



PRESS RELEASE

For Immediate Release

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NIC BANK GROUP LAUNCHES NEW MOBILE BANKING SERVICE

...service incorporates SMS Alerts and M-PESA top directly from the bank account

NIC Bank Group has announced the launch of a new banking channel, NIC Mobile Banking. This service will enable customers to access their account anytime they wish and make banking transactions.

Announcing the launch, NIC Bank's Group Managing Director, Mr. James Macharia said that it was a milestone achievement for bank which prides itself at being at the forefront to offering innovative products to the market.

"After launching NIC Online Banking which offers convenient transactional banking on the internet, we have gone further and invested in a technologically advanced service delivery channel, NIC Mobile Banking" Said Mr. Macharia.

He commented that in Kenya where the mobile infrastructure is comparatively better than the fixed line infrastructure, mobile banking will be crucial in NIC Bank Group strategy of offering value added services to our customers.

"As a Bank, we are aware of the global trend for organizations and indeed individuals to be environmentally conscious," he added. "Indeed, mobile banking is being touted as the "green" financial management option for customers in that Mobile Banking transactions eliminate the need for paper bills and statements. If and when adapted on a wider scale, we anticipate that mobile banking will reduce time and costs taken to access banking facilities.

The Group Managing Director also intimated that Mobile Banking will open up new revenue streams and cost savings efficiencies for banks.

Speaking at the launch, the Director of Personal Banking, Mr. James Wainaina noted that the mobile phone had become a personal and indeed an intimate part of life as customers continually interact with their phones. " We simply are tapping into an opportunity to make banking part of our customers' lifestyle in a uniquely convenient and efficient way" He

explained that in a country where the telecommunication market has witnessed revolutionary development with mobile subscribers increasing from 15,000 in 1999 to the current 17.6 million as at July this year (according to the Communication Commission of Kenya statistics) the NIC Bank Group will be able to tap into this market and increase the penetration of banking to the masses through this new service.

NIC Mobile Banking Service will offer, among other features, SMS notifications on activities in the customer account directly to customers' phones, and also offer the unique service where customers can top-up their M-PESA account directly from their bank account.

In setting the pace of innovation within the banking industry, NIC Bank becomes the first bank to work directly with the Safaricom's global pioneer money transfer service, M-PESA to enable customers to debit their existing bank account and credit their M-PESA account directly. This will greatly impact on the convenience of these financial transactions to our customers with the launch of NIC Mobile Banking.

This working relationship complements Safaricom's 8,000-strong agent network meaning more customers will be able to access financial services.

"Through NIC Mobile Banking, an NIC Bank customer can now debit their NIC account and directly credit the money into their M-PESA account" explained Mr. Wainaina. "Beyond that, we are also happy to announce that our customers have more control of their financial status through Short Message Alerts (SMS) for any transaction that takes place.

NIC Mobile Banking service uses the Unstructured Supplementary Service Data (USSD) technology interface which means that a customer with any type of mobile phone can access the service.

The USSD platform is a simple user based system which requires customers to enter simple commands on a predefined menu using short codes. All USSD commands start with * and end with #. For example, to access the NIC Mobile Banking Menu you press *488# and choose the transaction which you want to perform on your phone. For now, text messages will continue to remain the dominant mobile money transfer technology.

Other features on the NIC Mobile Banking Service are:

1. Airtime Top up - Upon request, a customer can debit their account get a PIN number and a serial code through SMS for denominations of 250, 500 and 1,000.
2. Mini Statement Request - NIC Mobile Banking will give customers the last five transactions (instead of the usual three).
3. Funds Transfer - moving money from customer's account to another account.
4. Stop Cheque Request - This security feature instantaneously stops a lost, stolen or misplaced cheque.
5. Cheque Status Request - Customers can track the real time status of their cheques through this feature to know if it has been paid, pending or not yet presented.

6. Forex Rates Request – Gives customers the daily, current rates for at least 16 currencies (AED, AUD, CAD, CHF, DKK, EUR, FRF, GBP, INR, JPY, NOK, SEK, TZS, UGK, USD, and ZAR).
7. Other Service Requests include Balance Enquiry, Cheque Book Request and Full Statement requests.

Crucial Customer Tips when using NIC Mobile

- Always save *488# as a contact in your phone, preferably as NIC Mobile or in any other easily memorable word to you.
- Always memorize and delete your Personal Identification Number. Never keep your PIN saved in messages section of your mobile phone. You can always reset it at any NIC Branch.
- For funds transfer, always nominate accounts that you make regular payments to.
- For notifications, save money by opting for the Ksh100 monthly flat fee to receive unlimited alerts on your account.

NIC Bank Group recently announced an 18% increase in its half-year Profit Before Tax of Shs 784 million and has branches in Nairobi, Kisumu, Mombasa, Thika and Nakuru. The Bank also owns a majority stake in Tanzania's Savings and Finance Commercial Bank.

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For any more information on NIC Mobile Banking or NIC Bank, kindly contact:

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