

U.S. West Coast Roadshow June 2013

Catherine Blanchet
VP Investor Relations and External Communication



Ingenico: 2016 Ambition



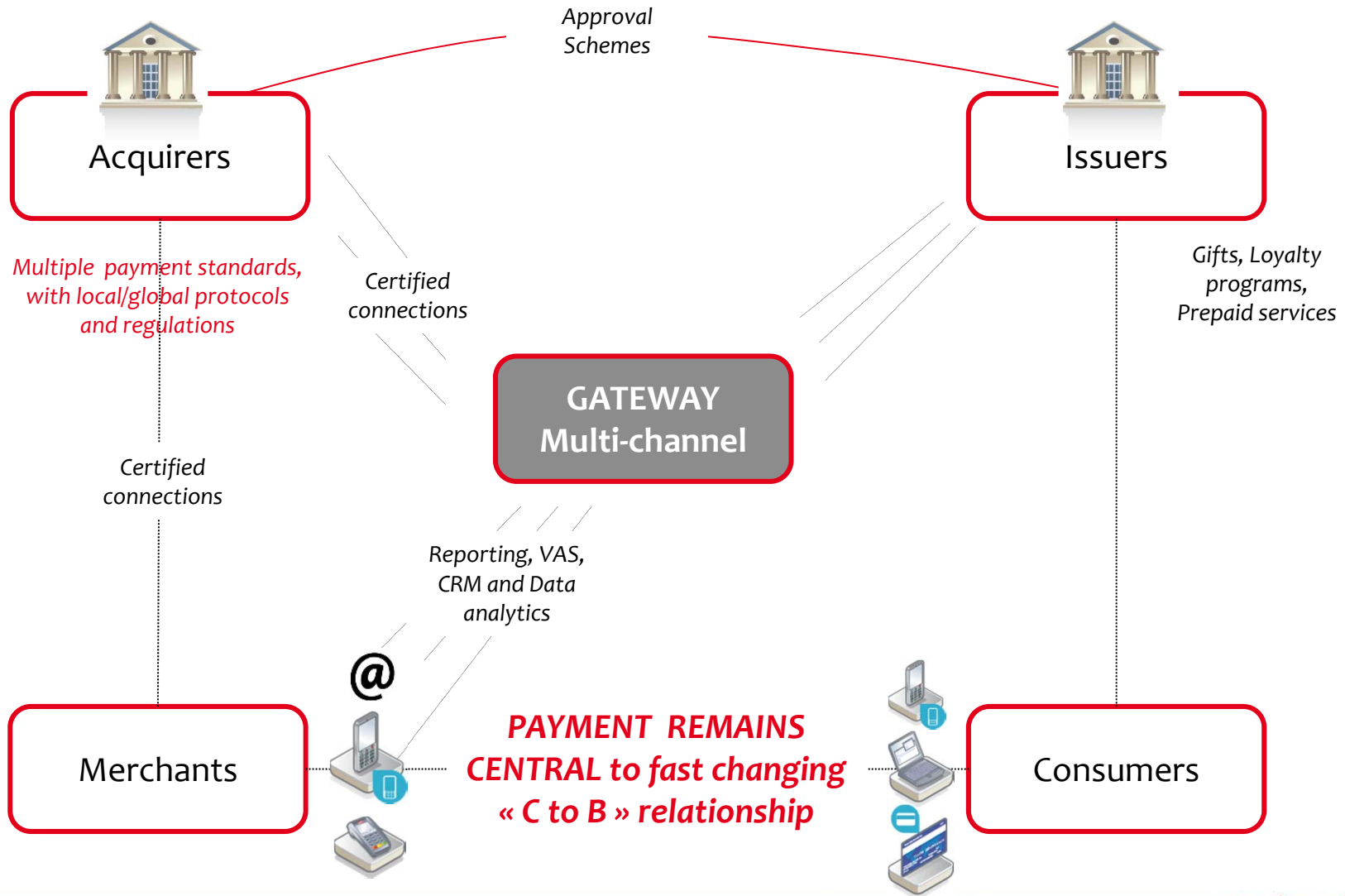


Ingenico, a strong platform for the future

- **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**



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





Managing complexity

US Market

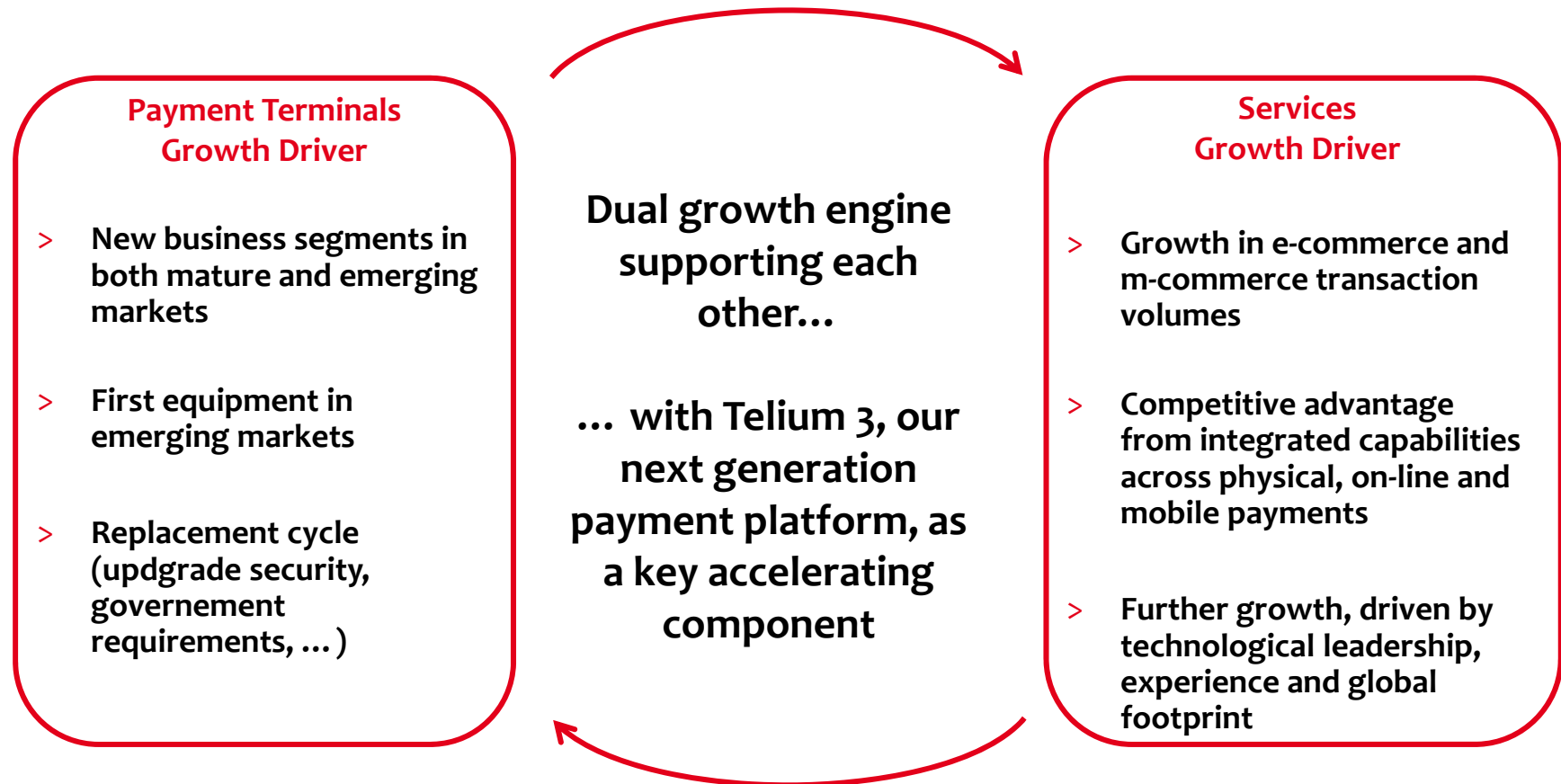
- > **One** market
- > **Not EMV yet**
- > **One** technical implementation nationally
- > **No strong local scheme** beyond Visa/Mastercard
- > **No local certification** beyond EMV, PCI

Europe

- > **27** markets
- > **EMV**
- > **Different** technical standard / country
- > **Strong local debit scheme** beyond Visa/Mastercard
- > **Local certification** beyond EMV, PCI



A well-balanced business model





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%



Continuing to enhance operational performance with EBITDA target >20%

	2012	2016
Gross Profit	42.5%	<ul style="list-style-type: none">> Maintain a high margin level in Hardware> Integrate platform infrastructure to deploy multi-channel strategy> Key strengths to mitigate potential price pressure: Telium third generation, strong purchasing capacity, track record in managing supply chain
OPEX	26.8%	<ul style="list-style-type: none">> Continue to support group investments for future growth> Maintain control on general and administrative costs> Reduce opex as % of revenue
EBITDA	18.5%	>20%



Looking forward: Ingenico's 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)



Ingenico's multi-channel strategy

Build an unrivalled leader offering for a one-stop-shop, multi-channel payment solution for small-to-large merchants globally

	Merchant	Transaction « gateway »	Collecting	Acquiring	VAS Provider ¹
In-store				<p>Mainly financial institutions</p>	
Online				<p>Mainly financial institutions</p>	<p>Online fraud </p>
Mobile				<p>Mainly financial institutions</p>	

Notes:
¹ Value-Added-Services Provider



In-store: Offering all point-of-interaction solutions for consumers and merchants

Fully renewed terminal range...

- > Unique Telium platform
- > Scalable
- > Consumer- and merchant-friendly



... For all physical channels

- > Standard standalone
- > Multi-lane
- > Wireless/In-store mobility
- > Self-service
- > M POS





In-store: Providing merchants with terminals that accept any payment mean

All schemes

Chip & PIN, swipe



Close loop / Private label cards



1D/2D barcode and QR code processing

Enables scanning of multiple items or loyalty coupons



Ingenico's offer

- Consolidate positions
- Open to all payment means

2,500 certified payment apps globally – connected to 1,000 acquirers

Wallets

PayPal, Google, Isis



All contactless

Contactless & NFC payment



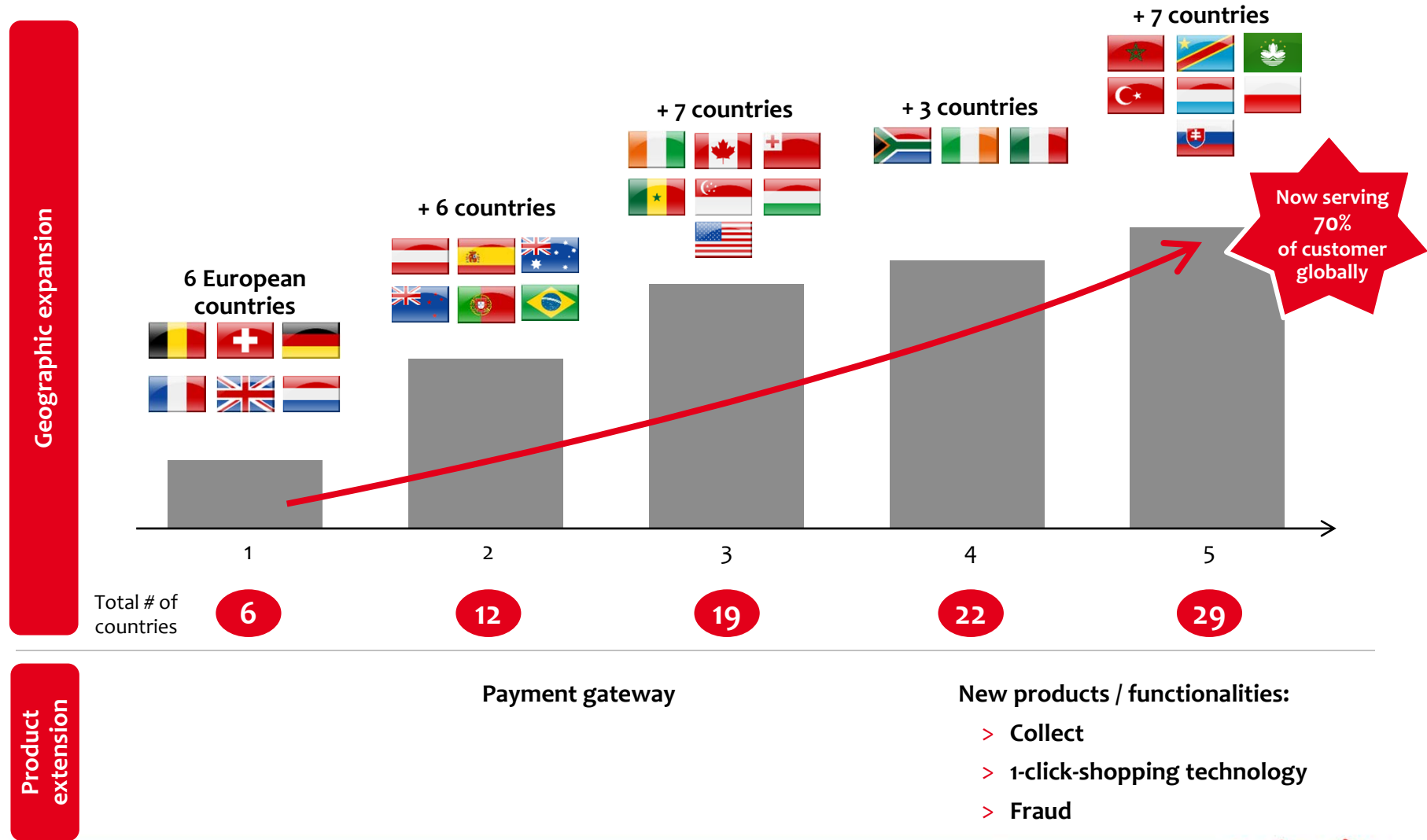


Online: Helping merchants sell more with Ogone

- The right payment mix to their customers
- The right product to support customer's activities worldwide (e.g. Payment page in 24+ languages)
- The right 1-click-shopping technology to provide a seamless customer experience
- The right offer on mobile with payment web pages



Online: Growing with merchants as they expand globally





Mobility: the right ubiquitous solutions to address requirements of all merchants

● For organized retail

- > Ingenico has payment secured solutions addressing security and EMV requirements anywhere
- > Ingenico's payment solutions are already integrated into retailers' complex CRM
- > Ingenico is addressing underpenetrated markets: contractors, B2B/food deliveries,...

● For small/micro merchants

- > Enterprise level m-commerce platform: in the US and progressively abroad
- > White label basis mobile payment solutions
- > Development of mobile acceptance merchant in a box solutions



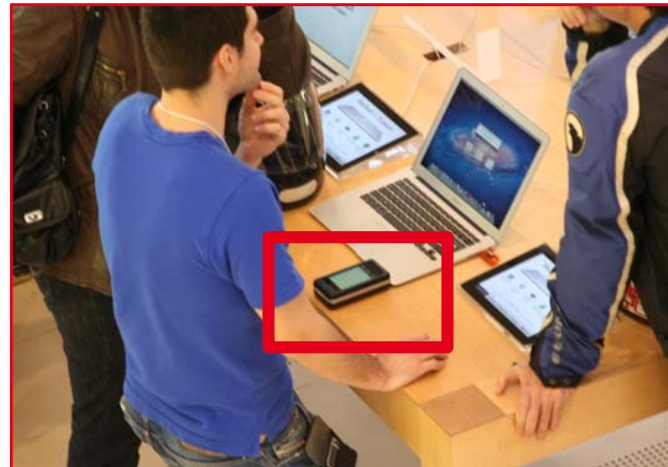
Mobility: Providing mobility solutions to large retailers



Case study: iSMP drives Transformational Experience for Apple's consumers

- Queue busting, with fast check-out anywhere in store
- Hardware + centralized payment management solution
- ECR and CRM apps to back office
- Supports Passbook in physical stores via QR code reading

iSMP solution in use in an Apple Store



An iPhone in an iSMP device



Mobility: The Home Depot. A 100% Ingenico customer

● In stores payment solutions

- > 85k lane / Signature-capture EMV
- > Software end-to-end encryption solutions

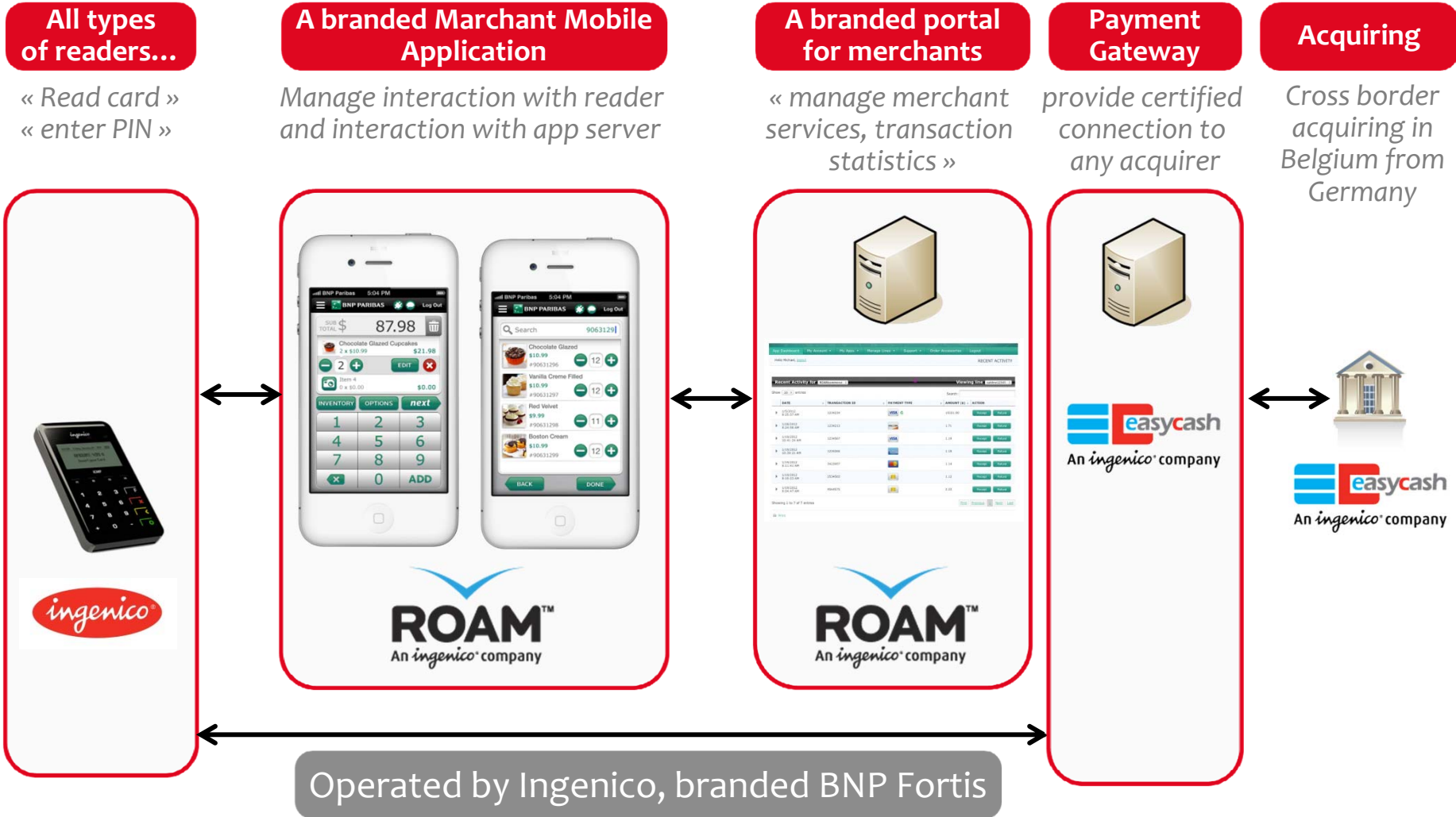


● Extending market to external contractors

- > Mobile POS solutions
- > From card acceptance device to gateway

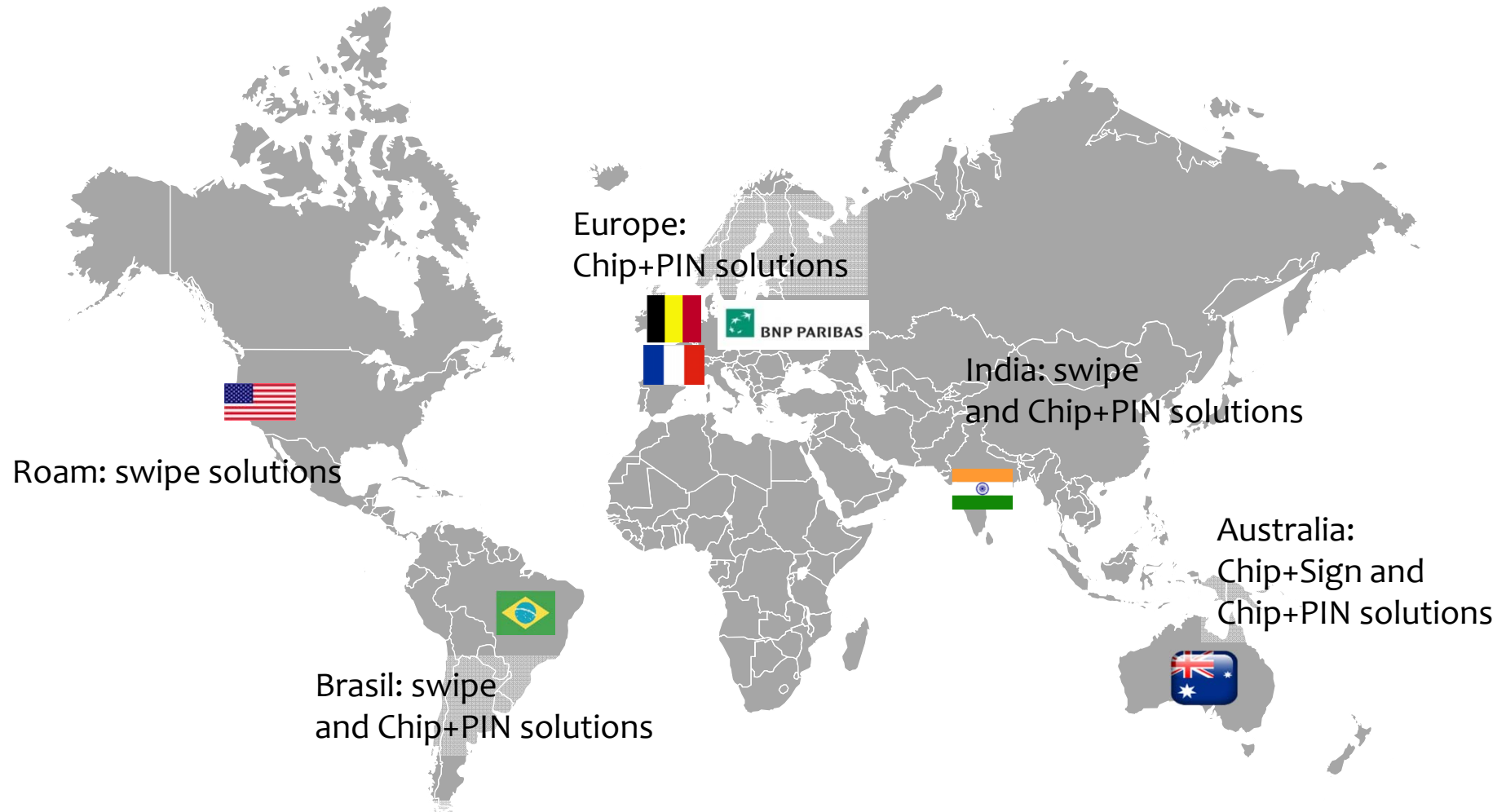


Small merchants: what we offer today... through white-labelled managed solutions





Our mobile payment offers are already running around the world...



...and pave the way to address a market of 7M* merchants in 2016

*Source: First Annapolis 

Ingenico in North America





Ingenico: Leading Player in North America

Acquisition of IVI-Checkmate in 2002 provided Ingenico with entry in both Canada & US markets

● USA – Regional Head Office

- > Headquarters in Atlanta
- > Staff: 137
- > Ingenico number 2 position
- > Clients: mostly large retailers (Walmart, Home Depot, USPS,...)
- > Market size estimated at about 12M POS



● CANADA

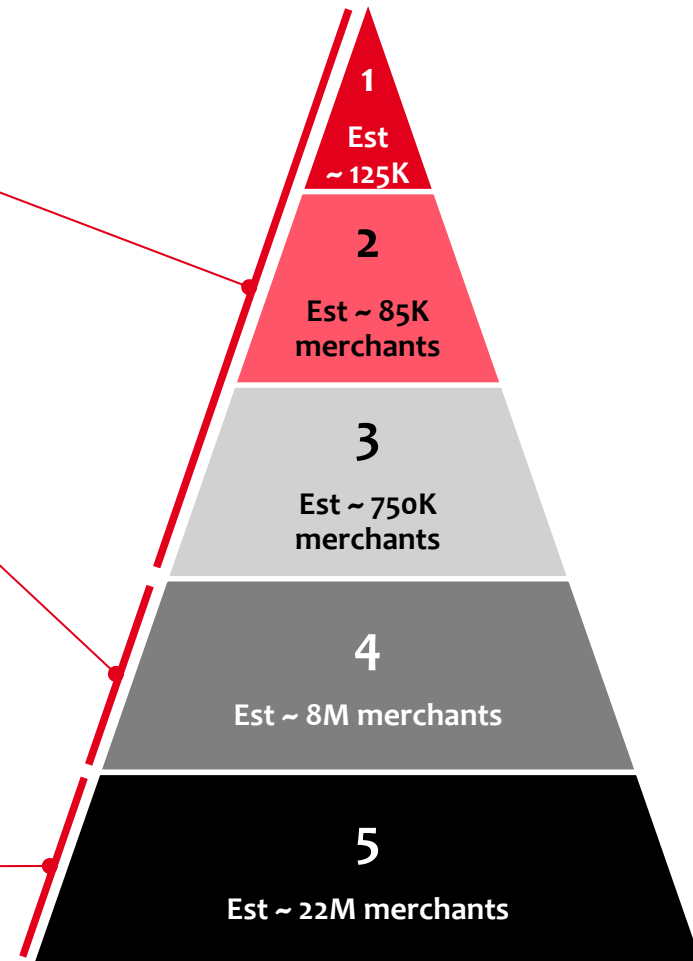
- > Canadian head office in Toronto
- > Staff: 88
- > Ingenico market leader
- > Clients: 90% indirect, through processors & acquirers (Moneris, Chase, Global,..) ;10% direct, large retailers (Walmart, Home Depot).
- > Market size estimated at 900k POS





NAR Strategy: Double US market share in 3 years

- **Maintain our strong presence in the large retailers segment:**
 - > Provides large volume orders
 - > Provides brands recognition for Ingenico
- **Penetrate the bankcard segment: a significant growth opportunity**
 - > An estimated 10M POS market
 - > An untapped market for Ingenico
 - > Market consolidation and EMV migration provide a unique opportunity
- **Reaching out to a new segment in cooperation with Roam**





Large retailers US: Consolidate our position by offering a complete range of solutions

- **Providing the full range of “future proof” and flexible solutions to our retailers**

- > 100% of terminals delivered are EMV ready
- > NFC – Partnership with PayPal, Google, ISIS
- > Security: : Partnership with market Point to Point Encryption players

- **Successfully deploying Telium based terminals with key retailers (Home Depot, USPS, Walmart)**



- > Solutions from in lane to mobile

- **Bringing Software solutions from Terminal Management System to mobile applications**

- > Ensure that the terminal fleet can be easily managed remotely
- > Assist retailers with their mobile application & point of service solutions



Leverage on key partnerships to offer retailers tomorrow's solution now

● **Wallet & NFC – We are ready**

- > Partnerships with PayPal, Google, ISIS
- > First to go pilot with PayPal on Home Depot terminals in January 2012
- > Pilot of ISIS solutions started in Q4 2012 at 4 T-Mobile store locations. Going to new iSC480 in June 2013.



PayPal™



Google wallet

● **Microsoft – Ingenico selected as strategic partner to combine business application and secured payment on the same device**





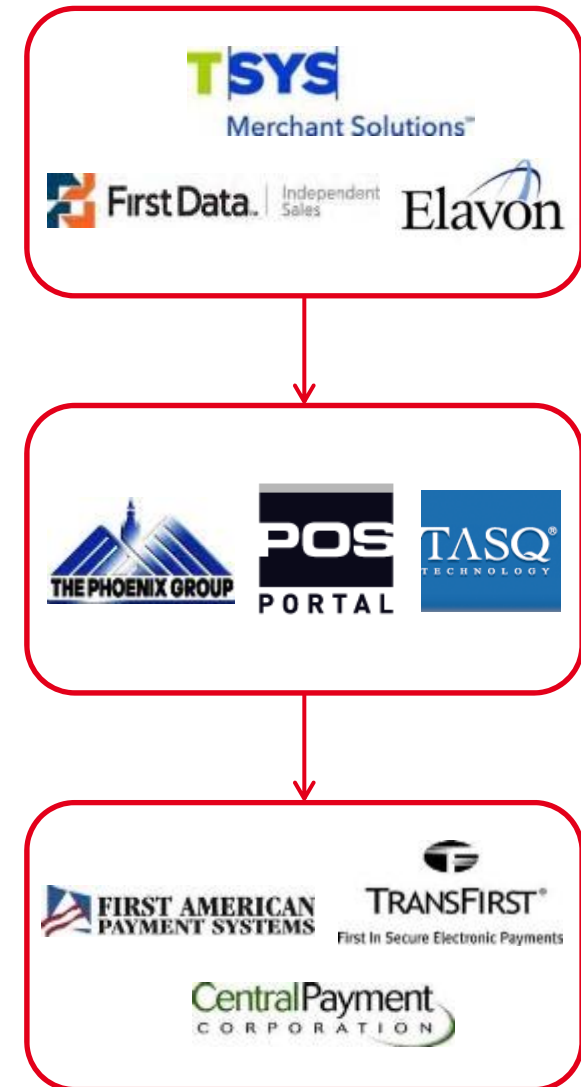
US Bankcard segment: Successful roll out of a 3 year strategic plan

● Strategic action initiated 18 months ago

1. Investment in key resources (R&D and Sales)
2. Development of strategic local banking applications for major processors (using Canadian EMV core application as starting point)
3. Promotion of solutions to processors and their ISO networks

● We are ahead of plan:

- > Already certified with 70% of the large processors (and first vendor to certify an EMV application with major processors)
- > Distribution channel secured with top 3 market players
- > Promotion campaign launched to major ISOs in Q4 2012





Ingenico in North America: on track to double market share

Key drivers:

- **Large retailers segment: consolidate our solid position**
- **Bankcard segment: 3 year strategic plan well on track**
- **EMV migration: Leverage on Ingenico's worldwide experience**
- **Roam Data: Reaching out to a new segment**



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- **Continue to combine terminals and services**
- **Increase our presence in selected emerging markets**
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Appendix



Services and solutions: integrate existing bricks to build multi-channel gateway

Collecting Data

- « who paid? »
- « who got paid? »
- « how much was paid? »
- « what was bought? when? »



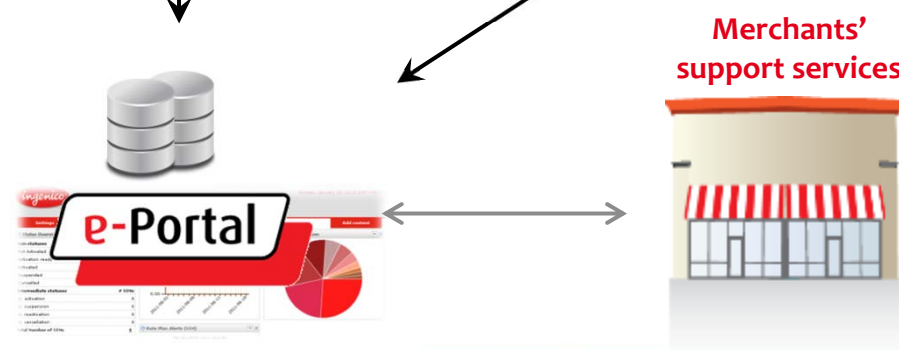
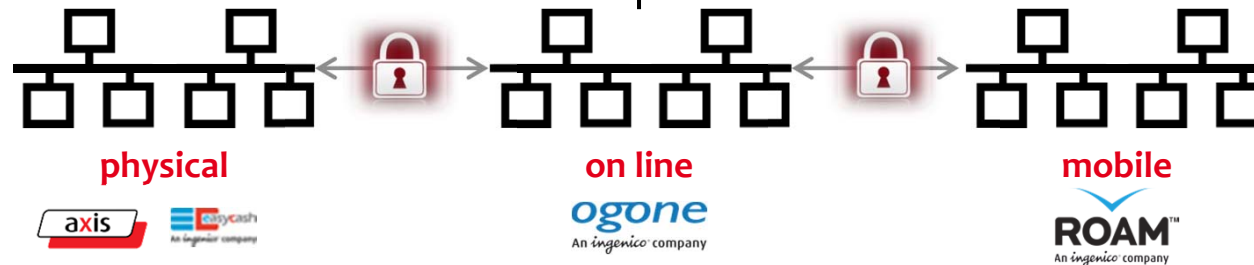
Consumers

Acquirers



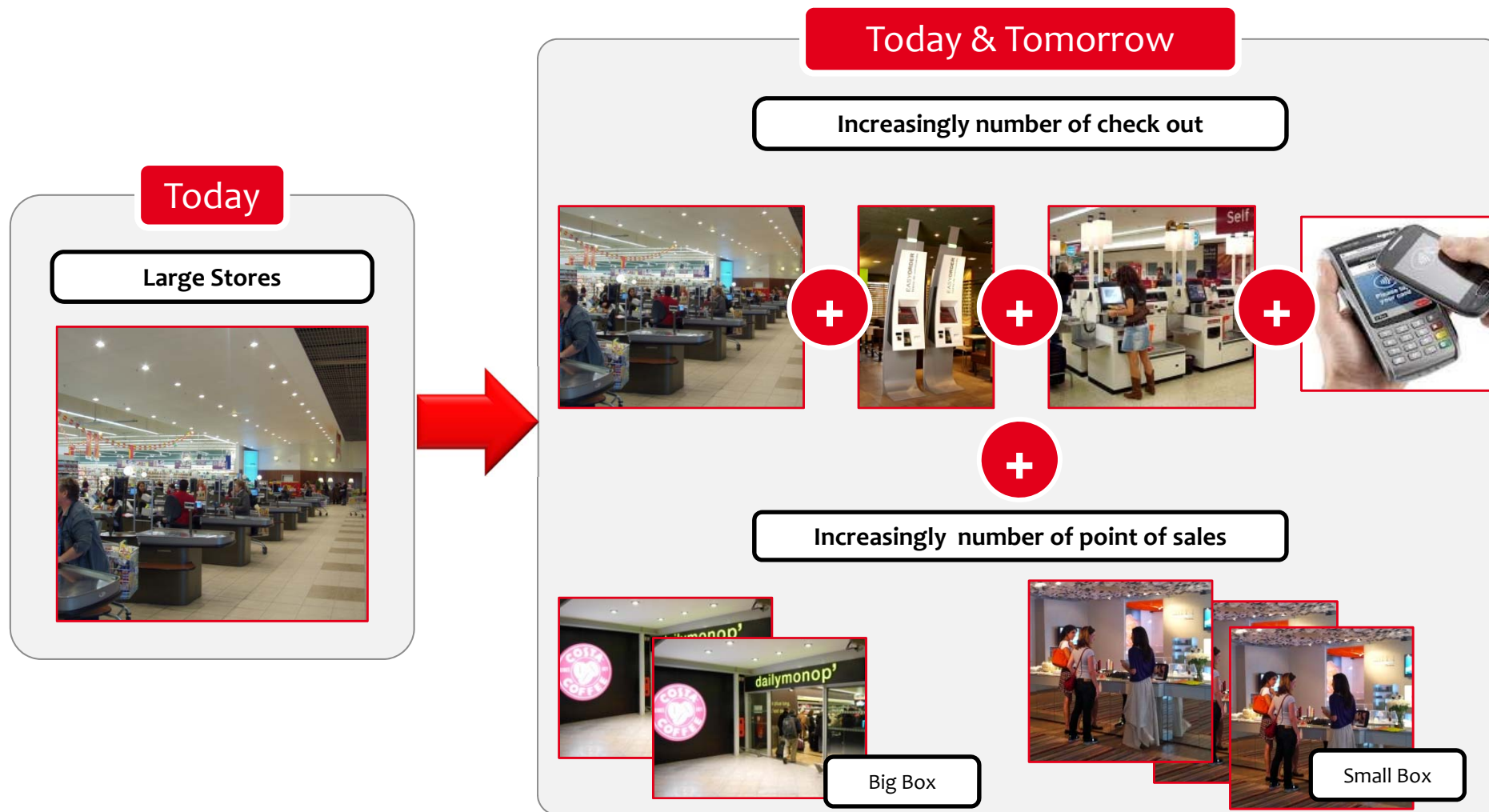
Providing services

- Fraud management
- Statistics & data mining
- Financial reporting
- POS AppStore
- Ad-hoc VAS





Providing merchants with terminals that speed-up check out

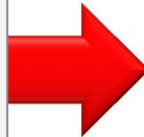




Providing merchants with terminals that speed-up check out

Use case: **Mac Donald's**
Expanded channels to
streamline & speed peak
hour payments

Yesterday



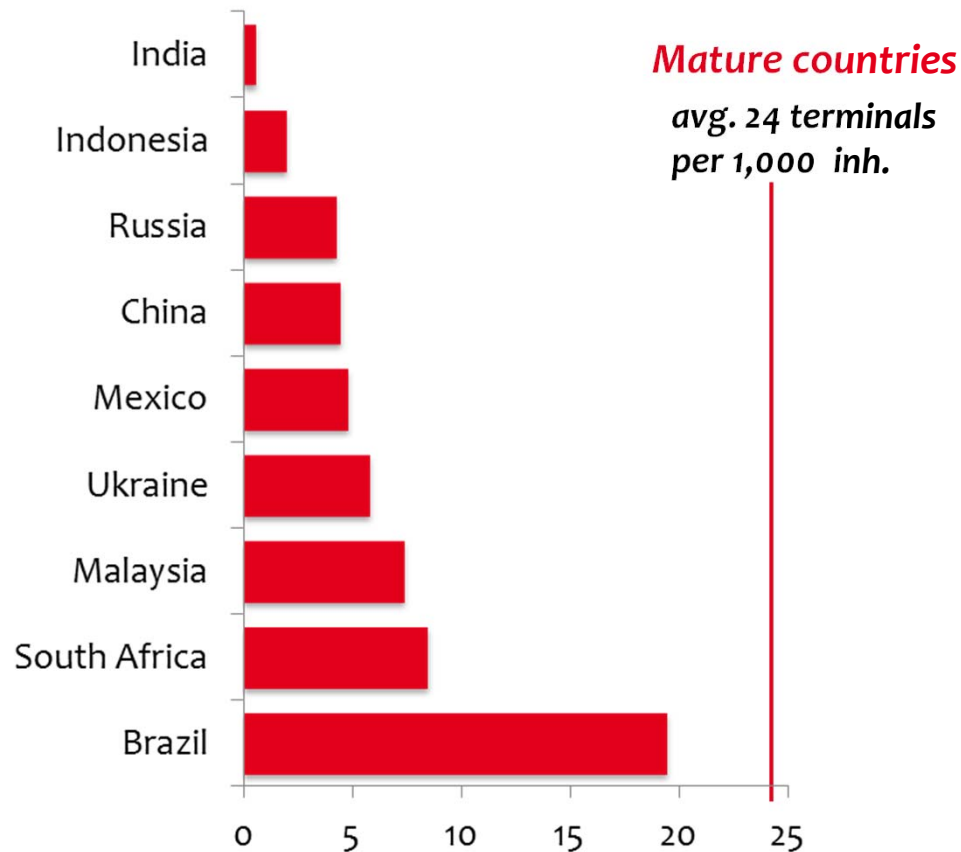
Today





Still strong potential in emerging markets

Number of POS terminals per '000 inhabitants



- Emerging markets & urbanization to drive growth
- Increased middle class with access to financial services
- Governments pushing for tax collection

Source: Euromonitor / IMF



Online: A multi-channel strategy to reduce complexity

