



PRESS RELEASE

Cellum turning iPhone into a wallet

Mobile Payment – New Hungarian application unveiled in London

Budapest, 8th October 2012 – Cellum Group has announced last week at the *Apps World* conference in London that their mobile payment solution with bank grade security has now been integrated into the latest iPhone OS. Currently iPhone's PassBook application has only allowed the storage and use of coupons, loyalty cards and tickets. This secure Cellum solution offers the possibility of integrating debit and credit cards as well, opening up new opportunities in mobile payment usage worldwide.

Introduced as part of Apple's iOS6, PassBook is defined as a general storage application for coupons, e-tickets and loyalty cards. With PassBook, users can use their phones to handle purchasing cards or even boarding tickets that would otherwise take the form of plastic cards or paper vouchers. As an open-platform application, PassBook does not offer high security standards and has not been suitable for highly sensitive bank payment solutions, including the storage of bank card details.

At the *AppsWorld* conference, Cellum announced a world's first – their newly developed solution enabling any bank card to be used via PassBook for mobile payments worldwide. The demo application was presented by Cellum's Senior Vice President Jeff McAllister to an international audience of industry professionals. This milestone in innovation gives hundreds of millions of iPhone users the ability to securely integrate their bank cards into their PassBook system and then use those bank cards for purchasing.

Bank grade security is ensured by a Cellum-developed technology called 'secret distribution' that has already been in use by MasterCard Mobile in Hungary for one year. The core principle of this technology is a mobile phone application that stores only one portion of encrypted data, the other portion being stored on secure servers. Therefore, all bank card data remains secure even in the event of theft, loss or hacking.

The real breakthrough is the unification of mobile payment, enabling users to register multiple bank cards in PassBook through Cellum's secure technology. The cards can then be used to pay or purchase in the commercial mobile applications co-developed by Cellum.

"To our knowledge, this is the first mobile payment solution that can be integrated into PassBook", said Jeff McAllister following his presentation in London. *"The next step in the evolution of e-commerce is m-commerce and this starts with a downloadable commercial application. The demo version presented at the conference represents a breakthrough as it can unify mobile payment while ensuring bank grade security."*, added Cellum's SVP. Cellum is in negotiations with banking and commercial companies about the potential use of the new solution in the U.S. and elsewhere.

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Background

Cellum is Hungary's market-leading corporate group specialised in the development of mobile payment solutions. Established in 2000, this fast-growing technology group has worked in close cooperation with partners such as MasterCard, the Magyar Telekom Group, Telenor, Vodafone, FHB Bank, etc. Offering bank grade security, Cellum's innovations have ranged across all areas of m-commerce, including mobile purchasing, mobile payment and contactless NFC technologies. Today, over one million secure mobile transactions a month are managed by Cellum's operational team in Hungary. MasterCard Mobile, a mobile payment application launched by Cellum in 2011, has so far been downloaded for Android, iPhone or Widows phones by over 40,000 customers. In 2010, the Group started international expansion, setting up subsidiaries in Bulgaria, Albania and Austria, and is negotiating with further international partners.

Certified as compliant with PCI DSS, the Cellum Group is the region's first mobile payment company to comply with the highest security standards of leading international card companies.

<http://www.cellum.com/>

For more information, please, contact Anita Lovász (Public Republic Group)
on +36-30-445-0198 or at anita.lovasz@publicrepublic.hu

