



Wire Card AG  
Q2/2006

Interim Report as of June 30, 2006

**wirecard**

# Key Data

| Wirecard Group                         |      | Q2 2006 | Q2 2005   | H1 2006 | H1 2005   |
|--|------|---------|-----------|---------|-----------|
|  |      |         |           |         | Pro forma |
| Total revenues                         | TEUR | 19,341  | 14,018    | 36,461  | 24,097    |
| EBIT                                   | TEUR | 4,386   | 2,331     | 8,198   | 3,156     |
| Earnings per share (basic and diluted) | EUR  | 0.06    | 0.03      | 0.11    | k.A.      |
| Shareholders' Equity                   | TEUR | 92,555  | 58,481    | 92,555  | 58,481    |
| Total assets                           | TEUR | 152,620 | 89,154    | 152,620 | 89,154    |
| Cash Flow from operating activities    | TEUR | 4,934   | * (8,792) | 5,744   | k.A.      |
| Employees                              |      | 366     | 405       | 366     | 405       |
| of whom part-time employees            |      | 154     | 213       | 154     | 213       |

\* Due to non-cash Capital Increase

| Segments      |                | Q2 2006 | Q2 2005 | H1 2006 | H 1 2005 |         |
|---------------|----------------|---------|---------|---------|----------|---------|
|               |                |         |         |         | Proforma |         |
| EPRM          | Total revenues | TEUR    | 19,897  | 13,425  | 36,333   | 22,351  |
|               | EBIT           | TEUR    | 4,631   | 2,770   | 8,637    | 3,551   |
| CCS           | Total revenues | TEUR    | 1,505   | 1,312   | 3,464    | 3,100   |
|               | EBIT           | TEUR    | (255)   | (212)   | (424)    | (144)   |
| Other         | Total revenues | TEUR    | 0       | 0       | 0        | 0       |
|               | EBIT           | TEUR    | 0       | (24)    | 0        | (29)    |
| Consolidation | Total revenues | TEUR    | (2,061) | (719)   | (3,336)  | (1,354) |
|               | EBIT           | TEUR    | 10      | (203)   | (15)     | (222)   |
| Total         | Total revenues | TEUR    | 19,341  | 14,018  | 36,461   | 24,097  |
|               | EBIT           | TEUR    | 4,386   | 2,331   | 8,198    | 3,156   |

Electronic Payment/Risk Management (EPRM) / CallCenter&CommunicationServices(CCS)

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## Letter from the Chairman of the Management Board

Dear Shareholders:

The first half year of fiscal 2006 saw a continuation of the outstanding business trend recorded in all divisions by Wirecard AG. Against this backdrop, the Board of Management has substantially revised the growth targets upward for the year as a whole.

For one thing, the improvement in earnings in the second quarter of 2006 is attributable to the continual surge in the number of customer accounts of Wirecard AG and, for another, to increasing sales revenues generated with portfolio customers. In the past three months, the Group managed to acquire a number of well known large-scale corporations as new customers, particularly among airlines/travel operators and mail-order houses.

In addition, the general market growth for Internet payment systems and the focus of Wirecard AG on industry-specific solutions for growth segments had a positive impact on this trend.

The dynamic business trend experienced by Wire Card Bank AG also contributed to the growth of Wirecard AG as a whole. Following the completion of the bank's integration in technical terms, business with banking services have been profitable since March 2006, with sustained growth being recorded. A decisive contribution to this trend was made by the successful issue of prepaid credit cards. In future, "virtual credit cards" used primarily on the Internet and in mail-order trading will generate decisive impetus for growth.

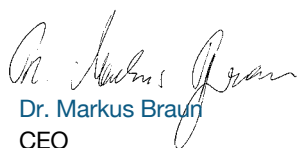
In the course of the fiscal year, Wirecard will benefit increasingly from new products under development as well as from synergy effects between the Wire Card Bank and other fields of activity in which the Group is engaged.

I also wish to mention a cooperative venture entered into several weeks ago by Wire Card Bank AG with the Japanese credit card company JCB Co. Ltd. concerning the issue and acceptance of credit cards. In JCB, we succeeded in acquiring a strong partner to extend our international range of products and services.

Wirecard's stock managed to outperform the TecDax reference index in the second quarter. In the same period, the average trading volume per day doubled year-on-year. Following the successful development of the Group as a whole, Wirecard AG has upgraded its past forecast for the year. On account of the positive business trend in the first half of the year, the Board of Management now anticipates the EBIT growth rate for fiscal 2006 to exceed 60 per cent.

On behalf of the Board of Management and the workforce of Wirecard AG, I wish to thank you for the trust you have placed in us.

Berlin/ Munich, August 2006



Dr. Markus Braun  
CEO

# Consolidated Management Report

## 1. Economic fundamentals, market and industry trends

### A. The market for electronic payment systems: EPRM

The first half year of 2006 has confirmed the forecasts of different surveys and economics institutes for the online area. The E-commerce market is enjoying particularly strong growth in Western Europe. A recently published survey of trends by Forrester Research provides the newest forecasts for E-commerce growth from 2006 to 2011 in Western Europe. According to the results, the percentage of Western Europeans who shop online will rise from the current 100 million to 174 million. In 2011, this would mean 73 percent of the European population. Last but not least, due to the European origin of the Wirecard, the range of products and services of the Group is well-suited to the special complexity of the European market. In this way, in the fast-growing European domestic market, the strong position of the company has contributed significantly to the fact that the Group has once again been able to exceed the global market growth rate of 20%.

Wirecard customers profit, in particular, from the variety of local payment procedures on offer, the risk management systems and from internationally oriented call centre services.

The increases in turnover and profits achieved in the Electronic Payment & Risk Management (EPRM) segment, which is significant for the Group, can be traced back to both the positive development of new customer business and the continually increasing external sales of long-standing customers. A transaction-based business model makes it possible for the Wirecard AG to participate in its customers' success.

While small and medium-sized companies mostly rely on standardised settlements of payment and reasonably-priced procedures for fraud prevention, it is primarily large and international companies that profit in the long term from an integral outsourcing of their payment processes that is tailor-made for their special needs.

Under the heading of Financial Supply Chain Management (FSCM), Wirecard consequently combines payment flows from the offline and online world from all sales and sourcing channels on one central platform. This enables the consolidated settlement and control of Group-internal and external payment flows and thus connected processes, such as fraud prevention, invoicing and cash management.

Wirecard supports companies in reducing their need of external bank relationships for the settlement of their payment flows and international liquidity management. In cooperation with the Wire Card Bank AG, Wirecard offers a high degree of process automation and integration with the aim of maximising the size of individual transactions and the related minimisation of the incidental currency risks and administration or processing fees.

The significant market segments of Wirecard EPRM solutions are the tourism industry, as well as all offline and online trade areas such as mail order business via TV or the Internet. In the "interactive entertainment" industry with online games and media platforms – in short, the entire range of business models that came into existence with the Internet – Wirecard is profiting increasingly

creasingly from the steadily rising number of users and the growing percentage of Internet services that cost.

Thus, according to the (N)Onliner Atlas 2006 of the TNS Infratest, 37.8 million Germans over the age of 14 are now online, an increase of 3 percentage points to 58% in comparison with the previous year. In the EU15 countries, according to the "Monitoring Information Economy, 9th Factual Report" of the TNS Infratest, 82 percent of 16-24 year olds are online, in Germany this figure is almost 93 percent after the Netherlands, which is the leader with 97 percent. In the age groups 25 to 50, the figure is between 52 and 72 percent.

The tourism industry is creating the highest growth rates according to the above-mentioned Forrester trend survey. Around one third of all online expenditures are due to travel bookings. In Western Europe, by the year 2011, turnover is expected to rise by 133 percent to 77 billion Euros.

Market growth in the area of prepaid card products will increase enormously, according to a survey of the British consultancy Payment Systems Europe (PSE Consulting). By the year 2010, European consumers are expected to spend 75 billion Euros using re-chargeable prepaid cards. Compared to 150 million transactions in 2006, prepaid card transactions will increase to 2.3 billion yearly. Prepaid cards that, with the exception of the credit function, can be used like normal credit cards, represent an alternative to travellers cheques or foreign currencies.

The Wire Card Bank, which is allocated to the EPRM segment, issued one of the first prepaid VISA cards in Germany.

#### **B. Market trends for Call Center & Communication Services: CCS**

The stationary call centre in Leipzig contributes significantly to the success of the EPRM segment and the consequent internationalisation of the customer portfolio through its multi-lingual customer support.

Since 2004, the multi-lingual end customer support system for the product CLICK2PAY has been set up and has been continuously expanded with more languages and added value services. In the second quarter of 2006, the end customer support for the Wire Card Bank was launched, in order to provide a service centre for the newly released card products. Further follow-up products of the bank guarantee a qualitatively high-grade consulting service for our end customers.

The virtual call centre services for professional end customer support via telephone, fax, e-mail and online chat rooms are used mainly by software producers, manufacturers of PC and console games, and publishing houses. Our long-standing customers are increasingly requesting end customer support for further countries, from which several European languages are already active.

## 2. Business performance

While activities in the first quarter of 2006 focused on the technical integration, actual operations at Wire Card Bank AG commenced in March 2006. In the quarter under review, the bank recorded positive business trends both in its customer acquisition activities and in issuing card products.

For the first time now, Wirecard is in a position to compare the figures for the second quarter of 2006 with the actual figures for the same quarter a year earlier, instead of having to resort to an additional presentation of pro-forma results.

Following the acquisition of Pro Card Kartensysteme GmbH, which sells terminal devices in the field of stationary trading, the EPRM segment was extended in the reporting quarter to include an interesting portfolio of SME customers.

On a half-year comparison with 2005 there is a need to point out once again that Wirecard Technologies AG (including its subsidiaries) was consolidated as part of the Group effective as of the date of the commercial register entry (March 14, 2005). Accordingly, in addition the pro-forma figures for the first half of 2005 have been included in order to facilitate a better comparison.

### 2.1 Revenues and earnings

In the second quarter of 2006, Wirecard AG generated TEUR 19,341 (previous year: TEUR 14,018) in sales revenues. A half-year comparison year-on-year shows that sales revenues came to TEUR 36,461 in 2006, in relation to TEUR 18,713 for the first half of 2005 (pro-forma : TEUR 24,097).

EBIT, totaling TEUR 4,386, was up considerably year-on-year (TEUR 2,331), by 88 percent. The EBIT margin stands at 23.27 percent.

EBIT in the first half of 2006 amounted to TEUR 8,198, compared with TEUR 2,771 in the same period a year earlier (pro-forma: TEUR 3,156).

### 2.2 Gross Profit

In the quarter under review, gross earnings came to TEUR 9,462 (previous year: TEUR 6,550), and gross earnings for the first half of fiscal 2006 amounted to TEUR 17,543 (previous year: TEUR 8,379).

Personnel expenses in the quarter under review totaled TEUR 3,078 (previous year: TEUR 2,903).

Other operating expenses, including third-party services, cost of premises, valuation adjustments of receivables, administrative and distribution costs as well as travel expenses totaled TEUR 2,208 in the first quarter (previous year: TEUR 1,412).

## 2.3 Asset and financial situation

### Balance sheet and liquidity

Balance-sheet equity in the consolidated financial statements as at June 30, 2006 amounted to TEUR 92,556 (December 31, 2005: TEUR 85,607). The equity ratio amounts to 60.64 percent.

Net profit amounted to TEUR 3,705 (previous year: TEUR 1,442).

Short-term or current assets increased from TEUR 60,131 to TEUR 86,130 in the first half of 2006. Liabilities to banks came to TEUR 2,467 (December 31, 2005: TEUR 6,188). A substantial share of trade receivables is accounted for by receivables from banks (acquirers) integrated into the Wirecard Group's network for the processing of payments.

Considerable portions of trade liabilities are comprised of liabilities to our customers who provide collateral reserves to Wirecard, as well as of liabilities resulting from business processes as at certain balance sheet dates.

The ratio of current assets to current liabilities:

|            |                     |             |        |
|------------|---------------------|-------------|--------|
| 06/30/2006 | Current assets      | TEUR 86,130 | = 1.53 |
|            | Current liabilities | TEUR 56,365 |        |
| 12/31/2005 | Current assets      | TEUR 60,131 | = 1.81 |
|            | Current liabilities | TEUR 33,179 |        |

### Net income and earnings per share

Group after-tax earnings amounted to 3.7 million euros in the second quarter (previous year: 1.4 million euros). In the first half of 2006, consolidated earnings came to 6.9 million euros (previous year: 1.7 million euros).

Basic and diluted earnings per share, respectively, amounted to EUR 0.06 (previous year: EUR 0.03) in the first quarter 2006, and to EUR 0.11 in the first half of 2006 (previous year: EUR 0.05).

## 3. Segment reporting

### 3.1 Development of EPRM (Electronic Payment & Risk Management)

Wire Card Bank AG has been consolidated in the Group since January 1, 2006. Due to the bank's business activities, its sales revenues and earnings are allocated to the EPRM segment even though it operates completely independently within the Group. Wire Card Bank AG commenced operations in March 2006.

EPRM sales revenues amounted to TEUR 19,897 in the first quarter of 2006 (previous year: TEUR 13,425). In the first half of the year, TEUR 36,333 in sales revenues were recorded, compared with pro-forma sales for the first half of fiscal 2005 (TEUR 22,351).

Earnings before interest and taxes (EBIT) of this segment came to TEUR 4,631 in the quarter under review (previous year: TEUR 2,770) and to TEUR 8,637 in the first half of 2006 (previous year: TEUR 3,201/ pro-forma: TEUR 3,551).

The EPRM division comprises all services in the field of payment processing, particularly services performed by the Financial Supply Chain Management (FSCM) software platform and by CLICK2PAY.

Services in the field of Electronic Payment and Risk Management are rendered primarily by Wirecard Technologies AG, which develops and operates the platform, and by Wire Card (Gibraltar) Ltd.. Other companies belonging to the EPRM division are CLICK2PAY GmbH and its payment process by the same name, and United Payment GmbH as well as Pro Card Kartensysteme GmbH, whose activities are focused especially on the POS (Point of Sale) sector and virtual terminals.

The objects of the enterprise of cardSystems FZ-LLC (which also belongs to the EPRM division) are the distribution of what is known as affiliate products and the performance of services directly associated with the sale of these products.

The remaining foreign branch offices are primarily responsible for the sale of products of the Group as a whole and for the localization of payment solutions.

#### CLICK2PAY

#### Synergy with Wire Card Bank

The second quarter was exceedingly positive both in terms of sales revenue trends and the increasing number of new registrations.

Thanks to the exploitation of synergy effects as part of the Group, for instance in issuing credit cards in cooperation with Wire Card Bank AG, meanwhile a significant and rising proportion of sales is being generated in bilateral business relations between Click2Pay GmbH and the holders of CLICK2PAY accounts. This trend is indicative of a reinforced extension of consumer business within the Group, associated with the acquisition of Wire Card bank AG.

The second half of fiscal 2006 will essentially be characterized by the use of cross and up-selling potential with account and card products of the Wire Card Bank. The objective in this regard, apart from intensifying customer relationship management, is to boost the level of sales revenues per new customer acquired.

### 3.2 Development CCS (Call Center & Communication Services)

The stationary call center generated the bulk of its sales revenues while operating as part of the Group, chiefly in acting as a customer service center of CLICK2PAY and the Wire Card Bank.

The CCS segment managed to record solid sales revenue growth year-on-year. The virtual call center (VCC) was able to boost its minute volume by approx. 48 percent compared with the previous-year quarter, to 522 thousand minutes. Total sales revenues of TEUR 1,505 (previous year: TEUR 1,312) were achieved in the first quarter.

The negative operating result (EBIT) came to -TEUR 255 (previous year: -TEUR 212). As in the past, this was due to restructuring measures.

## 4. Consolidation perimeter

The following wholly owned subsidiaries were consolidated as of the balance sheet date in the second quarter 2006.

- InfoGenie Ltd., Windsor, Berkshire (Großbritannien)
- Wire Card (Gibraltar) Ltd., (Gibraltar)
- Click2Pay GmbH, Grasbrunn (Deutschland)
- Wire Card Beteiligungs GmbH, Grasbrunn (Deutschland)
- Wirecard Technologies AG, Grasbrunn (Deutschland)
- United Payment GmbH, Grasbrunn (Deutschland)
- United Data GmbH, Grasbrunn (Deutschland)
- cardSystems FZ-LLC., Dubai (Vereinte Arabische Emirate)
- Wire Card Bank AG, Grasbrunn (Deutschland)
- Pro Card Kartensysteme GmbH, Grasbrunn (Deutschland)

## 5. Employees

The size of our workforce in the Group as a whole again expanded slightly in the second quarter of 2006. The Sales division was reinforced by 6 new employees. In total, the size of the workforce rose to reach 366, compared with 356 in the first quarter.

By resolution of the Board of Management of May 4/August 26, 2005 and of the Supervisory Board of August 26, 2005, up to 502,000 convertible bonds were issued for fiscal 2005. In 2005, a total of 490,500 convertible bonds were subscribed. In the first half year of 2006 a total of 54,700 convertible bonds were subscribed.

Starting with date on which the report of the first quarter was published, a further 61,263 convertible bonds were subscribed over a period of 21 days which are not yet converted into shares. The convertible bonds have a term to maturity of 10 years and are interest-free.

In accordance with the resolutions of the annual general meeting, the subscription price for a convertible bond is EUR 1.00. The subscription price was granted by the Company to the respective entitled employee as an interest-free loan with a term to maturity to match that of the convertible bonds or until such time as the conversion right is exercised.

The detailed terms of subscription are set out in the notes to the consolidated financial statements in the Annual Report for 2005.

## 6. Research & Development

Expenses in the field of R&D are included under personnel expenses of programmers/developers with a view to continually adjusting the platform technology.

## 7. Risk Report

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 to enable appropriate countermeasures to be taken to correct such trends. The Board of Management monitors risk management activities and reports to the Supervisory Board on a regular basis.

Please refer to the risk report in the Annual Report for 2005 for more details as there have been no changes in the intervening period of time.

## 8. Report relating to dependencies

With regard to relations with associated companies in fiscal 2005, reference is made to the detailed statement in the notes in addition, the Board of Management has issued the followings statement:

“Our Company received adequate consideration in respect of all legal transactions listed in the report on relations with associated companies in the circumstances known to us at the time the legal transactions took place. The Company was not adversely affected by any measures adopted or omitted.”

## 9. Corporate governance and profit transfer agreement

On July 19, 2005, Wire Card AG entered into a profit transfer agreement with Wire Card Technologies AG, with Wire Card AG as the controlling shareholder. In terms of a resolution of August 30, 2005, the annual general meeting consented to this strategy.

In addition, the individual financial statements of Wire Card AG extend to include the corporate governance and profit transfer agreement entered into in 2004 between Wire Card AG – as the controlling enterprise – and Click2Pay GmbH.

## 10. Changes to the Board of Management and Supervisory Board

Effective January 1, 2006, Burkhard Ley was appointed to the Board of Management as Chief Financial Officer.

The Board of Management comprises:

- Dr. Markus Braun – Technology (Chairman)
- Burkhard Ley - Finance
- Rüdiger Trautmann – Sales & Marketing

There have been no changes to the Supervisory Board.

## 11. Events occurring after the balance sheet date

- Mid-July 2006, Wirecard AG published a disclosure pursuant to §§25.1 of the German Securities Trading Act (WpHG) to the effect that Fidelity International Limited surpassed the 5% threshold on July 12, 2006 and held approx. 5.45 % of the shares in Wirecard AG at that point in time.

Changes to the shareholder structure

## 12. Outlook

We will continue our growth based primarily on the EPRM segment in the second half of the fiscal year and have adhered to our strategy of diversification in various regions and markets as well as core industries.

Existing alliances for CLICK2PAY will assist us in opening up additional potential for further sales revenues and earnings for this product as well.

The Wire Card Bank enables us to issue new card products for consumers and corporate customers as well as to exploit the synergy effects of operating as part of a Group.

Against the backdrop of the extensive range of products and services of the Wirecard Group, the fresh opportunities thanks to the finalized integration of Wire Card Bank AG and the ongoing trend in favor of outsourcing entire process chains in the field of payment processing, we believe our Company remains exceptionally well positioned for the future.

Following the outstanding results achieved in the first half of fiscal 2006 and the positive trend as regards new customer business, the Board of Management has upgraded its forecast for EBIT growth for the year as a whole to more than 60 percent.

Berlin, August 2006  
Wirecard AG

  
Dr. Markus Braun

  
Burkhard Ley

  
Rüdiger Trautmann

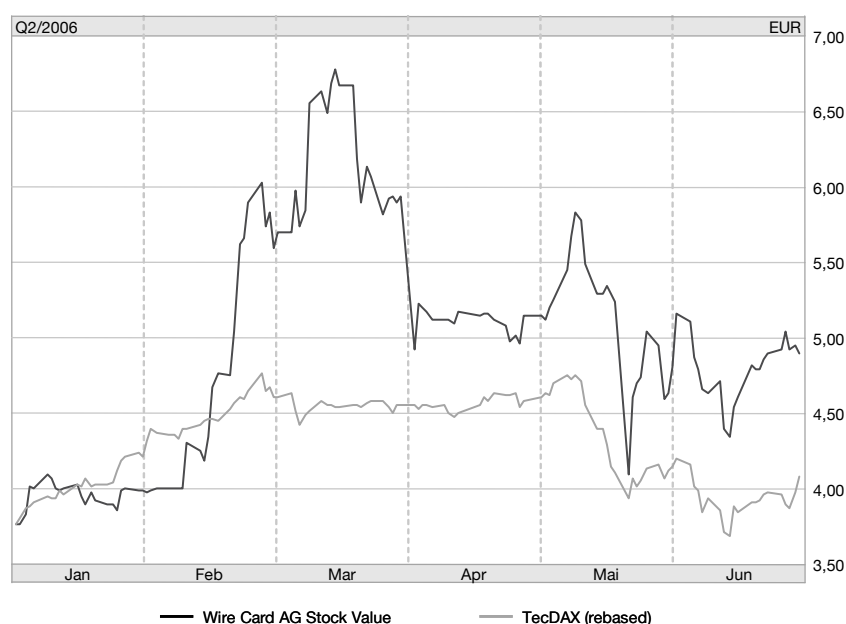
## Wirecard stock

At the end of the second quarter of 2006, the capital increase financed by company resources adopted by resolution at the annual general meeting of 30 May 2006 from EUR 62,316,144.00 by EUR 15,579,036.00 to EUR 77,895,180.00 pursuant to the provisions of §§ 207 ff. of the German Stock Corporations Act (AktG) was entered in the commercial register. The capital increase was effected against the issue of 15,579,036 new no-par-value bearer shares issued to the stockholders of Wirecard AG in a ratio of 4 : 1. The Frankfurt Securities Exchange included the ex bonus shares in the listing of legacy no-par-value shares admitted to the regulated market (Prime Standard) as of June 26, 2006. Accordingly, the price of the no-par-value shares of Wirecard AG "ex bonus shares" as of that date was 20 percent lower.

### Share price trend in the quarter under review

In the second quarter, Wirecard stock outperformed the TecDax reference index. While the TecDax shed approx. 10% from April through June 2006, Wirecard stock remained at the level of its starting point at the end of the quarter. In April 2006, Wirecard stock saw some sideways movements. Its price averaged EUR 5.11. A clear signal was the lapse of the one-year lock-up period on April 28, 2006 for 41,633,992 shares without this resulting in an adverse impact on the share price. - Until May 10, 2006, the price of our stock rose to reach an interim annual high of EUR 5.84. At the end of May, the share price declined to EUR 4.10, the lowest point in the period under review. This was attributable to the general market environment. By June 5, the share price rose to EUR 5.11 and closed the quarter at a level of EUR 4.90.

The average trading volume of our share per day almost doubled year-on-year, to reach just under 221,000 shares.



All stock price data  
XTRA, FSE

Key figures on Wirecard stock in the period under review

|                             |         | Q2 2006       | Q2 2005       |
|-----------------------------|---------|---------------|---------------|
| Number of shares (30.06.)   |         | 77,895,180    | 55,408,228    |
| Capital stock               | EUR     | 77,895,180.00 | 55,408,228.00 |
| Market cap. (30.06.)        | Mio.EUR | 382           | 122*          |
| Stock market price (30.06.) | EUR     | 4.90          | 2.20*         |
| Stock market high           | EUR     | 5.84          | 2.28*         |
| Stock market low            | EUR     | 4.10          | 1.80*         |

\* stock prices adjusted according to capital increase financed by company resources

## Investor Relations

In the period under review the Board of Management introduced Wirecard AG to numerous institutional investors during roadshows and conferences.

Wirecard is covered by analysts from:

- Berenberg Bank
- Crédit Agricole Cheuvreux
- Sal. Oppenheim
- SES Research
- WestLB

The Board of Management and the Supervisory Board of Wire Card 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 include the listing in the Prime Standard and accounting in accordance with IAS/IFRS.

Private investors can obtain all the relevant information on the Internet at [www.wirecard.com](http://www.wirecard.com) in the "Investor Relations" section.

### Annual Shareholders' Meeting

The Annual Shareholders' Meeting took place on May 30, 2006 in Munich. Counter motions were not presented. A total of 33.14 percent of equity capital entitled to vote was present.

All agenda items were approved by a large majority over 97 percent.

To point out some agenda items which are approved in addition to the capital increase financed by company resources:

- The notation of the company changed into Wirecard AG.
- A change of the articles in corporation, § 14 . 1 about the fixed and variable remuneration of the Supervisory Board members was approved.
- Company has the authorisation to purchase own shares in the amount of 10 percent of the Shareholders' equity.

The complete agenda items and votes are published on our website.

### Basic information on Wirecard stock

|  |   |
|--|---|
| Year established:                          | 1999  |
| Market segment:                            | Prime Standard  |
| Indices:                                   | CDAX, Prime All Share   |
| Type of equity:                            | Nennwertlose Inhaber-Stammaktien  |
| Stock exchange ticker:                     | Reuters IGPG.DE, Bloomberg IGP  |
| WKN:                                       | 747206  |
| ISIN:                                      | DE0007472060  |
| Authorised capital No. of shares:          | 77,895,180  |
| Group accounting principles:               | Befreiender Konzernabschluss<br>gem. IAS/IFRS   |
| End of fiscal year:                        | Dec., 31  |
| Total common stock as at June 30,<br>2006: | EUR 77,895,180.00   |
| Beginning of stock market listing:         | October 25, 2000  |
| Board of Management:                       | Dr. Markus Braun<br>CEO<br>Rüdiger Trautmann<br>COO<br>Burkhard Ley<br>CFO  |
| Supervisory Board:                         | Paul Bauer-Schlichtegroll<br>Alfons Henseler<br>Klaus Rehnig (Vorsitzender)   |
| Shareholders' structure June 30,<br>2006:  | 9.62% ebs Holding GmbH<br>8.01% MB Beteiligungsgesellschaft<br>mbH<br>82.37% Freefloat (inkl. 7.83%<br>AVENUE Luxembourg S.A.R.L.<br>sowie 6.42% Oppenheimer Funds) |

# Consolidated Balance Sheet

| <b>Assets</b>  | 06/30/2006<br>EUR     | 12/31/2005<br>EUR     |
|--|-----------------------|-----------------------|
| <b>I. NON CURRENT ASSETS</b>                               |                       |                       |
| 1. INTANGIBLE ASSETS                                       |                       |                       |
| a) Goodwill  | 57,213,861.78         | 49,975,116.26         |
| b) Self-provided intangible assets                         | 87,404.80             | 137,305.00            |
| c) Other intangible assets                                 | 4,312,972.16          | 4,206,327.20          |
|  | <hr/> 61,614,238.74   | <hr/> 54,318,748.46   |
| 2. TANGIBLE ASSETS   |                       |                       |
| Property; plant and equipment                              | 795,748.41            | 929,812.94            |
| 3. FINANCIAL ASSETS  | 4,070,710.93          | 5,759,164.49          |
| 4. TAX ASSETS  |                       |                       |
| Deferred taxes   | 9,754.64              | 467,483.98            |
|  | <hr/>                 | <hr/>                 |
| TOTAL NON-CURRENT ASSETS                                   | 66,490,452.72         | 61,475,209.87         |
| <b>II. CURRENT ASSETS</b>                                  |                       |                       |
| 1. INVENTORIES   | 1,433,421.08          | 1,233,362.00          |
| 2. TRADE RECEIVABLES AND OTHER<br>CURRENT FINANCIAL ASSETS | 52,907,745.47         | 23,269,460.27         |
| 3. TAX ASSETS  |                       |                       |
| Tax refunds  | 235,979.08            | 41,746.54             |
| 4. OTHER FINANCIAL ASSETS                                  | 0.00                  | 0.00                  |
| 5. CASH AND CASH EQUIVALENTS                               | 31,552,580.46         | 35,586,820.16         |
|  | <hr/>                 | <hr/>                 |
| TOTAL CURRENT ASSETS                                       | 86,129,726.09         | 60,131,388.97         |
| <br>   |                       |                       |
| <b>Total assets</b>  | <b>152,620,178.81</b> | <b>121,606,598.84</b> |

| <b>EQUITY AND LIABILITIES</b>                     | 06/30/2006<br>EUR     | 12/31/2005<br>EUR     |
|---|-----------------------|-----------------------|
| <b>I. SHAREHOLDERS' EQUITY</b>                    |                       |                       |
| 1. Subscribed capital                             | 77,895,180.00         | 62,261,447.00         |
| 2. Capital reserve                                | 1,511,574.30          | 17,080,368.50         |
| 3. Consolidated accumulated profits               | 13,122,100.22         | 6,238,605.21          |
| 4. Currency translation adjustment                | 26,725.25             | 26,685.12             |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                 | <b>92,555,579.77</b>  | <b>85,607,105.83</b>  |
| <b>II. LIABILITIES</b>                            |                       |                       |
| <b>1. CURRENT PROVISIONS</b>                      |                       |                       |
| a) Tax provisions                                 | 1,475,546.00          | 584,546.00            |
| b) Other current provisions                       | 1,704,593.77          | 1,493,570.89          |
|   | 3,180,139.77          | 2,078,116.89          |
| <b>2. OTHER LIABILITIES</b>                       |                       |                       |
| a) Non-current liabilities                        |                       |                       |
| a1) Deferred income taxes                         | 165,295.68            | 184,216.17            |
| a2) Other non-current liabilities                 | 353,792.60            | 422,058.75            |
|   | 519,088.28            | 606,274.92            |
| b) Current liabilities                            |                       |                       |
| b1) Trade payables                                | 51,676,846.62         | 26,112,431.40         |
| b2) Interest-bearing bank loans and overdrafts    | 2,467,167.59          | 6,188,186.32          |
| b3) Other current liabilities                     | 2,221,356.78          | 878,405.72            |
|   | 56,365,370.99         | 33,179,023.44         |
| <b>3. TAX LIABILITIES</b>                         |                       |                       |
| Current tax liabilities                           | 0.00                  | 136,077.76            |
| <b>TOTAL LIABILITIES</b>                          | <b>60,064,599.04</b>  | <b>35,999,493.01</b>  |
| <b>Total shareholders' equity and liabilities</b> | <b>152,620,178.81</b> | <b>121,606,598.84</b> |

## Consolidated Income Statement

|  | 1st. quarter 2006        |                     | 1st. quarter 2005        |                     |
|--|--------------------------|---------------------|--------------------------|---------------------|
|  | 04/01/2006<br>06/30/2006 |                     | 04/01/2005<br>06/30/2005 |                     |
|  | EUR                      | EUR                 | EUR                      | EUR                 |
| I. Sales   |                          | 19,340,876.46       |                          | 14,018,371.91       |
| II. Increase or decrease in inventories of finished goods, work-in-process, other own work capitalized |                          |                     |                          |                     |
| 1. Other own work capitalized  | 0.00                     |                     | 0.00                     |                     |
| 2. Increase or decrease in inventories or finished goods and work-in-process                           | 286,906.00               | 286,906.00          | (86,375.00)              | (86,375.00)         |
| III. Operating expenses  |                          |                     |                          |                     |
| 1. Cost of materials   | (10,059,998.59)          |                     | (7,381,943.42)           |                     |
| 2. Personnel expenses  | (3,078,079.68)           |                     | (2,902,727.66)           |                     |
| 3. Amortisation and depreciation   | (247,234.22)             | (13,385,312.49)     | (149,135.26)             | (10,433,806.34)     |
| IV. Other operating income and expenses  |                          |                     |                          |                     |
| 1. Other operating income  | 351,441.33               |                     | 244,946.55               |                     |
| 2. Other operating expenses  | (2,207,998.69)           | (1,856,557.36)      | (1,411,720.41)           | (1,166,773.86)      |
| <b>Net operating income</b>  |                          | <b>4,385,912.61</b> |                          | <b>2,331,416.71</b> |
| V. Financial result  |                          |                     |                          |                     |
| 1. Financial cost  | (133,614.89)             |                     | (90,083.44)              |                     |
| 2. Other interest and similar income   | 167,290.80               | 33,675.91           | 31,947.41                | (58,136.03)         |
| VI. Profit before taxes  |                          | 4,419,588.52        |                          | 2,273,280.68        |
| VII. Income tax  |                          | (714,797.26)        |                          | (831,233.50)        |
| VIII. Profit after taxes   |                          | 3,704,791.26        |                          | 1,442,047.18        |
| IX. Profit carry forward (p.Y.: Loss carry forward)  |                          | 0.00                |                          | 0.00                |
| X. Profit capital decrease   |                          | 3.00                |                          | 0.00                |
| XI. Consolidated accumulated profits (p.Y.: losses)  |                          | 3,704,794.26        |                          | 1,442,047.18        |
| Earnings per share (basic)   |                          | 0.06                |                          | 0.03                |
| Earnings per share (diluted)   |                          | 0.06                |                          | 0.03                |
| Weight average shares outstanding (basic)  |                          | 64,330,251          |                          | 54,023,935          |
| Weight average shares (diluted)  |                          | 64,414,449          |                          | 54,082,518          |

| 1st. half year 2006       |                     | 1st. half year 2005       |                     |
|---------------------------|---------------------|---------------------------|---------------------|
| 01/01/2006-<br>06/30/2006 |                     | 01/01/2005-<br>06/30/2005 |                     |
| EUR                       | EUR                 | EUR                       | EUR                 |
|                           | 36,460,839.36       |                           | 18,712,985.89       |
| 106,516.00                |                     | 0.00                      |                     |
| 140,917.00                | 247,433.00          | 171,921.00                | 171,921.00          |
| (19,059,244.78)           |                     | (10,505,968.76)           |                     |
| (5,785,132.43)            |                     | (3,433,397.57)            |                     |
| (487,036.56)              | (25,331,413.77)     | (230,027.81)              | (14,169,394.14)     |
| 1,262,932.50              |                     | 489,146.27                |                     |
| (4,441,825.47)            | (3,178,892.97)      | (2,434,002.92)            | (1,944,856.65)      |
|                           | <b>8,197,965.62</b> |                           | <b>2,770,656.10</b> |
| (259,056.38)              |                     | (124,488.00)              |                     |
| 345,690.91                | 86,634.53           | 36,182.97                 | (88,305.03)         |
|                           | 8,284,600.15        |                           | 2,682,351.07        |
|                           | (1,401,108.14)      |                           | (989,174.59)        |
|                           | 6,883,492.01        |                           | 1,693,176.48        |
|                           | 6,238,605.21        |                           | (1,764,342.04)      |
|                           | 3.00                |                           | 0.00                |
|                           | 13,122,100.22       |                           | (71,165.56)         |
|                           | 0.11                |                           | 0.05                |
|                           | 0.11                |                           | 0.05                |
|                           | 63,301,564          |                           | 36,589,378          |
|                           | 63,385,762          |                           | 36,647,961          |

# Consolidated Cash Flow Statement

|  | 01/01-06/30/2006<br>EUR | 01/01-06/30/2005<br>EUR |
|--|-------------------------|-------------------------|
| <b>Profit after taxes</b>  | <b>6,883,492.01</b>     | <b>1,693,176.48</b>     |
| +/- Amortisation/depreciation of non-current assets less goodwill, deferred taxes, changes in currency translation | 487,036.56              | 165,408.88              |
| +/- Impairment charge on goodwill  | 107,303.00              | 64,618.93               |
| +/- Increase/decrease in provisions  | 1,102,022.88            | 3,613,731.33            |
| +/- Other non-cash-related expenses/income   | 438,811.85              | 0.00                    |
| -/+ Increase/decrease in current liabilities   | (30,032,576.82)         | (16,119,336.79)         |
| +/- Increase/ decrease of other liabilities and tax liabilities  | 26,757,722.37           | 14,481,724.04           |
| +/- Non cash-related item due to initial consolidation   | 0.00                    | (1,544,337.55)          |
| <b>= Cash flow from operating activities</b>   | <b>5,743,811.85</b>     | <b>2,354,985.32</b>     |
| + Receipts from disposal of property, plant and equipment  | 28,113.75               | 50,432.00               |
| - Payments for investments in property, plant and equipment  | (44,613.73)             | (33,755.09)             |
| + Receipts from disposal of intangible assets  | 0.00                    | 2,079.00                |
| - Payments for investments in intangible assets  | (390,636.25)            | (150,499.20)            |
| - Payments for investments in goodwill   | (5,503,235.25)          | 0.00                    |
| + Receipts from disposal of securities   | 0.00                    | 0.00                    |
| - Payments for investments in securities   | (156,940.27)            | 0.00                    |
| <b>= Cash flow from investing activities</b>   | <b>(6,067,311.75)</b>   | <b>(131,743.29)</b>     |
| + Receipts from issuance of share capital  | 64,938.80               | 5,843,450.37            |
| +/- Receipts/payments on changes in borrowings   | (54,700.00)             | 425,500.00              |
| <b>= Cash Flow from financing activities</b>   | <b>10,238.80</b>        | <b>6,268,950.37</b>     |
| Net change in cash and cash equivalents  | (313,261.10)            | 8,492,192.40            |
| +/- Adjustments due to currency translation of consolidation items   | 40.13                   | 11,698.30               |
| + Cash and cash equivalents as of beginning of period  | 29,398,633.84           | 236,924.36              |
| <b>= Cash and cash equivalents as of end of period</b>   | <b>29,085,412.87</b>    | <b>8,740,815.06</b>     |
|  | 01/01-06/30/2006<br>EUR | 01/01-06/30/2005<br>EUR |
| Additional explanations for the consolidated cash flow statement   |                         |                         |
| Non-cash related increase in equity  | 0.00                    | 42,135,788.00           |
| Hereof non-cash capital increase by assets   | 0.00                    | 42,135,788.00           |

# Consolidated Statement of Changes in Shareholders Equity

|   | Common stock               |                      |                        | Consolidated<br>accumulated<br>profit and<br>losses<br>EUR | Currency<br>translation<br>adjustment<br>EUR | Total<br>Shareholders'<br>Equity<br>EUR |
|---|----------------------------|----------------------|------------------------|--|--|---|
|   | Number of<br>shares issued | Nominal value<br>EUR | Capital reserve<br>EUR |  |  |   |
| <b>Balance as of Dec. 30 2004</b>             | <b>10,533,947</b>          | <b>10,533,947.00</b> | <b>1.00</b>            | <b>(1,764,342.04)</b>                                      | <b>26,849.99</b>                             | <b>8,796,455.95</b>                     |
| Profit after taxes                            |                            |                      |                        | 1,693,176.48   |  | 1,693,176.48                            |
| Capital increase by cash                      | 2,738,493                  | 2,738,493.00         | 2,984,957.37           |  |  | 5,723,450.37                            |
| Capital increase by assets                    | 42,135,788                 | 42,135,788.00        |                        |  |  | 42,135,788.00                           |
| Contingent capital increase<br>(convertibles) |                            |                      | 120,000.00             |  |  | 120,000.00                              |
| Changes due to currency<br>translation        |                            |                      |                        |  | 11,698.30                                    | 11,698.30                               |
| <b>Balance as of June 30 2005</b>             | <b>55,408,228</b>          | <b>55,408,228.00</b> | <b>3,104,958.37</b>    | <b>(71,165.56)</b>   | <b>38,548.29</b>                             | <b>58,480,569.10</b>                    |
| <b>Balance as of Dec. 31 2005</b>             | <b>62,261,447</b>          | <b>62,261,447.00</b> | <b>17,080,368.50</b>   | <b>6,238,605.21</b>  | <b>26,685.12</b>                             | <b>85,607,105.83</b>                    |
| Profit after taxes                            |                            |                      |                        | 6,883,492.01   |  | 6,883,492.01                            |
| Capital increase by company<br>resources      | 15,579,036                 | 15,579,036.00        | (15,681,536.00)        |  |  | (102,500.00)                            |
| Capital decrease                              | (3.00)                     | (3.00)               |                        | 3.00   |  | 0.00                                    |
| Contingent capital increase<br>(convertibles) | 54,700                     | 54,700.00            | 112,741.80             |  |  | 167,441.80                              |
| Changes due to currency<br>translation        |                            |                      |                        |  | 40.13  | 40.13                                   |
| <b>Balance as of June 30 2006</b>             | <b>77,895,180</b>          | <b>77,895,180.00</b> | <b>1,511,574.30</b>    | <b>13,122,100.22</b>                                       | <b>26,725.25</b>                             | <b>92,555,579.77</b>                    |

## Principles and methods

The first half year and quarterly financial statements as at June 30, 2006 – like the consolidated annual financial statements as at December 31, 2005 – were prepared in accordance with IAS/IFRS. The notes to the consolidated annual financial statements as at December 31, 2005 also apply accordingly to the present quarterly financial statements. Any departures from the above are explained below. In addition, IAS 34 "Interim Financial Reporting" was applied.

## Presentation

The presentation of the balance sheet, income statement and capital flow account is effected in accordance with the consolidated annual financial statements as at December 31, 2005.

## Comparability

On account of the initial consolidation of Wire Card Technologies AG only being required to reflect the date of the commercial register entry (March 14, 2005), the comparability of the income statement is restricted.

The same applies to the presentation of the Group's cash flow statement since, in particular, such items as "changes long-lived assets" and "other liabilities and tax liabilities" reflect substantial changes year-on-year following the non-cash capital contribution.

Wire Card Bank AG, Grasbrunn, was consolidated for the first time as at January 1, 2006. In addition, Pro Card Kartensysteme GmbH, Munich, was initially consolidated as part of the Wirecard AG Group effective as of April 1, 2006. Also on account of the initial consolidations of Wire Card Bank AG and Pro Card Kartensysteme GmbH, comparability of the income statement is limited as regards the previous-year quarter and half-year, respectively.

In departure from the quarterly statements until 2005, in which the presentation of the balance sheet, income statement and capital flow account was still affected in line with the rules and regulations of the Frankfurt Stock Exchange, from the quarterly statements for the first quarter of fiscal 2006 onwards, the presentation of the financial elements of the statements has been made in conformity with the consolidated annual financial statements as at December 31, 2005. In the interests of comparability the quarterly figures of the previous year have therefore been adjusted accordingly.

## Accounting and valuation methods

In the course of preparing the quarterly financial statements as at June 30, 2006 the same accounting and valuation methods were applied as for the last consolidated annual financial statements (December 31, 2005) and in the previous period under review (January 1, 2005 through June 30, 2005).

Due to internal restructuring measures (mergers) within the Group, historic goodwill values were redefined at the level of cash-generating units. Goodwill, amounting to TEUR 57,214 as at June 30, 2006, relates to the following segments:

|                               | 06/30/2006<br>TEUR | 12/31/2005<br>TEUR |
|-------------------------------|--------------------|--------------------|
| EPRM                          | 54,854             | 47,508             |
| CCS                           | 288                | 458                |
| Other                         | 2,179              | 2,179              |
|                               | 57,321             | 50,145             |
| less: Impairment-depreciation | 107                | 170                |
|                               | <b>57,214</b>      | <b>49,975</b>      |

Wire Card Bank AG was initially consolidated as at January 1, 2006. The purchase was accounted for using the acquisition method. At Wire Card AG, the (initial) capital consolidation as at January 1, 2006 generated TEUR 6,631 in goodwill for Wire Card Bank AG. This goodwill has been assigned to the EPRM division. The operating results of Wire Card Bank AG will be included in the Company's Group earnings figures as of January 1, 2006.

The initial consolidation of Pro Card Kartensysteme GmbH was performed effective as of April 1, 2006. Again, this purchase was accounted for in line with the acquisition method. Within the scope of the initial consolidation, at Wirecard AG TEUR 752 in goodwill was generated for Pro Card Kartensysteme GmbH, which is likewise to be assigned to the EPRM division. The operating results of Pro Card Kartensysteme GmbH will be taken into account in the Group consolidated financial statements of Wirecard AG as of April 1, 2006.

In the quarterly financial statements as at June 30, 2006, the profit transfer agreements between Click2Pay GmbH and Wirecard Technologies AG as dependent companies and of Wirecard AG as the controlling company were taken into account. The profit transfer agreements were registered as early as fiscal 2004 (Click2Pay GmbH) and fiscal 2005 (Wirecard Technologies AG), respectively.

The Company utilizes the balance sheet oriented liability method of accounting for deferred taxes in accordance with IAS No. 12. Under the liability method, deferred taxes are determined according to the temporary differences between the valuation rates of asset and liability items in the consolidated financial statements and the tax balance sheets, as well as taking account of the tax rates in effect at the time the aforesaid differences are reversed. Valuation

allowances to deferred tax assets are made if the probability of a tax benefit being realized is below 50% (IAS 12, Paragraph 24).

The consolidated income statement for the period from January 1, 2006 through June 30, 2006 includes income tax expenses amounting to TEUR 1,401. Essentially, these relate to TEUR 458 in utilizations of deferred tax assets and the income tax burden of the Group member companies based on the tax computations for the first and second quarters.

Trade receivables and other assets reported also extend to include receivables derived from the consolidation perimeter relating to foreign subsidiaries. These companies are not consolidated as they are of minor significance for the Group as a whole. Assets and liabilities of companies within the subgroup of Wirecard AG were consolidated. Likewise, cash and cash equivalents with Wire Card Bank AG were consolidated along with the corresponding liabilities to the extent that these relate to credit balance of the other Group member companies.

## Shareholders' Equity

As far as the development of shareholders' equity is concerned, please refer to the consolidated statement of movements in equity capital.

The level of subscribed capital amounted to EUR 77,895,180.00 as at June 30, 2006 and is divided up into 77,895,180 no-par bearer shares with a value based on a notional common stock of EUR 1.00 each. This increase in subscribed capital compared with the previous quarter is attributable on the one hand to the subscription of 54,700 new shares effected on June 7, 2006 from the Company's contingent capital due to the partial exercise of the right to conversion relating to the convertible bonds. In addition, following the entry in the commercial register of June 19, 2006 a simplified capital reduction of EUR 3,00 was effected in tandem with a capital increase from company funds amounting to EUR 15,579,036.00 by making a withdrawal from the Company's capital reserves.

The change in the capital reserve from TEUR 17,080 to TEUR 1,512 is based on the appropriation of company funds (TEUR 15,579) to finance the capital increase, from the premium on account of new shares being subscribed to in the wake of exercising the right to conversion relating to the convertible bonds (TEUR 113) and from netting the costs of the capital increase with the capital reserve (TEUR 102).

## Reporting by segment

In accordance with IAS 14, the companies whose participation certificates are traded publicly are required to publish information (segment revenues, segment expenses, segment earnings, segment assets and segment liabilities) regarding the operational business segments or geographical segments (in each case, cf. IAS 14, paragraph 9) and notes concerning their products and services, locations, as well as main customers.

As in the past, sales revenues are segmented in geographical terms by production locations. In this regard, in addition to the company cardSystems FZ-LLC., the new company Wire Card (Gibraltar) Ltd. is also included under "Other" foreign operations. Moreover, sales revenues are segmented by operational areas as had already been done in the quarterly reports. Distinctions are drawn here between the divisions "Electronic Payment & Risk Management", "Call Center Services" and "Other". In the process, the new company Pro Card Kartensysteme GmbH was assigned to the EPRM segment.

Electronic Payment & Risk Management ("EPRM") represents the biggest and most important segment by far for the Wirecard Group. In this division, all products and services from the comprehensive portfolio of financial services are listed. This segment also extends to include Wire Card Bank AG, which substantially expands the services along the financial supply chain.

Call Center & Communication Services ("CCS") is the segment in which we report the extraordinary value-added depth of our call center activities, with the other products such as after-sales service of our customers and mailing activities also being included as sub-categories.

In the segment "Other", items are listed that cannot be assigned to the classifications of the other divisions indicated above.

|  | Q2 2006<br>TEUR | Q2 2005<br>TEUR | H1 2006<br>TEUR       | H1 2005<br>TEUR       |
|--|-----------------|-----------------|-----------------------|-----------------------|
| <b>Regional revenue breakdown</b>                                    |                 |                 |                       |                       |
| Germany  | 14,021          | 14,515          | 27,328                | 19,156                |
| United Kingdom   | 115             | 157             | 249                   | 324                   |
| Others   | 7,266           | 65              | 12,220                | 65                    |
|  | <b>21,402</b>   | <b>14,737</b>   | <b>39,797</b>         | <b>19,545</b>         |
| Consolidations   | (2,061)         | (719)           | (3,336)               | (832)                 |
|  | <b>19,341</b>   | <b>14,018</b>   | <b>36,461</b>         | <b>18,713</b>         |
| <b>Breakdown of total revenues by operating divisions</b>            |                 |                 |                       |                       |
| Call Center & Communication Services                                 | 1,505           | 1,312           | 3,464                 | 2,492                 |
| Electronic Payment & Risk Management                                 | 19,897          | 13,425          | 36,333                | 17,053                |
| Others   | 0               | 0               | 0                     | 0                     |
|  | <b>21,402</b>   | <b>14,737</b>   | <b>39,797</b>         | <b>19,545</b>         |
| Consolidations   | (2,061)         | (719)           | (3,336)               | (832)                 |
|  | <b>19,341</b>   | <b>14,018</b>   | <b>36,461</b>         | <b>18,713</b>         |
|  | Q2 2006<br>TEUR | Q2 2005<br>TEUR | H1 2006<br>TEUR       | H1 2005<br>TEUR       |
| <b>Operating result I by operating divisions*</b>                    |                 |                 |                       |                       |
| Call Center & Communication Services                                 | 885             | 1,625           | 2,013                 | 2,146                 |
| Electronic Payment & Risk Management                                 | 9,098           | 4,994           | 15,561                | 6,085                 |
| Others   | 0               | 0               | 0                     | 217                   |
|  | <b>9,983</b>    | <b>6,619</b>    | <b>17,574</b>         | <b>8,448</b>          |
| Consolidations   | (521)           | (69)            | (31)                  | (69)                  |
|  | <b>9,462</b>    | <b>6,550</b>    | <b>17,543</b>         | <b>8,379</b>          |
|  | Q2 2006<br>TEUR | Q2 2005<br>TEUR | Halbjahr 2006<br>TEUR | Halbjahr 2005<br>TEUR |
| <b>Operating result II by operating divisions<br/>Bereich (EBIT)</b> |                 |                 |                       |                       |
| Call Center & Communication Services                                 | (255)           | (212)           | (424)                 | (148)                 |
| Electronic Payment & Risk Management                                 | 4,631           | 2,770           | 8,637                 | 3,201                 |
| Others   | 0               | (24)            | 0                     | (31)                  |
|  | <b>4,376</b>    | <b>2,534</b>    | <b>8,213</b>          | <b>3,022</b>          |
| Consolidations   | 10              | (203)           | (15)                  | (251)                 |
|  | <b>4,386</b>    | <b>2,331</b>    | <b>8,198</b>          | <b>2,771</b>          |

\* Revenues, inventory changes and other own work capitalized minus cost of material.

|  | 06/30/2006<br>TEUR | 12/31/2005<br>TEUR |                 |                 |
|--|--------------------|--------------------|-----------------|-----------------|
| <b>Regional non-current assets</b>         |                    |                    |                 |                 |
| Germany                                    | 72,174             | 57,304             |                 |                 |
| United Kingdom                             | 52                 | 92                 |                 |                 |
| Others                                     | 3,683              | 3,776              |                 |                 |
|  | <b>75,909</b>      | <b>61,172</b>      |                 |                 |
| Consolidations                             | (9,428)            | (164)              |                 |                 |
|  | <b>66,481</b>      | <b>61,008</b>      |                 |                 |
|  | Q2 2006<br>TEUR    | Q2 2005<br>TEUR    | H1 2006<br>TEUR | H1 2005<br>TEUR |
| <b>Depreciation of intangible assets</b>   |                    |                    |                 |                 |
| Germany*                                   | 104                | 66                 | 199             | 91              |
| United Kingdom                             | 0                  | 0                  | 0               | 0               |
| Others                                     | 100                | 0                  | 199             | 0               |
|  | <b>204</b>         | <b>66</b>          | <b>398</b>      | <b>91</b>       |
| Depreciation arising from consolidation    | 23                 | 25                 | 47              | 50              |
|  | <b>227</b>         | <b>91</b>          | <b>445</b>      | <b>141</b>      |
| <b>Depreciation of intangible assets</b>   |                    |                    |                 |                 |
| Germany                                    | 71                 | 49                 | 140             | 73              |
| United Kingdom                             | 3                  | 9                  | 9               | 16              |
| Others                                     | 0                  | 0                  | 0               | 0               |
|  | <b>74</b>          | <b>58</b>          | <b>149</b>      | <b>89</b>       |
| Depreciation arising from consolidation    | (1)                | 0                  | (1)             | 0               |
|  | <b>73</b>          | <b>58</b>          | <b>148</b>      | <b>89</b>       |
| <b>Depreciation of financial assets</b>    |                    |                    |                 |                 |
| Germany                                    | 1                  | 0                  | 1               | 0               |
| United Kingdom                             | 0                  | 0                  | 0               | 0               |
| Others                                     | 0                  | 0                  | 0               | 0               |
|  | <b>1</b>           | <b>0</b>           | <b>1</b>        | <b>0</b>        |
| Depreciation arising from consolidation    | 0                  | 0                  | 0               | 0               |
|  | <b>1</b>           | <b>0</b>           | <b>1</b>        | <b>0</b>        |
| <b>Total depreciation and amortisation</b> | <b>301</b>         | <b>149</b>         | <b>594</b>      | <b>230</b>      |

\* incl. Goodwill amortisation, which is shown in the financial results (financial costs).

|   | Q2 2006<br>TEUR | Q2 2005<br>TEUR | H1 2006<br>TEUR | H1 2005<br>TEUR |
|---|-----------------|-----------------|-----------------|-----------------|
| <b>Investments in intangible assets</b> |                 |                 |                 |                 |
| Germany                                 | 121             | 149             | 284             | 150             |
| United Kingdom                          | 0               | 0               | 0               | 0               |
| Others                                  | 0               | 0               | 107             | 0               |
|   | <b>121</b>      | <b>149</b>      | <b>391</b>      | <b>150</b>      |
| Investments from consolidation          | 755             | 0               | * 7,386         | 0               |
|   | <b>876</b>      | <b>149</b>      | <b>* 7,777</b>  | <b>150</b>      |
| <b>Investments in tangible assets</b>   |                 |                 |                 |                 |
| Germany                                 | 36              | 34              | 44              | 34              |
| United Kingdom                          | 0               | 0               | 0               | 0               |
| Others                                  | 0               | 0               | 0               | 0               |
|   | <b>36</b>       | <b>34</b>       | <b>44</b>       | <b>34</b>       |
| Investments from consolidation          | 0               | 0               | 0               | 0               |
|   | <b>36</b>       | <b>34</b>       | <b>44</b>       | <b>34</b>       |
| <b>Investments in financial assets</b>  |                 |                 |                 |                 |
| Germany                                 | 491             | 0               | 943             | 0               |
| United Kingdom                          | 0               | 0               | 0               | 0               |
| Others                                  | 0               | 0               | 0               | 0               |
|   | <b>491</b>      | <b>0</b>        | <b>943</b>      | <b>0</b>        |
| Investments from consolidation          | (786)           | 0               | (786)           | 0               |
|   | <b>(295)</b>    | <b>0</b>        | <b>157</b>      | <b>0</b>        |
| <b>Total Investments</b>                | <b>617</b>      | <b>** 183</b>   | <b>7,978</b>    | <b>** 184</b>   |

\* thereof: goodwill from the initial consolidation of Pro Card Kartensysteme GmbH (TEUR 751) and Wire Card Bank AG (TEUR 6,631), of which TEUR 1,883 has no impact on cash flows since this sum was already taken into consideration in the cash flow account as early as 2005, when the participation was acquired.

\*\* Investments not effective in payment terms and which were based on the non-cash capital contribution as at March 14, 2005 were not included in the segment calculation. These would have amounted to TEUR 1,077 in intangible assets (thereof TEUR 889 in goodwill); TEUR 445 in tangible assets and TEUR 7,278 in financial assets, which were eliminated within the scope of the initial consolidation of the non-cash capital contribution. All these investments would have been assignable to the region of Germany.

|   | 06/30/2006<br>TEUR | 12/31/2005<br>TEUR |
|---|--------------------|--------------------|
| <b>Regional segment liabilities</b>       |                    |                    |
| <b>Germany</b>                            |                    |                    |
| 1. Provisions                             | 2,128              | 1,247              |
| 2. Other liabilities                      |                    |                    |
| a) Non-current liabilities                | 56                 | 401                |
| b) Current liabilities                    |                    |                    |
| b1) Trade payables                        | 52,309             | 33,792             |
| b2) Current financial activities          | 2,467              | 6,188              |
| b3) Other current liabilities             | 34,366             | 15,033             |
| 3. Tax liabilities                        | 0                  | 136                |
|   | <b>91,326</b>      | <b>56,797</b>      |
| <b>United Kingdom</b>                     |                    |                    |
| 1. Provisions                             | 11                 | 5                  |
| 2. Other liabilities                      |                    |                    |
| a) Non-current liabilities                | 0                  | 0                  |
| b) Current liabilities                    |                    |                    |
| b1) Trade payables                        | 59                 | 85                 |
| b2) Current financial activities          | 0                  | 0                  |
| b3) Other current liabilities             | 148                | 44                 |
| 3. Tax liabilities                        | 0                  | 0                  |
|   | <b>218</b>         | <b>134</b>         |
| <b>Others</b>                             |                    |                    |
| 1. Provisions                             | 150                | 318                |
| 2. Other liabilities                      |                    |                    |
| a) Non-current liabilities                | 0                  | 0                  |
| b) Current liabilities                    |                    |                    |
| b1) Trade payables                        | 19                 | 280                |
| b2) Current financial activities          | 0                  | 0                  |
| b3) Other current liabilities             | 4,093              | 3,875              |
| 3. Tax liabilities                        | 0                  | 0                  |
|   | <b>4,262</b>       | <b>4,473</b>       |
|   | <b>95,806</b>      | <b>61,404</b>      |
| Consolidations                            | (35,741)           | (25,405)           |
| <b>Total regional segment liabilities</b> | <b>60,065</b>      | <b>35,999</b>      |

|   | 06/30/2006<br>TEUR | 12/31/2005<br>TEUR |
|---|--------------------|--------------------|
| <b>Segment liabilities by operational divisions</b>       |                    |                    |
| <b>Call Center &amp; Communication Services</b>           |                    |                    |
| 1. Provisions   | 778                | 300                |
| 2. Other liabilities                                      |                    |                    |
| a) Non-current liabilities                                | 56                 | 401                |
| b) Current liabilities                                    |                    |                    |
| b1) Trade payables  | 691                | 8,460              |
| b2) Current financial activities                          | 0                  | 0                  |
| b3) Other current liabilities                             | 3,501              | 351                |
| 3. Tax liabilities  | 0                  | 0                  |
|   | <b>5,026</b>       | <b>9,512</b>       |
| <b>Electronic Payment &amp; Risk Management</b>           |                    |                    |
| 1. Provisions   | 1,511              | 1,270              |
| 2. Other liabilities                                      |                    |                    |
| a) Non-current liabilities                                | 0                  | 0                  |
| b) Current liabilities                                    |                    |                    |
| b1) Trade payables  | 51,696             | 25,697             |
| b2) Current financial activities                          | 2,467              | 6,188              |
| b3) Other current liabilities                             | 35,106             | 18,601             |
| 3. Tax liabilities  | 0                  | 136                |
|   | <b>90,780</b>      | <b>51,892</b>      |
| <b>Others</b>   |                    |                    |
| 1. Provisions   | 0                  | 0                  |
| 2. Other liabilities                                      |                    |                    |
| a) Non-current liabilities                                | 0                  | 0                  |
| b) Current liabilities                                    |                    |                    |
| b1) Trade payables  | 0                  | 0                  |
| b2) Current financial activities                          | 0                  | 0                  |
| b3) Other current liabilities                             | 0                  | 0                  |
| 3. Tax liabilities  | 0                  | 0                  |
|   | <b>0</b>           | <b>0</b>           |
|   | <b>95,806</b>      | <b>61,404</b>      |
| Consolidations  | (35,741)           | (25,405)           |
| <b>Total segment liabilities by operational divisions</b> | <b>60,065</b>      | <b>35,999</b>      |

## Employees

As at June 30, 2006 the Group workforce including the Board of Management comprised 212 employees. 154 of whom were employed part-time.

These were engaged in the following functions:

|                          | 06/30/2006   |
|--------------------------|--------------|
| Board of Management      | 3            |
| Distribution             | 56           |
| Administration           | 44           |
| Customer Service         | 211          |
| Research and Development | 52           |
| <b>Total</b>             | <b>* 366</b> |

\* of whom 154 were part-time employees

Berlin, August 2006

Wirecard AG

  
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Burkhard Ley

  
Rüdiger Trautmann

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## Text

Wirecard AG

## Translation

The German wording of the Interim Report for the second quarter 2006 is the final and binding version.

# Financial calendar

Please visit our website -  
Here you find all the news and events at the Investor Relations-section.

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