



Annual Report 2008

Report of the Supervisory Board

“The Supervisory Board held three ordinary meetings during the reporting period on 25 April 2008, 19 September 2008 and 12 December 2008, during which, and through verbal and written reports provided by the Management, it received regular updates regarding business development, the company’s situation and all its major business transactions. Furthermore, the Chairman of the Supervisory Board remained in continuous contact with the Chief Executive Officer.

The Supervisory Board focused its discussions on the strategic restructuring of the company, the financial investments in a network operator, the close cooperation with the company’s preferred partners and the 2009 budget.

The Supervisory Board is satisfied that the Executive Management has fulfilled the tasks assigned to it in the interests of the company.

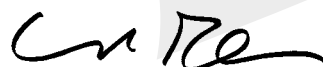
The Annual Report and Management Report prepared by the Executive Management for financial year 2008 were audited and issued with an unqualified opinion by PKF Fasselt Schlage Lang und Stolz, Duisburg.

The Supervisory Board reviewed the Annual Report, Management Report and the Management’s proposal for the appropriation of profits. There were no objections.

The Supervisory Board approves the results of the external audit and the annual financial statements prepared by the Executive Management. The Supervisory Board agrees with the Management Report, in particular the statements it contains on future corporate development. It concurs with the Executive Management’s proposal for the appropriation of net retained profits.

Mr. Hubert Piel, BVR, resigned his seat with effect from 1 February 2008. He was succeeded by Mr. Uwe Fröhlich, BVR.”

Frankfurt am Main, 24 April 2009



Bernd M. Fieseler

Foreword by the Executive Management

ConCardis had a very successful financial year 2008, thus further expanding its good market position. Transaction revenue rose from € 15.5 billion in 2007 to € 18.2 billion in 2008 – an increase of 17.4 percent. Sales revenue increased from € 243.5 million in 2007 to € 278.2 million in 2008, which corresponds to a year-on-year increase of 14.3 percent.

This positive business development underscores our goal of supporting our customers on a long-term basis as a stable and reliable partner in cashless payment services in Germany and abroad – particularly in such a challenging market environment. This profitable growth enables us to continue investing in innovative solutions to make card payment for the retail industry even more attractive and to more strongly emphasize its advantages over cash: increased sales, better customer service, higher security and flexibility as well as lower costs. To this end, we launched a number of new products last year, such as a solution for online authorization of cashless payments at machines, expansion of the Dynamic Currency Conversion (DCC) to ten foreign currencies, as well as fast, cost-effective and secure DSL terminals.

We are also making good progress in expanding our international activities. We support our customers on their path toward internationalization within Europe, with our portfolio also convincing customers abroad. After having very successfully expanded our activities in Switzerland and Austria in the past years, we are now strengthening our commitment in the Benelux countries.

The trend continues toward trade and shopping on the Internet. This also increases demand for reliable payment services. Payment settlement should be simple and above all secure for merchants and shoppers. For this reason, we are continuously developing our e-payment solution ConCardis PayEngine offering. This enables us to offer online merchants a variety of payment procedures from a single provider.

All these activities contributed to making 2008 another very successful financial year for ConCardis. Worth mentioning in this context is also the high degree of qualification and motivation of our employees. Without their major commitment and extraordinary efforts this success would not have been possible.

We are focusing on our core competences as a reliable payment partner for stationary, online and mail order shopping in the new financial year as well. Beyond the acquisition of acceptance points, growth potential is offered through a constant complement to the e-commerce offering as well as the expansion of business activities in additional European markets. Moreover, we continuously expand our advice and service offering for merchants through innovative product developments and new payment procedures, such as in the fields of security technology, e-payment and contact-free payment.

An eventful year is now behind us and an equally exciting one ahead of us. Thanks to its excellent expertise and very stable customer and earnings structure, we believe that ConCardis is well equipped to address market challenges and are convinced that we can successfully and profitably continue our charted course for our customers, partners and employees.

Frankfurt am Main, 24 April 2009



Manfred Krüger
Chief Executive Officer



Rainer Sureth
Managing Director

Balance Sheet as at 31 December 2008

Assets

	31.12.2008 Euro	31.12.2007 Euro
A. Fixed assets		
I. Intangible assets		
1. Software	2,922,610.00	2,496,747.00
2. Payments on account	0.00	339,246.31
	2,922,610.00	2,835,993.31
II. Tangible assets		
Operating and office equipment	460,264.00	367,738.00
	460,264.00	367,738.00
III. Financial assets		
Shares in affiliated companies	63,525.33	63,525.33
	63,525.33	63,525.33
(Total fixed assets)	3,446,399.33	3,267,256.64
B. Current assets		
I. Receivables and other assets		
1. Receivables from credit card business	36,016,664.11	15,591,718.10
2. Receivables from affiliated companies	13,929.04	0.00
3. Other assets	1,803,254.78	1,085,282.82
- thereof with a residual maturity of more than one year: Euro 135.00 (2007: Euro 7,419.00)		
	37,833,847.93	16,677,000.92
II. Cash-in-hand, bank balances	257,889,788.85	153,350,603.10
(Total current assets)	295,723,636.78	170,027,604.02
C. Prepaid expenses	12,278.03	44,803.03
	299,182,314.14	173,339,663.69



Equity and Liability

	31.12.2008 Euro	31.12.2007 Euro
A. Equity	21,905,683.30	18,061,419.62
B. Provisions		
1. Pension provisions	1,324,072.00	1,109,727.00
2. Provisions for taxes	583,805.00	404,981.82
3. Other provisions	19,959,691.85	12,522,646.91
	21,867,568.85	14,037,355.73
C. Liabilities		
– all with a residual maturity of up to one year –		
1. Liabilities from credit card business	240,922,125.69	130,934,898.12
2. Trade payables	2,251,984.59	1,669,244.65
3. Liabilities to affiliated companies	65,644.58	0.00
4. Other liabilities		
- thereof taxes: Euro 3,238,278.06 (2007: Euro 3,062,556.23)		
- thereof social security: Euro 5,524.07 (2007: Euro 3,474.27)	11,259,307.13	7,623,789.79
	254,499,061.99	140,227,932.56
D. Deferred income	910,000.00	1,012,955.78
	299,182,314.14	173,339,663.69

Note: following the resolution on profit appropriation by the shareholders' meeting

Company figures at a glance

	2008	2007	Change
Transaction revenue (in € billion)	18.2	15.5	17.4 %
Sales revenue (in € million)	278.2	243.5	14.3 %
Transactions (in million units)	141.4	128.0	10.4 %
Employees	121	115	5.2 %



Members of the Supervisory Board of ConCardis GmbH

Bernd M. Fieseler, Chairman of the Supervisory Board

Deutscher Sparkassen- und Giroverband e.V., Berlin

Hubert Piel, First Deputy Chairman of the Supervisory Board

(until 31 January 2008)

Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V., Berlin

Uwe Fröhlich, First Deputy Chairman of the Supervisory Board

(since 1 February 2008)

Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V., Berlin

Dr. Hans-Joachim Massenbergh, Second Deputy Chairman of the Supervisory Board

Bundesverband deutscher Banken e.V., Berlin

Dr. Jürgen Allerkamp

Nord/LB Norddeutsche Landesbank Girozentrale, Braunschweig

Theo Harnischmacher

Bayerische Landesbank, Munich

Michael Häcker

Heidenheimer Volksbank e.G., Heidenheim

Prof. Michael Ilg

Westfälisch-Lippischer Sparkassen- und Giroverband, Münster

Joachim von Plotho

Berliner Bank AG, Berlin

Axel Stepf

Commerzbank AG, Frankfurt am Main

Reiner Zorbach

Dresdner Bank AG, Frankfurt am Main

Executive Management of ConCardis GmbH

Manfred Krüger (CEO)

Rainer Sureth



ConCardis GmbH | Solmsstraße 4 | D-60486 Frankfurt am Main
Phone: +49 69 7922-0 | Fax: +49 69 7922-4500
www.concardis.com