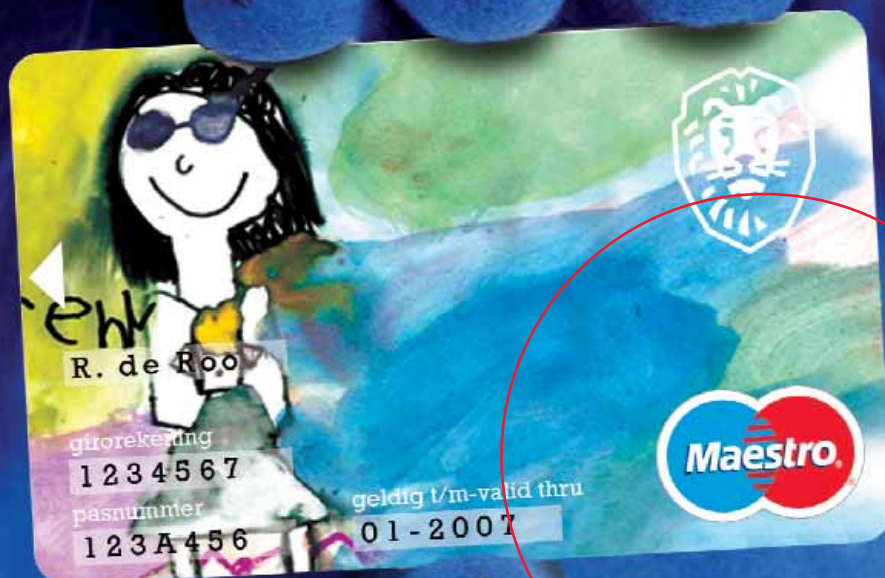


MasterCard
International



In Europe

MASTERCARD EUROPE – ISSUE 1 – JANUARY/FEBRUARY 2006



WORLD FIRST: 'DESIGN YOUR OWN' MAESTRO CARD

Editorial

This first *In Europe* of 2006 features a range of exciting stories from across the MasterCard Europe Region. The launch of the ING Postbank customisable card demonstrates the innovation and added value that Maestro can bring, as does the roll-out of a prepaid traveller's card developed by Western Union and its agent FEXCO.

At the end of last year, French consumers took their relationship with MasterCard to a new level through a highly exciting and successful usage campaign. Based on the *Priceless Weekend* promotions, the 'Grand-Jeu', MasterCard has really caught the public's imagination. Cardholders only had to enter their purchases on a special website to be entered into the grand draw.

With the football season in full swing and interest hotting up for the 2006 FIFA World Cup™, the launch by MBNA of the official England football team fan card couldn't have been more timely. Football fans across Europe will also be delighted to learn that MasterCard has confirmed its sponsorship of the UEFA Champions League 2006-2009 and the UEFA EURO 2008™.

In today's competitive environment, it is essential to keep up with the latest developments in the payments business. The MasterCard Academy has recently launched its new range of courses and development opportunities. You can find out what is on offer in the next few months by consulting the schedule printed on the back cover of this month's *In Europe*.

World First as ING Postbank Launches 'Design Your Own' Maestro Card

Postbank in the Netherlands (part of the ING Group) is the first card issuer in the world to offer its cardholders the possibility of customising their Maestro® payment card ('Giropas'), by choosing their own personal design. The Card Customisation service, launched in November 2005, will reinforce Postbank's creative brand image in the Netherlands.

Cardholders have the option of either selecting from an array of stock pictures, including designs by famous Dutch artists, or providing an image of their own, such as of their favourite holiday or family picture, to be used on the card. Way ahead on the popularity stakes are personally designed cards – with more than 90% of customers choosing this option.

Cardholders can design their own customised Maestro card via a special Postbank website equipped with a so-called 'fitting room'. Proposed card

images are then screened by a group of trained Postbank specialists to ensure they comply with all legal and internal ING/Postbank and MasterCard requirements. The physical card will be mailed a few days later.

"We couldn't be more pleased with this innovative new project," says Mark Buitenhek, Senior Vice President Payment ING Retail. "The launch has exceeded our expectations, with over 180,000 cards issued in the two months, with a strong take-up from the youth segment, early adopters and the internet savvy. The card launch is definitely one of the most innovative and inspiring national payment card promotions in the Netherlands."

"It was a pleasure to work with Postbank," says Judith Gieben, Senior Project Manager at MasterCard International. "We were clearly working off the same page in terms of guidelines for



Santander 'Super Card' Adding Value in Germany

acceptable images, for instance. We wanted to be as flexible as possible, while ensuring that anything that might result in card acceptance confusion at merchants was ruled out."

"The Postbank senior management have expressed their utmost satisfaction for all the technical, legal and marketing support they received from MasterCard, citing it as a 'best in class' project example."

"The initial results of the programme are truly fantastic," says Luc van Puyvelde, Vice President Key Customer Management for ING. "We are really proud that here at MasterCard we were able to make this happen together with such a dynamic bank! And we are also more than convinced that the Postbank Card Customisation programme will be recorded as a 'milestone' in the history of the card payments landscape," he adds. »»

Santander Consumer CC Bank in Germany has launched the revolving MasterCard® 'Super Card', a market first in the country. In addition to revolving credit, the card offers a 5% rebate for petrol purchases – an alluring prospect in an era of high petrol prices.

Santander Consumer CC Bank, part of the Santander Group of Spain, is the market leader in car financing in Germany, with more than two million customers. By teaming up with Santander Consumer CC Bank, MasterCard is harnessing a huge cross-selling opportunity towards the bank's customer base with this new revolving credit card.

Among its many benefits, the MasterCard Super Card offers cardholders online access to their account

details, including all statements for the previous twelve months. Cardholders are informed by e-mail when a new card statement has been issued and if they have not consulted it online within twenty days, it is automatically sent by ordinary post.

The Super Card MasterCard programme was launched with a spirited marketing campaign, raising consumer awareness across the country and creating added value for both customers and merchants. For its part, MasterCard is gaining increased brand recognition and customers in the country, with more than 8,000 new cards issued in the first month after the launch. »»



Morgan Stanley Launches Ultra-Premium MasterCard Card

The i24 Card, recently launched by Morgan Stanley in the UK, offers a highly compelling package of benefits. It is the only ultra-premium card to offer 1% cashback on all purchases and is also the only card at this end of the market to recognise customers' greater overseas usage needs by not charging foreign exchange fees.

The i24 Card from Morgan Stanley offers several additional features for cardholders. The 24/7 concierge service will provide both 'discovery' and 'recovery' functions, whether it be booking an exclusive

restaurant for Valentine's Day or getting a translator at 4 o'clock in the morning. In addition, cardholders will have access to airport lounges, comprehensive travel insurance, an additional card for partners or family members and worldwide acceptance on the MasterCard network.



The launch of the i24 Card demonstrates Morgan Stanley's continued expansion in the credit card market.

Patrick Muir, Marketing Director, Morgan Stanley Consumer Banking, said: "The launch of the i24 Card is an exciting expansion of Morgan Stanley's credit card offering. Our research showed that the empty labels of fashion brands and overstated flashy symbols associated with other ultra-premium cards did not provide the functional proposition so key to the busy lives of individuals in the higher income bracket. The i24 Card from Morgan Stanley provides benefits that premium cardholders will actually need, value and use on a day-to-day basis." »»

Source: moneysupermarket.com

Prepaid Card Targets UK Travellers

A new card product launched in the UK marks another important step forward in the development of MasterCard's prepaid programme.

At the end of November, MasterCard Europe, Prepay Technologies, Western Union and its agent FEXCO announced the launch of the Western Union travel cash card. The new prepaid Maestro card, issued by MasterCard Member NAG, is a secure and reloadable cash card available in euros, US dollars or pound sterling. The idea of the card, according to Western Union, is to link in with their image of providing 'reliable, fast and convenient' money.

The card is 100% online and authorised with a zero floor limit, providing

cardholders with a safe and reliable way to carry money abroad. It can be used at the Maestro network of over nine million retailers and over one million ATMs across the world.



With some 80,000 people a day travelling abroad from the UK, the partners in the Western Union travel cash card believe there is significant growth potential in the prepaid travel card market in the UK. According to Keith Hobbs, Head of New Business Development at MasterCard

Europe: "Travellers are demanding access to safe and convenient payment solutions, and our work with Western Union and Prepay Technologies will deliver them just that. The global strength of MasterCard's brand, acceptance network, and prepaid expertise makes us uniquely positioned to create best in class prepaid solutions around the world."

Philippe Dufour, Chief Executive of PrePay Technologies, said: "The travel cash card is part of an important expansion and diversification for our company. Working with MasterCard Europe, Western Union and its agent FEXCO is a tremendous validation of our vision and the work we have done to be able to comply with global clients of this calibre." ▶▶

Banesto's Buy and Fly Raises the Bar



Banesto, a member of the Santander Group, has raised the bar in the contest for new payment card business in Spain. In keeping with the bank's strategy to be first to market with innovative solutions and continuously attract new customers, it has launched an aggressive new card campaign, in partnership with MasterCard.

The *Compra y Vuela* – or Buy and Fly – programme offers cardholders free flights, based

on their level of purchases, but at an astonishingly low threshold. It is one of the most competitive programmes on the market, giving cardholders a free flight to Paris from Madrid for significantly less in purchases than the nearest competitor's card.



This Banesto MasterCard programme is raising consumer awareness locally and creating added value for both partners. MasterCard is gaining increased brand recognition and customers in the region. Banesto is leveraging the *Compra y Vuela* programme as their main customer loyalty programme, attracting new retail customers by offering points for new accounts, mortgages and other financial services with impressive results. ▶▶

The card is available in Standard, Gold, Platinum, Corporate Gold or Revolving Gold versions, with annual fees from €35 to €90.



MasterCard Strengthens Commitment to Beautiful Game with Renewal of UEFA Sponsorship

MasterCard Europe has confirmed that it will extend its 14-year relationship with UEFA by becoming an official sponsor of the UEFA Champions League 2006-2009 and the UEFA Euro 2008™.

Jeremy Nicholds, Commercial Director, MasterCard Europe, commented: "Football is the most popular sport in most of MasterCard's key markets. With that in mind, our continuing partnership with UEFA is a powerful platform to build the MasterCard brand among the existing 350 million MasterCard cardholders in Europe, while also creating preference with potential customers."

"In addition, sponsorship gives us the unique ability to offer our 25,000 member financial institutions exclusive access to football assets to help them create business-building programmes to drive card acquisition, activation and usage. Today's announcement gives our members the opportunity to factor UEFA competitions into their marketing plans until at least 2009."

The UEFA Champions League and the UEFA European Championship have both seen a rapid growth in popularity since MasterCard began its association with UEFA in 1992. They are now ranked among the biggest sporting competitions in the world, with nearly 50% of the audience for the UEFA Champions League 2004/2005 season coming from outside Europe. "As a global brand with a strong European heritage, the truly international interest in UEFA's competitions means that they are perfectly aligned to our business," said Nicholds.

Lars-Christer Olsson, Chief Executive Officer of UEFA, said: "We are very happy to be renewing our relationship with MasterCard, one of the world's premier global brands. MasterCard has been a valued long-term partner of ours and we are pleased that they have chosen to continue supporting UEFA's club and national team competitions through to the end of the decade. We are proud to help MasterCard and its customer banks to leverage the international language of

football to create *Priceless* experiences for millions of cardholders globally."

MasterCard has been a sponsor of the European Championship since 1992 and of the Champions League since 1994. Under the renewed deal, MasterCard will have exclusive rights within the Payment Services category. The package also includes rights to other UEFA properties, including the Women's European Championship, the U-21 European Championship and the Futsal European Championship.

Nicholds concludes: "As with all sponsorship, our aim is to connect with consumers to create brand preference and drive card usage. With 240 million players and more than a billion spectators worldwide, football touches more consumers than any other sport. It's the ideal platform for MasterCard and this flagship deal further strengthens our portfolio of football assets, particularly as we look forward to our sponsorship of the FIFA World Cup, to be held in Germany next year." »»



First in France, as Debit Debuts 'Priceless Weekends'

Last autumn, thousands of French consumers took their relationship with MasterCard to a new level, thanks to a highly successful usage promotion – the first of its kind in France. The promotion delivered excellent levels of card usage and loyalty, and has reinforced the positioning of MasterCard in consumers' everyday life.

The promotion, organised in association with Europay France, ran from September to November 2005 and was called 'Grand Jeu MasterCard Weekends'. It was based on the successful *Priceless Weekend Promotion*, which has now been used in some twenty countries in Europe.

"Grand Jeu MasterCard Weekends' was the first card usage national promotion in France, and it really caught the public's imagination. The key objective was to assert brand leadership and encourage card usage. We took brand communication to a new level in France – we complemented the usual TV campaign with promotions in the press and on the web, and the results were outstanding," comments Natalie Michel, Head of Marketing for France.

The idea behind the promotion was simple: use your MasterCard from 1 September to 30 November and win the weekend that you've always dreamt of, where you want, with whom you want! All consumers had to do was use their MasterCard, register on the MasterCard Weekends website and then record every transaction made with the card. Every time they registered purchases, participants were put in a draw to win one of the three top prizes: €5,000 to be used in a travel agency to go wherever the winners wanted. Other prizes included tickets for UEFA Champions League matches, cinema tickets and packages for Spa, Adventure and Greedy Weekends.

Cardholders showed obvious enthusiasm for the promotion throughout the autumn, with people coming back to the website again and again to record their purchases:

- Almost 13,000 people registered in three months;



HSBC Issues First MasterCard Credit Card on the Polish Market and in the CEE Region

HSBC Bank Polska, a member of the HSBC Group, has announced the launch of its first credit card issued in the CEE region. The MasterCard credit card will be co-branded with IKEA, one of the world's leading home interior designers.

The new IKEA MasterCard credit card is a continuation of the cooperation between HSBC Bank Polska and IKEA. In November 2004, the bank started to offer retail loans to IKEA clients under the brand of Beneficial Kredyt. The card offers customers a unique loyalty programme with benefits available in all IKEA stores all over Poland.

Commenting on the timing of the launch of the new card, Lech Kurklinski, deputy CEO of HSBC Bank Polska SA, has said: "The credit card market is growing rapidly in Poland. This is the perfect moment for HSBC to extend our product lines by offering our first credit card."

"We at MasterCard are very open towards co-brand programmes. The IKEA MasterCard credit card speaks directly to consumer lifestyles and interests, while it helps us to educate customers to make conscious decisions about their finances," Hanna Staskiewicz-Dzielak, Associate Vice President Marketing MasterCard Europe, comments.

The HSBC Group will provide the underlying banking technology, expertise and funding. The IKEA credit card can be used anywhere in the world where MasterCard is accepted, i.e. in 24 million acceptance points around the world, including 160,000 localised in Poland.

MasterCard is the global partner of the HSBC Group. "We are really proud that thanks to the IKEA MasterCard card launch we can extend the cooperation with the HSBC Group to the CEE region. I am sure that our cooperation will be especially profitable for our clients – IKEA MasterCard cardholders," Hanna Staskiewicz-Dzielak adds.

- About 78,500 purchases were recorded on the website;
- An average of six purchases registered per month and per participant;
- An average of 9,100 unique visitors every week to the website and about 129,000 unique visitors during the three months of the promotion;
- A great visibility for the web campaign with 94,450,000 unique contacts.

"This innovative campaign touched the lives of thousands of cardholders in France. They've used their MasterCard cards again and again; they've gone back to the MasterCard website again and again; and those who won prizes have enjoyed some *Priceless* experiences thanks to MasterCard. The legacy of the campaign is a strong sense of the dynamism of the MasterCard brand, and a stronger relationship with thousands of consumers. We're delighted with the results," adds Natalie Michel. ▶▶

Lech Kurklinski has stressed that the launch marks a new and very promising era in HSBC's presence in Poland: "The IKEA credit card is the beginning. We are observing the market closely to discover areas with big potential and offer quality financial products to fill them in. We believe there is a huge scope for growth in the credit card market in Poland and we are ready to participate in developing this market." ▶▶



MBNA Europe and MasterCard Score a Goal with the Football Association

MBNA Europe has recently launched a MasterCard credit card programme on behalf of the Football Association (FA), which gives the company exclusive rights to market the official England Football Team card.

"This is a terrific signing for MBNA," said Andrew Luckin, Director of Sales. "The new card programme launched within ten minutes of the contract signing, which meant that England fans could apply online in record time."

The programme is being marketed to football fans and those registered with the FA but, more importantly, the exclusive card endorsement enables MBNA to promote a credit card for one of the world's largest sports brands during a very exciting time for England fans – the lead-up to, and then onto, the 2006 FIFA World Cup™.

The credit card offers added-value benefits, including the opportunity to visit the England team at a private training session where fans can watch international football stars including David Beckham, Michael Owen and Wayne Rooney. In addition, cardholders can win signed merchandise and tickets to games, including the World Cup™ finals in Germany in 2006, through MasterCard. The England team officially qualified for the games on 8 October.

"We are delighted to be able to market the official credit card of the Football Association during the 2006 FIFA World Cup™ season leading to the finals in July 2006," said Leslie Gillin, Director of Marketing and Partnerships. "As the official card provider of 18 of the 20 Premiership football teams in the UK, adding the Football Association to our product suite is great for MBNA and provides another product option for the avid football fan."



"MBNA has an unrivalled position as the leading issuer of football credit card programmes in the UK. We are delighted that this prestigious card will be MasterCard branded," said Nicola Marsh and Salim Secretary, MBNA Global Account Team. "This is another significant win for MBNA Europe and MasterCard in the football arena, following a period where MasterCard has become either exclusively or predominantly the primary brand for MBNA football programmes in Europe. MasterCard will support this and other MBNA football programmes through the use of our sponsorship assets including *Priceless* moments and tickets." ▶▶



Czech Republic MasterCard Bank of the Year Awards

The MasterCard Bank of the Year awards are an eagerly awaited event in the financial calendar in the Czech Republic. And interest in this year's awards was intensified by the addition of a new category – Banker of the Year.

The purpose of the awards is to recognise and rate the quality of the services and products offered by the banks, building societies and pension

funds that operate in the Czech market. They take place under the auspices of the Ministry of Finance and the Ministry for Regional Development.

The 2005 MasterCard Bank of the Year award again went to Komerční banka (member of the SG Group), which won the award in 2004. In second place was Česká spořitelna and in third place CSOB. The winner of the new Banker of the Year category was Jack Stack, Chairman and CEO of Česká spořitelna. Sixteen bankers, the senior representatives of the banks nominated in the main category, were eligible for the new award. These sixteen then acted as the jury, electing the winner from their own ranks.

"The MasterCard Bank of the Year awards are a clear yardstick of the quality of banking services in the Czech Republic for banks and their clients," says J3n Carny, MasterCard Europe Chief Executive for the Czech Republic, Poland and Slovakia. He continues: "Adding the Banker of the Year category was a logical step that rewards the success of the various banks' most senior representatives."

Ernst & Young, as the partner of eBanka, won the Most Dynamic Bank of the Year category, with Česká spořitelna placed second and GE Money Bank third. Česká spořitelna won the Most Trustworthy Bank of the Year category, which was voted for by the public. ►►



MASTERCARD ACADEMY

Your Partner for the Training you Need



COURSES	LOCATION	DATES
Clearing & Settlement Services for Members	Leuven (B)	14-15 February
GCMS Reconciliation Workshop	Leuven (B)	16-17 February
MasterCard Europe Chargeback Seminar	Ljubljana	21-22 February
Credit Risk Management	Ljubljana	21-22 February
Authorization Operations for Members	Ljubljana	21-22 February
Authorization Workshop	Ljubljana	23-24 February
Fraud Risk Management	Ljubljana	23-24 February
Introduction to MasterCard Europe	Waterloo	29-30-31 March
Transaction Processing Security (Impl & Op)	Amsterdam	7 March
Operational Excellence with MasterCard	Amsterdam	7-8 March
Security & Key Management for Chip Cards	Amsterdam	8-9 March
Portfolio Management	Amsterdam	9-10 March
IPM Clearing Messages Workshop	Amsterdam	9-10 March
Smart Card Security Evaluation	Amsterdam	10 March
Card Strategy for Bankers	Budapest	21-22 March
Optimising your Card Business with Chip	Budapest	21-22 March
Advanced Chip Workshop	Budapest	23-24 March
Debit Solutions in Europe	Budapest	22-23 March

Please contact MasterCard Academy to receive your copy of the 2006 programme
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