HALF-YEAR FINANCIAL REPORT

First half ended June 30th 2013

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CONTENTS

1/ Condensed interim consolidated financial statements as of June 30, 2013

1. CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	June 30, 2013	June 30, 2012
Revenue	5	**655 902**	**542 261**
Cost of sales		(378 429)	(316 452)
Gross profit		**277 473**	**225 809**
Distribution and marketing costs		(70 436)	(58 686)
Research and development expenses		(49 724)	(45 776)
Administrative expenses		(69 252)	(68 582)
Profit from ordinary activities	5	**88 061**	**52 765**
Other operating income	6	1 273	9 771
Other operating expenses	6	(14 513)	(5 537)
Profit from operating activities		**74 821**	**56 999**
Finance income	7	20 248	27 716
Finance costs	7	(28 121)	(34 494)
Net finance costs		**(7 873)**	**(6 778)**
Share of profit of equity-accounted investees		(124)	(462)
Profit before income tax		**66 824**	**49 759**
Income tax expense	8	(23 030)	(16 010)
Profit for the period		**43 794**	**33 749**
Attributable to:			
- owners of Ingenico SA		44 709	31 478
- non-controlling interests		(915)	2 271
EARNINGS PER SHARE (in euros)			
Net earnings			
- Basic earnings per share		0,85	0,61
- Diluted earnings per share		0,83	0,61

2. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	June 30, 2013	June 30, 2012
Profit for the period attributable to Ingenico SA shareholders	**44 709**	**31 478**
Translation differences	(9 101)	8 363
Remeasurement of derivative hedging instruments at fair value	3 227	(3 395)
Actuarial gains/(losses) on defined benefit plans	-	-
Share of gains/(losses) of associates recognized directly in equity	-	-
Income tax on gains/(losses) recognized directly in equity (1)	(482)	942
Others	11	18
Total gains/(losses) recognized directly in equity and attributable to Ingenico SA shareholders (2)	**(6 345)**	**5 928**
Total comprehensive income attributable to Ingenico SA shareholders	38 364	37 406
Total comprehensive income attributable to non-controlling interests	(915)	2 569
Translation differences attributable to non-controlling interests	14	-
Total comprehensive income for the period	**37 463**	**39 975**

(1) Breakdown of income taxes recognized in equity		
On translation differences	*629*	*(241)*
On remeasurement of derivative hedging instruments	*(1 111)*	*1 183*
On actuarial gains/(losses) on defined benefit plans	*-*	*-*
Total	***(482)***	***942***

(2) With the exception of actuarial gains and losses, the other items recognized in equity will be subsequently transferred in the consolidated income statement.

3. CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(in thousands of euros)	Notes	June 30, 2013	Dec. 30, 2012
NON-CURRENT ASSETS			
Goodwill	9	868 110	551 176
Other intangible assets	9	193 308	148 429
Property, plant and equipment		40 436	37 600
Investments in equity-accounted investees		8 926	9 000
Financial assets	18	4 269	4 270
Deferred tax assets		28 037	26 766
Other non-current assets	18	20 941	21 157
TOTAL NON-CURRENT ASSETS		**1 164 027**	**798 398**
CURRENT ASSETS			
Inventories	10	112 919	105 229
Trade and related receivables		344 080	332 224
Other current assets		38 968	20 111
Current tax assets		8 298	3 820
Derivative financial instruments	13	2 817	1 506
Cash and cash equivalents	12	305 485	384 152
TOTAL CURRENT ASSETS		**812 567**	**847 042**
TOTAL ASSETS		**1 976 594**	**1 645 440**

EQUITY AND LIABILITIES

(in thousands of euros)		June 30, 2013	Dec. 30, 2012
Share capital	11	53 070	52 488
Share premium account		425 616	402 431
Retained earnings and other reserves		228 482	217 479
Translation reserve		7 855	16 956
EQUITY ATTRIBUTABLE TO INGENICO S.A. SHAREHOLDERS		**715 023**	**689 354**
Non-controlling interests		(1 335)	(706)
TOTAL EQUITY		**713 688**	**688 648**
NON-CURRENT LIABILITIES			
Long-term loans and borrowings	12	659 579	381 383
Provisions for retirement benefit obligations	15	11 519	11 674
Other provisions	15	17 693	17 566
Deferred tax liabilities	8	53 428	38 666
Other non-current liabilities	18	21 379	20 622
TOTAL NON-CURRENT LIABILITIES		**763 598**	**469 911**
CURRENT LIABILITIES			
Short-term loans and borrowings	12	59 898	77 645
Other provisions	15	13 724	13 738
Trade and related payables		313 580	280 559
Other current liabilities	16	87 210	85 808
Current tax liabilities		19 799	21 265
Derivative financial instruments	13	5 097	7 866
TOTAL CURRENT LIABILITIES		**499 308**	**486 881**
TOTAL LIABILITIES		**1 262 906**	**956 792**
TOTAL EQUITY AND LIABILITIES		**1 976 594**	**1 645 440**

4. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in thousands of euros)	Share capital	Issue and contribution premiums	Translation reserve	Effective portion of hedging instruments	Treasury shares	Retained earnings and other reserves	Total equity attributable to Ingenico S.A. shareholders	Non-controlling interests	Total equity
Balance at Dec. 31, 2011	**51 980**	**394 794**	**18 569**	**1 663**	**(17 682)**	**174 161**	**623 487**	**7 096**	**630 583**
Dividends paid to shareholders (1)						(11 543)	(11 543)	(2 397)	(13 940)
Stock dividends paid to shareholders (2)	423	13 613				(14 036)	-		-
Treasury shares (3)					11 782	(5 381)	6 401		6 401
Share-based payments and exercise of stock options (4)	85	770				1 886	2 741	60	2 801
Acquisition of Xiring (5)							-	(5 600)	(5 600)
Acquisition of ROAM Data (6)						(3 637)	(3 637)		(3 637)
Acquisition of Landi (7)						(11 772)	(11 772)	(3 396)	(15 168)
Remeasurement effect of put options (8)						(1 762)	(1 762)		(1 762)
Discounting effect of put options (9)						(1 566)	(1 566)		(1 566)
Total gains/(losses) recognized for the period			(1 613)	(5 492)		94 110	87 005	3 531	90 536
Adjustment for dividend paid out of the share premium account (10)		(6 746)				6 746	-		-
Balance at Dec. 31, 2012	**52 488**	**402 431**	**16 956**	**(3 829)**	**(5 900)**	**227 206**	**689 354**	**(706)**	**688 648**
Dividends paid to shareholders (1)						(12 771)	(12 771)		(12 771)
Stock dividends paid to shareholders (2)	582	23 185				(23 767)	-		-
Treasury shares (3)					(2 319)	162	(2 157)		(2 157)
Share-based payments and exercise of stock options (4)						3 525	3 525	145	3 670
Remeasurement effect of put options (5)						(1 618)	(1 618)	127	(1 491)
Total gains/(losses) recognized for the period			(9 101)	2 116		45 349	38 364	(901)	37 463
Other						326	326		326
Balance at June 30, 2013	**53 070**	**425 616**	**7 855**	**(1 713)**	**(8 219)**	**238 414**	**715 023**	**(1 335)**	**713 688**

<u>June 2013:</u>

(1) Cash dividend paid on June 3, 2013
(2) Stock dividend through capitalization of reserves and issuance of 581,967 new shares.
(3) At January 1, 2013, the Company held 252,637 treasury shares. At June 30, 2013, the Company held 301,474 treasury shares bought back by virtue of authorizations granted at shareholders' meetings.
(4) Share-based payment:

- The increase in retained earnings and other reserves reflects fair value adjustments to free share awards recognized each year in administrative expenses, as part of profit from operations.

(5) Remeasurement of put option on Roam Data. N.B.: The put option on Roam Data shares was for the remaining 16.93 percent non-controlling interests in the company.

<u>December 2012:</u>

(1) Cash dividend paid on May 31, 2012 and dividends distributed to non-controlling shareholders in Landi.
(2) Stock dividend through capitalization of reserves and issuance of 423,144 new shares.
(3) At January 1, 2012, the Company held 868,484 treasury shares. At December 31, 2012, the Company held 252,637 treasury shares bought back by virtue of authorizations granted at shareholders' meetings.
(4) Share-based payment:

- The increase in retained earnings and other reserves reflects fair value adjustments to free share awards recognized each year in administrative expenses, as part of profit from operations.
- The increase in share capital and issue and contribution premiums reflects the exercise of stock options and a capital increase. As part of the merger with Xiring, Ingenico S.A. also increased its share capital by issuing new shares for the benefit of 1) holders of Xiring free shares, at a conversion ratio of two Xiring shares for one Ingenico share; and 2) holders of stock options exercised between the date of the merger proposal and the date on which the merger was completed, at a ratio of two Xiring shares for one Ingenico share.

(5) During the first half of 2012, Ingenico finalized the buyout of the remaining non-controlling interests in Xiring, thus assuming full ownership of the company. Upon completion of the process, Xiring was absorbed into Ingenico S.A.
(6) On February 6, 2012, Ingenico Ventures gained a controlling interest in Roam Data. The net effect of the Roam Data put option put in place was to reduce equity by €3.6 million.
(7) On October 31, 2012, Ingenico Holding Asia Ltd gained exclusive control of Landi. The net effect of the exercise of the Landi put option was to reduce equity attributable to Ingenico S.A. shareholders by €11.8 million.
(8) Remeasurement of put options on Roam Data and Fixed & Mobile Pte Ltd. N.B.: The put option on Roam Data shares was for the remaining 16.37 percent non-controlling interests in the company.
(9) The discounts unwound pertain to put options on Landi, Fixed & Mobile Pte Ltd and Roam Data shares.
(10) This refers to an appropriation from the share premium account to pay cash dividends.

5. CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euros)	June 30, 2013	June 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	43 794	33 749
Adjustments for:		
• Share of profit of equity-accounted investees	124	462
• Income tax expense / (income)	23 030	16 010
• Depreciation, amortization and provisions	37 755	24 734
• Change in fair value	439	2 057
• Gains / (losses) on disposal of assets	270	(8 643)
• Net interest costs	7 275	6 272
• Dividend income	-	-
Share-based payment expense	3 547	1 145
Interest paid	(11 016)	(9 110)
Income tax paid	(33 542)	(15 758)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE CHANGE IN NET WORKING CAPITAL	**71 676**	**50 918**
Change in working capital		
• Inventories	(10 120)	(32 338)
• Trade and other receivables	(20 961)	11 381
• Trade and other payables	19 695	(23 776)
CHANGE IN NET WORKING CAPITAL	(11 386)	(44 733)
NET CASH FLOW FROM OPERATING ACTIVITIES	**60 290**	**6 185**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of non-current assets	(18 614)	(26 398)
Proceeds from sale of non-current assets	1 154	3 962
Acquisition of subsidiaries, net of cash acquired	(364 424)	(15 287)
Disposal of subsidiaries, net of cash disposed of	7 669	430
Loans and advances granted and other financial assets	(1 423)	(657)
Loan repayments received	1 011	117
Interest received	3 364	4 351
Impact of changes in accounting method and percentage	-	(718)
NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES	**(371 263)**	**(34 200)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share capital issues	165	-
Purchase/(sale) of own shares	(2 072)	2 665
Proceeds from loans and borrowings	273 103	5 102
Repayment of loans and borrowings	(29 194)	(2 108)
Change in the Group's ownership interests in controlled entities (1)	(1 932)	(4 784)
Changes in other financial liabilities	5 400	(366)
Changes in the fair value of hedging instruments	78	-
Dividends paid	(12 925)	(11 507)
NET CASH FLOW USED IN FINANCING ACTIVITIES	**232 623**	**(10 998)**
Effect of exchange rates fluctuations	(5 665)	2 059
CHANGE IN CASH AND CASH EQUIVALENTS	**(84 015)**	**(36 954)**
Cash and cash equivalents at beginning of the year	370 830	327 931
Cash and cash equivalents at year end (2)	286 815	290 977

Comments:

(1) Pursuant to the revised IAS 27, cash flows arising on changes in ownership interests in controlled entities are classified as cash flows from financing activities in the consolidated cash flow statement

(2) CASH AND CASH EQUIVALENTS	June 30, 2013	June 30, 2012
UCITS (only portion classified as cash)	83 963	142 065
Cash on hand	221 525	171 370
Bank overdrafts (included in short-term borrowings)	(18 673)	(22 456)
TOTAL CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS	**286 815**	**290 979**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. THE GROUP

The preceding condensed consolidated interim financial statements present the operations of the company Ingenico SA and its subsidiaries, and the Group's share of the profit or loss of associated companies and joint ventures (together referred to as "the Group"). Ingenico SA is a company incorporated under French law whose securities are admitted to trading on the Nyse-Euronext regulated market of Paris, with its registered office in Paris.

The condensed consolidated interim financial statements were approved by the Board of Directors on July 30, 2013.

2. ACCOUNTING PRINCIPLES AND METHODS

These condensed consolidated interim financial statements were drawn up in accordance with International Financial Reporting Standard IAS 34, Interim Financial Statements. They do not include all the information required for complete annual financial statements and should be read in conjunction with the Group's financial statements for the year ended December 31, 2012.

The condensed consolidated interim financial statements for the period from January 1, 2013 to June 30, 2013 were drawn up using the same accounting principles and methods used in the consolidated financial statements for the fiscal year ended December 31, 2012, except for the first-time application of the following new standards, amendments and interpretations adopted by the European Union:

- IFRS 13: "Fair Value Measurement"
- The amendment to IAS 1: "Presentation of Items of Other Comprehensive Income"
- Amendments to IAS 19: "Post-Employment Benefits"
- Amendments to IFRS 1: "Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters"
- Amendments to IAS 12: "Deferred Tax – Recovery of Underlying Assets"
- Amendments to IFRS 1: "Government Loans"
- Annual Improvements 2009–2011
- Amendments to IFRS 7: "Disclosures – Offsetting Financial Assets and Financial Liabilities"

The adoption of these amendments did not result in any significant changes in the presentation of the consolidated financial statements.

In preparing these consolidated financial statements, the Group did not apply in advance the following standards, amendments and interpretations issued by the IASB or the IFRIC (International Financial Reporting Interpretations Committee) and adopted by the European Union at June 30, 2013, but which are not yet mandatory:

- IFRS 10: "Consolidated Financial Statements"
- IFRS 11: "Joint Arrangements"
- IFRS 12: "Disclosures of Interests in Other Entities"
- IAS 27 (revised): "Separate Financial Statements"
- IAS 28 (revised): "Investments in Associates and Joint Ventures"
- Amendments to IFRS 10, 11 and 12: Transition Guidance
- Amendments to IAS 32: "Offsetting Financial Assets and Financial Liabilities"

Nor did the Group apply in advance the following standards, amendments and interpretations issued by the IASB or the IFRIC but not yet adopted by the European Union at June 30, 2013:

- IFRIC 21: "Levies"
- Amendments to IAS 36: "Recoverable amount disclosures for non-financial assets "

Translation of financial statements

The conversion rates for the main currencies used by the Group in fiscal year 2012 and half-year periods ended June 30, 2012 and 2013 are as follows:

Closing rate	**June 30, 2013**	**Dec. 31, 2012**
U.S. Dollar	1,3080	1,3194
Canadian Dollar	1,3714	1,3137
Australian Dollar	1,4171	1,2712
British Pound	0,8572	0,8161
Brazilian Real	2,8899	2,7036
Chinese Yuan	8,0280	8,2207

Average rate	**June 30, 2013**	**June 30, 2012**
U.S. Dollar	1,3135	1,2968
Canadian Dollar	1,3345	1,3041
Australian Dollar	1,2966	1,2560
British Pound	0,8512	0,8225
Brazilian Real	2,6688	2,4151
Chinese Yuan	8,1294	8,1918

Estimates

In preparing these condensed consolidated interim financial statements, Group management was led to exercise a fair amount of judgment and to make use of assumptions and estimates affecting the application of the accounting methods, the assets and liabilities recorded on the statement of financial position, and the income and expenses in the income statement. Actual results may differ from the estimates and assumptions.

The cases in which management exercised a significant degree of judgment in applying the accounting methods adopted by the Group in these condensed consolidated interim financial statements and the main sources of uncertainty regarding estimates are the same as those described in the consolidated financial statements for the year ended December 31, 2012.

Determination of income tax expense

Income tax expense for each interim period is recognized based on the best estimate of the weighted average annual effective income tax rate expected for the full fiscal year.

It should also be recalled that Ingenico treats the CVAE component of the former local business tax *(Taxe Professionnelle)* as an income tax, in accordance with the IFRIC's definition of a tax that falls within the scope of IAS 12.

Estimation of retirement benefit obligations

In preparing the condensed consolidated interim financial statements, the expenses related to retirement benefit obligations were calculated by taking half of the annual expected expense, determined based on the actuarial valuations made for the previous period, unless a significant event made an update necessary.

3. CONSOLIDATION SCOPE

The entities that make up the Group are accounted for using either the full consolidation method or the equity method.

Entities in which the Group has exclusive control are fully consolidated. The Group has elected to use the equity method for entities under joint control (Mobile Payments Solution NV).

Corporate name	Address	Country	% interest Ingenico S.A.	Consolidation method
PARENT COMPANY				
INGENICO SA	28/32 Boulevard de Grenelle 75015 Paris	France		
CONSOLIDATED SUBSIDIARIES				
Ingenico GmbH	Am Gierath 20, 40885 Ratingen	Germany	100%	FC
Ingenico Healthcare GmbH	Konrad-Zuse-Ring 1 - 24220 Flintbek	Germany	100%	FC
DI Deutsche Ingenico Holding GmbH	Am Gierath 20 D-40468 Ratingen *As well as its wholly-owned subsidiaries easycash Loyalty Solutions GmbH, easycash GmbH*	Germany	100%	FC
Ingenico International (Pacific) PTY Ltd	6 Prosperity Parade - Warriewood NSW 2102	Australia	100%	FC
Ogone BVBA/Sprl	102, Boulevard de la Woluwe B-100 Bruxelles - Belgium	Belgium	100%	FC
Tunz.com SA	34, Boulevard de Waterloo B-100 Bruxelles - Belgium	Belgium	100%	FC
Ingenico do Brasil Ltda	Alameda Araguaia, n.° 2190, Edifício North Tower, Condomínio CEA II, Centro Empresarial Araguaia II, Alphaville, CEP 06455-906 Barueri - São Paulo *As well as its wholly-owned subsidiaries and branches in Columbia, Venezuela, Argentina and Chile*	Brazil	100%	FC
Ingenico Iberia SL	Avenida del Partenon 16-18 - Campo de las Naciones 28042 Madrid *As well as its subsidiaries Ingenico Barcelona S.A., held at 99,99 %*	Spain	100%	FC
Ingenico Corp	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801 *As well as its American and Canadian subsidiaries, all wholly-owned*	U.S.	100%	FC
Ingenico Latin America Inc	9155 South Dadeland Blvd - Suite 1500 Miami Florida 33156 *as well as its wholly-owned Mexican subsidiary*	U.S.	100%	FC
Ingenico Ventures SAS	28/32 Boulevard de Grenelle 75015 Paris *As well as its subsidiaries Fixed & Mobile Pte Ltd in Singapore, held at 38,38% and Roam Data in U.S., held at 83,07 %*	France	100%	FC
Ingenico Prepaid Services France SAS	28/32 Boulevard de Grenelle 75015 Paris	France	100%	FC
Ingenico 1 SA	28/32 Boulevard de Grenelle 75015 Paris	France	100%	FC
Ingenico 2 SA	28/32 Boulevard de Grenelle 75015 Paris	France	100%	FC
Ogone France SAS	3 rue du Colonel Moll 75017 Paris	France	100%	FC
Ingenico (UK) Ltd	17 Ridge Way, Donibristle Industrial Park, Dalgety Bay, Dunfermline, Fife KY11 9JU *As well as its wholly-owned subsidiaries Ingenico Ireland Ltd and Ingenico Matsu*	U.K.	100%	FC
Ingenico Holdings Asia Ltd	3806 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong *As well as its subsidiaries Fujian Landi Commercial Equipment Co. Ltd (wholly-owned) and Mobile Payments Solutions NV, held at 40.00 %*	Hong Kong	100%	FC
Ingenico Holdings Asia 2 Ltd	3806 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong *As well as its subsidiaries Ingeserve Co Ltd (100% stake) , PT Payment Solutions Indonesia, held at 99% et Fixed & Mobile pte Ltd, held at 61.62 %*	Hong Kong	100%	FC
Ingenico Hungary Kft	Hattyú utca 14. VII. emelet (Hattyú Ház), 1015 Budapest	Hungary	100%	FC
Ingenico International India Private Ltd	Ground Floor 8-12, World Trade Centre, Babar Road, Connaught Place, New Delhi- 110001	India	100%	FC
Ingenico Italia SpA	Via Giorgio Stephenson 43/a, 20157 Milano	Italy	100%	FC
Ingenico Eastern Europe I SARL	1, Rue Joseph Hackin, L – 1746 Luxembourg *As well as its wholly-owned subsidiary Ingenico Polska*	Luxembourg	100%	FC
Ingenico Investment Luxembourg SA	1, Rue Joseph Hackin, L – 1746 Luxembourg	Luxembourg	100%	FC
Ogone Netherlands BV	Claude Debussylaan 18 - 1082 MD Amsterdam - Netherlands	Netherlands	100%	FC
Ingenico Software Services Philippines Inc.	17 Floors Pearlbank Center - 146 Valero Street 1227 Metro Manila, Salcedo Village, Makati City	Philippines	100%	FC
Ingenico CZ S.r.o.	Myslíkova 173/25 - 110 00, Praha 1	Czech Republic	100%	FC
Ingenico LLC	Godovikova street,9 - 119085, Moscow	Russia	100%	FC
Ingenico Payment Systems LLC	Ul. Shpalernaya 51, 191015 Saint-Petersburg	Russia	100%	FC
Ingenico International (Singapore) Pte Ltd	600 North Bridge Road, #05-01 Parkview Square, Singapore 188778 *as well as its subsidiarie PT Payment Solutions Indonesia, held at 1%*	Singapore	100%	FC
Ingenico Switzerland SA	Impasse des Ecureuils 2 Case postale 56 CH-1763 Granges-Paccot	Switzerland	100%	FC
Ingenico Ödeme Sistem Çözümleri AŞ	Ayazaga Kampüsü,Teknokent ARI 3 Binası Kat:8 No: 802 – 804, 34469 Maslak, Sarıyer - İstanbul	Turkey	100%	FC

4. ACQUISITIONS

Acquisition of Ogone

Ingenico gained effective control of Ogone, the leading pan-European online payment services provider, on January 1, 2013. By means of simplification, effective control was anticipated to January 1, 2013 in the Group financial statements, the impacts are not significant. This acquisition is part and parcel of Ingenico's strategy of providing comprehensive, integrated multi-channel solutions spanning point-of-sale, on-line and mobile payment. The combination of Ingenico's customer base and infrastructure with Ogone's platform is expected to generate significant synergies, new upselling opportunities and an optimized offer. In addition, Ingenico will now have a stronger presence in transaction services and will be in a better position to leverage the boom in on-line payment.

Ogone has been included in Ingenico's SEPA cash generating unit (CGU).

The acquisition was closed on March 25, 2013 for a total transaction price of €360.3 million. Given that cash acquired amounted to €4.4, the net cash outflow in 2013 was €355.9 million.

Goodwill

Based on the provisional allocation of consideration paid, Ingenico has recognized goodwill of €318.4 million (see Note 9, Goodwill and other intangible assets).

Contribution to the Group's financial position (starting January 1, 2013)

Ogone contributed the following to the Group's consolidated results:

- €25.9 million to revenue
- €2.7 million to profit from ordinary activities
- €1.0 million to profit for the period.

Acquisition of PT Integra's payment solutions business

On March 11, 2013, the Group finalized the acquisition and gain control of the assets related to PT Integra's payment solutions business. PT Integra is one of the leading players in Indonesia's fast-growing market. The transaction involves the payment terminal business of PT Integra Pratama and PT Integrasi Service Mandiri (ISM). This acquisition will boost Ingenico's presence in a particularly dynamic market where the Group has a direct local presence with Bank Mandiri and has been addressing the country's major financial institutions indirectly through PT Integra.

The assets acquired have been transferred to a wholly owned Ingenico subsidiary named PT Payment Solutions Indonesia, which has been included in the Group's Asia-Pacific cash generating unit.

The transaction price was €7.7 million. In addition, an earn-out amount will be paid if the revenue generated reaches specific thresholds between the acquisition date and the end of 2014. The value of the earn-out is €4.2 million in the financial statements.

Goodwill

Based on the provisional allocation of consideration paid, the Group has recognized goodwill of €7.0 million (see Note 9, Goodwill and other intangible assets).

Contribution to the Group's financial position (starting March 11, 2013)

PT Payment Solutions Indonesia contributed the following to the Group's consolidated results:

- €5.3 million to revenue
- – €0.1 million to profit from ordinary activities
- – €0.1 million to profit for the period.

5. SEGMENT REPORTING

The criteria used to determine reportable segments are set out in Note 2, Accounting Principles and Methods, of the consolidated financial statements for the year ended December 31, 2012. The information presented below is based on the management reporting used by the Executive Committee, the chief operating decision-maker as defined by IFRS 8, to evaluate the performance of the different segments.

The reportable segments are as follows:

- Central Operations, a division that brings together cross-functional and support services, particularly the distribution of products and services to the Regions identified below, as well as the business of specific subsidiaries, including Fixed & Mobile, ROAM Data and business taken over from Xiring;
- SEPA;
- Asia-Pacific (including Australia and China);
- North America (the U.S.A. and Canada);
- Latin America (including Brazil and Mexico);
- Central Europe, Africa and the Middle East.

Review of segment results

Revenue and profit from operations generated by Group entities that contribute to more than one segment have been allocated according to the internal reporting of the Group.

Review of segment results

At June 30, 2013, segment results are broken down as follows:

At June 30, 2013

Breakdown of segment profit or loss (in thousands of euros)	SEPA	Asia-Pacific	North America	Latin America	Central Europe Middle East Africa	Central Operations	Eliminations	Consolidated
External revenue	283 427	109 196	51 043	101 662	56 508	54 066		655 902
Inter-segment revenue	20 011	11 821	188	3 196	18 560	157 553	(211 329)	-
Total revenue	**303 438**	**121 017**	**51 231**	**104 858**	**75 068**	**211 619**	**(211 329)**	**655 902**
Profit from ordinary activities	22 772	18 297	1 039	11 279	6 695	27 979		88 061
Profit from operations	21 753	18 277	1 039	12 358	6 711	14 683		74 821
Net finance costs								(7 873)
Share of profit of equity-accounted investees								(124)
Income tax								(23 030)
Profit for the period								**43 794**
Attributable to Ingenico S.A. shareholders								**44 709**
Revenue by location of customers is as follows:								
External revenue	***317 693***	***157 713***	***70 735***	***101 530***	***8 231***			***655 902***

The Group's business in Germany was affected by the bankruptcy in April 2013 of a corporate customer as part of acquiring services highly specific to the German market that the Group provides. A thorough examination of the risk arising on this bankruptcy was conducted, and this non-recurring incident is now over. Its impact has been to reduce profit on ordinary activities by €4.9 million and to affect the performance of the Group's SEPA segment.

At June 30, 2012, segment results were broken down as follows:

At June 30, 2012

Breakdown of segment profit or loss (in thousands of euros)	SEPA	Asie-Pacifique	Amérique du Nord	Amérique Latine	Europe centrale Moyen Orient Afrique	Opérations centrales	Eliminations	Consolidé
External revenue	247 945	80 426	36 725	91 413	38 731	47 021		542 261
Inter-segment revenue	7 169	3 051	704	3 251	19 537	131 139	(164 850)	-
Total revenue	**255 113**	**83 477**	**37 429**	**94 664**	**58 268**	**178 160**	**(164 850)**	**542 261**
Profit from ordinary activities	24 011	13 153	(595)	8 838	1 497	5 861		52 765
Profit from operations	22 211	13 748	(375)	8 889	1 504	11 022		56 998
Net finance costs								(6 778)
Share of profit of equity-accounted investees								(462)
Income tax								(16 010)
Profit for the period								**33 749**
Attributable to Ingenico S.A. shareholders								**31 478**
Revenue by location of customers is as follows:								
External revenue	***258 356***	***89 269***	***47 654***	***97 257***	***49 726***			***542 261***

Breakdown of segment assets and liabilities

At June 30, 2013, segment assets and liabilities are broken down as follows:

At June 30, 2013

Breakdown of segment assets and liabilities (in thousands of euros)	SEPA	Asia-Pacific	North America	Latin America	Central Europe Middle East Africa	Central Operations	Consolidated
Goodwill	521 178	61 765	18 381	5 337	17 566	243 883	868 110
Other external segment assets	452 039	203 571	56 808	92 643	39 856	220 146	1 065 063
Deferred tax assets							28 037
Current tax receivables							8 298
Financial receivables							4 269
Derivative financial instruments							2 817
Assets held for sale							
Total Assets	**973 217**	**265 336**	**75 189**	**97 980**	**57 422**	**464 029**	**1 976 594**
External segment liabilities	178 468	101 489	23 274	52 656	10 535	98 683	465 105
Consolidated equity							713 688
Deferred tax liabilities							53 428
Current tax payable							19 799
Financial liabilities							719 477
Derivative financial instruments							5 097
Liabilities included in disposal groups							
Total Liabilities	**178 468**	**101 489**	**23 274**	**52 656**	**10 535**	**98 683**	**1 976 594**

At December 31, 2012, segment assets and liabilities were broken down as follows:

At Dec. 31, 2012

Breakdown of segment assets and liabilities (in thousands of euros)	SEPA	Asia-Pacific	North America	Latin America	Central Europe Middle East Africa	Central Operations	Consolidated
Goodwill	202 792	53 982	18 382	5 705	18 239	252 077	551 176
Other external segment assets	337 797	200 545	82 157	86 426	43 615	307 361	1 057 901
Deferred tax assets							26 766
Current tax receivables							3 820
Financial receivables							4 270
Derivative financial instruments							1 506
Assets held for sale							
Total Assets	**540 590**	**254 527**	**100 538**	**92 130**	**61 854**	**559 439**	**1 645 439**
External segment liabilities	125 566	113 242	8 610	55 149	(1 061)	128 463	429 968
Consolidated equity							688 647
Deferred tax liabilities							38 666
Current tax payable							21 265
Financial liabilities							459 028
Derivative financial instruments							7 866
Liabilities included in disposal groups							
Total Liabilities	**125 566**	**113 242**	**8 610**	**55 149**	**-1 061**	**128 463**	**1 645 439**

6. OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses are as follows:

(in thousands of euros)	June 30, 2013	June 30, 2012
Restructuring costs	(6 232)	(5 247)
Impairment losses	(7 967)	-
Disposal or retirement of property, plant and equipment or intangible assets	(277)	862
Gains and losses on remeasurement of shareholdings	-	8 619
Others	1 236	-
Total	**(13 240)**	**4 234**

At June 30, 2013 reporting date, restructuring costs and goodwill impairment accounted for the bulk of other operating income and expenses.
Restructuring costs primarily include the following:

- A cost of €1.1 million incurred in connection with the reorganization of the Group;
- Costs of €5.1 million incurred in connection with acquisitions and divestitures.

The impairment loss of €8.0 million corresponds to the impairment on goodwill of CGU Fixed & Mobile Pte Ltd, belonging to segment Central Operation (see Note 9, Goodwill and other intangible assets).
The other items are mainly the reversal of an impairment loss on the Brazilian subsidiary's assets for €1.1 million.

The main components of other operating income and expenses for the half year ended June 30, 2012 were restructuring costs and gains or losses on acquisitions and divestitures.

Restructuring costs primarily included the following:

- A cost of €3.3 million incurred in connection with the reorganization of the Group;
- A cost of €1.1 million incurred during the period to transfer the head office to Paris;
- Costs incurred in connection with acquisitions and divestitures carried out during the period (see Note 4, Acquisitions).

The acquisition of additional Roam Data shares led to an upward adjustment of €8.6 million to the fair value of the Group's prior equity-accounted investment in the company.
Lastly, the disposal of Korvac generated a consolidated gain of €0.9 million.

7. NET FINANCE COSTS

(in thousands of euros)	June 30, 2013	June 30, 2012
Other interest expense	(10 902)	(10 324) *
Interest expense on finance lease contracts	(253)	(300)
TOTAL INTEREST EXPENSE	**(11 155)**	**(10 624)**
Income from cash and cash equivalents	1 795	2 891
Interest income on finance lease contracts	1 747	1 820
NET INTEREST EXPENSE	**(7 613)**	**(5 913)**
Foreign exchange gains	16 621	17 407
Foreign exchange losses	(16 161)	(18 049)
FOREIGN EXCHANGE GAINS AND LOSSES, NET	**460**	**(642)**
Gains/(losses) on other investments (remeasurement, disposal)	-	7
Other financial income	84	50
Other financial expenses	(804)	(280)
OTHER FINANCIAL INCOME AND EXPENSES, NET	**(720)**	**(223)**
NET FINANCE COSTS	**(7 873)**	**(6 778)**

*Includes €3.4 million of notional interest on the "OCEANE" convertible bond.

Interest expense for the first half of 2013 mainly relate to the following borrowings:

- A €360 million syndicated loan facility put in place on August 5, 2011;
- New facilities put in place to finance the Ogone acquisition (see Note 12 Net debt);
- The OCEANE convertible bond.

Interest expense on these borrowings totaled €10.8 million.

Interest expense and interest income on finance lease contracts mainly involved easycash GmbH and Ingenico SA.

The Group posted a net foreign exchange gain of €0.5 million. This net gain results from the addition of gains and losses born with the revaluation of financial loans and borrowings, and the revaluation of their associated hedging instruments.

Other financial income and expenses mainly comprised the unwinding of the discounted present value of non-current liabilities, consisting of earn-out provisions, and the financial component of post-employment benefit obligations.

Net finance costs for the first half of 2012 were broken down as follows:

Interest expense was related to short- and long-term borrowings and to finance lease contracts. Interest expense on long-term borrowings pertained to a syndicated loan of €360 million put in place on August 5, 2011 to replace the facility arranged in 2009 for the easycash acquisition, and to bond coupon payments. Interest expense on these two borrowings totaled €9.3 million, plus an additional expense of €0.3 million due to a change in the fair value of an interest rate cap.

Interest expense on short-term borrowings, which amounted to €0.7 million, mainly involved a drawdown by the Group's Brazilian subsidiary on a short-term revolving loan facility contracted in 2012.

Interest expense and interest income on finance lease contracts mainly involved easycash GmbH and Ingenico S.A.

The Group posted a net foreign exchange loss of €0.6 million for the period.

8. INCOME TAX

Income tax expense for the period

(in thousands of euros)	June 30, 2013	June 30, 2012
Profit for the period (excl. share of profit of equity-accounted investees)	**43 918**	**34 210**
Income tax expense	**(23 030)**	**(16 010)**
Profit before income tax (excl. share of profit of equity-accounted investees)	**66 948**	**50 220**
Effective tax rate	34,40%	31,88%

Income tax expense for the half year ended June 30, 2013 has been estimated based on the information known to or anticipated by the Group at the reporting date, using the rate expected to be incurred in the full year. This method allows for more accurate estimates of income tax expense for half-year periods.

The favorable ratio of income tax expense for the first half of 2013 to profit before tax, i.e., 34.40 percent, reflects the fact that certain foreign subsidiaries are taxed at a lower rate than the parent company, even though a non-deductible impairment loss has been recorded on goodwill of CGU Fixed & Mobile Pte Ltd, belonging to segment Central Operations, and the CVAE has been classified as a current tax liability.

The favorable ratio of income tax expense for the first half of 2012 to profit before tax, i.e., 31.88 percent, reflected the fact that certain foreign subsidiaries were taxed at a lower rate than the parent company, as well as the remeasurement of Roam Data shares previously held by Ingenico, even though a number of tax losses were not recognized at June 30, 2012 (most notably in the United States) and the CVAE had been classified as a current tax liability.

Variation of deferred tax liabilities as of June 30, 2013

In the frame of the acquisitions of Ogone and PT Integra, the Group identified intangible assets which led to the accounting of deferred tax liabilities (see Note 9, Goodwill and other intangible assets).

9. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill

(in thousands of euros)	June 30, 2013	Dec. 31, 2012
At beginning of the period	**551 176**	**529 022**
Investments	325 406	26 678
Impairment losses	(7 967)	-
Translation differences	(505)	(500)
Modifications	-	(4 024)
At end of period	**868 110**	**551 176**

Investments during the period

Ogone

The consideration paid for Ogone was €360.3 million.

A provisional allocation of that amount, made in the first half of 2013, will be finalized within twelve months of the Group's move to a controlling interest.

The acquiree's intangible assets were measured at fair value.

This led the Group to identify intangible assets with a total value of €34.8 million:

- The customer portfolio, valued at €39.0 million, to be amortized over 8 to 10 years;
- Technology, valued at €12.6 million, to be amortized over 5 years;
- Deferred tax liabilities of -€16.8 million.

The fair value of the net assets and liabilities acquired identifiable at the acquisition date is €41.9 million.

Goodwill therefore amounts to €318.4 million.

Ogone has been included in the SEPA CGU.

PT Integra

The consideration paid by PT Payment Solutions Indonesia for the assets of PT Integra was €11.9 million.
A provisional allocation of that amount, made in the first half of 2013, will be finalized within twelve months of the Group'smove to a controlling interest.

The acquiree's intangible assets were measured at fair value.

This led the Group to identify intangible assets with a total value of €3.6 million:

- The customer portfolio, valued at €1.9 million, to be amortized over 5 years;
- Technology, valued at €1.4 million, to be amortized over 3 years;
- Order backlog, valued at €0.4 million, to be amortized over 1 year;
- Deferred tax liabilities of €0.1 million.

The fair value of the net assets identifiable at the acquisition date is €4.9 million.

Goodwill therefore amounts to €7.0 million.

PT Payment Solutions Indonesia has been included in the Asia-Pacific CGU.

Other intangible assets

The accounting of the intangible assets born from the acquisition of Ogone and PT Integra explains the major part of the increase of other intangible assets.

Impairment losses for the period

The operations of Fixed & Mobile Pte Ltd are part of segment Central Operations. During the first half of 2013, the Group acknowledged that the synergies expected between Fixed & Mobile Pte Ltd and the rest of the Group were lower than forecasted at the time of the acquisition of the company. A specific valuation of the Fixed & Mobile Pte Ltd CGU was conducted inside Central Operation segment.

As of June 30, 2013, the gross value of the goodwill related to CGU Fixed & Mobile Pte Ltd is €21.6 million. The impairment test was made based on the discounted net future cash flows method.

Cash projections have been made based on historical data and market trends, and growth and investment rates reasonable enough to ensure the self-development of the activity. The discounting rate used was defined in accordance with the operating market of Fixed & Mobile Pte Ltd.

Following this test, the Group recorded an impairment of the goodwill related to CGU Fixed & Mobile Pte Ltd for €8.0 million.

The Group remains optimistic about the medium-term perspective for Fixed & Mobile Pte Ltd, and forecasts a strong growth in the next years. If these growth and profitability expectations were not met, an additional impairment loss would be recorded. In the event that the growth rate would be 30% lower than the medium-term targets, then an additional impairment of €1.5 million would be recorded.

Furthermore, the WACC sensitivity tests show that an increase of 1 point of the discounting rate would lead to an additional impairment of €1.7 million.

The Group did not identify any other indication that the goodwill and assets of other CGUs should be tested for an impairment as of June 30, 2013.

Breakdown of goodwill

Cash-generating units	June 30, 2013			Dec. 31, 2012		
(in thousands of euros)	Gross carrying amount	Total impairment losses	Net carrying amount	Gross carrying amount	Total impairment losses	Net carrying amount
SEPA	523 414	(2 237)	521 177	205 080	(2 286)	202 794
Asia-Pacific	61 765	-	61 765	53 981	-	53 981
North America	39 773	(21 392)	18 381	39 773	(21 392)	18 381
Latin America	5 337	-	5 337	5 705	-	5 705
Central Europe/ Middle East/Africa	17 567	-	17 567	18 241	-	18 241
Central Operations (w/o Fixed & Mobile Pte Ltd)*	230 308	-	230 308	252 074	-	252 074
Fixed & Mobile Pte Ltd	21 575	(8 000)	13 575	-	-	-
Total	**899 739**	**(31 629)**	**868 110**	**574 854**	**(23 678)**	**551 176**

* As of Dec. 31, 2012, Fixed & Mobile Pte Ltd is part of CGU Central Operations. As of June 30, 2013, Fixed & Mobile Pte Ltd is a CGU on its own.

10. INVENTORIES

(in thousands of euros)	June 30, 2013	Dec. 31, 2012
Raw materials and consumables	31 767	25 851
Finished products	96 340	104 218
Write-downs on raw materials and consumable	(6 723)	(7 895)
Write-downs on finished products	(8 465)	(16 945)
Net	**112 919**	**105 229**

The increase in inventories was primarily attributable to increases by the subsidiaries Fujian Landi and Ingenico Do Brazil to keep pace with sales growth.

In the frame of acquisitions, the allocation of the consideration paid can result in a step-up of inventories. At the end of the amortization period, the Group eliminates both the gross amount and the accumulated amortization. This elimination explains a decrease of € 5.4 million of the write-downs on finished products.

11. SHARE CAPITAL OF THE PARENT COMPANY

Number of shares outstanding

	June 30, 2013	Dec. 31, 2012
Shares issued at January 1	**52 487 658**	**51 980 303**
Shares issued in connection with options exercised and dividend distributions	581 967	432 060
Shares issued in connection with Xiring merger	-	75 295
Shares issued at end of period	**53 069 625**	**52 487 658**
Treasury shares at end of period	**301 474**	**252 637**
Shares outstanding at end of period	**52 768 151**	**52 235 021**

Ingenico's shares have a par value of €1.

Treasury shares

(in euros)	Jan. 1, 2013	Acquisitions	Disposals	June 30, 2013
Number of shares	252 637	937 731	(888 894)	301 474
Average purchase price	23,35	47,82	47,84	27,26
Total	**5 899 664**	**44 843 296**	**(42 523 769)**	**8 219 191**

Shares repurchased to be awarded or retired

The portfolio of Ingenico stock repurchased by the Company to be granted under free share programs or to reduce the share capital totaled 244,241 shares at December 31, 2012.

At June 30, 2013, the portfolio totaled 281,241 shares, given that 37,000 shares had been repurchased.

Shares repurchased under the liquidity contract

Under its liquidity contract, Ingenico held a total of 8,396 treasury shares at December 31, 2012. At June 30, 2013, the portfolio totaled 20,233 shares, representing a net acquisition of 11,837 shares.

Stock subscription option plans and free share awards

Free share awards

No new free share programs were put in place during the fast half of 2013.

On June 22, 2012, the Board of Directors resolved to award 73,000 free shares. Given that 3,000 free share awards have been canceled, 2,000 of them in the first half of 2013, a total of 70,000 free shares were outstanding under this program at June 30, 2013 (compared with 72,000 at December 31, 2012).

Joint investment plan

No new joint investment plan was put in place during the fast half of 2013.

On May 21, 2012, the Board of Directors resolved to set up a joint investment plan intended for the 46 key managers in the Group.

This plan takes the form of an agreement with the beneficiaries, under which a variable number of free shares will be granted subject to a number of conditions, namely agreement to subscribe, continued presence within the Group and level of performance (external and internal). The maximum number of free shares that may be awarded is 357,488, following cancelation of 34,896 shares in 2012.

Stock option plans

No new stock option plans were set up during the first half of 2013. Given that no movements took place in the first half of 2013, a total of 16,684 stock options were outstanding at June 30, 2013 (under Plan H).

Fair value of options granted

Ingenico has measured the fair value of the goods and services received during the period based on the fair value of the equity instruments granted.

For the joint investment plan, Ingenico has calculated the fair value of the goods and services received based on the likelihood that internal performance and market conditions will meet expectations. The IFRS 2 expense will be remeasured on the basis of changes in the internal performance criteria at each reporting date.

Impact on financial statements

On the basis of the parameters used to calculate fair value, an expense of €3.5 million was recognized in profit from ordinary activities in connection with free share grants and the joint investment plan in the first half of 2013.

12. NET DEBT

The net debt of the Group consists of current and non-current financial borrowings and debt, less short-term investments and cash and cash equivalents.

(in thousands of euros)	June 30, 2013	Dec. 31, 2012
Cash and cash equivalents	305 485	384 152
Financial borrowings and debt	(719 477)	(459 028)
Net debt	**(413 992)**	**(74 876)**

Breakdown of financial liabilities

Financial liabilities are broken down into long-term and short-term liabilities. The latter include the portion of less than one year of long-term debt as well as financial liabilities with a term of less than one year.

(in thousands of euros)	June 30, 2013	Dec. 31, 2012
Bond loans	223 643	220 264
Bank borrowings	430 954	155 868
Finance lease obligations	1 882	2 188
Other financial liabilities	3 100	3 063
Non-current borrowings and long-term debt	**659 579**	**381 383**
Bank and similar borrowings	30 907	59 378
Finance lease obligations	2 073	3 602
Bank overdrafts and other financial liabilities	26 918	14 665
Short-term borrowings	**59 898**	**77 645**
Total financial borrowings and debt	**719 477**	**459 028**

(i) Bank borrowings and advances

At June 30, 2013, short- and long-term bank borrowings totaled €461.9 million. They include the syndicated loan put in place in August 2011 and maturing in 2016, with an outstanding amount of €183.8 million at June 30, 2013.

The Ogone acquisition was financed in part with a €140 million add-on to the syndicated loan that matures in August 2016. In addition to this new loan, €100 million was drawn down from the revolving credit facility associated to the syndicated loan, and another €35 million loan maturing in March 2018 was subscribed.

Banks overdrafts amounted to €18.7 million, with easycash GmbH receiving €18.1 million of the total.

These contracted loans include covenants relating to the respect of certain financial ratios which are subject to review every six months, on the basis of *pro forma* consolidated financial statements:

- The net debt to equity ratio must be less than 80%;
- Net debt must be less than 2.5 times EBITDA

These ratios have been met as of June 30, 2013.

(ii) Bond issue

In 2011, Ingenico issued "OCEANE" bonds, i.e. convertible into and/or exchangeable for new or existing shares, with their issue date on March 11, 2011 and maturing on January 1, 2017. The total principal amount of the issue is €250 million, or 6,677,350 bonds with a face value of €37.44 each. The bonds pay an annual coupon of 2.75 percent. After deduction of issuance costs and reclassification of the equity component of the issue, the interest rate on the bonds is 6.22 percent.

The bond issue was accompanied by an information memorandum approved by the *Autorité des Marchés Financiers* under visa number 11-062 on March 3, 2011.

13. DERIVATIVE FINANCIAL INSTRUMENTS

(i) Fair value of interest rate hedging instruments

	Foreign exchange hedging instruments	
(in thousands of euros)	**June 30, 2013**	**Dec. 31, 2012**
Current assets	-	-
Current liabilities	(4 132)	(6 325)
Total	**(4 132)**	**(6 325)**

(ii) Fair value of exchange rate hedging instruments

	Interest rate hedging instruments	
(in thousands of euros)	**June 30, 2013**	**Dec. 31, 2012**
Current assets	2 817	1 506
Current liabilities	(965)	(1 541)
Total	**1 852**	**(35)**

At June 30, 2013, the Group's exchange rate hedging instruments consisted of forward exchange contracts and swaps.

The fair market value of the Group's hedging instruments at June 30, 2013 showed an unrealized loss of €2.3 million, including an unrealized loss of €2.6 million recognized in equity and a €0.3 million gain recorded in profit and loss.

14. RELATED PARTY TRANSACTIONS

Transactions in 2013 between the Group and the Safran group, a member of the Board of Directors, involve only small-amount contracts in relation to the size of the Group. Morpho invoices in the first half of 2013 totaled a mere €0.4 million.

Total compensation and benefits paid to the Chairman of the Board of Directors and members of the Executive Committee in office from January 1, 2013 and June 30, 2013 breaks down as follows:

(in thousands of euros)	**June 30, 2013**	**June 30, 2012**
Fixed compensation	3 904	3 061
Variable compensation	1 639	1 512
Other benefits	144	484
Stock options and free share awards (service cost recognized)	2 001	545
Total	**7 688**	**5 603**

The Executive Committee has been increased in size from 33 members at June 30, 2012 to 37 members at June 30, 2013. This increase, together with the service cost recognized in conjunction with the free share program and the joint investment plan, respectively decided by the Board of Directors on June 22, 2012 and May 21, 2012, explain the increase in total compensation and benefits between the two periods.

15. PROVISIONS

(in thousands of euros)	**Balance at Jan. 1, 2013**	Translation differences	Changes in consolidation scope	Additions	Reversals of amounts used	Reversal of unused amounts	Others movements	**Balance at June 30, 2013**
Provisions for retirement benefit obligations	**11 674**	**(40)**	**35**	**491**	**(641)**	**-**	**-**	**11 519**
Provisions for warranties	12 130	(162)	-	5 932	(5 420)	(185)	35	12 330
Provisions for litigation and claims	7 350	(103)	-	1 447	(347)	(305)	127	8 169
Provisions for restructuring	762	-	-	38	(177)	-	-	623
Other provisions	11 062	(67)	1	4 280	(3 203)	(1 799)	21	10 295
Total other provisions	**31 304**	**(332)**	**1**	**11 697**	**(9 147)**	**(2 289)**	**183**	**31 417**

(i) Warranties

The provision for warranties reflects the estimated foreseeable costs related to a one-year product warranty given at the time of sale.

(ii) Litigation and claims

The tax assessment procedures in respect of a Brazilian subsidiary are still in progress. They relate to the ICMS tax, where the amount in question was approximately €68 million at June 30, 2013 (covering principal from 2004 to 2009, interest and penalties). The "Tax War" currently pitting Brazilian States against each other may potentially affect Ingenico as well as a large number of foreign and domestic companies. Against this background, the tax authorities of the State of Sao Paulo have contested the deduction by Ingenico do Brasil of a portion of the ICMS tax on the sales invoices of a supplier, on the grounds that the State of Minas Gerais, in which the supplier operates, had granted the supplier a tax concession that violates federal law. Advised by tax experts, the Company believes it has serious grounds for contesting the claims of the authorities.

All the notified ICMS-related assessments are still being contested by the Company in Brazil's administrative courts. At the June 30, 2013 reporting date, the courts had rendered no definitive judgment, and Ingenico has accordingly received no demand for payment.

Based on an analysis of the risks involved and on the criteria set out in IAS 37, no provision has been recognized in the consolidated financial statements at June 30, 2013.

In addition to the exercise of a put option on shares he owned in Roam Data Inc., an Ingenico Group subsidiary, and the valuation of these shares, Mr. Will Graylin, minority shareholder of Roam Data, joined other minority shareholders of that company to fi le a complaint with the Commonwealth of Massachusetts Superior Court Department against (i) Philippe Lazare, (ii) a member of the management board of Ingenico S.A., both as individuals and as directors of Roam Data Inc., (ii i) Roam Data Inc., (iv) Ingenico S.A., and (v) Ingenico Venture SAS.

The plaintiffs' ' main allegations are failure to uphold minority shareholder rights, breach of contract, violation of Rule 10b-5, and theft of the intellectual property of Roam Data.

At the reporting date, the amount of damages allegedly incurred is not known and will be determined by the jury in the event that the dispute is brought before the court. No provision has been recognized for this dispute in the consolidated financial statements at June 30, 2013.

(iii) Other provisions

Other provisions include provisions for expenses incurred in the course of business (e.g., commitments to purchase supplier inventories, customer quality risks, customer sales indemnities).

The €1.8 million of unused amounts reversed mainly relate to commitments to suppliers to purchase inventories and customer quality risks.

16. OTHER LIABILITIES

On April 23, 2013, Mr. Barbier, a former minority shareholder of Fixed & Mobile Pte Ltd, exercised in full his put option on the 10 percent of Fixed & Mobile's shares he held. The amount of the option exercised matched the liability recognized in the consolidated financial statements at December 31, 2012.

The adversarial valuation process for the shares in Roam Data held by Mr. Will Graylin, which allowed the appointment of a maximum of three experts, has been completed. Mr. Graylin, a minority shareholder in Roam Data, has a put option on his 9,367,992 shares. The liability arising from the potential exercise of this put option has been measured based on the reports of the three experts. On April 30, 2013, Mr. Graylin exercised his right to partially exercise his put option for 9,000,000 shares, with a maturity at July 22, 2013. The cash payment of this option by the Group was not made as of June 30, 2013.

17. OFF-BALANCE SHEET COMMITMENTS

At June 30, 2013, the Group had the same kinds of off-balance sheet commitments as at the December 31, 2012 reporting date.

In addition, a €90 million net asset warranty was received as part of Ingenico's acquisition of Ogone. This warranty covers several legal topics; its maturity corresponds to the applicable legal statute of limitation for each topic.

Likewise, when the Group acquired the assets of PT Integra, it received a €3 million net asset warranty. This warranty covers several legal and tax topics, with a maturity of 18 months after the acquisition, except for tax topics, for which the Indonesian statutes of limitations apply.

18. FINANCIAL ASSETS AND LIABILITIES CLASSIFIED BY ACCOUNTING CATEGORY

	June 30, 2013						
Asset and liability categories (in thousands of euros)	**Assets & liabilities measured at fair value through profit or loss (FV option)**	**Loans and receivables**	**Liabilities at amortized cost**	**Liabilities measured at fair value through equity**	**Derivative instruments designated as hedging future cash flows**	**Total net carrying amount**	**Fair value of the asset or liability category**
Financial assets	-	4 269	-	-	-	4 269	4 269
Trade and other current receivables	-	325 971	-	-	-	325 971	325 971
Derivative financial instruments	1 149	-	-	-	1 668	2 817	2 817
Other non-current assets	-	20 595	-	-	-	20 595	20 595
Cash and cash equivalents	83 960	221 525	-	-	-	305 485	305 485
TOTAL FINANCIAL ASSETS	**85 109**	**572 360**	**-**	**-**	**1 668**	**659 137**	**659 137**
Bond loan (OCEANE) (1)	-	-	223 643	-	-	223 643	377 871
Long-term loans	-	-	435 936	-	-	435 936	435 936
Other non-current liabilities	-	-	18 718	2 357	-	21 075	21 075
Short-term borrowings	-	-	59 898	-	-	59 898	59 898
Trade payables and other current liabilities	-	-	318 905	9 919	-	328 824	328 824
Derivative financial instruments	864	-	-	-	4 233	5 097	5 097
TOTAL FINANCIAL LIABILITIES	**864**	**-**	**1 057 100**	**12 276**	**4 233**	**1 074 473**	**1 228 701**

(1) The fair value of the bond loan OCEANE includes the equity component and the debt component of the liability.

Fair value hierarchy

In analyzing financial instruments by valuation method, the Group uses objective criteria based on the definition of fair value levels under IFRS 7.

Financial instruments carried at fair value subsequent to their recognition are analyzed by level, as follows:

- Assets and liabilities measured at fair value through profit or loss and through equity;
- Available-for-sale assets;
- Qualifying cash flow hedges.

The fair value hierarchy is as follows:

- Inputs used are (non-adjusted) quoted market prices in active markets for identical assets or liabilities (Level 1);
- Inputs used are inputs other than quoted market prices, as in Level 1, that are observable either directly, by reference to prices for similar assets and liabilities quoted in active markets, or indirectly, by reference to inputs derived from quoted markets prices (Level 2);
- Valuation techniques based on non-observable inputs are used (Level 3).

Financial instruments in these classes of assets and liabilities can correspond to any of the three levels of fair value set out below for 2012 and 2013.

The Company did not make any transfers between levels from 2012 to 2013.

	June 30, 2013			
	Total	**Level 1**	**Level 2**	**Level 3**
FINANCIAL ASSETS AT FAIR VALUE, INCLUDING:				
Derivative financial instruments (1)	2 817	-	2 817	-
Cash and cash equivalents	83 960	83 960	-	-
TOTAL ASSETS	**86 777**	**83 960**	**2 817**	**-**
FINANCIAL LIABILITIES AT FAIR VALUE, INCLUDING:				
Derivative financial instruments (1)	5 097	-	5 097	-
Other current and non-current liabilities	12 276	-	-	12 276
TOTAL LIABILITIES	**17 373**	**-**	**5 097**	**12 276**

(1) Derivative financial instruments are assets and liabilities measured at fair value through profit or loss or qualifying cash flow hedges.

19. SUBSEQUENT EVENTS

In connection with Mr. Will Graylin's execution of his put option on the Roam Data Inc. shares he held, Roam Data Inc. has asserted its contractual right to receive an indemnity from Mr. Graylin, in relation with the non-realization of some of his obligations, at the closing payment date for the put option, which is July 22, 2013.

2/ Interim management report

The consolidated financial data has been drawn up in accordance with International Financial Reporting Standards. In order to provide meaningful comparable information, that data has been presented on an adjusted basis, i.e. restated to reflect the depreciation and amortization expenses arising on the acquisition of new entities. Pursuant to IFRS 3 and to IFRS3R, the purchase price for new entities is allocated to the identifiable assets acquired and subsequently amortized over specified periods.
As of 2012, foreign exchange gains and losses from translation of operations denominated in foreign currency (including the effective portion of any related hedging instruments) are now recognized in cost of sales, instead of in net finance costs.
The main financial data for 2013 is discussed on an adjusted basis, i.e., before Purchase Price Allocation (PPA); see Exhibit 3.
Change in scope that occured in 2013 with the acquisition of Ogone were not restated for 2012 figures.
Following IAS 18, revenue from certain activities related to transaction services operated by the Group (TransferTo and "Credit Acquiring" of easycash) is presented gross without deducting TransferTo's payments to operators and interchange fees paid by easycash for credit acquiring, respectively.
EBITDA is not an accounting term; it is a financial metric defined here as profit from ordinary activities before amortization, depreciation and provisions and before expenses of shares distributed to employees and officers (the reconciliation of profit from ordinary operations to EBITDA is available in Exhibit3).
EBIT is equal to profit from ordinary activities, adjusted for amortization of the purchase price for newly acquired entities allocated to the identifiable assets acquired.
Free cash flow is 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.

Key figures

(in millions of euros)	**H1 13**	H1 12
Revenue	**656**	542
Adjusted gross profit	**277**	226
As a % of revenue	**42.2%**	41.7%
Adjusted operating expenses	**(174)**	(160)
Profit from ordinary activities, adjusted (EBIT)	**103**	66
As a % of revenue	**15.7%**	12.2%
Profit from operating activities	**75**	57
Net profit	**44**	34
Net profit attributable to shareholders	**45**	31
EBITDA	**122**	80
As a % of revenue	**18.6%**	14.8%

Free cash flow	**46**	(16)
Net debt	**414**	155
Equity attributable to shareholders	**715**	649

2.1 Financial data

Revenue up 19%

	H1 2013		
	€m	Change 2013/2012	
		Comparable[1]	Reported
Europe-SEPA	**283**	5%	15%
Latin America	**102**	20%	11%
Asia-Pacific	**109**	36%	36%
North America	**51**	41%	39%
EMEA	**57**	48%	46%
Central Operations	**54**	13%	13%
Total	**656**	19%	21%

In the first half of 2013, revenue totaled €656 million, supporting a 21 percent increase on a reported basis, including a €26 million contribution from Ogone and a negative foreign exchange impact of €13 million. Total revenue included €511 million generated by the Payment Terminal business and €145 million generated by Transaction Services. More generally, the share of total revenue generated by Services was 33 percent, including Ogone's contribution.

All regions contributed to the Group's overall performance, thanks to a geographically differentiated product and service offer. Ingenico has strengthened its position in its legacy Europe-SEPA markets through successful implementation of its service strategy and accelerated its growth in North America, particularly in the U.S., where revenue is up 50 percent. The Group has also continued to expand in the emerging markets, with encouraging business trends in Latin America, Asia-Pacific and the EMEA region.

Performance by geography for the first half of the year:

- Europe-SEPA: Despite a challenging macroeconomic environment, Ingenico's Payment Terminal revenue increased at a respectable pace, due to the Group's diversified geographic footprint in the region, and following very high growth in the United Kingdom in 2012. In addition, the Group has accelerated the deployment of its strategy based on its Transaction Services strategy combining point-of-sale (Axis, easycash), on-line and m-payment with the integration process of Ogone. Ingenico also won an award from KFC for the improvement of its payment systems in the United Kingdom.

- Latin America: Business continued to grow, thanks to an ongoing robust performance in Brazil and strong growth across the other countries in the region. Ingenico has contributed to a payment technology upgrade, particularly in Central America and Mexico, where the Group is deploying contactless payment solutions with Banamex.

- Asia-Pacific: Strong growth across the region continued to push revenue higher. The momentum has remained strong in China. Moreover, Ingenico has maintained its rapid deployment drive in Indonesia by acquiring its distributor and has accelerated its market penetration in India.

[1] *On a like-for-like basis at constant exchange rates.*

- North America: Accelerating growth in the region reflects the Group's increased traction in the United States, where Ingenico has continued to implement its strategy at large retailers and to win over smaller merchants through ISOs (Independent Sales Organizations). To date, Ingenico has already obtained certification from 8 of the 10 leading organizations in the processor/acquirer segment, including Heartland Payments, as announced on May 3rd.

- EMEA: In most countries in the region, Ingenico enjoyed strong growth fueled by the direct access to the Russian market, where the Group has continued to deploy its solutions to new banks customers, and the expansion of its distribution network, particularly in the Middle East, where a partnership agreement has been signed with Alhamrani Universal.

- Central Operations: Growth was mainly based upon the TransferTo's business and, to a lesser extent, on the deployment of the Group's mobile payment strategy through ROAM Data.

Gross margin still high

Gross margin reached 42.2 percent, an increase of 50 basis points compared to H1 2012. The main driver of this performance was the 120 basis points increase in gross margin in Payment Terminals (hardware, servicing and maintenance) to 44.8 percent of revenue, due in large measure to outstandingly high growth in revenues volume and procurement cost optimization.

Gross margin in Transaction Services decreased slightly from 34.5 percent in the first half of 2012 to 33.5 percent. This decrease reflected a one-off expense of €5 million related to the bankruptcy of a German customer and the somewhat greater weight of TransferTo in the second quarter. However, solid business growth at Ogone has helped improve overall performance in Transaction Services. Excluding TransferTo and the impact of the incident in Germany, gross margin reached 47.1 percent, up from 44.6 percent in H1 2012.

Operating expenses under control

Reported operating expenses stood at €189 million in first half of 2013 as compared to €173 million in H1 2012 and represented 28.8% of revenue.

(in millions of euros)	H1 2012	**H1 2013**	Restatement related to depreciation & amortization charges on acquisitions	H1 2013 Adjusted
Sales & Marketing	59	**70**	(10)	60
Research & Development	46	**50**	(5)	45
General & Administrative	68	**69**	-	69
Total operating expenses	173	**189**	(15)	174
As % of revenue	31.9%	**28.8%**		26.5%

After accounting for Purchase Price Allocation expenses of €15 millions, adjusted operating expenses stood at €174 million, versus €160 million in the first half of 2012. In first half of 2013, adjusted operating expenses were down to 26.5 percent of revenue, as against 29.5 percent in S1 2012.

Due to limited growth in general and administrative expenses, Ingenico was able to invest further, particularly in Research & Development and sources of future growth (Telium3, m-payment segment).
The Group expects for 2013 adjusted operating expenses to be relatively stable in % of revenue compared to 2012.

Increase in EBITDA

EBITDA increased by 53 percent to €122 million, up from €80 million in the first half of 2012. The EBITDA margin increased by 380 basis points to 18.6 percent of revenue.

Increase in EBIT

In first half of 2013, profit from ordinary activities increased by 66% to €88 million, compared with €53 million in first half of 2012. Operating margin increased by 360 basis points to 13.4 percent of revenue. Profit from ordinary activities included Purchase Price Allocation expenses of €15 million (as against €14 million in H1 2012).

Impact of purchase price allocation (PPA)

(in millions of euros)	**H1 13 excl. PPA**	PPA Impact	H1 13 reported
Gross Profit	**277**	(-)	277
Operating expenses	**(174)**	(15)	(189)
Profit from ordinary activities	**103**	(15)	88

In the first half of 2013, EBIT increased by 56 percent to €103 million, compared with €66 million in H1 2012. The EBIT margin was 15.7 percent of revenue, up by 350 basis points.

Continued significant growth in profit from operations
Other operating income and expenses showed a net expense of €13 million, which included a non-recurring €8 million partial impairment loss on Fixed & Mobile Pte Ltd UGT goodwill (TransferTo). This non-cash accounting item reflects revenue synergies below expectations between TransferTo and the rest of the Group.

In the first half of 2012, other operating income and expenses showed net income of €4 million, due in large part to the €9 million impact of the remeasurement of assets and liabilities previously acquired or taken over from Roam Data when Ingenico gained control of that company in February 2012.

At €15 million, Purchase Price Allocation expenses show little change, even though acquisitions carried out in the first half have added €3.7 million.

in millions of euros	**H1 2013**	H1 2012
Profit from ordinary activities	**88**	53
Other income & expenses	**(13)**	4
Profit from operating activities	**75**	57
As a % of revenue	**11.4%**	10.5%

After accounting for Purchase Price Allocation expenses and other operating income and expenses, profit from operations was up 31 percent to €75 million from €57 million in the first half of 2012. Operating margin increased by 90 basis points to 11.4 percent of revenue.

Reconciliation of profit from ordinary activities to EBITDA

EBITDA represents profit from ordinary activities, restated to include the following:

- Provisions for impairment of tangible and intangible assets, net of reversals (including impairment of goodwill or other intangible assets with indefinite lives, but not provisions for impairment of inventories, trade and related receivables and other current assets), and provisions for risks and charges (both current and non-current) on the liability side of the balance sheet, net of reversals.
- Expenses related to the restatement of finance lease obligations on consolidation.
- Expenses recognized in connection with the award of stock options, free shares or any other payments to be accounted for using IFRS 2, Share-based Payment.
- Changes in the fair value of inventories in accordance with IFRS 3, Business Combinations, i.e. determined by calculating the selling price less costs to complete and sell.

(in millions of euros)	**H1 13**	H1 12
Profit from ordinary activities	**88**	53
Allocated assets amortization	**15**	14
Other D&A and changes in provisions	**15**	12
Share based payment expenses	**4**	1
EBITDA	**122**	80

Financial result

(in millions of euros)	**H1 13**	H1 12
Interest expenses	**(11)**	(11)
Income from cash and cash equivalents	**3**	5
Net finance costs	**(8)**	(6)
Foreign exchange gains/(losses)	**1**	(1)
Other financial income	**(1)**	(0)
Financial result	**(8)**	(7)

Net profit attributable to Ingenico S.A. shareholders up 41 percent to €45 million

(in millions of euros)	**H1 13**	H1 12
Profit from ordinary activities	**75**	57
Financial result	**(8)**	(7)
Share of profit of equity-accounted investees	**(0)**	(0)
Profit before income tax	**67**	50
Income tax	**(23)**	(16)
Net profit	**44**	34
Net profit attributable to shareholders	**45**	32

In the first half of 2013, net profit attributable to Ingenico S.A. shareholders increased significantly to €45 million, compared with €32 million in H1 2012.

This result includes net finance costs of €8 million (versus €7 million in H1 2012), which increased only slightly despite higher debt following the Ogone acquisition in January 2013.

Income tax expense rose from €16 million to €23 million. As of June 30, 2013, Group effective tax rate stood at 34.4 percent compared with 31.9 percent as of June 30, 2012. Excluding impact of partial impairment loss on TransferTo goodwill, the effective tax rate was at 32.7 percent[2].

A sound financial position

Total equity attributable to shareholders increased to €715 million.

Net debt increased to €414 million at June 30, 2013, from €155 million at June 30, 2012 and €75 million at December 31, 2012, due in particular to the €360 million required to finance the acquisition of Ogone. However, Ingenico's financial ratios at June 30, 2013 demonstrated the Group's sound financial position. The net debt-to-equity ratio stood at 58 percent, while the net debt-to-EBITDA ratio was 1.6x[3].

During the first half of 2013, Ingenico's operations generated free cash flow of €46 million, compared to a negative €16 million in the first half of 2012. This improvement is mainly attributable to a strong increase in EBITDA and good control over working capital, limiting the negative change in working capital to €11 million, versus €45 million in H1 2012. This was made possible by strict management of inventories and trade receivables in a period of strong business expansion. At the same time, Ingenico continued to invest to support Group expansion, with investing activities net of disposals totaling €18 million.

2.2 Subsequent events as of June 30 2013

See Note 19 "Subsequent events" in the notes to the interim condensed consolidated financial statements.

2.3 Principal risks and uncertainties in second half of 2013

In second half of 2013, Ingenico faces the same risks as described in the 2012 registration document *(Document de Référence).*

2.4 Related-party transactions

In the first half of 2013, there were no material transactions liable to be considered new regulated agreements (see Note 14 in the notes to the interim condensed consolidated financial statements).

2.5 2013 Outlook

In the first half of 2013, Ingenico performed outstandingly well, particularly in Payment Devices, and therefore expects less of a seasonal difference in revenue and EBITDA margin between the first and second halves than in previous years.

[2] Tax rate: tax expense/(profit before income tax – share of profits of associates).
[3] Ratio based on last 12 months EBITDA

Accordingly, the Group has raised its annual revenue outlook, now anticipating low double-digit organic growth[1] compared with above or equal to 8 percent previously. The Group reminds that the fourth quarter of 2012 represents a very high basis of comparison, given that order volume from emerging markets was particularly high.

Ingenico has likewise raised its outlook for EBITDA margin, which is now expected to exceed or be equal to 19 percent, compared with above 18.5 percent previously.

This revised guidance for 2013 applies to the expanded consolidated Group, i.e., including Ogone in the accounts for the year. Ingenico also confirms that the Ogone integration process should be neutral to net earnings per share in 2013 (excluding PPA).

2.6 Trends

In a fast-moving payment market with in-depth evolutions, Ingenico remains the central player in the relationship between banks, merchants and their customers, based on its unique expertise and offer adapted to all sales channels (in-store, online and mobile) for merchants, directly or indirectly through banks.

To reach its ambition, Ingenico has defined priorities which will enable the Group to generate profitable growth, based on five strategic axes:

- Deploy its global multi-channel strategy, notably in e-commerce with the integration of Ogone – the acquisition of which has been finalised today – and in mobile payment based on ROAM's platform;
- Further integrate its offer around POS with associated Value Added Services leading to additional revenue for merchants and strengthened relationship with their customers;
- Strengthen its presence in selected emerging markets;
- Keep on innovating with a focus on R&D, to deploy its offer on all connected devices, notably with the launch of the open and secured Telium 3 platform for all applications;
- Continue to evaluate bolt-on acquisition opportunities in payment terminals, services and technology.

In this context, Ingenico has defined its 2016 financial targets to sustain profitable growth, with revenue over € 1.8 billion while improving its operational performance with an EBITDA margin above 20%. Moreover, Ingenico plans to implement a dividend policy, with a pay out ratio of 35%.

3/ Attestation of the party responsible for the interim condensed financial statements

"I certify that to the best of my knowledge the interim condensed financial statements for the preceding half year were drawn up in accordance with the applicable accounting standards and give a true and fair view of the assets liabilities financial position and results of the Company and the consolidated group of entities and that the management report included herein gives a fair and true view of the significant events that occurred during the first six months of the year of their effect on the Group's accounts and of the Group's principal related-party transactions as well as a description of the principal risks and uncertainties confronting the Group in the remaining six months of the year."

Philippe Lazare
Chief Executive Officer

4/ Statutory Auditors' Report on H1'13 interim financial statements

This is a free translation into English of the statutory auditors' report on the half-yearly consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Ingenico S.A.

Registered office: 28 - 32 Boulevard de Grenelle - 75015 Paris
Share capital: €.53 069 625

Statutory auditors' review report on the half-yearly consolidated financial statements

For the six-month period ended 30 June 2013

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' meeting and in accordance with article L.451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly financial statements of Ingenico S.A. for the six-month period ended 30 June 2013 ;
- the verification of information contained in the half year management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1 Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared in all material respects in accordance with IAS 34 - the standard of the IFRS as adopted by the European Union applicable to interim financial statements.

Without qualifying the conclusion expressed above, we draw your attention to the note 15 to the half-yearly consolidated financial statements regarding the Company's position in respect of the outstanding tax assessments concerning Ingenico S.A. Brazilian subsidiary as at 30 June 2013.

2 Specific verification

We have also verified the information given in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

The statutory auditors

Paris La Défense, 31 July 2013

KPMG Audit IS

Jean-Pierre Valensi
Partner

MAZARS

Thierry Blanchetier
Partner

Ariane Mignon
Partner