

The N26 logo is displayed in white on a teal background. It features a stylized 'N' with horizontal bars above and below it, followed by the number '26'.

N26 and Mastercard: Building Europe's leading mobile consumer bank

- **How did you come up with the idea to build your company?**

The two founders of N26, Valentin Stalf and Maximilian, were unhappy with the services provided by their banks. That is how they came up with the idea to offer customers an alternative to traditional banking services that were neither modern, nor client-focused or in any way convenient, lagging behind other industries with regards regarding digitalization and customer focus. Simply put, they wanted to focus on the simple needs of customers and transform banking experiences that at that time were mainly a hassle and no fun at all.

- **What are milestones in your company history?**

A major milestone after founding the company was the launch of our product as the first mobile bank on the German and Austrian market with a

fully digital signup. Following the launch we realized the amazing demand from customers and quickly hit 50.000 customers in Germany. Evolving from a start-up without a single customer to one of the fastest growing banks in the country was certainly a big step. Another big milestone was getting our own banking license from the ECB. This enabled us to release many more products and functionalities over the past year. The license also allowed us to further accelerate our growth, reaching 300.000 customers in March 2017.

- **What are major challenges you encountered when starting your business and trying to find the right partners?**

N26 aims to digitize all products and services that traditional banks offer. We were the first mover in this market. Everything we do is centered around a state-of-the-art user experience. All partners must be able to contribute to the best-of-class user experience, N26 represents. Technology plays a vital role in achieving this goal. It was clearly a challenge to find partners that have the digital and therefore flexible infrastructure in the background to create unique and simple user experiences.

- **At which step did Mastercard emerge as a partner and why?**

Quite early we recognized that Mastercard was one of the more dynamic players on the market, open for new products and technologies. If you are a young company you look for partners who are kindred in spirit, drive and pace. Getting these qualities in a renowned brand that keeps up with the newest developments but also has a global network - it's like hitting the jackpot. Mastercard in that sense was the best partner we could hope for in order to build Europe's first mobile bank.

- **Why did you choose Mastercard as a partner instead of another company?**

A big selling point was how dynamic the company is and, of course, their extremely strong brand. Combined with the overall pricing and one-stop solution for issuance and processing, this was a core benefit. The Mastercard team is extremely experienced and super responsive. Working with such a professional team that brings so much experience to the table in the European market and also around the world, is a great pleasure and growing opportunity.

- **What exactly does Mastercard offer you as a partner?**

Mastercard provides N26 with issuing and processing solutions that are essential for offering our product to the customer. Beyond this, they consult us with technical questions all around the topic of payment. Especially this knowledge support is priceless to us.

- **Have there been milestones in the partnership? Can you name some?**

The biggest milestone, of course, was when we signed the contract after we became a licensed bank. Holding our first cards in hand and experimenting with the limits of card design was another big step. Testing and successfully processing the first transaction led to much excitement here as well. Another big step in the partnership was our further international expansion into now 17 European markets.

- **How did Mastercard help you build up and grow your business?**

As mentioned above, we took our first payment and processing steps with Mastercard as a licensed bank. We received a lot of support from the Mastercard team on the technical as well as strategic side to plan and execute our international expansion. As Mastercard is so open to and interested in new technologies, we also appreciate all the effort they put in to help us deliver a new and much better user experience in the field of payments.

- **How do you see the future of finance/payment?**

We clearly believe that basic financial products are and will in the long run increasingly become commodities. The successful banks of the future will focus purely on customers and fuel their products with the best suppliers on the market. Credits, for instance, could come from your own balance sheet, a peer-to-peer platform or a third bank fueling it, depending on a client's risk scoring. In a nutshell, successful banks will have lighter balance sheets, earn more out of commission income and less out of interest income. There will be other organizations and institutional investors stepping in with the liquidity to fuel such products. Only if you combine this platform approach with a modern infrastructure that leads to a superior cost structure, it is possible to compete and survive. PSD2 and other standards will further accelerate this process.

- **What role do you envision for you and Mastercard in this future development?**

We are currently building one of Europe's strongest retail banking brands and need strong partners to accompany us. If Mastercard continues to deliver the brand value and speed they have displayed over the past years, we are excited to expand the journey we are taking together in Europe and beyond.

- **Please describe in one quote (two or three sentences) the value of the partnership with Mastercard.**

Mastercard is a dynamic player with one of the world's most renowned brands. It is as fast and flexible and up to date with new technologies as a start-up. This combined with global infrastructure is something we are looking for.

About Mastercard

[Mastercard](#) (NYSE: MA) is a technology company in the global payments industry. We operate the world's fastest payments processing network, connecting consumers, financial institutions, merchants, governments and businesses in more than 210 countries and territories. Mastercard products and solutions make everyday commerce activities – such as shopping, traveling, running a business and managing finances – easier, more secure and more efficient for everyone. Follow us on Twitter [@MastercardDE](#), the discussion on the [Beyond the Transaction Blog](#) for the latest news on the [Engagement Bureau](#).

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