2016 Ambition

J.P. Morgan European Technology CEO Conference
London, June 18th 2013

ingenico®

beyond payment

In the last years, Ingenico has outperformed: operationally

Strongly reinforced positions in Payment Terminals…

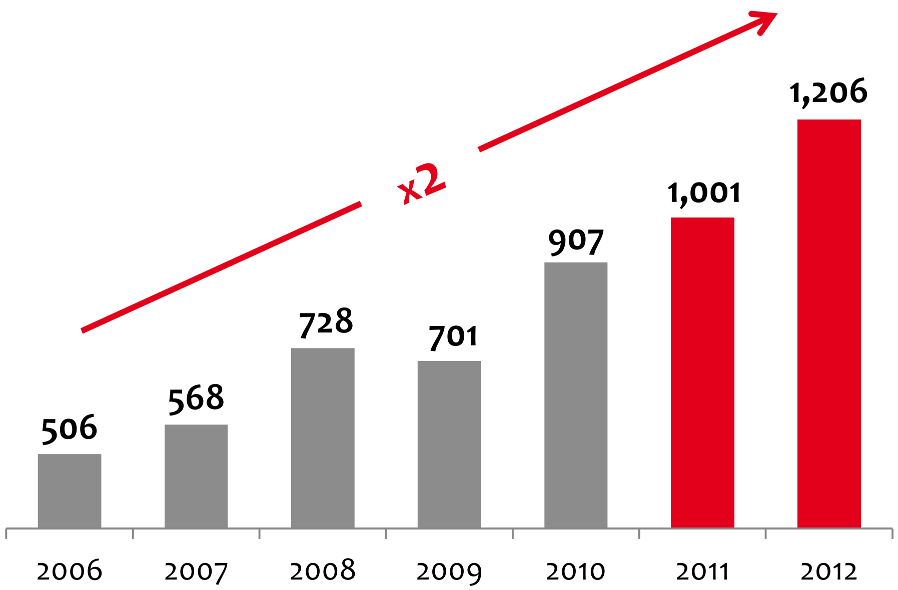
- > **In both mature and emerging countries**
- > **Through differentiating products**
  (Telium OS: one platform for all, contactless, touch screen, mobile features)

Built foundations for a new service-based business model

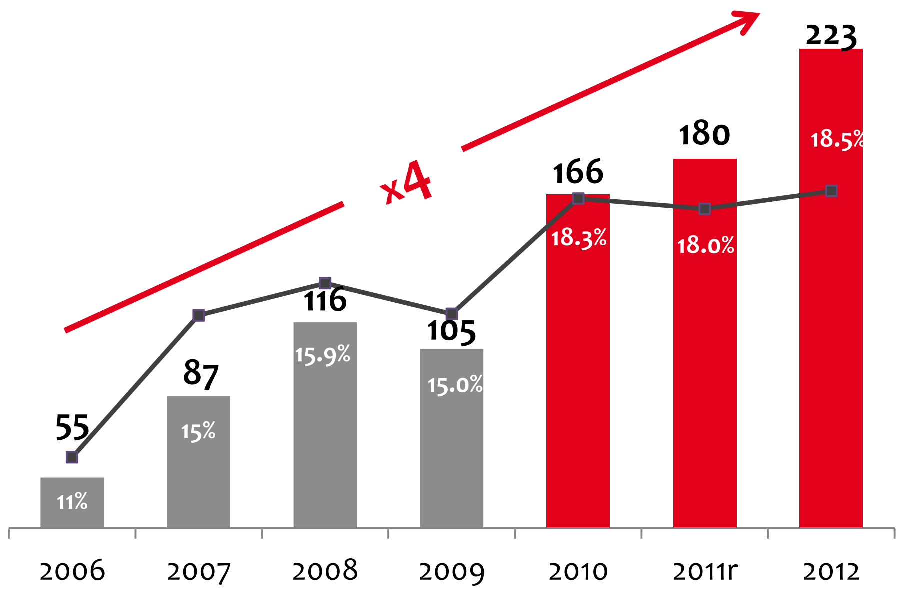
- > **Successful acquisitions with smooth integration**
- > **Expanding both offers and geographies**

In the last 3 years, Ingenico has outperformed: financially

- **2013 Revenue > €1bn achieved 2 years early**



- **2013 EBITDA > 18% achieved 3 years early**



Ingenico, a strong platform for the future

- **A truly global player, with strong scale effect**
- **Positioned all across the value chain from payment terminals to services, including e-commerce and mobile**
- **Market leader in hardware: 20 million POS installed, accepting more than 250 payment means and connected to more than 1,000 acquirers/banks**
- **Managing more than 3bn payment transactions**
- **A well-balanced presence in mature and emerging markets**
- **A large and diversified customer base**
- **A proven track record in executing strategy**

A large and diversified customer base

- **Deeper access to Tier 1 merchants & banks**
  - > **Certified by more than 1,000 acquirers/banks in over 125 countries**
  - > **70% of top 30 global retailers***

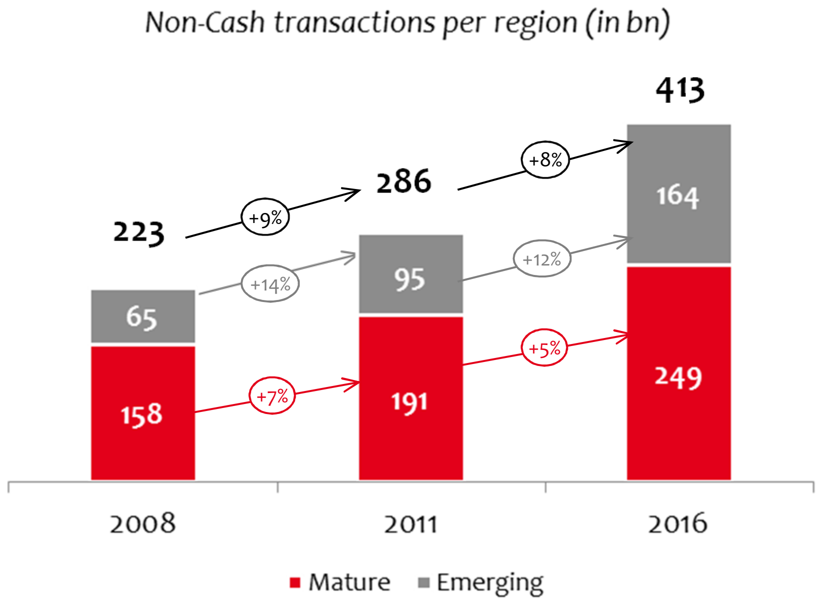
- **Providing solutions to the full spectrum: from large to small customers**

- **Partnering with top global players**
  - > **Apple, Google, Paypal, Microsoft**

**From "Global Powers of Retailing 2013" by Deloitte*

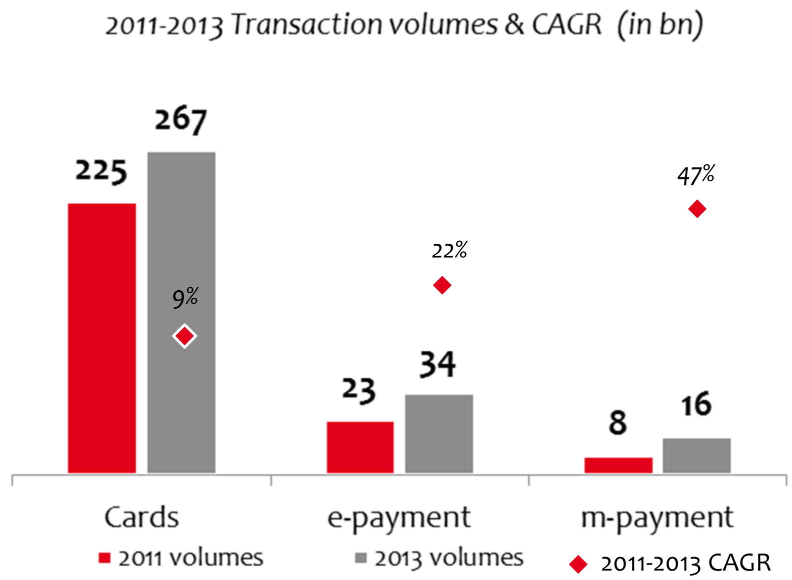
Active presence in fast-growing markets

The right geographies



Emerging: LAR, Eastern Europe, MEA, emerging APAC
Mature: NAR, Western Europe, mature APAC
Source: Euromonitor

High-growth segments



Source: Euromonitor & World payment report

Consumer-merchant relationship: from B-to-C to C-to-B

Consumers today

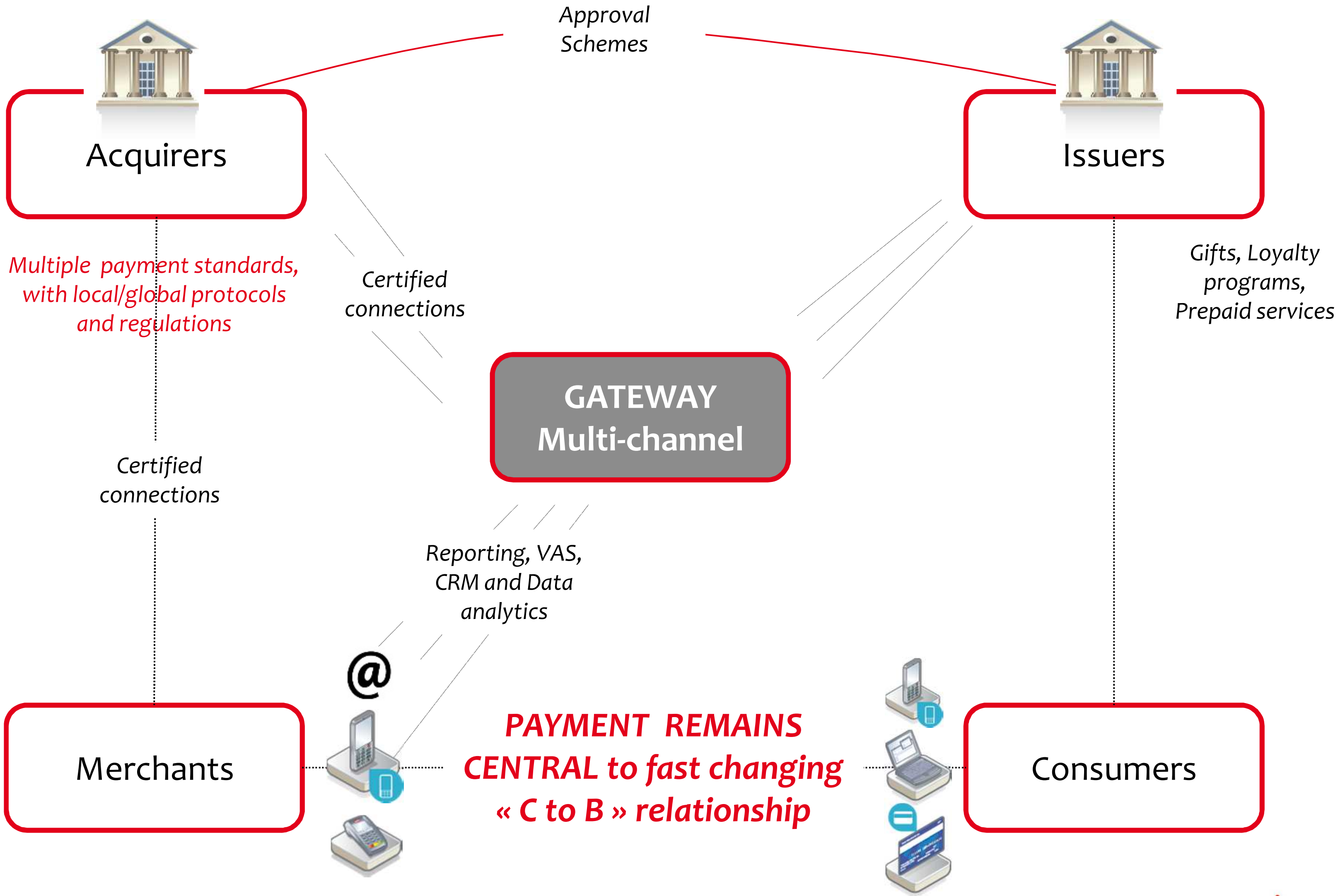
- Enjoying a stronger bargaining power through mobile devices
- More demanding: pay wherever they are (in shops, at home or on the go) and whatever the payment mean (payment terminal, internet, mobile)
- Increasingly influenced by the internet (social media, price comparison website , geolocation, etc.)

What merchants need

- More closely manage the relationship with consumers to finalize sales whatever the channel
- Get fully secured payment acceptance process
- Offer consumers the largest range of payment means
- Better capture consumers' behavior and habits
- Access to a single advanced technological partner

With its multi-channel approach,
Ingenico provides merchants with solutions to address this new C-to-B relation

Ingenico, the central player thanks to payment expertise and white labelling



Our ambition: to enable merchants to increase their sales with secured and cost effective payment solutions

- **For merchants – directly or through acquirers & banks**
  - > **Facilitating acceptance of all payment means for a multi-channel approach**
  - > **Providing cost effective payment and business solutions**
  - > **Enabling data capture**
- **For consumers: providing a seamless purchasing experience whatever the sales channel and the payment means**

Ready for a new development phase

2006 - 2008

Achieving profitability

- Moved towards fabless model
- Acquired Moneyline to cover pre-processing solutions for Tier1 retailers

- FY08 Rev: €728m vs. €506m in FY06
- EBITDA: 15.9% vs. 11% in FY06

2008 - 2009

Consolidating POS leadership

- Merged with Sagem Monetel
- Launched new product range on a single platform
- Acquired Landi in China
- Invested in mobile with ROAM Data

- Demonstrated business model resilience

2010 - 2012

Building foundations for expansion into services

- Acquired easycash, leading payment service provider
- Increased presence in emerging markets (acquisitions in Russia and Indonesia)

- FY12 rev: €1.2bn
- FY12 Transactions & services: 30% of total revenue (+12pts/2008)
- EBITDA: 18.5%

2013 - 2016

Our ambition

- Acquired Ogone as a cornerstone to deploy our multi-channel strategy
- Help merchants increase their sales with secured and cost effective payment solutions

Ambitious 2016 targets

- **Continue overall growth** — **> Revenue target> €1.8bn**
- **Strengthen operational performance** — **> EBITDA margin > 20%**
- **Maintain financial discipline** — **> EBITDA to Free Cash Flow conversion between 45 and 50%**
- **Implement an attractive dividend policy** — **> Pay out ratio: 35%**

A well-balanced business model

Payment Terminals Growth Driver

- New business segments in both mature and emerging markets
- First equipment in emerging markets
- Replacement cycle (updgrade security, governement requirements, …)

Dual growth engine supporting each other…

… with Telium 3 as a key accelerating component

Services Growth Driver

- Growth in e-commerce and m-commerce transaction volumes
- Competitive advantage from integrated capabilities across physical, on-line and mobile payments
- Further growth, driven by technological leadership, experience and global footprint

Strategic priorities to support profitable growth

- **Deploy multi-channel strategy with the integration of Ogone**
- **Continue to combine terminals and services**
- **Increase our presence in selected emerging markets**
- **Maintain focus on innovation, especially R&D**
- **Focus on profitable organic growth…**
- **… while continuing to evaluate M&A opportunities in 3 unchanged areas (Terminals, Services, Technology)**

Financial prospects: Supporting the Group's strategy

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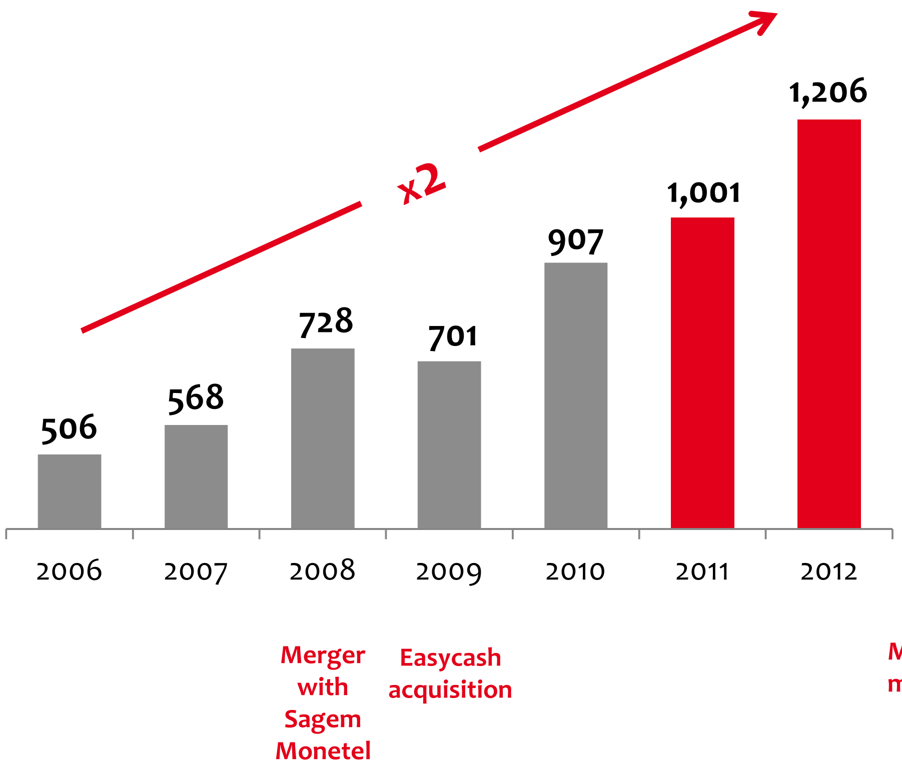
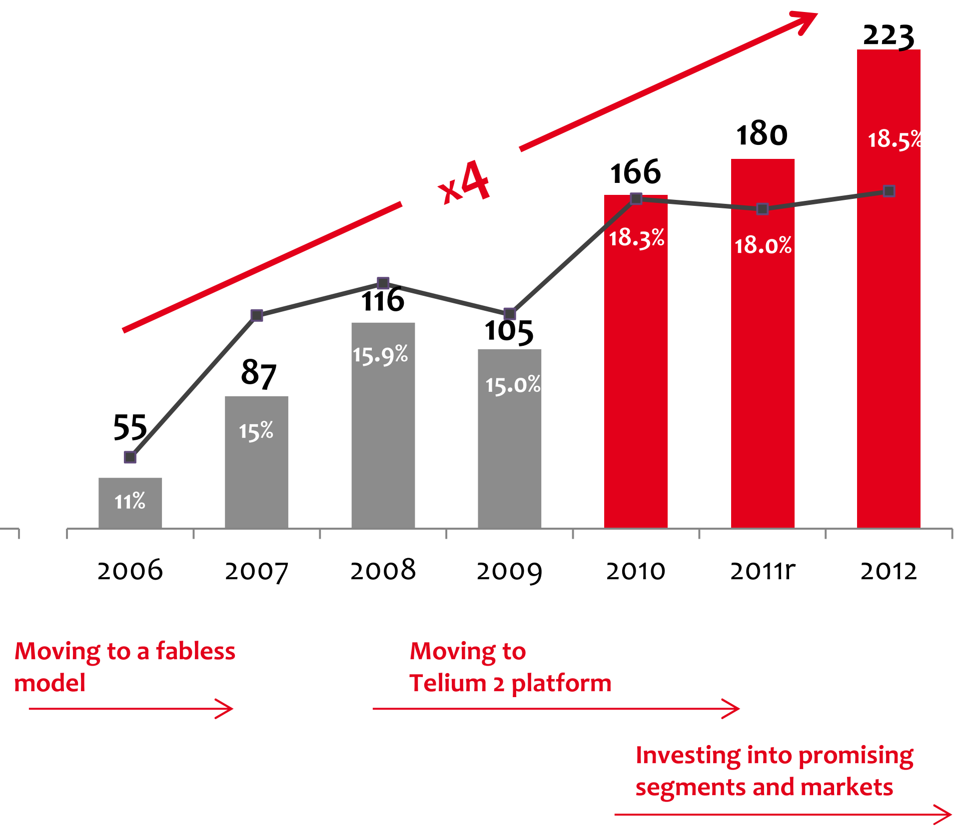
Delivering profitable growth

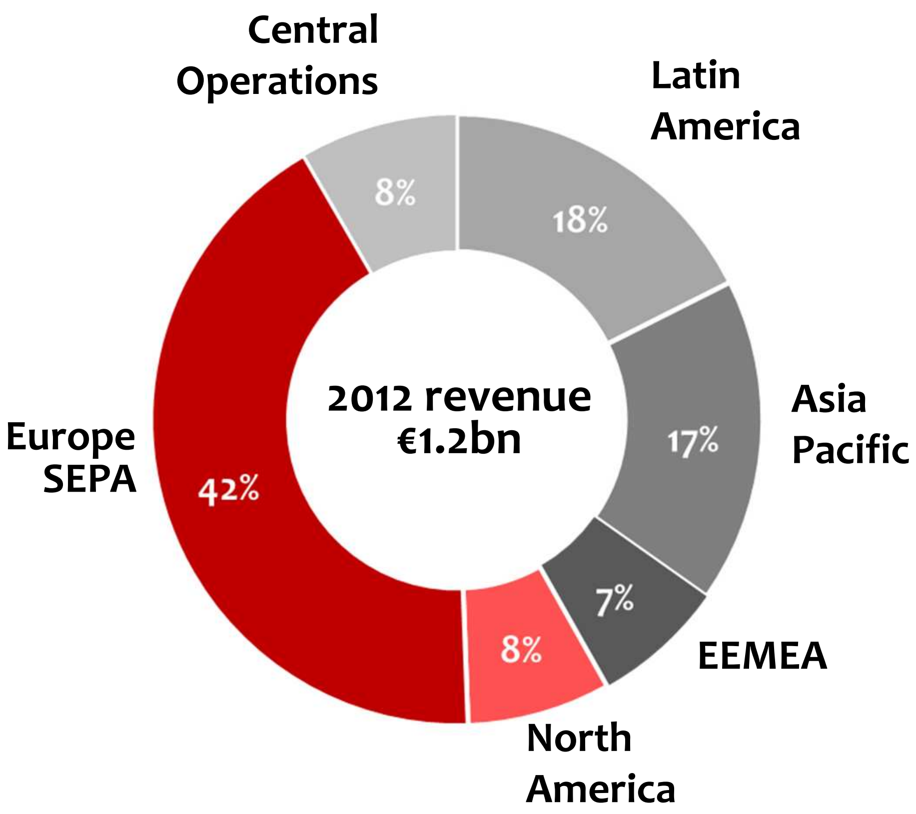
Revenue
(in €m)



EBITDA
(in €m)

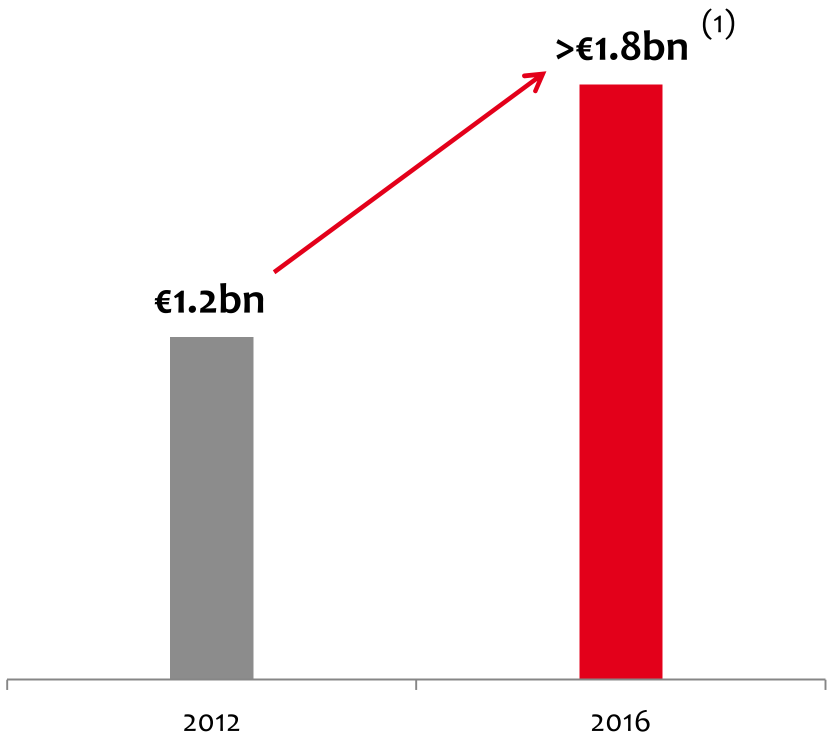


Well balanced presence in mature and emerging markets



- **Still strong growth potential in payment terminals worldwide**
  - In mature markets: US
  - In emerging markets: Indonesia, Mexico, Russia
  - Multi-channel driving new terminal sales
  - New Verticals
- **Services: further growth, driven by technological leadership, experience and global footprint**

New ambition driving growth



- **Revenue target> €1.8 bn**
  - > **High growth across all our business segments**
  - > **Leveraging on the acquisition of Ogone**

- **Key drivers:**
  - > **Geographies**
  - > **Next Gen Telium 3 leading to enhanced combination of revenues from Services and Payment Terminals**
  - > **Platform as a key enabler for multi-channel offer**

(1) At comparable FX (euro versus other currencies).
In 2013, a 5% increase of euro against all other currencies leads to an estimated decrease of €45m in revenue

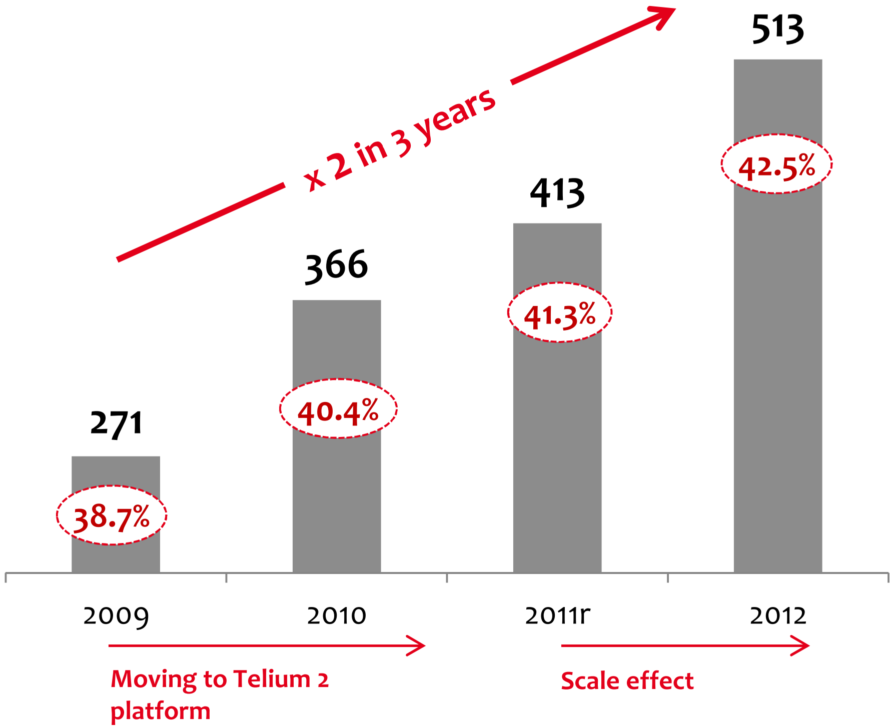
Continuing to enhance operational performance with EBITDA target >20%

	2012	2016
Gross Profit	42.5%	> Maintain a high margin level in Hardware > Integrate platform infrastructure to deploy multi-channel strategy
OPEX	26.8%	> Continue to support group investments for future growth > Maintain control on general and administrative costs > Reduce opex as % of revenue
EBITDA	18.5%	>20%

- **EBITDA target including contribution of Ogone & expected incremental synergies (€20M in 2015)**

Sustaining high level of gross profit through continuous discipline

Gross Profit
(in €m)

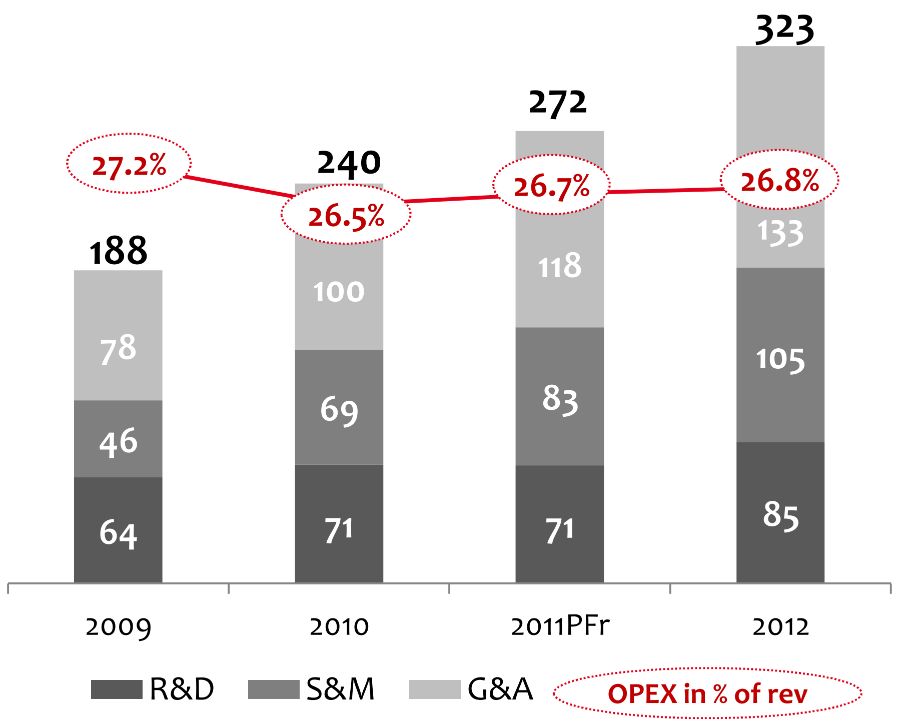


Key strengths

- **Telium successive generations**
  - Improved design to cost
  - Increased value for customers
- **Strong purchasing capacity**
- **Track record in managing supply Chain**
  - Strong relationship with key suppliers
  - Proven ability to manage external factors (Japan, volcano in Iceland, floods in Thailand)
- **…mitigating potential price pressure**

Opex: Fully invested group platform to support future growth

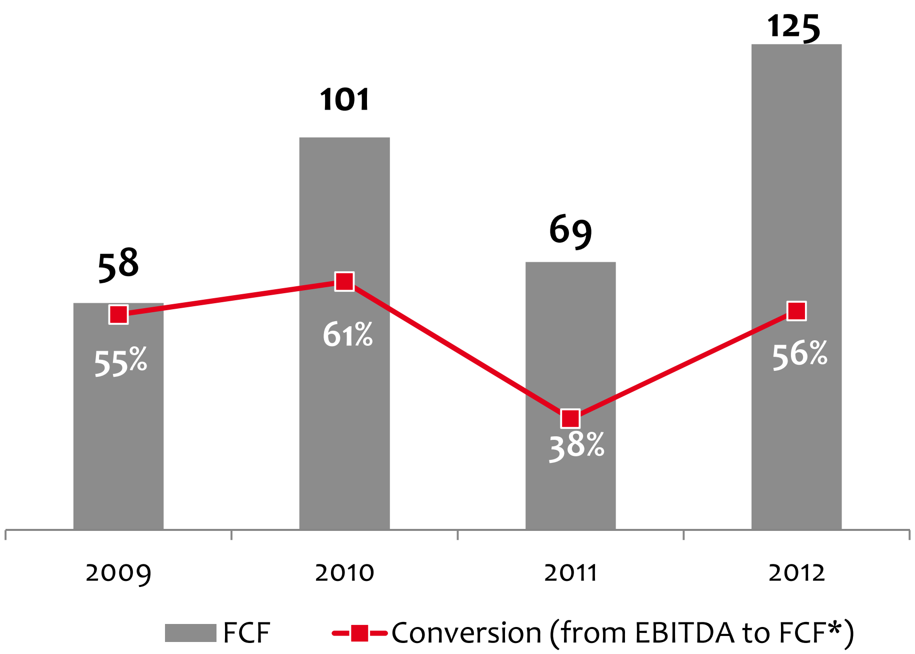
Adjusted operating expenses
(in €m)



- **Preserving our capacity to keep on investing in fast moving ecosystem through focused R&D roadmap and S&M: US market, mobility, multi-channel**
- **Strict control of G&A costs following a past but necessary phase of spending to take the Group to the next level**

Continuing to strongly focus on cash generation

Free Cash Flow (in €m)

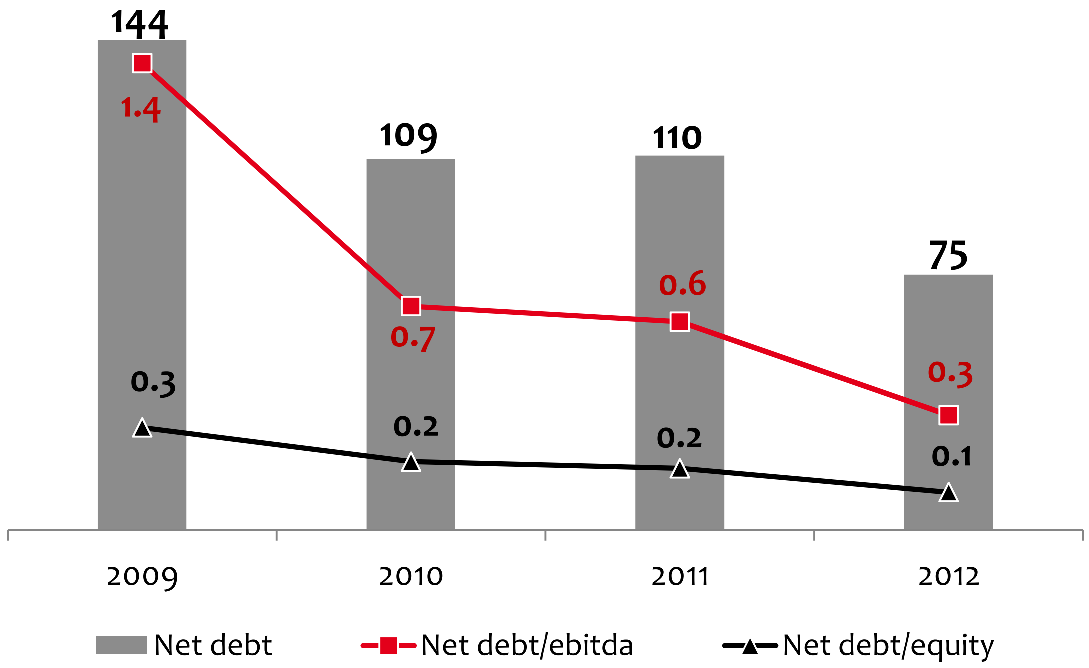


- **Strict monitoring of our working capital**
- **Targeting conversion ratio by 2016 between 45 and 50%**

* Free Cash Flow: *equal to EBITDA less: cash and other operating income and expenses, changes in working capital requirements, investing activities net of disposals, financial expenses net of financial income and tax paid.*

Maintaining a solid financial structure to support the group's strategy

Net Debt (in €m)



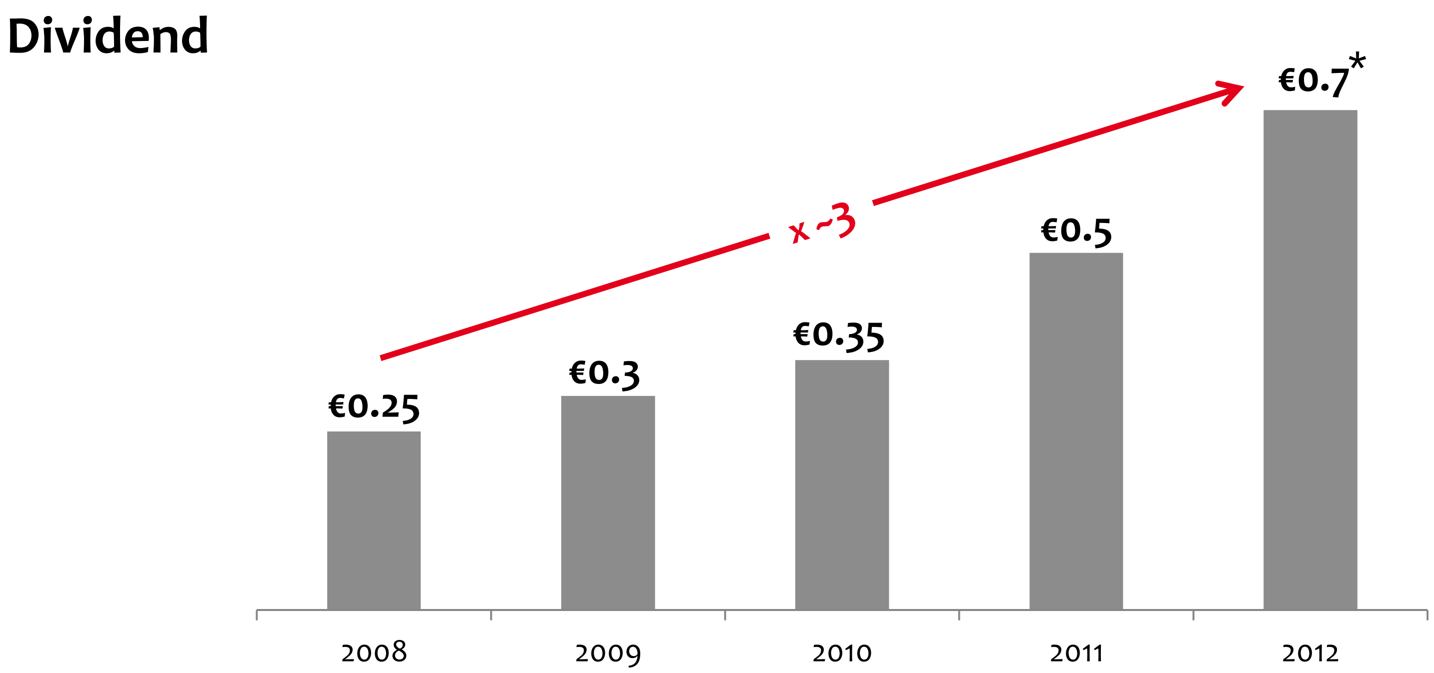
Financial solidity

> **Net debt/EBITDA < 2.5x**

> **Gearing < 0.8x**

Financial flexibility

Significant dividend increase



- **Implementing a dividend policy with a pay-out ratio target of 35%**

* Dividend, payable in cash or in share will be proposed to next Annual General Meeting

Ambitious 2016 targets

- **Revenue > €1.8bn**
- **EBITDA margin> 20%**
- **Free Cash Flow conversion between 45% and 50%**
- **Implementing a dividend policy with a pay-out ratio of 35%**