the effect of the initial consolidation of the net working capital arising from the acquisition of the E-Credit Group was carried out there.

The cash flow from operating activities is determined according to the indirect method by initially adjusting Group earnings to take account of non-cash transactions, accruals/deferrals or provisions relating to past or future cash receipts or cash payments as well as income and expense items to be attributed to investments or finance activities. After taking the changes in working capital into account, this results in a cash inflow/outflow from ordinary operating activities. The cash inflow/outflow from ordinary activities is determined by adding the company's interest and tax payments.

The principal reasons for the changes in relation to the previous year are as follows:

The unadjusted cash flow from operating activities decreased in the first half year by -EUR 29,769K, from EUR 21,502K in 2009 to -EUR 8,267K, in 2010. This was essentially related to the special system used in the Acquiring division, which is impacted by balance sheet date effects inherent in the Company's business model. For one thing, the change is a consequence of the increase in receivables from credit card organizations by balance sheet date effects as at June 30, 2010; for another, there was a predominantly balance-sheet date related reduction in trade payables that corresponded in asset terms to a decline in the volume of cash holdings. The cash flow from operating activity (adjusted for transaction volumes of a transitory nature) improved from EUR 22,207K to EUR 26,408K, primarily as a result of the increase in net operating income.

In line with the business model, the transaction volumes generated by the Acquiring business are reported under Trade receivables as receivables from credit card organizations and banks. At the same time, these business transactions result in 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 balance sheet date to another.

5.2. Cash flow from investment activities

The cash flow from investment activities is the result of the cash inflow from non-current assets (excluding deferred taxes) and the cash outflow for investments in non-current assets (excluding deferred taxes).

To improve its interest income from customer deposits, Wirecard Bank AG invested in various medium- and long-term interest-bearing securities. As at June 30, 2010, the carrying amount of the total portfolio came to EUR 46,517K, reported under non-current financial and other assets. As the factual situation is attributable to the deposit-taking operations of Wirecard Bank AG in commercial terms, this is not depicted as an investment in the cash flow statement; instead, the disclosure is netted in accordance with IAS 7.22.

The outflow of funds from investment activity totaled EUR 6,866K in the 6-month period (previous year: EUR 4,027K). Essentially, these were investments of EUR 2,619K in externally developed software and EUR 2,531K in company-created software. Moreover, variable purchase prices were paid for the customer base acquired in July 2009, amounting to EUR 988K.

5.3. Cash flow from financing activities

In the present report, interest paid and interest received is reported separately. In the process, interest immediately related to financing is assigned to the cash flow from financing activities, and all other interest to cash flow from operations.

The cash flow from financing activities during the period under review relates primarily to the dividend resolution of the Annual General Meeting as at June 17, 2010 in the amount of EUR 9,162K and to the disbursement resulting from the redemption of financial liabilities amounting to EUR 1,000K.

5.4. Financial resource fund at the end of period

Taking account of these inflows and outflows (6M/2010: –EUR 25,410K; 6M/2009: EUR 9,129K), of the changes to the financial resource fund due to exchange rate fluctuations (6M 2010: EUR 224K; 6M 2009: EUR 10K), adjustments of the financial resource fund due to consolidation (6M/2010: EUR 2,872K; 6M/2009: EUR 0K) and of the financial resource fund at the beginning of the period (6M/2010: EUR 149,699K; 6M/2009: EUR 117,200K) – the financial resource fund at the end of the period amounted to EUR 127,386K (6M/2009: EUR 126,338K).

6. Other notes

6.1. Segment reporting

Segments subject to mandatory disclosure are also determined in accordance with internal reporting. Internal benchmarks are revenues, EBITDA and EBIT. Segment reporting is structured accordingly. 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.

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 scope 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 Europe segment includes Wirecard (Gibraltar) Ltd., InfoGenie Ltd. (UK) 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 Dienstleistungen und Entwicklungs GmbH, Graz (Austria). The Other countries segment in-

cludes cardSystems FZ-LLC as well as the E-credit-Group. All other group companies are accounted for under Germany.

Breakdown of total revenues by operating divisions

in EUR '000s	6M 2010	6M 2009	Q2 2010	Q2 2009
Payment Processing & Risk Management (PP&RM)	116,529	98,339	62,101	51,745
Acquiring & Issuing (A&I)	50,720	31,191	25,409	17,277
Call Center & Communication Services (CC&CS)	2,385	2,241	1,066	1,043
	169,634	131,771	88,576	70,065
Consolidation PP&RM	(1,192)	(666)	(619)	(367)
Consolidation A&I	(43,753)	(26,534)	(22,196)	(14,725)
Consolidation CC&CS	(844)	(941)	(428)	(453)
Total	123,845	103,630	65,333	54,520

EBITDA by operating divisions

in EUR '000s	6M 2010	6M 2009	Q2 2010	Q2 2009
Payment Processing & Risk Management	20,931	18,792	11,630	10,558
Acquiring & Issuing	12,509	8,581	5,991	4,048
Call Center & Communication Services	106	24	(36)	19
	33,546	27,397	17,585	14,625
Consolidations	0	0	0	0
Total	33,546	27,397	17,585	14,625

EBIT by operating divisions

in EUR '000s	6M 2010	6M 2009	Q2 2010	Q2 2009
Payment Processing & Risk Management	18,308	17,033	10,251	9,647
Acquiring & Issuing	12,471	8,544	5,971	4,028
Call Center & Communication Services	87	(17)	(45)	(1)
	30,866	25,560	16,177	13,674
Consolidations	0	0	0	0
Total	30,866	25,560	16,177	13,674

Regional revenue breakdown

in EUR '000s	6M 2010	6M 2009	Q2 2010	Q2 2009
Germany	83,536	68,184	42,199	36,260
Europe	64,127	48,553	35,145	25,817
Other countries	2,856	0	1,444	0
	150,519	116,737	78,788	62,077
Consolidation Germany	(26,507)	(13,047)	(13,370)	(7,515)
Consolidation Europe	(167)	(60)	(85)	(42)
Consolidation Other countries	0	0	0	0
Total	123,845	103,630	65,333	54,520

EBITDA by regions

in EUR '000s	6M 2010	6M 2009	Q2 2010	Q2 2009
Germany	15,794	13,060	8,583	6,965
Europe	16,404	14,378	8,470	7,700
Other countries	1,348	(41)	532	(40)
	33,546	27,397	17,585	14,625
Consolidations	0	0	0	0
Total	33,546	27,397	17,585	14,625

EBIT by regions

in EUR '000s	6M 2010	6M 2009	Q2 2010	Q2 2009
Germany	13,792	11,898	7,522	6,355
Europe	15,806	13,703	8,163	7,359
Other countries	1,268	(41)	492	(40)
	30,866	25,560	16,177	13,674
Consolidations	0	0	0	0
Total	30,866	25,560	16,177	13,674

7. Additional mandatory disclosures

7.1. Board of Management

The following persons were employed as members of the Board of Management at Wirecard AG. Rüdiger Trautmann, economist, left the Company for personal reasons on January 31, 2010. Following a resolution adopted by the Supervisory Board, Jan Marsalek was appointed his successor as a member of the Board of Management as at February 1, 2010.

Dr. Markus Braun, commercial computer scientist, member of the Board of Management since October 1, 2004

Chief Executive Officer

Burkhard Ley, banker, member of the Board of Management since January 1, 2006

Chief Financial Officer

Jan Marsalek, computer scientist, member of the Board of Management since February 1, 2010

Chief Sales Officer

7.2. 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) are reflected in the consolidated financial statements. Events not taken into account after the balance-sheet date are reported in the Notes if they are material. However no such events had occurred.

Munich/Grasbrunn, August 17, 2010

Wirecard AG



Dr. Markus Braun



Burkhard Ley



Jan Marsalek

WARRANTY BY THE STATUTORY REPRESENTATIVES

We warrant to the best of our knowledge that in accordance with the accounting principles to be applied for interim reporting purposes, the Group's interim financial statements convey a true and fair view of the Group's asset, financial and earnings position and that in the Group interim management report, the course of business including the operating result and the Group's overall situation are described in such a manner as to convey a true and fair view of actual conditions prevailing, including the essential opportunities and risks inherent in the Group's foreseeable development in the remaining fiscal year.

Grasbrunn, August 17, 2010

Wirecard AG

The Board of Management



Dr. Markus Braun



Burkhard Ley



Jan Marsalek

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Financial calendar

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

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