INTESA SANPAOLO

PRESS RELEASE

INTESA SANPAOLO LAUNCHES NEW
MOBILE PHONE PAYMENT SYSTEM

- **It is now possible to pay for items by placing a smartphone close to an enabled POS terminal**
- **From doing the shopping to small payments: transactions are quick, simple and free of charge**
- **New for 2016: *JiffyPay*, the system that enables individuals to exchange money as if sending an SMS, will be extended to small shops**

Turin, 18 December 2015. Intesa Sanpaolo has launched a **new mobile phone payment system**. After several trials at banking system level, *PAyGO* is the simplest solution on the market, free of charge and **not affiliated with any telephone operator**. The Group developed it "in house" in partnership with **Setefi** and **Intesa Sanpaolo Group Services**, choosing **HCE** (cloud-based) **technology**, the most advanced technology in the mobile payments sector, which Intesa Sanpaolo has introduced to the Italian market for the first time.

To make payments all customers need to place their smartphone near a contactless POS terminal, having typed the unique PIN that they have chosen to make near-field payments into their telephone. In practice, **payments are made with mobile phones just like they would be with any other contactless credit, debit or prepaid card.** The service can be activated through the Intesa Sanpaolo *La tua banca* app. It is currently available for all NFC (Near Field Communication)-enabled *Android* smartphones - around 70% of those on the market - and in the next few months will be extended to other operating systems. Intesa Sanpaolo **does not apply any cost for the service.** It is therefore an interesting payment system both for large and small amounts that **also works offline**.

Being able to use a mobile phone to pay for the shopping at the supermarket, breakfast at the bar and for services such as car parking and petrol is a step forward that not only **makes people's lives easier** but **also reduces the costs connected with the circulation and management of cash**, estimated at around 4.5 billion euro in Italy. From today, 11 million Italians could potentially use the service proposed by Intesa Sanpaolo. The number of contactless POS enabled to offer the service represents 30% of all POS terminals in Italy (as opposed to only 10% in the US). Setefi, the Intesa Sanpaolo Group e-money company, manages over 350,000 terminals, 50,000 of which are small readers, mobile POS, which connect with mobile phones and tablets via Bluetooth and are the ideal solution for professionals and those that do not have a fixed point of sale.

In early 2016 Intesa Sanpaolo will launch **another new solution** for simplifying the virtual exchange of money. *JiffyPay*, the system already used by 120,000 of the Bank's customers

to exchange money as if sending an SMS, will be **extended to small shops.** Once again, the Group has decided not to charge for the service with the aim of encouraging customers to try it and to begin using it regularly.

For **Massimo Tessitore**, head of the Intesa Sanpaolo **Integrated Multichannel Department**: "*In terms of our relationship with our customers, nowadays it is essential to combine services and consultancy with digital solutions in order to provide an up-to-date service in keeping with modern lifestyles. Making payments is one of the most common everyday activities and for this reason they must be quick, simple and secure. We have chosen a solution that meets all these requirements. In fact, our aim is to integrate and harmonise all of the innovations that we gradually adopt to ensure that the customer's user experience is always positive. Lastly –* he concludes *– there is the issue of flexibility: customers must be able to carry out transactions, make purchases and receive consultancy both via telephone and online, just as they can in branches. They should even be able to begin a transaction using one channel and finish it using another.*"