



Press Release

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Visa to introduce first true cash replacement by end of 2007

London
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The Visa UK Board of Directors today confirmed plans for the first nationwide roll out of contactless payment cards across the UK, starting in London, by the end of next year.

The decision, supported by all Visa UK member banks, will enable card holders to “wave and pay” for low value every day items, such as their morning coffee and newspapers, by simply waving a new secure contactless card over a card reader in participating shops.

Visa Contactless is an innovative, fast and convenient extension to the chip and PIN cards already in use in the UK. It extends the trusted chip technology to enable a new way to pay that is faster, more convenient and more secure than cash. Transactions completed in less than a second create time savings for consumers and retailers, significantly reducing queue times at checkouts.

Sandra Alzetta, Visa Europe Senior Vice President Consumer Market Development, said: “With over 75% of all cash payments being less than £10, the introduction of contactless payments will play a major role in encouraging the use of cards over cash for low value transactions. In addition, the decision to go live in less than a year supports our vision for a cashless Olympic Games in London in 2012.”

Contactless payments are particularly suited to retail environments such as fast food outlets, coffee shops, newsagents, off licences, bars, pubs, parking facilities and vending machines, all of which tend to have a high cash turnover and where rapid checkout times are desirable.

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Research undertaken by Visa in the UK has indicated that consumers are very likely to appreciate the convenience and speed that it offers as an alternative to cash.

As a next stage, Visa UK and many of its member banks are working closely with retailers to enlist their support in advance of the contactless roll out. Further details of the precise launch plans are expected to be available by March 2007.

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Note to editors

- Contactless payments are where payment instructions are securely exchanged between a contactless chip card and acceptance terminal using wireless communication technologies.
- Contactless payments have been made possible as a result of the introduction of EMV chip technology (chip and PIN) across Europe which has brought added security to traditional card transactions.
- Contactless payments can be processed securely and cost-effectively in half a second.
- Contactless payments are an ideal payment method in situations where merchants need to process a large number of low value transactions, such as in fast food restaurants, convenience stores and transport terminals. They are also ideal for remote or unattended payment situations, such as vending machines, road tolls or parking meters.
- Contactless payments are just one way in which Visa is pursuing its vision for u-commerce – or universal commerce – whereby buyers and sellers can use the Visa system to pay anywhere, at any time, and in a way that they choose.

About Visa Europe

In Europe, there are over 315 million Visa debit, credit and commercial cards. In the 12 months ending June 2006, those cards were used to make purchases and cash withdrawals to the value of over €1.19 trillion.

Visa Europe is a membership association - an organisation owned and operated by its 4,500 European member banks. As a dedicated European organisation it is able to respond quickly to the specific market needs of European banks and their customers – cardholders and retailers, and to meet the European Commission's objective to create a true internal market for payments Visa Europe is a part owner of Visa International, the organisation that ensures global interoperability of products as well as management of the Visa brand.

In October 2006, Visa announced that it intends to restructure its entire worldwide organisation except Europe in order to create a new public global corporation called Visa Inc. As a part of this restructuring, Visa Europe will remain a membership association with an exclusive license in Europe.

Globally Visa is one of the world's leading payment brands and has unsurpassed acceptance at approximately 24 million acceptance locations including one million ATMs.

For more information, visit www.visaeurope.com.