HALF-YEAR FINANCIAL REPORT

for the half year ended June 30, 2014

CONTENTS

1/ Condensed interim consolidated financial statements as of June 30, 2014

The following condensed interim consolidated financial statements were examined by the Board of Directors on July 30, 2014 and were subject to a limited review by the statutory auditors.

1. CONDENSED INTERIM CONSOLIDATED INCOME STATEMENTS

(in thousands of euros)	**Notes**	**June 30, 2014**	**June 30, 2013**
Revenue	5	**703 010**	**655 902**
Cost of sales		(377 941)	(378 429)
Gross profit		**325 069**	**277 473**
Distribution and marketing costs		(75 794)	(70 436)
Research and development expenses		(50 192)	(49 724)
Administrative expenses		(77 407)	(69 252)
Profit from ordinary activities	5	**121 676**	**88 061**
Other operating income	6	27	1 273
Other operating expenses	6	(2 271)	(14 513)
Profit from operating activities		**119 432**	**74 821**
Finance income	7	20 352	20 248
Finance costs	7	(28 169)	(28 121)
Net finance costs		**(7 817)**	**(7 873)**
Share of profit of equity-accounted investees		278	(124)
Profit before income tax		**111 893**	**66 824**
Income tax expense	8	(36 833)	(23 030)
Profit for the period		**75 060**	**43 794**
Attributable to:			
- owners of Ingenico SA		75 026	44 709
- non-controlling interests		34	(915)

EARNINGS PER SHARE (in euros)		
Net earnings		
- Basic earnings per share	1,42	0,85
- Diluted earnings per share	1,34	0,83

2. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in thousands of euros)	**June 30, 2014**	**June 30, 2013**
Profit for the period attributable to Ingenico SA shareholders	**75 026**	**44 709**
Translation differences	5 355	(9 101)
Remeasurement of derivative hedging instruments at fair value [(1)]	(194)	3 227
Actuarial gains/(losses) on defined benefit plans [(2)]	-	-
Share of gains/(losses) of equity-accounted investees	-	-
Income tax on gains/(losses) accounted in other comprehensive income [(3)]	15	(482)
Others	-	11
Total gains/(losses) accounted in comprehensive income and attributable to Ingenico SA shareholders [(4)]	**5 176**	**(6 345)**
Total comprehensive income attributable to Ingenico SA shareholders	80 202	38 364
Total comprehensive income attributable to non-controlling interests	34	(915)
Translation differences attributable to non-controlling interests	(19)	14
Total comprehensive income for the period	**80 217**	**37 463**

[(1)] The portion of the gains or losses on interest rate swaps on bank loans and on foreign exchange forward contracts used to hedge cash flows that is determined to be an effective hedge is recognized directly in other comprehensive income.

[(2)] As allowed by the revised version of IAS 19, actuarial gains or losses on long-term employee benefit obligations are recognized in other comprehensive income.

[(3)] Breakdown of income tax accounted in other comprehensive income:

Taxes on translation differences	*(4)*	*629*
Taxes on gains or losses on hedging instruments	*60*	*(1 111)*
Taxes on actuarial gains or losses on defined benefit plans	*(41)*	*-*
Total	***15***	***(482)***

[(4)] All items recognized in other comprehensive income except for actuarial gains or losses will subsequently be recycled to the consolidated income statement.

3. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

ASSETS (in thousands of euros)	**Notes**	**June 30, 2014**	**Dec. 31, 2013**
NON-CURRENT ASSETS			
Goodwill	9	850 813	849 321
Other intangible assets	9	171 496	179 538
Property, plant and equipment		38 117	39 201
Investments in equity-accounted investees		14 672	14 366
Financial assets	18	8 871	8 902
Deferred tax assets		35 073	34 123
Other non-current assets	18	28 296	24 650
TOTAL NON-CURRENT ASSETS		**1 147 338**	**1 150 101**
CURRENT ASSETS			
Inventories	10	110 897	101 983
Trade and related receivables		380 898	348 510
Other current assets		38 642	30 240
Current tax receivables		5 550	6 771
Derivative financial instruments	13	2 821	1 236
Cash and cash equivalents	12	661 421	352 107
TOTAL CURRENT ASSETS		**1 200 229**	**840 847**
TOTAL ASSETS		**2 347 567**	**1 990 948**

EQUITY AND LIABILITIES (in thousands of euros)		**June 30, 2014**	**Dec. 31, 2013**
Share capital	11	54 160	53 086
Share premium account		457 640	425 783
Retained earnings and other reserves		332 276	297 556
Translation reserve		(5 592)	(10 947)
EQUITY ATTRIBUTABLE TO INGENICO S.A. SHAREHOLDERS		**838 484**	**765 478**
Non-controlling interests		1 242	1 216
TOTAL EQUITY		**839 726**	**766 694**
NON-CURRENT LIABILITIES			
Long-term loans and borrowings	12	814 599	560 426
Provisions for retirement benefit obligations	15	11 439	11 423
Other provisions	15	15 785	15 552
Deferred tax liabilities		48 171	48 507
Other non-current liabilities	18	29 129	24 568
TOTAL NON-CURRENT LIABILITIES		**919 123**	**660 476**
CURRENT LIABILITIES			
Short-term loans and borrowings	12	98 155	88 062
Other provisions	15	16 408	15 018
Trade and related payables		336 653	327 859
Other current liabilities	16	107 083	110 509
Current tax liabilities		26 440	17 887
Derivative financial instruments	13	3 979	4 443
TOTAL CURRENT LIABILITIES		**588 718**	**563 778**
TOTAL LIABILITIES		**1 507 841**	**1 224 254**
TOTAL EQUITY AND LIABILITIES		**2 347 567**	**1 990 948**

4. CONDENSED INTERIM CONSOLIDATED STATEMENTS 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, 2012	**52 488**	**402 431**	**16 956**	**(3 829)**	**(5 900)**	**227 206**	**689 354**	**(706)**	**688 648**
Profit for the period						114 074	114 074	(1 138)	112 936
Other comprehensive income			(27 797)	1 820		(116)	(26 093)	(21)	(26 114)
Total comprehensive income for the period			**(27 797)**	**1 820**		**113 958**	**87 981**	**(1 159)**	**86 822**
Dividends paid to shareholders (1)						(12 771)	(12 771)		(12 771)
Stock dividends paid to shareholders (2)	582	23 186				(23 768)	-		-
Treasury shares (3)					(1 267)	366	(901)		(901)
Share-based payments and exercise of stock options (4)	16	166				6 699	6 879	168	7 047
Remeasurement effect of put options (5)						(2 301)	(2 301)	(176)	(2 477)
Dilutions (6)			(119)			(1 547)	(1 666)	1 666	-
Accretions (7)			13			(1 436)	(1 423)	1 423	-
Others						326	326		326
Balance at Dec. 31, 2013	**53 086**	**425 783**	**(10 947)**	**(2 009)**	**(7 167)**	**306 732**	**765 478**	**1 216**	**766 694**
Profit for the period						75 026	75 026	34	75 060
Other comprehensive income			5 355	(134)		(45)	5 176	(19)	5 157
Total comprehensive income for the period			**5 355**	**(134)**		**74 981**	**80 202**	**15**	**80 217**
Dividends paid to shareholders (1)						(19 538)	(19 538)		(19 538)
Stock dividends paid to shareholders (2)	398	22 289				(22 687)	-		-
Treasury shares (3)					(503)	70	(433)		(433)
Share-based payments and issuance of free shares (4)	398	(398)				3 219	3 219	40	3 259
Remeasurement effect of put options (5)						(184)	(184)	(34)	(218)
Bond conversion (6)	278	9 966				(492)	9 752		9 752
Others						(12)	(12)	5	(7)
Balance at Jun. 30, 2014	**54 160**	**457 640**	**(5 592)**	**(2 143)**	**(7 670)**	**342 089**	**838 484**	**1 242**	**839 726**

June 2014:

(1) Cash dividend of €0.80 per share paid on June 11, 2014.
(2) Stock dividend financed through incorporation of reserves into share capital and issuance of 398,304 new shares.
(3) As of January 1, 2014, the Company held 280,794 treasury shares. As of June 30, 2014, the Company held 288,641 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 and profit from ordinary activities.
- The increase in share capital and issue and contribution premiums reflects the issuance of new shares to be awarded under free share programs vested in June 2014.
(5) Remeasurement of put options on Roam Data Inc. and Ingenico Holdings Asia Ltd. N.B.: These put options were for the remaining 17.26 percent non-controlling interests in Roam Data Inc. and for the remaining 1.16 percent non-controlling interests in Ingenico Holdings Asia Ltd.
(6) Conversion of 273,603 Ingenico OCEANE 2011/2017 bonds into 277,707 shares.

December 2013:

(1) Cash dividend of €0.70 per share paid on June 3, 2013.
(2) Stock dividend financed through incorporation of reserves into share capital and issuance of 581,967 new shares.
(3) As of January 1, 2013, the Company held 252,637 treasury shares. As of December 31, 2013, the Company held 280,794 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 and profit from ordinary activities.
- The increase in share capital and issue and contribution premiums reflects the exercise of stock options.
(5) Remeasurement of put options on Roam Data Inc. and Ingenico Holdings Asia Ltd. N.B.: These put options were for the remaining 17.04 percent non-controlling interests in Roam Data Inc. and for the remaining 1.16 percent non-controlling interests in Ingenico Holdings Asia Ltd.
(6) Dilution of the Group's share of the net assets of Ingenico Holdings Asia Ltd following the issuance of shares representing 1.16 percent of the share capital to the non-controlling shareholder.
(7) Results from a 12.46 percent increase in the Group's share of Roam Data Inc.'s net assets following the exercise by a minority shareholder of his put option.

5. CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENTS

(in thousands of euros)	June 30, 2014	June 30, 2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	75 060	43 794
Adjustments for:		
• Share of profit of equity-accounted investees	(278)	124
• Income tax expense / (income)	36 833	23 030
• Depreciation, amortization and provisions	31 029	37 755
• Change in fair value	1 865	439
• Gains / (losses) on disposal of assets	(8)	270
• Net interest costs	8 024	7 275
Share-based payment expense	4 707	3 547
Interest paid	(11 239)	(11 016)
Income tax paid	(28 176)	(33 542)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE CHANGE IN NET WORKING CAPITAL	**117 817**	**71 676**
Change in working capital		
• Inventories	(6 771)	(10 120)
• Trade and other receivables	(35 472)	(20 961)
• Trade and other payables	135	19 695
CHANGE IN NET WORKING CAPITAL	(42 108)	(11 386)
NET CASH FLOW FROM OPERATING ACTIVITIES	**75 709**	**60 290**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of tangible and intangible fixed assets	(21 272)	(18 614)
Proceeds from sale of tangible and intangible fixed assets	138	1 154
Acquisition of subsidiaries, net of cash acquired	-	(364 424)
Disposal of subsidiaries, net of cash disposed of	-	7 669
Loans and advances granted and other financial assets	(924)	(1 423)
Loan repayments received	578	1 011
Interest received	5 073	3 364
NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES	**(16 407)**	**(371 263)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share capital issues	34	165
Purchase/(sale) of own shares	(396)	(2 072)
Proceeds from loans and borrowings	446 537	273 103
Repayment of loans and borrowings	(192 418)	(29 194)
Change in the Group's ownership interests in controlled entities	-	(1 932)
Changes in other financial liabilities	832	5 400
Changes in the fair value of hedging instruments	-	78
Dividends paid	(19 567)	(12 925)
NET CASH FLOW USED IN FINANCING ACTIVITIES	**235 022**	**232 623**
Effect of exchange rates fluctuations	377	(5 665)
CHANGE IN CASH AND CASH EQUIVALENTS	**294 701**	**(84 015)**
Cash and cash equivalents at beginning of the year	329 116	370 830
Cash and cash equivalents at year end [1]	623 817	286 815

Comments

[1] CASH AND CASH EQUIVALENTS	**June 30, 2014**	**June 30, 2013**
Marketable securities and short-term deposits (only portion classified as cash)	244 424	83 963
Cash on hand	416 997	221 525
Bank overdrafts (included in short-term borrowings)	(37 604)	(18 673)
TOTAL CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS	**623 817**	**286 815**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. THE COMPANY

The preceding condensed interim consolidated financial statements present the operations and financial position of Ingenico S.A. (hereinafter referred to as "the Company") and its subsidiaries, as well as the Group's share of the profit or loss of jointly controlled entities and entities over which the Group has significant influence (together referred to as "the Group"). Ingenico Group is the leading provider of payment solutions, enabling banks and merchants to manage their payment activities across all sales channels (in-store, on-line and mobile). Ingenico S.A. is a company incorporated under French law with its registered office in Paris, whose securities were admitted for trading on the Paris Stock Exchange in 1985.

The condensed interim consolidated financial statements were approved by the Board of Directors on July 30, 2014.

2. ACCOUNTING PRINCIPLES AND METHODS

These condensed interim consolidated 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 under IFRS to prepare complete annual financial statements and should be read in conjunction with the Group's financial statements for the year ended December 31, 2013.

The condensed interim consolidated financial statements for the period from January 1, 2014 to June 30, 2014 were drawn up using the same accounting principles and methods used in the consolidated financial statements for the fiscal year ended December 31, 2013, except for the first-time application of the following new standards, amendments and interpretations adopted by the European Union:

- IFRS 10, Consolidated Financial Statements
- IFRS 11, Joint Arrangements
- IFRS 12, Disclosures of Interests in Other Entities
- Amendments to IAS 27 and IAS 28, further to the issue of IFRS 10, 11 and 12.
- Amendments to IFRS 10, 12 and IAS 27, Investment Entities
- Amendments to IFRS 10, 11 and 12, Transition Guidance
- Amendments to IAS 32, Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
- Amendments to IAS 36, Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to IAS 39, Novation of OTC Derivatives and Continuing Designation for Hedge Accounting

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

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 as of June 30, 2014:

- Amendments to IAS 19, Employee Contributions to Defined Benefit Plans
- IFRIC 21, Levies

Translation of financial statements

The conversion rates for the main currencies used by the Group in fiscal year 2013 and half-year periods ended June 30, 2013 and 2014 are as follows:

Closing rate	June 30, 2014	Dec. 31, 2013
U.S. Dollar	1,3658	1,3791
Canadian Dollar	1,4589	1,4671
Australian Dollar	1,4537	1,5423
British Pound	0,8015	0,8337
Brazilian Real	3,0002	3,2576
Chinese Yuan	8,4722	8,3491

Average rate	June 30, 2014	June 30, 2013
U.S. Dollar	1,3705	1,3135
Canadian Dollar	1,5032	1,3345
Australian Dollar	1,4987	1,2966
British Pound	0,8214	0,8512
Brazilian Real	3,1495	2,6688
Chinese Yuan	8,4517	8,1294

Estimates

In preparing these condensed interim consolidated 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 materially 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 interim consolidated 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, 2013.

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 (see Note 8, Income tax).

Estimate for 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 projected annual expected expense for the current fiscal year, 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 over which the Group has exclusive control are fully consolidated. The Group has elected to use the equity method for entities under joint control: ZTE Ingenico NV (formerly Mobile Payments Solutions NV) and Fixed & Mobile Pte Ltd.

Corporate name	Location	Country	% interest Ingenico SA	Consolidation method
PARENT COMPANY				
INGENICO SA	Paris	France		
CONSOLIDATED SUBSIDIARIES				
Ingenico International (Pacific) Pty Ltd	Warriewood	Australia	100%	FC
Ogone SPRL	Woluwe-Saint-Lambert (Brussels) *As well as its wholly owned subsidiaries in Austria, Switzerland, Germany, the U.S., the U.K. and in India and Ogone Netherlands B.V. in the Netherlands (held at 67,79%)**	Belgium	100%	FC
Tunz.com S.A.	Brussels	Belgium	100%	FC
Ingenico do Brasil Ltda.	São Paulo *As well as its wholly owned branches and subsidiaries in Colombia, Venezuela, Argentina et Chile*	Brazil	100%	FC
Ingenico CZ S.r.o.	Praha	Czech Republic	100%	FC
Ingenico 1 SA	Paris	France	100%	FC
Ingenico 2 SA	Paris	France	100%	FC
Ingenico Prepaid Services France SAS	Paris	France	100%	FC
Ingenico Ventures SAS	Paris *As well as its American subsidiary Roam Data Inc., held at 95,79%*	France	100%	FC
Ogone France SAS	Paris *As well as its wholly owned French subsidiary*	France	100%	FC
DI Deutsche Ingenico Holding GmbH	Ratingen *As well as its wholly owned subsidiaries Ingenico Payment Services GmbH, Ingenico Marketing Solutions GmbH*	Germany	100%	FC
Ingenico GmbH	Ratingen	Germany	100%	FC
Ingenico Healthcare GmbH	Flintbek	Germany	100%	FC
Ingenico Holdings Asia II Limited	Wanchai *As well as its subsidiary in Thailand and Philippines, PT. Ingenico International Indonesia et Fixed & Mobile Pte Ltd, respectively held at 100%, 100%, 99,75%* et 30%*	Hong Kong	100%	FC
Ingenico Holdings Asia Limited	Wanchai *As well as its subsidiaries Fujian Landi Commercial Equipment Co. Ltd and ZTE Ingenico N.V. respectively held at 100% et 40%*	Hong Kong	98.84%	FC
Ingenico Hungary Ltd.	Budapest	Hungary	100%	FC
Ingenico International India Pvt Ltd.	New Delhi	India	100%	FC
Ingenico Italia SpA	Milan	Italy	100%	FC
Ingenico Eastern Europe I S.àr.l.	Luxembourg *As well as its wholly owned Polish subsidiary*	Luxembourg	100%	FC
Ingenico Payment Systems Africa SARLAU	Casablanca	Morocco	100%	FC
Ogone Netherlands B.V.*	Amsterdam *As well as its wholly owned subsidiary Ogone B.V.*	Netherlands	32,21%	FC
Ingenico Software Services Philippines Inc.	Makati City, Metro Manila	Philippines	100%	FC
Ingenico LLC in liquidation	Moscow	Russia	100%	FC
Ingenico LLC	Saint-Petersburg	Russia	100%	FC
Ingenico International (Singapore) Pte Ltd.	Singapore	Singapore	100%	FC
Ingenico Iberia, S.L.	Madrid *As well as its Spanish subsidiary held at 99,99%**	Spain	100%	FC
Ingenico (Suisse) SA	Granges-Paccot	Switzerland	100%	FC
Ingenico Ödeme Sistem Çözümleri AS	Istanbul	Turkey	100%	FC
Ingenico (UK) Ltd.	Dalgety Bay, Dunfermline *As well as its wholly owned subsidiaries in Ireland and the U.K.*	U.K.	100%	FC
Ingenico (Latin America) Inc.	Miami, Florida *As well as its wholly owned Mexican subsidiary*	U.S.	100%	FC
Ingenico Corp.	Wilmington, Delaware *As well as its wholly owned subsidiaries in Canada and the U.S.*	U.S.	100%	FC

**Wholly owned by the Group*

4. ACQUISITIONS

No acquisitions or divestitures were carried out in the first half of 2014.

A subsidiary called Ingenico Latvia Sia was created in Latvia on February 24, 2014 and the entity Ingenico Investment Luxembourg SA was wound up on March 20, 2014.

On January 20, 2014, the Group exercised its Roam Data Inc. call option on all the shares and stock options held by minority shareholders as of that date. The consideration to be paid will be determined on the basis of the experts' upcoming valuation report.

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, 2013. 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 Group modified its operational organization by grouping the "Eastern Europe" and "Italy and Central Europe" activities. The Italian, Polish, and Hungarian subsidiaries, previously part of SEPA, joined the EMEA region.

At the same time, the "Healthcare" activity was shifted from Central Operations to SEPA. Lastly, the entity E-Billing Solutions Private Ltd., located in India, has been transferred from SEPA to the Asia Pacific region.

As of January 1, 2014, the Group's operating segments are therefore 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 operating worldwide and whose development is coordinated by the head office such as Roam Data Inc.;
- SEPA (France, United Kingdom, Spain, Germany, Benelux, etc.);
- Asia-Pacific (Australia, China, Indonesia, India, etc.);
- North America (the U.S.A. and Canada);
- Latin America (Brazil, Mexico, etc.);
- EMEA (Central and Eastern Europe, Italy, Turkey, Russia, Africa, etc.).

The segment information for 2013 has been restated accordingly.

Review of segment results

Revenue and profit from operations generated by Group entities that contribute to more than one segment have been allocated as follows.

(in thousands of euros)	June 30, 2014 SEPA	Asia-Pacific	North America	Latin America	EMEA	Central operations	Consolidated
External revenue	**276 166**	**132 077**	**74 142**	**94 238**	**121 107**	**5 280**	**703 010**
Profit from ordinary activities	14 270	24 003	4 589	(2 273)	24 212	56 874	121 675
Profit from operating activities							119 432
Finance income							20 352
Finance costs							(28 169)
Share of profit of equity-accounted investees							278
Income tax expense							(36 833)
Profit for the period							**75 060**
attributable to Ingenico S.A. shareholders							**75 026**

The restated segment results as of June 30, 2013 are broken down as follows:

(in thousands of euros)	June 30, 2013 SEPA	Asia-Pacific	North America	Latin America	EMEA	Central operations	Consolidated
External revenue	**252 147**	**110 645**	**51 043**	**101 662**	**98 914**	**41 491**	**655 902**
Profit from ordinary activities	16 701	18 049	1 035	11 279	13 639	27 359	88 061
Profit from operating activities							74 821
Finance income							20 248
Finance costs							(28 121)
Share of profit of equity-accounted investees							(124)
Income tax expense							(23 030)
Profit for the period							**43 794**
attributable to Ingenico S.A. shareholders							**44 709**

Breakdown of segment assets and liabilities

As of June 30, 2014, segment assets and liabilities are broken down as follows:

(in thousands of euros)	June 30, 2014 SEPA	Asia-Pacific	North America	Latin America	EMEA	Central operations	Consolidated
Goodwill	554 989	59 275	18 382	5 141	20 196	192 830	850 813
Other non-group sector assets	377 225	238 509	67 161	98 698	107 156	555 690	1 444 439
Deferred tax assets							35 073
Current tax receivables							5 550
Financial assets							8 871
Derivative financial instruments							2 821
TOTAL ASSETS	**932 214**	**297 784**	**85 543**	**103 839**	**127 352**	**748 520**	**2 347 567**
Other non-group sector liabilities	171 703	121 171	44 120	57 742	47 695	74 066	516 497
Total equity							839 726
Deferred tax liabilities							48 171
Current tax liabilities							26 440
Financial liabilities							912 754
Derivative financial instruments							3 979
TOTAL LIABILITIES	**171 703**	**121 171**	**44 120**	**57 742**	**47 695**	**74 066**	**2 347 567**

The restated segment assets and liabilities as of December 31, 2013 are broken down as follows:

(in thousands of euros)	Dec. 31, 2013						
	SEPA	Asia-Pacific	North America	Latin America	EMEA	Central operations	Consolidated
Goodwill	554 989	59 523	18 382	4 734	19 828	191 865	849 321
Other non-group sector assets	366 688	222 269	62 984	77 359	105 650	255 645	1 090 595
Deferred tax assets							34 123
Current tax receivables							6 771
Financial assets							8 902
Derivative financial instruments							1 236
TOTAL ASSETS	**911 535**	**281 792**	**81 366**	**82 093**	**139 599**	**443 531**	**1 990 948**
Other non-group sector liabilities	165 919	124 817	32 852	44 410	43 537	93 394	504 929
Total equity							766 694
Deferred tax liabilities							48 507
Current tax liabilities							17 887
Financial liabilities							648 488
Derivative financial instruments							4 443
TOTAL LIABILITIES	**165 919**	**124 817**	**32 852**	**44 410**	**43 537**	**93 394**	**1 990 948**

6. OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses are as follows:

(in thousands of euros)	June 30, 2014	June 30, 2013
Revaluation of earn-out payables	(1 083)	-
Restructuring costs	(551)	(6 232)
Provisions for litigation	(540)	
Impairment losses	-	(7 967)
Disposal or retirement of property, plant and equipment or intangible assets	27	(277)
Others	(97)	1 236
Total	**(2 244)**	**(13 240)**

In the first half of 2014, other operating income and expenses mainly comprise the following:

- An expense of €1.1 million for the remeasured earn-out liability on the acquisition of Ingenico Payment Systems LLC;
- A cost of €0.6 million incurred in connection with the reorganization of the Group;
- A provision of €0.5 million for litigation.

As of the June 30, 2013 reporting date, restructuring costs and goodwill impairment accounted for the bulk of other operating income and expenses.

Restructuring costs primarily included 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.

An impairment loss of €8.0 million on goodwill allocated to the Fixed & Mobile Pte Ltd cash-generating unit, which belonged to Central Operations.

Other items included the €1.1 million reversal of an impairment loss on one of the Brazilian subsidiary's assets.

7. NET FINANCE COSTS

(in thousands of euros)	June 30, 2014	June 30, 2013
Interest on financial liabilities at amortized cost and bonds [1]	(13 567)	(10 902)
Interest expense on finance lease contracts	(109)	(253)
Total interest expense	**(13 676)**	**(11 155)**
Interest income from financial loan	266	-
Income from cash and cash equivalents	3 285	1 795
Interest income on finance lease contracts	1 792	1 747
Net interest expense	**(8 333)**	**(7 613)**
Foreign exchange gains	14 724	16 621
Foreign exchange losses	(14 155)	(16 161)
Foreign exchange gains and losses, net	**569**	**460**
Other financial income	285	84
Other financial expenses	(338)	(804)
Other financial income and expenses, net	**(53)**	**(720)**
Net finance costs	**(7 817)**	**(7 873)**

[1] includes €3,3 million of notional interests related to the "OCEANE" convertible bond in 2014 and €1,3 million related to the bond issued in May 2014 (€3,4 million of notional interests related to the "OCEANE" convertible bond in 2013).

The €13.6 million in interest expense as of June 30, 2014 was related primarily to the borrowings described in Note 12, Net Debt.

Interest income on finance lease contracts (where Ingenico is the lessor) mainly involved Ingenico Payment Services GmbH, Ingenico S.A. and Ingenico Italia Spa.

Interest income on loans was earned on a loan made by the Group to Fixed & Mobile Pte Ltd (Transfer To) when it sold part of its interest in this subsidiary in 2013.

Ingenico posted a net foreign exchange gain of €0.6 million. This was the result of gains and losses on remeasurement of loans and borrowings as well as on remeasurement of the related 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 2013 were broken down as follows:

The Group paid interest expense on the following borrowings:

- The syndicated loan facility set up in August 2011;
- New facilities put in place to finance the Ogone acquisition;
- A bond issue.

Interest expense on these borrowings totaled €10.8 million.

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

Ingenico posted a net foreign exchange gain of €0.5 million. This was the result of gains and losses on remeasurement of loans and borrowings as well as on remeasurement of the related 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.

8. INCOME TAX

Income tax expense for the period

(in thousands of euros)	June 30, 2014	June 30, 2013
Profit for the period (excl. Share of profit in equity-accounted investees)	**74 782**	**43 918**
Income tax expense	**(36 833)**	**(23 030)**
Profit before tax (excl. Share of profit in equity-accounted investees)	**111 615**	**66 948**
Effective tax rate	33,0%	34,4%

Income tax expense for the half year ended June 30, 2014 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 2014 to profit before tax, i.e., 33.0 percent, mainly reflects the following:

- Certain foreign subsidiaries are taxed at a lower rate than the parent company;
- The loss resulting of the wind-up of a foreign subsidiary is tax-deductible.

At the same time, classification of the CVAE as a current tax liability and non-recognition of a number of tax losses carried-forward have increased the effective tax rate.

The favorable ratio of income tax expense for the first half of 2013 to profit before tax, i.e., 34.4 percent, reflects the fact that certain foreign subsidiaries were taxed at a lower rate than the parent company, even though a non-tax-deductible impairment loss was recorded on goodwill allocated to the Fixed & Mobile Pte Ltd. CGU and the CVAE was classified as a current tax liability.

9. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill

(in thousands of euros)	June 30, 2014	Dec. 31, 2013
At beginning of the period	**849 321**	**551 176**
Investments	-	327 468
Impairment losses	-	(7 879)
Translation differences	1 492	(8 635)
Disposals	-	(12 809)
At end of period	**850 813**	**849 321**

Investments and divestitures during the period

No investments or divestitures were carried out during the period.

Impairment of intangible assets

The Group did not identify any indication that the goodwill and assets of the CGUs should be tested for an impairment as of June 30, 2014.

Breakdown of goodwill

Cash-generating units	June 30, 2014			Dec. 31, 2013 Restated			Dec. 31, 2013 Disclosed		
(in thousands of euros)	Gross carrying amount	Total impairment losses	Net carrying amount	Gross carrying amount	Total impairment losses	Net carrying amount	Gross carrying amount	Total impairment losses	Net carrying amount
SEPA	557 198	(2 209)	554 989	557 157	(2 168)	554 989	525 221	(2 264)	522 957
Asia-Pacific	59 275	(1)	59 274	59 526	(3)	59 523	59 526	(3)	59 523
North America	39 774	(21 392)	18 382	39 774	(21 392)	18 382	39 774	(21 392)	18 382
Latin America	5 141	-	5 141	4 734	-	4 734	4 734	-	4 734
EMEA	20 292	(96)	20 196	19 924	(96)	19 828	15 657	-	15 657
Central Operations	192 831	-	192 831	191 865	-	191 865	228 068	-	228 068
Total	**874 511**	**(23 698)**	**850 813**	**872 980**	**(23 659)**	**849 321**	**872 980**	**(23 659)**	**849 321**

During the first half of 2014, the Group reorganized its operating segments, as described in Note 5 “Segment reporting”. The reorganization had no impact on the net value of the goodwill.

The relevant amounts for the year ended December 31, 2013 have been restated to reflect this reorganization.

10. INVENTORIES

(in thousands of euros)	June 30, 2014	Dec. 31, 2013
Raw Materials and consumables	30 958	23 429
Finished products	103 771	97 757
Write-downs on raw materials and consumable	(11 562)	(8 039)
Write-downs on finished goods	(12 270)	(11 164)
Net	**110 897**	**101 983**

The increase in inventories was primarily attributable to efforts by the subsidiary Fujian Landi Commercial Equipment Co Ltd. in relation with sales growth.

11. SHARE CAPITAL OF THE PARENT COMPANY

Number of outstanding shares

	June 30, 2014	Dec. 31, 2013
Shares issued at January 1	**53 086 309**	**52 487 658**
Shares issued in connection with options exercised and dividend distributions (1)	398 304	598 651
Shares issued in connection with the conversion of OCEANE bonds (2)	277 707	-
Shares issued in connection with the capital increase reserved to employees	397 832	-
Shares issued at end of period	**54 160 152**	**53 086 309**
Treasury shares at end of period	**288 641**	**280 794**
Shares outstanding at end of period	**53 871 511**	**52 805 515**

(1) *In 2014, shares are only issued in connection with stock dividend distributions; see Consolidated statement of change in equity. In 2013, 581,967 shares were issued in connection with stock dividend distributions.*

(2) *Conversion of 273,603 bonds of the OCEANE Ingenico 2011/2017 bonds for 277,707 shares.*

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

Treasury shares

(in euros)	Jan. 1, 2014	Acquisitions	Disposals	June 30, 2014
Number of shares	280 794	694 143	(686 296)	288 641
Average purchase price	25,53	63,99	63,99	26,57
Total	**7 167 308**	**44 418 733**	**(43 915 819)**	**7 670 222**

Shares repurchased to be awarded or retired

The portfolio of treasury shares held to be awarded under free share programs or to reduce the share capital totaled 280,794 shares as of December 31, 2013.

The portfolio likewise totaled 280,794 shares as of June 30, 2014.

Shares repurchased under the liquidity contract

Ingenico held no shares under its liquidity contract as of December 31, 2013. As of June 30, 2014, the liquidity contract portfolio totaled 7,847 shares, representing a net acquisition of 7,847 shares.

Stock subscription option plans and free share awards

Free share awards

No new free share award program was set up in the first half of 2014.

Moreover, the vesting period for the free shares awarded in 2012 under the program set up in May 2012 expired on June 22, 2014. As a consequence, 63,000 shares were issued to the 68 remaining beneficiaries.

Lastly, a total of 5,500 free shares awarded in 2013 under the program set up in October 2013 were outstanding as of June 30, 2014. They involved six beneficiaries.

Joint investment plan

No new joint investment plan was set up in the first half of 2014.

Moreover, the vesting period for the free shares awarded in 2012 under the joint investment plan set up in May 2012 expired on June 22, 2014. As a consequence, 334,832 shares were issued to the 41 remaining beneficiaries.

Stock option plans

No stock option plan was set up in the first half of 2014.

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 and external performance will meet expectations. The IFRS 2 expense is remeasured on the basis of changes in the internal performance criteria and conditions of presence with the Company, at each reporting date.

Impact on financial statements

On the basis of the parameters used to calculate the fair value of share-based payments, the Group recognized an expense of €4.7 million in Profit from Ordinary Activities for the first half of 2014.

12. NET DEBT

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

(in thousands of euros)	June 30, 2014	Dec. 31, 2013
Cash and cash equivalents	661 421	352 107
Financial borrowings and debt	(912 754)	(648 488)
Net debt	**(251 333)**	**(296 381)**

Breakdown of borrowings and other 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, 2014	Dec. 31, 2013
Convertible bond (OCEANE)	221 068	227 098
Bond	449 500	-
Bank borrowings	139 684	328 035
Finance lease obligations	1 200	2 188
Other financial liabilities	3 147	3 105
Long-term loans and borrowings	**814 599**	**560 426**
Bank and similar borrowings	52 500	53 487
Finance lease obligations	1 047	1 804
Bank overdrafts and other financial liabilities	40 256	25 891
Accrued interest	4 352	6 880
Short-term loans and borrowings	**98 155**	**88 062**
Total financial borrowings and debt	**912 754**	**648 488**

As of June 30, 2014, short- and long-term bank borrowings totaled €912.8 million, including:

- €221.1 million in respect of an OCEANE convertible bond issued in March 2011;
- €449.5 million in respect of a new bond issued in May 2014 (see below “Bond issue”);
- €85.9 million in respect of the amortizing portion of the syndicated loan renegotiated in August 2011;
- €106.3 million in respect of the financing put in place in connection with the acquisition of Ogone;

- €4.4 million in interest accrued but not due on bonds.

Bank borrowings

In March 2013, in connection with the Ogone acquisition, an add-on to the syndicated loan facility set up in August 2011 was negotiated. The facility is now structured as follows:

- Two tranches totaling €350 million, repayable in installments; as a result of early redemption following the May 2014 bond issue, the outstanding amount as of June 30, 2014 was €162.2 million;
- A revolving tranche of €150 million, which had not been drawn upon as of June 30, 2014.

In March 2013, Ingenico S.A. also put in place a five-year €35 million bilateral revolving credit facility with a bank. €30 million was drawn down on this facility as of June 30, 2014.

The syndicated loan contracted in 2011 and the bilateral facility set up in March 2013 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 for the last 12 months:

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

There are also a number of standard legal covenants. The ratios had been met as of June 30, 2014.

Early redemption is possible at the initiative of Ingenico, or of the lenders.

Bank overdrafts

Bank overdrafts totaled €37.6 million, with Ingenico Payment Services GmbH accounting for €37.2 million of the total.

Bond issue

On May 20, 2014, Ingenico S.A. issued bonds that mature on May 20, 2021. The total principal amount of the issue is €450 million, or 4,500 bonds with a face value of €100,000. The bonds pay an annual coupon of 2.5 percent. The Group’s liability is measured at amortized cost, with bond issuance costs amortized in profit or loss over the life of the bond.

The bond issue was accompanied by an information memorandum approved by the *Autorité des Marchés Financiers* under visa number 14-210 on May 16, 2014.

Convertible bond issue

In 2011, Ingenico SA issued “OCEANE” bonds, i.e. convertible into and/or exchangeable for new or existing Ingenico 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 bonds, the interest rate 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.

During the first half of 2014, 273,603 bonds were converted into Ingenico shares at the request of bondholders. The Group has recorded a €9.4 million reduction in the related liability, in counterpart of an increase in equity.

13. DERIVATIVE FINANCIAL INSTRUMENTS

(in thousands of euros)	**June 30, 2014**	**Dec. 31, 2013**
Interest rate hedging instruments		
Current assets	2 740	-
Current liabilities	(2 764)	(3 414)
Foreign exchange hedging instruments		
Current assets	81	1 236
Current liabilities	(1 215)	(1 029)
Total	**(1 158)**	**(3 207)**

As of June 30, 2014, the Group’s exchange rate hedging instruments consisted of forward exchange contracts and swaps.

The interest rate hedging instruments used by the Group are swaps covering:

- Part of the amortizing portion of the syndicated loan negotiated in August 2011;
- Part of the May 2014 bond issue.

The fair market value of the Group’s hedging instruments as of June 30, 2014 showed an unrealized loss of €1.2 million, reflecting a loss of €3.3 million recognized in equity and a €2.1 million gain recorded in profit or loss.

14. RELATED PARTY TRANSACTIONS

Total compensation and benefits paid to the Management Board in the first half of 2014 and the first half of 2013 break down as follows.

	June 30, 2014		June 30, 2013	
(in thousands of euros)	Amounts due for the period	Amounts paid during the period	Amounts due for the period	Amounts paid during the period
Fixed compensation	1 945	1 986	2 139	2 203
Variable compensation	1 672	2 536	1 668	2 489
Benefits	89	89	93	93
Share based payment (service cost recognized)	1 072	-	1 473	-
Total	**4 778**	**4 611**	**5 373**	**4 785**

As recommended by the AMF *(Autorité des Marchés Financiers),* the note on executive compensation was recast in 2013 to provide disclosures that are both more detailed and more indicative of how the Company operates. Accordingly, it shows only the compensation and benefits paid to members of the Management Board, whose role is to set Group strategy, create the conditions for implementation of that strategy and ensure that objectives are met.

The reason why both fixed compensation and the share-based payments have decreased is that the Management Board went from 15 members in 2013 to 13 members in 2014.

15. PROVISIONS

(in thousands of euros)	**Balance as of Jan. 1, 2014**	Translation differences	Changes in consolidation scope	Additions	Reversals of amounts used	Reversal of unused amounts	Others movements	**Balance as of June 30, 2014**
Provisions for retirement benefit obliga	**11 423**	**(31)**	**-**	**558**	**(511)**	**-**	**-**	**11 439**
Provisions for warranties	12 455	110	-	6 073	(5 613)	(117)	71	12 979
Provisions for litigation and claims	8 017	98	-	1 141	(1 032)	-	264	8 488
Provisions for restructuring	1 207	(4)	-	93	(947)	(9)	-	340
Other provisions	8 891	69	-	4 094	(2 840)	(15)	187	10 386
Total other provisions	**30 570**	**273**	**-**	**11 401**	**(10 432)**	**(141)**	**522**	**32 193**

(i) Warranties

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

(ii) Litigation and claims

The Group is engaged in a number of claims and arbitration proceedings arising in connection with its business. The main legal disputes in which Ingenico is involved as the defendant are the following:

- 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 €69 million as of June 30, 2014 (covering principal from 2004 to 2009, interest and penalties). The "Tax War" currently pitting Brazilian States against each other may affect Ingenico as well as a large number of foreign and domestic companies. Against this background, the tax authorities 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. 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 as of June 30, 2014.

  All notified ICMS-related assessments are still being contested in the administrative courts in Brazil.

  As of June 30, 2014, Ingenico had not been notified of any final decision by the Brazilian administrative courts and consequently had not received any demand for payment.

- In parallel of 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 file 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., (iii) 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 Inc.

The amount of the loss they claim to have suffered has not yet been stated and will be determined by the jury appointed to rule on merits of their potential demands if the dispute proceeds further. As the dispute developed, the plaintiffs have increased their claims, and the defendants have responded with counterclaims, including a claim against Mr. Will Graylin to pay Roam Data Inc. and Ingenico Venture SAS an indemnity for failure to meet his obligations under the share sale agreement he entered into. The Group recognized a provision of €0.5 million as of June 30, 2014.

- In one commercial dispute, the Czech company, Bull s.r.o., sued Ingenico SA, its Czech subsidiary and the chief executive officer of the subsidiary in the Prague Municipal Court for unfair competition, claiming approximately €3.7 million in damages, additional compensation of approximately €1 million and a formal apology published in a local daily newspaper. The Court of first instance rejected Bull's claims on May 15, 2014. As Bull s.r.o. filed an appeal to this Court decision, the Group maintained a €1.1 million provision to cover the claim for damages to which Bull s.r.o. believes it is entitled. As of June 30, 2014, this provision is divided between Ingenico S.A. and Ingenico CZ s.r.o.
- The dispute with Mr. Bonnemoy, based on an allegedly abusive contract termination and the use of a seller's guarantee, as described in the 2009 Registration Document, was heard by the Court of Appeals in 2013. The Court did not recognize Ingenico's claim regarding the use of the seller's guarantee, but also dismissed Mr. Bonnemoy's claim of abusive termination of contract, and the latter has taken the case to the Cour de Cassation, France's highest court of appeal. Although Management does not believe that a possible ruling against Ingenico would by itself have a material impact on the Company's financial position or results, the Group has still recognized a provision of €0.9 million.

(iii) Other provisions

Other provisions include provisions for expenses incurred in the course of business (commitments made to suppliers to purchase inventories, customer quality risks, contract losses, customers' sales indemnities, etc.).

16. OTHER LIABILITIES

(in thousand of euros)	June 30, 2014	Dec. 31, 2013
Other liabilities	36 550	29 349
Deferred income	70 533	81 160
Total	**107 083**	**110 509**

The increase in other liabilities was mainly attributable to liquid investments related to the business activities of the subsidiary Tunz.com SA that do not meet the definition of cash or cash equivalents.

The other liabilities also include a liability of €10.8 million for the minority shareholder put options on the shares of Roam Data Inc.

The decrease in deferred income was due mainly to the recognition as revenue of amounts invoiced in 2013 by the subsidiary Fujian Landi Commercial Equipment Co Ltd.

17. OFF-BALANCE SHEET COMMITMENTS

As of June 30, 2014, Ingenico had the same kind of off-balance sheet commitments as at the December 31, 2013 reporting date.

18. FINANCIAL ASSETS AND LIABILITIES CLASSIFIED BY ACCOUNTING CATEGORY

Asset and liability categories (in thousands of euros)	Assets & liabilities measured at fair value through profit or loss	Loans and receivables	Liabilities at amortized cost	Liabilities measured at fair value through equity	Derivative instruments designated as cash flow hedge	Total net carrying amount	Fair value of the asset or liability category
	June 30, 2014						
Financial assets	-	8 871	-	-	-	8 871	8 871
Trade and other current receivables	-	393 255	-	-	-	393 255	393 255
Derivative financial instruments	2 806	-	-	-	15	2 821	2 821
Other non-current assets	-	26 560	-	-	-	26 560	26 560
Cash and cash equivalents	661 421	-	-	-	-	661 421	661 421
TOTAL FINANCIAL ASSETS	**664 227**	**428 686**	**-**	**-**	**15**	**1 092 928**	**1 092 928**
Convertible Bond (OCEANE) [1]	-	-	221 068	-	-	221 068	413 970
Bond	-	-	449 500	-	-	449 500	459 425
Long-term loans and borrowings	-	-	144 031	-	-	144 031	144 031
Other non-current liabilities	-	-	24 150	3 478	-	27 628	27 628
Short-term loans and borrowings	-	-	98 155	-	-	98 155	98 155
Trade payables and other current liabilities	-	-	346 614	10 804	-	357 418	357 418
Derivative financial instruments	688	-	-	-	3 291	3 979	3 979
TOTAL FINANCIAL LIABILITIES	**688**	**-**	**1 283 518**	**14 282**	**3 291**	**1 301 779**	**1 504 606**

[1] The fair value of the OCEANE convertible bond encompasses both its liability component and its equity component.

Asset and liability categories (in thousands of euros)	Assets & liabilities measured at fair value through profit or loss	Loans and receivables	Liabilities at amortized cost	Liabilities measured at fair value through equity	Derivative instruments designated as cash flow hedge	Total net carrying amount	Fair value of the asset or liability category
	Dec. 31, 2013						
Financial assets	-	8 902	-	-	-	8 902	8 902
Trade and other current receivables	-	346 607	-	-	-	346 607	346 607
Derivative financial instruments	532	-	-	-	704	1 236	1 236
Other non-current assets	-	23 977	-	-	-	23 977	23 977
Cash and cash equivalents	352 107	-	-	-	-	352 107	352 107
TOTAL FINANCIAL ASSETS	**352 639**	**379 486**	**-**	**-**	**704**	**732 829**	**732 829**
Convertible Bond (OCEANE) [1]	-	-	227 098	-	-	227 098	408 387
Long-term loans and borrowings	-	-	333 328	-	-	333 328	333 328
Other non-current liabilities	-	-	20 898	3 415	-	24 313	24 313
Short-term loans and borrowings	-	-	88 062	-	-	88 062	88 062
Trade payables and other current liabilities	-	-	328 973	10 513	-	339 486	339 486
Derivative financial instruments	674	-	-	-	3 769	4 443	4 443
TOTAL FINANCIAL LIABILITIES	**674**	**-**	**998 359**	**13 928**	**3 769**	**1 016 730**	**1 198 019**

[1] The fair value of the OCEANE convertible bond encompasses both its liability component and its equity component.

Fair value hierarchy

The objective criteria used for analyzing financial instruments by valuation method are based on the definition of fair value levels under IFRS 13.

Financial instruments carried at fair value subsequent to their recognition are:

- Assets and liabilities measured at fair value through profit or loss and equity;
- Available-for-sale assets;
- Derivative financial instruments designated as 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 2013 and 2014.

The Group did not make any transfers between levels from 2013 to 2014.

	June 30, 2014			
	Total	Level 1	Level 2	Level 3
Financial assets	8 871	-	8 871	-
Derivative financial instruments (1)	2 821	-	2 821	-
Cash and cash equivalents	661 421	661 421	-	-
TOTAL FINANCIAL ASSETS	**673 113**	**661 421**	**11 692**	**-**
Convertible bond (OCEANE)	413 970	413 970	-	-
Bond	459 425	459 425	-	-
Long-term loans and borrowings	144 031	-	144 031	-
Other non-current liabilities	3 478	-	-	3 478
Short-term loans and borrowings	98 155	-	98 155	-
Other current liabilities	36 554	-	19 462	17 092
Derivative financial instruments (1)	3 979	-	3 979	-
TOTAL FINANCIAL LIABILITIES	**1 159 592**	**873 395**	**265 627**	**20 570**

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

	Dec. 31, 2013			
	Total	Level 1	Level 2	Level 3
Financial assets	8 902	-	8 902	-
Derivative financial instruments (1)	1 236	-	1 236	-
Cash and cash equivalents	352 107	352 107	-	-
TOTAL FINANCIAL ASSETS	**362 245**	**352 107**	**10 138**	**-**
Convertible bond (OCEANE)	408 387	408 387	-	-
Long-term loans and borrowings	333 328	-	333 328	-
Other non-current liabilities	3 415	-	-	3 415
Short-term loans and borrowings	88 062	-	88 062	-
Other current liabilities	29 349	-	13 764	15 585
Derivative financial instruments (1)	4 443	-	4 443	-
TOTAL FINANCIAL LIABILITIES	**866 984**	**408 387**	**439 597**	**19 000**

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

Financial assets and liabilities on Level 2 are accounted for by category: derivative financial instruments are measured at fair value, borrowings at amortized cost and all other assets and liabilities at contract value.

Other current liabilities on Level 3 include the Group's liability for a put option held by Mr. Will Graylin, a minority shareholder of Roam Data Inc. The adversarial valuation process for the shares held by Mr. Graylin, which allowed the appointment of a maximum of three experts, was completed in 2013. Accordingly, the liability arising from the potential exercise of this put option has been measured based on the reports of the three experts. A new valuation has been requested in 2014; the results are expected in the second half of the year.

They also include the liability for earn-out in connection with the acquisition of Ingenico Payment Systems LLC, measured on the basis of discounted future cash flows, according to the contractual agreements with the sellers of this company.

Other non-current liabilities on Level 3 include a liability in relation to the minority shareholder of Ingenico Holding Asia Ltd. The latter holds 1.16 percent of this entity's share capital and a put option on all of his shares. This liability has been recognized at fair value, based on a multiple of EBIT.

19. SUBSEQUENT EVENTS

In a press release dated July 2, 2014, Ingenico announced its entry into exclusive negotiation to acquire full ownership of GlobalCollect from that company's existing shareholders, led by Welsh, Carson, Anderson & Stowe, for an enterprise value of €820 million.

Based in Amsterdam, in the Netherlands, with a global workforce of over 500, GlobalCollect has developed recognized payment service expertise, particularly in processing cross-border e-commerce payments.

Ingenico expects to finance the acquisition with a combination of €220 million in cash on hand and €600 million under bank credit facilities.

The deal is expected to close early in the fourth quarter of 2014, subject to approval from the relevant regulatory and antitrust authorities.

Also on July 2, 2014, Ingenico received a request for conversion of 377,774 OCEANE bonds into 383,439 shares. The effect of this conversion was to reduce the Group's outstanding liability by €13 million and increase its equity for the same amount.

Lastly, on July 29, 2014, the Group set up a new credit facility for €600 million with a maturity of 5 years, in connection with the negotiations to acquire GlobalCollect. The credit facility is set up but no draw down was made yet. At the same time, the Group fully reimbursed the syndicated loan facility set up in August 2011 and the bilateral revolving credit facility set up in 2013. This reimbursement reduced the financial debt by €192.2 million.

2/ Interim Management Report

The interim 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.

The main financial data for 2014 is discussed on an adjusted basis, i.e., before Purchase Price Allocation (PPA).

To facilitate the assessment of Ingenico Group's performance as of January 1st 2014, revenue and key financial figures for 2013 have been restated from January 1, 2013 to reflect TransferTo divestiture carried out in 2013 and the new organization within operational divisions ("pro forma 2013") and presented on an adjusted basis (before Purchase Price Allocation)

Following IAS 18, revenue from certain activities related to transaction services operated by the Group ("Credit Acquiring" of Ingenico Payment Services) is presented gross without deducting interchange fees paid by this activity.

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.

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)	H1'14	H1'13 pro forma[1]	H1'13 reported
Revenue	703	618	656
Adjusted gross profit	325	274	277
As a % of revenue	*46.2%*	*44.4%*	*42.2%*
Adjusted operating expenses	(190)	(172)	(174)
Profit from ordinary activities, adjusted (EBIT)	135	102	103
As a % of revenue	*19.3%*	*16.5%*	*15.7%*
Profit from operating activities	119	82	75
Net profit	75	48	44
Net profit attributable to shareholders	75	49	45
EBITDA	158	121	122
As a % of revenue	*22.4%*	*19.6%*	*18.6%*

Free cash flow	59	-	46
Net debt	251	-	414
Equity attributable to shareholders	838	-	715

[1] *The pro forma data does not include the contribution of TransferTo, an entity disposed of in December 2013*

2.1 Financial data

Revenue

	H1 2014			Q2 2014		
	€M	Change 2014/2013		€M	Change 2014/2013	
		Comparable*[2]	Reported		Comparable*[2]	Reported
Europe-SEPA	277	9%	-2%**	143	9%	-5%**
Asia Pacific	132	27%	21%	74	27%	19%
Latin America	94	7%	-8%	49	5%	-8%
North America	74	57%	45%	43	54%	43%
EMEA	121	32%	112%	66	28%	113%
Central Operations	5	55%	-91%**	3	92%	-89%**
Total	703	20%	7%	378	20%	7%

** Reflecting the new regional breakdown and the disposal of TransferTo as of January 1, 2013*

*** Based on 2013 revenue including the contribution of Italy and Eastern Europe in Europe-SEPA and of TransferTo (disposed of in December 2013) in Central Operations*

<u>Performance in the first half</u>

In the first half of 2014, revenue totaled €703 million, representing a 7 percent increase on a reported basis and included a negative foreign exchange impact of €37 million. Total revenue included €585 million generated by the Payment Terminal business (equipment, services, and maintenance) and €118 million generated by Transaction Services.

On a comparable basis,[1] revenue growth was 20 percent over H1 2013, driven by double-digit growth in both segments. Performance in Payment Terminals (up 21 percent) was fostered by accelerated order deliveries, for example in Canada and Italy. Revenue growth in Ingenico's Transaction Services business also recorded a 5-point increase to 14 percent, thanks to good results for in-store and online payment solutions.

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

All regions contributed to the Group's overall performance. In Europe-SEPA, Ingenico Group has deployed its payment service strategy – in-store, on-line and mobile –most specifically through on-line business Ingenico Payment Services (Ogone), which generated 25-percent growth.

As anticipated, the Group has grown at an accelerated pace in North America (57 percent) driven by Ingenico Group's active involvement with EMV payment solutions in the United States and delivery ahead of schedule of a large order for Moneris in Canada.

In the emerging countries, Ingenico Group has continued to enjoy strong, double-digit revenue growth, confirming its leadership in key markets such as China and Brazil. Strong growth also continued in other emerging markets through greater direct presence (particularly in Mexico, Indonesia and Russia) and an increasingly scalable commercial network, notably in the EMEA region.

Increase in gross profit

On a reported basis, adjusted gross profit totaled €325 million compared with €277 million in H1 2013. Gross margin was up 400 basis points to 46.2 percent of revenue mainly driven by an increase in gross margin in Payment Terminals (equipment, services and maintenance).

On a pro forma basis[1], adjusted gross profit totaled €325 million, a 19-percent increase compared with H1 2013 and gross margin increased by 180 basis points to 46.2 percent of revenue.

This performance is mainly driven by a 280 basis-point increase in gross margin in Payment Terminals (equipment, services and maintenance) to 47.7 percent of revenue in H1 2014, supported by a combination of outstanding growth in this segment and a favorable product and geography mix.

Gross margin in Transaction Services was equal to 39.2 percent of revenue, versus 41.7 percent in H1 2013 on a pro forma basis.[1] This change is attributable to the Group's investment in the Ingenico Payment Services (Ogone) operational platforms and to the dilutive effect on margins of its business mix in Germany.

Operating expenses under control

Reported operating expenses stood at €203 million in first half of 2014 compared with €189 million in H1 2013 and represented 28.9% of revenue.

(in millions of euros)	H1 2013 reported	H1 2014 reported	Restatement related to depreciation & amortization	H1 2014 Adjusted
Sales & Marketing	70	76	(11)	65
Research & Development	50	50	(2)	48
General & Administrative	69	77	-	77
Total operating expenses	189	203	(13)	190
As a % of revenue	28.8%	28.9%		27.0%

After accounting for Purchase Price Allocation expenses of €13 million, adjusted operating expenses increased 10 percent to a total of €190 million in H1 2014 compared with €174 million in H1 2013 reported and €172 million in pro forma[1]. They represented 27 percent of revenue, compared with 26.5% in H1 2013 reported and 27.9% in H1 2013 on a pro forma[1]basis. This increase was primarily due to higher sales and general and administrative expenses as a result of strong Group's performance. Ingenico Group has continued to invest in future sources of growth, particularly in R&D, with the roll-out of the new Telium3 platform, an investment that was partially capitalized.

The Group plans to accelerate its investments in the second half of 2014 and expects operating expenses to rise in absolute terms.

EBITDA margin up to 22.4 percent of revenue

On a reported basis, EBITDA increased by 30 percent to €158 million compared with €122 million in H1 2013. The EBITDA margin increased by 380 basis points to 22.4 percent of revenue.

On a pro forma[1]basis, EBITDA increased by 31 percent to €158 million, up from €121 million in H1 2013 pro forma[1]. The EBITDA margin increased by 280 basis points to 22.4 percent of revenue.

Increase in EBIT margin

During the first half of 2014, profit from ordinary activities increased by 39 percent to €122 million compared with €88 million in the first half of 2013. Operating margin increased by 390 basis points to 17.3 percent of revenue. Profit from ordinary activities included Purchase Price Allocation expenses of €13 million (as against €15 million in H1 2013).

Impact of purchase of price allocation (PPA)

(in millions of euros)	H1'14 reported	PPA Impact	H1'14 excl. PPA
Gross Profit	325	(-)	325
Operating expenses	(203)	(13)	(190)
Profit from ordinary activities	122	(13)	135

In the first half of 2014, EBIT increased by 31 percent on a reported basis and by 32 percent on a pro forma[1] basis to €135 million compared with €103 million in H1 2013 reported and €102 million in H1 2013 pro forma[1]. The EBIT margin was 19.3 percent of revenue, up 360 basis point on a reported basis and up 280 basis point on pro forma[1] basis.

Increase in profit from operations

Other operating income and expenses represented a net expense of €2 million, down from €5 million in H1 2013 on a pro forma basis [1].

On a reported basis, net expense in H1 2013 was €13 million, including a non-recurring €8 million partial impairment loss on TransferTo goodwill and expenses of €5 million from acquisition and divestiture (Ogone in particular).

(in millions of euros)	H1 2014	H1 2013 Pro forma[1]	H1 2013 reported
Profit from ordinary activities	122	87	88
Other income & expenses	(2)	(5)	(13)
Profit from operations	119	82	75
As a % of revenue	16.9%	13.3%	11.4%

After accounting for other operating income and expenses, on a reported basis, profit from operations was up 59 percent to €119 million from €75 million in the first half of 2013. Operating margin increased by 550 basis points.

On a pro forma[1] basis, profit from operations amounted for €119 million, a 45-percent increase compared with the €82 million pro forma figure for H1 2013[1]. Operating margin increased by 360 basis points to 16.9 percent of revenue.

Reconciliation of profit from ordinary activities to EBITDA

(in millions of euros)	H1'14	H1'13 pro forma[1]	H1'13 reported
Profit from ordinary activities	122	87	88
Allocated assets amortization	13	15	15
EBIT	135	102	103
Other D&A and changes in provisions	18	15	15
Share based payment expenses	5	4	4
EBITDA	158	121	122

Financial results

(in millions of euros)	H1'14	H1'13 Pro forma[1]	H1'13 reported
Interest expenses	(14)	(11)	(11)
Income from cash and cash equivalents	5	3	3
Net finance costs	(9)	(8)	(8)
Foreign exchange gains/(losses)	1	1	1
Other financial income	-	(1)	(1)
Financial result	(8)	(8)	(8)

Increase in profit attributable to shareholders

(in millions of euros)	H1'14	H1'13 Pro forma[1]	H1'13 Reported
Profit from ordinary activities	119	82	75
Financial result	(8)	(8)	(8)
Share of profit of equity-accounted investees	(0)	(0)	(0)
Profit before income tax	112	74	67
Income tax	(37)	(26)	(23)
Net profit	75	48	44
Net profit attributable to shareholders	75	49	45

In the first half of 2014, net profit attributable to Ingenico S.A. shareholders increased significantly to €75 million, compared with €49 million in H1 2013 on a pro forma basis[1] and €45 million on a reported basis.

This result includes net finance costs of €8 million.

Income tax expense increased to €37 million from €26 million in H1 2013 pro forma[1] and from €23 million on a reported basis. As of June 30, 2014, the effective tax rate was estimated to 33 percent, which was in line with the rate for 2013.

A continued sound financial position

Total equity attributable to Ingenico S.A. shareholders was €838 million.

During the first half of 2014, Ingenico Group's operations generated free cash flow of €59 million, up from €46 million in the first half of 2013. This reflected a significant increase in EBITDA, along with a negative change in working capital of €42 million that was mainly attributable to strong sales performance in the second quarter. At the same time, Ingenico Group continued to invest to support the Group's expansion, with investing activities net of disposals totaling €21 million.

The cash dividend paid for 2013 was €20 million, whereas 53.5 percent of the voting rights chose dividend paid in share (398,304 shares), reflecting strong shareholder confidence.

Accordingly, as of June 30, 2014, the Group's net debt stood at €251 million, down from €296 million as of December 31, 2013.

On May 20, 2014, Ingenico Group issued a 7-year fixed-rate bond (with a coupon of 2.50 percent) with a total issue amount of €450 million.

Ingenico Group's financial ratios as of June 30, 2014 demonstrated the Group's sound financial position. Net debt-to-equity ratio stood at 30 percent, while the net debt-to-EBITDA ratio was 0.8x.

2.2 Subsequent events as of June 30, 2014

See Note 19 « Subsequent events » in the notes to the interim consolidated financial statements.

2.3 Principal risks and uncertainties in 2014 second half

In second half of 2014, Ingenico Group faces the same risks as described in the 2013 registration document (*Document de Référence*).

2.4 Related-party transactions

In the first half of 2014, there were no material transactions liable to be considered new regulated agreements (See Note 14 in the notes to the interim consolidated financial statements).

2.5 2014 Outlook

During the first half 2014, the Group has achieved an outstanding performance in Payment Terminals, driven notably by the acceleration of order deployment and therefore expects lower seasonal difference in revenue and EBITDA margin between the first and second halves than in previous years.

In this context, the Group has raised its revenue guidance for 2014 with organic growth now expected between 14 and 16 percent based on a 2013 pro forma revenue of €1,301 million (excluding the contribution of TransferTo, disposed of on December 1, 2013) versus between 10 and 15 percent as previously announced.

The Group has raised its outlook for EBITDA margin, which is now expected to be between 21.5 and 22.5 percent, compared with greater or equal to 21 percent as previously stated. Ingenico Group intends to accelerate its investments in the second half of 2014 in future sources of growth to keep the pace with a rapidly evolving market.

2.6 Trends

In a fast-moving payment market with in-depth evolutions, Ingenico Group 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 Group 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 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 Group has defined its 2016 financial targets to sustain profitable growth, with revenue over € 1.8 billion [3] while improving its operational performance with an EBITDA margin above 20%.

In the first half of the year, the group unveiled a new corporate brand platform that reflects both our profile evolution from a payment terminals provider to a seamless payment services provider and our ambition. It relies on three strategic pillars: Smart Terminals,

[3] At comparable FX (euro versus other currencies)

Payment Services and Mobile Solutions. Ingenico will now operate under the new dedicated corporate brand name “Ingenico Group”.
This new positioning is encapsulated into the Group’s new tagline : “global leader in seamless payment”, which demonstrates Ingenico Group’s brand promise to provide smart, trusted and secure solutions whatever the channel, empowering in-store, on-line and mobile commerce.

The acquisition of GlobalCollect recently announced (see Note “Subsequent events”) is also expected to accelerate global implementation of our payment service strategy.

3/ Attestation of the party responsible for the condensed interim 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 the H1 2014 condensed 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: €.54 543 591

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

For the six-month period ended 30 June 2014

To the Shareholders,

In compliance with the assignment entrusted to us by your shareholders' meeting and in accordance with the requirements of 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 consolidated financial statements of Ingenico S.A. for the six-month period ended 30 June 2014 ;
- the verification of information contained in the half-yearly 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 condensed 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 2014.

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, 30 July 2014

KPMG Audit IS

Jean-Pierre Valensi

Partner

MAZARS

Thierry Blanchetier

Partner

Ariane Mignon

Partner