

Gift Cards

hot new business opportunities for retailers

Join the fastest-growing card opportunity today:

- *Increase customer retention with points or prizes programs*
- *Motivate sales teams with golf or fishing trips*
- *Reward employees for improved customer satisfaction statistics*
- *Generate B2B sales with product discounts using cards*
- *Motivate safety or other performance using cards*



Gift Card Use Explodes

Prepaid gift cards are escalating at unprecedented rates. A recent survey shows that half of all adults are buying or receiving gift cards. This increase of 14 percent during 2001 is significantly higher than the one percent rise in other types of card use. The survey also shows that consumers spent an average of \$200 on gift cards during 2001, compared with \$139 the year before. The holiday season remains the number one gift card-giving occasion (71%), with birthdays (68%) a close second.

88% of Major Retailers Sell Gift Cards

According to the survey, 44 of 50 top retailers offer gift cards, prepaid phone cards or loyalty cards. In-store signage and point-of-purchase displays are key for generating awareness. Externally, 80% of retailers use print advertising, followed by the Internet (57%), radio (25%) and television (18%).

Now Hypercom® HyperWare® software supports gift card programs for all types of applications. The new stand-alone application provides everything for small to medium-sized merchants to implement gift card marketing programs. It runs on ICE™ 5500 and 5700 card payment terminals, does not require a phone line or network connection and uses smart card technology for the cards. Also provided is a choice of full phone support for merchant clients of ISOs or back-up support for ISO customer support teams.

The gift card application stores and updates the gift value balance right on the card, fully utilizing the security features inherent in smart cards. This means merchants do not have to give cash back if the entire gift amount is not spent. Since the remaining balance stays on the card, it can contribute to breakage, which is the unspent gift card balances that accrue to the merchant's bottom line.

Hypercom Business Solutions. Did it! Done it! Own it!

For more information about Gift Cards, please visit www.hypercom.com

innovation. results. leadership.



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VAR Relations Channel

The VAR Relations Channel provides Value-Added Resellers (VARs) with comprehensive development tools to create custom applications supported on Hypercom ICE™ and T7 point of sale terminals. To date, more than 100 VARs are successfully writing software programs running on ICE family products and peripherals.

Developer's Toolkit

Based on Microsoft's Visual Studio Environment, the Visual HyperWare Developer's Toolkit (VHDT) is the global development tool used by developers to rapidly create new and sophisticated applications for traditional and specialty market segments. Applications developed using VHDT are portable across the entire ICE family of products, reducing the development time for supporting new hardware or peripherals.

The VAR Program

If you'd like more information on becoming a Hypercom VAR, please visit our website at: www.hypercom.com/var to find the latest products, software offerings and services available through the VAR Relations Channel.



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Hypercom Corporation (NYSE:HYC) is the leading global provider of electronic payment solutions that add value at the point-of-sale for consumers, merchants and acquirers, and yield increased profitability for its customers. Hypercom products include secure, Web-enabled card payment terminals that work seamlessly with its networking equipment and software applications for e-commerce, m-commerce, smart cards and traditional payment applications. The company's widely-accepted ePOS-Infocommerce (epic) framework of consumer-activated, EMV-certified, touch-screen ICE (Interactive Consumer Environment) terminals enable acquirers and merchants to decrease costs, increase revenues and improve customer retention. Headquartered in Phoenix, Arizona, USA, Hypercom is independently acknowledged as the leading provider of point-of-sale card payment terminals worldwide. Demand for Hypercom terminals surpassed one million units last year alone. Hypercom today maintains an installed base of more than 5 million card payment terminals in over 100 countries that conduct more than 10 billion transactions annually.