



Peer-to-peer currency exchange

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# Currency Exchange

## Before

- Banks take 3% - 6% hidden margin on exchange rate
- Additional fee of £10-£25 for foreign payment



## After

- You exchange with peers at mid-market rate
- TransferWise is the trusted 3<sup>rd</sup> party
- We take a flat fee (£1)



## How does it work?

- 1. Book a payment**  
Enter recipient details on our website
- 2. Deposit money**  
Transfer source currency to our holding account
- 3. Convert currency**  
Money is automatically matched and converted at mid-market rates
- 4. Send to recipient**  
The currency is delivered to the recipient bank account

The screenshot shows the TransferWise website interface. At the top, the logo and navigation links are visible. The main section is titled "CALCULATE AND EXCHANGE CURRENCY". It features a form with "From currency" set to "USD" and "To currency" set to "EUR Euro". Below this, a table compares the "TransferWise" rate with a "High Street Bank" rate. The TransferWise rate is significantly better, showing a saving of £27.56. A prominent orange button labeled "TransferWise saves" is present. To the right, there are sections for "DON'T CHANGE WITH PEOPLE?" and "RECENT TRANSACTIONS". At the bottom, a progress bar indicates the steps: "Book a payment online", "Deposit the money", "Convert currency", and "Currency is delivered".

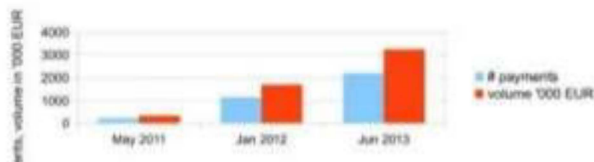
	TransferWise	High Street Bank
Rate	1.0075	1.0000
Transfer fee	0.10%	0.25%
Fee pay	2,900.00	2,900.00
You get	2,941.75	2,875.00

**YOU WILL SAVE £27.56 WITH TRANSFERWISE**

[www.transferwise.com](http://www.transferwise.com)

## Traction

- **Charging** customers from day one
- **Trust**: people have sent us £1M+
- 70% volume from **repeat customers**
- **£0** spent on marketing so far
- Organic growth **~20% monthly** (new paying users)



# Roadmap

Segments	Currencies	Marketing
<ul style="list-style-type: none"><li>• Personal</li></ul>	<ul style="list-style-type: none"><li>• GBP</li></ul>	<ul style="list-style-type: none"><li>• Word of mouth</li></ul>
<ul style="list-style-type: none"><li>• Business payments</li></ul>	<ul style="list-style-type: none"><li>• EUR</li></ul>	<ul style="list-style-type: none"><li>• Social media</li></ul>
<ul style="list-style-type: none"><li>• Invoicing</li></ul>	<ul style="list-style-type: none"><li>• CHF</li></ul>	<ul style="list-style-type: none"><li>• Targeted PR</li></ul>
<ul style="list-style-type: none"><li>• API</li></ul>	<ul style="list-style-type: none"><li>• PLN, SEK, DKK</li></ul>	<ul style="list-style-type: none"><li>• Marketing campaigns</li></ul>
<ul style="list-style-type: none"><li>• Card payments</li></ul>	<ul style="list-style-type: none"><li>• USD</li></ul>	<ul style="list-style-type: none"><li>• Partner marketing</li></ul>
<ul style="list-style-type: none"><li>• Remittance</li></ul>	<ul style="list-style-type: none"><li>• AUD, CAD</li></ul>	<ul style="list-style-type: none"><li>• Distribution deals</li></ul>

We are just scratching the surface, the todo list is long...

## Competition

- Retail FX brokers – UKForex, XE.com, World First, Travelex, etc
- Banks – HSBC, Lloyds TSB, RBS, etc
- Marketplace – CurrencyFair
- New services – CurrencyCloud (B2B), peerTransfer (education)
- e-Money services – PayPal, Moneybookers



## Team

- Kristo, co-founder, CEO
  - Financial services consulting with Deloitte and PwC
- Taavet, co-founder
  - Skype early employee, angel investor, INSEAD MBA
- Backoff ce, customer support
- Developers



## Financing

- Raising 650K GBP to last until end of 2012
- Goals
  - **Prove our model** (back office, support, payments, etc), on the way to financial break-even
  - Increase average **revenue per payment to to £3-£5**
  - Develop a scaleable **customer acquisition strategy**
  - Expand supported currencies (**CHF, SEK/PLN**), preparation for **USD**



Questions?

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