

Mediterranean Smart Cards Company Witnesses Unprecedented Growth

MSCC commands more than one-third of the Egyptian issuing processing market with growth expected to continue at impressive rates

FOR IMMEDIATE RELEASE

Cairo, Egypt, July XX, 2008 — Mediterranean Smart Cards Company (MSCC) has experienced unprecedented growth over the past two years and is already exceeding targets for 2008. With a presence in more than twenty Middle East, African and Gulf countries, MSCC has cornered the market on high-quality, premium smart card processing and operational support services, providing its expertise to more than 45 banks. In its home base of Egypt, MSCC commands already more than one-third of the issuing processing market and expectations are strong for even greater growth in the future.

From 2006-2007, the company has seen its revenue increase by 44% while its client bank base has jumped by 45%. Even more impressive, MSCC has seen a 31% increase in the number of cards hosted by its system and a surge of 61% in the number of issued transactions. On the infrastructure side, MSCC's ATM processing has risen by 45%, while POS processing has increased 18%. In many of the markets where MSCC operates processing centers, there is no other service in country, as a result, if an international card is accepted it will go to the MSCC processing center in line with international best practices for chip and pin card acceptance.

The first quarter of 2008 has also shown positive results, with the company's financial performance reflecting management's commitment to achieve and exceed 2008 targets. In fact, in Q108 MSCC experienced an astounding 110% increase in accumulated cards issued, while issuer and acquirer transactions exceeded targets by 137% and 143% respectively.

"We've been working diligently to set aggressive targets to increase revenue and contain the growth of costs while ensuring the quality of service MSCC is known for," said *Mrs. Hoda Shoukry, MSCC Managing Director*. "Supporting our contracted clients remains a priority for us, and the market has proven that there is vast opportunity for expansion. MSCC is taking bold steps to capitalize on the needs of both banks and individuals who are looking for a partner in growth and development. Whether providing smart card processing or operational support, MSCC has the expertise and innovation to propel our clients to the forefront of their business."

During the first quarter of 2008 the company also launched its fraud analyzer module, a new service matching market and clients' needs. Within this framework, MSCC signed the first contract with Arab African International Bank (AAIB), positioning MSCC as the first processor to provide 24-hour online fraud monitoring to serve both banks and clients. MSCC's fraud monitoring service sends an instant alert if it is skeptical of any transaction, and makes the necessary calls instantly to authenticate the measures of the service. This cutting edge service provided by MSCC has been received with great success, especially given increasing global awareness of card misuse and potential fraudulent activity. In addition, MSCC implemented the issuer Verified by Visa services, strengthening MSCC's position with existing and potential client banks. Moreover, MSCC successfully interfaced with the Egyptian credit bureau "I Score" to provide its client banks with Central Bank of Egypt (CBE) and I Score required reports.

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Note to editors:

About Mediterranean Smart Cards Company (MSCC)

MSCC is an Egyptian joint-venture company, offering one of the most sophisticated smart card processing environments in the world. Besides delivering a range of services and benefits to its clients, MSCC's mission is to provide high-quality, premium smart card payment processing services to banks across markets in Central and Eastern Europe, Middle East and Africa, and to spread electronic payment knowledge and expertise. For more information, please visit www.msc.com.eg.

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