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New Groupon Payments™ Service Offers Local Businesses the Lowest Rates on Credit Card Transactions

CHICAGO--(BUSINESS WIRE)-- Today [Groupon](#) (NASDAQ: GRPN) announced the launch of [Groupon Payments™](#), a payments service backed by a guarantee to be the lowest cost option for the company's merchants to accept credit cards. Built into the latest version of the Groupon Merchants app for the iPhone and iPod Touch, Groupon Payments provides restaurants, salons and spas, retail establishments and other local businesses with the ability to accept all credit card payments at a lower rate than other providers.



After a successful pilot in the San Francisco Bay Area, any merchant that runs a deal with Groupon in the United States can now accept payments at the lowest rates in today's marketplace:

- Swiped transactions - MasterCard, Visa and Discover (1.8% plus \$0.15 per transaction) and American Express (3% plus \$0.15 per transaction)
- No hidden costs or monthly fees

Merchants will also have their credit card deposits in their bank accounts overnight, which is much faster than the typical experience of waiting two to three business days offered by most credit card processors.

"Our goal is to provide merchants with the most affordable and powerful tools to run and grow their businesses," said Mihir Shah, VP Mobile and Merchant Products at Groupon. "With groundbreaking pricing and service, Groupon Payments does just that."

Groupon merchants that sign up for the service will enjoy a fast, intuitive experience that is capable of tackling their everyday credit card processing needs. Some of the Groupon Payments characteristics include:

- **Service** — Backed by a 7-days-a-week Groupon Payments support team reachable by phone and email
- **Hassle-Free** — Enroll within minutes
- **Fully-Featured** — Use Groupon Merchants app to enter bill totals, add tips, apply taxes, process refunds and email customer receipts
- **Sturdy** — Swipe credit cards via a sturdy, case-based credit card reader suitable for high transaction volume merchants or an audio jack accessory

Groupon launches Groupon Payments(TM), a payments service backed by a guarantee to be the lowest cost option for the company's merchants to accept credit cards. (Photo: Business Wire)

- **Secure** — Encrypted and secure credit card information
- **Analytics** — View payments information seamlessly to an online Payments Center where merchants can view a live transaction history, check daily sales reports, track deposits to their account and analyze revenue trends

In addition, merchants can use the app to scan and redeem Groupons and monitor additional spend over the value of the Groupon.

"While the cost savings are obvious, we were really impressed by the level of support provided by Groupon and the speed in which we received our payments," said Nadia McClinton, owner of Body By X in Corte Madera, Calif. "From day one we

discovered we could rely on Groupon Payments to effectively, quickly and easily process transactions and deliver a better customer and employee experience. It truly saves us time, money and effort that we can invest in other aspects of our operations."

While Groupon Payments is designed for local businesses that run deals with Groupon, the service is also available as a pilot to non-Groupon merchants at the low rate of 2.2% (3% American Express) + \$0.15 per transaction.

Groupon Payments and the payments-enabled Groupon Merchants app are the latest additions to Groupon's extensive suite of products and services that merchants can use to save money, streamline operations and grow their businesses. These include: [Groupon Daily Deals](#); [Groupon Now!](#) real-time location-based offers; [Groupon Rewards](#) an easy-to-use loyalty program and [Groupon Scheduler](#) an online scheduling application for appointment-based businesses.

Local businesses interested in learning more about Groupon Payments can visit www.GrouponWorks.com/Payments. The Groupon Merchants app can be downloaded for free from the [iTunes App Store](#).

The guarantee of lowest possible rates is only available to Groupon merchants located in the United States. Merchants must provide proof of current third-party rates for identical services. Participation is subject to the terms of the Groupon Payments Merchant User Agreement which may modify or discontinue the guarantee and the underlying services at any time. The guarantee is void where prohibited by law.

About Groupon

Groupon (NASDAQ: GRPN) launched in November 2008 in Chicago, features a daily deal on the best stuff to do, eat, see and buy in 48 countries around the world. Groupon uses collective buying power to offer huge discounts and provide a win-win for businesses and consumers, delivering more than 1,000 daily deals globally. To subscribe for the best deals in your city, visit (<http://www.groupon.com>). To learn how to become a featured business, visit (<http://www.grouponworks.com>).

Forward-Looking Statements

This announcement contains forward-looking statements that involve risks and uncertainties, and actual results could differ materially from those discussed. Factors that could cause or contribute to such differences include, but are not limited to, the factors included under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the company's Annual Report on Form 10-K for the year ended December 31, 2011 and subsequently filed quarterly reports filed with the Securities and Exchange Commission, copies of which may be obtained by visiting the company's Investor Relations web site at <http://investor.groupon.com> or the SEC's web site at (www.sec.gov). You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this press release to conform these statements to actual results or to changes in our expectations.

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Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=50413845&lang=en>

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