



Visa Europe sees double digit growth with €1 in every €7 spent in Europe on a Visa card

Visa delivering the future of payments with launches of mobile payments and digital wallet services in 2012

London, 17 January 2012 - Spend on Visa cards in Europe grew 14% in 2011, totaling €1.16 trillion, according to results released by Visa Europe today. This growth now means that €1 in every €7 of consumer spending in Europe is on a Visa card, up from €1 in €8 in 2010 and €1 in €18 in 2000.

Double digit growth of Visa Debit

The growth in debit, as the preferred payment card for Europeans, continued apace, registering 16% year-on-year growth in both value and volume of transactions made at point of sale. Nearly 80% of Visa spend is on debit cards in Europe.

Peter Ayliffe, Chief Executive, Visa Europe said: "Despite the continuing economic challenges, spending on Visa cards by Europeans grew by 14% in 2011 as more consumers and retailers recognised the convenience, security and efficiency of electronic payments. The strongest growth, once again, was on debit cards.

We expect this growth in electronic payments to continue during 2012 when we will be launching mobile payments and our digital wallet services. These new services, that are a key part of our future of payments strategy, will revolutionise consumers' everyday shopping experience to the extent that by 2020 we predict that over half of all Visa transactions in Europe will be on a mobile device.'

Visa Europe processing

Visa Europe processed nearly one billion transactions every month in 2011, registering a 19% year-on-year growth as the number of processed transactions reached 11.8 billion. This growth in Visa Europe's processing services has prompted investment in a new data centre, which is twice the size of the current primary processing centre. This expanded operation will support anticipated future increases in processing, including growth in ecommerce transactions and mobile payments.

Managing risk: the success of chip

Fraud losses on Visa cards in Europe reached an all time low in 2011, with the fraud to sales ratio falling by 27% to 0.038%, meaning that fraud now accounts for less than four cents in every €100 spent. Much of this downward trend in the face-to-face environment can be attributed to the success of EMV chip technology, with more than 75% of all Visa cards in Europe now chip-enabled. The increased uptake of Verified by Visa by card issuers and merchants, together with real time risk scoring introduced into Visa Europe's processing capability, are contributing to the reduction in e-commerce fraud.

Future of Payments

Significant progress was made in payments innovation by Visa Europe in 2011 with a total of 30 million contactless cards issued and the first mobile payment services launched, with person-to-person payments and text alerts in October 2011. Strategic investments were also made by Visa Europe in Monitise and Beyond Analysis¹ to assist in its delivery of its Future of Payments strategy

In 2012 Visa Europe expects to see contactless cards hit 50 million in circulation in Europe, and the first launches of mobile phones enabled to make point-of-sale transactions. Visa Europe will also launch its new ecommerce digital wallet service in the latter half of the year.

Financials

Visa Europe, operating as a low cost, not for profit membership association, for the first time ever reported total revenues for the year of more than €1 billion. Following major investments to ensure delivery of Visa Europe's 'Future of Payments', this produced a pre-tax surplus of €241 million. This sum was retained within the business to support capital and reserves which rose to €738 million.

Note to editors:

About Visa Europe

In Europe, there are 445 million Visa debit, credit and commercial cards. In the 12 months ending September 2011 those cards were used to make purchases and cash withdrawals to the value of €1.7 trillion. 14% of consumer spending at point of sale in Europe is with a Visa card, and almost 80% of that is on Visa debit cards.

Visa Europe is owned and operated by more than 3,700 European member banks and was incorporated in July 2004. Visa Europe is independent of global Visa Inc., with an exclusive, irrevocable and perpetual licence in Europe, while both companies operate to ensure global interoperability. As a dedicated European payment system Visa Europe is able to respond quickly to the specific market needs of European banks and their customers - cardholders and retailers - and to meet the European Commission's objective to create a true internal market for payments.

Visa enjoys unsurpassed acceptance around the world. In addition, Visa/PLUS is one of the world's largest global ATM networks, offering cash access in local currency in over 200 countries.

For more information, visit <http://www.visaeurope.com/>

Monitise and Beyond Analysis

Monitise is a technology company delivering mobile banking, payments and commerce networks worldwide with the proven technology and expertise to enable financial institutions and other service providers to offer a wide range of services to their customers in developed and emerging markets. In October 2011 Visa

Europe announced a strategic investment of £24.7m in Monitise plc (LSE: MONI.L) to strengthen the commercial partnership between the two companies which began in February 2011.

In November 2011 Visa Europe also took a minority stake in leading customer insight group, Beyond Analysis. The investment will strengthen Visa Europe's data analytics capabilities and forms part of its strategy to deliver increased value for consumers, retailers and banks through electronic payments. Beyond Analysis has been working with Visa Europe since 2008.

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