BRIC ONLINE PAYMENT METHODS REPORT 2013 -FIRST HALF 2013

Publication Date: May 2013



About yStats.com

- yStats.com provides secondary market research.
- Market reports by yStats.com inform top managers about recent market trends and assist with strategic company decisions.
- yStats.com has been committed to researching up-to-date, objective and demand-based data on markets and competitors from various industries since 2005.
- In addition to reports on markets and competitors, yStats.com also carries out client-specific research.
- Clients include leading global enterprises from various industries including B2C E-Commerce, electronic payment systems, mail order and direct marketing, logistics as well as banking and consulting.

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Key Findings

Online and mobile payments are increasing in BRIC countries, with new channels emerging

The recent "BRIC Online Payment Methods Report 2013 – First Half 2013" report by Hamburg-based secondary market research company yStats.com provides information about the movement toward online and mobile purchase transactions. The report is based on recently published information from a variety of sources and details the latest trends and news on the topic, with projections of continued growth in the next few years.

In Brazil, the local payment solution Boleto Bancario was used widely, while several payment providers introduced new online and mobile payment tools in the country.

In Russia, cash remained the main payment method in B2C E-Commerce in 2012, but online payments gained in both awareness and usage. By far the most popular among online payment methods in the beginning of 2013 was bank card, followed by E-Money and online banking. Electronic payment providers in Russia saw a significant growth in revenue in 2012.

Direct debit was the most popular payment method within B2C E-Commerce in India in 2012, followed by credit cards.

The total online payment transaction value in China demonstrated strong guarter-on-guarter growth in 2011-2012. Third-party online payments, which are used by around a third of online shoppers in China, were especially on the rise. Also, Alipay launched a mobile wallet application in China, offering online-to-offline payments. In India, direct debit accounted for over a half of B2C E-Commerce payment transactions in 2012.



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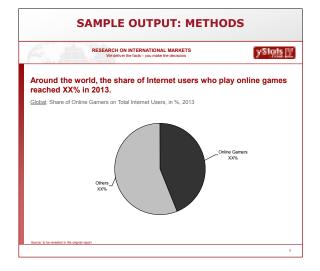


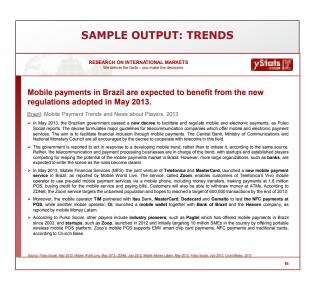
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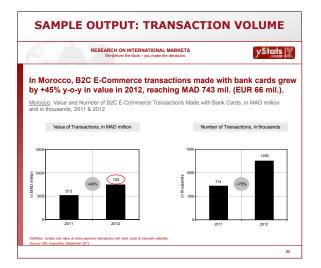


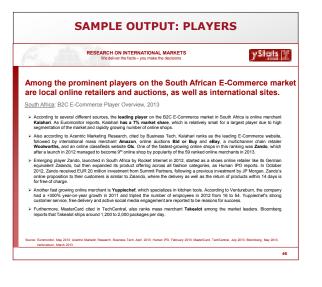


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Methodology

General Methodology of our Market Reports:

- The reports include the results of secondary market research: By using various sources we ensure maximum objectivity for all obtained data. As a result companies get a precise and unbiased impression of the market situation.
- Cross referencing of data was conducted in order to ensure validity and reliability.
- The reports contain a Management Summary, summarizing the main information provided in each chapter.
- Besides providing information on the specific topic, every chart contains an Action Title, which summarizes the main statement of the chart and a Sub Title, which gives information about the country, the topic, the unit or currency, and the time period the dataon the chart refers to.
- Furthermore, the source of information and its release date are provided on every chart. It is possible that the information included in one chart is derived from several sources. Then, all sources are mentioned on the chart.
- If available, additional information about the data collection, for example the time of survey and number of people asked, is provided in the form of a note. In some cases, the note (also) contains additional information needed to fully understand the contents of the respective data.
- When providing information about amounts of money, local currencies were mostly used. When referencing them in the Action Title, the EUR values are also provided in brackets. The conversions are always made using the average currency exchange rate for the respective time period. Should the currency figure be in the future, the average exchange rate of the past 12 months is used.
- The reports include mainly data from the last 12 months. The exact publication dates are mentioned in every chart.

Methodology for our Online Payment Market Reports:

- The Online Payment market reports include information about leading payment methods in B2C E-Commerce, recent trends on the payment market, information about the online payment transaction volume, statistics about online payment users, as well as strategic news about relevant players on the market.
- The "Methods" chapter includes information about the leading payment methods in B2C E-Commerce in the relevant country or region. For example, a breakdown of B2C E-Commerce sales by payment methods, or a ranking of the most popular payment methods could be included. These payment methods not only include payment procedures (such as credit card, bank transfer or online payment), but also payment companies (such as PayPal, iDeal, etc.).
- The "Trend" section includes mostly qualitative information about trends in online payment. The information included in this chapter allows the reader to identify future trends.
- Moreover, the Online Payment report includes information about the "transaction volume" in online payment, for example development of the volume over time.
- The "Users" section includes statistics about online payment users, for example the number or the development over time.
- Finally, the reports include strategic information about relevant players in online payment, for example about new products of a market player, or the expansion to another market.



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Frequently Asked Questions

WHAT IS THE TARGET AUDIENCE FOR THE MARKET **REPORTS?**

The target group of our B2C E-Commece reports are decision makers in top-management, for example from the departments E-Commerce, Business Development, Strategy, Marketing, etc. from large corporations worldwide.

WHAT TYPE OF RESEARCHERS ARE FINDING THE INFORMATION FOR OUR MARKET REPORTS?

yStats.com employs multilingual researchers that research and filter all sources and translate the relevant information into English. This ensures that the content of the original sources is correctly interpreted.

WHERE CAN I SEE WHAT KIND OF INFORMATION IS INCLUDED IN THE MARKET REPORTS?

For every market report, a detailed Table of Contents is available, clearly stating what information is included. All Table of Contents can be found on our homepage and in the product brochures of the market reports.

HOW DO I ORDER A MARKET REPORT?

If you would like to order, please fill out the report order form for the market report included in the relevant product brochure. Afterwards, please sign it and send it back to us by fax or by e-mail.

HOW LONG DOES IT TAKE ME TO GAIN ACCESS TO THE **REPORT?**

In general, potential clients gain access to the report within a few hours after sending out the report order form.

HOW CAN I PAY FOR THE MARKET REPORT?

An invoice issued by yStats.com can be paid either by bank transfer or by PayPal. Bank transfer usually takes a few working days, while with PayPal, the money is transferred immediately.

IS IT POSSIBLE TO PURCHASE ONLY SELECTED PARTS FROM A MARKET REPORT?

In general, the market reports are only sold as a whole. However, if you are only interested in parts of the report, please contact us.

HOW MANY EMPLOYEES OF MY COMPANY HAVE ACCESS TO THE REPORTS?

We offer different licensing options. Single User Licenses mean that only one user from an organization can access the report. A Site License, allowing all users within a given geographical location to access the report, is available for double the price. Global Site Licenses, allowing access to all worldwide users of an organization, are available for triple the price.

DO YOU OFFER AN ANNUAL SUBSCRIPTION OF THE MARKET REPORTS?

Yes. Our product "Full Access Global E-Commerce Reports" gives customers access to all our E-Commerce market reports. Furthermore, access to all the market reports we publish during the subscription period is guaranteed.

WHAT SOURCES ARE USED FOR THE MARKET REPORTS?

The reports are all based on reliable sources including national and international statistical offices, industry and trade associations, business reports, business and company databases, journals, company registries, news portals and many other sources.

WHAT TYPE OF ANALYSTS ARE WRITING THE MARKET **REPORTS?**

After the information is researched, it is further analyzed by our international team of research analysts. These analysts have a long experience in the field of E-Commerce research, and they understand the specifications of the market.

IS THE INFORMATION IN THE MARKET REPORTS COMPARABLE FROM COUNTRY TO COUNTRY?

Due to the fact that the information included in the market reports is derived from different sources, some information is not comparable across countries. Different sources mostly have different definitions.

IN WHAT FORMAT ARE THE MARKET REPORTS DELIVERED?

The market reports are delivered in PowerPoint and PDF format. If a different format is needed, please contact us before the purchase. It would also be possible to order printed versions of the reports for a slightly higher price.

IS THE REPORT SENT TO ME BY E-MAIL?

In general, we provide customers with access to our website. After logging in, the customer can download the report as PowerPoint and PDF files.

DO I HAVE TO PAY TAX IF I PURCHASE A REPORT?

Customers from Germany have to pay an additional tax rate of 19%. Customers from the European Union (EU) do not have to pay tax if they enter a valid VAT Identification Number into the report order form. Customers from non-EU countries do not have to pay tax. Moreover, tax has to be paid for all private purchases from the EU.

REGARDING THE TIMING, WHEN WILL AN UPDATE OF A MARKET REPORT BE PUBLISHED? In general, the market reports are published on a yearly basis. For further information, please take a look at the report overview, which includes a list of the reports we plan to publish in 2013. If you would like to be informed as soon as the update is published, please inform us.

I HAVE A RESEARCH REQUEST THAT CANNOT BE ANSWERED THROUGH THE MARKET REPORTS. ARE THERE ANY FURTHER PRODUCTS?

If you require further information, we also offer "Customized Research" on all sectors and countries worldwide. After a detailed briefing, we conduct pre-research and provide potential customers wtih an offer.

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Terms and Conditions

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We herewith contradict any terms and conditions of purchase by our customers which will not become part of the Contract.

1. SCOPE

1.1 The following terms and conditions apply to our entire contract (the "Contract") between yStats.com GmbH & Co. KG (hereinafter also referred to as "we" or "us") with our customer regarding (i) the purchase of our reports both on- and offline, (ii) custom research services, (iii) full access subscriptions, and (iv) any other contracts between us and our customers executed with reference to these terms and conditions (any reports and other services and products which we may make available to the customer under a Contract hereinafter "products").

1.2 Agreements contrary to these terms and conditions require our express written confirmation. Deviations between these terms and conditions and the contents of the Order Form will be accepted if and only if ex-pressly agreed upon by both our customer(s) and us in writing, limited to the case of custom research orders, at which point the contents of the Order Form shall prevail.

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Form, you will obtain an Invoice detailing the product ordered, price, and date of payment. Upon successful processing of payment, access and log-in details will be forwarded to the purchaser within two (2) business

2.4 If you order our product "Market Reports", you gain access to the ordered report as identified in the Report Order Form and you may use that report in accordance with Section 5.3 below and the other provisions . of the Contract.

2.5 To purchase one of our Full Access Subscriptions, please contact us through the appropriate forum on our website, located under the Full Access tab on our homepage. Once we receive an inquiry, we will forward an Website, located under the Puil Access tab on our homepage. Once we testive an inquiry, we will obvia an a Order Form to be filled out and signed by a duly authorized representative. Once this Order Form has been completed and signed, please send the Order Form via facsimile or email with PDF-attachment. Upon receipt of the completed Order Form, we will send an Invoice detailing price of the "Full Access Subscription" and payment method options. Upon successful processing of payment, access and log-in details will be forwarded to the purchaser within two (2) business days. The provision of this information constitutes the acceptance

should you not have been provided with a separate acceptance in writing.
2.6 If you order one of our "Full Access Subscriptions", you gain access to any E-Commerce reports within the scope of your chosen subscription (excluding all custom research services) currently available on our website during the subscription timeframe as identified in the "Order Form" as of the date of the execution of the Contract, and you may use those reports as a "Global Site License" in accordance with Section 5.3 below and the other provisions of the Contract.

3. CUSTOM RESEARCH OFFERS & ORDERS

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 Close Supressly agreed upon otherwise in writing, the contents of our offers may not be made available in whole or in part to any third party outside your organization.
 With respect to research services, upon inquiry, we submit an offer to you in the form of a "Research Order Form" as a PDF, accompanied with a proposal stating the nature of the issue to be researched, the

services to be rendered, the time required for the study, structure of payments (if any) and the total fee due. You accept this offer by completing the Research Order Form, having a duly authorized representative sign the Research Order Form and then submitting the Research Order Form to us via facsimile or email with PDF-attachment

4. TERMS OF PAYMENT
4.1 All prices for offline orders are to be derived exclusively from the Order Form and/or the documents referenced therein. All prices for orders placed via the online shop are those which are displayed on our website.

renced therein. All prices for orders placed via the online shop are those which are displayed on our website. 4.2 All prices are net and without transportation costs, if applicable. Value Added Tax, if applicable, at the statutory rate shall be added to all fees payable hereunder. 4.3 For all services that go beyond the scope as agreed unon winder the Order Form, a reasonable additional fee for these services shall be discussed and agreed upon with the customer before commencement of any work and will be itemized on the final Invoice (if applicable) sent to the customer. 4.4 We will send our Invoice to you upon execution of the Contract, unless agreed otherwise in the Order Form. In the event that you order our product "Full Access Subscription", we will send our Invoice for the first contract year upon execution of the Contract. Any Invoice(s) for any subsequent contract year(s), will be sent to you upon exempt of each contract.

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4.6 All customers inghts of retention or set-off are hereby excluded to the extent that they are not based on the same contractual relationship. Retentions or set-offs are allowed only if the customer's claim is undisputed, has become unappeasable or is ready for decision.
4.7 In the event of a customer's default in payment or other apparent credit unworthiness, all remaining claims against that customer shall become immediately due and payable in full. This only applies if the customer is responsible for the default. We shall be entitled to rescind payment terms previously agreed upon and to demand payment in advance or other appropriate security with respect to pending deliveries. A customer shall be deemed unworthy of credit in particular when he files a petition in bankruptcy or composition proceedings.

5. INTELLECTUAL PROPERTY RIGHTS AND INDEMNITIES

5.1 All copyrights and other intellectual property rights in connection with our products and all contents of our website remain with us. All data carriers remain our property. The customer/user may not modify, publish, transmit, transfer or sell, reproduce, create derivative works from, distribute, perform, display, or in any way exploit any of the products made available by us, in whole or in part, except as expressly permitted under the Contract

5.2 We, as well as any original sources contained within our product, must expressly be named as the author of any data the customer processes further as contractually negotiated.

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5.3 Upon delivery of the product(s) to you and payment of the agreed fee, you obtain a non-exclusive, non-transferable, perpetual right to use the products provided for your internal purposes or any addi purposes set out in the Order Form. ses or any additional

5.4 In the event that the parties agree on a "Single User License" under the Order Form, this means that only one (1) individually named user of an organization shall be entitled to access the report(s). In the event that the parties agree on a "Site License" under the Order Form, this means that up to ten (10) users within a given geographical location (as specified in the Order Form) of an organization shall be entitled to access the report. In the event that the parties agree on a "Global Site License", this means that up to ten (10) worldwide users of an organization shall be entitled to access the report. In both cases, the term "organization" refers to your specific company only and excludes any third parties, including affiliates.

6. TECHNICAL INFORMATION

6.1 We shall provide our products in the following standardized data formats: PowerPoint and PDF. For custom research reports, Excel documents may also be provided, upon request.

Custom research reports, excer occuments may also be provided, upon request.
6.2 You must ensure that you have the corresponding technical resources to make use of these data. You may not derive any claims in this connection on grounds of breach of obligation.
6.3 Upon successful processing of payment, purchases made via the online shop will be immediately available to download. For all offline purchases, upon successful processful groepsment, you will receive the requested product(s) and service(s) in the aforementioned standardized data formats, and all additional data pertaining theorem. thereto within two (2) business days

7. DEFECTS AS TO QUALITY

7.1 No claims for defects as to quality are triggered by insignificant discrepancies between our products and services and the warranted quality or fitness for use. 7.2 Likewise, no claims for defects as to quality may be derived from entrepreneurial risks – e.g., with regard

to questions of entrepreneurial discretion, an erroneous assessment of the market situation or the failure to recognize a business action's merit.
 7.3 Defect-based claims are further excluded in cases of excessive or improper use or in connection with

damages caused by extraordinary conditions not reflected in the Order Form. This is also true in cases of subsequent changes made by the customers or third parties unless such changes do not affect the analysis and removal of a given defect.

7.4 Claims for defects as to quality expire within one year from the commencement of the legal statute of limitation. This limitation does not apply to the extent that applicable law stipulates a longer period in cases of intentional or grossly negligent breaches of duty on the part of us, fraudulent concealment of a defect and injuries to life, body and health

7.5 Claims for damages and the reimbursement of expenditures are further subject to Section 9.

8. LEGAL DEFECTS

8.1 We are liable for products and services infringing on third party rights only if and to the extent that our products and services are used in accordance with the agreed contractual requirements. 8.2 Unless agreed otherwise, our liability for the infringement on third-party rights is limited to the territory

of the European Union and the European Economic Area as well as the place of its services' proper use as

agreed under the applicable Order. 8.3 In the event that a third party asserts claims against the customer, alleging that a service performed by us violates its rights, the customer shall promptly notify us. If a service rendered by us violates third party rights, we shall choose one of the below actions, duly taking into consideration the customer's interests: a) procuring for the customer the right to use the service; or

b) revising the service to render it free of legal violations.
8.4 Upon our request, the Customer shall assist us with the defense against third party claims according to this section 8, with each of the Parties bearing the costs of the use of its own personnel and counsel. 8.5 Claims the Customer may hold for legal defects expire in accordance with Section 7.4.
 8.6 Claims for damages and the reimbursement of expenditures are further subject to Section 9.

9. LIABILITY

9. LIABILITY
9.1 In cases of intentional misconduct and gross negligence, we are fully liable pursuant to applicable law.
9.2 Besides Section 9.1, we are not liable for any damages, especially but not limited to any incidental, special, punitive or consequential damages, loss of profits or loss of data. This limitation does not apply to any claims for damages due to damage to life, body or health in cases of simple negligence and – subject to the limitations set forth hereinafter – due to damage caused by a breach of a material contractual obligations. Material contractual obligations are obligations that (i) you reasonably relied upon at execution of the applicable Order Form and (ii) was of critical significance to the outcome of performance.
9.3 In case of a negligent breach of a material contractual obligation or liability for damages – except for damages to be how the publicable to thoil at the time of the formation of this Contract forseesable.

mage to life, body or health – is limited to typical and at the time of the formation of this Contract fo

9.4 The aforementioned limitations do also apply to our liability for fault by our bodies, employees and vicarious agents as well as our bodies', employees' and vicarious agents' personal liability.
 9.5 Our liability for damages under warranties (Beschaffenheitsgarantien) is limited to instances in which the

warranty expressly includes such liability. 9.6 Claims for the reimbursement of expenditures and other liability claims asserted by the Customer against us are subject to sections 9.1 through 9.5.

10. CONFIDENTIALITY

10.1 The Parties shall hold in strict confidence for a period of 10 years of the formation of this Contract The Parties shall hold in struct confidence for a period of to years of the formation one contact, regarding all data and information materials of which they gain knowledge as part of a Contract, be it orally, in writing or otherwise, directly or indirectly, provided that such data or information materials are designated confidential or must be considered confidential based on their nature, and shall use them exclusively as part of the services covered by the relevant Order. This duty of confidentiality excludes data and information materials that:

 a) were already known or accessible to any third party at the time of disclosure;
 b) which is lawfully disclosed to you by a third party that is not subject to a confidentiality obligation regarding this data or information:

c) must be disclosed by order of and to a government agency or another competent third party; and d) must be disclosed to legal or tax advisors of the contractual customer in question for consulting purposes. In the cases of Sections b) and c) above, the parties shall (i) promptly inform each other about a given request and prior to disclosing confidential information, and (ii) limit the disclosure of confidential information to the minimum required.

10.2 We may use your company name and logo as a reference so long as no contractual details are divulged. 11. JURISDICTION, GOVERNING LAW, MISCELLANEOUS

 III. JURISIJICTION, GOVERNING LAW, MISCELLANEOUS
 III.1 In Contracts with merchants, legal persons under public law, or special assets (Sondervermögen) under public law, the place of payment is Hamburg, Germany.
 III.2 In Contracts with merchants, legal persons under public law, or special assets (Sondervermögen) under public law, all disputes arising from or in connection with any Contract between the Parties shall exclusively and the CONTRACT of the CONTRACT. be resolved through the courts of Hamburg. Governing law is German law under exclusion of the CISG.



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