



**Discover<sup>®</sup>**

**Welcome to Different -**

**A proposal for the Italian Market**



**About Discover<sup>®</sup>**

# Discover® - A Leading Banking and Payments Company

## Direct Banking

### Total Receivables +7% YOY



U.S. Card Issuing

- \$50Bn in receivables
- Leading cash rewards program
- 1 in 4 U.S. households
- 45 Million Cardholders

**DISCOVER**  
Lending & Deposits

- \$29Bn direct-to-consumer deposits
- \$12Bn personal loans and private student loans (3<sup>rd</sup> Largest)
- \$5Bn home loan originations
- Online Banking

## Payment Services

### Total Volume +7% YOY



- \$121Bn volume
- 30+ issuers



- \$161Bn volume
- 4,100+ issuers
- 1M+ ATM's – 117 countries



- \$28Bn volume
- 80 franchises
- 185+ countries / Territories
- 27 Settlement currencies

## Customer Engagement

**17**  
YEARS

**Ranked #1** in Customer Loyalty 17 years in a row<sup>1</sup>

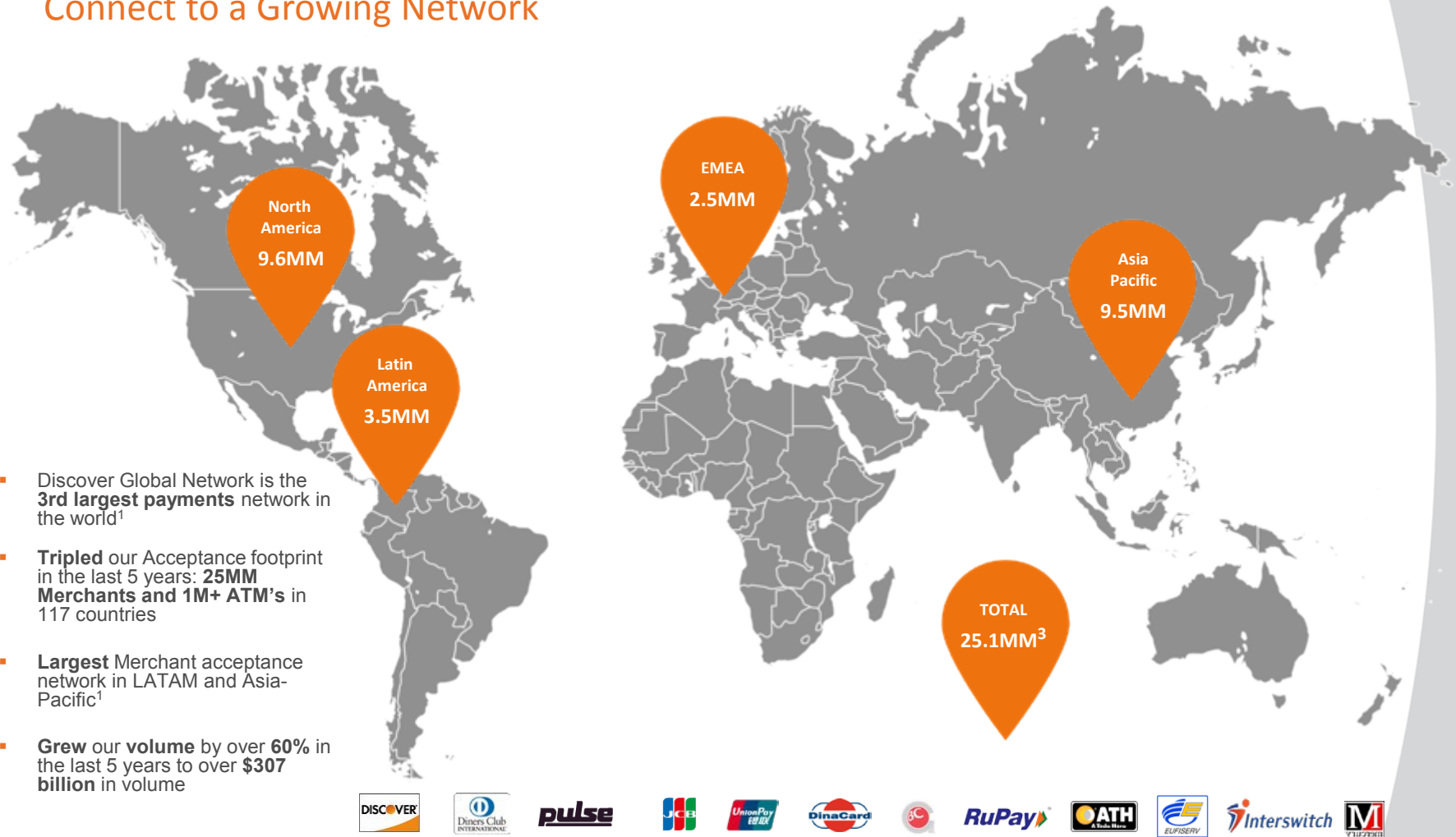
## Enablement

**Our Vision:** To be the most rewarding relationship consumers and businesses have with a financial services company.

<sup>1</sup> According to the 2013 Brand Keys Customer Loyalty Engagement Index report  
Note: Balances as of June 30, 2013; payments volume and direct mortgage originations based on the trailing four quarters ending 2Q13

# Discover® – Global Acceptance Footprint

## Connect to a Growing Network



1. Retail Banking and Research, The Global Payment Cards Market, August 2013

Note -  
The map denotes countries or territories with transactional activity in the last year. Total reflects the number of merchant outlets that accept one or more card brands. Total as of September 2013.

# Acquiring Partnerships - Market Leaders

- Aggressive plan to close gap by 2015 - Focus on T+E, major retail
- Signed major leading acquirers within the region
- Over 80% POS – Austria, Croatia, Czech Republic, Poland, Slovakia, Greece





**Discover<sup>®</sup> Recent News**

# Recent Strategic Partnerships



- Business 2 Business payments system
- Eliminates paper and cheques
- Electronic Reconciliation
- Detailed Remittances
- Discover's network



- Facebook users gift to friends
- Prepaid Discover Card
- One Card - Multiple Merchants
- Reusable card



- Founded by Vietcombank and 15 commercial banks in 2007
- 51 member banks; more than 16,000 ATMs and 100,000 point-of-sale terminals, 55 million local debit cards
- Phase 1, 2014 - enable Smartlink's ATMs for Discover and Diners Club International acceptance in Vietnam



## Partnership with Discover® - Global Card

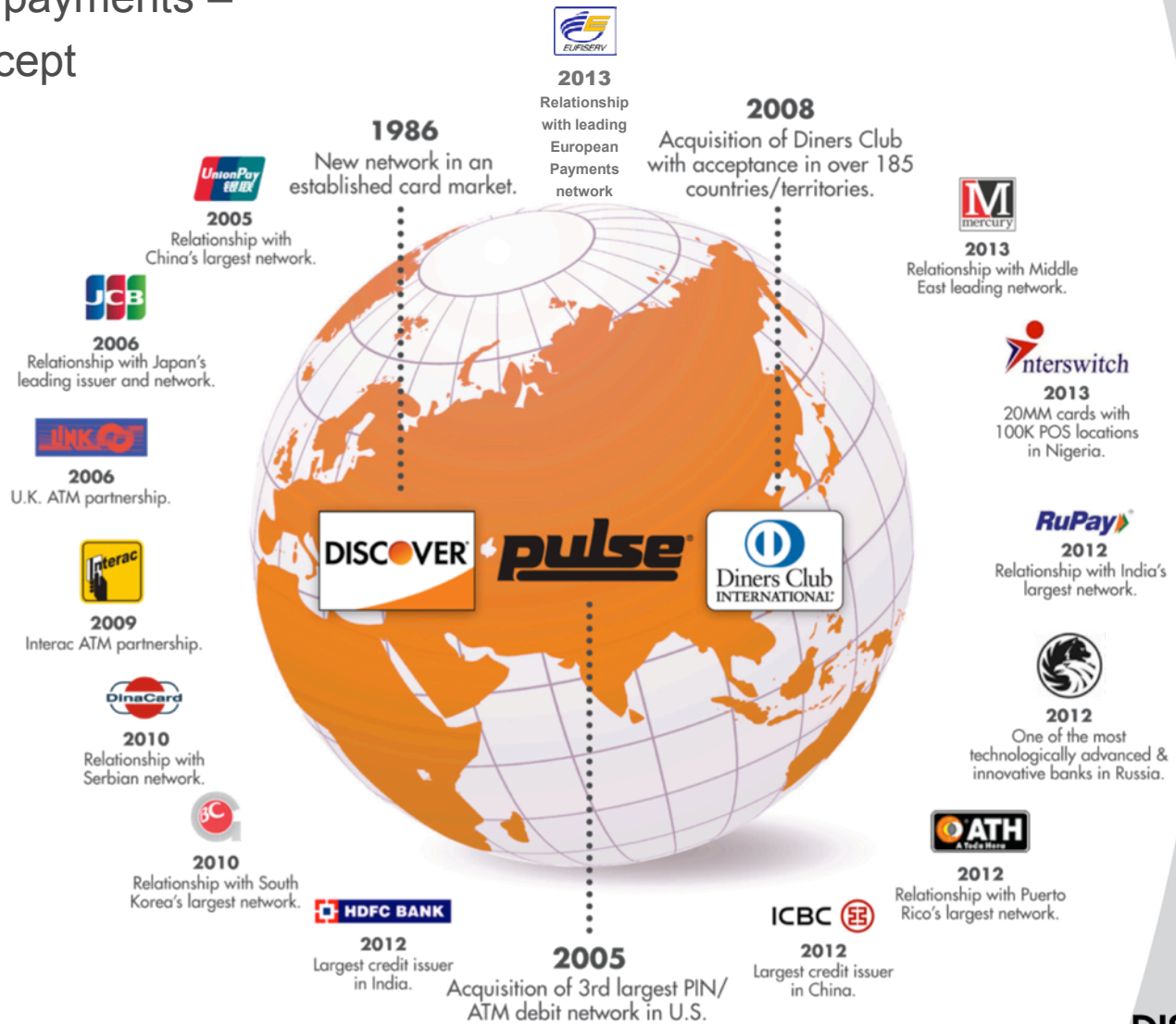


# Discover® Global Payments Evolution - Our Approach

New option for global payments –  
A flexible, unique concept

**Entrenched Industry Model:**  
American mega-brands dominate the market

**Emerging Global Model:**  
Alliances of key regional players are changing the payment industry



# Why Partner With Us ?

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- Our focus - to develop **partnership opportunities** with domestic payment networks
- **Benefits** of our Network Alliances concept:
  - New **Choice** in cobranding options for international card access
  - **Expand** your **Domestic** brands, enhance local features, independence, regulations and other aspects unique to your network
  - Our global POS and ATM network offers competitive acceptance
  - No onus fees
  - Competitive pricing on international spend
  - Innovative products in emerging technologies
  - Technical expertise and responsive relationship management
  - Marketing opportunities for your merchants to our Cardholders – worldwide and for your cardholders on Discover's network

# Activity with the Italian Market

## To issue Cobrand cards into the Italian market

1. MOU with Consorzio BANCOMAT July 2013: Exploring technical solutions, regulations and compliance
2. Discussions with Banks and Processors

## Two approaches we'd like to discuss:

- Create a new domestic credit scheme in Italy. This domestic scheme becomes the Discover agent in Italy, licensed to create Italian on us rules and products
- Keep the Italian market the same as today – Cobrand transactions route to Scheme under Scheme rules



A woman with long dark hair, wearing a white cardigan over a blue lace-trimmed top, is smiling and talking on a black mobile phone. She is sitting on the floor. In the background, a man in a blue shirt is sitting on the floor, working on a laptop. The scene is brightly lit, suggesting an indoor setting with large windows. A dark grey banner with a vertical orange line on the left side is overlaid on the right side of the image.

## Global Card Products

# Discover - Card Products and Enhancements



D-PAS (EMV)



Discover® Zip®



Discover Offers®



Debit Protect®



Internet PIN



Perks eShop<sup>SM</sup>



MyUS.com



Spend Analyzer<sup>SM</sup>



Debit Dashboard<sup>SM</sup>



Merchant Funded Offers

# PULSE® Internet PIN

**Secure card-not-present 2<sup>nd</sup> verification product**

**Reduces expenses by minimizing chargebacks and fraud through online PIN entry.**

Currently over 6,000 major US merchants live, and all major US Acquirers.

Adopted by RuPay and UnionPay

## Cardholder Benefits:

- Simple and easy to use – similar steps to POS
- No enrollment or redirection inconvenience

## Issuer Benefits:

- Fraud chargeback reduction
- Customizable digital PIN pad – brand and colour
- Turn-key marketing material

## Merchant Benefits:

- Increased sales – less checkout issues
- Liability shift – turns ecomm into EMV type transaction





# Exclusive Marketing Offers

Merchants provide special and exclusive offers for 'Global Card' cardmembers. Targeting shopping and T&E related offers for tourists. Offers are funded by merchants with program managed by Discover Network.

## Cardholder Benefits:

- Leverages direct merchant relationships for participation
- Utilize existing Networks' cardmember channels to communicate acceptance and promotions

## Issuer Benefits:

- Merchant and network funded
- Up to 250% volume lift
- Marketing assistance provided



# And benefits our Network Alliances



アメリカでJCBカードがますます便利に!

アメリカの大手カード会社ディスカバー (Discover Financial Services) 社との提携により、アメリカでJCBカードをご利用いただけるお店が拡大中です!

アメリカ国内のディスカバー加盟店、ガソリンスタンド・スーパーマーケット・ファーストフードなど生活必需品のお店でもJCBカードがご利用いただけます。

ご利用可能店舗一覧

	BANANA REPUBLIC	OLD NAVY
ファッション	ファッション	ファッション
LUCKY BRAND	macy's	SEPHORA
ファッション	百貨店	コスメ
SPORTS AUTHORITY	Toys R Us	BABIES R Us
スポーツ/アウトドア用品	玩具	育児用品
BARNES & NOBLE		
BOOKSELLERS		
www.bn.com		
書店		

\* 提携業者の店舗状況により、JCBカードがご利用いただける場合があります。

特惠一天会员卡券

## One-Day Pass

Where (地点): 美国当地Sam's Club (山姆俱乐部)  
 When (时间): 有效期至2012年3月31日  
 How (兑换方式): 打印此会员卡券, 到Sam's Club (山姆俱乐部) 内会员服务台领取一天会员卡号 (Temporary Pass#) 后即可使用

Savings Made Simple

This pass allows you to shop in a Sam's Club for one day only. Only original passes will be accepted. Information necessary to assign a one-day Pass number will be collected at time of use. A 10% service fee applies on all non-Member purchases when shipping with this One Day Pass (not applicable in CA, DC or Elmira, NY). No other conditions or privileges of annual Membership apply. You must pay for your purchases with cash, debit card/see Club for qualifying networks), Walmart® Credit, MasterCard®, Discover or UnionPay only. You may apply for annual Membership, subject to qualifications, while visiting any Sam's Club location or online at samsclub.com. To view our privacy policy, visit samsclub.com.

请打印此优惠券! 使用银联单标卡在会员制仓储式零售超市山姆(Sam's Club/山姆俱乐部)享受一天的购物特权。使用1天会员卡, 附加10%的服务费(在加州、DC及纽约的某些特定超市不适用)。

Temporary Pass # \_\_\_\_\_ Reference Number 10729

WELCOME TO BLOOMINGDALE'S

欢迎来到Bloomingdale's购物, 特别礼品等你拿!

请打印此礼券, 出示给客服中心的工作人员  
 享受全天15%的折扣并可获得Bloomingdale's的特别礼品。

请光顾国际知名百货公司

店址: New York - 59th Street and Lexington Avenue, 一楼访客中心, 212-705-2098  
 店址: Chicago - 900 North Michigan Avenue, 一楼访客柜台, 312-440-4596  
 - Madinah Temple Home Store, 600 N. Wabash Ave., 二楼服务中心, 312-324-7508  
 店址: Miami - Aventura, 19555 Biscayne Blvd., 三楼服务柜台, 305-792-1241  
 - The Falls, 8778 SW 136th St., 三楼服务柜台, 305-252-6205  
 店址: San Francisco - 845 Market Street, 一楼服务中心, 415-856-5475

使用银联单标借记卡在以下商户消费可获赠精美礼品  
 详情请阅读优惠券的背面。在纽约, 每笔消费当天最低消费200美元。在芝加哥, 迈阿密及旧金山, 每笔消费当天最低消费100美元。礼品有限, 送完为止。以上优惠仅限上述地区。

## JCB, BC Global Card & China UnionPay gift with purchase



2011/8/15 - 2012/1/31

JCBカードをUS150ドル以上のご利用で、エンビロサックス製「ノードストロームオリジナル・エコバッグ」をプレゼントいたします。お受け取りは、カードご利用額を3階カスタマーサービスにてご確認ください。プレゼントは、おひとり様1日ひとつまでとさせていただきます。なくなり次第キャンペーンは終了となりますのでご了承ください。

비서 글로벌카드 150 달러 이상 구입하시면 EnviroSax 친환경 트러블백을 드립니다. 영수증을 소지하여 3층 고객센터를 방문하시면 포토백을 받으실 수 있습니다. 단, 수량이 한정되어 있으며 일 1회로 제한됩니다.

在Nordstrom 刷银联卡 (银联单标卡) 满 150 美元, 送 EnviroSax 环保购物袋一个, 限每人每天一个, 礼品有限, 送完为止, 请凭小票到三层客服中心兑奖。







# Summary

# Why Partner With Us ? Summary

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- New **Choice** for Domestic Networks on **Brands, Regulations, Independence and Financials**
- **Expand** your **Domestic Brand**
- No onus fees, **competitive pricing** on international spend
- **3<sup>rd</sup>** largest international merchant network
- **High spending** visiting **cards**
- Major institutions already in partnership with Discover –
  - HDFC – largest credit issuer in India
  - ICBC – largest bank in the world
  - Citibank – Japan – best performing Franchise
  - Standard Bank - South Africa
  - Rupay - India
  - BC Card – South Korea
  - Interswitch - Nigeria
- Incremental **new products** – Internet Pin, Facebook, Ariba, Spend Analyser, My US.com
- Complementary products – Discover Zip, DPAS
- **Marketing Support** for Issuing and Acquiring

감사합니다 Natick  
Grazie Danke Ευχαριστίες Dalu Obrigado  
Thank You Köszönöm  
Спасибо Dank Gracias  
谢谢 Merci Seé ありがとう

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