

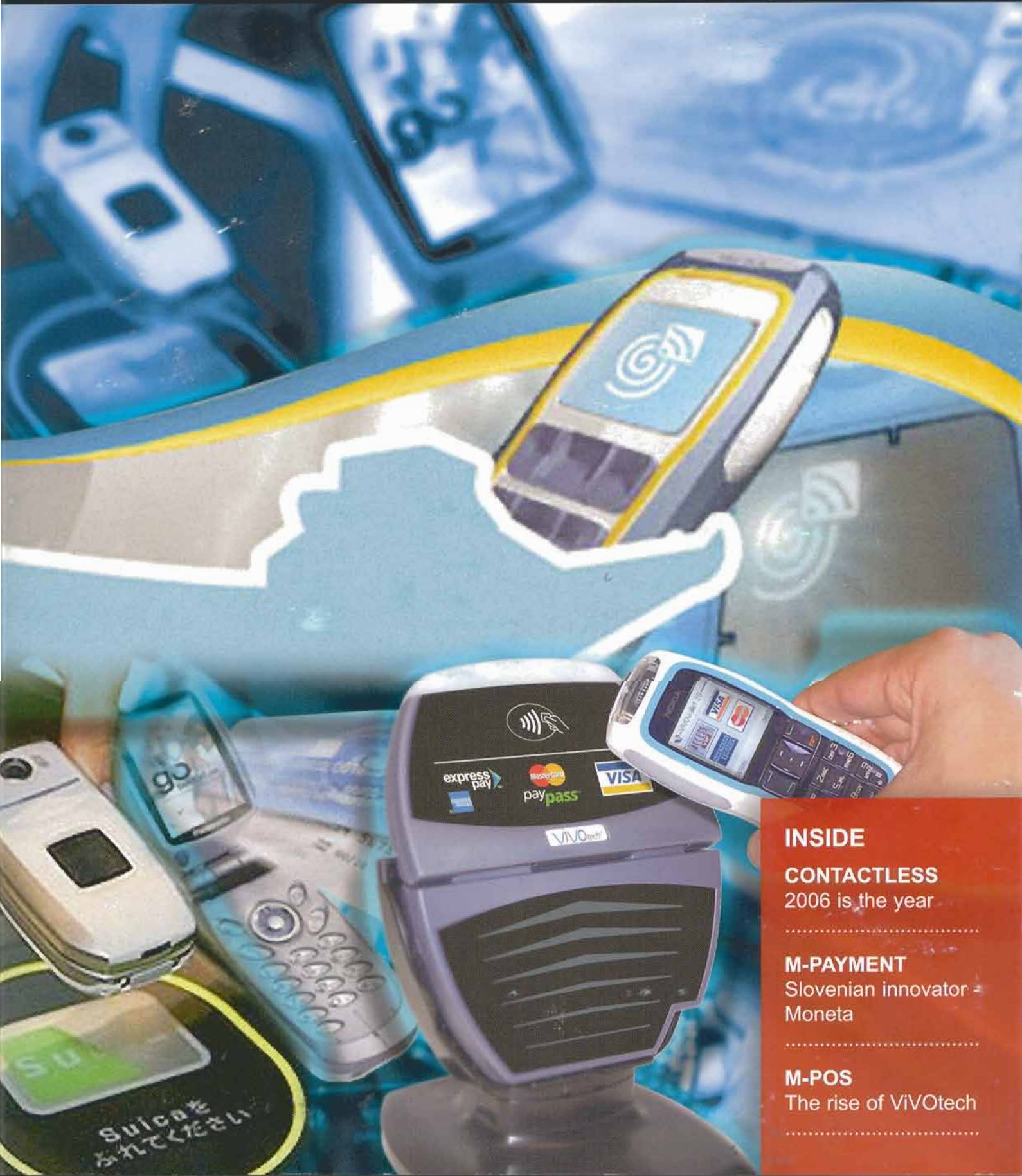


MOBILE PAYMENTS WORLD

trends in mobile and contactless payments

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The rise of VIVOtech

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Viva 'ViVOnfc'

ViVOTech has launched the industry's first end-to-end Near Field Communication (NFC) payment solution including a terminal for the European EMV market. The 'ViVOnfc' solution and the VIVOpay 5000 terminal, which enables existing EMV-compliant POS and ECR systems to accept contactless EMV payments, provides a secure infrastructure that will accelerate the adoption and usage of NFC-enabled mobile phones using the ISO 14443 A and B specification.

ViVOnfc users will be able to 'carry their credit and debit cards virtually' and make contactless payments at merchant locations. NFC technology provides short-range wireless connectivity, over a typical distance of just 2-4 inches. Since NFC devices do not operate over a carrier's radio spectrum, they can be used anywhere.

Designed specifically to meet the stringent security and encryption requirements of the payments industry, the ViVOTech package includes:

- OTA provisioning infrastructure, allowing issuers to download a variety of 'soft cards' over the carrier's radio spectrum into NFC phones, including credit,

debit, pre-paid, loyalty and gift cards.

- VIVOWallet software allows consumers secure access to soft cards directly on their NFC mobile phone screen. This software also provides transaction reporting functions such as balances, history, service discovery, and eCoupons.

A Midlet software package provides secure communications between the NFC phone and the growing number of merchant locations that are being equipped to accept contactless payments. More than 100,000 ViVOTech contactless payment readers have been installed in fast-food restaurants, convenience stores, drug stores, drive-thru retailers, and gas stations, mainly through MasterCard's PayPass scheme, for which ViVOTech provides about 80% of the readers.

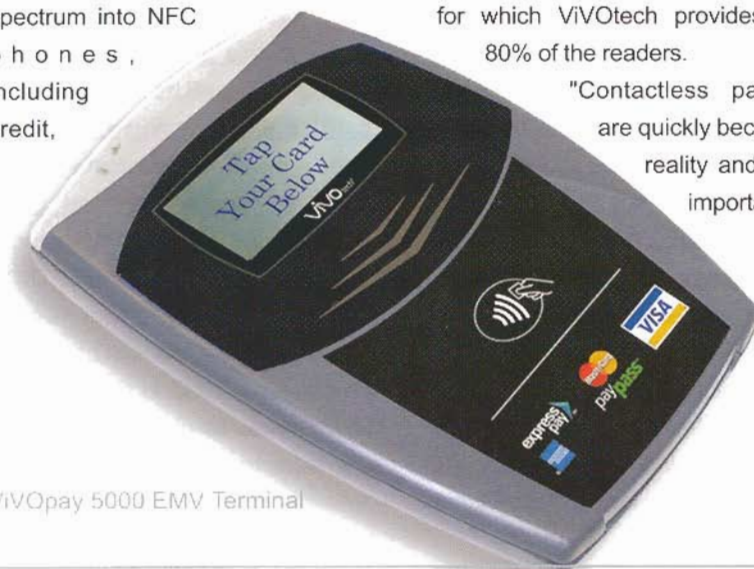
"Contactless payments are quickly becoming a reality and are an important front-

tier for the consumer payments industry," explains Ed Kountz, senior analyst, bank cards, at Tower Group. "With the mobile phone as one potential emerging payments form-factor, support for the NFC protocol will become even more important."

"ViVOTech is committed to delivering solutions that advance NFC Contactless technology," says Michael Mullagh, CEO, ViVOTech. "Over the next 6-9 months, ViVOnfc will be deployed in numerous pilot programmes around the world. We will continue to play a leading role in working with card associations, card issuers, mobile phone operators and phone manufacturers to develop the infrastructure needed to support payment capability in the millions of NFC-enabled devices expected to be in the market by the 2006 holiday season."

In a telephone interview, Peter Comben, business development manager, EMEA, ViVOTech, told MPW: "The readers are compatible with Visa, American Express and of course MasterCard's contactless cards. Merchants need only have one reader and the customer gets to choose which medium, phone or contactless card, they wish to pay with."

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VIVOpay 5000 EMV Terminal